

RESERVE STUDY

PREPARED FOR:

R.P.O Condominium Association, Inc.

Indialantic, FL



For The Period Beginning January 1, 2025

PREPARED BY:



260 1st Ave South, STE 225

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Attention: **Board of Directors**
Property: R.P.O Condominium Association, Inc., Indialantic, Florida
Service: Traditional Reserve Study
Period: Beginning January 1, 2025

Dear Board of Directors of R.P.O Condominium Association, Inc.:

At the direction of the Board and management of R.P.O Condominium Association, Inc.,

Stone Building Solutions has completed a Traditional Reserve Study for the R.P.O Condominium Association, Inc. Association. Enclosed is our report for the Board's review and consideration.

This study is based on an on-site analysis. The on-site analysis of R.P.O Condominium Association, Inc. upon which this study is based was performed by of Stone Building Solutions.

The effective date of this report is the date of inspection, September 19, 2024

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

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

Respectfully submitted,

Stone Building Solutions

Summer Megdadi

Summer Megdadi, RS

Reserve Specialist #411

Reserves@stonebldg.com

Summer
Megdadi

Executive Summary

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

Stone Building Solutions was responsible for the physical evaluation. Stone Building Solutions provided analysis on key building components, their condition and evaluation. Stone Building Solutions has received this information 'as is' and is not in a position to add or comment on the engineering analysis. Stone Building Solutions is using this information to create a financial evaluation for budgeting purposes.

R.P.O Condominium Association, Inc. has 20 units. This study is for the fiscal year starting January 1, 2025, and ending Dec 31, 2025.

Financial Parameters & Assumptions

Projection Period:	January 1, 2025 - December 31, 2054	Report Type:	Type 1
Inflation:	2.50%	Association:	Condominium
Annual Percent Contribution Change:	0.00%	Buildings:	1
Interest (Gained):	1.00%	Total Units:	20
		Year Built:	1995

Note- For the purposes of this projection, 10% of the available Reserve Balances (\$277,908) have been allocated as the starting balance of the proposed Traditional Reserve Account.

As of January 1, 2025, the estimated unaudited reserve fund balance is **\$27,791**

The estimated *current replacement* cost of the reserve items is **\$346,592**

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

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

plan requires level contributions to Reserves over the projected period.

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

Recommended annual contribution:	\$19,500
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Recommended annual contribution per unit:	\$975
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First Year monthly contribution per unit:	\$81
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Average monthly contribution per unit (Over 30 Years):	\$81
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Special assessments:	\$0
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Cost Evaluation

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

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

This report presents the 30 Year Cash Flow Funding Analysis.

The 30 Year Pooled Cash Flow Funding Plan is a method of calculating reserve contributions where contributions to the reserve funds are designed to offset the variable annual expenditures from the reserve fund. Funds from the beginning balances are pooled together and a yearly contribution rate is calculated to arrive at a positive cash flow throughout the analysis period.

Expenditures

Individual Elements

NAME	NEXT ACTIVITY	EST LIFE	ADJ LIFE	REM USEFUL LIFE	UNIT COST	QTY	YEAR 1 REPLACEMENT COST
Asphalt Pavement, Mill & Overlay: Common	01/01/2040	25y	25y	15y	\$14.183	1,208 SY	\$17,133
Asphalt Pavement, Patch, Stripe & Sealcoat: Common	01/01/2026	4y	4y	1y	\$0.242	10,870 SF	\$2,631
Awnings, Canvas & Metal Frame: Common	01/01/2037	20y	20y	12y	\$38.873	135 SF	\$5,248
Beach Walkover, Wood Joists & Composite Decking: Common	01/01/2040	25y	25y	15y	\$26.266	313.50 SF	\$8,234
Elevator Cabs, Refurbish: Common	01/01/2044	20y	20y	19y	\$13,132.812	1 Ea	\$13,133
Elevators, 4-Stop, Hydraulic, Modernization : Common	01/01/2055	30y	31y	30y	\$119,925.00	1 Ea	\$119,925
Light Fixtures, Exterior, Wall Mount: Common	01/01/2030	20y	35y	5y	\$131.328	68 Ea	\$8,930
Light Fixtures, Interior, 4' Fluorescent: Common	01/01/2035	20y	20y	10y	\$78.797	20 Ea	\$1,576
Light Fixtures, Post & Single Globe 5': Common	01/01/2031	20y	20y	6y	\$1,127.50	5 Ea	\$5,638
Lobby Flooring, Tile: Common	01/01/2045	35y	35y	20y	\$14.267	160 SF	\$2,283
Mailbox Clusters, Aluminum, Multi-Tenant: Common	01/01/2048	25y	25y	23y	\$3,546.50	2 Ea	\$7,093
Perimeter Fence, 6' Aluminum Picket: Common	01/01/2044	25y	25y	19y	\$63.55	225 LF	\$14,299
Perimeter Walls, Masonry Repairs & Paint Finishes: Common	01/01/2033	14y	14y	8y	\$4.413	1,650 SF	\$7,281
Pool Deck, Textured Concrete: Common	01/01/2036	15y	15y	11y	\$7.848	610 SF	\$4,787
Pool Fence, 4' Aluminum Picket: Common	01/01/2049	30y	30y	24y	\$50.43	110 LF	\$5,547
Pool Furniture, Replace: Common	01/01/2034	12y	12y	9y	\$3,000.00	1 Allow	\$3,000
Pool Heater, 100K BTU: Common	01/01/2029	8y	8y	4y	\$6,355.00	1 Ea	\$6,355
Pool/Spa Finish & Border Tiles: Common	01/01/2033	12y	12y	8y	\$21.525	830 SF	\$17,866
Storm Shutters & Tracks, Balconies: Common	01/01/2042	25y	25y	17y	\$121.975	660 LF	\$80,504
Trash Chute, Stainless Doors and Ducts: Common	01/01/2040	35y	45y	15y	\$2,521.50	6 Flr	\$15,129

NAME	NEXT ACTIVITY	EST LIFE	ADJ LIFE	REM USEFUL LIFE	UNIT COST	QTY	YEAR 1 REPLACEMENT COST
							\$346,592

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Critical Expenditure Planning (3-Year Outlook)

LOCATION RESERVE ITEM	2025	2026	2027
Building Service Components			
Total Building Service Components			
Exterior Building Components			
Total Exterior Building Components			
Interior Building Components			
Total Interior Building Components			
Pool Facility Components			
Total Pool Facility Components			
Property Site Components			
Asphalt Pavement, Patch, Stripe & Sealcoat: Common		\$2,696	
Total Property Site Components		\$2,696	
Total		\$2,696	

Expenditures (By Year)

NAME	UNIT COST	QTY.	FUTURE COST	USEFUL LIFE	NEXT ACTIVITY
2025 (Year 1)					
2025 (Year 1) Total			\$0		
2026 (Year 2)					
Asphalt Pavement, Patch, Stripe & Sealcoat: Common	\$0.248	10,870 SF	\$2,696	4y	2030
2026 (Year 2) Total			\$2,696		
2027 (Year 3)					
2027 (Year 3) Total			\$0		
2028 (Year 4)					
2028 (Year 4) Total			\$0		
2029 (Year 5)					
Pool Heater, 100K BTU: Common	\$7,015.00	1 Ea	\$7,015	8y	2037
2029 (Year 5) Total			\$7,015		
2030 (Year 6)					
Asphalt Pavement, Patch, Stripe & Sealcoat: Common	\$0.274	10,870 SF	\$2,978	4y	2034
Light Fixtures, Exterior, Wall Mount: Common	\$148.588	68 Ea	\$10,104	35y	2050
2030 (Year 6) Total			\$13,082		
2031 (Year 7)					
Light Fixtures, Post & Single Globe 5': Common	\$1,307.60	5 Ea	\$6,538	20y	2051
2031 (Year 7) Total			\$6,538		
2032 (Year 8)					
2032 (Year 8) Total			\$0		
2033 (Year 9)					

NAME	UNIT COST	QTY.	FUTURE COST	USEFUL LIFE	NEXT ACTIVITY
Perimeter Walls, Masonry Repairs & Paint Finishes: Common	\$5.377	1,650 SF	\$8,872	14y	2047
Pool/Spa Finish & Border Tiles: Common	\$26.227	830 SF	\$21,768	12y	2045
2033 (Year 9) Total			\$30,640		
2034 (Year 10)					
Asphalt Pavement, Patch, Stripe & Sealcoat: Common	\$0.302	10,870 SF	\$3,283	4y	2038
Pool Furniture, Replace: Common	\$3,747.00	1 Allow	\$3,747	12y	2046
2034 (Year 10) Total			\$7,030		
2035 (Year 11)					
Light Fixtures, Interior, 4' Fluorescent: Common	\$100.85	20 Ea	\$2,017	20y	N/A
2035 (Year 11) Total			\$2,017		
2036 (Year 12)					
Pool Deck, Textured Concrete: Common	\$10.297	610 SF	\$6,281	15y	2051
2036 (Year 12) Total			\$6,281		
2037 (Year 13)					
Awnings, Canvas & Metal Frame: Common	\$52.281	135 SF	\$7,058	20y	N/A
Pool Heater, 100K BTU: Common	\$8,547.00	1 Ea	\$8,547	8y	2045
2037 (Year 13) Total			\$15,605		
2038 (Year 14)					
Asphalt Pavement, Patch, Stripe & Sealcoat: Common	\$0.334	10,870 SF	\$3,631	4y	2042
2038 (Year 14) Total			\$3,631		
2039 (Year 15)					
2039 (Year 15) Total			\$0		
2040 (Year 16)					
Asphalt Pavement, Mill & Overlay: Common	\$20.541	1,208 SY	\$24,814	25y	N/A
Beach Walkover, Wood Joists & Composite Decking: Common	\$38.041	313.50 SF	\$11,926	25y	N/A
Trash Chute, Stainless Doors and Ducts: Common	\$3,651.833	6 Flr	\$21,911	45y	N/A

NAME	UNIT COST	QTY.	FUTURE COST	USEFUL LIFE	NEXT ACTIVITY
2040 (Year 16) Total			\$58,651		
2041 (Year 17)					
2041 (Year 17) Total			\$0		
2042 (Year 18)					
Asphalt Pavement, Patch, Stripe & Sealcoat: Common	\$0.368	10,870 SF	\$4,000	4y	2046
Storm Shutters & Tracks, Balconies: Common	\$185.598	660 LF	\$122,495	25y	N/A
2042 (Year 18) Total			\$126,495		
2043 (Year 19)					
2043 (Year 19) Total			\$0		
2044 (Year 20)					
Elevator Cabs, Refurbish: Common	\$20,995.00	1 Ea	\$20,995	20y	N/A
Perimeter Fence, 6' Aluminum Picket: Common	\$101.596	225 LF	\$22,859	25y	N/A
2044 (Year 20) Total			\$43,854		
2045 (Year 21)					
Lobby Flooring, Tile: Common	\$23.375	160 SF	\$3,740	35y	N/A
Pool Heater, 100K BTU: Common	\$10,413.00	1 Ea	\$10,413	8y	2053
Pool/Spa Finish & Border Tiles: Common	\$35.271	830 SF	\$29,275	12y	N/A
2045 (Year 21) Total			\$43,428		
2046 (Year 22)					
Asphalt Pavement, Patch, Stripe & Sealcoat: Common	\$0.406	10,870 SF	\$4,413	4y	2050
Pool Furniture, Replace: Common	\$5,039.00	1 Allow	\$5,039	12y	N/A
2046 (Year 22) Total			\$9,452		
2047 (Year 23)					
Perimeter Walls, Masonry Repairs & Paint Finishes: Common	\$7.597	1,650 SF	\$12,535	14y	N/A
2047 (Year 23) Total			\$12,535		
2048 (Year 24)					

NAME	UNIT COST	QTY.	FUTURE COST	USEFUL LIFE	NEXT ACTIVITY
Mailbox Clusters, Aluminum, Multi-Tenant: Common	\$6,258.00	2 Ea	\$12,516	25y	N/A
2048 (Year 24) Total			\$12,516		
2049 (Year 25)					
Pool Fence, 4' Aluminum Picket: Common	\$91.218	110 LF	\$10,034	30y	N/A
2049 (Year 25) Total			\$10,034		
2050 (Year 26)					
Asphalt Pavement, Patch, Stripe & Sealcoat: Common	\$0.449	10,870 SF	\$4,881	4y	2054
Light Fixtures, Exterior, Wall Mount: Common	\$243.471	68 Ea	\$16,556	20y	N/A
2050 (Year 26) Total			\$21,437		
2051 (Year 27)					
Light Fixtures, Post & Single Globe 5': Common	\$2,142.60	5 Ea	\$10,713	20y	N/A
Pool Deck, Textured Concrete: Common	\$14.913	610 SF	\$9,097	15y	N/A
2051 (Year 27) Total			\$19,810		
2052 (Year 28)					
2052 (Year 28) Total			\$0		
2053 (Year 29)					
Pool Heater, 100K BTU: Common	\$12,688.00	1 Ea	\$12,688	8y	N/A
2053 (Year 29) Total			\$12,688		
2054 (Year 30)					
Asphalt Pavement, Patch, Stripe & Sealcoat: Common	\$0.495	10,870 SF	\$5,381	4y	N/A
2054 (Year 30) Total			\$5,381		

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

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

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

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

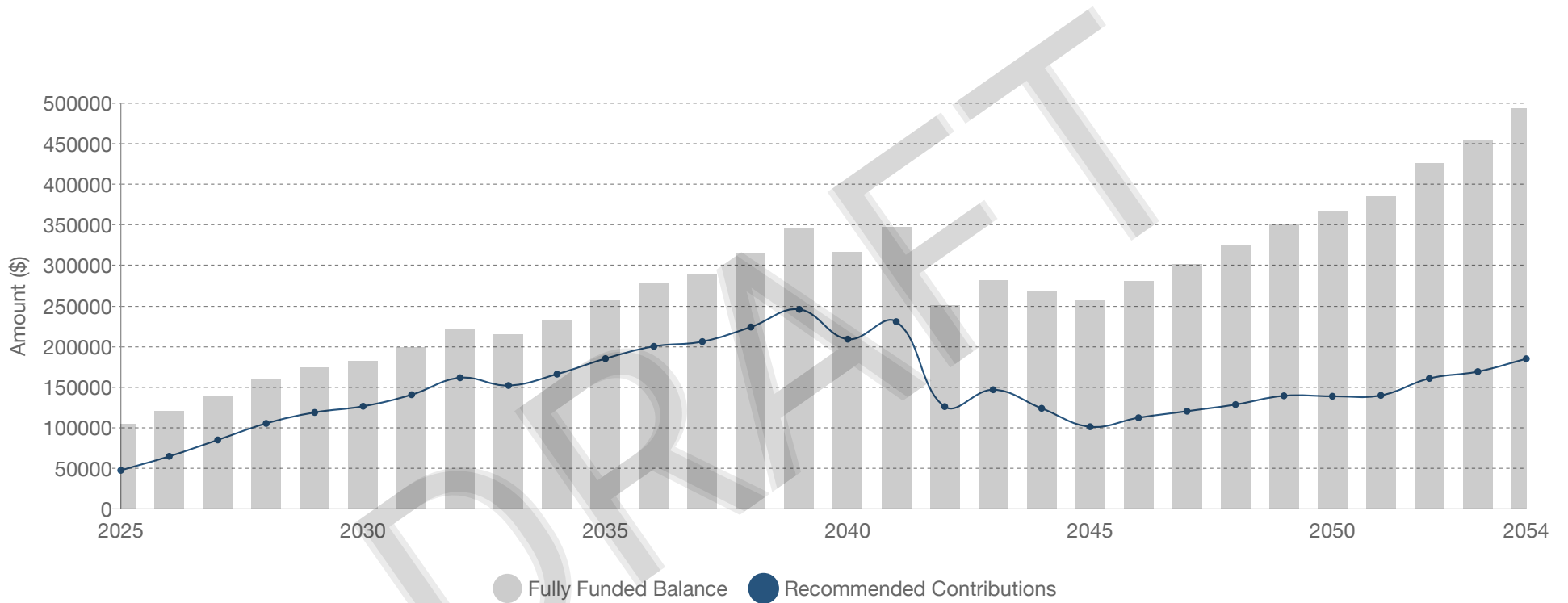
In this methodology Reserve funds can only be collectively allocated (used) for purposes authorized under the categorical nature of the components identified within the pool as they become due.

Cash-Flow Projection

Inflation: 2.50% | Calc: Inflation-Adjusted

YEAR	STARTING BALANCE	CONTRIBUTIONS	PERCENT CHANGE	INTEREST	SPECIAL ASSMNT	ADDITIONAL CAPITAL	EXPENDITURE FUTURE COST	ENDING BALANCE	PERCENT FUNDED	FULLY FUNDED BALANCE
2025	\$27,791	\$19,500	N/A	\$278	\$0	\$0	\$0	\$47,569	45.29%	\$105,021
2026	\$47,569	\$19,500	0.00%	\$476	\$0	\$0	\$2,696	\$64,849	53.70%	\$120,755
2027	\$64,849	\$19,500	0.00%	\$648	\$0	\$0	\$0	\$84,997	60.69%	\$140,047
2028	\$84,997	\$19,500	0.00%	\$850	\$0	\$0	\$0	\$105,347	65.75%	\$160,228
2029	\$105,347	\$19,500	0.00%	\$1,053	\$0	\$0	\$7,015	\$118,886	68.27%	\$174,139
2030	\$118,886	\$19,500	0.00%	\$1,189	\$0	\$0	\$13,082	\$126,492	69.19%	\$182,830
2031	\$126,492	\$19,500	0.00%	\$1,265	\$0	\$0	\$6,538	\$140,719	70.75%	\$198,889
2032	\$140,719	\$19,500	0.00%	\$1,407	\$0	\$0	\$0	\$161,626	72.64%	\$222,504
2033	\$161,626	\$19,500	0.00%	\$1,616	\$0	\$0	\$30,640	\$152,103	70.49%	\$215,772
2034	\$152,103	\$19,500	0.00%	\$1,521	\$0	\$0	\$7,030	\$166,094	71.12%	\$233,544
2035	\$166,094	\$19,500	0.00%	\$1,661	\$0	\$0	\$2,017	\$185,238	71.97%	\$257,391
2036	\$185,238	\$19,500	0.00%	\$1,852	\$0	\$0	\$6,281	\$200,309	72.06%	\$277,971
2037	\$200,309	\$19,500	0.00%	\$2,003	\$0	\$0	\$15,605	\$206,207	71.10%	\$290,023
2038	\$206,207	\$19,500	0.00%	\$2,062	\$0	\$0	\$3,631	\$224,138	71.12%	\$315,171

YEAR	STARTING BALANCE	CONTRIBUTIONS	PERCENT CHANGE	INTEREST	SPECIAL ASSMNT	ADDITIONAL CAPITAL	EXPENDITURE FUTURE COST	ENDING BALANCE	PERCENT FUNDED	FULLY FUNDED BALANCE
2039	\$224,138	\$19,500	0.00%	\$2,241	\$0	\$0	\$0	\$245,880	71.23%	\$345,212
2040	\$245,880	\$19,500	0.00%	\$2,459	\$0	\$0	\$58,651	\$209,187	66.08%	\$316,585
2041	\$209,187	\$19,500	0.00%	\$2,092	\$0	\$0	\$0	\$230,779	66.33%	\$347,928
2042	\$230,779	\$19,500	0.00%	\$2,308	\$0	\$0	\$126,495	\$126,092	50.24%	\$250,981
2043	\$126,092	\$19,500	0.00%	\$1,261	\$0	\$0	\$0	\$146,853	52.10%	\$281,870
2044	\$146,853	\$19,500	0.00%	\$1,469	\$0	\$0	\$43,854	\$123,968	46.05%	\$269,197
2045	\$123,968	\$19,500	0.00%	\$1,240	\$0	\$0	\$43,428	\$101,279	39.37%	\$257,276
2046	\$101,279	\$19,500	0.00%	\$1,013	\$0	\$0	\$9,452	\$112,340	40.05%	\$280,522
2047	\$112,340	\$19,500	0.00%	\$1,123	\$0	\$0	\$12,535	\$120,428	39.90%	\$301,858
2048	\$120,428	\$19,500	0.00%	\$1,204	\$0	\$0	\$12,516	\$128,617	39.64%	\$324,425
2049	\$128,617	\$19,500	0.00%	\$1,286	\$0	\$0	\$10,034	\$139,369	39.73%	\$350,799
2050	\$139,369	\$19,500	0.00%	\$1,394	\$0	\$0	\$21,437	\$138,826	37.84%	\$366,859
2051	\$138,826	\$19,500	0.00%	\$1,388	\$0	\$0	\$19,810	\$139,904	36.27%	\$385,716
2052	\$139,904	\$19,500	0.00%	\$1,399	\$0	\$0	\$0	\$160,803	37.74%	\$426,103
2053	\$160,803	\$19,500	0.00%	\$1,608	\$0	\$0	\$12,688	\$169,223	37.17%	\$455,262
2054	\$169,223	\$19,500	0.00%	\$1,692	\$0	\$0	\$5,381	\$185,034	37.50%	\$493,423



Funding Options

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

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

prospective purchaser, or an individual within the association.

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Reserve Components

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

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

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

Component List - Full Detail

Asphalt Pavement, Mill & Overlay

Basic Info

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

Useful Life

Last Activity Date:	01/01/2015
Est. Useful Life:	25y
Remaining Useful Life:	15y
Next Activity Date:	01/01/2040

Financial Data

Estimate Date:	06/13/2023
Estimate Source:	Xactimate
Cost Per SY:	\$13.50
Total Quantity:	1,208 SY
Total Current Cost:	\$17,133
Inflation Rate:	2.50%
Total Expenditures:	\$24,814





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Asphalt Pavement, Patch, Stripe & Sealcoat

Basic Info

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

Useful Life

Last Activity Date:	01/01/2022
Est. Useful Life:	4y
Remaining Useful Life:	1y
Next Activity Date:	01/01/2026

Financial Data

Estimate Date:	06/13/2023
Estimate Source:	Xactimate
Cost Per SF:	\$0.23
Total Quantity:	10,870 SF
Total Current Cost:	\$2,631
Inflation Rate:	2.50%
Total Expenditures:	\$31,263

Awnings, Canvas & Metal Frame

Basic Info

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

Useful Life

Last Activity Date:	01/01/2017
Est. Useful Life:	20y
Remaining Useful Life:	12y
Next Activity Date:	01/01/2037

Financial Data

Estimate Date:	06/13/2023
Estimate Source:	Xactimate
Cost Per SF:	\$37.00
Total Quantity:	135 SF
Total Current Cost:	\$5,248
Inflation Rate:	2.50%
Total Expenditures:	\$7,058



Beach Walkover, Wood Joists & Composite Decking

Basic Info

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

Comments/Notes

Estimated partial rate of failure (33%) over components useful life.

Useful Life

Last Activity Date: 01/01/2015
Est. Useful Life: 25y
Remaining Useful Life: 15y
Next Activity Date: 01/01/2040

Financial Data

Estimate Date: 01/01/2023
Cost Per SF: \$25.00
Total Quantity: 950 SF
Percent of Total to Maintain: 33%
Quantity to Maintain: 313.50 SF
Total Current Cost: \$8,234
Inflation Rate: 2.50%
Total Expenditures: \$11,926





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Elevator Cabs, Refurbish

Basic Info

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

Useful Life

Last Activity Date:	01/01/2024
Est. Useful Life:	20y
Remaining Useful Life:	19y
Next Activity Date:	01/01/2044

Financial Data

Estimate Date:	06/13/2023
Estimate Source:	MVS
Cost Per Ea:	\$12,500.00
Total Quantity:	1 Ea
Total Current Cost:	\$13,133
Inflation Rate:	2.50%
Total Expenditures:	\$20,995



Elevators, 4-Stop, Hydraulic, Modernization

Basic Info

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

Comments/Notes

(Add \$13,500 For Each Additional Floor)

Useful Life

Last Activity Date:	01/01/2024
Est. Useful Life:	30y
Remaining Useful Life:	30y
Next Activity Date:	01/01/2055

Financial Data

Estimate Date:	01/01/2024
Estimate Source:	MVS
Cost Per Ea:	\$117,000.00
Total Quantity:	1 Ea
Total Current Cost:	\$119,925
Inflation Rate:	2.50%
Total Expenditures:	\$0

Light Fixtures, Exterior, Wall Mount

Basic Info

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

Useful Life

Last Activity Date:	01/01/1995
Est. Useful Life:	20y
Remaining Useful Life:	5y
Next Activity Date:	01/01/2030

Financial Data

Estimate Date:	01/01/2023
Estimate Source:	MVS
Cost Per Ea:	\$125.00
Total Quantity:	68 Ea
Total Current Cost:	\$8,930
Inflation Rate:	2.50%
Total Expenditures:	\$26,660



Light Fixtures, Interior, 4' Fluorescent

Basic Info

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

Useful Life

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

Financial Data

Estimate Date:	01/01/2023
Estimate Source:	XactRemodel
Cost Per Ea:	\$75.00
Total Quantity:	20 Ea
Total Current Cost:	\$1,576
Inflation Rate:	2.50%
Total Expenditures:	\$2,017

Light Fixtures, Post & Single Globe 5'

Basic Info

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

Useful Life

Last Activity Date:	01/01/2011
Est. Useful Life:	20y
Remaining Useful Life:	6y
Next Activity Date:	01/01/2031

Financial Data

Estimate Date:	01/01/2024
Estimate Source:	XactRemodel
Cost Per Ea:	\$1,100.00
Total Quantity:	5 Ea
Total Current Cost:	\$5,638
Inflation Rate:	2.50%
Total Expenditures:	\$17,251



Lobby Flooring, Tile

Basic Info

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

Useful Life

Last Activity Date:	01/01/2010
Est. Useful Life:	35y
Remaining Useful Life:	20y
Next Activity Date:	01/01/2045

Financial Data

Estimate Date:	01/01/2023
Estimate Source:	MVS
Cost Per SF:	\$13.58
Total Quantity:	160 SF
Total Current Cost:	\$2,283
Inflation Rate:	2.50%
Total Expenditures:	\$3,740



Mailbox Clusters, Aluminum, Multi-Tenant

Basic Info

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

Useful Life

Last Activity Date:	01/01/2023
Est. Useful Life:	25y
Remaining Useful Life:	23y
Next Activity Date:	01/01/2048

Financial Data

Estimate Date:	01/01/2024
Estimate Source:	USPS
Cost Per Ea:	\$3,460.00
Total Quantity:	2 Ea
Total Current Cost:	\$7,093
Inflation Rate:	2.50%
Total Expenditures:	\$12,516



Perimeter Fence, 6' Aluminum Picket

Basic Info

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

Useful Life

Last Activity Date:	01/01/2019
Est. Useful Life:	25y
Remaining Useful Life:	19y
Next Activity Date:	01/01/2044

Financial Data

Estimate Date:	01/01/2024
Cost Per LF:	\$62.00
Total Quantity:	225 LF
Total Current Cost:	\$14,299
Inflation Rate:	2.50%
Total Expenditures:	\$22,859





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Perimeter Walls, Masonry Repairs & Paint Finishes

Basic Info

Type of Cost:	Repairs & Maintenance
Location:	Property Site Components
Category:	Access Controls
Condition:	Good to Fair

Comments/Notes

Perimeter walls painted in 2021. They were observed to generally be in good condition. One area of damage was identified near the entry sign lettering. It is expected that this area will be repaired sooner than the next activity date listed through the associations operating budget.

Useful Life

Last Activity Date:	01/01/2019
Est. Useful Life:	14y
Remaining Useful Life:	8y
Next Activity Date:	01/01/2033

Financial Data

Estimate Date:	01/01/2023
Estimate Source:	Local Contractors
Cost Per SF:	\$4.20
Total Quantity:	1,650 SF
Total Current Cost:	\$7,281
Inflation Rate:	2.50%
Total Expenditures:	\$21,407





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Pool Deck, Textured Concrete

Basic Info

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

Useful Life

Last Activity Date:	01/01/2021
Est. Useful Life:	15y
Remaining Useful Life:	11y
Next Activity Date:	01/01/2036

Financial Data

Estimate Date:	01/01/2023
Estimate Source:	XactRemodel
Cost Per SF:	\$7.47
Total Quantity:	610 SF
Total Current Cost:	\$4,787
Inflation Rate:	2.50%
Total Expenditures:	\$15,378





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Pool Fence, 4' Aluminum Picket

Basic Info

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

Useful Life

Last Activity Date:	01/01/2019
Est. Useful Life:	30y
Remaining Useful Life:	24y
Next Activity Date:	01/01/2049

Financial Data

Estimate Date:	01/01/2023
Estimate Source:	MVS
Cost Per LF:	\$48.00
Total Quantity:	110 LF
Total Current Cost:	\$5,547
Inflation Rate:	2.50%
Total Expenditures:	\$10,034





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Pool Furniture, Replace

Basic Info

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

Useful Life

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

Financial Data

Estimate Date:	01/01/2025
Estimate Source:	Local Contractors
Cost Per Allow:	\$3,000.00
Total Quantity:	1 Allow
Total Current Cost:	\$3,000
Inflation Rate:	2.50%
Total Expenditures:	\$8,786



Pool Heater, 100K BTU

Basic Info

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

Useful Life

Last Activity Date:	01/01/2021
Est. Useful Life:	8y
Remaining Useful Life:	4y
Next Activity Date:	01/01/2029

Financial Data

Estimate Date:	01/01/2024
Estimate Source:	Local Contractor
Cost Per Ea:	\$6,200.00
Total Quantity:	1 Ea
Total Current Cost:	\$6,355
Inflation Rate:	2.50%
Total Expenditures:	\$38,663



Pool/Spa Finish & Border Tiles

Basic Info

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

Useful Life

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

Financial Data

Estimate Date:	01/01/2024
Estimate Source:	Local Contractors
Cost Per SF:	\$21.00
Total Quantity:	830 SF
Total Current Cost:	\$17,866
Inflation Rate:	2.50%
Total Expenditures:	\$51,043



Storm Shutters & Tracks, Balconies

Basic Info

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

Comments/Notes

Balcony storm shutters repalced in 2017 and were observed to be in good condition during the inspection.

Useful Life

Last Activity Date:	01/01/2017
Est. Useful Life:	25y
Remaining Useful Life:	17y
Next Activity Date:	01/01/2042

Financial Data

Estimate Date:	01/01/2024
Estimate Source:	MVS
Cost Per LF:	\$119.00
Total Quantity:	660 LF
Total Current Cost:	\$80,504
Inflation Rate:	2.50%
Total Expenditures:	\$122,495



Trash Chute, Stainless Doors and Ducts

Basic Info

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

Comments/Notes

Initial useful life extended due to good condition of trash chute doors observed during inspection.

Useful Life

Last Activity Date:	01/01/1995
Est. Useful Life:	35y
Remaining Useful Life:	15y
Next Activity Date:	01/01/2040

Financial Data

Estimate Date:	01/01/2023
Estimate Source:	MVS
Cost Per Flr:	\$2,400.00
Total Quantity:	6 Flr
Total Current Cost:	\$15,129
Inflation Rate:	2.50%
Total Expenditures:	\$21,911



Useful Definitions

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

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

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

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

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

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

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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

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

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

Units: The unit of measurement used for each quantity.

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

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

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

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

Unit Abbreviations:

Sq Ft - Square Feet Sq Yds - Square Yards Ln Ft - Linear Feet

Cu Ft - Cubic Feet Cu Yds - Cubic Yards Opngs - Openings (elevators)

Lp Sm - Lump Sum Allow - Allowance

Hp - Horsepower

Units - Units

Ct - Court

Bldg- Building

Ea - Each

Kw - Kilowatts

Sq - Squares (1 Sq = 100 sq ft)

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Disclosures

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

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

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

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

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

Annual Update Requirements

We recommend updating this study yearly, no longer than every 3 years.

Inflation, labor rates, material availability, taxes, insurance and asset lives are just but a few of the ever changing variables addressed in your reserve study report.

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

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