STRUCTURAL INTEGRITY RESERVE STUDY

PREPARED FOR:

River Run Condominium Association, Inc. (Building E)

Sebastian, FL

For The Period Beginning January 1, 2026

PREPARED BY:

STONEBUILDING SOLUTIONS

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Report Date: **February 19, 2025**

Location: 6009 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 E)**

At the direction of the Board and/ or management of River Run Condominium Association, Inc. (Building E), 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 E) 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,

Reviewed by:

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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 E) has 32 units. This study is for the fiscal year starting January 1, 2026, and ending December 31, 2050.

Financial Parameters & Assumptions

Projection Period:	January 1, 2026 - December 31, 2050	**Association:**	Condominium
Report Type:	Level I	**Year Built:**	1992
Inflation:	2.50%	**Buildings:**	1
Interest (Gained):	4.00%	**Total Units:**	32

As of January 1, 2026, the estimated unaudited reserve fund balance is **$206,774**

The estimated *current replacement* cost of the reserve items is **$1,106,081**

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:	$68,000
Required First Year annual contribution per unit:	$2,125
Required First Year monthly contribution per unit:	$177
Average monthly contribution per unit (Over 30 Years):	$242
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:	$102,063
Required First Year annual contribution per unit:	$3,189
Required First Year monthly contribution per unit:	$266
Average monthly contribution per unit (Over 30 Years):	$250
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 E) 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	01/01/2046	40y	40y	20y	$1,507.647	32 U	$48,245
002	Fire Alarm Control Panel & Ancillary Devices: Common	01/01/2033	25y	27y	7y	$1,933.15	32 U	$61,861
003	Fire Stand Pipes & Valves: Common	01/01/2037	45y	45y	11y	$160.746	140 LF	$22,504
004	Fire Suppression System, Piping & Heads: Common	01/01/2037	40y	45y	11y	$47,278.125	1 Allow	$47,278
005	Roofs, Flat, Modified Bitumen: Common	01/01/2036	18y	30y	10y	$25.625	15,878 SF	$406,874
006	Painting, Waterproofing & Stucco Repairs: Common	01/01/2031	7y	7y	5y	$2.627	36,500 SF	$95,886
007	Concrete Restoration, Exterior Walls: Common	01/01/2049	25y	25y	23y	$14.225	1,780 SF	$25,320
008	Concrete Restoration, Walkways & Balconies: Balconies	01/01/2031	7y	7y	5y	$25.782	754.50 SF	$19,453
008	Concrete Restoration, Walkways & Balconies: Walkways	01/01/2031	7y	7y	5y	$25.782	690 SF	$17,790
009	Concrete Restoration, Parking Garage: Common	01/01/2031	14y	14y	5y	$14.225	3,935 SF	$55,975
010	Concrete Restoration, Staircases: Common	01/01/2031	7y	7y	5y	$25.782	554.40 SF	$14,294
011	Waterproofing Membrane (Top Coat): Walkway above garage	01/01/2031	7y	7y	5y	$4.728	3,300 SF	$15,602
012	Waterproofing Membrane (Bottom Coat): Walkway above garage	01/01/2038	14y	14y	12y	$5.778	3,300 SF	$19,067
013	Railings, Aluminum Picket: Common	01/01/2052	44y	46y	26y	$126.075	2,002 LF	$252,402
014	Handrails, Aluminum Picket: Common	01/01/2052	42y	46y	26y	$89.303	176 LF	$15,717
015	Piping & Plumbing, Major Renovations : Common	01/01/2061	55y	55y	35y	$2,521.50	32 U	$80,688

ASSET №	NAME	NEXT ACTIVITY	EST LIFE	ADJ LIFE	REM USEFUL LIFE	UNIT COST	QTY	YEAR 1 REPLACEMENT COST
016	Skylights, Engineered Dome: Common	01/01/2051	45y	45y	25y	$210.125	110 SF	$23,114
017	Doors, Metal Utility, Single: Common	01/01/2041	35y	35y	15y	$2,468.969	14 Ea	$34,566
018	Windows, Impact Rated: Common	01/01/2056	60y	50y	30y	$210.125	80 SF	$16,810
019	Doors, Storefront, Single: Common	01/01/2063	40y	40y	37y	$3,151.875	1 Ea	$3,152
020	HVAC Stands, Elevated: Common	01/01/2046	40y	40y	20y	$1,155.688	32 U	$36,982
021	Bulkheads, Ponds: Common	01/01/2037	45y	45y	11y	$262.656	550 LF	$144,461
022	Milestone Inspection: FL Requirements	01/01/2034	10y	10y	8y	$8,405.00	1 Ea	$8,405
023	Structural Integrity Reserve Study - UPDATE: FL Requirements	01/01/2034	10y	10y	8y	$8,405.00	1 Ea	$8,405
								$1,106,082

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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)						
2028 (Year 3) Total				$0		
2029 (Year 4)						
2029 (Year 4) Total				$0		
2030 (Year 5)						
2030 (Year 5) Total				$0		
2031 (Year 6)						
009	Concrete Restoration, Parking Garage: Common	$16.094	3,935 SF	$63,330	14y	2045
010	Concrete Restoration, Staircases: Common	$29.17	554.40 SF	$16,172	7y	2038
008	Concrete Restoration, Walkways & Balconies: Balconies	$29.17	754.50 SF	$22,009	7y	2038
008	Concrete Restoration, Walkways & Balconies: Walkways	$29.17	690 SF	$20,127	7y	2038
006	Painting, Waterproofing & Stucco Repairs: Common	$2.972	36,500 SF	$108,478	7y	2038
011	Waterproofing Membrane (Top Coat): Walkway above garage	$5.349	3,300 SF	$17,652	7y	2038

ASSET №	NAME	UNIT COST	QTY.	FUTURE COST	USEFUL LIFE	NEXT ACTIVITY
2031 (Year 6) Total				**$247,768**		
2032 (Year 7)						
2032 (Year 7) Total				**$0**		
2033 (Year 8)						
002	Fire Alarm Control Panel & Ancillary Devices: Common	$2,297.906	32 U	$73,533	27y	N/A
2033 (Year 8) Total				**$73,533**		
2034 (Year 9)						
022	Milestone Inspection: FL Requirements	$10,241.00	1 Ea	$10,241	10y	2044
023	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)						
2035 (Year 10) Total				**$0**		
2036 (Year 11)						
005	Roofs, Flat, Modified Bitumen: Common	$32.802	15,878 SF	$520,830	30y	N/A
2036 (Year 11) Total				**$520,830**		
2037 (Year 12)						
021	Bulkheads, Ponds: Common	$344.627	550 LF	$189,545	45y	N/A
003	Fire Stand Pipes & Valves: Common	$210.914	140 LF	$29,528	45y	N/A
004	Fire Suppression System, Piping & Heads: Common	$62,033.00	1 Allow	$62,033	45y	N/A
2037 (Year 12) Total				**$281,106**		
2038 (Year 13)						
010	Concrete Restoration, Staircases: Common	$34.674	554.40 SF	$19,223	7y	2045
008	Concrete Restoration, Walkways & Balconies: Balconies	$34.675	754.50 SF	$26,162	7y	2045
008	Concrete Restoration, Walkways & Balconies: Walkways	$34.674	690 SF	$23,925	7y	2045

ASSET №	NAME	UNIT COST	QTY.	FUTURE COST	USEFUL LIFE	NEXT ACTIVITY
006	Painting, Waterproofing & Stucco Repairs: Common	$3.533	36,500 SF	$128,954	7y	2045
012	Waterproofing Membrane (Bottom Coat): Walkway above garage	$7.771	3,300 SF	$25,644	14y	N/A
011	Waterproofing Membrane (Top Coat): Walkway above garage	$6.359	3,300 SF	$20,985	7y	2045
2038 (Year 13) Total				$244,893		
2039 (Year 14)						
2039 (Year 14) Total				$0		
2040 (Year 15)						
2040 (Year 15) Total				$0		
2041 (Year 16)						
017	Doors, Metal Utility, Single: Common	$3,575.786	14 Ea	$50,061	35y	N/A
2041 (Year 16) Total				$50,061		
2042 (Year 17)						
2042 (Year 17) Total				$0		
2043 (Year 18)						
2043 (Year 18) Total				$0		
2044 (Year 19)						
022	Milestone Inspection: FL Requirements	$13,109.00	1 Ea	$13,109	10y	N/A
023	Structural Integrity Reserve Study - UPDATE: FL Requirements	$13,109.00	1 Ea	$13,109	10y	N/A
2044 (Year 19) Total				$26,218		
2045 (Year 20)						
009	Concrete Restoration, Parking Garage: Common	$22.741	3,935 SF	$89,486	14y	N/A
010	Concrete Restoration, Staircases: Common	$41.216	554.40 SF	$22,850	7y	N/A
008	Concrete Restoration, Walkways & Balconies: Balconies	$41.215	754.50 SF	$31,097	7y	N/A

ASSET №	NAME	UNIT COST	QTY.	FUTURE COST	USEFUL LIFE	NEXT ACTIVITY
008	Concrete Restoration, Walkways & Balconies: Walkways	$41.216	690 SF	$28,439	7y	N/A
006	Painting, Waterproofing & Stucco Repairs: Common	$4.20	36,500 SF	$153,300	7y	N/A
011	Waterproofing Membrane (Top Coat): Walkway above garage	$7.558	3,300 SF	$24,941	7y	N/A
2045 (Year 20) Total				**$350,113**		
2046 (Year 21)						
001	Electric, Main Panels & Meter Bases: Common	$2,470.469	32 U	$79,055	40y	N/A
020	HVAC Stands, Elevated: Common	$1,893.719	32 U	$60,599	40y	N/A
2046 (Year 21) Total				**$139,654**		
2047 (Year 22)						
2047 (Year 22) Total				**$0**		
2048 (Year 23)						
2048 (Year 23) Total				**$0**		
2049 (Year 24)						
007	Concrete Restoration, Exterior Walls: Common	$25.102	1,780 SF	$44,682	25y	N/A
2049 (Year 24) Total				**$44,682**		
2050 (Year 25)						
2050 (Year 25) 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								$73,533							
Fire Stand Pipes & Valves: Common												$29,528			
Fire Suppression System, Piping & Heads: Common												$62,033			
Total Building Service Components								**$73,533**				**$91,561**			
Exterior Building Components															
Concrete Restoration, Parking Garage: Common						$63,330									
Concrete Restoration, Staircases: Common						$16,172							$19,223		

LOCATION RESERVE ITEM	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
Concrete Restoration, Walkways & Balconies: Balconies						$22,009							$26,162		
Concrete Restoration, Walkways & Balconies: Walkways						$20,127							$23,925		
Painting, Waterproofing & Stucco Repairs: Common						$108,478							$128,954		
Roofs, Flat, Modified Bitumen: Common											$520,830				
Waterproofing Membrane (Bottom Coat): Walkway above garage													$25,644		
Waterproofing Membrane (Top Coat): Walkway above garage						$17,652							$20,985		
Total Exterior Building Components						**$247,768**					**$520,830**		**$244,893**		
Property Site Components															
Bulkheads, Ponds: Common												$189,545			
Milestone Inspection: FL Requirements									$10,241						
Structural Integrity Reserve Study - UPDATE: FL Requirements									$10,241						
Total Property Site Components									**$20,482**			**$189,545**			
Total						**$247,768**		**$73,533**	**$20,482**		**$520,830**	**$281,106**	**$244,893**		

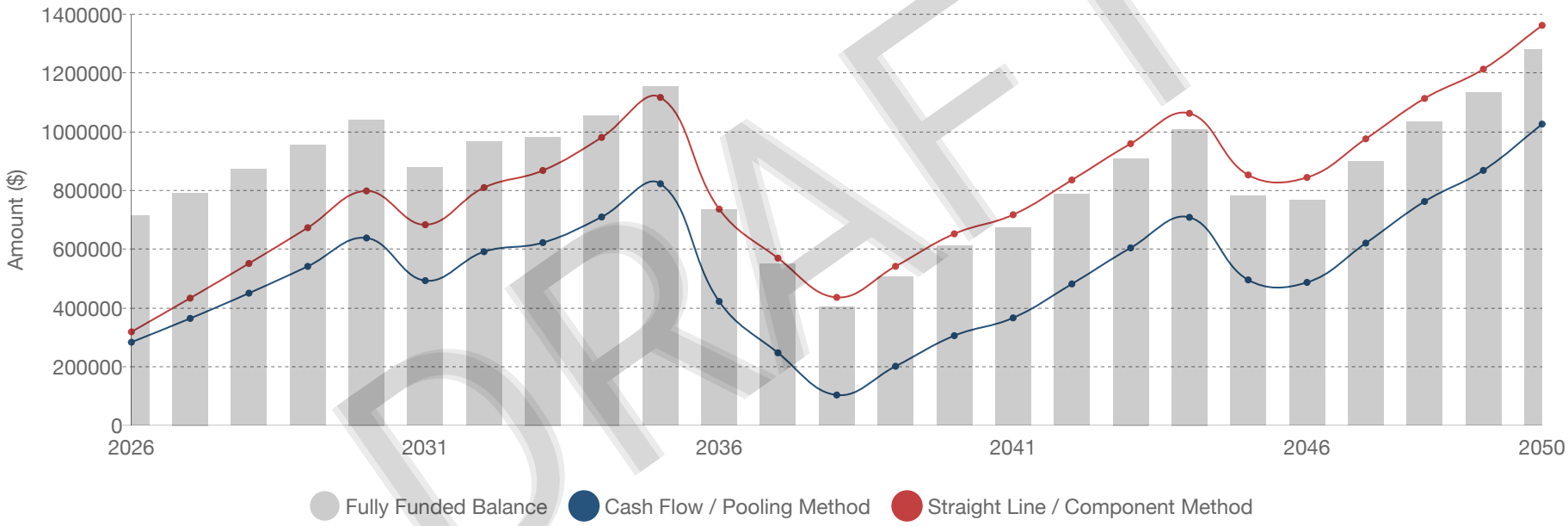
LOCATION RESERVE ITEM	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055
Building Service Components															
Electric, Main Panels & Meter Bases: Common						$79,055									
Total Building Service Components						**$79,055**									
Exterior Building Components															
Concrete Restoration, Exterior Walls: Common									$44,682						
Concrete Restoration, Parking Garage: Common					$89,486										
Concrete Restoration, Staircases: Common					$22,850										
Concrete Restoration, Walkways & Balconies: Balconies					$31,097										
Concrete Restoration, Walkways & Balconies: Walkways					$28,439										
Doors, Metal Utility, Single: Common	$50,061														
HVAC Stands, Elevated: Common						$60,599									
Painting, Waterproofing & Stucco Repairs: Common					$153,300										
Waterproofing Membrane (Top Coat): Walkway above garage					$24,941										
Total Exterior Building Components	**$50,061**				**$350,113**	**$60,599**			**$44,682**						

LOCATION RESERVE ITEM	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055
Property Site Components															
Milestone Inspection: FL Requirements				$13,109											
Structural Integrity Reserve Study - UPDATE: FL Requirements				$13,109											
Total Property Site Components				**$26,218**											
Total	**$50,061**			**$26,218**	**$350,113**	**$139,654**			**$44,682**						

Annual Plan Comparison Table

	CASH FLOW / POOLING METHOD			STRAIGHT LINE / COMPONENT METHOD		
	FY CONTRIBUTIONS: $68,000			FY CONTRIBUTIONS: $103,280		
YEAR	ASSOC. END. BAL.	OWNER PER MO.	PERCENT FUNDED	ASSOC. END. BAL.	OWNER PER MO.	PERCENT FUNDED
2026	$283,045	$177	40%	$318,323	$269	45%
2027	$364,067	$182	46%	$433,119	$266	55%
2028	$450,072	$186	52%	$551,283	$263	63%
2029	$541,303	$191	57%	$672,938	$259	71%
2030	$638,015	$195	61%	$798,202	$256	77%
2031	$492,703	$200	56%	$683,147	$262	78%
2032	$591,270	$205	61%	$809,678	$258	84%
2033	$622,219	$210	63%	$867,855	$259	88%
2034	$709,477	$216	67%	$980,405	$256	93%
2035	$822,779	$221	71%	$1,116,702	$253	97%
2036	$421,906	$227	58%	$736,446	$250	100%
2037	$246,898	$232	45%	$569,411	$220	103%
2038	$103,333	$238	26%	$435,737	$230	108%
2039	$201,205	$244	40%	$541,531	$230	107%
2040	$305,336	$250	50%	$652,163	$232	107%
2041	$365,972	$256	54%	$717,191	$232	107%
2042	$481,558	$263	61%	$835,450	$233	106%
2043	$604,290	$269	66%	$959,068	$235	106%
2044	$708,300	$276	70%	$1,062,451	$238	105%

	CASH FLOW / POOLING METHOD			STRAIGHT LINE / COMPONENT METHOD		
	FY CONTRIBUTIONS: $68,000			FY CONTRIBUTIONS: $103,280		
YEAR	ASSOC. END. BAL.	OWNER PER MO.	PERCENT FUNDED	ASSOC. END. BAL.	OWNER PER MO.	PERCENT FUNDED
2045	$495,228	$283	63%	$852,623	$255	109%
2046	$486,809	$290	63%	$844,176	$253	110%
2047	$620,493	$297	69%	$975,652	$254	109%
2048	$762,379	$305	74%	$1,113,198	$257	108%
2049	$868,186	$312	77%	$1,212,936	$260	107%
2050	$1,025,907	$320	80%	$1,362,062	$262	106%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1200000
1000000
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Amount ($)
2026
2031
2036
2041
2046
2050
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	5y	36,500 SF	$95,886	$27,396	$13,629	$42,121	$42,121	100.00%
Concrete Restoration, Walkways & Balconies: Balconies	7y	5y	754.50 SF	$19,453	$5,558	$2,765	$8,545	$8,545	100.00%
Concrete Restoration, Walkways & Balconies: Walkways	7y	5y	690 SF	$17,790	$5,083	$2,529	$7,815	$7,815	100.00%
Concrete Restoration, Parking Garage: Common	14y	5y	3,935 SF	$55,975	$35,984	$3,559	$40,982	$40,982	100.00%
Concrete Restoration, Staircases: Common	7y	5y	554.40 SF	$14,294	$4,084	$2,032	$6,279	$6,279	100.00%
Waterproofing Membrane (Top Coat): Walkway above garage	7y	5y	3,300 SF	$15,602	$4,458	$2,218	$6,854	$6,854	100.00%
Fire Alarm Control Panel & Ancillary Devices: Common	27y	7y	32 U	$61,861	$45,823	$1,661	$49,317	$49,317	100.00%
Milestone Inspection: FL Requirements	10y	8y	1 Ea	$8,405	$1,681	$837	$2,585	$2,585	100.00%
Structural Integrity Reserve Study - UPDATE: FL Requirements	10y	8y	1 Ea	$8,405	$1,681	$837	$2,585	$2,585	100.00%

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	30y	10y	15,878 SF	$406,874	$75,026	$37,304	$115,331	$291,932	39.51%
Fire Stand Pipes & Valves: Common	45y	11y	140 LF	$22,504	$0	$2,484	$2,484	$17,941	13.85%
Fire Suppression System, Piping & Heads: Common	45y	11y	1 Allow	$47,278	$0	$5,217	$5,217	$37,691	13.84%
Bulkheads, Ponds: Common	45y	11y	550 LF	$144,461	$0	$15,943	$15,943	$115,168	13.84%
Waterproofing Membrane (Bottom Coat): Walkway above garage	14y	12y	3,300 SF	$19,067	$0	$1,691	$1,691	$4,188	40.38%
Doors, Metal Utility, Single: Common	35y	15y	14 Ea	$34,566	$0	$2,823	$2,823	$21,258	13.28%
Electric, Main Panels & Meter Bases: Common	40y	20y	32 U	$48,245	$0	$3,046	$3,046	$25,962	11.73%
HVAC Stands, Elevated: Common	40y	20y	32 U	$36,982	$0	$2,335	$2,335	$19,901	11.73%
Concrete Restoration, Exterior Walls: Common	25y	23y	1,780 SF	$25,320	$0	$1,176	$1,176	$3,114	37.76%
Skylights, Engineered Dome: Common	45y	25y	110 SF	$23,114	$0	$1,194	$1,194	$11,056	10.80%

STONEBUILDING SOLUTIONS

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	$206,774	$68,000	N/A	$8,271	$0	$0	$0	$283,045	39.57%	$715,294
2027	$283,045	$69,700	2.50%	$11,322	$0	$0	$0	$364,067	45.99%	$791,579
2028	$364,067	$71,442	2.50%	$14,563	$0	$0	$0	$450,072	51.66%	$871,232
2029	$450,072	$73,229	2.50%	$18,003	$0	$0	$0	$541,303	56.72%	$954,375
2030	$541,303	$75,059	2.50%	$21,652	$0	$0	$0	$638,015	61.28%	$1,041,128
2031	$638,015	$76,936	2.50%	$25,521	$0	$0	$247,768	$492,703	56.14%	$877,650
2032	$492,703	$78,859	2.50%	$19,708	$0	$0	$0	$591,270	61.23%	$965,671
2033	$591,270	$80,831	2.50%	$23,651	$0	$0	$73,533	$622,219	63.34%	$982,394
2034	$622,219	$82,851	2.50%	$24,889	$0	$0	$20,482	$709,477	67.21%	$1,055,614
2035	$709,477	$84,923	2.50%	$28,379	$0	$0	$0	$822,779	71.34%	$1,153,399
2036	$822,779	$87,046	2.50%	$32,911	$0	$0	$520,830	$421,906	57.53%	$733,422
2037	$421,906	$89,222	2.50%	$16,876	$0	$0	$281,106	$246,898	44.81%	$550,970
2038	$246,898	$91,452	2.50%	$9,876	$0	$0	$244,893	$103,333	25.62%	$403,258
2039	$103,333	$93,739	2.50%	$4,133	$0	$0	$0	$201,205	39.83%	$505,106
2040	$201,205	$96,082	2.50%	$8,048	$0	$0	$0	$305,336	49.91%	$611,792
2041	$305,336	$98,484	2.50%	$12,213	$0	$0	$50,061	$365,972	54.44%	$672,188
2042	$365,972	$100,946	2.50%	$14,639	$0	$0	$0	$481,558	61.13%	$787,818
2043	$481,558	$103,470	2.50%	$19,262	$0	$0	$0	$604,290	66.49%	$908,805
2044	$604,290	$106,057	2.50%	$24,172	$0	$0	$26,218	$708,300	70.23%	$1,008,477
2045	$708,300	$108,708	2.50%	$28,332	$0	$0	$350,113	$495,228	63.39%	$781,255

YEAR	STARTING BALANCE	CONTRIBUTIONS	PERCENT CHANGE	INTEREST	SPECIAL ASSMNT	ADDTIONAL CAPITAL	EXPENDITURE FUTURE COST	ENDING BALANCE	PERCENT FUNDED	FULLY FUNDED BALANCE
2046	$495,228	$111,426	2.50%	$19,809	$0	$0	$139,654	$486,809	63.49%	$766,722
2047	$486,809	$114,212	2.50%	$19,472	$0	$0	$0	$620,493	69.12%	$897,700
2048	$620,493	$117,067	2.50%	$24,820	$0	$0	$0	$762,379	73.68%	$1,034,746
2049	$762,379	$119,994	2.50%	$30,495	$0	$0	$44,682	$868,186	76.68%	$1,132,287
2050	$868,186	$122,993	2.50%	$34,727	$0	$0	$0	$1,025,907	80.09%	$1,281,002

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.

STONEBUILDING SOLUTIONS

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:	Good

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:	01/01/2006
Est. Useful Life:	40y
Remaining Useful Life:	20y
Next Activity Date:	01/01/2046

Financial Data

Estimate Date:	01/01/2024
Estimate Source:	Local Contractors
Cost Per U:	$1,435.00
Total Quantity:	32 U
Total Current Cost:	$48,245
Inflation Rate:	2.50%
Total Expenditures:	$79,055

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:	7y
Next Activity Date:	01/01/2033

Financial Data

Estimate Date:	01/01/2024
Estimate Source:	Local Estimate
Cost Per U:	$1,840.00
Total Quantity:	32 U
Total Current Cost:	$61,861
Inflation Rate:	2.50%
Total Expenditures:	$73,533

003 - Fire Stand Pipes & Valves

Basic Info

Type of Cost:	Repairs & Maintenance
Location:	Building Service Components
Category:	Fire & Life Safety
Condition:	Good

Useful Life

Last Activity Date:	01/01/1992
Est. Useful Life:	45y
Remaining Useful Life:	11y
Next Activity Date:	01/01/2037

Financial Data

Estimate Date:	01/01/2024
Estimate Source:	MVS
Cost Per LF:	$153.00
Total Quantity:	280 LF
Percent of Total to Maintain:	50%
Quantity to Maintain:	140 LF
Total Current Cost:	$22,504
Inflation Rate:	2.50%
Total Expenditures:	$29,528

004 - Fire Suppression System, Piping & Heads

Basic Info

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

Useful Life

Last Activity Date:	01/01/1992
Est. Useful Life:	40y
Remaining Useful Life:	11y
Next Activity Date:	01/01/2037

Financial Data

Estimate Date:	01/01/2024
Estimate Source:	MVS
Cost Per Allow:	$45,000.00
Total Quantity:	1 Allow
Total Current Cost:	$47,278
Inflation Rate:	2.50%
Total Expenditures:	$62,033

005 - 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:	18y
Remaining Useful Life:	10y
Next Activity Date:	01/01/2036

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.

Coating in 2025 for $56,000

Financial Data

Estimate Date:	01/01/2025
Estimate Source:	Local Contractors
Cost Per SF:	$25.00
Total Quantity:	15,878 SF
Total Current Cost:	$406,874
Inflation Rate:	2.50%
Total Expenditures:	$520,830

006 - Painting, Waterproofing & Stucco Repairs

Basic Info

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

Useful Life

Last Activity Date:	01/01/2024
Est. Useful Life:	7y
Remaining Useful Life:	5y
Next Activity Date:	01/01/2031

Comments/Notes

On the date of inspection, it was observed that the paint & waterproofing were in Excellent **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:	36,500 SF
Total Current Cost:	$95,886
Inflation Rate:	2.50%
Total Expenditures:	$390,732

007 - 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 25-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:	01/01/2024
Est. Useful Life:	25y
Remaining Useful Life:	23y
Next Activity Date:	01/01/2049

Financial Data

Estimate Date:	01/01/2024
Estimate Source:	Local Contractors
Cost Per SF:	$13.54
Total Quantity:	35,600 SF
Percent of Total to Maintain:	5%
Quantity to Maintain:	1,780 SF
Total Current Cost:	$25,320
Inflation Rate:	2.50%
Total Expenditures:	$44,682

008 - 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 **(10%)** over the components' expected market life cycle.

Useful Life

Last Activity Date:	01/01/2024
Est. Useful Life:	7y
Remaining Useful Life:	5y
Next Activity Date:	01/01/2031

Financial Data

Estimate Date:	01/01/2024
Estimate Source:	Local Contractors
Cost Per SF:	$24.54
Total Quantity:	14,445 SF
Percent of Total to Maintain:	10%
Quantity to Maintain:	1,444.50 SF
Total Current Cost:	$37,243
Inflation Rate:	2.50%
Total Expenditures:	$151,759

009 - Concrete Restoration, Parking Garage

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 14-year life cycle. The stated cost is a projected partial rate of failure (25%) over the component's expected market life cycle.

Useful Life

Last Activity Date:	01/01/2017
Est. Useful Life:	14y
Remaining Useful Life:	5y
Next Activity Date:	01/01/2031

Financial Data

Estimate Date:	01/01/2024
Estimate Source:	Local Contractors
Cost Per SF:	$13.54
Total Quantity:	15,740 SF
Percent of Total to Maintain:	25%
Quantity to Maintain:	3,935 SF
Total Current Cost:	$55,975
Inflation Rate:	2.50%
Total Expenditures:	$152,816

010 - Concrete Restoration, Staircases

Basic Info

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

Useful Life

Last Activity Date:	01/01/2024
Est. Useful Life:	7y
Remaining Useful Life:	5y
Next Activity Date:	01/01/2031

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 (33%) over the component's expected market life cycle.

Financial Data

Estimate Date:	01/01/2024
Estimate Source:	Local Contractors
Cost Per SF:	$24.54
Total Quantity:	1,680 SF
Percent of Total to Maintain:	33%
Quantity to Maintain:	554.40 SF
Total Current Cost:	$14,294
Inflation Rate:	2.50%
Total Expenditures:	$58,245

011 - Waterproofing Membrane (Top Coat)

Basic Info

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

Useful Life

Last Activity Date:	01/01/2024
Est. Useful Life:	7y
Remaining Useful Life:	5y
Next Activity Date:	01/01/2031

Financial Data

Estimate Date:	01/01/2024
Estimate Source:	Local Contractors
Cost Per SF:	$4.50
Total Quantity:	3,300 SF
Total Current Cost:	$15,602
Inflation Rate:	2.50%
Total Expenditures:	$63,578

012 - Waterproofing Membrane (Bottom Coat)

Basic Info

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

Useful Life

Last Activity Date:	01/01/2024
Est. Useful Life:	14y
Remaining Useful Life:	12y
Next Activity Date:	01/01/2038

Financial Data

Estimate Date:	01/01/2024
Estimate Source:	Local Contractors
Cost Per SF:	$5.50
Total Quantity:	3,300 SF
Total Current Cost:	$19,067
Inflation Rate:	2.50%
Total Expenditures:	$25,644

013 - Railings, Aluminum Picket

Basic Info

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

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.

Useful Life

Last Activity Date:	01/01/2006
Est. Useful Life:	44y
Remaining Useful Life:	26y
Next Activity Date:	01/01/2052

Financial Data

Estimate Date:	01/01/2024
Estimate Source:	XactRemodel
Cost Per LF:	$120.00
Total Quantity:	2,002 LF
Total Current Cost:	$252,402
Inflation Rate:	2.50%
Total Expenditures:	$0

014 - Handrails, Aluminum Picket

Basic Info

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

Useful Life

Last Activity Date:	01/01/2006
Est. Useful Life:	42y
Remaining Useful Life:	26y
Next Activity Date:	01/01/2052

Financial Data

Estimate Date:	01/01/2024
Estimate Source:	Local
Cost Per LF:	$85.00
Total Quantity:	176 LF
Total Current Cost:	$15,717
Inflation Rate:	2.50%
Total Expenditures:	$0

015 - Piping & Plumbing, Major Renovations

Basic Info

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

Comments/Notes

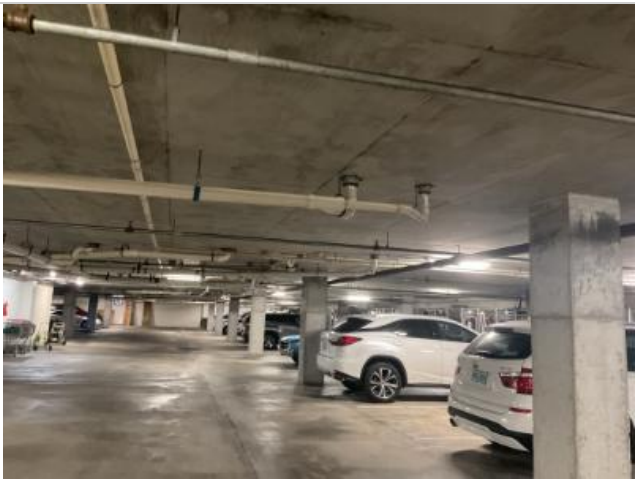
Based on the market expected life cycle of Plumbing Utilities, it is recommended that the association reserve for major refurbishment of this component during the projected cycle.

Useful Life

Last Activity Date:	01/01/2006
Est. Useful Life:	55y
Remaining Useful Life:	35y
Next Activity Date:	01/01/2061

Financial Data

Estimate Date:	01/01/2024
Estimate Source:	Local Contractors
Cost Per U:	$2,400.00
Total Quantity:	32 U
Total Current Cost:	$80,688
Inflation Rate:	2.50%
Total Expenditures:	$0



016 - Skylights, Engineered Dome

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:	45y
Remaining Useful Life:	25y
Next Activity Date:	01/01/2051

Financial Data

Estimate Date:	01/01/2024
Estimate Source:	MVS
Cost Per SF:	$200.00
Total Quantity:	110 SF
Total Current Cost:	$23,114
Inflation Rate:	2.50%
Total Expenditures:	$0

017 - 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:	14 Ea
Total Current Cost:	$34,566
Inflation Rate:	2.50%
Total Expenditures:	$50,061

018 - Windows, Impact Rated

Basic Info

Type of Cost:	Replacement
Location:	Exterior Building Components
Category:	Windows & Doors
Condition:	Good

Useful Life

Last Activity Date:	01/01/2006
Est. Useful Life:	60y
Remaining Useful Life:	30y
Next Activity Date:	01/01/2056

Financial Data

Estimate Date:	01/01/2024
Estimate Source:	XactRemodel
Cost Per SF:	$200.00
Total Quantity:	80 SF
Total Current Cost:	$16,810
Inflation Rate:	2.50%
Total Expenditures:	$0

019 - Doors, Storefront, Single

Basic Info

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

Useful Life

Last Activity Date:	01/01/2023
Est. Useful Life:	40y
Remaining Useful Life:	37y
Next Activity Date:	01/01/2063

Financial Data

Estimate Date:	01/01/2024
Estimate Source:	Xactimate
Cost Per Ea:	$3,000.00
Total Quantity:	1 Ea
Total Current Cost:	$3,152
Inflation Rate:	2.50%
Total Expenditures:	$0

020 - 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:	40y
Remaining Useful Life:	20y
Next Activity Date:	01/01/2046

Financial Data

Estimate Date:	01/01/2024
Estimate Source:	Local Contractor
Cost Per U:	$1,100.00
Total Quantity:	32 U
Total Current Cost:	$36,982
Inflation Rate:	2.50%
Total Expenditures:	$60,599

021 - Bulkheads, Ponds

Basic Info

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

Useful Life

Last Activity Date:	01/01/1992
Est. Useful Life:	45y
Remaining Useful Life:	11y
Next Activity Date:	01/01/2037

Financial Data

Estimate Date:	01/01/2024
Estimate Source:	Xactimate
Cost Per LF:	$250.00
Total Quantity:	550 LF
Total Current Cost:	$144,461
Inflation Rate:	2.50%
Total Expenditures:	$189,545

022 - 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:	$23,350

023 - 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:	$23,350

STONEBUILDING SOLUTIONS

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 E) 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!