

RESERVE STUDY

PREPARED FOR:

Ocean East Beach Club Association, Inc.

Ormond Beach, FL



For The Period Beginning January 1, 2025

PREPARED BY:



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Attention: **Board of Directors**
Property: **Ocean East Beach Club Association, Inc.**
Location: **867 S Atlantic Ave, Ormond Beach, Florida**
Service: **Traditional Reserve Study**
Period: **Beginning January 1, 2025**

November 12, 2024

Dear Board of Directors of Ocean East Beach Club Association, Inc. :

At the direction of the Board and management of Ocean East Beach Club Association, Inc. ,

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

This study is based on an on-site analysis. The on-site analysis of Ocean East Beach Club Association, Inc. upon which this study is based was performed by of Stone Building Solutions.

The effective date of this report is the date of inspection, June 27, 2024

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

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

Respectfully submitted,

Stone Building Solutions

Morgan Holmberg

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Reserve Analyst

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Executive Summary

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

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

Ocean East Beach Club Association, Inc. has 5814 Unit/Weeks. This study is for the fiscal year starting January 1, 2025, and ending December 31, 2025.

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

As of January 1, 2025, the estimated unaudited reserve fund balance is **\$879,061**

The estimated *current replacement* cost of the reserve items is **\$5,098,317**

The estimated *inflated replacement* cost of the reserve items is **\$13,071,350**

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

The 30-Year Funding Plan is an approach to determine reserve contributions in a way that balances the annual expenses from the reserve fund. This analysis takes into account future replacement costs for reserve components as they come due for replacement, acknowledges construction cost increases, and considers interest income generated by reserve accounts. By pooling funds from initial balances, a yearly contribution rate is calculated to ensure a positive cash flow throughout the analysis period. This funding plan **requires annual 2% increases** to Reserve Contributions over the projected period.

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

Recommended annual contribution:	\$340,000
Recommended annual contribution per unit:	\$58
First Year monthly contribution per unit:	\$5
Average monthly contribution per unit (Over 30 Years):	\$7



Cost Evaluation

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

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



Expenditures

Individual Elements

NAME	NEXT ACTIVITY	EST LIFE	ADJ LIFE	REM USEFUL LIFE	UNIT COST	QTY	YEAR 1 REPLACEMENT COST
Access Control, Barrier Gate Operators: Common	01/01/2034	15y	12y	9y	\$6,150.00	2 Ea	\$12,300
Asphalt Pavement, Mill & Overlay: Common	01/01/2030	25y	25y	5y	\$13.838	6,000 SY	\$83,028
Asphalt Pavement, Patch, Stripe & Sealcoat: Common	01/01/2026	5y	5y	1y	\$0.236	54,000 SF	\$12,744
Awnings, Canvas & Metal Frame: Common	01/01/2035	20y	20y	10y	\$37.925	260 SF	\$9,860
Clothes Dryer, Laundry - Guest: Common	01/01/2030	10y	10y	5y	\$1,845.00	8 Ea	\$14,760
Clothes Dryer, Laundry - Resort: Common	01/01/2030	12y	12y	5y	\$6,662.50	3 Ea	\$19,988
Clothes Washer, Laundry - Guest : Common	01/01/2030	10y	10y	5y	\$2,152.50	8 Ea	\$17,220
Clothes Washer, Laundry - Resort: Common	01/01/2033	13y	15y	8y	\$12,300.00	2 Ea	\$24,600
Elevator Cabs, Refurbish: Common	01/01/2030	20y	8y	5y	\$12,812.50	2 Ea	\$25,625
Elevators, 4-Stop, Traction, Modernization : Common	01/01/2050	30y	30y	25y	\$115,825.00	2 Ea	\$231,650
Fence, 4' Aluminum Picket: Common	01/01/2050	30y	30y	25y	\$57.40	295 LF	\$16,933
Fence, 6' Vinyl, Privacy: Common	01/01/2040	30y	30y	15y	\$63.304	565 LF	\$35,767
Flooring, Carpet: Common	01/01/2032	10y	10y	7y	\$56.375	6,582 SY	\$371,060
Flooring, Tile: Common	01/01/2035	35y	35y	10y	\$15.375	2,300 SF	\$35,362
Flooring, Vinyl Tile: Common	01/01/2037	15y	15y	12y	\$6.57	4,540 SF	\$29,828
Furniture, Outdoor: Common	01/01/2032	10y	10y	7y	\$15,375.00	1 Allow	\$15,375
Garage Doors, Roll-Up & Openers: Common	01/01/2030	25y	25y	5y	\$37.269	130 SF	\$4,845
Gutters & Downspouts, 6" Aluminum: Common	01/01/2040	30y	30y	15y	\$13.838	1,200 LF	\$16,606
Interior Renovation, Game Room: Common	01/01/2025	13y	3y	0y	\$35,875.00	1 Allow	\$35,875

NAME	NEXT ACTIVITY	EST LIFE	ADJ LIFE	REM USEFUL LIFE	UNIT COST	QTY	YEAR 1 REPLACEMENT COST
Interior Renovation, Lobby: Common	01/01/2047	25y	25y	22y	\$76,875.00	1 Allow	\$76,875
Interior Renovation, Restrooms: Common	01/01/2041	25y	25y	16y	\$6,662.50	2 Allow	\$13,325
Interior Renovations, Unit, Interior Appliances: 1-Bed Room	01/01/2030	10y	10y	5y	\$4,612.50	7 Allow	\$32,288
Interior Renovations, Unit, Interior Appliances: 2-Bed Room	01/01/2032	10y	10y	7y	\$4,612.50	35 Allow	\$161,438
Interior Renovations, Unit, Interior Appliances: Studio	01/01/2028	10y	10y	3y	\$4,612.50	72 Allow	\$332,100
Interior Renovations, Unit, Interior Furniture: 1-Bed Room	01/01/2033	12y	12y	8y	\$6,662.50	7 Allow	\$46,638
Interior Renovations, Unit, Interior Furniture: 2-Bed Room	01/01/2035	12y	12y	10y	\$6,662.50	35 Allow	\$233,188
Interior Renovations, Unit, Interior Furniture: Studio	01/01/2031	12y	12y	6y	\$6,662.50	72 Allow	\$479,700
Interior Renovations, Unit, Interior Remodeling - Bathrooms: 1-Bed Room	01/01/2031	15y	15y	6y	\$7,687.50	7 Allow	\$53,812
Interior Renovations, Unit, Interior Remodeling - Bathrooms: 2-Bed Room	01/01/2033	15y	15y	8y	\$7,687.50	35 Allow	\$269,062
Interior Renovations, Unit, Interior Remodeling - Bathrooms: Studio	01/01/2029	15y	15y	4y	\$7,687.50	72 Allow	\$553,500
Interior Renovations, Unit, Interior Remodeling - Kitchens: 1-Bed Room	01/01/2035	20y	20y	10y	\$12,300.00	7 Allow	\$86,100
Interior Renovations, Unit, Interior Remodeling - Kitchens: 2-Bed Room	01/01/2037	20y	20y	12y	\$12,300.00	35 Allow	\$430,500
Interior Renovations, Unit, Interior Remodeling - Kitchens: Studio	01/01/2036	20y	20y	11y	\$12,300.00	72 Allow	\$885,600
Light Fixtures, Post & Single Globe, 10': Common	01/01/2030	20y	20y	5y	\$1,153.125	5 Ea	\$5,766
Monuments, Entry Signage, Refurbish: Common	01/01/2031	16y	16y	6y	\$15,887.50	1 Allow	\$15,888
Pavers, Concrete, Walkways: Common	01/01/2055	35y	35y	30y	\$15.375	760 SF	\$11,685
Pool Collector Tank & Equipment (Vak-Pak): Common	01/01/2040	40y	40y	15y	\$35,875.00	1.50 Ea	\$53,812
Pool Deck, Concrete Pavers: Common	01/01/2047	25y	25y	22y	\$15.375	10,810 SF	\$166,204
Pool Fence, 4' Aluminum Picket: Common	01/01/2040	30y	30y	15y	\$49.20	665 LF	\$32,718
Pool Furniture, Replace: Common	01/01/2034	12y	12y	9y	\$35,875.00	1 Allow	\$35,875
Pool/Spa Finish & Border Tiles: Kiddie Pool	01/01/2032	12y	12y	7y	\$17.364	270 LS	\$4,688

NAME	NEXT ACTIVITY	EST LIFE	ADJ LIFE	REM USEFUL LIFE	UNIT COST	QTY	YEAR 1 REPLACEMENT COST
Pool/Spa Finish & Border Tiles: Pool	01/01/2032	12y	12y	7y	\$17.364	2,167 LS	\$37,628
Pool/Spa Finish & Border Tiles: Pool 2	01/01/2032	12y	12y	7y	\$17.364	326 LS	\$5,661
Pool/Spa Heater, Gas, 399K BTU: Common	01/01/2030	10y	10y	5y	\$6,662.50	2 Ea	\$13,325
Shed, 20x10: Common	01/01/2030	20y	20y	5y	\$12,300.00	3 Ea	\$36,900
Shuffleboard Courts, Replacement: Common	01/01/2040	40y	40y	15y	\$7,687.50	1 Ea	\$7,688
Sidewalks, Concrete: Common	01/01/2030	10y	10y	5y	\$12.782	229 SF	\$2,927

\$5,098,317



Critical Expenditure Planning (3-Year Outlook)

LOCATION RESERVE ITEM	2025	2026	2027
Building Service Components			
Total Building Service Components			
Exterior Building Components			
Total Exterior Building Components			
Interior Building Components			
Interior Renovation, Game Room: Common	\$35,875		
Total Interior Building Components	\$35,875		
Pool Facility Components			
Total Pool Facility Components			
Property Site Components			
Asphalt Pavement, Patch, Stripe & Sealcoat: Common		\$13,068	
Total Property Site Components		\$13,068	
Total	\$35,875	\$13,068	



Expenditures (By Year)

NAME	UNIT COST	QTY.	FUTURE COST	USEFUL LIFE	NEXT ACTIVITY
2025 (Year 1)					
Interior Renovation, Game Room: Common	\$35,875.00	1 Allow	\$35,875	3y	2038
2025 (Year 1) Total			\$35,875		
2026 (Year 2)					
Asphalt Pavement, Patch, Stripe & Sealcoat: Common	\$0.242	54,000 SF	\$13,068	5y	2031
2026 (Year 2) Total			\$13,068		
2027 (Year 3)					
2027 (Year 3) Total			\$0		
2028 (Year 4)					
Interior Renovations, Unit, Interior Appliances: Studio	\$4,967.158	72 Allow	\$357,635	10y	2030
2028 (Year 4) Total			\$357,635		
2029 (Year 5)					
Interior Renovations, Unit, Interior Remodeling - Bathrooms: Studio	\$8,485.562	72 Allow	\$610,960	15y	2031
2029 (Year 5) Total			\$610,960		
2030 (Year 6)					
Asphalt Pavement, Mill & Overlay: Common	\$15.656	6,000 SY	\$93,936	25y	N/A
Clothes Dryer, Laundry - Guest: Common	\$2,087.448	8 Ea	\$16,700	10y	2040
Clothes Dryer, Laundry - Resort: Common	\$7,538.007	3 Ea	\$22,614	12y	2042
Clothes Washer, Laundry - Guest : Common	\$2,435.356	8 Ea	\$19,483	10y	2040

NAME	UNIT COST	QTY.	FUTURE COST	USEFUL LIFE	NEXT ACTIVITY
Elevator Cabs, Refurbish: Common	\$14,496.17	2 Ea	\$28,992	20y	2050
Garage Doors, Roll-Up & Openers: Common	\$42.166	130 SF	\$5,482	25y	N/A
Interior Renovations, Unit, Interior Appliances: 1-Bed Room	\$5,218.62	7 Allow	\$36,530	10y	2032
Light Fixtures, Post & Single Globe, 10': Common	\$1,304.656	5 Ea	\$6,523	20y	2050
Pool/Spa Heater, Gas, 399K BTU: Common	\$7,538.005	2 Ea	\$15,076	10y	2040
Shed, 20x10: Common	\$13,916.32	3 Ea	\$41,749	20y	2050
Sidewalks, Concrete: Common	\$14.462	229 SF	\$3,312	10y	2040
2030 (Year 6) Total			\$290,397		
2031 (Year 7)					
Asphalt Pavement, Patch, Stripe & Sealcoat: Common	\$0.274	54,000 SF	\$14,796	5y	2036
Interior Renovations, Unit, Interior Furniture: Studio	\$7,726.457	72 Allow	\$556,305	12y	2033
Interior Renovations, Unit, Interior Remodeling - Bathrooms: 1-Bed Room	\$8,915.143	7 Allow	\$62,406	15y	2033
Monuments, Entry Signage, Refurbish: Common	\$18,424.63	1 Allow	\$18,425	16y	2047
2031 (Year 7) Total			\$651,932		
2032 (Year 8)					
Flooring, Carpet: Common	\$67.012	6,582 SY	\$441,073	10y	2042
Furniture, Outdoor: Common	\$18,276.04	1 Allow	\$18,276	10y	2042
Interior Renovations, Unit, Interior Appliances: 2-Bed Room	\$5,482.813	35 Allow	\$191,898	10y	2038
Pool/Spa Finish & Border Tiles: Kiddie Pool	\$20.64	270 LS	\$5,573	12y	2044
Pool/Spa Finish & Border Tiles: Pool	\$20.64	2,167 LS	\$44,727	12y	2044
Pool/Spa Finish & Border Tiles: Pool 2	\$20.64	326 LS	\$6,729	12y	2044
2032 (Year 8) Total			\$708,276		
2033 (Year 9)					

NAME	UNIT COST	QTY.	FUTURE COST	USEFUL LIFE	NEXT ACTIVITY
Clothes Washer, Laundry - Resort: Common	\$14,986.355	2 Ea	\$29,973	13y	2046
Interior Renovations, Unit, Interior Furniture: 1-Bed Room	\$8,117.609	7 Allow	\$56,823	12y	2035
Interior Renovations, Unit, Interior Remodeling - Bathrooms: 2-Bed Room	\$9,366.472	35 Allow	\$327,827	15y	2044
2033 (Year 9) Total			\$414,622		
2034 (Year 10)					
Access Control, Barrier Gate Operators: Common	\$7,680.505	2 Ea	\$15,361	15y	2049
Pool Furniture, Replace: Common	\$44,802.96	1 Allow	\$44,803	12y	2046
2034 (Year 10) Total			\$60,164		
2035 (Year 11)					
Awnings, Canvas & Metal Frame: Common	\$48.547	260 SF	\$12,622	20y	N/A
Flooring, Tile: Common	\$19.681	2,300 SF	\$45,266	35y	N/A
Interior Renovations, Unit, Interior Furniture: 2-Bed Room	\$8,528.563	35 Allow	\$298,500	12y	2043
Interior Renovations, Unit, Interior Remodeling - Kitchens: 1-Bed Room	\$15,745.04	7 Allow	\$110,215	20y	2036
2035 (Year 11) Total			\$466,604		
2036 (Year 12)					
Asphalt Pavement, Patch, Stripe & Sealcoat: Common	\$0.31	54,000 SF	\$16,740	5y	2041
Interior Renovations, Unit, Interior Remodeling - Kitchens: Studio	\$16,138.666	72 Allow	\$1,161,984	20y	2037
2036 (Year 12) Total			\$1,178,724		
2037 (Year 13)					
Flooring, Vinyl Tile: Common	\$8.836	4,540 SF	\$40,115	15y	2052
Interior Renovations, Unit, Interior Remodeling - Kitchens: 2-Bed Room	\$16,542.133	35 Allow	\$578,975	20y	N/A
2037 (Year 13) Total			\$619,090		
2038 (Year 14)					
Interior Renovation, Game Room: Common	\$49,454.08	1 Allow	\$49,454	13y	2051

NAME	UNIT COST	QTY.	FUTURE COST	USEFUL LIFE	NEXT ACTIVITY
Interior Renovations, Unit, Interior Appliances: Studio	\$6,358.382	72 Allow	\$457,804	10y	2040
2038 (Year 14) Total			\$507,258		
2039 (Year 15)					
2039 (Year 15) Total			\$0		
2040 (Year 16)					
Clothes Dryer, Laundry - Guest: Common	\$2,672.11	8 Ea	\$21,377	10y	2050
Clothes Washer, Laundry - Guest : Common	\$3,117.462	8 Ea	\$24,940	10y	2050
Fence, 6' Vinyl, Privacy: Common	\$91.683	565 LF	\$51,801	30y	N/A
Gutters & Downspouts, 6" Aluminum: Common	\$20.042	1,200 LF	\$24,050	30y	N/A
Interior Renovations, Unit, Interior Appliances: 1-Bed Room	\$6,680.274	7 Allow	\$46,762	10y	2042
Pool Collector Tank & Equipment (Vak-Pak): Common	\$51,957.70	1.50 Ea	\$77,937	40y	N/A
Pool Fence, 4' Aluminum Picket: Common	\$71.256	665 LF	\$47,385	30y	N/A
Pool/Spa Heater, Gas, 399K BTU: Common	\$9,649.285	2 Ea	\$19,299	10y	2050
Shuffleboard Courts, Replacement: Common	\$11,133.79	1 Ea	\$11,134	40y	N/A
Sidewalks, Concrete: Common	\$18.512	229 SF	\$4,239	10y	2050
2040 (Year 16) Total			\$328,923		
2041 (Year 17)					
Asphalt Pavement, Patch, Stripe & Sealcoat: Common	\$0.35	54,000 SF	\$18,900	5y	2046
Interior Renovation, Restrooms: Common	\$9,890.52	2 Allow	\$19,781	25y	N/A
2041 (Year 17) Total			\$38,681		
2042 (Year 18)					
Clothes Dryer, Laundry - Resort: Common	\$10,137.783	3 Ea	\$30,413	12y	2054
Flooring, Carpet: Common	\$85.781	6,582 SY	\$564,611	10y	2052
Furniture, Outdoor: Common	\$23,394.88	1 Allow	\$23,395	10y	2052

NAME	UNIT COST	QTY.	FUTURE COST	USEFUL LIFE	NEXT ACTIVITY
Interior Renovations, Unit, Interior Appliances: 2-Bed Room	\$7,018.464	35 Allow	\$245,646	10y	2048
2042 (Year 18) Total			\$864,065		
2043 (Year 19)					
Interior Renovations, Unit, Interior Furniture: Studio	\$10,391.226	72 Allow	\$748,168	12y	2045
2043 (Year 19) Total			\$748,168		
2044 (Year 20)					
Interior Renovations, Unit, Interior Remodeling - Bathrooms: Studio	\$12,289.623	72 Allow	\$884,853	15y	2046
Pool/Spa Finish & Border Tiles: Kiddie Pool	\$27.759	270 LS	\$7,495	12y	N/A
Pool/Spa Finish & Border Tiles: Pool	\$27.759	2,167 LS	\$60,154	12y	N/A
Pool/Spa Finish & Border Tiles: Pool 2	\$27.759	326 LS	\$9,049	12y	N/A
2044 (Year 20) Total			\$961,551		
2045 (Year 21)					
Interior Renovations, Unit, Interior Furniture: 1-Bed Room	\$10,917.281	7 Allow	\$76,421	12y	2047
2045 (Year 21) Total			\$76,421		
2046 (Year 22)					
Asphalt Pavement, Patch, Stripe & Sealcoat: Common	\$0.396	54,000 SF	\$21,384	5y	2051
Clothes Washer, Laundry - Resort: Common	\$20,658.855	2 Ea	\$41,318	13y	N/A
Interior Renovations, Unit, Interior Remodeling - Bathrooms: 1-Bed Room	\$12,911.786	7 Allow	\$90,382	15y	2048
Pool Furniture, Replace: Common	\$60,255.00	1 Allow	\$60,255	12y	N/A
2046 (Year 22) Total			\$213,339		
2047 (Year 23)					
Interior Renovation, Lobby: Common	\$132,345.80	1 Allow	\$132,346	25y	N/A
Interior Renovations, Unit, Interior Furniture: 2-Bed Room	\$11,469.969	35 Allow	\$401,449	12y	N/A
Monuments, Entry Signage, Refurbish: Common	\$27,351.47	1 Allow	\$27,351	16y	N/A

NAME	UNIT COST	QTY.	FUTURE COST	USEFUL LIFE	NEXT ACTIVITY
Pool Deck, Concrete Pavers: Common	\$26.469	10,810 SF	\$286,130	25y	N/A
2047 (Year 23) Total			\$847,276		
2048 (Year 24)					
Interior Renovations, Unit, Interior Appliances: Studio	\$8,139.267	72 Allow	\$586,027	10y	2050
Interior Renovations, Unit, Interior Remodeling - Bathrooms: 2-Bed Room	\$13,565.445	35 Allow	\$474,791	15y	N/A
2048 (Year 24) Total			\$1,060,818		
2049 (Year 25)					
Access Control, Barrier Gate Operators: Common	\$11,123.665	2 Ea	\$22,247	15y	N/A
2049 (Year 25) Total			\$22,247		
2050 (Year 26)					
Clothes Dryer, Laundry - Guest: Common	\$3,420.528	8 Ea	\$27,364	10y	N/A
Clothes Washer, Laundry - Guest : Common	\$3,990.615	8 Ea	\$31,925	10y	N/A
Elevator Cabs, Refurbish: Common	\$23,753.66	2 Ea	\$47,507	20y	N/A
Elevators, 4-Stop, Traction, Modernization : Common	\$214,733.075	2 Ea	\$429,466	30y	N/A
Fence, 4' Aluminum Picket: Common	\$106.416	295 LF	\$31,393	30y	N/A
Interior Renovations, Unit, Interior Appliances: 1-Bed Room	\$8,551.317	7 Allow	\$59,859	10y	2052
Light Fixtures, Post & Single Globe, 10': Common	\$2,137.828	5 Ea	\$10,689	20y	N/A
Pool/Spa Heater, Gas, 399K BTU: Common	\$12,351.905	2 Ea	\$24,704	10y	N/A
Shed, 20x10: Common	\$22,803.513	3 Ea	\$68,411	20y	N/A
Sidewalks, Concrete: Common	\$23.697	229 SF	\$5,427	10y	N/A
2050 (Year 26) Total			\$736,745		
2051 (Year 27)					
Asphalt Pavement, Patch, Stripe & Sealcoat: Common	\$0.448	54,000 SF	\$24,192	5y	N/A
Interior Renovation, Game Room: Common	\$68,173.00	1 Allow	\$68,173	13y	N/A

NAME	UNIT COST	QTY.	FUTURE COST	USEFUL LIFE	NEXT ACTIVITY
2051 (Year 27) Total			\$92,365		
2052 (Year 28)					
Flooring, Carpet: Common	\$109.807	6,582 SY	\$722,750	10y	N/A
Flooring, Vinyl Tile: Common	\$12.797	4,540 SF	\$58,098	15y	N/A
Furniture, Outdoor: Common	\$29,947.42	1 Allow	\$29,947	10y	N/A
Interior Renovations, Unit, Interior Appliances: 2-Bed Room	\$8,984.228	35 Allow	\$314,448	10y	N/A
2052 (Year 28) Total			\$1,125,243		
2053 (Year 29)					
2053 (Year 29) Total			\$0		
2054 (Year 30)					
Clothes Dryer, Laundry - Resort: Common	\$13,634.19	3 Ea	\$40,903	12y	N/A
2054 (Year 30) Total			\$40,903		

Parameters & Assumptions

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

- Annual Contribution Increases - *2.00%*
- Interest Earned - *1.00%*
- Taxation - *0.00%*
- Inflation on Reserve Items - *2.50%*

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

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

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

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

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

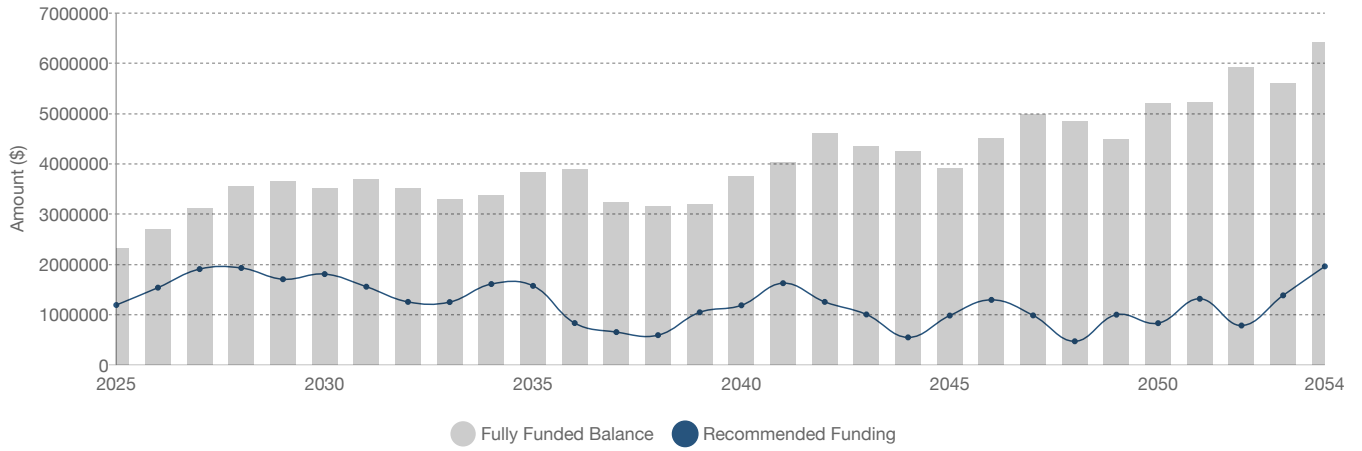


Cash-Flow Recommended Funding

Inflation: 2.50% | Calc: Inflation-Adjusted

YEAR	STARTING BALANCE	CONTRIBUTIONS	PERCENT CHANGE	INTEREST	SPECIAL ASSMNT	ADDITIONAL CAPITAL	EXPENDITURE FUTURE COST	ENDING BALANCE	PERCENT FUNDED	FULLY FUNDED BALANCE
2025	\$879,061	\$340,000	N/A	\$8,791	\$0	\$0	\$35,875	\$1,191,977	51.24%	\$2,326,156
2026	\$1,191,977	\$346,800	2.00%	\$11,920	\$0	\$0	\$13,068	\$1,537,628	57.01%	\$2,697,156
2027	\$1,537,628	\$353,736	2.00%	\$15,376	\$0	\$0	\$0	\$1,906,741	61.32%	\$3,109,554
2028	\$1,906,741	\$360,811	2.00%	\$19,067	\$0	\$0	\$357,635	\$1,928,983	54.27%	\$3,554,611
2029	\$1,928,983	\$368,027	2.00%	\$19,290	\$0	\$0	\$610,960	\$1,705,340	46.68%	\$3,653,400
2030	\$1,705,340	\$375,387	2.00%	\$17,053	\$0	\$0	\$290,397	\$1,807,384	51.57%	\$3,504,414
2031	\$1,807,384	\$382,895	2.00%	\$18,074	\$0	\$0	\$651,932	\$1,556,421	42.21%	\$3,687,697
2032	\$1,556,421	\$390,553	2.00%	\$15,564	\$0	\$0	\$708,276	\$1,254,263	35.68%	\$3,514,842
2033	\$1,254,263	\$398,364	2.00%	\$12,543	\$0	\$0	\$414,622	\$1,250,547	38.01%	\$3,289,973
2034	\$1,250,547	\$406,331	2.00%	\$12,505	\$0	\$0	\$60,164	\$1,609,220	47.74%	\$3,371,124
2035	\$1,609,220	\$414,458	2.00%	\$16,092	\$0	\$0	\$466,604	\$1,573,167	41.10%	\$3,827,960
2036	\$1,573,167	\$422,747	2.00%	\$15,732	\$0	\$0	\$1,178,724	\$832,922	21.41%	\$3,890,471
2037	\$832,922	\$431,202	2.00%	\$8,329	\$0	\$0	\$619,090	\$653,363	20.19%	\$3,235,768

YEAR	STARTING BALANCE	CONTRIBUTIONS	PERCENT CHANGE	INTEREST	SPECIAL ASSMNT	ADDITIONAL CAPITAL	EXPENDITURE FUTURE COST	ENDING BALANCE	PERCENT FUNDED	FULLY FUNDED BALANCE
2038	\$653,363	\$439,826	2.00%	\$6,534	\$0	\$0	\$507,258	\$592,466	18.81%	\$3,149,708
2039	\$592,466	\$448,623	2.00%	\$5,925	\$0	\$0	\$0	\$1,047,013	32.84%	\$3,187,816
2040	\$1,047,013	\$457,595	2.00%	\$10,470	\$0	\$0	\$328,923	\$1,186,155	31.56%	\$3,758,797
2041	\$1,186,155	\$466,747	2.00%	\$11,862	\$0	\$0	\$38,681	\$1,626,083	40.46%	\$4,019,190
2042	\$1,626,083	\$476,082	2.00%	\$16,261	\$0	\$0	\$864,065	\$1,254,361	27.29%	\$4,596,160
2043	\$1,254,361	\$485,604	2.00%	\$12,544	\$0	\$0	\$748,168	\$1,004,340	23.06%	\$4,354,458
2044	\$1,004,340	\$495,316	2.00%	\$10,043	\$0	\$0	\$961,551	\$548,148	12.93%	\$4,238,735
2045	\$548,148	\$505,222	2.00%	\$5,481	\$0	\$0	\$76,421	\$982,430	25.09%	\$3,914,959
2046	\$982,430	\$515,327	2.00%	\$9,824	\$0	\$0	\$213,339	\$1,294,242	28.73%	\$4,504,243
2047	\$1,294,242	\$525,633	2.00%	\$12,942	\$0	\$0	\$847,276	\$985,541	19.78%	\$4,982,140
2048	\$985,541	\$536,146	2.00%	\$9,855	\$0	\$0	\$1,060,818	\$470,725	9.73%	\$4,836,818
2049	\$470,725	\$546,869	2.00%	\$4,707	\$0	\$0	\$22,247	\$1,000,053	22.30%	\$4,483,950
2050	\$1,000,053	\$557,806	2.00%	\$10,001	\$0	\$0	\$736,745	\$831,115	15.98%	\$5,202,133
2051	\$831,115	\$568,962	2.00%	\$8,311	\$0	\$0	\$92,365	\$1,316,024	25.20%	\$5,221,633
2052	\$1,316,024	\$580,341	2.00%	\$13,160	\$0	\$0	\$1,125,243	\$784,282	13.25%	\$5,918,199
2053	\$784,282	\$591,948	2.00%	\$7,843	\$0	\$0	\$0	\$1,384,073	24.76%	\$5,590,021
2054	\$1,384,073	\$603,787	2.00%	\$13,841	\$0	\$0	\$40,903	\$1,960,798	30.52%	\$6,423,946



Funding Options

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

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

Reserve Components

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

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

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

Component List - Full Detail

Access Control, Barrier Gate Operators

Basic Info

Type of Cost:	Repairs & Maintenance
Location:	Property Site Components
Category:	Access Control Systems
Condition:	Good

Useful Life

Last Activity Date:	01/01/2022
Est. Useful Life:	15y
Remaining Useful Life:	9y
Next Activity Date:	01/01/2034

Financial Data

Estimate Date:	01/01/2024
Estimate Source:	Xactimate
Cost Per Ea:	\$6,000.00
Total Quantity:	2 Ea
Total Current Cost:	\$12,300
Inflation Rate:	2.50%
Total Expenditures:	\$37,608



Asphalt Pavement, Mill & Overlay

Basic Info

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

Useful Life

Last Activity Date: 01/01/2005
Est. Useful Life: 25y
Remaining Useful Life: 5y
Next Activity Date: 01/01/2030

Financial Data

Estimate Date: 01/01/2024
Estimate Source: Xactimate
Cost Per SY: \$13.50
Total Quantity: 6,000 SY
Total Current Cost: \$83,028
Inflation Rate: 2.50%
Total Expenditures: \$93,936



Asphalt Pavement, Patch, Stripe & Sealcoat

Basic Info

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

Useful Life

Last Activity Date: 01/01/2021
Est. Useful Life: 5y
Remaining Useful Life: 1y
Next Activity Date: 01/01/2026

Financial Data

Estimate Date: 01/01/2024
Estimate Source: Xactimate
Cost Per SF: \$0.23
Total Quantity: 54,000 SF
Total Current Cost: \$12,744
Inflation Rate: 2.50%
Total Expenditures: \$109,080



Awnings, Canvas & Metal Frame

Basic Info

Type of Cost:	Replacement
Location:	Exterior Building Components
Category:	Shelters
Condition:	Good

Useful Life

Last Activity Date:	01/01/2015
Est. Useful Life:	20y
Remaining Useful Life:	10y
Next Activity Date:	01/01/2035

Financial Data

Estimate Date:	01/01/2024
Estimate Source:	Xactimate
Cost Per SF:	\$37.00
Total Quantity:	260 SF
Total Current Cost:	\$9,860
Inflation Rate:	2.50%
Total Expenditures:	\$12,622



Clothes Dryer, Laundry - Guest

Basic Info

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

Useful Life

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

Financial Data

Estimate Date: 01/01/2024
Estimate Source: Xactimate
Cost Per Ea: \$1,800.00
Total Quantity: 8 Ea
Total Current Cost: \$14,760
Inflation Rate: 2.50%
Total Expenditures: \$65,441



Clothes Dryer, Laundry - Resort

Basic Info

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

Useful Life

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

Financial Data

Estimate Date: 01/01/2024
Estimate Source: Xactimate
Cost Per Ea: \$6,500.00
Total Quantity: 3 Ea
Total Current Cost: \$19,988
Inflation Rate: 2.50%
Total Expenditures: \$93,930



Clothes Washer, Laundry - Guest

Basic Info

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

Useful Life

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

Financial Data

Estimate Date: 01/01/2024
Estimate Source: Xactimate
Cost Per Ea: \$2,100.00
Total Quantity: 8 Ea
Total Current Cost: \$17,220
Inflation Rate: 2.50%
Total Expenditures: \$76,347



Clothes Washer, Laundry - Resort

Basic Info

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

Useful Life

Last Activity Date: 01/01/2018
Est. Useful Life: 13y
Remaining Useful Life: 8y
Next Activity Date: 01/01/2033

Financial Data

Estimate Date: 01/01/2024
Estimate Source: Xactimate
Cost Per Ea: \$12,000.00
Total Quantity: 2 Ea
Total Current Cost: \$24,600
Inflation Rate: 2.50%
Total Expenditures: \$71,290



Elevator Cabs, Refurbish

Basic Info

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

Useful Life

Last Activity Date: 01/01/2022
Est. Useful Life: 20y
Remaining Useful Life: 5y
Next Activity Date: 01/01/2030

Financial Data

Estimate Date: 01/01/2024
Estimate Source: MVS
Cost Per Ea: \$12,500.00
Total Quantity: 2 Ea
Total Current Cost: \$25,625
Inflation Rate: 2.50%
Total Expenditures: \$76,500



Elevators, 4-Stop, Traction, Modernization

Basic Info

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

Useful Life

Last Activity Date: 01/01/2020
Est. Useful Life: 30y
Remaining Useful Life: 25y
Next Activity Date: 01/01/2050

Financial Data

Estimate Date: 01/01/2024
Estimate Source: Xactimate
Cost Per Ea: \$113,000.00
Total Quantity: 2 Ea
Total Current Cost: \$231,650
Inflation Rate: 2.50%
Total Expenditures: \$429,466



Fence, 4' Aluminum Picket

Basic Info

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

Comments/Notes

North and south parking section fence



Useful Life

Last Activity Date: 01/01/2020
Est. Useful Life: 30y
Remaining Useful Life: 25y
Next Activity Date: 01/01/2050

Financial Data

Estimate Date: 01/01/2024
Estimate Source: XactRemodel
Cost Per LF: \$56.00
Total Quantity: 295 LF
Total Current Cost: \$16,933
Inflation Rate: 2.50%
Total Expenditures: \$31,393

Fence, 6' Vinyl, Privacy

Basic Info

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

Useful Life

Last Activity Date:	01/01/2010
Est. Useful Life:	30y
Remaining Useful Life:	15y
Next Activity Date:	01/01/2040

Financial Data

Estimate Date:	01/01/2024
Estimate Source:	MVS
Cost Per LF:	\$61.76
Total Quantity:	565 LF
Total Current Cost:	\$35,767
Inflation Rate:	2.50%
Total Expenditures:	\$51,801



Flooring, Carpet

Basic Info

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

Useful Life

Last Activity Date:	01/01/2022
Est. Useful Life:	10y
Remaining Useful Life:	7y
Next Activity Date:	01/01/2032

Financial Data

Estimate Date:	01/01/2024
Estimate Source:	MVS
Cost Per SY:	\$55.00
Total Quantity:	6,582 SY
Total Current Cost:	\$371,060
Inflation Rate:	2.50%
Total Expenditures:	\$1,728,433



Flooring, Tile

Basic Info

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

Useful Life

Last Activity Date:	01/01/2000
Est. Useful Life:	35y
Remaining Useful Life:	10y
Next Activity Date:	01/01/2035

Financial Data

Estimate Date:	01/01/2024
Estimate Source:	MVS
Cost Per SF:	\$15.00
Total Quantity:	2,300 SF
Total Current Cost:	\$35,362
Inflation Rate:	2.50%
Total Expenditures:	\$45,266



Flooring, Vinyl Tile

Basic Info

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

Useful Life

Last Activity Date:	01/01/2022
Est. Useful Life:	15y
Remaining Useful Life:	12y
Next Activity Date:	01/01/2037

Financial Data

Estimate Date:	01/01/2024
Estimate Source:	MVS
Cost Per SF:	\$6.41
Total Quantity:	4,540 SF
Total Current Cost:	\$29,828
Inflation Rate:	2.50%
Total Expenditures:	\$98,214

Furniture, Outdoor

Basic Info

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

Useful Life

Last Activity Date: 01/01/2022
Est. Useful Life: 10y
Remaining Useful Life: 7y
Next Activity Date: 01/01/2032

Financial Data

Estimate Date: 01/01/2024
Estimate Source: Local Contractors
Cost Per Allow: \$15,000.00
Total Quantity: 1 Allow
Total Current Cost: \$15,375
Inflation Rate: 2.50%
Total Expenditures: \$71,618



Garage Doors, Roll-Up & Openers

Basic Info

Type of Cost:	Replacement
Location:	Exterior Building Components
Category:	Access Control Systems
Condition:	Good

Useful Life

Last Activity Date:	01/01/2005
Est. Useful Life:	25y
Remaining Useful Life:	5y
Next Activity Date:	01/01/2030

Financial Data

Estimate Date:	01/01/2024
Estimate Source:	Xactimate
Cost Per SF:	\$36.36
Total Quantity:	130 SF
Total Current Cost:	\$4,845
Inflation Rate:	2.50%
Total Expenditures:	\$5,482

Gutters & Downspouts, 6" Aluminum

Basic Info

Type of Cost: Replacement
Location: Exterior Building Components
Category: Weatherproofing
Condition: Good

Useful Life

Last Activity Date: 01/01/2010
Est. Useful Life: 30y
Remaining Useful Life: 15y
Next Activity Date: 01/01/2040

Financial Data

Estimate Date: 01/01/2024
Estimate Source: XactRemodel
Cost Per LF: \$13.50
Total Quantity: 1,200 LF
Total Current Cost: \$16,606
Inflation Rate: 2.50%
Total Expenditures: \$24,050



Interior Renovation, Game Room

Basic Info

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

Useful Life

Last Activity Date:	01/01/2022
Est. Useful Life:	13y
Remaining Useful Life:	0y
Next Activity Date:	01/01/2025

Financial Data

Estimate Date:	01/01/2024
Estimate Source:	Local Estimate
Cost Per Allow:	\$35,000.00
Total Quantity:	1 Allow
Total Current Cost:	\$35,875
Inflation Rate:	2.50%
Total Expenditures:	\$153,502

Interior Renovation, Lobby

Basic Info

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

Useful Life

Last Activity Date: 01/01/2022
Est. Useful Life: 25y
Remaining Useful Life: 22y
Next Activity Date: 01/01/2047

Financial Data

Estimate Date: 01/01/2024
Estimate Source: Local Contractors
Cost Per Allow: \$75,000.00
Total Quantity: 1 Allow
Total Current Cost: \$76,875
Inflation Rate: 2.50%
Total Expenditures: \$132,346



Interior Renovation, Restrooms

Basic Info

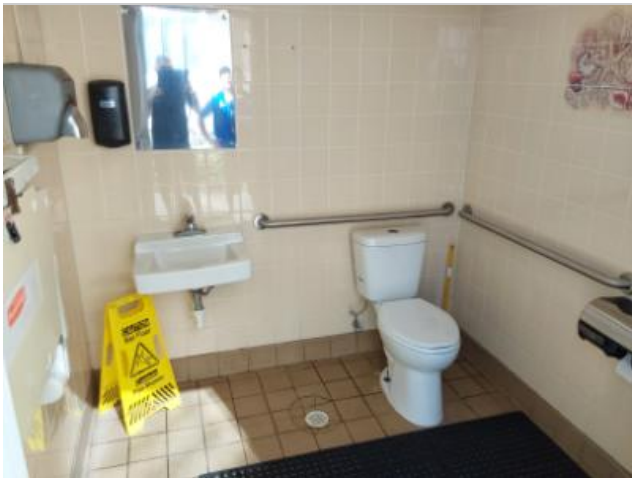
Type of Cost: Improvement
Location: Interior Building Components
Category: Furnishings
Condition: Good

Useful Life

Last Activity Date: 01/01/2016
Est. Useful Life: 25y
Remaining Useful Life: 16y
Next Activity Date: 01/01/2041

Financial Data

Estimate Date: 01/01/2024
Estimate Source: Local Contractors
Cost Per Allow: \$6,500.00
Total Quantity: 2 Allow
Total Current Cost: \$13,325
Inflation Rate: 2.50%
Total Expenditures: \$19,781



Interior Renovations, Unit, Interior Appliances

Basic Info

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

Useful Life

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

Financial Data

Estimate Date: 01/01/2024
Estimate Source: Local Contractors
Cost Per Allow: \$4,500.00
Total Quantity: 114 Allow
Total Current Cost: \$525,826
Inflation Rate: 2.50%
Total Expenditures: \$2,296,610



Interior Renovations, Unit, Interior Furniture

Basic Info

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

Useful Life

Last Activity Date: 01/01/2021
Est. Useful Life: 12y
Remaining Useful Life: 8y
Next Activity Date: 01/01/2033

Financial Data

Estimate Date: 01/01/2024
Estimate Source: Local Contractors
Cost Per Allow: \$6,500.00
Total Quantity: 114 Allow
Total Current Cost: \$759,526
Inflation Rate: 2.50%
Total Expenditures: \$2,137,666



Interior Renovations, Unit, Interior Remodeling - Bathrooms

Basic Info

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

Useful Life

Last Activity Date: 01/01/2016
Est. Useful Life: 15y
Remaining Useful Life: 6y
Next Activity Date: 01/01/2031

Financial Data

Estimate Date: 01/01/2024
Estimate Source: Local Contractors
Cost Per Allow: \$7,500.00
Total Quantity: 114 Allow
Total Current Cost: \$876,374
Inflation Rate: 2.50%
Total Expenditures: \$2,451,219



Interior Renovations, Unit, Interior Remodeling - Kitchens

Basic Info

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

Useful Life

Last Activity Date: 01/01/2015
Est. Useful Life: 20y
Remaining Useful Life: 10y
Next Activity Date: 01/01/2035

Financial Data

Estimate Date: 01/01/2024
Estimate Source: Local Contractors
Cost Per Allow: \$12,000.00
Total Quantity: 114 Allow
Total Current Cost: \$1,402,200
Inflation Rate: 2.50%
Total Expenditures: \$1,851,174



Light Fixtures, Post & Single Globe, 10'

Basic Info

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

Useful Life

Last Activity Date:	01/01/2010
Est. Useful Life:	20y
Remaining Useful Life:	5y
Next Activity Date:	01/01/2030

Financial Data

Estimate Date:	01/01/2024
Estimate Source:	XactRemodel
Cost Per Ea:	\$1,125.00
Total Quantity:	5 Ea
Total Current Cost:	\$5,766
Inflation Rate:	2.50%
Total Expenditures:	\$17,212

Monuments, Entry Signage, Refurbish

Basic Info

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

Useful Life

Last Activity Date:	01/01/2015
Est. Useful Life:	16y
Remaining Useful Life:	6y
Next Activity Date:	01/01/2031

Financial Data

Estimate Date:	01/01/2024
Estimate Source:	Local Contractors
Cost Per Allow:	\$15,500.00
Total Quantity:	1 Allow
Total Current Cost:	\$15,888
Inflation Rate:	2.50%
Total Expenditures:	\$45,776



Pavers, Concrete, Walkways

Basic Info

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

Useful Life

Last Activity Date:	01/01/2020
Est. Useful Life:	35y
Remaining Useful Life:	30y
Next Activity Date:	01/01/2055

Financial Data

Estimate Date:	01/01/2024
Estimate Source:	XactRemodel
Cost Per SF:	\$15.00
Total Quantity:	760 SF
Total Current Cost:	\$11,685
Inflation Rate:	2.50%
Total Expenditures:	\$0



Pool Collector Tank & Equipment (Vak-Pak)

Basic Info

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

Useful Life

Last Activity Date: 01/01/2000
Est. Useful Life: 40y
Remaining Useful Life: 15y
Next Activity Date: 01/01/2040

Financial Data

Estimate Date: 01/01/2024
Estimate Source: Local Contractors
Cost Per Ea: \$35,000.00
Total Quantity: 1.50 Ea
Total Current Cost: \$53,812
Inflation Rate: 2.50%
Total Expenditures: \$77,937



Pool Deck, Concrete Pavers

Basic Info

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

Useful Life

Last Activity Date: 01/01/2022
Est. Useful Life: 25y
Remaining Useful Life: 22y
Next Activity Date: 01/01/2047

Financial Data

Estimate Date: 01/01/2024
Estimate Source: Local Contractors
Cost Per SF: \$15.00
Total Quantity: 10,810 SF
Total Current Cost: \$166,204
Inflation Rate: 2.50%
Total Expenditures: \$286,130



Pool Fence, 4' Aluminum Picket

Basic Info

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

Useful Life

Last Activity Date:	01/01/2010
Est. Useful Life:	30y
Remaining Useful Life:	15y
Next Activity Date:	01/01/2040

Financial Data

Estimate Date:	01/01/2024
Estimate Source:	MVS
Cost Per LF:	\$48.00
Total Quantity:	665 LF
Total Current Cost:	\$32,718
Inflation Rate:	2.50%
Total Expenditures:	\$47,385



Pool Furniture, Replace

Basic Info

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

Useful Life

Last Activity Date: 01/01/2022
Est. Useful Life: 12y
Remaining Useful Life: 9y
Next Activity Date: 01/01/2034

Financial Data

Estimate Date: 01/01/2024
Estimate Source: Local Contractors
Cost Per Allow: \$35,000.00
Total Quantity: 1 Allow
Total Current Cost: \$35,875
Inflation Rate: 2.50%
Total Expenditures: \$105,058



Pool/Spa Finish & Border Tiles

Basic Info

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

Useful Life

Last Activity Date: 01/01/2020
Est. Useful Life: 12y
Remaining Useful Life: 7y
Next Activity Date: 01/01/2032

Financial Data

Estimate Date: 01/01/2024
Estimate Source: Local Contractors
Cost Per LS: \$16.94
Total Quantity: 2,763 LS
Total Current Cost: \$47,977
Inflation Rate: 2.50%
Total Expenditures: \$133,726



Pool/Spa Heater, Gas, 399K BTU

Basic Info

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

Useful Life

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

Financial Data

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



Shed, 20x10

Basic Info

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

Useful Life

Last Activity Date:	01/01/2010
Est. Useful Life:	20y
Remaining Useful Life:	5y
Next Activity Date:	01/01/2030

Financial Data

Estimate Date:	01/01/2024
Estimate Source:	MVS
Cost Per Ea:	\$12,000.00
Total Quantity:	3 Ea
Total Current Cost:	\$36,900
Inflation Rate:	2.50%
Total Expenditures:	\$110,160



Shuffleboard Courts, Replacement

Basic Info

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

Useful Life

Last Activity Date: 01/01/2000
Est. Useful Life: 40y
Remaining Useful Life: 15y
Next Activity Date: 01/01/2040

Financial Data

Estimate Date: 01/01/2024
Estimate Source: Local Contractors
Cost Per Ea: \$7,500.00
Total Quantity: 1 Ea
Total Current Cost: \$7,688
Inflation Rate: 2.50%
Total Expenditures: \$11,134

Sidewalks, Concrete

Basic Info

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

Comments/Notes

The stated cost is an projected partial rate of failure (20%) over the components expected market life cycle.

Useful Life

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

Financial Data

Estimate Date:	01/01/2024
Estimate Source:	XactRemodel
Cost Per SF:	\$12.47
Total Quantity:	1,145 SF
Percent of Total to Maintain:	20%
Quantity to Maintain:	229 SF
Total Current Cost:	\$2,927
Inflation Rate:	2.50%
Total Expenditures:	\$12,978

Useful Definitions

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

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

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

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

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

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

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

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

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

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

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

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

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



Interest Contribution (After Taxes): The interest that should be earned on the reserves, net of taxes, based on their beginning reserve balance and monthly contributions for one year. This figure is averaged for budgeting purposes.

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

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

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

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

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

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

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

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

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

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

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

Units: The unit of measurement used for each quantity.

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

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

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

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

Unit Abbreviations:

Sq Ft - Square Feet	Sq Yds - Square Yards	Ln Ft - Linear Feet
Cu Ft - Cubic Feet	Cu Yds - Cubic Yards	Opngs - Openings (elevators)
Lp Sm - Lump Sum	Allow - Allowance	Hp - Horsepower
Units - Units	Ct - Court	Bldg - Building
Ea - Each	Kw - Kilowatts	Sq - Squares (1 Sq = 100 sq ft)



Disclosures

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

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

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

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

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



Annual Update Requirements

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

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

