STRUCTURAL INTEGRITY RESERVE STUDY

PREPARED FOR:

River Run Condominium Association, Inc. (Building B)

Sebastian, FL

For The Period Beginning January 1, 2026

PREPARED BY:

STONEBUILDING SOLUTIONS

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Report Date: **February 19, 2025**

Location: 6100 River Run Drive, Sebastian, Florida
Service: Structural Integrity Reserve Study
Budget: Beginning January 1, 2026

Attention: Board of Directors at **River Run Condominium Association, Inc. (Building B)**

At the direction of the Board and/ or management of River Run Condominium Association, Inc. (Building B), Stone Building Solutions has completed a Structural Integrity Reserve Study for the Association as requested. Enclosed is our report for the Board's review.

This study is based on an on-site analysis of the property. The on-site analysis of River Run Condominium Association, Inc. (Building B) upon which this study is based was performed by a qualified field engineer of Stone Building Solutions.

The effective date of this report is the date of that on-site analysis, September 18, 2024

This Reserve Study meets or exceeds all requirements outlined in Florida Statute **s.718.112.** This report is written in compliance with both the Community Associations Institute (CAI) 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,

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Executive Summary

A Structural Integrity Reserve Study (SIRS) is a mandate of Florida statutes under s. 718112 (2) (g) that requires condominium associations and cooperatives to reserve funds for crucial structural elements related to their buildings.

The purpose of this reserve study is to produce a reserve funding plan that will project future contributions and expenditures to ensure 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 lifecycle. Stone Reserve Studies has received this information 'as is', and our opinions are based on the observations of the analysis by the engineer onsite. Stone Reserve Studies is using this information to create a financial evaluation for budgeting purposes.

River Run Condominium Association, Inc. (Building B) has 24 units. This study is for the fiscal year starting January 1, 2026, and ending December 31, 2055.

Financial Parameters & Assumptions

Projection Period:	January 1, 2026 - December 31, 2055	**Association:**	Condominium
Report Type:	Level I	**Year Built:**	1988
Inflation:	2.50%	**Buildings:**	1
Interest (Gained):	4.00%	**Total Units:**	24

As of January 1, 2026, the estimated unaudited reserve fund balance is **$140,671**

The estimated *current replacement* cost of the reserve items is **$787,189**

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

The 30-year Funding Plan is an approach to determining 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 and inflationary 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.

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

Required First Year Association contribution:	$50,000
Required First Year annual contribution per unit:	$2,083
Required First Year monthly contribution per unit:	$174
Average monthly contribution per unit (Over 30 Years):	$238
Special Assesments	$0

30-Year Component (Straight Line) Funding Analysis Summary:

The Component Funding Analysis calculates the yearly contribution for each specific line item component by dividing the component's remaining unfunded balance by its remaining useful life. The unfunded remaining balance of a component is calculated as its replacement cost minus the reserve balance for that component at the beginning of the analysis period. The individual annual contribution rates for each component are then totaled to derive the overall annual contribution rate for this analysis. In this methodology, Reserve funds cannot only be collectively allocated. For condominium associations in the State of Florida; according to Florida Statute 718.112(2)(f)(3), Reserve funds can only be reallocated (used) for purposes other than those authorized, only with prior approval by a majority vote of the voting interests. Straight-line methodology, by its nature,e is only accurate for a single year "snapshot" in time and must be re-calculated annually to be accurate.

Required First Year Association contribution:	$90,235
Required First Year annual contribution per unit:	$3,760
Required First Year monthly contribution per unit:	$313
Average monthly contribution per unit (Over 30 Years):	$231
Special Assesments	$0

State of Florida Statutory Requirements

SB-4D/SB-154

Florida Statute s. 718.112 (2)s (g) mandates that all residential condominiums and cooperative associations with buildings of 3 or more stories must complete a Structural Integrity Reserve Study (SIRS) and fund a corresponding "structural Integrity" reserve account based on the results of the study.

The Structural Integrity Reserve Study (SIRS) **MUST:**

- **Be completed** for associations built before November 2022. The initial study must be completed ***by December 31, 2024,*** and updated with a site inspection by a qualified professional at least every 10 years
- **Be conducted** by a Florida-licensed engineer, architect, or certified Reserve Specialist (RS) or Accredited Professional Reserve Analyst (APRA)
- **Include the following components**:
    - Roofing
    - Walls and Primary Support Members
    - Plumbing
    - Electrical
    - Fire Protection & Life Safety Components
    - Waterproofing & Paint
    - Common Area Windows & Doors
    - Items related to the *structural integrity* of the building costing over $10,000
- **Include a funding plan** that expresses a yearly contribution amount, without special assessments, that allows for the funding of expenditures and allocation of adequate fund balances over the projection.

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Board Responsibilities

Once the Board has received the published Structural Integrity Reserve Study (SIRS) they **MUST:**

- **Electronically notify members** that the Structural Integrity Reserve Study has been completed and that it has become part of official records **within 45 days** of receiving the published SIRS.
- Associations must make a published copy of the report available to members upon request thereafter.
- **Approve a budget for 2026 that includes fully funding reserves as required in the Structural Integrity Reserve Study**

Once the Board has received the published Structural Integrity Reserve Study (SIRS) they **CAN NOT:**

- **Waive or reduce funding** requirements for any components listed in the SIRS report.
- **Alter the funding** in any year without having the study modified by a qualified professional.

Notes:

- **The board has a fiduciary responsibility to the entire community and should always act in their best interest.**
- **Failure to complete a Structural Integrity Reserve Study (SIRS) pursuant to the statutory requirements by December 31st, of 2024 would be considered a breach of an officer's or director's fiduciary responsibilities to the unit owners.**
- **Failure to complete or comply with this study could result in complications with insurance coverage and financing.**
- **This study is not currently required to be publicly posted or submitted to any local building officials; but must be made available upon request.**
- **The association will be required to submit compliance forms to the DBPR (once available)**

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SIRS Evaluation

Structural Integrity Reserve Study (SIRS) Principles:

A Structural Integrity Reserve Study (SIRS) is a form of reserve study with more rigid standards and higher qualifications than previously required for condominium and cooperative properties in the State of Florida. As required under Florida Statutes, this study is designed to ensure that condo and cooperative associations set aside adequate funds for crucial structural elements in their buildings in order to perform maintenance and repairs.

It is critical to understand the SIRS comprises several elements that must be separately accounted for in the reserve study. Once established, funds for repairs can only be used for that specific named purpose and cannot be shared or pooled with other non-critical Traditional Reserve Component funds.

A Structural Integrity Reserve Study states the estimated remaining useful life, the estimated replacement cost, or the deferred maintenance expense of the common areas being visually inspected. It provides a recommended annual reserve amount based on a formula that achieves the estimated replacement cost or deferred maintenance expense of each common area being visually inspected by the end of the estimated remaining useful life of each component.

Stone Reserve Studies (SRS) Evaluation

Onsite Process

A member of the Stone Building Solutions Engineering team inspected River Run Condominium Association, Inc. (Building B) on September 18, 2024. The results of the inspection were utilized as the primary basis for this analysis.

Structural Integrity Reserve Evaluations

The Stone Building Solutions SIRS report provides the estimated remaining useful life, replacement cost, or the deferred maintenance expense of the required areas, along with the annual reserve amount based on a pooled cash flow formula.

The inspection should not be considered an engineering assessment, but a visual inspection to determine the overall condition and subjective remaining useful life of the reservable elements identified at the property.

Supplemental information to the physical inspection may have been obtained from the following sources:

- Project plans
- Maintenance Records
- Contracts
- Association BOD
- Management
- Public Databases

Structural Integrity Reserve Exclusions

Items may be excluded for following reasons:

- The current condition does not warrant predictable maintenance expenditures.
- The issue applies to a unit owner-maintained element.
- Items that have a useful life in excess of 100 years, such as foundations.

Cost Evaluation

Stone Building Solutions (SBS) LLC. maintains a proprietary cost database that we continually update to reflect current market conditions.

These costs are derived by averaging comparable scopes of work in the local regions. Stone Building Solutions also utilizes nationally recognized cost databases such as Xactimate/XactRemodel and similar software to determine base costs when needed.

The cost estimates provided are based on approximate quantities, costs, and published data. They include labor, materials, design fees, appropriate overhead, general conditions, and profit. The estimated costs to repair, replace, or upgrade the improvements are considered typical for the marketplace.

Please note that no contractors have been contacted for actual bids or price quotes, so the actual cost of repairs may vary from our estimates. These opinions of probable costs apply to components or systems showing material deferred maintenance and existing physical deficiencies that require major repairs or replacement.

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Structural Integrity Reserve Items

ASSET №	NAME	NEXT ACTIVITY	EST LIFE	ADJ LIFE	REM USEFUL LIFE	UNIT COST	QTY	YEAR 1 REPLACEMENT COST
001	Electric, Main Panels & Meter Bases: Common	01/01/2064	40y	40y	38y	$2,206.312	24 U	$52,951
002	Fire Alarm Control Panel & Ancillary Devices: Common	01/01/2031	25y	25y	5y	$1,933.15	24 U	$46,396
003	Roofs, Flat, Modified Bitumen: Common	01/01/2041	20y	35y	15y	$25.625	12,533 SF	$321,158
004	Painting, Waterproofing & Stucco Repairs: Common	01/01/2028	7y	7y	2y	$2.627	26,880 SF	$70,614
005	Concrete Restoration, Exterior Walls: Common	01/01/2028	7y	7y	2y	$14.225	1,344 SF	$19,118
006	Concrete Restoration, Walkways & Balconies: Balconies	01/01/2028	7y	7y	2y	$25.782	396.75 SF	$10,229
006	Concrete Restoration, Walkways & Balconies: Walkways	01/01/2028	7y	7y	2y	$25.782	763.50 SF	$19,685
007	Concrete Restoration, Staircases: Common	01/01/2028	7y	7y	2y	$25.782	315 SF	$8,121
008	Handrails, Aluminum Picket: Common	01/01/2033	45y	45y	7y	$89.303	90 LF	$8,037
009	Railings, Aluminum Picket: Common	01/01/2030	42y	42y	4y	$126.075	1,320 LF	$166,419
010	Piping & Plumbing, Major Renovations : Common	01/01/2077	55y	55y	51y	$2,521.50	24 U	$60,516
011	Doors, Metal Utility, Single: Common	01/01/2041	35y	35y	15y	$2,468.969	10 Ea	$24,690
012	HVAC Stands, Elevated: Common	01/01/2051	36y	45y	25y	$1,155.688	24 U	$27,737
013	Structural Integrity Reserve Study - UPDATE: FL Requirements	01/01/2034	10y	10y	8y	$8,405.00	1 Ea	$8,405
014	Milestone Inspection: FL Requirements	01/01/2034	10y	10y	8y	$8,405.00	1 Ea	$8,405
								$739,014

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Expenditures (By Year)

ASSET №	NAME	UNIT COST	QTY.	FUTURE COST	USEFUL LIFE	NEXT ACTIVITY
2026 (Year 1)						
2026 (Year 1) Total				$0		
2027 (Year 2)						
2027 (Year 2) Total				$0		
2028 (Year 3)						
005	Concrete Restoration, Exterior Walls: Common	$14.945	1,344 SF	$20,086	7y	2035
007	Concrete Restoration, Staircases: Common	$27.086	315 SF	$8,532	7y	2035
006	Concrete Restoration, Walkways & Balconies: Balconies	$27.088	396.75 SF	$10,747	7y	2035
006	Concrete Restoration, Walkways & Balconies: Walkways	$27.087	763.50 SF	$20,681	7y	2035
004	Painting, Waterproofing & Stucco Repairs: Common	$2.76	26,880 SF	$74,189	7y	2035
2028 (Year 3) Total				$134,235		
2029 (Year 4)						
2029 (Year 4) Total				$0		
2030 (Year 5)						
009	Railings, Aluminum Picket: Common	$139.163	1,320 LF	$183,695	42y	N/A
2030 (Year 5) Total				$183,695		
2031 (Year 6)						

ASSET №	NAME	UNIT COST	QTY.	FUTURE COST	USEFUL LIFE	NEXT ACTIVITY
002	Fire Alarm Control Panel & Ancillary Devices: Common	$2,187.167	24 U	$52,492	25y	N/A
2031 (Year 6) Total				$52,492		
2032 (Year 7)						
2032 (Year 7) Total				$0		
2033 (Year 8)						
008	Handrails, Aluminum Picket: Common	$106.156	90 LF	$9,554	45y	N/A
2033 (Year 8) Total				$9,554		
2034 (Year 9)						
014	Milestone Inspection: FL Requirements	$10,241.00	1 Ea	$10,241	10y	2044
013	Structural Integrity Reserve Study - UPDATE: FL Requirements	$10,241.00	1 Ea	$10,241	10y	2044
2034 (Year 9) Total				$20,482		
2035 (Year 10)						
005	Concrete Restoration, Exterior Walls: Common	$17.765	1,344 SF	$23,876	7y	2042
007	Concrete Restoration, Staircases: Common	$32.197	315 SF	$10,142	7y	2042
006	Concrete Restoration, Walkways & Balconies: Balconies	$32.199	396.75 SF	$12,775	7y	2042
006	Concrete Restoration, Walkways & Balconies: Walkways	$32.198	763.50 SF	$24,583	7y	2042
004	Painting, Waterproofing & Stucco Repairs: Common	$3.281	26,880 SF	$88,193	7y	2042
2035 (Year 10) Total				$159,569		
2036 (Year 11)						
2036 (Year 11) Total				$0		
2037 (Year 12)						
2037 (Year 12) Total				$0		
2038 (Year 13)						
2038 (Year 13) Total				$0		

ASSET №	NAME	UNIT COST	QTY.	FUTURE COST	USEFUL LIFE	NEXT ACTIVITY
2039 (Year 14)						
2039 (Year 14) Total				$0		
2040 (Year 15)						
2040 (Year 15) Total				$0		
2041 (Year 16)						
011	Doors, Metal Utility, Single: Common	$3,575.80	10 Ea	$35,758	35y	N/A
003	Roofs, Flat, Modified Bitumen: Common	$37.113	12,533 SF	$465,137	35y	N/A
2041 (Year 16) Total				$500,895		
2042 (Year 17)						
005	Concrete Restoration, Exterior Walls: Common	$21.117	1,344 SF	$28,381	7y	2049
007	Concrete Restoration, Staircases: Common	$38.273	315 SF	$12,056	7y	2049
006	Concrete Restoration, Walkways & Balconies: Balconies	$38.273	396.75 SF	$15,185	7y	2049
006	Concrete Restoration, Walkways & Balconies: Walkways	$38.274	763.50 SF	$29,222	7y	2049
004	Painting, Waterproofing & Stucco Repairs: Common	$3.90	26,880 SF	$104,832	7y	2049
2042 (Year 17) Total				$189,676		
2043 (Year 18)						
2043 (Year 18) Total				$0		
2044 (Year 19)						
014	Milestone Inspection: FL Requirements	$13,109.00	1 Ea	$13,109	10y	2054
013	Structural Integrity Reserve Study - UPDATE: FL Requirements	$13,109.00	1 Ea	$13,109	10y	2054
2044 (Year 19) Total				$26,218		
2045 (Year 20)						
2045 (Year 20) Total				$0		
2046 (Year 21)						

ASSET №	NAME	UNIT COST	QTY.	FUTURE COST	USEFUL LIFE	NEXT ACTIVITY
2046 (Year 21) Total				$0		
2047 (Year 22)						
2047 (Year 22) Total				$0		
2048 (Year 23)						
2048 (Year 23) Total				$0		
2049 (Year 24)						
005	Concrete Restoration, Exterior Walls: Common	$25.102	1,344 SF	$33,737	7y	N/A
007	Concrete Restoration, Staircases: Common	$45.495	315 SF	$14,331	7y	N/A
006	Concrete Restoration, Walkways & Balconies: Balconies	$45.495	396.75 SF	$18,050	7y	N/A
006	Concrete Restoration, Walkways & Balconies: Walkways	$45.494	763.50 SF	$34,735	7y	N/A
004	Painting, Waterproofing & Stucco Repairs: Common	$4.636	26,880 SF	$124,616	7y	N/A
2049 (Year 24) Total				$225,469		
2050 (Year 25)						
2050 (Year 25) Total				$0		
2051 (Year 26)						
012	HVAC Stands, Elevated: Common	$2,142.583	24 U	$51,422	45y	N/A
2051 (Year 26) Total				$51,422		
2052 (Year 27)						
2052 (Year 27) Total				$0		
2053 (Year 28)						
2053 (Year 28) Total				$0		
2054 (Year 29)						
014	Milestone Inspection: FL Requirements	$16,781.00	1 Ea	$16,781	10y	N/A
013	Structural Integrity Reserve Study - UPDATE: FL Requirements	$16,781.00	1 Ea	$16,781	10y	N/A
2054 (Year 29) Total				$33,562		

ASSET №	NAME	UNIT COST	QTY.	FUTURE COST	USEFUL LIFE	NEXT ACTIVITY
2055 (Year 30)						
2055 (Year 30) Total				$0		

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Expenditures (By Year and Category)

LOCATION RESERVE ITEM	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
Building Service Components															
Fire Alarm Control Panel & Ancillary Devices: Common						$52,492									
Total Building Service Components						**$52,492**									
Exterior Building Components															
Concrete Restoration, Exterior Walls: Common			$20,086							$23,876					
Concrete Restoration, Staircases: Common			$8,532							$10,142					
Concrete Restoration, Walkways & Balconies: Balconies			$10,747							$12,775					
Concrete Restoration, Walkways & Balconies: Walkways			$20,681							$24,583					

LOCATION RESERVE ITEM	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
Handrails, Aluminum Picket: Common								$9,554							
Painting, Waterproofing & Stucco Repairs: Common			$74,189							$88,193					
Railings, Aluminum Picket: Common					$183,695										
Total Exterior Building Components			**$134,235**		**$183,695**			**$9,554**		**$159,569**					
Property Site Components															
Milestone Inspection: FL Requirements									$10,241						
Structural Integrity Reserve Study - UPDATE: FL Requirements									$10,241						
Total Property Site Components									**$20,482**						
Total			**$134,235**		**$183,695**	**$52,492**		**$9,554**	**$20,482**	**$159,569**					

LOCATION RESERVE ITEM	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055
Building Service Components															
Total Building Service Components															
Exterior Building Components															
Concrete Restoration, Exterior Walls: Common		$28,381							$33,737						
Concrete Restoration, Staircases: Common		$12,056							$14,331						
Concrete Restoration, Walkways & Balconies: Balconies		$15,185							$18,050						
Concrete Restoration, Walkways & Balconies: Walkways		$29,222							$34,735						
Doors, Metal Utility, Single: Common	$35,758														
HVAC Stands, Elevated: Common											$51,422				
Painting, Waterproofing & Stucco Repairs: Common		$104,832							$124,616						
Roofs, Flat, Modified Bitumen: Common	$465,137														
Total Exterior Building Components	**$500,895**	**$189,676**							**$225,469**		**$51,422**				
Property Site Components															
Milestone Inspection: FL Requirements				$13,109										$16,781	

LOCATION RESERVE ITEM	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055
Structural Integrity Reserve Study - UPDATE: FL Requirements				$13,109										$16,781	
Total Property Site Components				**$26,218**										**$33,562**	
Total	**$500,895**	**$189,676**		**$26,218**					**$225,469**		**$51,422**			**$33,562**	

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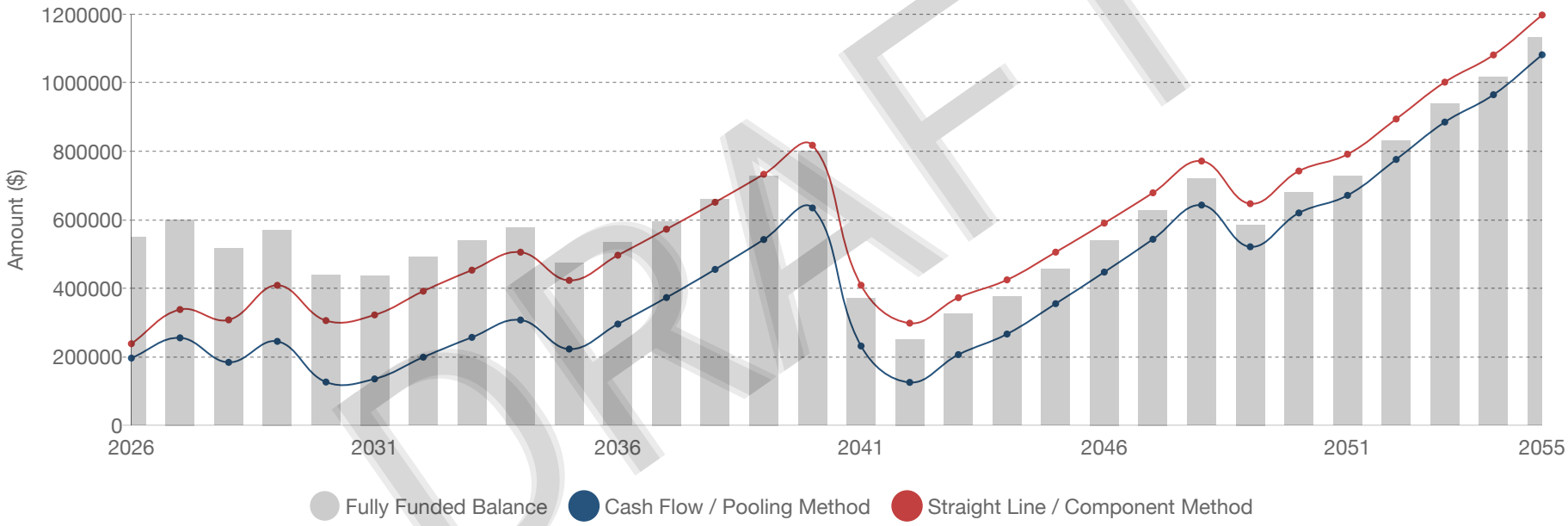
Critical Expenditure Planning (3-Year Outlook)

LOCATION RESERVE ITEM	2026	2027	2028
Building Service Components			
Total Building Service Components			
Exterior Building Components			
Concrete Restoration, Exterior Walls: Common			$20,086
Concrete Restoration, Staircases: Common			$8,532
Concrete Restoration, Walkways & Balconies: Balconies			$10,747
Concrete Restoration, Walkways & Balconies: Walkways			$20,681
Painting, Waterproofing & Stucco Repairs: Common			$74,189
Total Exterior Building Components			**$134,235**
Property Site Components			
Total Property Site Components			
Total			**$134,235**

Annual Plan Comparison Table

	CASH FLOW / POOLING METHOD			STRAIGHT LINE / COMPONENT METHOD		
	FY CONTRIBUTIONS: $50,000			FY CONTRIBUTIONS: $91,960		
YEAR	ASSOC. END. BAL.	OWNER PER MO.	PERCENT FUNDED	ASSOC. END. BAL.	OWNER PER MO.	PERCENT FUNDED
2026	$196,298	$174	36%	$238,257	$319	43%
2027	$255,400	$178	43%	$338,023	$313	56%
2028	$183,912	$182	36%	$307,822	$314	59%
2029	$245,113	$187	43%	$408,743	$308	72%
2030	$126,413	$192	29%	$305,765	$223	70%
2031	$135,548	$196	31%	$322,309	$197	74%
2032	$198,955	$201	40%	$391,598	$196	80%
2033	$256,793	$206	48%	$452,950	$192	84%
2034	$307,503	$212	53%	$505,398	$190	88%
2035	$222,677	$217	47%	$423,146	$198	89%
2036	$295,589	$222	55%	$496,457	$196	93%
2037	$373,017	$228	63%	$572,453	$195	96%
2038	$455,182	$233	69%	$651,232	$194	99%
2039	$542,314	$239	74%	$732,891	$193	101%
2040	$634,656	$245	79%	$817,540	$192	102%
2041	$231,562	$251	62%	$408,948	$207	110%
2042	$125,374	$258	50%	$298,266	$217	119%
2043	$206,469	$264	63%	$372,594	$217	115%
2044	$266,493	$271	71%	$424,666	$220	113%

	CASH FLOW / POOLING METHOD			STRAIGHT LINE / COMPONENT METHOD		
	FY CONTRIBUTIONS: $50,000			FY CONTRIBUTIONS: $91,960		
YEAR	ASSOC. END. BAL.	OWNER PER MO.	PERCENT FUNDED	ASSOC. END. BAL.	OWNER PER MO.	PERCENT FUNDED
2045	$355,136	$271	78%	$505,526	$222	111%
2046	$447,324	$271	83%	$590,166	$224	109%
2047	$543,200	$271	86%	$678,728	$226	108%
2048	$642,911	$271	89%	$771,356	$227	107%
2049	$521,142	$271	89%	$646,921	$244	110%
2050	$619,970	$271	91%	$742,355	$242	109%
2051	$671,330	$271	92%	$791,318	$245	109%
2052	$776,166	$271	93%	$894,166	$247	108%
2053	$885,196	$271	94%	$1,001,706	$249	107%
2054	$965,025	$271	95%	$1,081,118	$253	106%
2055	$1,081,609	$271	95%	$1,197,688	$255	106%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1000000
800000
600000
400000
200000
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Amount ($)
2026
2031
2036
2041
2046
2051
2055
Fully Funded Balance
Cash Flow / Pooling Method
Straight Line / Component Method

Component Funding

(1-Year Projection)

In this section of the Reserve Study report, traditional Straight-Line accounting methods are employed to determine the necessary annual Reserve contribution for the upcoming year.

The Component Funding Analysis calculates the yearly contribution for each specific line item component by dividing the component's remaining unfunded balance by its remaining useful life. The unfunded remaining balance of a component is calculated as its replacement cost minus the reserve balance for that component at the beginning of the analysis period. The individual annual contribution rates for each component are then totaled to derive the overall annual contribution rate for this analysis.

In this methodology Reserve funds cannot only be collectively allocated. For condominium associations in the State of Florida; according to Florida Statute 718.112(2)(f)(3), Reserve funds cana only be reallocated (used) for purposes other than those authorized, only with prior approval by a majority vote of the voting interests.

Straight-line accounting relies on current costs and does not incorporate factors such as interest or inflation into the calculations. This methodology, by it's nature is only accurate for a single year "snapshot" in time and must be re-calculated annually in order to be accurate.

Note- For the purposes of this calculation, the expected Reserve fund balance at the end of the current fiscal year is automatically allocated to components with the shortest remaining lifespan.

This allocation minimizes the straight-line contribution amount under this methodology.

STONEBUILDING SOLUTIONS

Component Method Accounting

COMPONENT	USEFUL LIFE	REM. USEFUL LIFE	QUANTITY	FUTURE COST	STARTING ALLOCATION	ALLOCATED (YR 1)	TOTAL ALLOCATION (YR 1)	FULL FUNDING	PERCENT FUNDED
Painting, Waterproofing & Stucco Repairs: Common	7y	2y	26,880 SF	$70,614	$50,439	$9,582	$62,039	$62,039	100.00%
Concrete Restoration, Exterior Walls: Common	7y	2y	1,344 SF	$19,118	$13,656	$2,595	$16,797	$16,797	100.00%
Concrete Restoration, Walkways & Balconies: Balconies	7y	2y	396.75 SF	$10,229	$7,306	$1,389	$8,987	$8,987	100.00%
Concrete Restoration, Walkways & Balconies: Walkways	7y	2y	763.50 SF	$19,685	$14,061	$2,672	$17,295	$17,295	100.00%
Concrete Restoration, Staircases: Common	7y	2y	315 SF	$8,121	$5,801	$1,102	$7,135	$7,135	100.00%
Railings, Aluminum Picket: Common	42y	4y	1,320 LF	$166,419	$49,408	$31,139	$82,523	$158,395	52.10%
Fire Alarm Control Panel & Ancillary Devices: Common	25y	5y	24 U	$46,396	$0	$10,253	$10,253	$39,947	25.67%
Handrails, Aluminum Picket: Common	45y	7y	90 LF	$8,037	$0	$1,323	$1,323	$7,140	18.53%
Structural Integrity Reserve Study - UPDATE: FL Requirements	10y	8y	1 Ea	$8,405	$0	$1,114	$1,114	$2,585	43.09%
Milestone Inspection: FL Requirements	10y	8y	1 Ea	$8,405	$0	$1,114	$1,114	$2,585	43.09%

COMPONENT	USEFUL LIFE	REM. USEFUL LIFE	QUANTITY	FUTURE COST	STARTING ALLOCATION	ALLOCATED (YR 1)	TOTAL ALLOCATION (YR 1)	FULL FUNDING	PERCENT FUNDED
Roofs, Flat, Modified Bitumen: Common	35y	15y	12,533 SF	$321,158	$0	$26,228	$26,228	$197,512	13.28%
Doors, Metal Utility, Single: Common	35y	15y	10 Ea	$24,690	$0	$2,016	$2,016	$15,184	13.28%
HVAC Stands, Elevated: Common	45y	25y	24 U	$27,737	$0	$1,433	$1,433	$13,268	10.80%

Cash-Flow (Pooled) Funding Methodology (30-Year Projection)

The 30-year Cash-Flow or "Pooled" Funding methodology involves determining Reserve contributions that offset fluctuating annual expenses and create a positive cash flow throughout the projection. By consolidating funds from initial balances, a yearly contribution rate is calculated to ensure a consistently positive cash flow over the analysis period.

The most significant element of the Cash-Flow or "Pooled" Funding methodology is that it significantly reduces the annual contribution amount by maintaining an adequate level of funding year-over-year in relation to the fully funded or (100% funded) balance. This calculation allows the Reserve fund to operate at less than 100% so long as adequate reserves are present. 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. **This leads to the lowest monthly allocations for membership and prevents excess balances from accruing in the reserve account.**

This methodology is a widely accepted, logical, factual, and mathematical basis for calculating Reserve contributions. This method, year after year, allows the total fund balance to offset expected expenditures adequately and ensures that future funds will be available as needed through the scope of the projection and thereafter. This calculation, when done correctly, is considered "fully" funded under Florida statutes.

The DBPR maintains that "The Pooling of reserves is allowable under current Florida laws."

See the "Useful Links" section for additional details.

STONEBUILDING SOLUTIONS

30-Year Cash-Flow

Cash Flow / Pooling Method

YEAR	STARTING BALANCE	CONTRIBUTIONS	PERCENT CHANGE	INTEREST	SPECIAL ASSMNT	ADDTIONAL CAPITAL	EXPENDITURE FUTURE COST	ENDING BALANCE	PERCENT FUNDED	FULLY FUNDED BALANCE
2026	$140,671	$50,000	N/A	$5,627	$0	$0	$0	$196,298	35.76%	$548,869
2027	$196,298	$51,250	2.50%	$7,852	$0	$0	$0	$255,400	42.51%	$600,861
2028	$255,400	$52,531	2.50%	$10,216	$0	$0	$134,235	$183,912	35.54%	$517,520
2029	$183,912	$53,845	2.50%	$7,356	$0	$0	$0	$245,113	42.95%	$570,669
2030	$245,113	$55,191	2.50%	$9,805	$0	$0	$183,695	$126,413	28.87%	$437,862
2031	$126,413	$56,570	2.50%	$5,057	$0	$0	$52,492	$135,548	31.00%	$437,249
2032	$135,548	$57,985	2.50%	$5,422	$0	$0	$0	$198,955	40.48%	$491,480
2033	$198,955	$59,434	2.50%	$7,958	$0	$0	$9,554	$256,793	47.70%	$538,361
2034	$256,793	$60,920	2.50%	$10,272	$0	$0	$20,482	$307,503	53.36%	$576,320
2035	$307,503	$62,443	2.50%	$12,300	$0	$0	$159,569	$222,677	47.00%	$473,805
2036	$222,677	$64,004	2.50%	$8,907	$0	$0	$0	$295,589	55.41%	$533,447
2037	$295,589	$65,604	2.50%	$11,824	$0	$0	$0	$373,017	62.61%	$595,776
2038	$373,017	$67,244	2.50%	$14,921	$0	$0	$0	$455,182	68.87%	$660,886
2039	$455,182	$68,926	2.50%	$18,207	$0	$0	$0	$542,314	74.40%	$728,878
2040	$542,314	$70,649	2.50%	$21,693	$0	$0	$0	$634,656	79.35%	$799,858
2041	$634,656	$72,415	2.50%	$25,386	$0	$0	$500,895	$231,562	62.46%	$370,738
2042	$231,562	$74,225	2.50%	$9,262	$0	$0	$189,676	$125,374	49.85%	$251,496
2043	$125,374	$76,081	2.50%	$5,015	$0	$0	$0	$206,469	63.46%	$325,331
2044	$206,469	$77,983	2.50%	$8,259	$0	$0	$26,218	$266,493	70.91%	$375,828
2045	$266,493	$77,983	0.00%	$10,660	$0	$0	$0	$355,136	77.85%	$456,194

YEAR	STARTING BALANCE	CONTRIBUTIONS	PERCENT CHANGE	INTEREST	SPECIAL ASSMNT	ADDTIONAL CAPITAL	EXPENDITURE FUTURE COST	ENDING BALANCE	PERCENT FUNDED	FULLY FUNDED BALANCE
2046	$355,136	$77,983	0.00%	$14,205	$0	$0	$0	$447,324	82.79%	$540,341
2047	$447,324	$77,983	0.00%	$17,893	$0	$0	$0	$543,200	86.44%	$628,409
2048	$543,200	$77,983	0.00%	$21,728	$0	$0	$0	$642,911	89.23%	$720,544
2049	$642,911	$77,983	0.00%	$25,716	$0	$0	$225,469	$521,142	88.96%	$585,796
2050	$521,142	$77,983	0.00%	$20,846	$0	$0	$0	$619,970	91.07%	$680,737
2051	$619,970	$77,983	0.00%	$24,799	$0	$0	$51,422	$671,330	92.26%	$727,643
2052	$671,330	$77,983	0.00%	$26,853	$0	$0	$0	$776,166	93.46%	$830,491
2053	$776,166	$77,983	0.00%	$31,047	$0	$0	$0	$885,196	94.37%	$938,031
2054	$885,196	$77,983	0.00%	$35,408	$0	$0	$33,562	$965,025	94.98%	$1,016,025
2055	$965,025	$77,983	0.00%	$38,601	$0	$0	$0	$1,081,609	95.50%	$1,132,595

STONEBUILDING SOLUTIONS

Funding Options

Significant expenses related to the repair or replacement of Reserve components are both expected and projected to occur within any community. When these expenses occur, there are essentially funding options available for addressing the cost associated with each expenditure:

Reserve Funds:

- The 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 present and future members, ensuring that future members don't bear the burden of past deficits. By setting aside Reserves over the lifespan of each asset, such as a roof, the association has ample time to accumulate the necessary funds for the projected replacement. Additionally, these contributions would be appropriately distributed among all members and have interest-earning potential.

If Critical elements prevent reserving funds over time, there are two alternative funding options:

Securing a Loan:

- For major repairs, such as a multi-million dollar Concrete Restoration project that can't be delayed, a long-term Reserve plan may not be sufficient. In such cases, the association may seek to secure a loan from a lending institution to finance any required repairs. In many cases, banks are willing to lend to associations using future homeowner assessments as collateral. However, this option comes with challenges as it commits the association's future assets and incurs additional expenses in the form of interest & fees. It is critical to account for loan repayments in addition to Reserve contributions and communicate those costs to membership.

Special Assessment:

- Another option would be for the board 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. SB-154 allows the Board of Directors (BODs) to implement special assessments over the 115% threshold of the previous year if the repairs are for critical structural components.

Important Notes:

- The current statute does not permit associations to include special assessments in the funding plan for the SIRS.

- Any "Special Assessment" or "Loan" should be coordinated along with the Reserve Study to build a manageable financial plan for the membership over the period in which it is projected.

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 was assessed based on its physical condition observed during the inspection. The following factors were determined:

- **Installation Date:** When the component was originally installed
- **Estimated Market Expected Lifespan:** The maintenance plan currently implemented by the association
- **Subjective Remaining Lifespan:** The remaining lifespan based on visual inspection and current condition
- **Unit Current Cost:** The current cost of the component
- **Unit Projected Future Cost:** The estimated future cost of the component, considering inflation and other factors.
- **Maintenance Opportunities**: Potential actions to extend the useful lifespan of the component.

STONEBUILDING SOLUTIONS

Component List - Full Detail

001 - Electric, Main Panels & Meter Bases

Basic Info

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

Comments/Notes

On the date of inspection, it was observed that the electrical service was in good working condition. This fund provides monies for the as needed repairs and eventual partial replacement of the electrical systems over a standard market observed 40-year life cycle.

Useful Life

Last Activity Date:	01/01/2024
Est. Useful Life:	40y
Remaining Useful Life:	38y
Next Activity Date:	01/01/2064

Financial Data

Estimate Date:	01/01/2024
Estimate Source:	Local Contractors
Cost Per U:	$2,100.00
Total Quantity:	24 U
Total Current Cost:	$52,951
Inflation Rate:	2.50%
Total Expenditures:	$0

002 - Fire Alarm Control Panel & Ancillary Devices

Basic Info

Type of Cost:	Replacement
Location:	Building Service Components
Category:	Life Safety Devices
Condition:	Good

Comments/Notes

This fund provides monies for the as needed repairs and eventual replacement of the Fire Alarm system over a standard market observed 25-year life cycle.

Useful Life

Last Activity Date:	01/01/2006
Est. Useful Life:	25y
Remaining Useful Life:	5y
Next Activity Date:	01/01/2031

Financial Data

Estimate Date:	01/01/2024
Estimate Source:	Local Estimate
Cost Per U:	$1,840.00
Total Quantity:	24 U
Total Current Cost:	$46,396
Inflation Rate:	2.50%
Total Expenditures:	$52,492

003 - Roofs, Flat, Modified Bitumen

Basic Info

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

Useful Life

Last Activity Date:	01/01/2006
Est. Useful Life:	20y
Remaining Useful Life:	15y
Next Activity Date:	01/01/2041

Comments/Notes

On the date of inspection it was noted the current roof is in Good condition with no reported issues of leaks or apparent deterioration.

Insurance says they can reseal and be fine

10 years were added to remaining usfeful life

last coated in 2025 for $48,000

Financial Data

Estimate Date:	01/01/2025
Estimate Source:	Local Contractors
Cost Per SF:	$25.00
Total Quantity:	12,533 SF
Total Current Cost:	$321,158
Inflation Rate:	2.50%
Total Expenditures:	$465,137

004 - Painting, Waterproofing & Stucco Repairs

Basic Info

Type of Cost:	Repairs & Maintenance
Location:	Exterior Building Components
Category:	Weatherproofing
Condition:	Good

Useful Life

Last Activity Date:	01/01/2021
Est. Useful Life:	7y
Remaining Useful Life:	2y
Next Activity Date:	01/01/2028

Comments/Notes

On the date of inspection, it was observed that the paint & waterproofing were in Good **condition** and recently reapplied. This fund provides monies for the reapplication of paint & waterproofing layers to the building based on a 7-year life cycle.

Financial Data

Estimate Date:	01/01/2024
Estimate Source:	Local Contactors
Cost Per SF:	$2.50
Total Quantity:	26,880 SF
Total Current Cost:	$70,614
Inflation Rate:	2.50%
Total Expenditures:	$391,830

005 - Concrete Restoration, Exterior Walls

Basic Info

Type of Cost:	Repairs & Maintenance
Location:	Exterior Building Components
Category:	Load Bearing Surfaces
Condition:	Good

Comments/Notes

This fund provides monies for the as-needed repairs and eventual major concrete restoration projects that would need to take place over a market-observed 7-year life cycle. The stated cost is a projected partial rate of failure (5%) over the component's expected market life cycle.

Useful Life

Last Activity Date:	01/01/2021
Est. Useful Life:	7y
Remaining Useful Life:	2y
Next Activity Date:	01/01/2028

Financial Data

Estimate Date:	01/01/2024
Estimate Source:	Local Contractors
Cost Per SF:	$13.54
Total Quantity:	26,880 SF
Percent of Total to Maintain:	5%
Quantity to Maintain:	1,344 SF
Total Current Cost:	$19,118
Inflation Rate:	2.50%
Total Expenditures:	$106,080

006 - Concrete Restoration, Walkways & Balconies

Basic Info

Type of Cost:	Repairs & Maintenance
Location:	Exterior Building Components
Category:	Load Bearing Surfaces
Condition:	Good

Comments/Notes

This fund provides monies for the as-needed repairs and eventual major concrete restoration projects that would need to occur over a market-observed 7-year life cycle. The stated cost is a projected partial failure rate **(15%)** over the components' expected market life cycle.

Useful Life

Last Activity Date:	01/01/2021
Est. Useful Life:	7y
Remaining Useful Life:	2y
Next Activity Date:	01/01/2028

Financial Data

Estimate Date:	01/01/2024
Estimate Source:	Local Contractors
Cost Per SF:	$24.54
Total Quantity:	7,735 SF
Percent of Total to Maintain:	15%
Quantity to Maintain:	1,160.25 SF
Total Current Cost:	$29,914
Inflation Rate:	2.50%
Total Expenditures:	$165,978

007 - Concrete Restoration, Staircases

Basic Info

Type of Cost:	Repairs & Maintenance
Location:	Exterior Building Components
Category:	Unit Access
Condition:	Good

Comments/Notes

On the date of inspection, it was observed that the concrete staircases were in Good condition. This fund provides monies for the as needed repairs to eventual major refurbishment of the staircases. The stated cost is a projected partial rate of failure (25%) over the component's expected market life cycle.

Useful Life

Last Activity Date:	01/01/2021
Est. Useful Life:	7y
Remaining Useful Life:	2y
Next Activity Date:	01/01/2028

Financial Data

Estimate Date:	01/01/2024
Estimate Source:	Local Contractors
Cost Per SF:	$24.54
Total Quantity:	1,260 SF
Percent of Total to Maintain:	25%
Quantity to Maintain:	315 SF
Total Current Cost:	$8,121
Inflation Rate:	2.50%
Total Expenditures:	$45,061

008 - Handrails, Aluminum Picket

Basic Info

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

Useful Life

Last Activity Date:	01/01/1988
Est. Useful Life:	45y
Remaining Useful Life:	7y
Next Activity Date:	01/01/2033

Financial Data

Estimate Date:	01/01/2024
Estimate Source:	Local
Cost Per LF:	$85.00
Total Quantity:	90 LF
Total Current Cost:	$8,037
Inflation Rate:	2.50%
Total Expenditures:	$9,554

009 - Railings, Aluminum Picket

Basic Info

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

Useful Life

Last Activity Date:	01/01/1988
Est. Useful Life:	42y
Remaining Useful Life:	4y
Next Activity Date:	01/01/2030

Comments/Notes

This fund provides monies for the as needed repairs and eventual replacement of the railings over a standard market observed 42-year life cycle.

Financial Data

Estimate Date:	01/01/2024
Estimate Source:	XactRemodel
Cost Per LF:	$120.00
Total Quantity:	1,320 LF
Total Current Cost:	$166,419
Inflation Rate:	2.50%
Total Expenditures:	$183,695

010 - Piping & Plumbing, Major Renovations

Basic Info

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

Comments/Notes

Based on the market expected life cycle of Plumbing Utilities, it is recommended that the association reserve for major refurbishment of this component during the projected cycle.

Useful Life

Last Activity Date:	01/01/2022
Est. Useful Life:	55y
Remaining Useful Life:	51y
Next Activity Date:	01/01/2077

Financial Data

Estimate Date:	01/01/2024
Estimate Source:	Local Contractors
Cost Per U:	$2,400.00
Total Quantity:	24 U
Total Current Cost:	$60,516
Inflation Rate:	2.50%
Total Expenditures:	$0

011 - Doors, Metal Utility, Single

Basic Info

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

Useful Life

Last Activity Date:	01/01/2006
Est. Useful Life:	35y
Remaining Useful Life:	15y
Next Activity Date:	01/01/2041

Financial Data

Estimate Date:	01/01/2024
Estimate Source:	Xactimate
Cost Per Ea:	$2,350.00
Total Quantity:	10 Ea
Total Current Cost:	$24,690
Inflation Rate:	2.50%
Total Expenditures:	$35,758

012 - HVAC Stands, Elevated

Basic Info

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

Useful Life

Last Activity Date:	01/01/2006
Est. Useful Life:	36y
Remaining Useful Life:	25y
Next Activity Date:	01/01/2051

Financial Data

Estimate Date:	01/01/2024
Estimate Source:	Local Contractor
Cost Per U:	$1,100.00
Total Quantity:	24 U
Total Current Cost:	$27,737
Inflation Rate:	2.50%
Total Expenditures:	$51,422

013 - Structural Integrity Reserve Study - UPDATE

Basic Info

Type of Cost:	Improvement
Location:	Property Site Components
Category:	Professional Services
Condition:	Excellent

Comments/Notes

Based on the recommendations of the Community Associations Institute (CAI): Reserve Study Best Practices handbook; Associations should be preparing for the expense associated with professional inspections required by local mandate.

Useful Life

Last Activity Date:	01/01/2024
Est. Useful Life:	10y
Remaining Useful Life:	8y
Next Activity Date:	01/01/2034

Financial Data

Estimate Date:	01/01/2024
Estimate Source:	Stone Building Solutions
Cost Per Ea:	$8,000.00
Total Quantity:	1 Ea
Total Current Cost:	$8,405
Inflation Rate:	2.50%
Total Expenditures:	$40,131

014 - Milestone Inspection

Basic Info

Type of Cost:	Improvement
Location:	Property Site Components
Category:	Professional Services
Condition:	Excellent

Comments/Notes

Based on the recommendations of the Community Associations Institute (CAI): Reserve Study Best Practices handbook; Associations should be preparing for the expense associated with professional inspections required by local mandate.

Useful Life

Last Activity Date:	01/01/2024
Est. Useful Life:	10y
Remaining Useful Life:	8y
Next Activity Date:	01/01/2034

Financial Data

Estimate Date:	01/01/2024
Estimate Source:	Stone Building Solutions
Cost Per Ea:	$8,000.00
Total Quantity:	1 Ea
Total Current Cost:	$8,405
Inflation Rate:	2.50%
Total Expenditures:	$40,131

Definitions

Adequate: The required level of funding, determined by a qualified professional, that must be in place to allow for the coverage of reserve expenditures as needed in the course of the projection and thereafter.

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 of replacing 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, the 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.

SBS: Stone Building Solutions

SIRS: Structural Integrity Reserve Study

SRS: Stone Reserve Studies

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 of 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)

Useful Links

Association of Professional Reserve Analysts

- APRA Home
- APRA Reserve Study Standards

Community Associations Institute

- CAI Home
- CAI Reserve Study Standards

Florida Department of Business and Professional Regulation (DBPR)-

- DBPR Home
- DBPR Building Reporting
- DBPR Frequently Asked Questions

Florida Statutes

- SB-4D
- HB-154
- FL 718 - Condominiums
- FL 719 - Cooperatives
- FL 720

State Funded Grant / Loan Options

- MySafeFLHome Condo Grants

Stone Building Solutions (SBS)

- Stone Building Solutions
- Stone Webinars
- Leave a 5-Star Review for SBS

Disclosures

River Run Condominium Association, Inc. (Building B) contracted with Stone Building Solutions to conduct a SIRS. Stone Building Solutions or one of its entities completed a site review and conducted interviews if representatives were available from the association to assess the physical condition of various components and their maintenance schedules, as well as to obtain information related to any previous defects that may currently exist and any repairs that have been previously performed.

Stone Building Solutions LLC. and Stone Reserve Study LLC. hold no present or prospective interest in the subject property of this report and also have no personal interest with respect to the 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. This system produces 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, specialists, and independent contractors, the Community Association Institute, and various construction pricing and scheduling manuals including, but not limited to: Verarisk, Marshall & Swift Valuation Service, RS Means Facilities Maintenance & Repair Cost Data, Repair & 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 extensive experience in replacement cost valuation, insurance adjusting, and Reserve Study preparation.

This Reserve Analysis is provided as a planning tool and is not an accounting instrument or an engineering report. As it involves future events yet to take place, there is no assurance or guarantee that the results enumerated within it will, in fact, occur as projected.

Update Requirements

Florida State Statutes require an update for this study to be performed and published every 10 years.

We recommend yearly and provide rock-solid rates, call 800-892-1116 or email reserves@stonebldg.com.

While Florida law requires updating the SIRS study only every 10 years, we suggest a yearly refresh to keep your reserve amounts as solid as a rock. Given that this study is still new, annual updates help ensure you're always on the cutting edge of funding requirements. Once your association is up to speed and has a smooth funding flow, we recommend shifting to updates every five years.

Communities that stay on top of their reserve planning often find their allocations drop over time, leading to stronger fiscal and structural health.

As a valued Stone Customer, we're offering a special deal: sign on now, save 10% today, and receive these discounted rates:

Annual Updates 4-year commitment 30% (normally 40%)

5-year update 68% (normally 80% plus market conditions at the time)

Stone Building Solutions will integrate the cost of these updates into your budgets so you can plan without a hitch. Currently, your study does not allocate any updates for the next 10 years (SIRS).

Ready to keep your reserve funds as steady as granite? Contact us at (800) 892-1116 or email us at info@stonebldg.com to order your updated study and keep your community rolling smoothly!