

# Structural Integrity Reserve Study Captain's Quarters Condominium St. Augustine, Florida



Prepared for FY 2025  
Report Date: November 29, 2024



November 29, 2024

Board of Directors  
Captain's Quarters Condominium  
1 Dondanville Road  
St. Augustine Florida 32080

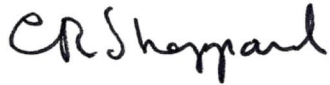
Re: Reserve Study Report for Captain's Quarters Condominium

Dear Directors:

Community Advisors is pleased to provide this Structural Integrity Reserve Study report for the above referenced Association. A site visit was conducted to determine the condition of your major components and provide an opinion of their remaining useful life. This analysis meets the requirements of Florida Condominium Statute SIRS reporting. Other components observed during our site visit are found in a separate report.

This Reserve Study was prepared under the guidelines of the National Reserve Study Standards which is administrated by CAI and the Standards of Practice establish by APRA.

Respectively submitted,



Charles R. Sheppard *RS PRA CCI*  
Professional Reserve Analyst

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## **SPECIAL NOTICE**

**THIS RESERVE ANALYSIS INCLUDED A VISUAL OBSERVATION OF MAJOR COMPONENTS FOR YOUR PROPERTY. NO DESTRUCTIVE TESTING OR OTHER TESTING WAS CONDUCTED TO DETERMINE COMPONENT CONDITION. OUR ANALYSIS INCLUDES COMPONENTS WITH REPLACEMENT COST AND USEFUL LIFE PROJECTIONS THAT ARE TYPICAL FOR THIS TYPE OF FACILITY.**

**THIS ANALYSIS IS NOT A SAFETY INSPECTION OR STRUCTURAL INSPECTION AND WE RECOMMEND THE ASSOCIATION CONDUCT THOSE INSPECTIONS ON A REGULAR BASIS WITH QUALIFIED CONSULTANTS.**

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## Captain's Quarters Condominium

St. Augustine, Florida

### Executive Summary

Report Date	November 29, 2024
Account Number	2130 B
Version	1
Budget Year Beginning	January 1, 2025
Budget Year Ending	December 31, 2025
Total Units	57

#### *Report Parameters*

Inflation	3.00%
Annual Assessment Increase	3.00%
Interest Rate on Reserve Deposit	3.00%
2025 Beginning Balance	\$81,000

### Project Information

**Date of Completion:** January, 1 1984

**Date of Last Site Visit:** November, 21 2024

### Methodology:

This report has limited components required by Florida Statute for condominiums three story and higher. Additional components maintained by the Association are found in the Regular Reserve Study Update under separate cover. Association has not furnished a published preventative maintenance plan however, they have conducted maintenance on components as needed. Components with deferred maintenance have remaining life projections adjusted accordingly.

### Reserve Fund Status:

Beginning balance furnished by Association Manager for this SIRS report. We have allocated these funds specifically to this SIRS analysis, other components not included may require additional funding.

### Reserve Funding Goal:

Funding goal for the Association is to maintain adequate reserves with moderate contributions which are projected at the lowest year-end balance in FY 2025.

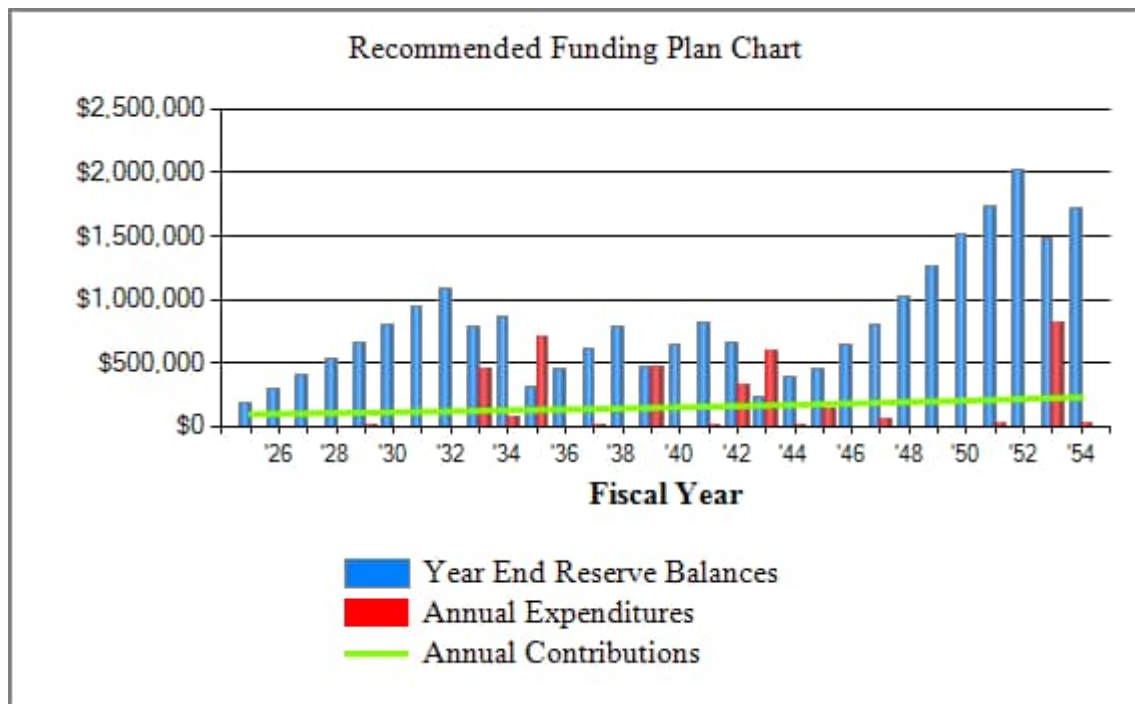
#### *Cash Flow Funding Plan Summary of Calculations*

Required Annual Contribution	\$98,238.61
<i>\$1,723.48 per unit annually</i>	
Average Net Annual Interest Earned	<u>\$5,377.16</u>
Total Annual Allocation to Reserves	\$103,615.77
<i>\$1,817.82 per unit annually</i>	

**Captain's Quarters Condominium  
Funding Model Projection**

Beginning Balance: \$81,000

Year	Current Cost	Annual Contribution	Annual Interest	Annual Expenditures	Projected Ending Reserves
2025	1,582,898	98,239	5,377		184,616
2026	1,630,385	101,186	8,574		294,376
2027	1,679,296	104,221	11,958		410,555
2028	1,729,675	107,348	15,537		533,440
2029	1,781,566	110,568	19,219	3,377	659,851
2030	1,835,013	113,885	23,212		796,948
2031	1,890,063	117,302	27,428		941,678
2032	1,946,765	120,821	31,875		1,094,374
2033	2,005,168	124,446	23,068	449,896	791,991
2034	2,065,323	128,179	25,468	71,241	874,398
2035	2,127,283	132,024	9,116	702,565	312,974
2036	2,191,101	135,985	13,469		462,427
2037	2,256,834	140,065	17,869	6,844	613,518
2038	2,324,539	144,267	22,734		780,518
2039	2,394,275	148,595	13,893	466,029	476,977
2040	2,466,103	153,053	18,901		648,930
2041	2,540,087	157,644	23,697	16,689	813,582
2042	2,616,289	162,373	19,222	335,217	659,960
2043	2,694,778	167,245	6,677	604,623	229,260
2044	2,775,621	172,262	11,520	17,535	395,506
2045	2,858,890	177,430	13,154	134,483	451,607
2046	2,944,657	182,753	19,031		653,390
2047	3,032,996	188,235	23,478	59,016	806,088
2048	3,123,986	193,882	29,999		1,029,969
2049	3,217,706	199,699	36,890		1,266,558
2050	3,314,237	205,690	44,167		1,516,416
2051	3,413,664	211,861	50,813	34,505	1,744,584
2052	3,516,074	218,216	58,884		2,021,684
2053	3,621,556	224,763	43,017	812,562	1,476,901
2054	3,730,203	231,506	50,333	30,635	1,728,105



The recommended funding plan provides adequate funding with moderate contributions over time.

# Captain's Quarters Condominium Income & Expense Spreadsheet

	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
<b>Beginning Balance</b>	81,000	184,616	294,376	410,555	533,440	659,851	796,948	941,678	1,094,374	791,991
<b>Annual Assessment</b>	98,239	101,186	104,221	107,348	110,568	113,885	117,302	120,821	124,446	128,179
<b>Interest Earned</b>	5,377	8,574	11,958	15,537	19,219	23,212	27,428	31,875	23,068	25,468
<b>Expenditures</b>					3,377				449,896	71,241
<b>Ending Balance</b>	184,616	294,376	410,555	533,440	659,851	796,948	941,678	1,094,374	791,991	874,398

## Description

### Roof

1. Membrane Roof

Aluminum Gutters/DS

Membrane Roof/Flashings

**Roof Total:**

### Structural Components

1. Structural Components

Concrete Restoration Allowance

**Structural Components Total:**

### Fireproofing

1. Fire Detection System

2. Fire Supression System

Fire Alarm Misc. Devices (strobes/pulls)

Fire Alarm Panel

**Fireproofing Total:**

### Plumbing

1. Plumbing System

Backflow Preventers (rebuild)

**Plumbing Total:**

### Electrical Systems

1. Electrical System

Electrical Panel Allowance

3,377

Exterior Light Fixtures (balcony/walkway)

47,755

Light Fixtures Allownce - Garage

10,438

**Electrical Systems Total:**

3,377

58,193

**Captain's Quarters Condominium  
Income & Expense Spreadsheet**

Description	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
<b>Waterproofing/ Ext Paint</b>										
Deck Waterprrofing - Balconies									92,221	
Deck Waterprrofing - Walkways									164,538	
Ext. Repair/Caulk/Paint - Buildings									193,137	
<b>Waterproofing/ Ext Paint Total:</b>									<b>449,896</b>	
<b>Windows &amp; Doors</b>										
Exit Doors - Garage										
Overhead Doors - Garage										
Storefront Alum Windows - Stairwells										
Storefront Alum/Glass Door (exit N)										
Storefront Alum/Glass Door (exit S)										
Storefront Alum/Glass Door (office)										
<b>Windows &amp; Doors Total:</b>										
<b>Building Components</b>										
Aluminum Railings - Balconies										
Aluminum Railings - Walkways										
Stair Railings (exterior)										
Stair Railings (interior)										
<b>Building Components Total:</b>										
<b>Professional Consultants</b>										
Plumbing System Evaluation Allowance										
Structural Evaluation Allowance										13,048
<b>Professional Consultants Total:</b>										<b>13,048</b>
<b>Components w/Life&gt; 25 Years</b>										
Building Foundation/Frame										
Building Siding Replacement										
Electrical Panels/Disconnects										
Fire Protection Pipes/Devices										
Water/Sewer Pipe & Valves										

**Captain's Quarters Condominium  
Income & Expense Spreadsheet**

	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
<b>Description</b>										
Unit Owner Components										
Unit Doors/Windows										
Unit Interior Components										
Operating Expense										
Wood Doors - Utility Rooms										
Components Not Included										
Utility Lines Serving Building										
<b>Year Total:</b>					<b>3,377</b>				<b>449,896</b>	<b>71,241</b>

# Captain's Quarters Condominium Income & Expense Spreadsheet

	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044
<b>Beginning Balance</b>	874,398	312,974	462,427	613,518	780,518	476,977	648,930	813,582	659,960	229,260
<b>Annual Assessment</b>	132,024	135,985	140,065	144,267	148,595	153,053	157,644	162,373	167,245	172,262
<b>Interest Earned</b>	9,116	13,469	17,869	22,734	13,893	18,901	23,697	19,222	6,677	11,520
<b>Expenditures</b>	702,565		6,844		466,029		16,689	335,217	604,623	17,535
<b>Ending Balance</b>	312,974	462,427	613,518	780,518	476,977	648,930	813,582	659,960	229,260	395,506

## Description

### Roof

1. Membrane Roof

Aluminum Gutters/DS

Membrane Roof/Flashings

702,565

**Roof Total:**

**702,565**

### Structural Components

1. Structural Components

Concrete Restoration Allowance

453,777

**Structural Components Total:**

**453,777**

### Fireproofing

1. Fire Detection System

2. Fire Supression System

Fire Alarm Misc. Devices (strobes/pulls)

Fire Alarm Panel

16,689

**Fireproofing Total:**

**16,689**

### Plumbing

1. Plumbing System

Backflow Preventers (rebuild)

**Plumbing Total:**

### Electrical Systems

1. Electrical System

Electrical Panel Allowance

Exterior Light Fixtures (balcony/walkway)

Light Fixtures Allownce - Garage

**Electrical Systems Total:**

**Captain's Quarters Condominium  
Income & Expense Spreadsheet**

Description	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044
<b>Waterproofing/ Ext Paint</b>										
Deck Waterprrofing - Balconies								123,937		
Deck Waterprrofing - Walkways								221,126		
Ext. Repair/Caulk/Paint - Buildings								259,560		
<b>Waterproofing/ Ext Paint Total:</b>								<b>604,623</b>		
<b>Windows &amp; Doors</b>										
Exit Doors - Garage					5,445					
Overhead Doors - Garage			6,844							
Storefront Alum Windows - Stairwells								31,417		
Storefront Alum/Glass Door (exit N)										
Storefront Alum/Glass Door (exit S)								26,115		
Storefront Alum/Glass Door (office)								12,694		
<b>Windows &amp; Doors Total:</b>			<b>6,844</b>		<b>5,445</b>			<b>70,226</b>		
<b>Building Components</b>										
Aluminum Railings - Balconies										
Aluminum Railings - Walkways								194,910		
Stair Railings (exterior)								25,123		
Stair Railings (interior)								44,957		
<b>Building Components Total:</b>								<b>264,991</b>		
<b>Professional Consultants</b>										
Plumbing System Evaluation Allowance					6,807					
Structural Evaluation Allowance										17,535
<b>Professional Consultants Total:</b>					<b>6,807</b>					<b>17,535</b>
<b>Components w/Life&gt; 25 Years</b>										
Building Foundation/Frame										
Building Siding Replacement										
Electrical Panels/Disconnects										
Fire Protection Pipes/Devices										
Water/Sewer Pipe & Valves										

**Captain's Quarters Condominium  
Income & Expense Spreadsheet**

	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044
<b>Description</b>										
Unit Owner Components										
Unit Doors/Windows										
Unit Interior Components										
Operating Expense										
Wood Doors - Utility Rooms										
Components Not Included										
Utility Lines Serving Building										
<b>Year Total:</b>	<b>702,565</b>		<b>6,844</b>		<b>466,029</b>		<b>16,689</b>	<b>335,217</b>	<b>604,623</b>	<b>17,535</b>

# Captain's Quarters Condominium Income & Expense Spreadsheet

	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054
<b>Beginning Balance</b>	395,506	451,607	653,390	806,088	1,029,969	1,266,558	1,516,416	1,744,584	2,021,684	1,476,901
<b>Annual Assessment</b>	177,430	182,753	188,235	193,882	199,699	205,690	211,861	218,216	224,763	231,506
<b>Interest Earned</b>	13,154	19,031	23,478	29,999	36,890	44,167	50,813	58,884	43,017	50,333
<b>Expenditures</b>	134,483		59,016				34,505		812,562	30,635
<b>Ending Balance</b>	451,607	653,390	806,088	1,029,969	1,266,558	1,516,416	1,744,584	2,021,684	1,476,901	1,728,105

## Description

### Roof

1. Membrane Roof

Aluminum Gutters/DS

30,343

Membrane Roof/Flashings

**Roof Total:**

**30,343**

### Structural Components

1. Structural Components

Concrete Restoration Allowance

**Structural Components Total:**

### Fireproofing

1. Fire Detection System

2. Fire Supression System

Fire Alarm Misc. Devices (strobes/pulls)

34,505

Fire Alarm Panel

**Fireproofing Total:**

**34,505**

### Plumbing

1. Plumbing System

Backflow Preventers (rebuild)

28,742

**Plumbing Total:**

**28,742**

### Electrical Systems

1. Electrical System

Electrical Panel Allowance

7,070

Exterior Light Fixtures (balcony/walkway)

Light Fixtures Allownce - Garage

**Electrical Systems Total:**

**7,070**

# Captain's Quarters Condominium Income & Expense Spreadsheet

Description	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054
Waterproofing/ Ext Paint										
Deck Waterprrofing - Balconies									166,561	
Deck Waterprrofing - Walkways									297,174	
Ext. Repair/Caulk/Paint - Buildings									348,827	
<b>Waterproofing/ Ext Paint Total:</b>									<b>812,562</b>	
Windows & Doors										
Exit Doors - Garage										
Overhead Doors - Garage										
Storefront Alum Windows - Stairwells										
Storefront Alum/Glass Door (exit N)				30,274						
Storefront Alum/Glass Door (exit S)										
Storefront Alum/Glass Door (office)										
<b>Windows &amp; Doors Total:</b>				<b>30,274</b>						
Building Components										
Aluminum Railings - Balconies	104,140									
Aluminum Railings - Walkways										
Stair Railings (exterior)										
Stair Railings (interior)										
<b>Building Components Total:</b>	<b>104,140</b>									
Professional Consultants										
Plumbing System Evaluation Allowance										
Structural Evaluation Allowance									23,566	
<b>Professional Consultants Total:</b>									<b>23,566</b>	
Components w/Life> 25 Years										
Building Foundation/Frame										
Building Siding Replacement										
Electrical Panels/Disconnects										
Fire Protection Pipes/Devices										
Water/Sewer Pipe & Valves										

**Captain's Quarters Condominium  
Income & Expense Spreadsheet**

	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054
<b>Description</b>										
Unit Owner Components										
Unit Doors/Windows										
Unit Interior Components										
Operating Expense										
Wood Doors - Utility Rooms										
Components Not Included										
Utility Lines Serving Building										
<b>Year Total:</b>	<b>134,483</b>		<b>59,016</b>				<b>34,505</b>		<b>812,562</b>	<b>30,635</b>

**Captain's Quarters Condominium  
Annual Expenditure Detail**

Description	Expenditures
<i>No Replacement in 2025</i>	
<i>No Replacement in 2026</i>	
<i>No Replacement in 2027</i>	
<i>No Replacement in 2028</i>	
<b>Replacement Year 2029</b>	
<b>Electrical Systems</b>	
Electrical Panel Allowance	3,377
<b>Total for 2029</b>	<b>\$3,377</b>
<i>No Replacement in 2030</i>	
<i>No Replacement in 2031</i>	
<i>No Replacement in 2032</i>	
<b>Replacement Year 2033</b>	
<b>Waterproofing/ Ext Paint</b>	
Deck Waterprrofing - Balconies	92,221
Deck Waterprrofing - Walkways	164,538
Ext. Repair/Caulk/Paint - Buildings	193,137
<b>Total for 2033</b>	<b>\$449,896</b>
<b>Replacement Year 2034</b>	
<b>Electrical Systems</b>	
Exterior Light Fixtures (balcony/walkway)	47,755
Light Fixtures Allownce - Garage	10,438
<b>Professional Consultants</b>	
Structural Evaluation Allowance	13,048
<b>Total for 2034</b>	<b>\$71,241</b>
<b>Replacement Year 2035</b>	
<b>Roof</b>	
Membrane Roof/Flashings	702,565
<b>Total for 2035</b>	<b>\$702,565</b>
<i>No Replacement in 2036</i>	

# Captain's Quarters Condominium Annual Expenditure Detail

Description	Expenditures
<b>Replacement Year 2037</b>	
<b>Windows &amp; Doors</b>	
Overhead Doors - Garage	6,844
<b>Total for 2037</b>	<b>\$6,844</b>
<i>No Replacement in 2038</i>	
<b>Replacement Year 2039</b>	
<b>Structural Components</b>	
Concrete Restoration Allowance	453,777
<b>Windows &amp; Doors</b>	
Exit Doors - Garage	5,445
<b>Professional Consultants</b>	
Plumbing System Evaluation Allowance	6,807
<b>Total for 2039</b>	<b>\$466,029</b>
<i>No Replacement in 2040</i>	
<b>Replacement Year 2041</b>	
<b>Fireproofing</b>	
Fire Alarm Panel	16,689
<b>Total for 2041</b>	<b>\$16,689</b>
<b>Replacement Year 2042</b>	
<b>Windows &amp; Doors</b>	
Storefront Alum Windows - Stairwells	31,417
Storefront Alum/Glass Door (exit S)	26,115
Storefront Alum/Glass Door (office)	12,694
<b>Building Components</b>	
Aluminum Railings - Walkways	194,910
Stair Railings (exterior)	25,123
Stair Railings (interior)	44,957
<b>Total for 2042</b>	<b>\$335,217</b>

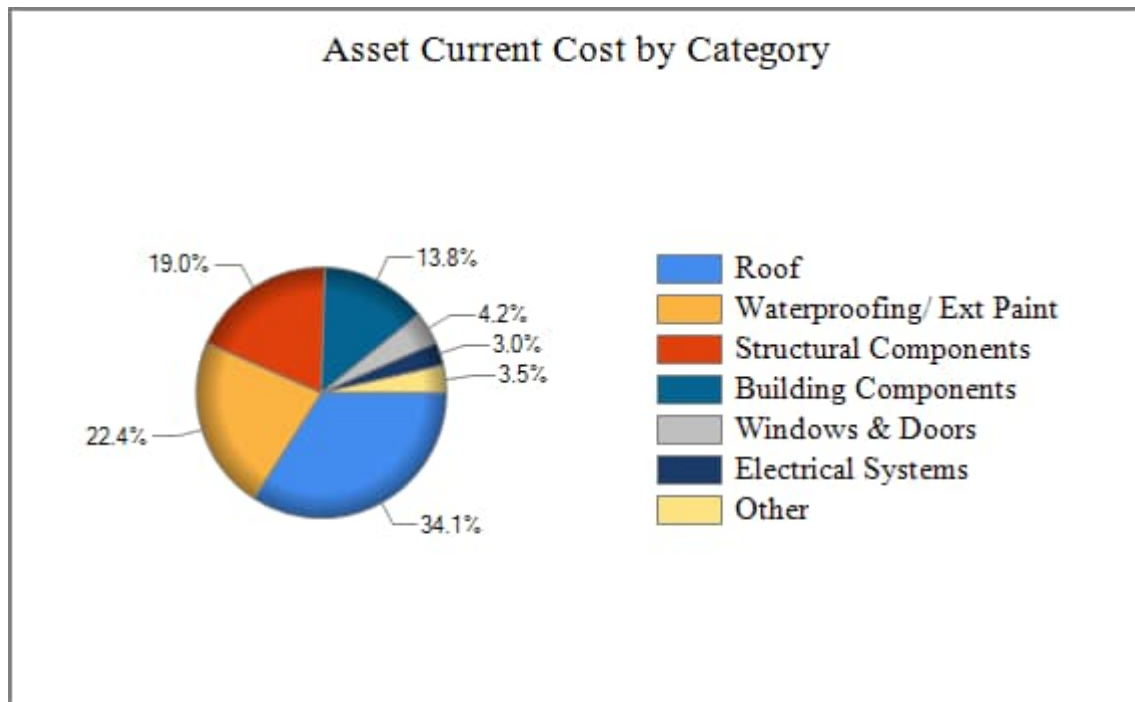
# Captain's Quarters Condominium Annual Expenditure Detail

Description	Expenditures
<b>Replacement Year 2043</b>	
<b>Waterproofing/ Ext Paint</b>	
Deck Waterprrofing - Balconies	123,937
Deck Waterprrofing - Walkways	221,126
Ext. Repair/Caulk/Paint - Buildings	259,560
<b>Total for 2043</b>	<b>\$604,623</b>
<b>Replacement Year 2044</b>	
<b>Professional Consultants</b>	
Structural Evaluation Allowance	17,535
<b>Total for 2044</b>	<b>\$17,535</b>
<b>Replacement Year 2045</b>	
<b>Roof</b>	
Aluminum Gutters/DS	30,343
<b>Building Components</b>	
Aluminum Railings - Balconies	104,140
<b>Total for 2045</b>	<b>\$134,483</b>
<i>No Replacement in 2046</i>	
<b>Replacement Year 2047</b>	
<b>Plumbing</b>	
Backflow Preventers (rebuild)	28,742
<b>Windows &amp; Doors</b>	
Storefront Alum/Glass Door (exit N)	30,274
<b>Total for 2047</b>	<b>\$59,016</b>
<i>No Replacement in 2048</i>	
<i>No Replacement in 2049</i>	
<i>No Replacement in 2050</i>	
<b>Replacement Year 2051</b>	
<b>Fireproofing</b>	
Fire Alarm Misc. Devices (strobes/pulls)	34,505
<b>Total for 2051</b>	<b>\$34,505</b>

**Captain's Quarters Condominium  
Annual Expenditure Detail**

Description	Expenditures
<i>No Replacement in 2052</i>	
<b>Replacement Year 2053</b>	
<b>Waterproofing/ Ext Paint</b>	
Deck Waterprrofing - Balconies	166,561
Deck Waterprrofing - Walkways	297,174
Ext. Repair/Caulk/Paint - Buildings	348,827
<b>Total for 2053</b>	<b><u>\$812,562</u></b>
<b>Replacement Year 2054</b>	
<b>Electrical Systems</b>	
Electrical Panel Allowance	7,070
<b>Professional Consultants</b>	
Structural Evaluation Allowance	23,566
<b>Total for 2054</b>	<b><u>\$30,635</u></b>

**Captain's Quarters Condominium**  
St. Augustine, Florida  
**Asset Current Cost by Category**



## **Captain's Quarters Condominium Project Notes**

### General Notes

- Only SIRS required components are included in this analysis.
- If the date in service for a component is unknown, then the projected remaining life is subtracted from the typical useful life to determine this date. Recommend the client verify all dates in service.
- Recommend the Association review the component inventory and furnish any historic replacement dates and cost for adjusting this analysis.
- Unit balconies observed: one each, North, South, East floors.

### Roofing

- The roof were replaced in 2015per Management and assumed in good condition. Access not available due to absence of a fixed stair.
- Recommend roof top inspection and repair annually.

### Structural

- Observations indicate no visual problems.
- Concrete restoration allowances included.

### Fireproofing

- Fire sprinkler piping limited to standpipes.
- Fire alarm panel and suppression system-maintained vendor maintained.

### Plumbing

- Waste/vent pipes have a long life. No problems were reported by Management.
- Domestic water lines were not visible, nor were any problems reported by Management.

### Electrical

- Electrical main switch located inside garage and appear in working condition with no problems reported by Management. These components have a long remaining life exceeding 25 years and are not included in this analysis.

### Waterproofing/Ext Paint

- Repair and painting of exterior façade is included on a 10-year cycle along with concrete waterproofing.

## **Captain's Quarters Condominium Project Notes**

### Windows & Doors

- Common storefront aluminum windows/doors are in good condition.
- utility room units were limited in quantity and assumed an operating expense.

### Building Components

- Aluminum railing at balconies should be inspected annually and repaired for safety. Recommend that inspection, cleaning, and painting are done as needed.

### Remaining Life > 25 Years

- These components are not required to be funded until the remaining life reaches 25 years. Recommend the Association develop a plan for evaluating these components and develop a plan for future repairs or replacement.

### Professional Consultants

- Milestone and SIRS update allowances are Not included.

### Component Not Included

- Components listed in this category are long-life components or not required for this SIRS.

## Captain's Quarters Condominium Component Inventory

Description	Date in Service	Replacement Year	Useful	Adjustment	Remaining	Units	Unit Cost	Current Cost
<b>Roof</b>								
1. Membrane Roof	No issues reported by Mangaement.						0.00	
Aluminum Gutters/DS	2015	2045	30	0	20	1,200 Linear Feet	14.00	16,800
Membrane Roof/Flashings	2015	2035	20	0	10	32,270 Square Feet	16.20	<u>522,774</u>
Roof - Total								\$539,574
<b>Structural Components</b>								
1. Structural Components	No issues observed or reported by Management.						0.00	
Concrete Restoration Allowance	2023	2039	16	0	14	1 Lump Sum	300,000.00	<u>300,000</u>
Structural Components - Total								\$300,000
<b>Fireproofing</b>								
1. Fire Detection System	System in good order, no issues reported by Management						0.00	
2. Fire Supression System	Building system limited to stand pipes						0.00	
Fire Alarm Misc. Devices (strobes/pulls)	2021	2051	30	0	26	1 Lump Sum	16,000.00	16,000
Fire Alarm Panel	2021	2041	20	0	16	52 Units	200.00	<u>10,400</u>
Fireproofing - Total								\$26,400
<b>Plumbing</b>								
1. Plumbing System	System in good order, no issues reported by Management						0.00	
Backflow Preventers (rebuild)	2022	2047	25	0	22	2 Each	7,500.00	<u>15,000</u>
Plumbing - Total								\$15,000
<b>Electrical Systems</b>								
1. Electrical System	System in good order, no issues reported by Management.						0.00	
Electrical Panel Allowance	2004	2029	25	0	4	1 Lump Sum	3,000.00	3,000
Exterior Light Fixtures (balcony/walkway)	2004	2034	30	0	9	122 Each	300.00	36,600
Light Fixtures Allownce - Garage	2004	2034	30	0	9	1 Lump Sum	8,000.00	<u>8,000</u>
Electrical Systems - Total								\$47,600
<b>Waterproofing/ Ext Paint</b>								
Deck Waterproofing - Balconies	2023	2033	10	0	8	52 Units	1,400.00	72,800
Deck Waterproofing - Walkways	2023	2033	10	0	8	10,824 Square Feet	12.00	129,888
Ext. Repair/Caulk/Paint - Buildings	2023	2033	10	0	8	58,640 Squares	2.60	<u>152,464</u>
Waterproofing/ Ext Paint - Total								\$355,152
<b>Windows &amp; Doors</b>								
Exit Doors - Garage	2014	2039	25	0	14	2 Each	1,800.00	3,600
Overhead Doors - Garage	2017	2037	20	0	12	2 Each	2,400.00	4,800
Storefront Alum Windows - Stairwells	2017	2042	25	0	17	198 Square Feet	96.00	19,008
Storefront Alum/Glass Door (exit N)	2022	2047	25	0	22	1 Each	15,800.00	15,800
Storefront Alum/Glass Door (exit S)	2017	2042	25	0	17	1 Each	15,800.00	15,800
Storefront Alum/Glass Door (office)	2017	2042	25	0	17	80 Square Feet	96.00	<u>7,680</u>
Windows & Doors - Total								\$66,688

## Captain's Quarters Condominium Component Inventory

Description	Date in Service	Replacement Year	Useful	Adjustment	Remaining	Units	Unit Cost	Current Cost
<b>Building Components</b>								
Aluminum Railings - Balconies	2020	2045	25	0	20	620 Each	93.00	57,660
Aluminum Railings - Walkways	2017	2042	25	0	17	1,268 Linear Feet	93.00	117,924
Stair Railings (exterior)	2017	2042	25	0	17	4 Each	3,800.00	15,200
Stair Railings (interior)	2017	2042	25	0	17	4 Each	6,800.00	27,200
Building Components - Total								<u>\$217,984</u>
<b>Professional Consultants</b>								
Plumbing System Evaluation Allowance	2004	2039	35	0	14	1 Lump Sum	4,500.00	4,500
Structural Evaluation Allowance	2024	2034	10	0	9	1 Lump Sum	10,000.00	10,000
Professional Consultants - Total								<u>\$14,500</u>
<b>Components w/Life&gt; 25 Years</b>								
Building Foundation/Frame	<b>Long Life Component</b>						0.00	
Building Siding Replacement	<b>Long Life Component</b>						0.00	
Electrical Panels/Disconnects	<b>Long Life Component</b>						0.00	
Fire Protection Pipes/Devices	<b>Long Life Component</b>						0.00	
Water/Sewer Pipe & Valves	<b>Long Life Component</b>						0.00	
Components w/Life> 25 Years - Total								
<b>Unit Owner Components</b>								
Unit Doors/Windows	<b>Owner Expense</b>						0.00	
Unit Interior Components	<b>Owner Expense</b>						0.00	
Unit Owner Components - Total								
<b>Operating Expense</b>								
Wood Doors - Utility Rooms	<b>Operating Expense</b>						0.00	
Operating Expense - Total								
<b>Components Not Included</b>								
Utility Lines Serving Building	<b>Not Included</b>						0.00	
Components Not Included - Total								
Total Asset Summary								<u>\$1,582,898</u>

## Captain's Quarters Condominium Component Detail Index

Asset ID	Description	Replacement	Page
<b>Roof</b>			
	1. Membrane Roof	2025	5-7
1084	Aluminum Gutters/DS	2045	5-7
1079	Membrane Roof/Flashings	2035	5-7
<b>Structural Components</b>			
	1. Structural Components	2025	5-8
1034	Concrete Restoration Allowance	2039	5-8
<b>Fireproofing</b>			
	1. Fire Detection System	2025	5-9
1069	2. Fire Supression System	2025	5-9
1054	Fire Alarm Misc. Devices (strobes/pulls)	2051	5-9
1021	Fire Alarm Panel	2041	5-10
<b>Plumbing</b>			
	1. Plumbing System	2025	5-11
	Backflow Preventers (rebuild)	2047	5-11
<b>Electrical Systems</b>			
	1. Electrical System	2025	5-12
1095	Electrical Panel Allowance	2029	5-12
1074	Exterior Light Fixtures (balcony/walkway)	2034	5-12
1087	Light Fixtures Allownce - Garage	2034	5-13
<b>Waterproofing/ Ext Paint</b>			
1076	Deck Waterprrofig - Balconies	2033	5-14
1085	Deck Waterprrofig - Walkways	2033	5-14
1006	Ext. Repair/Caulk/Paint - Buildings	2033	5-15
<b>Windows &amp; Doors</b>			
	Exit Doors - Garage	2039	5-16
1093	Overhead Doors - Garage	2037	5-16
1092	Storefront Alum Windows - Stairwells	2042	5-17
1089	Storefront Alum/Glass Door (exit N)	2047	5-17
1090	Storefront Alum/Glass Door (exit S)	2042	5-18
1094	Storefront Alum/Glass Door (office)	2042	5-18

# Captain's Quarters Condominium

## Component Detail Index

Asset ID	Description	Replacement	Page
<b>Building Components</b>			
1003	Aluminum Railings - Balconies	2045	5-19
1075	Aluminum Railings - Walkways	2042	5-19
1088	Stair Railings (exterior)	2042	5-20
1091	Stair Railings (interior)	2042	5-21
<b>Professional Consultants</b>			
1096	Plumbing System Evaluation Allowance	2039	5-22
1097	Structural Evaluation Allowance	2034	5-22
<b>Components w/Life&gt; 25 Years</b>			
	Building Foundation/Frame	2025	5-23
	Building Siding Replacement	2025	5-23
	Electrical Panels/Disconnects	2025	5-23
	Fire Protection Pipes/Devices	2025	5-24
	Water/Sewer Pipe & Valves	2025	5-25
<b>Unit Owner Components</b>			
1099	Unit Doors/Windows	2025	5-26
	Unit Interior Components	2025	5-26
<b>Operating Expense</b>			
	Wood Doors - Utility Rooms	2025	5-27
<b>Components Not Included</b>			
	Utility Lines Serving Building	2025	5-28
	Total Funded Assets	24	
	Total Unfunded Assets	<u>0</u>	
	Total Assets	24	

# Captain's Quarters Condominium Component Detail

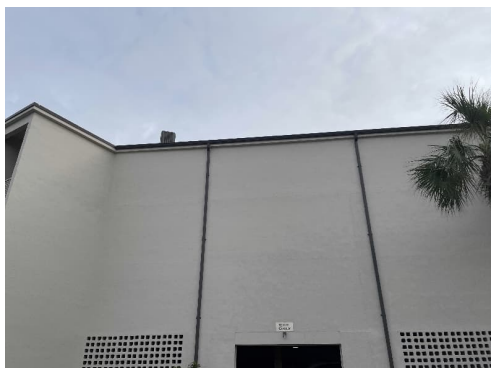
## 1. Membrane Roof

Asset ID		Asset Actual Cost	
Category	Roof	Percent Replacement	100%
Placed in Service	January 2004	Future Cost	
No Useful Life			

No issues reported by Mangement.

## Aluminum Gutters/DS - 2045

Asset ID	1084	1,200 Linear Feet	@ \$14.00
Category	Roof	Asset Actual Cost	\$16,800.00
Placed in Service	January 2015	Percent Replacement	100%
Useful Life	30	Future Cost	\$30,342.67
Replacement Year	2045		
Remaining Life	20		



## Membrane Roof/Flashings - 2035

Asset ID	1079	32,270 Square Feet	@ \$16.20
Category	Roof	Asset Actual Cost	\$522,774.00
Placed in Service	January 2015	Percent Replacement	100%
Useful Life	20	Future Cost	\$702,564.54
Replacement Year	2035		
Remaining Life	10		

## Captain's Quarters Condominium Component Detail

### 1. Structural Components

Asset ID		Asset Actual Cost	
		Percent Replacement	100%
Category	Structural Components	Future Cost	
Placed in Service	January 2023		
No Useful Life			

No issues observed or reported by Management.

### Concrete Restoration Allowance - 2039

Asset ID	1034	1 Lump Sum	@ \$300,000.00
		Asset Actual Cost	\$300,000.00
		Percent Replacement	100%
Category	Structural Components	Future Cost	\$453,776.92
Placed in Service	January 2023		
Useful Life	16		
Replacement Year	2039		
Remaining Life	14		



Previous restoration reported cost of 400,000 therefore we assume reduced scope of work at alternate painting cycles.

# Captain's Quarters Condominium Component Detail

## 1. Fire Detection System

Asset ID		Asset Actual Cost	
Category	Fireproofing	Percent Replacement	100%
Placed in Service	January 2024	Future Cost	
No Useful Life			

System in good order, no issues reported by Management

## 2. Fire Supression System

Asset ID	1069	Asset Actual Cost	
Category	Fireproofing	Percent Replacement	100%
Placed in Service	January 2005	Future Cost	
No Useful Life			

Building system limited to stand pipes

## Fire Alarm Misc. Devices (strobes/pulls) - 2051

Asset ID	1054	1 Lump Sum	@ \$16,000.00
Category	Fireproofing	Asset Actual Cost	\$16,000.00
Placed in Service	January 2021	Percent Replacement	100%
Useful Life	30	Future Cost	\$34,505.46
Replacement Year	2051		
Remaining Life	26		



Assume all replaced in 2021. No units are protected by the fire alarm system.

**Captain's Quarters Condominium  
Component Detail**

**Fire Alarm Panel - 2041**

Asset ID	1021	52 Units	@ \$200.00
Category	Fireproofing	Asset Actual Cost	\$10,400.00
Placed in Service	January 2021	Percent Replacement	100%
Useful Life	20	Future Cost	\$16,688.95
Replacement Year	2041		
Remaining Life	16		

Panel reported to be replaced in 2021.

## Captain's Quarters Condominium Component Detail

### 1. Plumbing System

Asset ID		Asset Actual Cost	
Category	Plumbing	Percent Replacement	100%
Placed in Service	January 2005	Future Cost	
No Useful Life			



System in good order, no issues reported by Management

Waste/vent pipe is PVC as indicated in garage.

### Backflow Preventers (rebuild) - 2047

Asset ID		2 Each	@ \$7,500.00
Category	Plumbing	Asset Actual Cost	\$15,000.00
Placed in Service	January 2022	Percent Replacement	100%
Useful Life	25	Future Cost	\$28,741.55
Replacement Year	2047		
Remaining Life	22		

Management reported both units rebuilt therefore cost for future rebuilds included and not full replacement.

# Captain's Quarters Condominium Component Detail

## 1. Electrical System

Asset ID		Asset Actual Cost	
Category	Electrical Systems	Percent Replacement	100%
Placed in Service	January 2005	Future Cost	
No Useful Life			

System in good order, no issues reported by Management.

## Electrical Panel Allowance - 2029

Asset ID	1095	1 Lump Sum	@ \$3,000.00
Category	Electrical Systems	Asset Actual Cost	\$3,000.00
Placed in Service	January 2004	Percent Replacement	100%
Useful Life	25	Future Cost	\$3,376.53
Replacement Year	2029		
Remaining Life	4		



Some house panels exhibit corrosion therefore allowance included for replacement.

## Exterior Light Fixtures (balcony/walkway) - 2034

Asset ID	1074	122 Each	@ \$300.00
Category	Electrical Systems	Asset Actual Cost	\$36,600.00
Placed in Service	January 2004	Percent Replacement	100%
Useful Life	30	Future Cost	\$47,754.70
Replacement Year	2034		
Remaining Life	9		

## Captain's Quarters Condominium Component Detail

*Exterior Light Fixtures (balcony/walkway) continued...*



Unknow if light fixtures have been replaced therefore balcony and walkway lighting included.

### Light Fixtures Allownce - Garage - 2034

Asset ID	1087	1 Lump Sum	@ \$8,000.00
Category	Electrical Systems	Asset Actual Cost	\$8,000.00
Placed in Service	January 2004	Percent Replacement	100%
Useful Life	30	Future Cost	\$10,438.19
Replacement Year	2034		
Remaining Life	9		



Minimum lighting located in garage therefore allowance for replacement included.

# Captain's Quarters Condominium Component Detail

## Deck Waterproffing - Balconies - 2033

Asset ID	1076	52 Units	@ \$1,400.00
Category	Waterproofing/ Ext Paint	Asset Actual Cost	\$72,800.00
Placed in Service	January 2023	Percent Replacement	100%
Useful Life	10	Future Cost	\$92,220.86
Replacement Year	2033		
Remaining Life	8		



Balconies were repaired and waterproofing in 2023 per Management. We have include the next cycle at time of building painting.

## Deck Waterproffing - Walkways - 2033

Asset ID	1085	10,824 Square Feet	@ \$12.00
Category	Waterproofing/ Ext Paint	Asset Actual Cost	\$129,888.00
Placed in Service	January 2023	Percent Replacement	100%
Useful Life	10	Future Cost	\$164,538.23
Replacement Year	2033		
Remaining Life	8		

## Captain's Quarters Condominium Component Detail

### *Deck Waterproofing - Walkways continued...*



Walkways were repaired and waterproofing in 2023 per Management. We have include the next cycle at time of building painting.

#### Ext. Repair/Caulk/Paint - Buildings - 2033

Asset ID	1006	58,640 Squares	@ \$2.60
		Asset Actual Cost	\$152,464.00
		Percent Replacement	100%
		Future Cost	\$193,136.83
Category	Waterproofing/ Ext Paint		
Placed in Service	January 2023		
Useful Life	10		
Replacement Year	2033		
Remaining Life	8		



Cost finished by Management.

## Captain's Quarters Condominium Component Detail

### Exit Doors - Garage - 2039

Asset ID		2 Each	@ \$1,800.00
		Asset Actual Cost	\$3,600.00
		Percent Replacement	100%
		Future Cost	\$5,445.32
Category	Windows & Doors		
Placed in Service	January 2014		
Useful Life	25		
Replacement Year	2039		
Remaining Life	14		



### Overhead Doors - Garage - 2037

Asset ID	1093	2 Each	@ \$2,400.00
		Asset Actual Cost	\$4,800.00
		Percent Replacement	100%
		Future Cost	\$6,843.65
Category	Windows & Doors		
Placed in Service	January 2017		
Useful Life	20		
Replacement Year	2037		
Remaining Life	12		



Overhead doors not operated at time of site visit.

## Captain's Quarters Condominium Component Detail

### Storefront Alum Windows - Stairwells - 2042

Asset ID	1092	198 Square Feet	@ \$96.00
		Asset Actual Cost	\$19,008.00
		Percent Replacement	100%
Category	Windows & Doors	Future Cost	\$31,417.33
Placed in Service	January 2017		
Useful Life	25		
Replacement Year	2042		
Remaining Life	17		



### Storefront Alum/Glass Door (exit N) - 2047

Asset ID	1089	1 Each	@ \$15,800.00
		Asset Actual Cost	\$15,800.00
		Percent Replacement	100%
Category	Windows & Doors	Future Cost	\$30,274.43
Placed in Service	January 2022		
Useful Life	25		
Replacement Year	2047		
Remaining Life	22		



## Captain's Quarters Condominium Component Detail

### Storefront Alum/Glass Door (exit S) - 2042

Asset ID	1090	1 Each	@ \$15,800.00
		Asset Actual Cost	\$15,800.00
		Percent Replacement	100%
Category	Windows & Doors	Future Cost	\$26,114.99
Placed in Service	January 2017		
Useful Life	25		
Replacement Year	2042		
Remaining Life	17		



### Storefront Alum/Glass Door (office) - 2042

Asset ID	1094	80 Square Feet	@ \$96.00
		Asset Actual Cost	\$7,680.00
		Percent Replacement	100%
Category	Windows & Doors	Future Cost	\$12,693.87
Placed in Service	January 2017		
Useful Life	25		
Replacement Year	2042		
Remaining Life	17		



**Captain's Quarters Condominium  
Component Detail**

**Aluminum Railings - Balconies - 2045**

Asset ID	1003	620 Each	@ \$93.00
Category	Building Components	Asset Actual Cost	\$57,660.00
Placed in Service	January 2020	Percent Replacement	100%
Useful Life	25	Future Cost	\$104,140.37
Replacement Year	2045		
Remaining Life	20		



Railings should be inspected and repaired annually.

**Aluminum Railings - Walkways - 2042**

Asset ID	1075	1,268 Linear Feet	@ \$93.00
Category	Building Components	Asset Actual Cost	\$117,924.00
Placed in Service	January 2017	Percent Replacement	100%
Useful Life	25	Future Cost	\$194,910.40
Replacement Year	2042		
Remaining Life	17		

## Captain's Quarters Condominium Component Detail

### *Aluminum Railings - Walkways continued...*



Railings should be inspected and repaired annually.

#### Stair Railings (exterior) - 2042

Asset ID	1088	4 Each	@ \$3,800.00
Category	Building Components	Asset Actual Cost	\$15,200.00
Placed in Service	January 2017	Percent Replacement	100%
Useful Life	25	Future Cost	\$25,123.28
Replacement Year	2042		
Remaining Life	17		

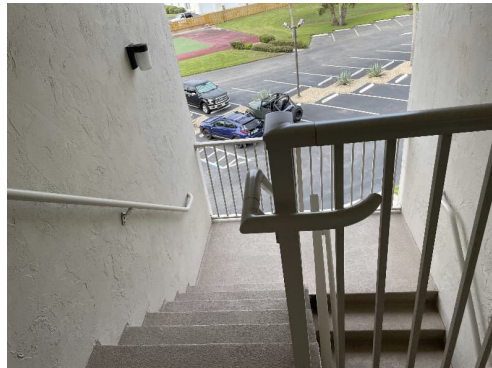


Railings should be inspected and repaired annually.

# Captain's Quarters Condominium Component Detail

## Stair Railings (interior) - 2042

Asset ID	1091	4 Each	@ \$6,800.00
Category	Building Components	Asset Actual Cost	\$27,200.00
Placed in Service	January 2017	Percent Replacement	100%
Useful Life	25	Future Cost	\$44,957.45
Replacement Year	2042		
Remaining Life	17		



Railings should be inspected and repaired annually.

## Captain's Quarters Condominium Component Detail

### Plumbing System Evaluation Allowance - 2039

Asset ID	1096	1 Lump Sum	@ \$4,500.00
		Asset Actual Cost	\$4,500.00
		Percent Replacement	100%
Category	Professional Consultants	Future Cost	\$6,806.65
Placed in Service	January 2004		
Useful Life	35		
Replacement Year	2039		
Remaining Life	14		

Allowance to camera mains and risers inside building and determine if repairs are required.

### Structural Evaluation Allowance - 2034

Asset ID	1097	1 Lump Sum	@ \$10,000.00
		Asset Actual Cost	\$10,000.00
		Percent Replacement	100%
Category	Professional Consultants	Future Cost	\$13,047.73
Placed in Service	January 2024		
Useful Life	10		
Replacement Year	2034		
Remaining Life	9		

Allowance to evaluate building prior to paint and waterproofing.

## Captain's Quarters Condominium Component Detail

### Building Foundation/Frame

Asset ID	Asset Actual Cost	
Category	Percent Replacement	100%
Components w/Life > 25 Years	Future Cost	
Placed in Service		
No Useful Life		

Long Life Component

### Building Siding Replacement

Asset ID	Asset Actual Cost	
Category	Percent Replacement	100%
Components w/Life > 25 Years	Future Cost	
Placed in Service		
No Useful Life		



Long Life Component

### Electrical Panels/Disconnects

Asset ID	Asset Actual Cost	
Category	Percent Replacement	100%
Components w/Life > 25 Years	Future Cost	
Placed in Service		
No Useful Life		

# Captain's Quarters Condominium Component Detail

*Electrical Panels/Disconnects continued...*



Long Life Component

Fire Protection Pipes/Devices

Asset ID	Asset Actual Cost	
Category	Percent Replacement	100%
Components w/Life> 25 Years	Future Cost	
Placed in Service		
No Useful Life		



Long Life Component

**Captain's Quarters Condominium  
Component Detail**

**Water/Sewer Pipe & Valves**

Asset ID	Asset Actual Cost	
	Percent Replacement	100%
Category	Future Cost	
Components w/Life > 25 Years		
Placed in Service		
No Useful Life		
January 2005		
Long Life Component		

# Captain's Quarters Condominium Component Detail

## Unit Doors/Windows

Asset ID	1099	Asset Actual Cost	
Category	Unit Owner Components	Percent Replacement	100%
Placed in Service	January 1984	Future Cost	
No Useful Life			

Owner Expense

## Unit Interior Components

Asset ID		Asset Actual Cost	
Category	Unit Owner Components	Percent Replacement	100%
Placed in Service	January 1984	Future Cost	
No Useful Life			

Owner Expense

**Captain's Quarters Condominium  
Component Detail**

**Wood Doors - Utility Rooms**

Asset ID	Asset Actual Cost	Percent Replacement	Future Cost	100%
Category Placed in Service No Useful Life	Operating Expense January 2005			
Operating Expense				

**Captain's Quarters Condominium  
Component Detail**

**Utility Lines Serving Building**

Asset ID	Asset Actual Cost	Percent Replacement	Future Cost
Category Components Not Included		100%	
Placed in Service			
No Useful Life			
January 2005			
Not Included			

# Report Navigation

- **Executive Summary** provides information about projected year end reserve balance, current annual contribution, interest, and inflation rates:
  - Level of Service is the type of reserve study
  - Funding Method is either Component Funding or Pooled Cash
  - Component Funding Contribution is a year one only amount
  - Current Funding Plan currently used by the Association
  - Recommended Funding Plan maintains adequate funding
- **Funding Model Projections** include both your current plan and our recommended plan. The information included in each column is described below:
  - Year begins with your study year generally for a 30-year term
  - Current cost is the current replacement of all components
  - Annual contribution is the amount placed in reserves each year
  - Annual interest earned on your funds
  - Annual expenditures are the projected component replacement cost by year
  - Projected ending balance is the year end reserve fund balance
  - Fully funded reserves are the fully funded balance for that year. Fully Funded formula is  $\text{Fully Funded Balance} = \text{Component cost} \times \text{Age/Useful Life}$
  - Percent Funded is one measure of fund strength, ending balance is more important
- **Current Funding Projection** is your current funding plan and how it performs
- **Recommended Funding Model Projection** is the plan we recommend
- **Cash Flow** is a 30-year statement that provides both income and expense information to quickly find when expenditures occur and the resulting financial status of your reserves
- **Annual Expenditure Detail** provides a year to year list of your projected expenditures This is a good section to review each year when preparing your budgets
- **Condition Assessment (if included)** is a brief description of major component condition
- **Component Inventory** contains a list of your components, remaining useful life and quantities we determined from our site visit and other means of measurement
- **Component Detail Index** allows quick access to the detail we have included for each component separated into categories
- **Component Detail** provides a listing of each component, quantities or allowances and photographs of major ones
- **Methodology - Terms of Service – Company Profile** are our Disclosure sections with information about our assumptions, methods of work and our credentials

# Important Information

**Level of Service:** Level I Full Reserve Study with a site visit, Level II Update with a site visit or Level III Financial Update with no site visit as defined by the National Reserve Study Standards established by the Community Associations Institute. Component quantity, condition and projected remaining useful life were determined with a visual inspection by the Analyst if a site visit was conducted.

**Purpose:** This study provides an inventory of major components above a threshold value as determined by the Association that require regular replacement and a plan to fund them.

**Basis:** Our analysis follows the guidelines for Reserve Studies established by the Association of Professional Reserve Analysts (APRA) and the Community Associations Institute (CAI). Components included in this analysis generally meet the following criteria:

- Component must be owned or maintained by the Association
- Component must have a limited life
- Component must have a predictable useful life
- Component must have a replacement cost above a threshold cost

These guidelines limit reserve components to predictable expenses and do not consider large expenses such as stormwater systems or dredging of the stormwater ponds. While their replacement cost and remaining, useful life may not be predictable they can be expensive, therefore we recommend an allowance be applied for funding which can be adjusted at each update.

Useful life and remaining useful life projections are determined by our visual inspection of each component, our experience with similar communities, your historical records and if required vendor evaluation. The Association may have experienced some replacement cycles for various components with historical cost therefore this information is considered in our analysis. Each cost and useful life was reviewed and compared to similar project we have completed and adjusted as needed. Components with replacement cost over \$1,000 are typically included.

The various component replacement cycles experienced by the Association are driven by the level of quality required by the community, cost of maintenance vs replacement, existing condition, and use. All useful life projections found in this analysis are in the acceptable range for this specific type of community.

Replacement cost for components is driven by local market conditions and availability of similar materials. Many components have included repair and refurbishment to extend their useful life and reduce holding cost over time

**Funding Goal:** The Association may elect for the following goals

- Fully Funded Reserve – 100% funding for each component
- Threshold Funded Reserve – Annual ending balances are maintained above an adequate or “Threshold” level.

**Funding Methods:** Reserve analysis typically uses two methods of determining necessary funding levels for component replacement; the Component Method the Cash Flow Method.

- **The Component Method** provides a reserve contribution amount by estimating the current replacement cost for each component, subtracting that component's current balance which provides the unfunded balance then dividing that total by the number of remaining years of useful life. Each component's contribution is then total for the annual contribution. This method includes inflation of replacement cost and interest on invested funds and provides the least risk of deferred maintenance or special assessment.
- Another version of the Component Method is referred to as "Straight Line Method" which follows the same calculation as above but does not consider interest on funds or inflation on replacement cost. This method only provides a one-year contribution amount and may result in large changes in annual contribution from year to year.
- **The Cash Flow Method** or pooled method of reserve funding groups component replacement together rather than segregated as in the Component Method. Cash outflows must be offset by contributions and interest earned to maintain adequate funding.
- **Cash Flow Method Models** include the Current Assessment Funding Model (AFM) and the Threshold Funding Model (TFM) among others.
  - The AFM Model illustrates the current funding projections adopted by the Association and how these perform over time. This model is also used to develop a funding plan with annual contributions entered for each year which allows a custom funding plan.
  - The TFM maintains minimum annual balances or percent funded which are determined by the Analyst or requested by the Association. The year with the lowest ending balance is considered the "Threshold Year" for the total funding plan period.
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## Conclusion

There are several factors to consider when determining reserve funding levels that include maintaining the quality and value of the community, the ability of the Association to respond to unpredictable component failures and to maintain an acceptable level of risk. Full funding provides the lowest risk of deferred maintenance or special assessment but generally requires large contributions. Threshold Funding keeps reserve balances above predetermined annual balance that provides a moderate risk level with mostly level contributions.

## METHODOLOGY

Reserve Analysis is a process that identifies capital expenses the Association can expect and creates a plan to fund them. This is accomplished by a site visit to visually evaluate components to measure quantities and determine their remaining life. Component Selection Process is based on the Community Associations Institute (CAI) standards for reserve studies and selection of components.

Component must be a commonly owned, have a limited and predictable life, replacement cost must be above a minimum threshold cost. Useful life and replacement cost are obtained from site inspection by experienced inspectors and our database of information, historical information, local Vendors, and comparison of similar component cost found at other properties.

The funding plan we develop includes adequate cash balances, even contributions so all owners pay their fair share over time and moderate contributions with acceptable increases. Percent Funded is a measure of fund strength, however, the true measure of fund viability is maintaining annual balances above a balance that is acceptable for each Association. Threshold Funding maintains reserves above a “Threshold” level providing adequate funding with moderate risk.

## CREDENTIALS

*Community Advisors, LLC* provides capital reserve planning, property inspection, and construction oversight for a broad base of clients including High-rise Condominiums, Homeowner Associations, Churches, Private Schools, Time Shares, Active Adult, Municipal Utility Plants, Marinas, Historic Buildings & Museums, and commercial investment properties.

*Personal Service* diligence, quick response, and valued client relationships.

*Range of Experience* includes a broad selection of building types, ages and uses from protected historic structures to new communities ready for developer turnover. As commercial general contractors we have experience building diverse types of structures that we now provide reserve analysis for, so we understand potential problem areas. As commercial inspectors we have experienced a variety of structural and cosmetic conditions offering solutions for repair. Areas of expertise include MEP systems, energy management, life safety systems, building envelope and roof components, marine structures, street, and other site improvements.

*Detailed Site Evaluation is Conducted* to make sure we know your property and include all your assets in our analysis. With our years of experience with community development and commercial construction projects we understand both horizontal and vertical construction and utilize realistic replacement cost and useful life projections in our analysis. Financial Plan Meets CAI & APRA Standards with information obtained during the site visit we build a custom-made financial plan to ensure adequate funding for future component replacement which equates to maintaining community value.

*Reserve Analyst Credentials:* Mr. Charles Sheppard is the owner of Community Advisors responsible for field inspection oversight and day to day operations. Mr. Sheppard hold a BS degree from VA Tech and has conducted building evaluations for over 30 years. He is a licensed Florida General Contractor, Home Inspector and earned the professional designations of Certified Construction Inspector (CCI), Professional Reserve Analyst (PRA) and Reserve Specialist (RS).

## TERMS OF SERVICE

We have completed an analysis of your capital components that serves as a budgeting tool. This reserve study reflects the information provided by this client and is not for the purposes of performing an audit or estimating construction projects. Our site visit includes visual observation of components that are accessible and safe for our inspectors to evaluate. Roof evaluation is limited to ground observation for sloped roofs and roof top inspection for flat roofs if safe and stable access is available that meets our safety standards.

We are not responsible for any hidden defects or determining the condition of hidden or underground components or systems. Observing environmental conditions, hazardous materials or determine compliance with building codes or other regulations is not included in our scope of work. Our site visit is not a safety inspection and we are not responsible for any hazards that exist. Destructive testing is not conducted. It has been assumed, unless otherwise noted in this report, that all assets have been designed and constructed properly and that each estimated useful life will approximate that of the norm per industry standards and/or manufacturer's specifications.

Projections of component remaining useful life assumes this client will perform necessary preventative maintenance and repair per industry standards. This reserve analysis study and the parameters under which it has been completed are based upon information provided to us in part by the Client and its contractors, assorted vendors, specialist and independent contractors. Reserve fund balances and contribution amounts for use in our analysis is furnished by the client and deemed accurate. Useful life projections are determined by historical records, component condition and our opinion based on evaluating similar components on other projects. These life projections are changed by weather conditions, use, maintenance procedures and other factors out of our control therefore regular updates to this analysis are needed to maintain funding accuracy. Replacement cost is determined by our experience with similar projects, local vendor pricing and client historical records and should not be considered suitable for budgeting repair or replacement projects. Local contractor proposals must be obtained for this work. No liability is assumed as the result of changing market prices or inaccurate estimates or projections of remaining useful life of components.

Component replacement cost and interest rates constantly change. In order to maintain accuracy of your funding plan updates to this analysis should be conducted annually with a site visit every 2-3 years unless conditions warrant annual visits. Community Advisors, LLC shall not be required to participate in any legal action taken by or against our clients for any reason and shall also not be required to give testimony in depositions or in court. In all cases the liability of Community Advisors, LLC and its Principals, Employees, contractors and Vendors shall be limited to the consulting fee agreed upon for the production of this report. Client financial information is considered confidential and is not disclosed to third parties without your approval. We do use your name for our list of valued clients and when submitting proposals for new projects that request references or recent projects. That request may include size of property, number of units or major components. We also use photos from time to time of components as an example for educational and marketing efforts. Community Advisors and the analyst who prepared this study do not have any relationship that can be considered a conflict of interest. From time to time our Clients ask that we manage repair or replacement of components due to our experience in construction management. We do so with the understanding that full disclosure for both parties is completed.

## DEFINITIONS

**Adjustment to Useful Life:** Typical useful life projections are used for each component. The adjustment is used to modify that life projection for earlier or later replacement. It only applies to the current replacement cycle.

**Cash Flow Method:** A method of determining reserve contributions that are “pooled” to fund replacement cost as needed without restricting funds to any one component.

**Component Method:** A funding method that fully funds each reserve component then sums those for the annual contribution.

**Current Funding Plan:** The funding plan currently used at the time of this analysis with updated component inventory and financial assumptions. This allows you to see how the current contribution level funds future component replacement.

**Effective Age:** Difference of useful and remaining useful life.

**Fully Funded Balance:** Represents the cost of used component life represented by the formula.

$$\text{FFB} = (\text{Current Cost} \times \text{Effective Age}) / \text{Useful Life}$$

**Interest Contribution:** The interest that should be earned on invested reserves.

**Percent Funded:** Ratio of reserve balance to fully funded balance.

**Remaining Life:** Number of years a component is projected to continue to function.

**Threshold Funding:** This plan maintains fund balance above a predetermined threshold dollar or percent funded amount.

**Useful Life:** The estimated useful life of an asset based upon industry standards, manufacturer specification, visual inspection, location, usage, association standards and prior history. aa