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Half Moon Bay by K-Hov C.A.
Non SIRS Components
Hypoluxo, FL

OLIVIA SCHIAPPA
CAI-RS
00501
DESIGNATION
RESERVE SPECIALIST

Report #: 51276-0
Beginning: January 1, 2025
Expires: December 31, 2025

RESERVE STUDY
"Full"

July 8, 2024

Welcome to your Reserve Study!

A Reserve Study is a valuable tool to help you budget responsibly for your property. This report contains all the information you need to avoid surprise expenses, make informed decisions, save money, and protect property values.

Regardless of the property type, it's a fact of life that the very moment construction is completed, every major building component begins a predictable process of physical deterioration. The operative word is " predictable" because planning for the inevitable is what a Reserve Study by **Association Reserves** is all about!

In this Report, you will find three key results:

- **Component List**
  Unique to each property, the Component List serves as the foundation of the Reserve Study and details the scope and schedule of all necessary repairs & replacements.
- **Reserve Fund Strength**
  A calculation that measures how well the Reserve Fund has kept pace with the property's physical deterioration.
- **Reserve Funding Plan**
  A multi-year funding plan based on current Reserve Fund strength that allows for component repairs and replacements to be completed in a timely manner, with an emphasis on fairness and avoiding "catch-up" funding.

Questions?

Please contact your Project Manager directly.

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Table of Contents

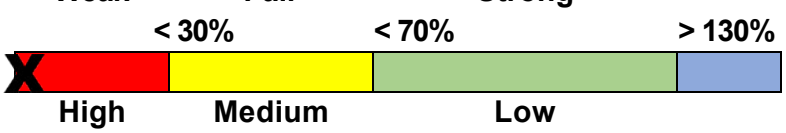
Reserve Study Executive Summary — Full

Half Moon Bay by K-Hov C.A. - Non SIRS Components Report #: **51276-0**
Hypoluxo, FL # of Units: 205
Level of Service: **"Full"** **January 1, 2025** through **December 31, 2025**

Findings & Recommendations as of January 1, 2025

Projected Starting Reserve Balance	**$0**
Projected "Fully Funded" (Ideal) Reserve Balance	**$223,025**
Percent Funded	**0.0 %**
Required 2025 Special Assessments	**$0**
Minimum 2025 Funding Required to Maintain Reserves above $0 through Year 30	**$45,600**
(Optional Alternative) Recommended 2025 Funding to Achieve 100% Funded by Year 30	**$46,000**

Reserve Fund Strength: 0.0%



Risk of Special Assessment: **High** **Medium** **Low**

Economic Assumptions:

Net Annual "After Tax" Interest Earnings Accruing to Reserves	**2.00 %**
Annual Inflation Rate	**3.00 %**

This document is a "Full" Reserve Study (original, created "from scratch"), based on our site inspection on 4/4/2024.

This analysis was prepared or verified by a credentialed Reserve Specialist (RS). No assets appropriate for Reserve designation were excluded. As of the start of the initial fiscal year shown in this study, your Reserve fund is determined to be 0.0 % Funded. Based on this figure, the Client's risk of special assessments & deferred maintenance is currently High.

Component cost estimates, life expectancies, and recommended reserve contributions are subject to change in subsequent years. As such, this Reserve Study analysis expires at the end of the initial fiscal year (December, 31, 2025). Please contact our office to discuss options for updating your Reserve Study in future years.

Reserve Funding Goals and Methodology:

Special Assessments:

There are no recommendations for any special assessments for Reserve funding included in the Reserve Study at this time.

Minimum Funding Required:

For Florida community associations using the pooled method, Florida Administrative Code requires that, at minimum: "the current year contribution should not be less than that required to ensure that the balance on hand at the beginning of the period when the budget will go into effect plus the projected annual cash inflows over the estimated remaining lives of the items in the pool are greater than the estimated cash outflows over the estimated remaining lives of the items in the pool." It should be noted that while this is often understood to describe "fully funding" of reserves in Florida, this practice is also described in the Community Association Institute's Reserve Study Standards (RSS) as "baseline funding." RSS characterizes baseline funding as "establishing a reserve funding goal of allowing the reserve cash balance to never be below zero during the cash flow projection. This is the funding goal with the greatest risk due to the variabilities encountered in the timing of component replacements and repair and replacement costs."

Our projection of the minimum reserve funding required (taken together with any projected special assessments) is designed to maintain this pooled fund balance above $0 throughout the forecast period.

Recommended Funding Plan:

Our "recommended" funding plan is an optional, more conservative alternative to the minimum funding plan described above. This recommended amount is intended to help the Association to (gradually, over 30 years) attain and maintain Reserves at or near 100 percent-funded. This goal is more likely to provide an adequate cushion of accumulated funds, which will help reduce the risk of special assessments and/or loans in the event of higher-than-expected component costs, reduced component life expectancies, or other "surprise" circumstances.

Annual Increases to Reserve Funding:

In accordance with Florida statutes, the Association may adjust reserve contributions annually to take into account an inflation adjustment and any changes in estimates or extension of the useful life on a reserve item caused by deferred maintenance. As such, we recommend increasing the Reserve funding annually as illustrated in the 30-Year Reserve Plan Summary Tables shown later in this document, or in accordance with subsequent Reserve Study updates.

Waiving or Partial Funding of Reserves:

For components not considered "structural" in nature, Florida statutes allow that: "The members of a unit-owner-controlled association may determine, by a majority vote of the total voting interests of the association, to provide no reserves or less reserves than required by this subsection." As such, a majority of the association's voting interests may elect to fund the reserves at lower amounts than shown in this study--or to waive reserve funding entirely—but only for these specific components. Please consult with your Association's legal counsel for additional guidance regarding the waiving or partial funding of reserves.

Executive Summary Table

Report # 51276-0
Full

#	Component	Useful Life (yrs)	Rem. Useful Life (yrs)	Current Average Cost
	Site and Grounds			
2125	Asphalt - Resurface	20	9	$276,500
2175	Site Pole Lights - Replace	20	8	$66,000
	Building Exteriors			
2303	Exterior Lights - Replace	20	10	$23,600
2304	Utility Lights - Replace	20	0	$10,550
	Mechanical/Electrical/Plumbing			
2558	Exit/Emergency Fixtures - Replace	20	10	$18,000
5	**Total Funded Components**			

Note 1: Yellow highlighted line items are expected to require attention in this initial year, light blue highlighted items are expected to occur within the first-five years.

Introduction

A Reserve Study is the art and science of anticipating, and preparing for, an association's major common area repair and replacement expenses. Partially art, because in this field we are making projections about the future. Partially science, because our work is a combination of research and well-defined computations, following consistent National Reserve Study Standard principles.

The foundation of this and every Reserve Study is your Reserve Component List (what you are reserving for). This is because the Reserve Component List defines the *scope and schedule* of all your anticipated upcoming Reserve projects. Based on that List and your starting balance, we calculate the association's Reserve Fund Strength (reported in terms of "Percent Funded"). Then we compute a Reserve Funding Plan to provide for the Reserve needs of the association. These form the three results of your Reserve Study.

RESERVE STUDY RESULTS

Reserve funding is not "for the future". Ongoing Reserve transfers are intended to offset the ongoing, daily deterioration of your Reserve assets. Done well, a stable, budgeted Reserve Funding Plan will collect sufficient funds from the owners who enjoyed the use of those assets, so the association is financially prepared for the irregular expenditures scattered through future years when those projects eventually require replacement.

Methodology

For this Full Reserve Study, we started with a review of your Governing Documents, recent Reserve expenditures, an evaluation of how expenditures are handled (ongoing maintenance vs Reserves), and research into any well-established association precedents. We performed an on-site inspection to quantify and evaluate your common areas, creating your Reserve Component List *from scratch*.

Which Physical Assets are Funded by Reserves?

There is a national-standard three-part test to determine which projects should appear in a Reserve Component List. First, it must be a common area maintenance obligation. Second, both the need and schedule of a component's project can be reasonably anticipated. Third, the project's total cost is material to the client, can be reasonably anticipated, and includes all direct and related costs. A project cost is commonly considered *material* if it is more than 0.5% to 1% of the total annual budget. This limits Reserve components to major, predictable expenses. Within this framework, it is inappropriate to include *lifetime* components, unpredictable expenses (such as damage due to natural disasters and/or insurable events), and expenses more appropriately handled from the Operational budget.

RESERVE COMPONENT "THREE-PART TEST"

How do we establish Useful Life and Remaining Useful Life estimates?

1) Visual Inspection (observed wear and age)
2) Association Reserves database of experience
3) Client History (install dates & previous life cycle information)
4) Vendor Evaluation and Recommendation

How do we establish Current Repair/Replacement Cost Estimates?

In this order…

1) Actual client cost history, or current proposals
2) Comparison to Association Reserves database of work done at similar associations
3) Vendor Recommendations
4) Reliable National Industry cost estimating guidebooks

How much Reserves are enough?

Reserve adequacy is not measured in cash terms. Reserve adequacy is found when the *amount* of current Reserve cash is compared to Reserve component deterioration (the *needs of the association*). Having *enough* means the association can execute its projects in a timely manner with existing Reserve funds. Not having *enough* typically creates deferred maintenance or special assessments.

Adequacy is measured in a two-step process:

1) Calculate the *value of deterioration* at the association (called Fully Funded Balance, or FFB).
2) Compare that to the Reserve Fund Balance, and express as a percentage.

Each year, the *value of deterioration* at the association changes. When there is more deterioration (as components approach the time they need to be replaced), there should be more cash to offset that deterioration and prepare for the expenditure. Conversely, the *value of deterioration* shrinks after projects are accomplished. The *value of deterioration* (the FFB) changes each year, and is a moving but predictable target.

There is a high risk of special assessments and deferred maintenance when the Percent Funded is *weak*, below 30%. Approximately 30% of all associations are in this high risk range. While the 100% point is Ideal (indicating Reserve cash is equal to the *value of deterioration*), a Reserve Fund in the 70% - 130% range is considered strong (low risk of special assessment).

Measuring your Reserves by Percent Funded tells how well prepared your association is for upcoming Reserve expenses. New buyers should be very aware of this important disclosure!

How much should we transfer to Reserves?

RESERVE FUNDING PRINCIPLES

According to National Reserve Study Standards, there are four Funding Principles to balance in developing your Reserve Funding Plan. Our first objective is to design a plan that provides you with sufficient cash to perform your Reserve projects on time. Second, a stable rate of ongoing Reserve transfers is desirable because it keeps these naturally irregular expenses from unsettling the budget.

Reserve transfers that are evenly distributed over current and future owners enable each owner to pay their fair share of the association's Reserve expenses over the years. And finally, we develop a plan that is fiscally responsible and safe for Board members to recommend to their association. Remember, it is the Board's job to provide for the ongoing care of the common areas. Board members invite liability exposure when Reserve transfers are inadequate to offset ongoing common area deterioration.

What is our Recommended Funding Goal?

Maintaining the Reserve Fund at a level equal to the *value* of deterioration is called "Full Funding" (100% Funded). As each asset ages and becomes "used up," the Reserve Fund grows proportionally. **This is simple, responsible, and our recommendation.** Evidence shows that associations in the 70 - 130% range *enjoy a low risk of special assessments or deferred maintenance.*

FUNDING OBJECTIVES

Allowing the Reserves to fall close to zero, but not below zero, is called Baseline Funding. Doing so allows the Reserve Fund to drop into the 0 - 30% range, where there is a high risk of special assessments & deferred maintenance. Since Baseline Funding still provides for the timely execution of all Reserve projects, and only the "margin of safety" is different, recommended Reserve transfers for Baseline Funding average only 10% to 15% less than Full Funding recommendations. Threshold Funding is the title of all other Cash or Percent Funded objectives *between* Baseline Funding and Full Funding.

Site Inspection Notes

During our site visit on 4/4/2024, we started with a brief meeting with Kady Zuckerman and Tom Ermolovich. We thank them for their assistance and input during this process. During our inspection, we visually inspected all common areas, amenities, and other components that are the responsibility of the Client. Please refer to the Component Details section at the end of this document for additional photos, observations and other information regarding each component.

Projected Expenses

While this Reserve Study looks forward 30 years, we have no expectation that all these expenses will all take place as anticipated. This Reserve Study needs to be updated annually because we expect the timing of these expenses to shift and the size of these expenses to change. We do feel more certain of the timing and cost of near-term expenses than expenses many years away. Please be aware of your near-term expenses, which we are able to project more accurately than the more distant projections. The figure below summarizes the projected future expenses as defined by your Reserve Component List. A summary of these components are shown in the Component Details table, while a summary of the expenses themselves are shown in the 30-yr Cash Flow Detail table.

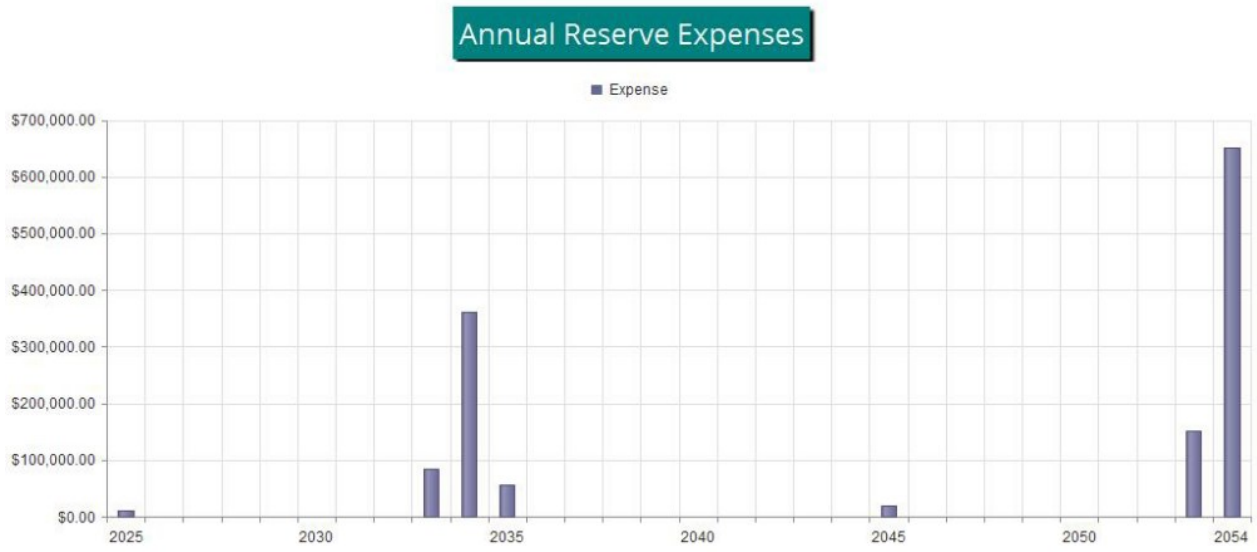


Figure 1

Reserve Fund Status

The starting point for our financial analysis is your Reserve Fund balance, projected to be $0 as-of the start of your Fiscal Year on 1/1/2025. This is based either on information provided directly to us, or using your most recent available Reserve account balance, plus any budgeted contributions and less any planned expenses through the end of your Fiscal Year. As of your Fiscal Year Start, your Fully Funded Balance is computed to be $223,025. This figure represents the deteriorated value of your common area components. Comparing your Reserve Balance to your Fully Funded Balance indicates your Reserves are 0.0 % Funded.

Recommended Funding Plan

Based on your current Percent Funded and your near-term and long-term Reserve needs, we are recommending budgeted contributions of $46,000 in the upcoming fiscal year. At minimum, the Association must budget $45,600 for Reserves in the upcoming year. The overall 30-yr plan, in perspective, is shown below. This same information is shown numerically in both the 30-yr Summary and the Cash Flow Detail tables.

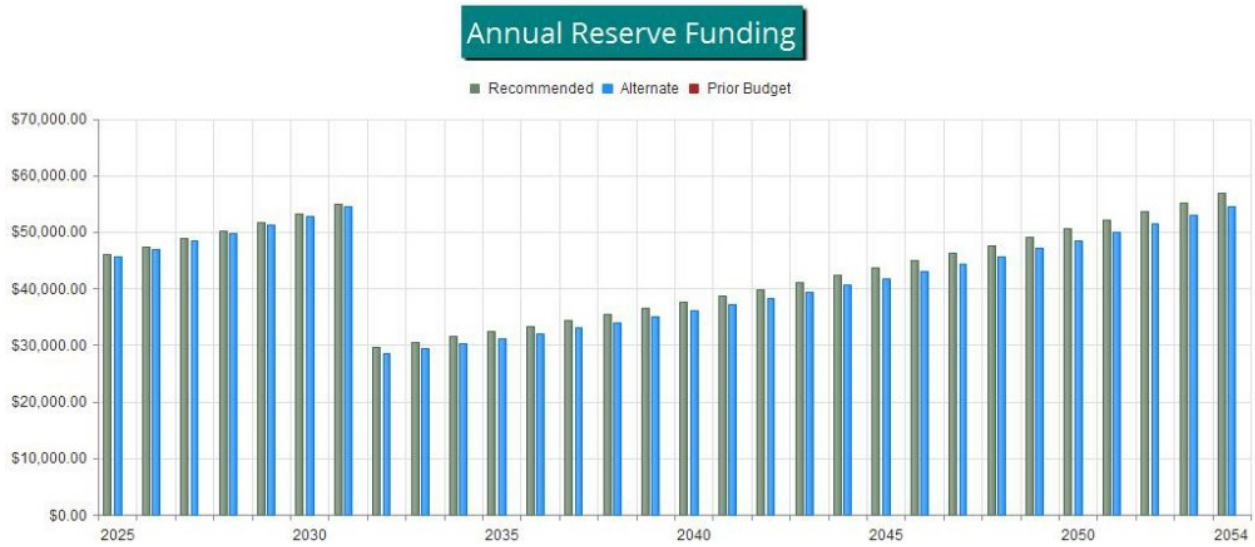


Figure 2

The following chart shows your Reserve balance under our recommended plan, the minimum funding plan and at the Association's current contribution rate, all compared to your always-changing Fully Funded Balance target.

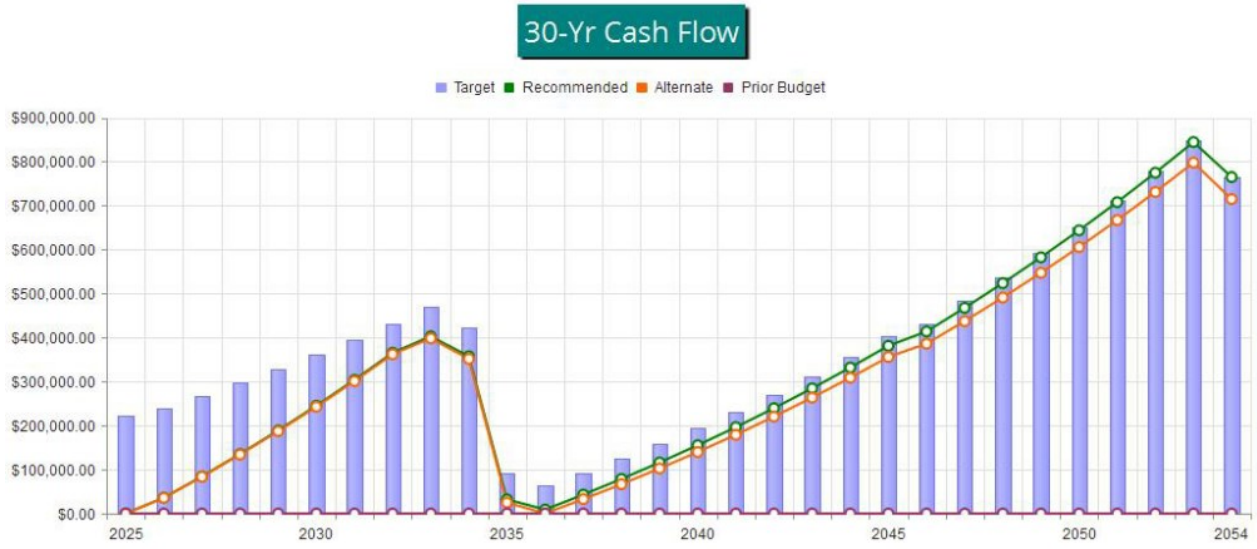


Figure 3

This figure shows the same information described above, but plotted on a Percent Funded scale. It is clear here to see how your Reserve Fund strength approaches the 100% Funded level under our recommended multi-yr Funding Plan.

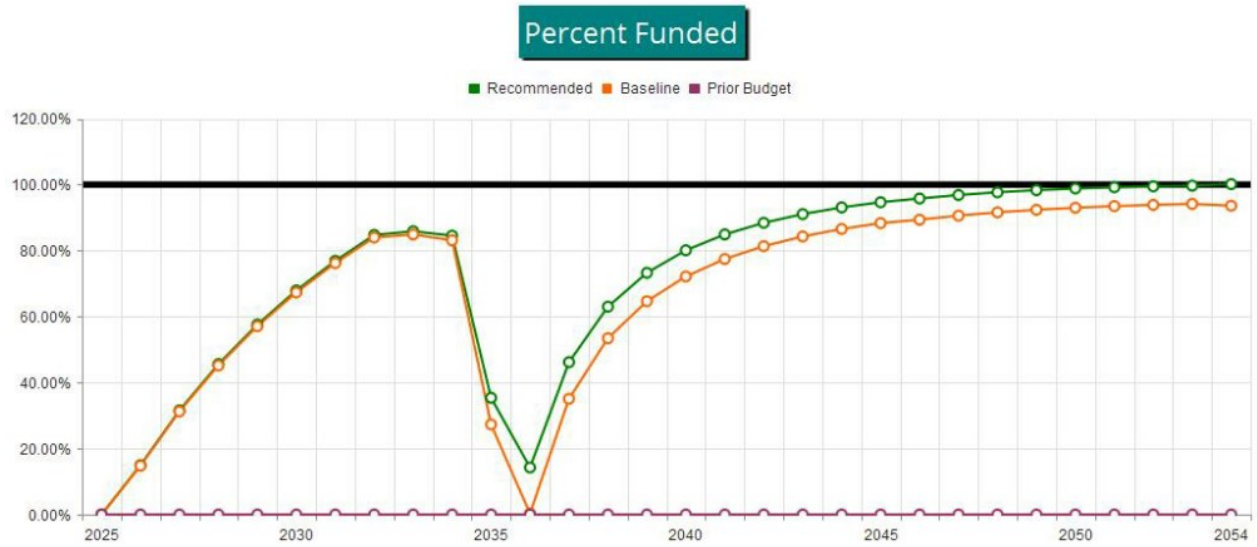


Figure 4

Table Descriptions

Executive Summary is a summary of your Reserve Components

Fully Funded Balance shows the calculation of the Fully Funded Balance for each of your components, and their specific proportion related to the property total. For each component, the Fully Funded Balance is the fraction of life used up multiplied by its estimated Current Replacement Cost.

Component Significance shows the relative significance of each component to Reserve funding needs of the property, helping you see which components have more (or less) influence than others on your total Reserve funding requirements. The deterioration cost/yr of each component is calculated by dividing the estimated Current Replacement Cost by its Useful Life, then that component's percentage of the total is displayed.

30-Yr Reserve Plan Summary provides a one-page 30-year summary of the cash flowing into and out of the Reserve Fund, with a display of the Fully Funded Balance, Percent Funded, and special assessment risk at the beginning of each year.

30-Year Income/Expense Detail shows the detailed income and expenses for each of the next 30 years. This table makes it possible to see which components are projected to require repair or replacement in a particular year, and the size of those individual expenses.

#	Component	Current Cost Estimate	X	Effective Age	/	Useful Life	=	Fully Funded Balance
	Site and Grounds							
2125	Asphalt - Resurface	$276,500	X	11	/	20	=	$152,075
2175	Site Pole Lights - Replace	$66,000	X	12	/	20	=	$39,600
	Building Exteriors							
2303	Exterior Lights - Replace	$23,600	X	10	/	20	=	$11,800
2304	Utility Lights - Replace	$10,550	X	20	/	20	=	$10,550
	Mechanical/Electrical/Plumbing							
2558	Exit/Emergency Fixtures - Replace	$18,000	X	10	/	20	=	$9,000
								$223,025

#	Component	Useful Life (yrs)	Current Cost Estimate	Deterioration Cost/Yr	Deterioration Significance
	Site and Grounds				
2125	Asphalt - Resurface	20	$276,500	$13,825	70.06 %
2175	Site Pole Lights - Replace	20	$66,000	$3,300	16.72 %
	Building Exteriors				
2303	Exterior Lights - Replace	20	$23,600	$1,180	5.98 %
2304	Utility Lights - Replace	20	$10,550	$528	2.67 %
	Mechanical/Electrical/Plumbing				
2558	Exit/Emergency Fixtures - Replace	20	$18,000	$900	4.56 %
5	Total Funded Components			$19,733	100.00 %

30-Year Reserve Plan Summary

Report # 51276-0
Full

Fiscal Year Start: 2025

Interest: 2.00 %

Inflation: 3.00 %

Reserve Fund Strength: as-of Fiscal Year Start Date					Projected Reserve Balance Changes			
Year	Starting Reserve Balance	Fully Funded Balance	Percent Funded	Special Assmt Risk	Reserve Funding	Loan or Special Assmts	Interest Income	Reserve Expenses
2025	$0	$223,025	0.0 %	High	$46,000	$0	$358	$10,550
2026	$35,808	$239,174	15.0 %	High	$47,380	$0	$1,201	$0
2027	$84,389	$267,283	31.6 %	Medium	$48,801	$0	$2,196	$0
2028	$135,386	$296,864	45.6 %	Medium	$50,265	$0	$3,240	$0
2029	$188,891	$327,979	57.6 %	Medium	$51,773	$0	$4,335	$0
2030	$245,000	$360,694	67.9 %	Medium	$53,327	$0	$5,483	$0
2031	$303,810	$395,076	76.9 %	Low	$54,926	$0	$6,687	$0
2032	$365,423	$431,197	84.7 %	Low	$29,700	$0	$7,676	$0
2033	$402,798	$469,129	85.9 %	Low	$30,591	$0	$7,595	$83,607
2034	$357,378	$422,835	84.5 %	Low	$31,509	$0	$3,890	$360,770
2035	$32,007	$90,446	35.4 %	Medium	$32,454	$0	$409	$55,907
2036	$8,964	$62,889	14.3 %	High	$33,428	$0	$518	$0
2037	$42,909	$92,910	46.2 %	Medium	$34,430	$0	$1,214	$0
2038	$78,553	$124,675	63.0 %	Medium	$35,463	$0	$1,943	$0
2039	$115,960	$158,262	73.3 %	Low	$36,527	$0	$2,709	$0
2040	$155,197	$193,753	80.1 %	Low	$37,623	$0	$3,512	$0
2041	$196,332	$231,230	84.9 %	Low	$38,752	$0	$4,354	$0
2042	$239,438	$270,782	88.4 %	Low	$39,914	$0	$5,236	$0
2043	$284,588	$312,499	91.1 %	Low	$41,112	$0	$6,159	$0
2044	$331,859	$356,475	93.1 %	Low	$42,345	$0	$7,126	$0
2045	$381,329	$402,808	94.7 %	Low	$43,615	$0	$7,945	$19,054
2046	$413,835	$431,974	95.8 %	Low	$44,924	$0	$8,806	$0
2047	$467,566	$482,743	96.9 %	Low	$46,272	$0	$9,904	$0
2048	$523,742	$536,169	97.7 %	Low	$47,660	$0	$11,052	$0
2049	$582,454	$592,366	98.3 %	Low	$49,090	$0	$12,252	$0
2050	$643,795	$651,453	98.8 %	Low	$50,562	$0	$13,505	$0
2051	$707,862	$713,551	99.2 %	Low	$52,079	$0	$14,813	$0
2052	$774,755	$778,789	99.5 %	Low	$53,642	$0	$16,179	$0
2053	$844,576	$847,300	99.7 %	Low	$55,251	$0	$16,081	$151,003
2054	$764,904	$763,686	100.2 %	Low	$56,908	$0	$9,437	$651,590

30-Year Reserve Plan Summary (Alternate Funding Plan)

Report # 51276-0
Full

Fiscal Year Start: 2025

Interest: 2.00 %

Inflation: 3.00 %

Reserve Fund Strength: as-of Fiscal Year Start Date					Projected Reserve Balance Changes			
Year	Starting Reserve Balance	Fully Funded Balance	Percent Funded	Special Assmt Risk	Reserve Funding	Loan or Special Assmts	Interest Income	Reserve Expenses
2025	$0	$223,025	0.0 %	High	$45,600	$0	$354	$10,550
2026	$35,404	$239,174	14.8 %	High	$46,968	$0	$1,189	$0
2027	$83,560	$267,283	31.3 %	Medium	$48,377	$0	$2,175	$0
2028	$134,112	$296,864	45.2 %	Medium	$49,828	$0	$3,210	$0
2029	$187,150	$327,979	57.1 %	Medium	$51,323	$0	$4,295	$0
2030	$242,769	$360,694	67.3 %	Medium	$52,863	$0	$5,434	$0
2031	$301,066	$395,076	76.2 %	Low	$54,449	$0	$6,626	$0
2032	$362,141	$431,197	84.0 %	Low	$28,500	$0	$7,597	$0
2033	$398,238	$469,129	84.9 %	Low	$29,355	$0	$7,491	$83,607
2034	$351,477	$422,835	83.1 %	Low	$30,236	$0	$3,759	$360,770
2035	$24,701	$90,446	27.3 %	High	$31,143	$0	$249	$55,907
2036	$186	$62,889	0.3 %	High	$32,077	$0	$327	$0
2037	$32,590	$92,910	35.1 %	Medium	$33,039	$0	$991	$0
2038	$66,621	$124,675	53.4 %	Medium	$34,030	$0	$1,688	$0
2039	$102,339	$158,262	64.7 %	Medium	$35,051	$0	$2,419	$0
2040	$139,810	$193,753	72.2 %	Low	$36,103	$0	$3,186	$0
2041	$179,099	$231,230	77.5 %	Low	$37,186	$0	$3,990	$0
2042	$220,276	$270,782	81.3 %	Low	$38,302	$0	$4,833	$0
2043	$263,410	$312,499	84.3 %	Low	$39,451	$0	$5,715	$0
2044	$308,576	$356,475	86.6 %	Low	$40,634	$0	$6,638	$0
2045	$355,848	$402,808	88.3 %	Low	$41,853	$0	$7,413	$19,054
2046	$386,060	$431,974	89.4 %	Low	$43,109	$0	$8,227	$0
2047	$437,396	$482,743	90.6 %	Low	$44,402	$0	$9,277	$0
2048	$491,075	$536,169	91.6 %	Low	$45,734	$0	$10,374	$0
2049	$547,182	$592,366	92.4 %	Low	$47,106	$0	$11,520	$0
2050	$605,808	$651,453	93.0 %	Low	$48,519	$0	$12,718	$0
2051	$667,045	$713,551	93.5 %	Low	$49,975	$0	$13,968	$0
2052	$730,988	$778,789	93.9 %	Low	$51,474	$0	$15,274	$0
2053	$797,737	$847,300	94.2 %	Low	$53,018	$0	$15,113	$151,003
2054	$714,865	$763,686	93.6 %	Low	$54,609	$0	$8,404	$651,590

	Fiscal Year	2025	2026	2027	2028	2029
	Starting Reserve Balance	$0	$35,808	$84,389	$135,386	$188,891
	Annual Reserve Funding	$46,000	$47,380	$48,801	$50,265	$51,773
	Recommended Special Assessments	$0	$0	$0	$0	$0
	Interest Earnings	$358	$1,201	$2,196	$3,240	$4,335
	Total Income	$46,358	$84,389	$135,386	$188,891	$245,000
#	Component					
	Site and Grounds					
2125	Asphalt - Resurface	$0	$0	$0	$0	$0
2175	Site Pole Lights - Replace	$0	$0	$0	$0	$0
	Building Exteriors					
2303	Exterior Lights - Replace	$0	$0	$0	$0	$0
2304	Utility Lights - Replace	$10,550	$0	$0	$0	$0
	Mechanical/Electrical/Plumbing					
2558	Exit/Emergency Fixtures - Replace	$0	$0	$0	$0	$0
	Total Expenses	$10,550	$0	$0	$0	$0
	Ending Reserve Balance	$35,808	$84,389	$135,386	$188,891	$245,000

	Fiscal Year	2030	2031	2032	2033	2034
	Starting Reserve Balance	$245,000	$303,810	$365,423	$402,798	$357,378
	Annual Reserve Funding	$53,327	$54,926	$29,700	$30,591	$31,509
	Recommended Special Assessments	$0	$0	$0	$0	$0
	Interest Earnings	$5,483	$6,687	$7,676	$7,595	$3,890
	Total Income	$303,810	$365,423	$402,798	$440,985	$392,777
#	Component					
	Site and Grounds					
2125	Asphalt - Resurface	$0	$0	$0	$0	$360,770
2175	Site Pole Lights - Replace	$0	$0	$0	$83,607	$0
	Building Exteriors					
2303	Exterior Lights - Replace	$0	$0	$0	$0	$0
2304	Utility Lights - Replace	$0	$0	$0	$0	$0
	Mechanical/Electrical/Plumbing					
2558	Exit/Emergency Fixtures - Replace	$0	$0	$0	$0	$0
	Total Expenses	$0	$0	$0	$83,607	$360,770
	Ending Reserve Balance	$303,810	$365,423	$402,798	$357,378	$32,007

	Fiscal Year	2035	2036	2037	2038	2039
	Starting Reserve Balance	$32,007	$8,964	$42,909	$78,553	$115,960
	Annual Reserve Funding	$32,454	$33,428	$34,430	$35,463	$36,527
	Recommended Special Assessments	$0	$0	$0	$0	$0
	Interest Earnings	$409	$518	$1,214	$1,943	$2,709
	Total Income	$64,870	$42,909	$78,553	$115,960	$155,197
#	Component					
	Site and Grounds					
2125	Asphalt - Resurface	$0	$0	$0	$0	$0
2175	Site Pole Lights - Replace	$0	$0	$0	$0	$0
	Building Exteriors					
2303	Exterior Lights - Replace	$31,716	$0	$0	$0	$0
2304	Utility Lights - Replace	$0	$0	$0	$0	$0
	Mechanical/Electrical/Plumbing					
2558	Exit/Emergency Fixtures - Replace	$24,190	$0	$0	$0	$0
	Total Expenses	$55,907	$0	$0	$0	$0
	Ending Reserve Balance	$8,964	$42,909	$78,553	$115,960	$155,197

	Fiscal Year	2040	2041	2042	2043	2044
	Starting Reserve Balance	$155,197	$196,332	$239,438	$284,588	$331,859
	Annual Reserve Funding	$37,623	$38,752	$39,914	$41,112	$42,345
	Recommended Special Assessments	$0	$0	$0	$0	$0
	Interest Earnings	$3,512	$4,354	$5,236	$6,159	$7,126
	Total Income	$196,332	$239,438	$284,588	$331,859	$381,329
#	Component					
	Site and Grounds					
2125	Asphalt - Resurface	$0	$0	$0	$0	$0
2175	Site Pole Lights - Replace	$0	$0	$0	$0	$0
	Building Exteriors					
2303	Exterior Lights - Replace	$0	$0	$0	$0	$0
2304	Utility Lights - Replace	$0	$0	$0	$0	$0
	Mechanical/Electrical/Plumbing					
2558	Exit/Emergency Fixtures - Replace	$0	$0	$0	$0	$0
	Total Expenses	$0	$0	$0	$0	$0
	Ending Reserve Balance	$196,332	$239,438	$284,588	$331,859	$381,329

	Fiscal Year	2045	2046	2047	2048	2049
	Starting Reserve Balance	$381,329	$413,835	$467,566	$523,742	$582,454
	Annual Reserve Funding	$43,615	$44,924	$46,272	$47,660	$49,090
	Recommended Special Assessments	$0	$0	$0	$0	$0
	Interest Earnings	$7,945	$8,806	$9,904	$11,052	$12,252
	Total Income	$432,890	$467,566	$523,742	$582,454	$643,795
#	Component					
	Site and Grounds					
2125	Asphalt - Resurface	$0	$0	$0	$0	$0
2175	Site Pole Lights - Replace	$0	$0	$0	$0	$0
	Building Exteriors					
2303	Exterior Lights - Replace	$0	$0	$0	$0	$0
2304	Utility Lights - Replace	$19,054	$0	$0	$0	$0
	Mechanical/Electrical/Plumbing					
2558	Exit/Emergency Fixtures - Replace	$0	$0	$0	$0	$0
	Total Expenses	$19,054	$0	$0	$0	$0
	Ending Reserve Balance	$413,835	$467,566	$523,742	$582,454	$643,795

	Fiscal Year	2050	2051	2052	2053	2054
	Starting Reserve Balance	$643,795	$707,862	$774,755	$844,576	$764,904
	Annual Reserve Funding	$50,562	$52,079	$53,642	$55,251	$56,908
	Recommended Special Assessments	$0	$0	$0	$0	$0
	Interest Earnings	$13,505	$14,813	$16,179	$16,081	$9,437
	Total Income	$707,862	$774,755	$844,576	$915,907	$831,250
#	Component					
	Site and Grounds					
2125	Asphalt - Resurface	$0	$0	$0	$0	$651,590
2175	Site Pole Lights - Replace	$0	$0	$0	$151,003	$0
	Building Exteriors					
2303	Exterior Lights - Replace	$0	$0	$0	$0	$0
2304	Utility Lights - Replace	$0	$0	$0	$0	$0
	Mechanical/Electrical/Plumbing					
2558	Exit/Emergency Fixtures - Replace	$0	$0	$0	$0	$0
	Total Expenses	$0	$0	$0	$151,003	$651,590
	Ending Reserve Balance	$707,862	$774,755	$844,576	$764,904	$179,659

	Fiscal Year	2025	2026	2027	2028	2029
	Starting Reserve Balance	$0	$35,404	$83,560	$134,112	$187,150
	Annual Reserve Funding	$45,600	$46,968	$48,377	$49,828	$51,323
	Recommended Special Assessments	$0	$0	$0	$0	$0
	Interest Earnings	$354	$1,189	$2,175	$3,210	$4,295
	Total Income	$45,954	$83,560	$134,112	$187,150	$242,769
#	Component					
	Site and Grounds					
2125	Asphalt - Resurface	$0	$0	$0	$0	$0
2175	Site Pole Lights - Replace	$0	$0	$0	$0	$0
	Building Exteriors					
2303	Exterior Lights - Replace	$0	$0	$0	$0	$0
2304	Utility Lights - Replace	$10,550	$0	$0	$0	$0
	Mechanical/Electrical/Plumbing					
2558	Exit/Emergency Fixtures - Replace	$0	$0	$0	$0	$0
	Total Expenses	$10,550	$0	$0	$0	$0
	Ending Reserve Balance	$35,404	$83,560	$134,112	$187,150	$242,769

	Fiscal Year	2030	2031	2032	2033	2034
	Starting Reserve Balance	$242,769	$301,066	$362,141	$398,238	$351,477
	Annual Reserve Funding	$52,863	$54,449	$28,500	$29,355	$30,236
	Recommended Special Assessments	$0	$0	$0	$0	$0
	Interest Earnings	$5,434	$6,626	$7,597	$7,491	$3,759
	Total Income	$301,066	$362,141	$398,238	$435,084	$385,471
#	Component					
	Site and Grounds					
2125	Asphalt - Resurface	$0	$0	$0	$0	$360,770
2175	Site Pole Lights - Replace	$0	$0	$0	$83,607	$0
	Building Exteriors					
2303	Exterior Lights - Replace	$0	$0	$0	$0	$0
2304	Utility Lights - Replace	$0	$0	$0	$0	$0
	Mechanical/Electrical/Plumbing					
2558	Exit/Emergency Fixtures - Replace	$0	$0	$0	$0	$0
	Total Expenses	$0	$0	$0	$83,607	$360,770
	Ending Reserve Balance	$301,066	$362,141	$398,238	$351,477	$24,701

	Fiscal Year	2035	2036	2037	2038	2039
	Starting Reserve Balance	$24,701	$186	$32,590	$66,621	$102,339
	Annual Reserve Funding	$31,143	$32,077	$33,039	$34,030	$35,051
	Recommended Special Assessments	$0	$0	$0	$0	$0
	Interest Earnings	$249	$327	$991	$1,688	$2,419
	Total Income	$56,093	$32,590	$66,621	$102,339	$139,810
#	Component					
	Site and Grounds					
2125	Asphalt - Resurface	$0	$0	$0	$0	$0
2175	Site Pole Lights - Replace	$0	$0	$0	$0	$0
	Building Exteriors					
2303	Exterior Lights - Replace	$31,716	$0	$0	$0	$0
2304	Utility Lights - Replace	$0	$0	$0	$0	$0
	Mechanical/Electrical/Plumbing					
2558	Exit/Emergency Fixtures - Replace	$24,190	$0	$0	$0	$0
	Total Expenses	$55,907	$0	$0	$0	$0
	Ending Reserve Balance	$186	$32,590	$66,621	$102,339	$139,810

	Fiscal Year	2040	2041	2042	2043	2044
	Starting Reserve Balance	$139,810	$179,099	$220,276	$263,410	$308,576
	Annual Reserve Funding	$36,103	$37,186	$38,302	$39,451	$40,634
	Recommended Special Assessments	$0	$0	$0	$0	$0
	Interest Earnings	$3,186	$3,990	$4,833	$5,715	$6,638
	Total Income	$179,099	$220,276	$263,410	$308,576	$355,848
#	Component					
	Site and Grounds					
2125	Asphalt - Resurface	$0	$0	$0	$0	$0
2175	Site Pole Lights - Replace	$0	$0	$0	$0	$0
	Building Exteriors					
2303	Exterior Lights - Replace	$0	$0	$0	$0	$0
2304	Utility Lights - Replace	$0	$0	$0	$0	$0
	Mechanical/Electrical/Plumbing					
2558	Exit/Emergency Fixtures - Replace	$0	$0	$0	$0	$0
	Total Expenses	$0	$0	$0	$0	$0
	Ending Reserve Balance	$179,099	$220,276	$263,410	$308,576	$355,848

	Fiscal Year	2045	2046	2047	2048	2049
	Starting Reserve Balance	$355,848	$386,060	$437,396	$491,075	$547,182
	Annual Reserve Funding	$41,853	$43,109	$44,402	$45,734	$47,106
	Recommended Special Assessments	$0	$0	$0	$0	$0
	Interest Earnings	$7,413	$8,227	$9,277	$10,374	$11,520
	Total Income	$405,114	$437,396	$491,075	$547,182	$605,808
#	Component					
	Site and Grounds					
2125	Asphalt - Resurface	$0	$0	$0	$0	$0
2175	Site Pole Lights - Replace	$0	$0	$0	$0	$0
	Building Exteriors					
2303	Exterior Lights - Replace	$0	$0	$0	$0	$0
2304	Utility Lights - Replace	$19,054	$0	$0	$0	$0
	Mechanical/Electrical/Plumbing					
2558	Exit/Emergency Fixtures - Replace	$0	$0	$0	$0	$0
	Total Expenses	$19,054	$0	$0	$0	$0
	Ending Reserve Balance	$386,060	$437,396	$491,075	$547,182	$605,808

	Fiscal Year	2050	2051	2052	2053	2054
	Starting Reserve Balance	$605,808	$667,045	$730,988	$797,737	$714,865
	Annual Reserve Funding	$48,519	$49,975	$51,474	$53,018	$54,609
	Recommended Special Assessments	$0	$0	$0	$0	$0
	Interest Earnings	$12,718	$13,968	$15,274	$15,113	$8,404
	Total Income	$667,045	$730,988	$797,737	$865,868	$777,878
#	Component					
	Site and Grounds					
2125	Asphalt - Resurface	$0	$0	$0	$0	$651,590
2175	Site Pole Lights - Replace	$0	$0	$0	$151,003	$0
	Building Exteriors					
2303	Exterior Lights - Replace	$0	$0	$0	$0	$0
2304	Utility Lights - Replace	$0	$0	$0	$0	$0
	Mechanical/Electrical/Plumbing					
2558	Exit/Emergency Fixtures - Replace	$0	$0	$0	$0	$0
	Total Expenses	$0	$0	$0	$151,003	$651,590
	Ending Reserve Balance	$667,045	$730,988	$797,737	$714,865	$126,287

Accuracy, Limitations, and Disclosures

Association Reserves and its employees have no ownership, management, or other business relationships with the client other than this Reserve Study engagement. William G. Simons, RS is the President of Association Reserves – Florida, LLC and is a credentialed Reserve Specialist (#190). All work done by Association Reserves – Florida, LLC is performed under his Responsible Charge and is performed in accordance with National Reserve Study Standards (NRSS). There are no material issues to our knowledge that have not been disclosed to the client that would cause a distortion of the client's situation. In accordance with National Reserve Study Standards, information provided by the official representative(s) of the client regarding financial details, component physical details and/or quantities, or historical issues/conditions will be deemed reliable for use in preparing the Reserve Study, and is not intended to be used for the purpose of performing any type of audit, quality/forensic analysis, or background checks of historical records. For "Full" Reserve Study levels of service, we attempt to establish measurements and component quantities within 5% accuracy through a combination of on-site measurements and observations, review of any available building plans or drawings, and/or any other reliable means. For "Update, With Site Visit" and "Update, No Site Visit" Reserve Study levels of service, the client is considered to have deemed previously developed component quantities as accurate and reliable, including quantities that may have been established by other individuals/firms. The scope of work for "Full" and "Update, With-Site-Visit" Reserve Studies includes visual inspection of accessible areas and components, and does not include any destructive or other means of testing. We do not inspect or investigate for construction defects, hazardous materials, or hidden issues such as plumbing or electrical problems, or problems with sub-surface drainage system components. The scope of work for "Update, No-Site-Visit" Reserve Studies does not include any inspections. Information provided to us about historical or upcoming projects, including information provided by the client's vendors and suppliers, will be considered reliable. Any on-site inspection should not be considered a project audit or quality inspection. Our opinions of component useful life, remaining useful life, and cost estimates assume proper original installation/construction, adherence to recommended preventive maintenance guidelines and best practices, a stable economic environment and do not consider the frequency or severity of natural disasters. Our opinions of component useful life, remaining useful life and current and future cost estimates are not a warranty or guarantee of the actual costs and timing of any component repairs or replacements. The actual or projected total Reserve account balance(s) presented in the Reserve Study is/are based upon information provided and was/were not audited. Because the physical condition of the client's components, the client's Reserve balance, the economic environment, and the legislative environment change each year, this Reserve Study is by nature a "one-year" document. Reality often differs from even the best assumptions due to the changing economy, physical factors including weather and usage, client financial decisions, legislation, or owner expectations. It is only because a long-term perspective improves the accuracy of near-term planning that this Reserve Study projects expenses into the future. We fully expect a number of adjustments will be necessary through the interim years to the cost and timing of these expense projections, and the funding necessary to prepare for those estimated expenses. Because we have no control over future events, we do not expect that all the events we anticipate will occur as planned. We expect that inflationary trends will continue, and we expect Reserve funds to continue to earn interest, so we believe that reasonable estimates for these figures are much more accurate than ignoring these economic realities. The Funding Plan in this Report was developed using the cash-flow methodology to achieve the specified Funding Objective. Compensation for this Reserve Study is not contingent upon client's agreement with our conclusions or recommendations, and Association Reserves' liability in any matter involving this Reserve Study is limited to our Fees for services rendered.

Terms and Definitions

BTU	British Thermal Unit (a standard unit of energy)
DIA	Diameter
GSF	Gross Square Feet (area). Equivalent to Square Feet
GSY	Gross Square Yards (area). Equivalent to Square Yards
HP	Horsepower
LF	Linear Feet (length)
Effective Age	The difference between Useful Life and Remaining Useful Life. Note that this is not necessarily equivalent to the chronological age of the component.
Fully Funded Balance (FFB)	The value of the deterioration of the Reserve Components. This is the fraction of life "used up" of each component multiplied by its estimated Current Replacement. While calculated for each component, it is summed together for an association total.
Inflation	Cost factors are adjusted for inflation at the rate defined in the Executive Summary and compounded annually. These increasing costs can be seen as you follow the recurring cycles of a component on the "30-yr Income/Expense Detail" table.
Interest	Interest earnings on Reserve Funds are calculated using the average balance for the year (taking into account income and expenses through the year) and compounded monthly using the rate defined in the Executive Summary. Annual interest earning assumption appears in the Executive Summary.
Percent Funded	The ratio, at a particular point in time (the first day of the Fiscal Year), of the actual (or projected) Reserve Balance to the Fully Funded Balance, expressed as a percentage.
Remaining Useful Life (RUL)	The estimated time, in years, that a common area component can be expected to continue to serve its intended function.
Useful Life (UL)	The estimated time, in years, that a common area component can be expected to serve its intended function.

Component Details

The following pages contain a great deal of detailed observations, photos, and commentary related to each component included in the Reserve Study. All components are included as necessary and appropriate, consistent with Florida Statutes and National Reserve Study Standards. Inspecting for construction defects, performing diagnostic or destructive testing to search for hidden issues (such as plumbing or electrical problems), environmental hazards (asbestos, radon, lead, etc.), or accounting for unpredictable acts of nature are all outside our scope of work and such components are not included herein unless otherwise noted.

Excluded Components

Comp #: 2000 Client Not Responsible **Quantity: Numerous Components**
Location: Throughout property/development
Funded?: No. Per information provided - Client/Association not responsible.
History:
Comments: The Community Associations Institute is a leading international authority with respect to Reserve Studies and has published a set of industry practices collectively known as “Reserve Study Standards.” These standards include a Three-Part Test which professional providers use to determine which individual components should be included in the physical analysis. For more information on Reserve Study Standards, please visit www.cai-online.org.

The first part of the test is that the client/association “has the obligation to maintain or replace the existing element.” Additional component selection guidelines state “Association maintenance/replacement responsibility is generally established by a review of governing documents as well as established association precedent.”

In our opinion, there are multiple components throughout the property that do not pass this test on the basis that they are either the responsibility of individual unit owners or the responsibility of another entity (i.e. local municipality, third-party vendor, master association, or adjacent development). These components include but are not necessarily limited to:

- Asphalt Paths Sealing and Repairs
- Directional/Street Signage
- Entry Exit Gates Replacements
- Retention Ponds
- Utility Infrastructure (Cable, Electrical, Water, Sanitary Sewer)
- Balcony/Lanai Lights & Fixtures
- Unit Interiors (Within Wall Boundaries)
- Unit HVAC Systems (Serving Individual Unit Only)
- Lift Station Refurbishment/Replacements
- Clubhouse/Amenity Areas

Since the client is not deemed to be responsible for the above components, there is no basis for funding inclusion within the Reserve Study at this time. However, the findings/statements within this report are not intended to be a professional legal opinion and we reserve the right to incorporate funding for any of these components if the client is otherwise found to be responsible for replacement.

Useful Life:

Remaining Life:

Best Case: Worst Case:

Cost Source:

Comp #: 2010 Not Reasonably Anticipated **Quantity: Numerous Components**

Location: Throughout property/development

Funded?: No. Life expectancy and/or cost too indeterminate for Reserve designation.

History:

Comments: The Community Associations Institute is a leading international authority with respect to Reserve Studies and has published a set of industry practices collectively known as “Reserve Study Standards.” These standards include a Three-Part Test which professional providers use to determine which individual components should be included in the physical analysis. For more information on Reserve Study Standards, please visit www.cai-online.org.

The second part of the test is that the “the need and schedule for this project can be reasonably anticipated.” Additional component selection guidelines state: “When a project becomes ‘reasonably anticipated’ will vary based on building age, construction type, and the judgment of the reserve study provider. This test means that component definitions should be based on some degree of certainty.”

There are multiple components throughout the property that do not currently pass this test on the basis that their useful life (need) and/or remaining useful life (schedule) cannot be reasonably anticipated. Those components include but are not limited to:

- Comprehensive Repair/Replacement of Stormwater Drainage Infrastructure
- Comprehensive Repair/Replacement of Paving Infrastructure (Base, Subbase)
- Comprehensive Repair/Replacement of Irrigation Infrastructure (i.e. Underground Lines)

In some cases, adequate evaluation would require additional diagnostics, destructive testing, or inspection beyond the limited visual inspection which serves as the basis of this engagement. Since the components listed above are currently deemed to be too indeterminate for Reserve designation, there are no funding recommendations within this Reserve Study for those items. However, this determination is not a guarantee that substantial expenses will not occur, as these elements may eventually require repair/replacement projects at potentially a significant cost to the client. In the event that the client desires to incorporate funding for any of the above components within the Reserve Study, we recommend further consultation with qualified professionals (i.e. engineer, contractor, and/or vendor) in order to define the following values for projects under consideration:

1. Total Life Expectancy (Recurring Interval Between Project Cycles)
2. Remaining Useful Life (Before Next Project)
3. Total Project Cost Estimate (In Current Dollars)

In the event that these values can be reasonably anticipated, they can be provided for our review, at which time funding recommendations may be incorporated into subsequent Reserve Studies.

Useful Life:

Remaining Life:

Best Case: Worst Case:

Cost Source:

Comp #: 2020 Immaterial/Unpredictable Cost **Quantity: Numerous Components**

Location: Throughout property/development

Funded?: No. Cost estimates below minimum threshold set for Reserve consideration.

History:

Comments: The Community Associations Institute is a leading international authority with respect to Reserve Studies and has published a set of industry practices collectively known as “Reserve Study Standards.” These standards include a Three-Part Test which professional providers use to determine which individual components should be included in the physical analysis. (For more information on Reserve Study Standards, please visit www.cai-online.org.)

The third part of the test is that the “The total cost for the project is material to the association, can be reasonably estimated, and includes all direct and related costs.” Additional component selection guidelines state: “The community’s budget should be reviewed, to establish the amount of maintenance planned and which projects are being funded from the operating account.”

After discussion with the client and/or consideration of the association’s size, a minimum threshold of $10,000 was used for Reserve consideration. There are multiple components throughout the property that do not pass this test on the basis that projected costs are immaterial in nature, or cannot be reasonably estimated. Those components include but are not limited to:

- Concrete Curb & Gutter Repairs/Replacements
- Directional/Street Signs Replacements
- Informational Signs Replacements
- Recessed Ceiling Lights Replacements
- Landscape Light Replacements

Because the anticipated (full and/or partial) replacement costs for the above components are not anticipated to meet the above threshold, we anticipate that the client will incorporate any related expenditures within their Operating budget. However, in unison with these assumptions, we recommend that the client track any related expenditures, and funding assumptions should be re-evaluated during each Reserve Study update engagement to ensure accuracy. If any above project is deemed appropriate for Reserve funding during a future engagement, that component can be included within the client’s Reserve funding plan at that time.

Useful Life:

Remaining Life:

Best Case: Worst Case:

Cost Source:

Comp #: 2030 Including in Operating Budget **Quantity: Numerous Components**

Location: Throughout property/development

Funded?: No. Expected to be handled through the client's annual Operating budget.

History:

Comments: Certain components within a Reserve Study may not qualify for Reserve consideration based on the assumption that the client will incur all related costs through their general Operating budget. This may or may not include ongoing maintenance contracts with client vendors, or agreements between the client and management officials. The components included within this assumption are listed below:

- Asphalt Seal/Repair
- Chain Link Fencing Replacements
- Wood Fencing Replacements
- Mailbox Repair/Replacements
- Landscaping Maintenance
- Landscaping Refurbishment/Renovation
- Tree Trimming
- Cable/Utility Services
- Golf Cart Replacments

Because costs related to the above items are anticipated to be handled through the client's Operating budget, there is no recommendation for Reserve funding at this time. However, in unison with these assumptions, we recommend that the client track any related expenditures and funding assumptions should be re-evaluated during each Reserve Study update engagement to ensure accuracy. If any above project is deemed appropriate for Reserve funding during a future engagement, that component can be included within the client's Reserve funding plan at that time.

Useful Life:

Remaining Life:

Best Case: Worst Case:

Cost Source:

Site and Grounds

Comp #: 2125 Asphalt - Resurface **Quantity: Approx 17,300 GSY**
Location: Throughout development
Funded?: Yes.
History: Resurfaced in 2009 (per satellite imagery)
Comments: *NOTE(2024): Remaining useful life has been extended to cycle with other asphalt resurfacing projects at associations within Half Moon Bay. To be monitored and updated during future reserve study updates.

Fair condition: Asphalt pavement determined to be in fair condition typically exhibits a mostly uniform surface but with minor to moderate raveling and surface wear. If present, crack patterns are normal for the age of the asphalt and not extreme, and there are no signs of advanced deterioration, such as large block cracking patterns, “alligatoring” or potholes. Overall appears to be aging normally and still up to an appropriate aesthetic standard.

As routine maintenance, keep roadway clean, free of debris and well drained; fill/seal cracks to prevent water from penetrating into the sub-base and accelerating damage. Even with ordinary care and maintenance, plan for eventual large scale resurface (milling and overlay of all asphalt surfaces is recommended here, unless otherwise noted) at roughly the time frame below. Take note of any areas of ponding water or other drainage concerns, and incorporate repairs into scope of work for resurfacing. Our inspection is visual only and does not incorporate any core sampling or other testing, which may be advisable when asphalt is nearing end of useful life. Some communities choose to work with independent paving consultants or engineering firms in order to identify any hidden concerns and develop scope of work prior to bidding. If more comprehensive analysis becomes available, incorporate findings into future Reserve Study updates as appropriate.

Useful Life:
20 years

Remaining Life:
9 years

Best Case: $ 249,000 Worst Case: $ 304,000

Lower estimate to resurface Higher estimate

Cost Source: AR Cost Database

Comp #: 2143 Chain Link Fencing - Replace **Quantity: Approx 890 LF**

Location: Perimeter of development

Funded?: No. Life expectancy and/or cost too indeterminate for Reserve designation.

History:

Comments: *NOTE(2024): Due to indeterminate timeline for replacement, no funding is provided for replacement of the chain link fencing at this time. Component to be monitored and updated during future reserve study updates and funding to be added accordingly if replacement is necessary.

Approximate Height: 4.5-ft

Fair condition: Chain-link site fencing determined to be in fair condition typically exhibits some isolated sections of loose and/or damaged fabric, and may show minor to moderate surface wear and corrosion. If present, vinyl coating is still intact but usually faded and cracking at edges. Curb appeal is declining at this stage.

As routine maintenance, inspect regularly for any damage and repair as-needed. Costs related to replacement of the chain link fencing are expected to be included in the Client's Operating budget. No recommendation for Reserve funding at this time. However, any repair and maintenance or other related expenditures should be tracked, and this component should be re-evaluated during future Reserve Study updates based on most recent information and data available at that time. If deemed appropriate for Reserve funding, component can be included in the funding plan at that time.

Useful Life:

Remaining Life:

Best Case: Worst Case:

Cost Source:

Comp #: 2175 Site Pole Lights - Replace **Quantity: Approx (27) Lights**

Location: Common areas throughout development
Funded?: Yes.
History:
Comments: (15) Single Fixture Site Pole Lights
Approximate Height: 15-ft
Construction Material: Metal

(6) Double Fixture Site Pole Lights
Approximate Height: 20-ft
Construction Material: Metal

Fair condition: Pole lights determined to be in fair condition typically exhibit somewhat faded/worn appearance but overall assembly is sturdy and aging normally. Serviceable physical condition and still appropriate for aesthetic standards.

Observed during daylight hours; assumed to be in functional operating condition. As routine maintenance, inspect, repair/change bulbs as needed. Best to plan for large scale replacement at roughly the time frame below for cost efficiency and consistent quality/appearance throughout property. Replacement costs can vary greatly; estimates shown here are based on replacement with a comparable size and design, unless otherwise noted.

Useful Life:
20 years

Remaining Life:
8 years

Best Case: $ 59,400 Worst Case: $ 72,600

Lower estimate to replace Higher estimate

Cost Source: AR Cost Database

Comp #: 2301 Mailboxes - Replace **Quantity: Approx (208) Boxes**
Location: Building exteriors
Funded?: No. Expected to be handled through the client's annual Operating budget.
History:
Comments: *NOTE(2024): Per information provided, mailboxes are repaired/replaced through client's operating budget. Reserve funding is not required at this time. To be monitored and updated during future reserve study updates.

Panel Count:
at 2-Stories Building
(8) 4-box panel
(2) 2-parcel panel kiosk

at 3-Stories Building
(42) 4-box panel
(7) 2-parcel panel kiosk

Adjacent to Townhouse
(1) 8-box panel kiosk

Poor condition: Mailboxes determined to be in poor condition typically exhibit more advanced signs of wear and age, and possibly structural issues with attachments/hardware. Even if physical conditions are satisfactory, severely outdated types should be considered for replacement for aesthetic reasons.

Inspect regularly, and clean by wiping down exterior surfaces. If necessary, change lock cylinders, lubricate hinges and repair as an Operating expense. Best to plan for total replacement at roughly the time frame below due to exposure, usage and wear over time. Unless otherwise noted, costs shown here reflect replacement with comparable quantity and style of boxes.

Useful Life:

Remaining Life:

Best Case: Worst Case:

Cost Source:

Comp #: 2303 Exterior Lights - Replace **Quantity: Approx (240) Lights**

Location: Building exteriors

Funded?: Yes.

History:

Comments: Fair condition: Exterior lights determined to be in fair condition typically exhibit more moderate signs of wear and age, but are generally believed to be aging normally with no unusual conditions noted.

Observed during daylight hours, but assumed to be in functional operating condition. As routine maintenance, clean by wiping down with an appropriate cleaner, change bulbs and repair as needed. Best practice is to plan for replacement of all lighting together at roughly the time frame below for cost efficiency and consistent quality/appearance throughout development. Should be coordinated with exterior painting projects whenever possible. Individual replacements should be considered an Operating expense. If available, an extra supply of replacement fixtures should be kept on-site to allow for prompt replacement.

Useful Life:
20 years

Remaining Life:
10 years

Best Case:	$ 21,200	Worst Case:	$ 26,000
	Lower estimate to replace		Higher estimate

Cost Source: AR Cost Database

Comp #: 2304 Utility Lights - Replace **Quantity: Approx (140) Lights**

Location: Building exteriors (exit stairwells at 3-story residential buildings)

Funded?: Yes.

History:

Comments: Observed during daylight hours but assumed to be in functional, operating condition. Utility lighting is typically a lower aesthetic priority, and do not have the same need for consistency in appearance as decorative lighting. As routine maintenance, clean by wiping down with an appropriate cleaner, change bulbs and repair as needed. Individual replacements should be considered an Operating expense. If available, an extra supply of replacement fixtures should be kept on-site to allow for prompt individual replacements. Based on evident conditions and/or past repair/replacement history provided during this engagement, we recommend that the Client plan for comprehensive replacement at the approximate interval shown below. Replacement should be coordinated with exterior painting projects whenever possible. We recommend consideration of LED fixtures or other energy-saving options whenever possible.

Useful Life:
20 years

Remaining Life:
0 years

Best Case: $ 9,500 Worst Case: $ 11,600

Lower estimate to replace Higher estimate

Cost Source: AR Cost Database

Mechanical/Electrical/Plumbing

Comp #: 2558 Exit/Emergency Fixtures - Replace **Quantity: Approx (120) Fixtures**
Location: Throughout common areas at residential buildings
Funded?: Yes.
History:
Comments: Count at Time of Inspection –
(120) Exit/Emergency Combination Fixtures

Exit signs and/or emergency lights were not tested for functionality during site inspection. Replacement of individual signs can be included within the general maintenance and repair category of the Operating budget. Large-scale replacement of most (or all) fixtures may be warranted at some point and should ideally be coordinated with other life-safety components (i.e. fire alarm components) or with aesthetic projects (such as painting or light replacement). Useful life is based primarily on normal expectations for service/performance life in this location. Unless otherwise noted, remaining useful life expectancy is based primarily on original installation or last replacement/purchase date, our experience with similar systems/components, and assuming normal amount of usage and good preventive maintenance. Funding shown below assumes replacement with fixtures comparable to those currently in place. However, there is a wide variety of fixture styles available, with a wide range of associated costs. As such, the Client should track and report replacement costs as well as any future upgrade anticipations. This component should then be re-evaluated during future Reserve Study updates based on the most current information available at that time.

Useful Life:
20 years

Remaining Life:
10 years

Best Case:	$ 16,200	Worst Case:	$ 19,800
	Lower estimate to replace		Higher estimate

Cost Source: AR Cost Database