# Riverside Landing Condominium Association, Inc.

**Inspected: February 13, 2024 • Revised on: June 26, 2024**
**Cocoa, FL**

**STRUCTURAL INTEGRITY RESERVE STUDY**


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Corporate Office
Reserve Advisors, LLC
735 N. Water Street, Suite 175
Milwaukee, WI 53202

Riverside Landing Condominium Association, Inc.
Cocoa, Florida

Dear Board of Directors of Riverside Landing Condominium Association, Inc.:

At the direction of the Board that recognizes the need for proper reserve planning, we have conducted a *Structural Integrity Reserve Study* of Riverside Landing Condominium Association, Inc. in Cocoa, Florida and submit our findings in this report. The effective date of this study is the date of our visual, noninvasive inspection, February 13, 2024.

This *Structural Integrity 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 Full Reserve Study."

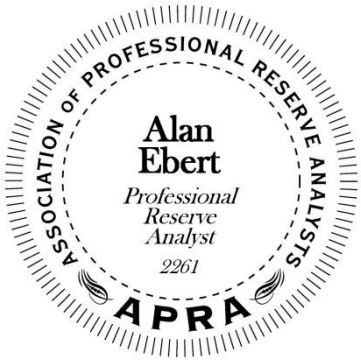
An ongoing review by the Board and an Update of this Reserve Study are necessary to ensure an equitable funding plan since a Reserve Study is a snapshot in time. We recommend the Board budget for an Update to this Reserve Study in two- to three-years. We look forward to continuing to help Riverside Landing Condominium Association, Inc. plan for a successful future.

As part of our long-term thinking and everyday commitment to our clients, we are available to answer any questions you may have regarding this study.

Respectfully submitted on June 26, 2024 by

*Reserve Advisors, LLC*

Visual Inspection and Report by: Nicholas M. Johanning, RS[1]
Review by: Tamara S. Samhouri, RS
Alan M. Ebert, PRA[2], RS, Director of Quality Assurance




[1] RS (Reserve Specialist) is the reserve provider professional designation of the Community Associations Institute (CAI) representing America's more than 300,000 condominium, cooperative and homeowners associations.
[2] PRA (Professional Reserve Analyst) is the professional designation of the Association of Professional Reserve Analysts. Learn more about APRA at http://www.apra-usa.com.

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# 1. RESERVE STUDY EXECUTIVE SUMMARY

**Client:** Riverside Landing Condominium Association, Inc. (Riverside Landing)
**Location:** Cocoa, Florida
**Reference:** 233064

**Property Basics:** Riverside Landing Condominium Association, Inc. is a midrise style development which consists of 13 units in a six-story building. The building was built in 2004.

**Reserve Components Identified:**

- 14 Structural Integrity Reserve Components.
- 22 General Reserve Components.

**Inspection Date:** February 13, 2024.

**Methodology:** We use the Cash Flow Method to compute the Reserve Funding Plan. This method offsets future variable Reserve Expenditures with existing and future stable levels of reserve funding. Our application of this method also considers:

- Current and future local costs of replacement
- 2.0% anticipated annual rate of return on invested reserves
- 3.3% future Inflation Rate for estimating Future Replacement Costs

**Sources for *Local* Costs of Replacement**: Our proprietary database, historical costs and published sources, i.e., R.S. Means, Incorporated.

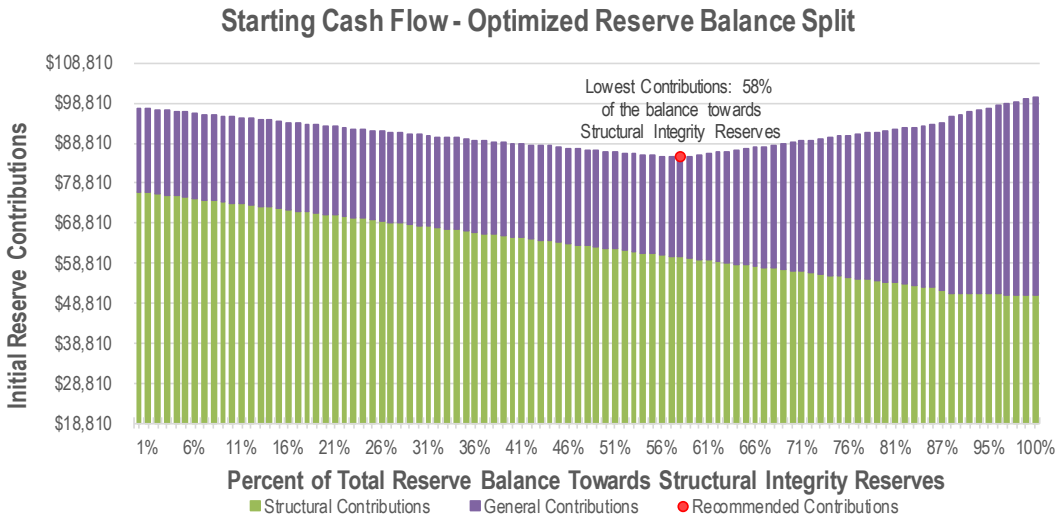
**Project Prioritization:** We note anticipated Reserve Expenditures for the next 30 years in the ***Reserve Expenditures*** tables and include a ***Five-Year Outlook*** table following the ***Reserve Funding Plan*** in Section 3. We recommend the Association prioritize the following projects in the next five years based on the conditions identified:

- Structural Integrity - Systematic preventative maintenance to the balconies and breezeways, and stucco wall finishes to minimize the potential for water infiltration
- General - Modernization of the elevator to minimize the potential for service interruptions
- General - Replacement of the dock decking to maintain a safe walking surface and minimize ongoing repair costs
- General - Replacement of the pool deck pavers and pool finishes to maintain a safe walking and swimming area, and minimize potential damage to the underlying concrete structure

**Unaudited Cash Status of Reserve Fund:**

- $266,042 as of January 1, 2024
- $32,760 in budgeted 2024 reserve contributions ($32,760 remaining)
- $10,200 in estimated remaining 2024 reserve expenses
- We project a 2024 Reserve End Balance of $294,102.

As part of our Cash Flow method, we analyzed future expenditures and identified the reserve balance split to produce the lowest overall required contributions. Due to the statutory restrictions on structural integrity reserve funds, we recommend the Association maintain separate funds for Structural Integrity reserves and General (non-structural) reserves. However, the existing reserve funds are not split. We, therefore, analyzed future expenditures and identified the starting reserve balance split that produces the lowest overall reserve contributions. We recommend the Association allocate $170,579, or 58% of the 2024 Projected Reserve End Balance to the Structural Integrity Reserve Fund and $123,523, or 42% to the General (non-structural) Fund to minimize the total combined contributions to the statutory Structural Integrity Fund and the recommended General (non-structural) Fund. A vote of the membership may be required to allocate funds in this manner. The following chart depicts the analysis of future expenditures and the reserve balance split to produce the lowest overall required contributions.




| Cash Flow - Existing Reserve Balance and Contribution Split | FY2024 | | Structural Integrity 2025 | General 2025 |
|---|---|---|---|---|
| **Beginning Reserve Balance as of January 01, 2024** | 266,042 | | 170,579 | 123,523 |
| **Remaining Budgeted Reserve Contributions:** | **32,760** | | **47,200** | **24,900** |
| **Estimated Remaining Interest Earned:** | 5,500 | **58%** | | |
| **Anticipated Remaining Structural Expenditures:** | 0 | **42%** | | |
| **Anticipated Remaining General Expenditures:** | (10,200) | | | |
| **Anticipated Reserves at Year End:** | $294,102 | | | |

## Structural Integrity

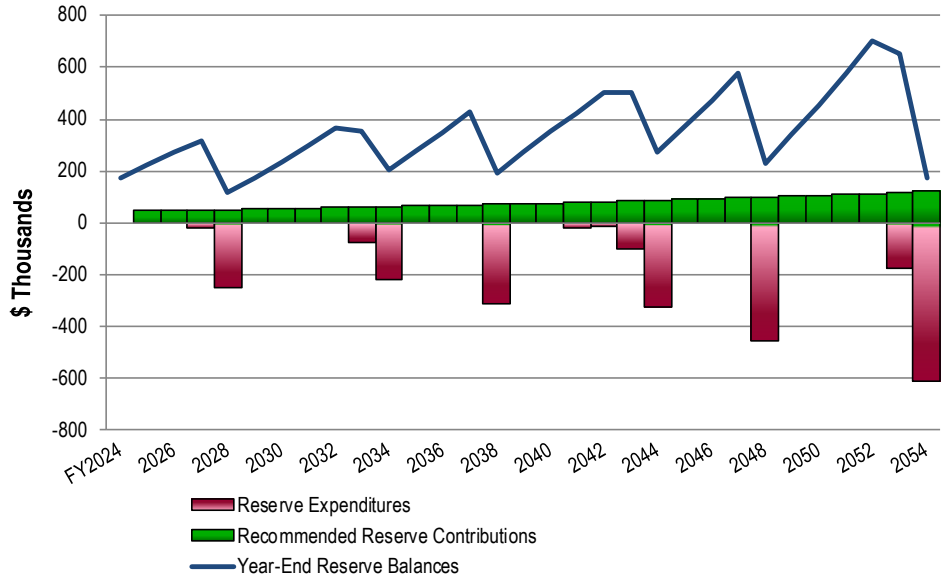
**Funding Goal:** The Funding Goal of this Reserve Study is to maintain reserves above an adequate, not excessive threshold during one or more years of significant expenditures. Our recommended Funding Plan recognizes these threshold funding years in 2038 due to the waterproof coating applications of the balconies and breezeways, and paint finish applications of the stucco wall finishes and in 2054 due to the subsequent replacement of the thermoplastic roofs and replacement of the fire suppression pump.

**Recommended Reserve Funding:** We recommend the following in order to achieve a stable and equitable Cash Flow Methodology Funding Plan:

- Allocate $170,579 of the Anticipated 2024 Year End Reserve balance to the Structural Integrity Reserve Fund.
- Increase to $47,200 in 2025
- Inflationary increases thereafter through 2054, the limit of this study's Cash Flow Analysis
- Initial adjustment of $47,200 is equivalent to an increase of $302.56 in the monthly contributions per owner.
- Florida Statute 718.112 prohibits waiving or reducing reserves for Structural Integrity items for budgets adopted after December 31, 2024.

### Recommended Reserve Funding Table and Graph

| Year | Reserve Contributions ($) | Reserve Balances ($) | Year | Reserve Contributions ($) | Reserve Balances ($) | Year | Reserve Contributions ($) | Reserve Balances ($) |
|---|---|---|---|---|---|---|---|---|
| 2025 | 47,200 | 221,663 | 2035 | 65,400 | 276,167 | 2045 | 90,500 | 370,971 |
| 2026 | 48,800 | 275,384 | 2036 | 67,600 | 349,966 | 2046 | 93,500 | 472,825 |
| 2027 | 50,400 | 314,150 | 2037 | 69,800 | 427,463 | 2047 | 96,600 | 579,847 |
| 2028 | 52,100 | 119,061 | 2038 | 72,100 | 192,421 | 2048 | 99,800 | 232,448 |
| 2029 | 53,800 | 175,780 | 2039 | 74,500 | 271,514 | 2049 | 103,100 | 341,228 |
| 2030 | 55,600 | 235,452 | 2040 | 77,000 | 354,714 | 2050 | 106,500 | 455,618 |
| 2031 | 57,400 | 298,135 | 2041 | 79,500 | 424,564 | 2051 | 110,000 | 575,830 |
| 2032 | 59,300 | 363,991 | 2042 | 82,100 | 505,377 | 2052 | 113,600 | 702,083 |
| 2033 | 61,300 | 355,873 | 2043 | 84,800 | 502,121 | 2053 | 117,300 | 655,528 |
| 2034 | 63,300 | 205,993 | 2044 | 87,600 | 274,084 | 2054 | 121,200 | 171,509 |



## General

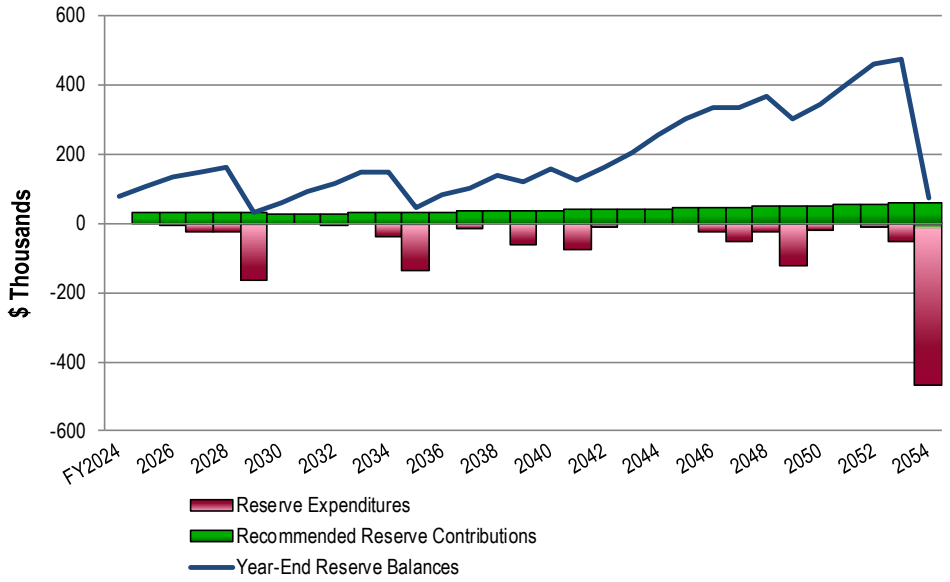
**Funding Goal:** Our recommended Funding Plan recognizes these threshold funding years in 2029 due to the modernization of the elevator and in 2054 due to the Subsequent modernization of the elevator.

**Recommended Reserve Funding:** We recommend the following in order to achieve a stable and equitable Cash Flow Methodology Funding Plan:

- Allocate $123,523 of the Anticipated 2024 Year End Reserve balance to the General Reserve Fund.
- Increase to $24,900 in 2025
- Inflationary increases thereafter through 2054, the limit of this study's Cash Flow Analysis
- Initial adjustment of $24,900 is equivalent to an increase of $159.62 in the monthly contributions per owner.
- Florida Statute 718.112 provides for a majority of the voting interest to waive or reduce reserve for General (non-structural) items. Consult legal counsel or your property management company for further guidance.

### Recommended Reserve Funding Table and Graph

| Year | Reserve Contributions ($) | Reserve Balances ($) | Year | Reserve Contributions ($) | Reserve Balances ($) | Year | Reserve Contributions ($) | Reserve Balances ($) |
|---|---|---|---|---|---|---|---|---|
| 2025 | 24,900 | 151,142 | 2035 | 34,400 | 65,955 | 2045 | 47,600 | 218,862 |
| 2026 | 25,700 | 175,122 | 2036 | 35,500 | 103,129 | 2046 | 49,200 | 272,931 |
| 2027 | 26,500 | 153,163 | 2037 | 36,700 | 126,316 | 2047 | 50,800 | 275,672 |
| 2028 | 27,400 | 160,467 | 2038 | 37,900 | 167,121 | 2048 | 52,500 | 334,210 |
| 2029 | 28,300 | 24,749 | 2039 | 39,200 | 126,638 | 2049 | 54,200 | 395,636 |
| 2030 | 29,200 | 54,736 | 2040 | 40,500 | 170,076 | 2050 | 56,000 | 442,489 |
| 2031 | 30,200 | 86,333 | 2041 | 41,800 | 156,060 | 2051 | 57,800 | 468,316 |
| 2032 | 31,200 | 113,875 | 2042 | 43,200 | 194,931 | 2052 | 59,700 | 450,615 |
| 2033 | 32,200 | 148,675 | 2043 | 44,600 | 243,876 | 2053 | 61,700 | 497,667 |
| 2034 | 33,300 | 162,923 | 2044 | 46,100 | 188,976 | 2054 | 63,700 | 100,615 |



# 2. RESERVE STUDY REPORT

At the direction of the Board that recognizes the need for proper reserve planning, we have conducted a *Structural Integrity Reserve* Study of

**Riverside Landing Condominium Association, Inc.**

**Cocoa, Florida**

and submit our findings in this report. The effective date of this study is the date of our visual, noninvasive inspection, February 13, 2024.

We present our findings and recommendations in the following report sections and spreadsheets:

- **Identification of Property -** Segregates all property into several areas of responsibility for repair or replacement
- **Reserve Expenditures -** Identifies reserve components and related quantities, useful lives, remaining useful lives and future reserve expenditures during the next 30 years
- **Reserve Funding Plan -** Presents the recommended Reserve Contributions and year-end Reserve Balances for the next 30 years
- **Five-Year Outlook -** Identifies reserve components and anticipated reserve expenditures during the first five years
- **Reserve Component Detail -** Describes the reserve components, includes photographic documentation of the condition of various property elements, describes our recommendations for repairs or replacement, and includes detailed solutions and procedures for replacements for the benefit of current and future board members
- **Methodology -** Lists the national standards, methods and procedures used to develop the Reserve Study
- **Definitions -** Contains definitions of terms used in the Reserve Study, consistent with national standards
- **Professional Service Conditions -** Describes Assumptions and Professional Service Conditions
- **Credentials and Resources**

# IDENTIFICATION OF PROPERTY


Our investigation includes Reserve Components or property elements as set forth in your Declaration. The Expenditure tables in Section 3 list the elements contained in this study. Our analysis begins by segregating the property elements into several areas of responsibility for repair and replacement.

Our process of identification helps assure that future boards and the management team understand whether reserves, the operating budget or Owners fund certain replacements and assists in preparation of the annual budget. We derive these segregated classes of property from our review of the information provided by the Association and through conversations with Management and the Board. These classes of property include:

- Reserve Components (Structural and General)
- Long-Lived Property Elements
- Operating Budget Funded Repairs and Replacements
- Property Maintained by Owners
- Property Maintained by Others

We advise the Board conduct an annual review of these classes of property to confirm its policy concerning the manner of funding, i.e., from reserves or the operating budget. The Reserve Study identifies Reserve Components as set forth in your Declaration or which were identified as part of your request for proposed services. Reserve Components are defined by CAI as property elements with:

- Riverside Landing responsibility
- Limited useful life expectancies
- Predictable remaining useful life expectancies
- Replacement cost above a minimum threshold

**Structural Integrity Reserve Expenditures** - At the direction of the Board that recognizes their fiduciary responsibility and as required by Florida Statute 718.103 (25), we have conducted a *Structural Integrity Reserve Study* of Riverside Landing Condominium Association, Inc.. A *Structural Integrity Reserve Study* states the estimated

remaining useful life, the estimated replacement cost or deferred maintenance expense of the common areas being visually inspected and provides a recommended annual reserve amount that achieves the estimated replacement cost or deferred maintenance expense of each common area being visually inspected by the end of the estimated remaining useful life of each common area. Specifically, as per Florida Statute 718.112(2)(g), we have investigated the structural integrity and safety of common elements within the following:

- Roof
- Load Bearing Walls or Other Primary Structural Members
- Exterior Doors
- Fireproofing and Fire Protection Elements
- Plumbing
- Electrical Systems
- Structure
- Waterproofing and Exterior Painting
- Windows
- Any other item that has a deferred maintenance expense or replacement cost that exceeds $10,000 and the failure to replace or maintain such item negatively affects the items listed above

**Items Excluded from Structural Integrity Reserve Expenditures** - We exclude expenditures for the elements below for one or more of the following categories of reasons:

- Remaining useful lives or their replacement may occur beyond the 30-year scope of the study
- Current condition does not warrant predictable maintenance expenditures
- Issue applies to a unit owner-maintained element

We discuss specific exclusions for the following elements:

- Structure and Primary Structural Members - We anticipate a useful life of up to and beyond 100 years and consider full replacement unlikely and cost prohibitive. Management and the Board report no history of water infiltration or repairs to the foundations. Based on the current condition, we do not anticipate the need for replacement, repair or maintenance expenditures through reserves within the 30-year scope of this study. Future updates of this Reserve Study may incorporate costs for remediation based on historical data if they become significant enough to require reserve funding.
- Fire Protection and Plumbing Pipes - We anticipate a useful life of up to and beyond 80 years. Our inspection is visual, non-invasive and excludes camera inspections. Based on the current condition, we do not anticipate the need for replacement, repair or maintenance expenditures through reserves within the 30-year scope of this study. Future updates of this Reserve Study may incorporate costs for remediation based on

historical data if they become significant enough to require reserve funding.

- Fire Suppression System – We anticipate a useful life of up to 60 years. Our inspection is visual, non-invasive and excludes camera inspections. Based on the current condition, we do not anticipate the need for replacement, repair or maintenance expenditures through reserves within the 30-year scope of this study.
- Electrical Systems - We anticipate a useful life of up to and beyond 70 years. Our inspection is visual, non-invasive and excludes thermoscans. Based on the current condition, we do not anticipate the need for replacement, repair or maintenance expenditures through reserves within the 30-year scope of this study.
- Windows and Doors – Maintained and replaced by the owners
- Roofs, Concrete Tiles – We anticipate a useful life of up to 25 years. A tile roof rarely fails at all points of application simultaneously. Rather, occurrences of roof leaks will increase as more concrete tiles crack, break and dislodge. This deterioration will result in increased maintenance costs such that replacement becomes the least costly long-term alternative as compared to ongoing repairs. A concrete tile roof system comprises sheathing, underlayments, battens and the tiles themselves. Replacement standards should conform to the local building code and manufacturer's specifications at the time of actual replacement. The manner of construction is such that the underlayment is the primary line of defense from water infiltration. The tiles act to shade the underlayment from harmful sunlight and to protect the roof from heavy winds. Most storm water is shed from the roof tiles into the gutters or over the edge of the roof. However, this tile style is meant to allow water to pass between the tiles onto the underlayment. The underlayment thus sheds any remaining water into the gutters. In fact, horizontal driving rains will force their way up and under the tile only to be shed at some other point.

  However, at the request of the Association and at the direction of their roofing contractor Don Smith, the President of *All Florida Urethane, Inc.*, we extend the useful life to 50- to 60-years and have included his note to the Association below. We concur with his recommendation that the roof will still require periodic repairs and we recommend the Association fund these repairs through the operating budget as needed, and future updates to this study will consider changes and adjustments to the useful life and timing of replacement of the concrete tile roofs as needed.

The following letter Don Smith with *All Florida Urethane, Inc.* provided the Association with his recommendation on the extended useful life for the concrete tile roofing system:

All Florida Urethane, Inc.
Est. 2007 in the state of Florida
CCC1328408
P.O. Box 410847
Melbourne, FL 32941-0847
(321) 259-1372

Riverside Owners Association,

After review of the tile roofs on your building, it is in my opinion that these could last as long as 50-60 years. It's important to note that there will always be some roof pointing required over time. Be sure to have the contractor blend to get the color of the mortar as close to your tile color as possible. Usually a 1:3 ratio of ridge tile cement to sharp sand may be needed for any loose ridge tiles, and be sure to press them in firmly. Remove any excess and smooth out the remainder.

Also down the road in the event that you want to or need to replace your tile an option may be metal. On occasion those systems can be almost 40% cheaper, depending on the profile and accessibility for your project.

Sincerely,

Don Smith
President
All Florida Urethane, Inc.
(321) 259-1372
P.O. Box 410847
Melbourne, FL 32941-0847

Don Smith
All Florida Urethane, Inc.
www.AllFloridaUrethane.com
(321) 259-1372

The following tables depict the items excluded from the Reserve Expenditure plan:

# Excluded Components

**for**
**Riverside Landing**
**Condominium Association, Inc.**
Cocoa, Florida

## Operating Budget Components

Repairs normally funded through the Operating Budget and Expenditures less than $3,500 (These relatively minor expenditures have a limited effect on the recommended Reserve Contributions.)

The operating budget provides money for the repair and replacement of certain Reserve Components. The Association may develop independent criteria for use of operating and reserve funds.

- Catch Basins, Inspections and Repairs
- Deck, Wood, Pool Mechanical Equipment
- Doors, Interior
- Duct Cleaning
- Exercise Equipment
- Expansion Tanks
- Fire Extinguishers
- Irrigation System
- Landscape
- Light Fixtures, Recessed
- Light Fixtures, Stairwells
- Light Pole and Fixture
- Mailboxes
- Motors
- Paint Finish, Stairwells
- Paint Finishes, Touch Up
- Pipes, Common, Interim Repairs and Waste Rodding
- Pool Furniture
- Pool Mechanical Equipment (Excluding the Heater)
- Security System, Cameras
- Signage, Entrance Monument
- Staff, Storage and Service Areas
- Unit Heaters, Stairwells and Entrances
- Valves, Small Diameter (We assume replacement as needed in lieu of an aggregate replacement of all small diameter valves as a single event.)

# Excluded Components

**for**
**Riverside Landing**
**Condominium Association, Inc.**
Cocoa, Florida

## Long-Lived Components

| These elements may not have predictable Remaining Useful Lives or their replacement may occur beyond the scope of this study. The operating budget should fund infrequent repairs. Funding untimely or unexpected replacements from reserves will necessitate increases to Reserve Contributions. Periodic updates of this Reserve Study will help determine the merits of adjusting the Reserve Funding Plan. | Useful Life | Estimated Cost |
|---|---|---|
| • Electrical Systems, Common | to 70+ | N/A |
| • Fire Suppression System, Garage | to 60 | $15,600 |
| • Foundation | Indeterminate | N/A |
| • Pipes, Interior Building, Domestic Water, Waste and Vent, Common | to 80+ | N/A |
| • Pipes, Subsurface Utilities | Indeterminate | N/A |
| • Pool, Structure and Deck, Total Replacement | to 60 | $85,000 |
| • Structural Frame | Indeterminate | N/A |
| • Valves, Large Diameter | Indeterminate | N/A |

## Owners Responsibility Components

Certain items have been designated as the responsibility of the Owners to repair or replace at their cost, including items billed back.

- Electrical Systems (Including Circuit Protection Panels)
- Heating, Ventialating and Air Conditioning (HVAC) Units
- Interiors
- Pipes (Within Units)
- Windows and Doors

## Others Responsibility Components

Certain items have been designated as the responsibility of Others to repair or replace.

- Concrete Access Drive, Delannoy Avenue to Entrance Monument[1]
- Fences, Chain Link, South Perimeter[1]
- Street Systems, Riverside Drive[2]

[1] Neighboring Property
[2] Municipality

# 3. RESERVE EXPENDITURES and FUNDING PLAN

The tables following this introduction present:

**Reserve Expenditures**

- Line item numbers
- Total quantities
- Quantities replaced per phase (in a single year)
- Reserve component inventory
- Estimated first year of event (i.e., replacement, application, etc.)
- Life analysis showing
  - useful life
  - remaining useful life
- 2024 local cost of replacement
  - Per unit
  - Per phase
  - Replacement of total quantity
- Percentage of future expenditures anticipated during the next 30 years
- Schedule of estimated future costs for each reserve component including inflation

**Reserve Funding Plan**

- Reserves at the beginning of each year
- Total recommended reserve contributions
- Estimated interest earned from invested reserves
- Anticipated expenditures by year
- Anticipated reserves at year end
- Predicted reserves based on current funding level

**Five-Year Outlook**

- Line item numbers
- Reserve component inventory of only the expenditures anticipated to occur within the first five years
- Schedule of estimated future costs for each reserve component anticipated to occur within the first five years

**Component Method**

- Component information as also shown in Reserve Expenditures
- Current balance, remaining contributions and remaining expenditures
- Projected beginning year balance for 2019
- Unfunded residual balance
- 2020 recommended contribution

**Component Method Summary**

- The existing reserve categories
- Summarized life and cost valuations by category

- Projected category balances and recommended contributions

The purpose of a Reserve Study is to provide an opinion of reasonable annual Reserve Contributions. Prediction of exact timing and costs of minor Reserve Expenditures typically will not significantly affect the 30-year cash flow analysis. Adjustments to the times and/or costs of expenditures may not always result in an adjustment in the recommended Reserve Contributions.

Financial statements prepared by your association, by you or others might rely in part on information contained in this section. For your convenience, we have provided an electronic data file containing the tables of ***Reserve Expenditures*** and ***Reserve Funding Plan***.

Structural Integrity

# RESERVE EXPENDITURES

**Riverside Landing**
**Condominium Association, Inc.**
Cocoa, Florida



**Explanatory Notes:**

1) **3.3%** is the estimated Inflation Rate for estimating Future Replacement Costs.
2) **FY2024** is Fiscal Year beginning January 1, 2024 and ending December 31, 2024.
3) **2055+** indicates a component which is considered long-lived

| Line Item | Total Quantity | Per Phase Quantity | Units | Reserve Component Inventory | Estimated 1st Year of Event | Life Analysis Years Useful | Life Analysis Years Remaining | Costs, $ Unit (2024) | Costs, $ Per Phase (2024) | Costs, $ Total (2024) | Percentage of Future Expenditures | RUL = 0 FY2024 | 1 2025 | 2 2026 | 3 2027 | 4 2028 | 5 2029 | 6 2030 | 7 2031 | 8 2032 | 9 2033 | 10 2034 | 11 2035 | 12 2036 | 13 2037 | 14 2038 | 15 2039 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | **Exterior Building Elements** | | | | | | | | | | | | | | | | | | | | | | | |
| 1.060 | 5,850 | **5,850** | Square Feet | Balconies, Concrete, Repairs and Waterproof Coating Applications | 2028 | 8 to 12 | 4 | 15.00 | 87,750 | 87,750 | **16.7%** | | | | | 99,919 | | | | | | | | | | 138,246 | |
| 1.065 | 3,300 | **3,300** | Square Feet | Breezeways, Concrete, Repairs and Waterproof Coating Applications | 2033 | 8 to 12 | 9 | 13.00 | 42,900 | 42,900 | **9.6%** | | | | | | | | | | 57,459 | | | | | | |
| 1.100 | 950 | **950** | Linear Feet | Breezeways and Balconies, Railings, Metal, Paint Finishes and Capital Repairs (Incl. Pool) | 2033 | 8 to 12 | 9 | 15.00 | 14,250 | 14,250 | **2.2%** | | | | | | | | | | 19,086 | | | | | | |
| 1.105 | 950 | **950** | Linear Feet | Breezeways and Balconies, Railings, Metal, Replacement (Incl. Pool) | 2044 | to 40 | 20 | 94.00 | 89,300 | 89,300 | **6.6%** | | | | | | | | | | | | | | | | |
| 1.360 | 85 | **85** | Squares | Roofs, Concrete Tiles, Partial (Replace w/ Metal) (Extended Useful Life at Recommendation of *All Florida Urethane, Inc.* ) | 2064 | 50 to 60 | 40 | 1,700.00 | 144,500 | 144,500 | **0.0%** | | | | | | | | | | | | | | | | |
| 1.530 | 6,050 | **6,050** | Square Feet | Roofs, Thermoplastic | 2034 | 15 to 20 | 10 | 22.00 | 133,100 | 133,100 | **20.9%** | | | | | | | | | | | 184,154 | | | | | |
| 1.540 | 2,600 | **1,300** | Linear Feet | Sealants, Windows and Doors, Phased | 2028 | to 20 | 4 to 14 | 7.00 | 9,100 | 18,200 | **1.7%** | | | | | 10,362 | | | | | | | | | 14,337 | | |
| 1.605 | 1 | **1** | Allowance | Structural Members, Inspections, Milestone | 2034 | to 10 | 10 | 15,000.00 | 15,000 | 15,000 | **3.5%** | | | | | | | | | | | 20,754 | | | | | |
| 1.880 | 40,800 | **40,800** | Square Feet | Walls, Stucco, Paint Finishes and Capital Repairs (Incl. Perimeter Walls) | 2028 | 8 to 10 | 4 | 2.50 | 102,000 | 102,000 | **19.4%** | | | | | 116,145 | | | | | | | | | 160,696 | |
| 1.980 | 680 | **680** | Square Feet | Windows and Doors, Common | 2044 | to 40 | 20 | 95.00 | 64,600 | 64,600 | **4.8%** | | | | | | | | | | | | | | | | |
| | | | | **Building Services Elements** | | | | | | | | | | | | | | | | | | | | | | | |
| 3.555 | 1 | **1** | Allowance | Life Safety System, Control Panels | 2028 | to 15 | 4 | 10,000.00 | 10,000 | 10,000 | **1.2%** | | | | | 11,387 | | | | | | | | | | | |
| 3.560 | 1 | **1** | Allowance | Life Safety System, Emergency Devices | 2028 | to 25 | 4 | 12,000.00 | 12,000 | 12,000 | **1.7%** | | | | | 13,664 | | | | | | | | | | | |
| 3.770 | 1 | **1** | Each | Pump, Fire Suppression, 40-HP (Incl. Controller) | 2054 | to 50 | 30 | 83,500.00 | 83,500 | 83,500 | **8.6%** | | | | | | | | | | | | | | | | |
| | | | | **Garage Elements** | | | | | | | | | | | | | | | | | | | | | | | |
| 7.360 | 7,800 | **390** | Square Feet | Concrete, On-grade, Partial (Including Drain Repairs) | 2027 | to 90 | 3 to 30+ | 15.00 | 5,850 | 117,000 | **0.7%** | | | | 6,448 | | | | | | | | | | | | |
| 7.400 | 2 | **1** | Each | Doors and Operators, Phased | 2027 | 8 to 15 | 3 to 10 | 10,000.00 | 10,000 | 20,000 | **2.5%** | | | | 11,023 | | | | | | | 13,836 | | | | | |
| 7.500 | 7,800 | **7,800** | Square Feet | Fire Suppression System, Partial | 2064 | to 60 | 40 | 2.00 | 15,600 | 15,600 | **0.0%** | | | | | | | | | | | | | | | | |
| **Anticipated Expenditures, By Year ($2,572,675 over 30 years)** | | | | | | | | | | | | 0 | 0 | 0 | 17,472 | 251,477 | 0 | 0 | 0 | 0 | 76,545 | 218,743 | 0 | 0 | 0 | 313,278 | 0 |

Structural Integrity

# RESERVE EXPENDITURES

Years 2040 to 2054

**Riverside Landing**
**Condominium Association, Inc.**
Cocoa, Florida

| Line Item | Total Quantity | Per Phase Quantity | Units | Reserve Component Inventory | Estimated 1st Year of Event | Life Analysis Years Useful | Life Analysis Years Remaining | Costs, $ Unit (2024) | Costs, $ Per Phase (2024) | Costs, $ Total (2024) | Percentage of Future Expenditures | 16 2040 | 17 2041 | 18 2042 | 19 2043 | 20 2044 | 21 2045 | 22 2046 | 23 2047 | 24 2048 | 25 2049 | 26 2050 | 27 2051 | 28 2052 | 29 2053 | 30 2054 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | **Exterior Building Elements** | | | | | | | | | | | | | | | | | | | | | | |
| 1.060 | 5,850 | **5,850** | Square Feet | Balconies, Concrete, Repairs and Waterproof Coating Applications | 2028 | 8 to 12 | 4 | 15.00 | 87,750 | 87,750 | **16.7%** | | | | | | | | | 191,274 | | | | | | |
| 1.065 | 3,300 | **3,300** | Square Feet | Breezeways, Concrete, Repairs and Waterproof Coating Applications | 2033 | 8 to 12 | 9 | 13.00 | 42,900 | 42,900 | **9.6%** | | | | 79,499 | | | | | | | | | | 109,993 | |
| 1.100 | 950 | **950** | Linear Feet | Breezeways and Balconies, Railings, Metal, Paint Finishes and Capital Repairs (Incl. Pool) | 2033 | 8 to 12 | 9 | 15.00 | 14,250 | 14,250 | **2.2%** | | | | | | | | | | | | | | 36,536 | |
| 1.105 | 950 | **950** | Linear Feet | Breezeways and Balconies, Railings, Metal, Replacement (Incl. Pool) | 2044 | to 40 | 20 | 94.00 | 89,300 | 89,300 | **6.6%** | | | | | 170,946 | | | | | | | | | | |
| 1.360 | 85 | **85** | Squares | Roofs, Concrete Tiles, Partial (Replace w/ Metal) (Extended Useful Life at Recommendation of *All Florida Urethane, Inc.* ) | 2064 | 50 to 60 | 40 | 1,700.00 | 144,500 | 144,500 | **0.0%** | | | | | | | | | | | | | | | |
| 1.530 | 6,050 | **6,050** | Square Feet | Roofs, Thermoplastic | 2034 | 15 to 20 | 10 | 22.00 | 133,100 | 133,100 | **20.9%** | | | | | | | | | | | | | | | 352,523 |
| 1.540 | 2,600 | **1,300** | Linear Feet | Sealants, Windows and Doors, Phased | 2028 | to 20 | 4 to 14 | 7.00 | 9,100 | 18,200 | **1.7%** | | | | | | | | | 19,836 | | | | | | |
| 1.605 | 1 | **1** | Allowance | Structural Members, Inspections, Milestone | 2034 | to 10 | 10 | 15,000.00 | 15,000 | 15,000 | **3.5%** | | | | | 28,714 | | | | | | | | | | 39,728 |
| 1.880 | 40,800 | **40,800** | Square Feet | Walls, Stucco, Paint Finishes and Capital Repairs (Incl. Perimeter Walls) | 2028 | 8 to 10 | 4 | 2.50 | 102,000 | 102,000 | **19.4%** | | | | | | | | | 222,335 | | | | | | |
| 1.980 | 680 | **680** | Square Feet | Windows and Doors, Common | 2044 | to 40 | 20 | 95.00 | 64,600 | 64,600 | **4.8%** | | | | | 123,663 | | | | | | | | | | |
| | | | | **Building Services Elements** | | | | | | | | | | | | | | | | | | | | | | |
| 3.555 | 1 | **1** | Allowance | Life Safety System, Control Panels | 2028 | to 15 | 4 | 10,000.00 | 10,000 | 10,000 | **1.2%** | | | | 18,531 | | | | | | | | | | | |
| 3.560 | 1 | **1** | Allowance | Life Safety System, Emergency Devices | 2028 | to 25 | 4 | 12,000.00 | 12,000 | 12,000 | **1.7%** | | | | | | | | | | | | | | 30,767 | |
| 3.770 | 1 | **1** | Each | Pump, Fire Suppression, 40-HP (Incl. Controller) | 2054 | to 50 | 30 | 83,500.00 | 83,500 | 83,500 | **8.6%** | | | | | | | | | | | | | | | 221,155 |
| | | | | **Garage Elements** | | | | | | | | | | | | | | | | | | | | | | |
| 7.360 | 7,800 | **390** | Square Feet | Concrete, On-grade, Partial (Including Drain Repairs) | 2027 | to 90 | 3 to 30+ | 15.00 | 5,850 | 117,000 | **0.7%** | | | 10,495 | | | | | | | | | | | | |
| 7.400 | 2 | **1** | Each | Doors and Operators, Phased | 2027 | 8 to 15 | 3 to 10 | 10,000.00 | 10,000 | 20,000 | **2.5%** | | 17,366 | | | | | | | 21,798 | | | | | | |
| 7.500 | 7,800 | **7,800** | Square Feet | Fire Suppression System, Partial | 2064 | to 60 | 40 | 2.00 | 15,600 | 15,600 | **0.0%** | | | | | | | | | | | | | | | |
| **Anticipated Expenditures, By Year ($2,572,675 over 30 years)** | | | | | | | | | | | | 0 | 17,366 | 10,495 | 98,031 | 323,323 | 0 | 0 | 0 | 455,242 | 0 | 0 | 0 | 0 | 177,297 | 613,406 |

# RESERVE FUNDING PLAN

## Structural Integrity

**CASH FLOW ANALYSIS**

**Riverside Landing**

**Condominium Association, Inc.**

**Cocoa, Florida**

Individual Reserve Budgets & Cash Flows for the Next 30 Years

| | | FY2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 | 2037 | 2038 | 2039 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Reserves at Beginning of Year** | *(Note 1)* | N/A | 170,579 | 221,663 | 275,384 | 314,150 | 119,061 | 175,780 | 235,452 | 298,135 | 363,991 | 355,873 | 205,993 | 276,167 | 349,966 | 427,463 | 192,421 |
| **Total Recommended Reserve Contributions** | *(Note 2)* | **N/A** | **47,200** | **48,800** | **50,400** | **52,100** | **53,800** | **55,600** | **57,400** | **59,300** | **61,300** | **63,300** | **65,400** | **67,600** | **69,800** | **72,100** | **74,500** |
| **Estimated Interest Earned, During Year** | *(Note 3)* | N/A | 3,884 | 4,921 | 5,837 | 4,289 | 2,919 | 4,072 | 5,283 | 6,556 | 7,127 | 5,563 | 4,774 | 6,199 | 7,697 | 6,137 | 4,593 |
| **Anticipated Expenditures, By Year** | | N/A | 0 | 0 | (17,472) | (251,477) | 0 | 0 | 0 | 0 | (76,545) | (218,743) | 0 | 0 | 0 | (313,278) | 0 |
| **Anticipated Reserves at Year End** | | $170,579 | $221,663 | $275,384 | $314,150 | $119,061 | $175,780 | $235,452 | $298,135 | $363,991 | $355,873 | $205,993 | $276,167 | $349,966 | $427,463 | $192,421 *(NOTE 5)* | $271,514 |

**(continued)**

Individual Reserve Budgets & Cash Flows for the Next 30 Years, Continued

| | 2040 | 2041 | 2042 | 2043 | 2044 | 2045 | 2046 | 2047 | 2048 | 2049 | 2050 | 2051 | 2052 | 2053 | 2054 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Reserves at Beginning of Year** | 271,514 | 354,714 | 424,564 | 505,377 | 502,121 | 274,084 | 370,971 | 472,825 | 579,847 | 232,448 | 341,228 | 455,618 | 575,830 | 702,083 | 655,528 |
| **Total Recommended Reserve Contributions** | **77,000** | **79,500** | **82,100** | **84,800** | **87,600** | **90,500** | **93,500** | **96,600** | **99,800** | **103,100** | **106,500** | **110,000** | **113,600** | **117,300** | **121,200** |
| **Estimated Interest Earned, During Year** | 6,200 | 7,716 | 9,207 | 9,975 | 7,685 | 6,387 | 8,354 | 10,422 | 8,043 | 5,680 | 7,890 | 10,212 | 12,653 | 13,442 | 8,188 |
| **Anticipated Expenditures, By Year** | 0 | (17,366) | (10,495) | (98,031) | (323,323) | 0 | 0 | 0 | (455,242) | 0 | 0 | 0 | 0 | (177,297) | (613,406) |
| **Anticipated Reserves at Year End** | $354,714 | $424,564 | $505,377 | $502,121 | $274,084 | $370,971 | $472,825 | $579,847 | $232,448 | $341,228 | $455,618 | $575,830 | $702,083 | $655,528 | $171,509 *(NOTES 4&5)* |

**Explanatory Notes:**

*1)* Year 2024 ending reserves are projected as of December 31, 2024 and exclude funds in the General Reserve Funding Plan; FY2024 starts January 1, 2024 and ends December 31, 2024.

*2)* Reserve Contributions are budgeted through 2024. Anticipated Reserves at Year End include these budgeted contributions and anticipated Reserve Expenditures. 2025 is the first year of recommended contributions.

*3)* **2.0%** is the estimated annual rate of return on invested reserves.

*4)* Accumulated year 2054 ending reserves consider the age, size, overall condition and complexity of the property.

*5)* Threshold Funding Years (reserve balance at critical point).

*Refer to the Reserve Expenditures pages for the full list of reserve elements

Structural Integrity

# FIVE-YEAR OUTLOOK

**Riverside Landing**
**Condominium Association, Inc.**
Cocoa, Florida

| Line Item | Reserve Component Inventory | RUL = 0 FY2024 | 1 2025 | 2 2026 | 3 2027 | 4 2028 | 5 2029 |
|---|---|---|---|---|---|---|---|
| | **Exterior Building Elements** | | | | | | |
| 1.060 | Balconies, Concrete, Repairs and Waterproof Coating Applications | | | | | 99,919 | |
| 1.540 | Sealants, Windows and Doors, Phased | | | | | 10,362 | |
| 1.880 | Walls, Stucco, Paint Finishes and Capital Repairs (Incl. Perimeter Walls) | | | | | 116,145 | |
| | **Building Services Elements** | | | | | | |
| 3.555 | Life Safety System, Control Panels | | | | | 11,387 | |
| 3.560 | Life Safety System, Emergency Devices | | | | | 13,664 | |
| | **Garage Elements** | | | | | | |
| 7.360 | Concrete, On-grade, Partial (Including Drain Repairs) | | | | 6,448 | | |
| 7.400 | Doors and Operators, Phased | | | | 11,023 | | |
| | **Anticipated Expenditures, By Year ($2,572,675 over 30 years)** | 0 | 0 | 0 | 17,472 | 251,477 | 0 |

General

# RESERVE EXPENDITURES

**Riverside Landing**
**Condominium Association, Inc.**
Cocoa, Florida



**Explanatory Notes:**

1) **3.3% is the estimated Inflation Rate for estimating Future Replacement Costs.**
2) **FY2024 is Fiscal Year beginning January 1, 2024 and ending December 31, 2024.**
3) **2055+ indicates a component which is considered long-lived**

| Line Item | Total Quantity | Per Phase Quantity | Units | Reserve Component Inventory | Estimated 1st Year of Event | Life Analysis Years Useful | Life Analysis Years Remaining | Costs, $ Unit (2024) | Costs, $ Per Phase (2024) | Costs, $ Total (2024) | Percentage of Future Expenditures | RUL = 0 FY2024 | 1 2025 | 2 2026 | 3 2027 | 4 2028 | 5 2029 | 6 2030 | 7 2031 | 8 2032 | 9 2033 | 10 2034 | 11 2035 | 12 2036 | 13 2037 | 14 2038 | 15 2039 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | **Exterior Building Elements** | | | | | | | | | | | | | | | | | | | | | | | |
| 1.260 | 75 | **75** | Each | Light Fixtures | 2028 | to 25 | 4 | 125.00 | 9,375 | 9,375 | **2.5%** | | | | | 10,675 | | | | | | | | | | | |
| | | | | **Interior Building Elements** | | | | | | | | | | | | | | | | | | | | | | | |
| 2.050 | 1 | **1** | Allowance | Clubhouse, Renovation, Complete | 2035 | to 25 | 11 | 60,000.00 | 60,000 | 60,000 | **6.1%** | | | | | | | | | | | | 85,754 | | | | |
| 2.055 | 1 | **1** | Allowance | Clubhouse, Renovation, Partial | 2047 | 8 to 12 | 23 | 10,000.00 | 10,000 | 10,000 | **1.5%** | | | | | | | | | | | | | | | | |
| 2.100 | 1 | **1** | Each | Elevator Cab Finishes | 2029 | to 25 | 5 | 17,000.00 | 17,000 | 17,000 | **4.6%** | | | | | | 19,996 | | | | | | | | | | |
| 2.600 | 1 | **1** | Allowance | Lobby, Renovation, Complete | 2035 | to 25 | 11 | 15,000.00 | 15,000 | 15,000 | **1.5%** | | | | | | | | | | | | 21,439 | | | | |
| 2.605 | 1 | **1** | Allowance | Lobby, Renovation, Partial | 2047 | 8 to 12 | 23 | 5,000.00 | 5,000 | 5,000 | **0.8%** | | | | | | | | | | | | | | | | |
| | | | | **Building Services Elements** | | | | | | | | | | | | | | | | | | | | | | | |
| 3.070 | 2 | **1** | Each | Air Handling and Condensing Units, Split Systems, Phased | 2028 | 12 to 18 | 4 to 11 | 11,000.00 | 11,000 | 22,000 | **5.5%** | | | | | 12,525 | | | | | | | 15,722 | | | | |
| 3.160 | 1 | **1** | Each | Boiler, Domestic Hot Water, 200-MBH | 2041 | 15 to 20 | 17 | 20,000.00 | 20,000 | 20,000 | **2.5%** | | | | | | | | | | | | | | | | |
| 3.320 | 1 | **1** | Each | Elevator, Hydraulic, Pump and Controls | 2029 | to 25 | 5 | 124,000.00 | 124,000 | 124,000 | **33.9%** | | | | | | 145,856 | | | | | | | | | | |
| 3.330 | 1 | **1** | Each | Elevator, Hydraulic, Cylinder | 2044 | to 40 | 20 | 55,000.00 | 55,000 | 55,000 | **7.5%** | | | | | | | | | | | | | | | | |
| 3.470 | 1 | **1** | Each | Intercom Panel | 2035 | 15 to 20 | 11 | 7,500.00 | 7,500 | 7,500 | **2.0%** | | | | | | | | | | | | 10,719 | | | | |
| 3.700 | 2 | **2** | Each | Pumps, Domestic Cold Water, 3-HP | 2041 | to 20 | 17 | 7,000.00 | 14,000 | 14,000 | **1.7%** | | | | | | | | | | | | | | | | |
| 3.880 | 1 | **1** | Allowance | Trash Chute and Doors | 2054 | to 50 | 30 | 25,000.00 | 25,000 | 25,000 | **4.7%** | | | | | | | | | | | | | | | | |
| | | | | **Property Site Elements** | | | | | | | | | | | | | | | | | | | | | | | |
| 4.120 | 5,700 | **290** | Square Feet | Concrete Access Drive, Partial | 2027 | to 65 | 3 to 30+ | 15.00 | 4,350 | 85,500 | **3.2%** | | | | 4,795 | | | | 5,640 | | | 6,634 | | | | |
| 4.395 | 510 | **510** | Square Feet | Dock and Pilings, Wood, Decking and Structure Repairs | 2024 | 12 to 18 | 0 | 20.00 | 10,200 | 10,200 | **2.7%** | 10,200 | | | | | | | | | | | | | | |
| 4.400 | 510 | **510** | Square Feet | Dock and Pilings, Wood, Total Replacement | 2039 | to 35 | 15 | 75.00 | 38,250 | 38,250 | **4.5%** | | | | | | | | | | | | | | | | 62,250 |
| | | | | **Pool Elements** | | | | | | | | | | | | | | | | | | | | | | | |
| 6.200 | 1,300 | **1,300** | Square Feet | Deck, Pavers | 2027 | to 25 | 3 | 15.00 | 19,500 | 19,500 | **5.0%** | | | | 21,495 | | | | | | | | | | | | |
| 6.599 | 1 | **1** | Each | Mechanical Equipment, Heater | 2027 | to 15 | 3 | 6,000.00 | 6,000 | 6,000 | **2.0%** | | | | 6,614 | | | | | | | 9,151 | | | | |
| 6.800 | 500 | **500** | Square Feet | Pool Finishes, Plaster | 2027 | 8 to 12 | 3 | 25.00 | 12,500 | 12,500 | **4.6%** | | | | 13,779 | | | | | | | | | | | | |
| 6.801 | 120 | **120** | Linear Feet | Pool Finishes, Tile | 2027 | 15 to 25 | 3 | 38.00 | 4,560 | 4,560 | **1.1%** | | | | 5,027 | | | | | | | | | | | | |
| 6.900 | 500 | **500** | Square Feet | Structure and Deck, Total Replacement, Partial | 2064 | to 60 | 40 | 170.00 | 85,000 | 85,000 | **0.0%** | | | | | | | | | | | | | | | | |
| | | | | **Garage Elements** | | | | | | | | | | | | | | | | | | | | | | | |
| 7.460 | 1 | **1** | Allowance | Exhaust System (Fan and Louvers) | 2034 | to 35 | 10 | 8,000.00 | 8,000 | 8,000 | **0.8%** | | | | | | | | | | | 11,069 | | | | | |
| 7.600 | 32 | **32** | Each | Light Fixtures | 2034 | to 30 | 10 | 250.00 | 8,000 | 8,000 | **0.8%** | | | | | | | | | | | 11,069 | | | | | |
| | | **1** | Allowance | **Structural Integrity Reserve Study Update with Site Visit** | 2026 | to 2 | 2 | 4,950.00 | 4,950 | 4,950 | **0.4%** | | | | 4,950 | | | | | | | | | | | | |
| | | | | **Anticipated Expenditures, By Year ($1,398,726 over 30 years)** | | | | | | | | 10,200 | 0 | 4,950 | 51,709 | 23,201 | 165,852 | 0 | 0 | 5,640 | 0 | 22,137 | 133,633 | 0 | 15,785 | 0 | 82,593 |

General

# RESERVE EXPENDITURES



**Riverside Landing**
**Condominium Association, Inc.**
Cocoa, Florida

| Line Item | Total Quantity | Per Phase Quantity | Units | Reserve Component Inventory | Estimated 1st Year of Event | Life Analysis Years Useful | Years Remaining | Costs, $ Unit (2024) | Per Phase (2024) | Total (2024) | Percentage of Future Expenditures | 16 2040 | 17 2041 | 18 2042 | 19 2043 | 20 2044 | 21 2045 | 22 2046 | 23 2047 | 24 2048 | 25 2049 | 26 2050 | 27 2051 | 28 2052 | 29 2053 | 30 2054 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | **Exterior Building Elements** | | | | | | | | | | | | | | | | | | | | | | |
| 1.260 | 75 | **75** | Each | Light Fixtures | 2028 | to 25 | 4 | 125.00 | 9,375 | 9,375 | **2.5%** | | | | | | | | | | | | | | 24,037 | |
| | | | | **Interior Building Elements** | | | | | | | | | | | | | | | | | | | | | | |
| 2.050 | 1 | **1** | Allowance | Clubhouse, Renovation, Complete | 2035 | to 25 | 11 | 60,000.00 | 60,000 | 60,000 | **6.1%** | | | | | | | | | | | | | | | |
| 2.055 | 1 | **1** | Allowance | Clubhouse, Renovation, Partial | 2047 | 8 to 12 | 23 | 10,000.00 | 10,000 | 10,000 | **1.5%** | | | | | | | | 21,101 | | | | | | | |
| 2.100 | 1 | **1** | Each | Elevator Cab Finishes | 2029 | to 25 | 5 | 17,000.00 | 17,000 | 17,000 | **4.6%** | | | | | | | | | | | | | | | 45,026 |
| 2.600 | 1 | **1** | Allowance | Lobby, Renovation, Complete | 2035 | to 25 | 11 | 15,000.00 | 15,000 | 15,000 | **1.5%** | | | | | | | | | | | | | | | |
| 2.605 | 1 | **1** | Allowance | Lobby, Renovation, Partial | 2047 | 8 to 12 | 23 | 5,000.00 | 5,000 | 5,000 | **0.8%** | | | | | | | | 10,551 | | | | | | | |
| | | | | **Building Services Elements** | | | | | | | | | | | | | | | | | | | | | | |
| 3.070 | 2 | **1** | Each | Air Handling and Condensing Units, Split Systems, Phased | 2028 | 12 to 18 | 4 to 11 | 11,000.00 | 11,000 | 22,000 | **5.5%** | | | | | | 21,752 | | | | | | | 27,302 | | |
| 3.160 | 1 | **1** | Each | Boiler, Domestic Hot Water, 200-MBH | 2041 | 15 to 20 | 17 | 20,000.00 | 20,000 | 20,000 | **2.5%** | | 34,732 | | | | | | | | | | | | | |
| 3.320 | 1 | **1** | Each | Elevator, Hydraulic, Pump and Controls | 2029 | to 25 | 5 | 124,000.00 | 124,000 | 124,000 | **33.9%** | | | | | | | | | | | | | | | 328,421 |
| 3.330 | 1 | **1** | Each | Elevator, Hydraulic, Cylinder | 2044 | to 40 | 20 | 55,000.00 | 55,000 | 55,000 | **7.5%** | | | | | 105,286 | | | | | | | | | | |
| 3.470 | 1 | **1** | Each | Intercom Panel | 2035 | 15 to 20 | 11 | 7,500.00 | 7,500 | 7,500 | **2.0%** | | | | | | | | | | | 17,445 | | | | |
| 3.700 | 2 | **2** | Each | Pumps, Domestic Cold Water, 3-HP | 2041 | to 20 | 17 | 7,000.00 | 14,000 | 14,000 | **1.7%** | | 24,313 | | | | | | | | | | | | | |
| 3.880 | 1 | **1** | Allowance | Trash Chute and Doors | 2054 | to 50 | 30 | 25,000.00 | 25,000 | 25,000 | **4.7%** | | | | | | | | | | | | | | | 66,214 |
| | | | | **Property Site Elements** | | | | | | | | | | | | | | | | | | | | | | |
| 4.120 | 5,700 | **290** | Square Feet | Concrete Access Drive, Partial | 2027 | to 65 | 3 to 30+ | 15.00 | 4,350 | 85,500 | **3.2%** | | | 7,804 | | | | | 9,179 | | | | | 10,797 | | |
| 4.395 | 510 | **510** | Square Feet | Dock and Pilings, Wood, Decking and Structure Repairs | 2024 | 12 to 18 | 0 | 20.00 | 10,200 | 10,200 | **2.7%** | | | | | | | | | | | | | | | 27,015 |
| 4.400 | 510 | **510** | Square Feet | Dock and Pilings, Wood, Total Replacement | 2039 | to 35 | 15 | 75.00 | 38,250 | 38,250 | **4.5%** | | | | | | | | | | | | | | | |
| | | | | **Pool Elements** | | | | | | | | | | | | | | | | | | | | | | |
| 6.200 | 1,300 | **1,300** | Square Feet | Deck, Pavers | 2027 | to 25 | 3 | 15.00 | 19,500 | 19,500 | **5.0%** | | | | | | | | | | | | | 48,400 | | |
| 6.599 | 1 | **1** | Each | Mechanical Equipment, Heater | 2027 | to 15 | 3 | 6,000.00 | 6,000 | 6,000 | **2.0%** | | | | | | | | 12,661 | | | | | | | |
| 6.800 | 500 | **500** | Square Feet | Pool Finishes, Plaster | 2027 | 8 to 12 | 3 | 25.00 | 12,500 | 12,500 | **4.6%** | | | | | | | | | | | | 30,034 | | | |
| 6.801 | 120 | **120** | Linear Feet | Pool Finishes, Tile | 2027 | 15 to 25 | 3 | 38.00 | 4,560 | 4,560 | **1.1%** | | | | | | | | | | | | 10,957 | | | |
| 6.900 | 500 | **500** | Square Feet | Structure and Deck, Total Replacement, Partial | 2064 | to 60 | 40 | 170.00 | 85,000 | 85,000 | **0.0%** | | | | | | | | | | | | | | | |
| | | | | **Garage Elements** | | | | | | | | | | | | | | | | | | | | | | |
| 7.460 | 1 | **1** | Allowance | Exhaust System (Fan and Louvers) | 2034 | to 35 | 10 | 8,000.00 | 8,000 | 8,000 | **0.8%** | | | | | | | | | | | | | | | |
| 7.600 | 32 | **32** | Each | Light Fixtures | 2034 | to 30 | 10 | 250.00 | 8,000 | 8,000 | **0.8%** | | | | | | | | | | | | | | | |
| | | **1** | Allowance | **Structural Integrity Reserve Study Update with Site Visit** | 2026 | to 2 | 2 | 4,950.00 | 4,950 | 4,950 | **0.4%** | | | | | | | | | | | | | | | |
| | | | | **Anticipated Expenditures, By Year ($1,398,726 over 30 years)** | | | | | | | | 0 | 59,045 | 7,804 | 0 | 105,286 | 21,752 | 0 | 53,492 | 0 | 0 | 17,445 | 40,991 | 86,499 | 24,037 | 466,676 |

# RESERVE FUNDING PLAN

## General

**CASH FLOW ANALYSIS**
**Riverside Landing**
**Condominium Association, Inc.**
**Cocoa, Florida**

Individual Reserve Budgets & Cash Flows for the Next 30 Years

| | | FY2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 | 2037 | 2038 | 2039 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Reserves at Beginning of Year** | *(Note 1)* | N/A | 123,523 | 151,142 | 175,122 | 153,163 | 160,467 | 24,749 | 54,736 | 86,333 | 113,875 | 148,675 | 162,923 | 65,955 | 103,129 | 126,316 | 167,121 |
| **Total Recommended Reserve Contributions** | *(Note 2)* | **N/A** | **24,900** | **25,700** | **26,500** | **27,400** | **28,300** | **29,200** | **30,200** | **31,200** | **32,200** | **33,300** | **34,400** | **35,500** | **36,700** | **37,900** | **39,200** |
| **Estimated Interest Earned, During Year** | *(Note 3)* | N/A | 2,719 | 3,230 | 3,250 | 3,105 | 1,834 | 787 | 1,397 | 1,982 | 2,600 | 3,085 | 2,266 | 1,674 | 2,272 | 2,905 | 2,909 |
| **Anticipated Expenditures, By Year** | | N/A | 0 | (4,950) | (51,709) | (23,201) | (165,852) | 0 | 0 | (5,640) | 0 | (22,137) | (133,633) | 0 | (15,785) | 0 | (82,593) |
| **Anticipated Reserves at Year End** | | $123,523 | $151,142 | $175,122 | $153,163 | $160,467 | $24,749 *(NOTE 5)* | $54,736 | $86,333 | $113,875 | $148,675 | $162,923 | $65,955 | $103,129 | $126,316 | $167,121 | $126,638 |

**(continued)**

Individual Reserve Budgets & Cash Flows for the Next 30 Years, Continued

| | 2040 | 2041 | 2042 | 2043 | 2044 | 2045 | 2046 | 2047 | 2048 | 2049 | 2050 | 2051 | 2052 | 2053 | 2054 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Reserves at Beginning of Year** | 126,638 | 170,076 | 156,060 | 194,931 | 243,876 | 188,976 | 218,862 | 272,931 | 275,672 | 334,210 | 395,636 | 442,489 | 468,316 | 450,615 | 497,667 |
| **Total Recommended Reserve Contributions** | **40,500** | **41,800** | **43,200** | **44,600** | **46,100** | **47,600** | **49,200** | **50,800** | **52,500** | **54,200** | **56,000** | **57,800** | **59,700** | **61,700** | **63,700** |
| **Estimated Interest Earned, During Year** | 2,938 | 3,229 | 3,475 | 4,345 | 4,286 | 4,038 | 4,869 | 5,432 | 6,038 | 7,226 | 8,298 | 9,018 | 9,098 | 9,389 | 5,924 |
| **Anticipated Expenditures, By Year** | 0 | (59,045) | (7,804) | 0 | (105,286) | (21,752) | 0 | (53,492) | 0 | 0 | (17,445) | (40,991) | (86,499) | (24,037) | (466,676) |
| **Anticipated Reserves at Year End** | $170,076 | $156,060 | $194,931 | $243,876 | $188,976 | $218,862 | $272,931 | $275,672 | $334,210 | $395,636 | $442,489 | $468,316 | $450,615 | $497,667 | $100,615 *(NOTES 4&5)* |

**Explanatory Notes:**

*1)* Year 2024 ending reserves are projected as of December 31, 2024 and exclude funds in the Structural Integrity Reserve Funding Plan; FY2024 starts January 1, 2024 and ends December 31, 2024.
*2)* Reserve Contributions are budgeted through 2024. Anticipated Reserves at Year End include these budgeted contributions and anticipated Reserve Expenditures. 2025 is the first year of recommended contributions.
*3)* **2.0%** is the estimated annual rate of return on invested reserves.
*4)* Accumulated year 2054 ending reserves consider the age, size, overall condition and complexity of the property.
*5)* Threshold Funding Years (reserve balance at critical point).

*Refer to the Reserve Expenditures pages for the full list of reserve elements

General

# FIVE-YEAR OUTLOOK

**Riverside Landing Condominium Association, Inc.**

Cocoa, Florida

| Line Item | Reserve Component Inventory | RUL = 0 FY2024 | 1 2025 | 2 2026 | 3 2027 | 4 2028 | 5 2029 |
|---|---|---|---|---|---|---|---|
| | **Exterior Building Elements** | | | | | | |
| 1.260 | Light Fixtures | | | | | 10,675 | |
| | **Interior Building Elements** | | | | | | |
| 2.100 | Elevator Cab Finishes | | | | | | 19,996 |
| | **Building Services Elements** | | | | | | |
| 3.070 | Air Handling and Condensing Units, Split Systems, Phased | | | | | 12,525 | |
| 3.320 | Elevator, Hydraulic, Pump and Controls | | | | | | 145,856 |
| | **Property Site Elements** | | | | | | |
| 4.120 | Concrete Access Drive, Partial | | | | 4,795 | | |
| 4.395 | Dock and Pilings, Wood, Decking and Structure Repairs | 10,200 | | | | | |
| | **Pool Elements** | | | | | | |
| 6.200 | Deck, Pavers | | | | 21,495 | | |
| 6.599 | Mechanical Equipment, Heater | | | | 6,614 | | |
| 6.800 | Pool Finishes, Plaster | | | | 13,779 | | |
| 6.801 | Pool Finishes, Tile | | | | 5,027 | | |
| | **Structural Integrity Reserve Study Update with Site Visit** | | | 4,950 | | | |
| | **Anticipated Expenditures, By Year ($1,398,726 over 30 years)** | 10,200 | 0 | 4,950 | 51,709 | 23,201 | 165,852 |

# 4. RESERVE COMPONENT DETAIL

The Reserve Component Detail of this *Full Reserve Study* includes enhanced solutions and procedures for select significant components. This section describes the Reserve Components, documents specific problems and condition assessments, and may include detailed solutions and procedures for necessary capital repairs and replacements for the benefit of current and future board members. We advise the Board use this information to help define the scope and procedures for repair or replacement when soliciting bids or proposals from contractors. *However, the Report in whole or part is not and should not be used as a design specification or design engineering service*.

## STRUCTURAL INTEGRITY - Exterior Building Elements

**Front elevation**

**Side elevation**

**Rear elevation**

**Single garages at the rear elevation**

## Balconies and Breezeways, Concrete

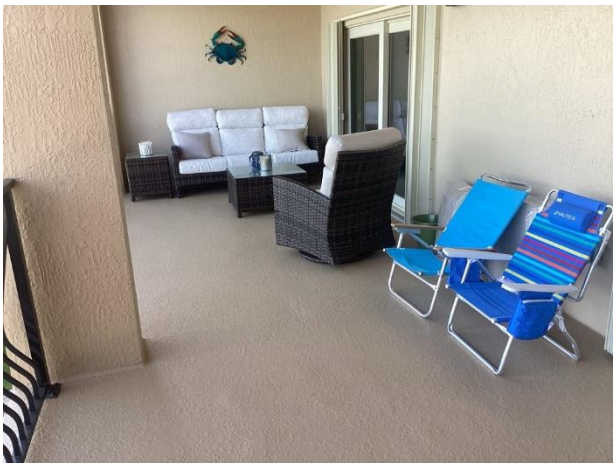
***Line Items:*** 1.060 and 1.065

***Quantity:*** 13 concrete balconies comprising approximately 5,850 square feet of horizontal surface area and five breezeways comprising approximately 3,300 square feet of horizontal surface area. Both the balconies and breezeways comprise reinforced concrete with a waterproof coating.

***History:*** The balconies were repaired and coated in 2018 and the breezeways were repaired and recoated in 2023

***Condition:*** Good overall with isolated coating deterioration evident. We note the following:

- Sealants are in good condition
- The coatings are in good condition
- Isolated concrete coating deterioration is evident



**Concrete balcony overview**

**Concrete balcony overview**

**Edge sealant**

**Concrete breezeway overview**

**Concrete breezeway overview**

**Coating deterioration at the concrete breezeways**

***Useful Life:*** Capital repairs including a close-up visual inspection, patching of delaminated concrete, routing and filling of cracked concrete, and waterproof coating applications every 8- to 12-years.

***Component Detail Notes:*** A waterproof coating application minimizes storm water penetration into the concrete and therefore minimizes future concrete deterioration. *Failure to maintain a waterproof coating on the balconies and breezeways will result in increased concrete repairs and replacements as the balconies and breezeways age*. Capital repairs may also include replacement of the caulked joint between the balcony and breezeways, and the building, and repair or replacement of the metal railings and railing fastener attachments as needed.

***Priority/Criticality:*** Defer only upon opinion of independent professional or engineer

***Expenditure Detail Notes:*** Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. Our cost includes the following activities per event:

- Partial depth replacement of up to one percent (1%) of the concrete topsides, edges and undersides
- Crack repairs as necessary
- Repairs to the railings as necessary
- Replacement of perimeter sealants as needed
- Application of a waterproof coating (Urethane based elastomeric)

The Association should coordinate both balcony and breezeway, and facade capital repairs and maintenance to allow for the possible use of a single contractor and combine any applicable staging or mobilization costs. Also, coordinated repairs will reduce disruption to owners.

## Breezeways and Balconies, Railings, Metal

***Line Items:*** 1.100 and 1.105

***Quantity:*** Approximately 950 linear feet of metal railings at the breezeways and balconies which are mechanically attached. This quantity also includes the metal pool railings.

***History:***

- Railings: Original
- Paint finishes: Applied paint finishes in 2023.

***Conditions:*** The railings are in good overall condition and the railing finishes are in good condition

**Metal breezeway railings overview**

**Metal balcony railings overview**

**Metal pool railings overview**

**Mechanically attached railing post**

***Useful Life:*** Railings of this type have a useful life of up to 40 years with the benefit of periodic maintenance. Periodic maintenance should include applications of a protective paint finish and partial replacement of deteriorated metal every 8- to 12-years.

***Component Detail Notes:*** Preparation of the metal before application of the paint finish is critical to maximize the useful life of the finish. The painting contractor should remove all soil, dirt, oil, grease and other foreign materials before application of the paint finish to maximize its useful life. The contractor should also remove paint blisters and rust prior to the paint finish application. We recommend the use of a power wire brush, scraper and/or sander as effective means of removal. The Association should require the application of a primer on bare material. The primer for material surfaces should include a rust inhibitor for added protection.

***Priority/Criticality:*** Defer only upon opinion of independent professional or engineer

***Expenditure Detail Notes:*** Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

## Roofs, Thermoplastic

***Line Item:*** 1.530

***Quantity:*** Approximately 6,050 square feet of roofing

***History:*** The Association replaced the membrane in 2017. The Association conducts inspections of the roofs annual. We concur with this preventive maintenance practice and recommend the Association continue to fund these inspections through the operating budget.

***Condition:*** Good to fair overall with coating deterioration and bulges in the membrane evident. Management and the Board do not report history of leaks. We note the following:

- Isolated previous membrane repairs are evident
- Isolated sealant failure is evident
- Isolated expansion joint deterioration is evident
- Isolated blocked roof drains are evident

**Thermoplastic roof overview**

**Typical roof drain and penetration**

**Coating deterioration**

**Coating deterioration**

**Bulges in the membrane**

**Bulges in the membrane**

***Useful Life:*** 15- to 20-years

***Component Detail Notes:*** Thermoplastic roofs include the following:

- Polyvinyl chloride (PVC or simply vinyl)
- PVC alloys or compounded thermoplastics
- Thermoplastic olefin (TPO)
- Chlorinated polyethylene (CPE)

The following characteristics define most thermoplastic roofs:

- Attachment to the roof deck is either fully adhered, mechanical or ballasted
- Membranes are commonly white and reinforced with polyester
- Seams are sealed with heat or chemical welding
- Sheet widths range from 6- to 12-feet wide
- Sheets are typically 40- to 100-mils thick
- Single ply (one layer)

Over time, exposure to ultraviolet light, heat and weather degrade the membrane. This degradation results in membrane damage from thermal expansion and contraction, adverse weather and pedestrian traffic. The aging process makes the membrane less pliable and more difficult to maintain. Ponding water on the roof can increase the effects of ultraviolet light on the membrane and contaminants in ponded water can cause the membrane to deteriorate prematurely. Thermoplastic roofs (especially TPO) are relatively new and their long term performance is not well defined.

Contractors can install a new thermoplastic roof in one of two ways: *tear-off* or an *overlay*. An *overlay* is the application of a new roof membrane over an existing roof. This method, although initially more economical, often covers up problems with the deck, flashing and saturated insulation. The *tear-off* method of replacement includes removal of the existing roofing, flashings and insulation, and installation of a new roofing system.

The contractor should follow the manufacturer's directions and specifications upon installation of the roof. The contractor should remove the original insulation if saturated or compacted and apply a new layer of insulation per the manufacturer's instructions. The insulation should fit loosely with gaps no greater than ¼ inch. Gaps will cause failure of the membrane later. Mechanical fastening of the insulation is the best manner of installation.

***Preventative Maintenance Notes:*** We recommend the Association maintain a service and inspection contract with a qualified professional and record all documentation of repairs conducted. We note the following select recommended preventative maintenance activities to maximize the remaining useful life:

- Semi-annually:
    - Note drainage issues with water ponding after 48 hours of rainfall event. Verify scuppers and drains are free of debris. Replace damaged or missing drain covers.
    - Inspect perimeter flashing for loose fasteners, deflections, and sealant damage
    - Verify membrane surface is free of ruptures or damage, and areas of extensive blistering or bubbling
    - Remove oil spills or contaminants from mechanical equipment
    - In areas of possible foot traffic, remove any sharp debris or trash and note areas of crushed insulation
    - If frequency of leaks increase or location of water infiltration is unknown, we recommend the consideration of a thermal image inspection

***Priority/Criticality:*** Defer only upon opinion of independent professional or engineer

***Expenditure Detail Notes:*** Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

## Sealants, Windows and Doors

***Line Item:*** 1.540

***Quantity:*** Approximately 2,600 linear feet of exterior sealants or *caulk*[1] at the windows and doors

***History:*** Likely various ages

***Condition:*** Good overall with isolated deterioration evident.

**Sealant deterioration**

**Sealant deterioration**

***Useful Life:*** Up to 20 years

***Component Detail Notes:*** The rate of deterioration of the sealants is not uniform due to the different exposures to sunlight and weather. The Association should anticipate gradual dispersed deterioration as the sealants age.

Correct preparation of the joint surfaces before re-application of a sealant is important to ensure proper adhesion. The surfaces must be removed of all contaminants, including the previous sealant material, paint, rust and other corrosion, water, grease, etc. The surfaces should also be dry and free from dust and grit, which can be removed using dry compressed air or brushes. The Association should ensure the manufacturer's instructions are followed in determining if the substrate is compatible with the sealant and that the chemical cleaners and solvents used to prepare the surfaces are also compatible with the sealant.

Several types of caulk are available with significantly different weathering and elongation properties. We recommend a silicone-based or polyurethane-based caulk. The major advantage of polyurethane-based caulks is their ability to bond to most construction surfaces without special preparation, such as primer application, as is required for alternate materials like silicone caulk. With proper surface preparation, i.e., removing surface contaminants, silicone-based caulks perform better than most other caulk

[1] The terms sealant and caulk are used interchangeably throughout this text and throughout the industry.

materials. The weathering and elongation properties of silicone-based caulk give it a much longer useful life than other caulk materials.

***Priority/Criticality:*** Defer only upon opinion of independent professional or engineer

***Expenditure Detail Notes:*** Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. We recommend Riverside Landing replace up to fifty percent (50%), or 1,300 linear feet of joint sealant in conjunction with stucco paint applications.

## Structural Members, Inspections

***Line Item:*** 1.605

***Quantity:*** The primary structural members of the building comprise:

- Foundation
- Floors
- Load-bearing walls
- Structural frame

***History:*** The Association completed an infrared inspection of the building envelop in 2017 and an additional structural inspection completed in 2021

***Condition:*** Riverside Landing does not report a history of water infiltration, settlement or structural concerns with the primary structural members. Our visual, non-invasive inspection is limited to visually apparent components of the structural members.

***Useful Life:*** Up to and likely beyond 100 years; however, we consider full replacement unlikely and cost prohibitive. Per Florida Bill SB 4-D, condominium and cooperative buildings three stories or more in height require milestone inspections 30 years after initial occupancy. Subsequent milestone inspections are required every 10 years thereafter.

***Component Details:*** Per the Bill (553.899(2-7)), a milestone inspection consists of two phases. The initial milestone inspection (Phase 1), conducted by a licensed engineer or architect, includes a visual examination “including the major structural components of a building, and provide a qualitative assessment of the structural conditions of the building”. Phase 2 is only required if “substantial structural deterioration is identified”.

***Priority/Criticality:*** Defer only upon opinion of independent professional or engineer

***Expenditure Detail Notes:*** Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. At this time we do not anticipate capital repairs related to the structural members. Rather we include an expenditure for required inspections discussed above. Updates of this Reserve Study would incorporate significant repair costs deemed necessary following necessary inspections.

## Walls, Stucco

***Line Item:*** 1.880

***Quantity:*** Approximately 40,800 square feet of the building exteriors. This quantity includes the undersides of the balconies and breezeways, and the perimeter walls.

***History:*** Applied paint finishes and repaired in 2018 with ongoing annual repairs as needed.

***Condition:*** Good to fair overall with evidence of previously repaired cracks and finish deterioration evident. We note the following:

- Isolated cracks are evident
- Isolated damage or missing is evident
- Sealants are in good condition
- The Stucco properly terminates four inches above grade
- The Stucco properly terminates two inches above the roof
- Kickout/diverter flashing is evident


**Stucco perimeter wall overview**

**Perimeter wall stucco wall finishes**

**Evidence of previously repaired cracks**

**Evidence of previously repaired cracks**

**Finish deterioration**

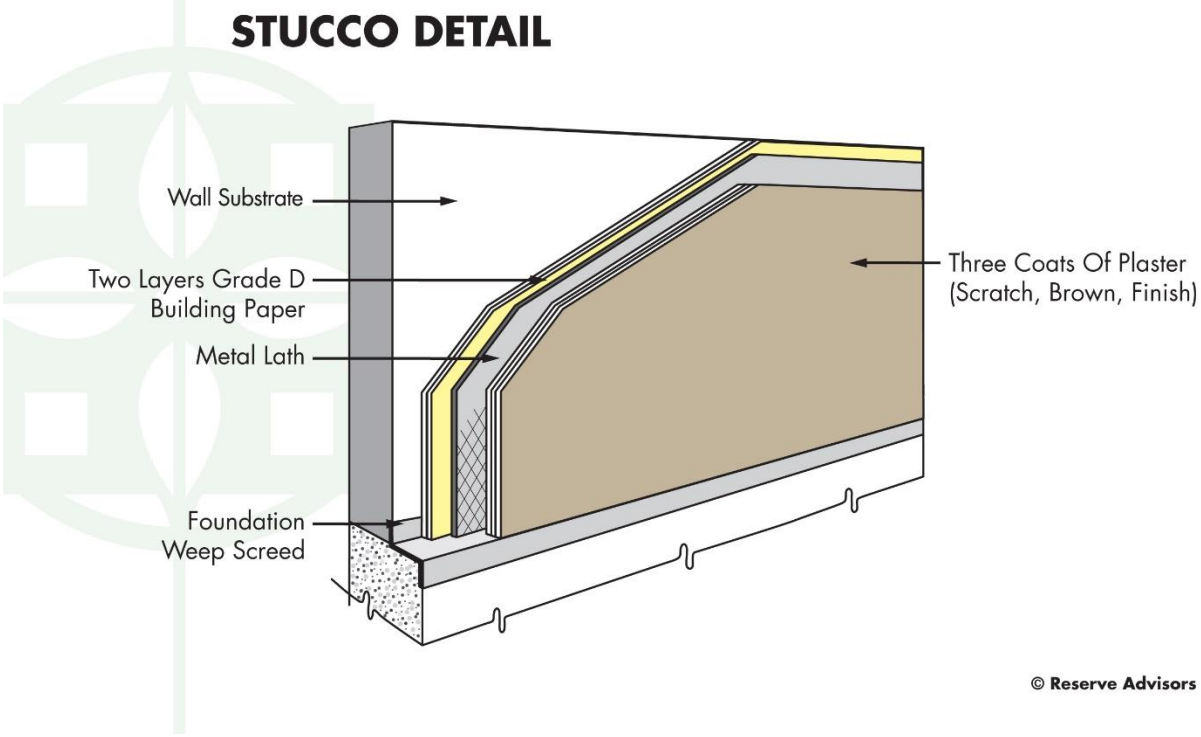
**Finish deterioration**

**Finish deterioration**

**Finish deterioration**

***Useful Life:*** We recommend inspections, repairs and paint finish applications every five- to seven-years. However, the Association informs us the stucco paint finishes have a 10-year warranty with required annual inspections to maintain the warranty, and due to this we extend the useful life to 8- to 10-years.

***Component Detail Notes:*** The following graphic details the typical components of a stucco wall system on frame construction although it may not reflect the actual configuration at Riverside Landing:




Correct and complete preparation of the surface before application of the paint finish maximizes the useful life of the paint finish and surface. The contractor should remove all loose, peeled or blistered paint before application of the new paint finish. The contractor should then power wash the surface to remove all dirt and biological growth. Water-soluble cleaners that will not attack Portland cement are acceptable for removing stains.

***Priority/Criticality:*** Defer only upon opinion of independent professional or engineer

***Expenditure Detail Notes:*** Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. Our estimate of cost anticipates the following in coordination with each paint finish application:

- Complete inspection of the stucco
- Crack repairs as needed (Each paint product has the limited ability to cover and seal cracks but we recommend repair of all cracks which exceed the ability of the paint product to bridge.)
- Replacement of up to one percent (1%), of the stucco walls (The exact amount of area in need of replacement will be discretionary based on the actual future conditions and the desired appearance.)

## Windows and Doors, Common

***Line Item:*** 1.980

***Quantity:*** 680 square feet of common windows and doors

***History:*** Original

***Condition:*** Good overall and we note the following:

- No reported history of operational issues.
- The exterior seals are in good condition.
- The interior seals are in good condition.
- No reported history of water infiltration.

**Common windows**

**Common doors**

**Common doors**

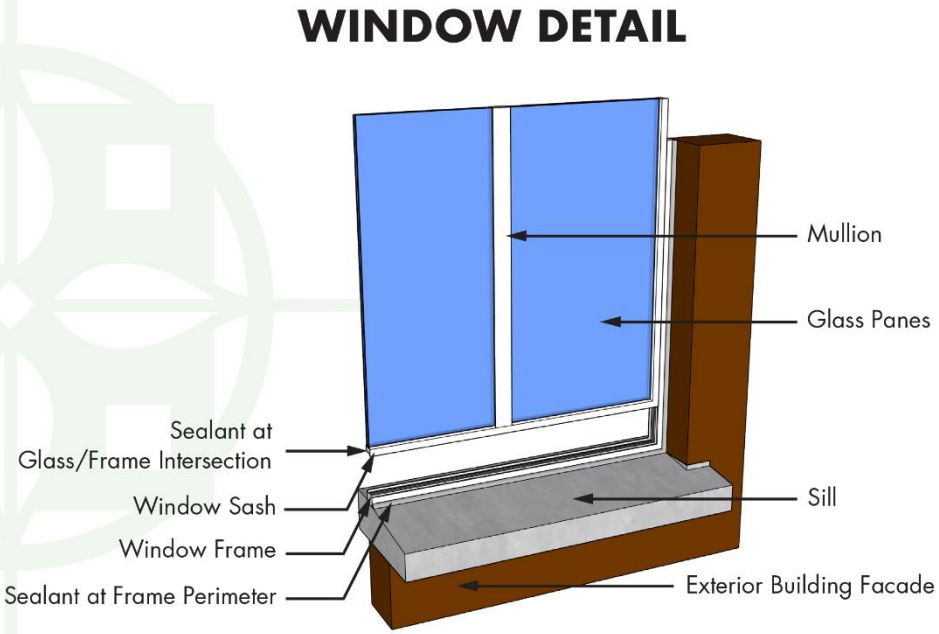
**Common doors**

***Useful Life:*** Up to 40 years

***Component Detail Notes:*** Construction includes the following:

- Aluminum frames
- Single pane glass
- Single hung windows with screens
- Hinged and slinding glass doors

The following schematic depicts the typical components of a window system although it may not reflect the actual configuration at Riverside Landing:




Properly designed window and door assemblies anticipate the penetration of some storm water beyond the gaskets. This infiltrated storm water collects in an internal drainage system and drains, or exits, the frames through weep holes. These weep holes can become clogged with dirt or if a sealant is applied, resulting in trapped storm water. However, as window frames, gaskets and sealants deteriorate, leaks into the interior can result. The windows and doors will eventually need replacement or major capital repairs to prevent water infiltration and damage from wind driven rain.

The thermal efficiencies of the window and door assemblies are affected by their design and construction components. These components include glazings, thickness of air space between glazings, low-conductivity gas, tinted coatings, low-e coatings and thermal barriers. The Association should thoroughly investigate these component options at the time of replacement. Some manufacturers may include these components as part of the standard product and other manufacturers may consider these components as options for an additional cost. Riverside Landing should review the specifications provided by the

manufacturers to understand the thermal design and construction components of the proposed assemblies.

***Preventative Maintenance Notes:*** We note the following select recommended preventative maintenance activities to maximize the remaining useful life:

- Annually:
  - Inspect and repair loose weather stripping and/or lock damage
  - Inspect for broken glass and damaged screens
  - Record instances of water infiltration, trapped moisture or leaks
- As-needed:
  - Verify weep holes are unobstructed and not blocked with dirt or sealant, if applicable
  - Replace damaged or deteriorated sliding glass rollers, if applicable

***Priority/Criticality:*** Defer only upon opinion of independent professional or engineer

***Expenditure Detail Notes:*** Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

# STRUCTURAL INTEGRITY - Building Services Elements

## Life Safety System

***Line Items:*** 3.555 and 3.560

***Quantity:*** The life safety system at Riverside Landing includes the following components:

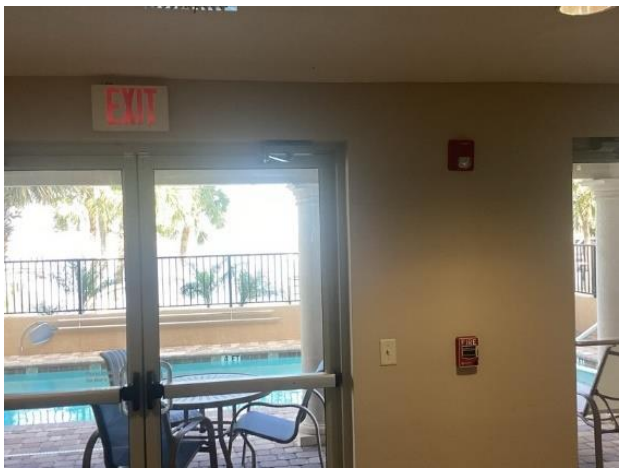
- Audio/visual fixtures
- Fire-Lite control panels
- Detectors
- Emergency light fixtures
- Exit light fixtures
- Pull stations
- Wiring

***History:*** Original

***Conditions:*** Reported satisfactory without operational deficiencies. The life safety system was last inspected on June 23, 2024. The life safety system was tagged acceptable during the most recent inspection.


**Control panel**


**Secondary control panel**




**Emergency devices**


**Emergency devices**

***Useful Life:*** Up to 25 years for the devices and up to 15 years for the control panels

***Preventative Maintenance Notes:*** We recommend the Association obtain and adhere to the manufacturer's recommended maintenance plan. In accordance with *NFPA 72* (National Fire Alarm and Signaling Code) we also recommend the Association maintain a maintenance contract with a qualified professional. The display panel read 'System All Normal' at the time of our inspection. The required preventative maintenance may vary in frequency and scope based on the age of the components, operational condition, or changes in technology. We note the following select recommended preventative maintenance activities to maximize the remaining useful life:

- Semi-annually:
  - Inspect and test all components and devices, including, but not limited to, control panels, annunciators, detectors, audio/visual fixtures, signal transmitters and magnetic door holders
  - Test backup batteries
- As-needed:
  - Ensure clear line of access to components such as pull stations
  - Ensure detectors are properly positioned and clean of debris

***Priority/Criticality:*** Defer only upon opinion of independent professional or engineer

***Expenditure Detail Notes:*** Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. Changes in technology or building codes may make a replacement desirable prior to the end of the functional life. Our estimate of future cost considers only that amount necessary to duplicate the same functionality. Local codes or ordinances at the actual time of replacement may require a betterment as compared to the existing system. A betterment could result in a higher, but at this time unknown, cost of replacement.

## Pump, Fire Suppression

***Line Item:*** 3.770

***Quantity:*** One 40-HP fuel fire suppression pump

***History:*** Original

***Condition:*** Reported satisfactory without operational deficiencies. We note the following:

- The fire suppression pump was last inspected in April of 2023.
- The inspection tag color is acceptable
- The Association does not report a history of leaks.

**Fire suppression pump**

***Useful Life:*** Up to 50 years

***Component Detail Notes:*** Prior to replacement, the Association should schedule periodic inspections to maintain its correct operation in the event of an emergency. Riverside Landing should also anticipate, as normal maintenance, interim repairs and component replacements to maximize its remaining useful life.

***Preventative Maintenance Notes:*** We recommend the Association obtain and adhere to the manufacturer's recommended maintenance plan. The Association conducts quarterly churn tests. In accordance with *NFPA 25* (National Fire Protection Systems Code), we also recommend the Association maintain a maintenance contract with a qualified professional. The required preventative maintenance may vary in frequency and scope based on the unit's age, operational condition, or changes in technology. Valuable motor information to note in a preventative maintenance plan or schedule includes age of unit and last time of repair, horsepower and rpm (revolutions per minute), bearing type and conditions surrounding motor/pump. We note the following select recommended preventative maintenance activities to maximize the remaining useful life:

- Weekly:
  - Check/adjust controls
  - Check/adjust pressure levels
  - Check for leaks
  - Conduct churn tests
- Quarterly:
  - Inspect/clean motors
  - Inspect mountings and connections for proper alignment, torque and condition
  - Inspect/replace pump packing as needed, consider replacement with mechanical seals
  - Check for appropriate oil levels
- Semi-annually:
  - Lubricate pumps, motors and motor bearings
- Annually:
  - Inspect belts for wear and/or replace belts
  - Clean filters if present
  - Assess proper internal component performance and replace damaged or malfunction components as necessary, and tighten fittings
  - Access temperature and vibration performance of motors in accordance with the intended design

***Priority/Criticality:*** Defer only upon opinion of independent professional or engineer

***Expenditure Detail Notes:*** Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. Our estimate of cost includes replacement of the pump, motor, and motor controller.

# STRUCTURAL INTEGRITY - Garage Elements

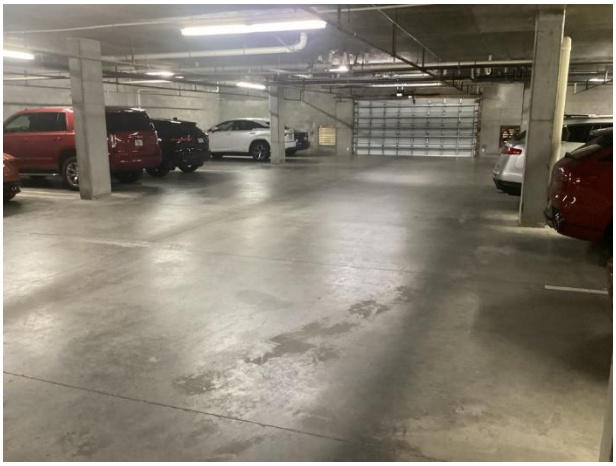
## Concrete, On-grade

***Line Item:*** 7.360

***Quantity:*** Approximately 7,800 square feet of on-grade concrete

***Condition:*** Good overall with cracks evident. We note the following:

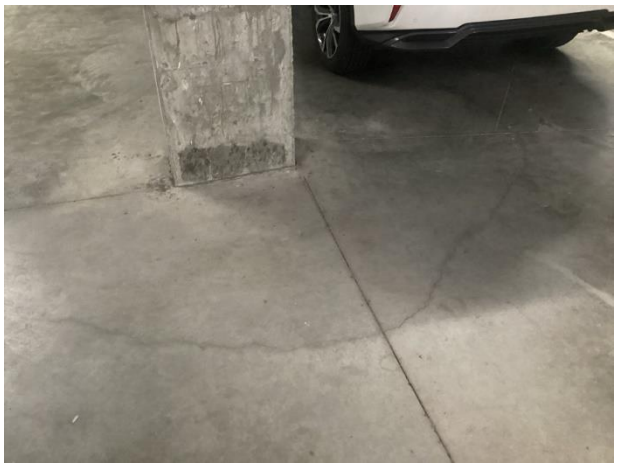
- We note isolated areas of cracks
- The overall condition of the floor drains is satisfactory
- Isolated areas of ponding water or evidence of poor drainage were noted
- Isolated areas of vehicular damage at the columns were noted



**On-grade garage floor overview**

**On-grade garage floor overview**

**Concrete cracks**



**Concrete cracks**

***Useful Life:*** Up to 90 years

***Preventative Maintenance Notes:*** We note the following select recommended preventative maintenance activities to maximize the remaining useful life:

- Semi-annually:
    - Clean floors and remove vehicular oil stains
- Annually:
    - Inspect for large cracks, concrete spalls and vehicular damage at walls and columns

- Verify drains are working properly and check for areas of extensive water ponding

***Priority/Criticality:*** Per Board discretion

***Expenditure Detail Notes:*** Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. Expenditures assume:

- Complete inspection of the floor
- Selective cut out and replacement of up to five percent (5%), or 390 square feet, of the on-grade concrete
- Crack repairs as needed

## Doors and Operators

***Line Item:*** 7.400

***Quantity:*** Two overhead sectional garage doors with operators

***History:*** Varied ages.

***Condition:*** Good overall

**Front entrance garage door**

**Rear entrance garage door**

***Useful Life:*** 8- to 15-years

***Preventative Maintenance Notes:*** The Association informs us preventative maintenance is conducted on a regular basis. We recommend the Association obtain and adhere to the manufacturer's recommended maintenance plan. The required preventative maintenance may vary in frequency and scope based on the unit's age, operational condition, or changes in technology. We note the following select recommended preventative maintenance activities to maximize the remaining useful life:

- Annually:
  - Lubricate chains, rollers and hinges

- As Needed
  - Clean tracks of any dirt and debris
  - Inspect door alignment
  - Replace springs
  - Replace sensor batteries (If applicable)

***Priority/Criticality:*** Per Board discretion

***Expenditure Detail Notes:*** Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. The Association should fund interim replacements of components through the operating budget.

# GENERAL - Exterior Building Elements

## Light Fixtures

***Line Item:*** 1.260

***Quantity:*** Approximately 75 exterior metal light fixtures accent the

***History:*** Original

***Condition:*** Good overall

**Exterior light fixture**

**Exterior light fixture**

***Useful Life:*** Up to 25 years

***Preventative Maintenance Notes:*** We note the following select recommended preventative maintenance activities to maximize the remaining useful life:

- As-needed:
  - Replace burned out bulbs at common fixtures as needed
  - Inspect and repair broken or dislodged fixtures
  - Ensure a waterproof seal between the fixture and building exists

***Priority/Criticality:*** Per Board discretion

***Expenditure Detail Notes:*** Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

# GENERAL - Interior Building Elements

## Clubhouse, Renovation

***Line Items:*** 2.050 and 2.055

***Quantity:*** The clubhouse interior components include:

- Tile floor coverings
- Paint finishes at the walls
- Acoustical ceiling tiles and grid and paint finishes
- Plumbing fixtures
- Furnishings
- Kitchen cabinets, countertops, and appliances
- Exercise equipment (The Association historically replaces the exercise equipment through the operating budget as needed)

***History:*** Partially renovated in 2023

***Condition:*** Good overall

**Clubhouse interior**

**Clubhouse interior**

**Clubhouse interior**

**Clubhouse interior**

***Useful Life:*** Complete renovation up to every 25 years and partial renovation every 8- to 12-years

***Priority/Criticality:*** Per Board discretion

***Expenditure Detail Notes:*** Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. The complete renovation should include replacement of all components listed above (with the exception of the exercise equipment) and the partial renovations should include the following:

- Paint finish applications to the walls and ceilings
- Replacement of up to fifty percent (50%) of the furnishings

## Elevator Cab Finishes

***Line Item:*** 2.100

***Quantity:*** One elevator; the cab finishes consist of:

- Tile floor coverings
- Laminate wall coverings
- Metal ceiling finishes

***History:*** Original

***Condition:*** Good overall

**Elevator cab finishes**

**Elevator cab finishes**

***Useful Life:*** Up to 25 years

***Priority/Criticality:*** Per Board discretion

***Expenditure Detail Notes:*** Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

## Lobby

***Line Items:*** 2.600 and 2.605

***Quantity:*** The lobby components include:

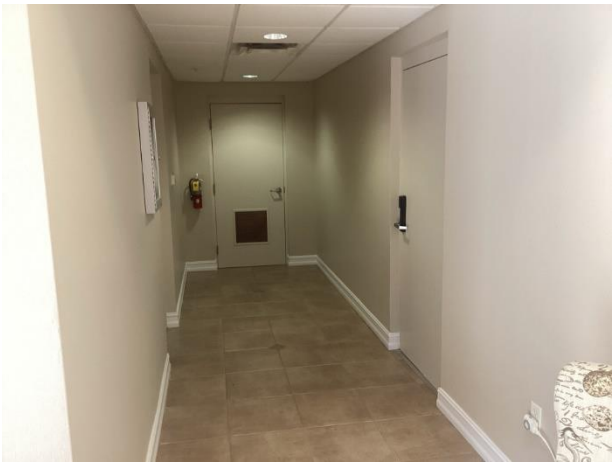
- Tile floor coverings
- Vinyl wall coverings and paint finishes
- Acoustical ceiling tiles and grid
- Furnishings
- Light fixtures

***History:*** Partially renovated in 2023.

***Condition:*** Good overall

**Lobby overview**

**Lobby overview**



**Lobby overview**

***Useful Life:*** Complete renovation up to every 25 years and partial renovation every 8- to 12-years, however, the scope and cost of lobby renovations may vary greatly based on the direction of the Board.

***Priority/Criticality:*** Per Board discretion

***Expenditure Detail Notes:*** Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. The complete renovation should include replacement of all components listed above and the partial renovations should include the following:

- Application of paint finishes
- Replacement of up to fifty percent (50%) of the furnishings

# GENERAL - Building Services Elements

## Air Handling and Condensing Units, Split Systems

***Line Item:*** 3.070

***Quantity:*** Two split systems

***History:*** Replaced in 2011 and 2018.

***Condition:*** Reported satisfactory without operational deficiencies

**Split system air handling unit**

**Split system condensing units**

***Useful Life:*** 12- to 18-years

***Component Detail Notes:*** A split system air conditioner consists of an outside condensing unit, an interior evaporator coil, refrigerant lines and an interior air handling unit. The condensing units have cooling capacities of five-tons.

***Preventative Maintenance Notes:*** The Association informs us preventative maintenance is conducted on a regular basis. We recommend the Association obtain and adhere to the manufacturer's recommended maintenance plan. The required preventative maintenance may vary in frequency and scope based on the unit's age, operational condition, or changes in technology. We note the following select recommended preventative maintenance activities to maximize the remaining useful life:

- Semi-annually:
  - Lubricate motors and bearings
  - Change or clean air filters as needed
  - Inspect condenser base and piping insulation
  - Inspect base pan, coil, cabinet and clear obstructions as necessary
- Annually:
  - Clean coils and drain pans, clean fan assembly, check refrigerant charge, inspect fan drive system and controls
  - Inspect and clean accessible ductwork as needed

- Clean debris from inside cabinet, inspect condenser compressor and associated tubing for damage

***Priority/Criticality:*** Defer only upon opinion of independent professional or engineer

***Expenditure Detail Notes:*** Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. The condensing unit may require replacement prior to replacement of the related interior forced air unit. For purposes of this Reserve Study, we assume coordination of replacement of the interior forced air unit, evaporator coil, refrigerant lines and exterior condensing unit.

## Boiler, Domestic Hot Water

***Line Item:*** 3.160

***Quantity:*** One *A.O. Smith* gas-fired boiler

***History:*** Replaced in 2023.

***Condition:*** Reported satisfactory without operational deficiencies

**Domestic water boiler**

***Useful Life:*** 15- to 20-years

***Component Detail Notes:*** The boiler has an input capacity of 200-MBH (thousand British Thermal Units per hour) to generate domestic hot water.

***Preventative Maintenance Notes:*** The status of preventative maintenance was unavailable to us during our inspection. We recommend the Association obtain and adhere to the manufacturer's recommended maintenance plan. We also recommend the Association maintain a maintenance contract with a qualified professional. The required preventative maintenance may vary in frequency and scope based on the unit's age, operational condition, or changes in technology. We note the following select recommended preventative maintenance activities to maximize the remaining useful life:

- Weekly:
  - Inspect for leaking water around boilers
  - Check temperature readings
  - Verify vent is unobstructed
  - Conduct boiler blowdown to minimize corrosion and remove suspended solids in system
  - Clean pilot and burner assemblies
- Monthly:
  - Check water and pressure levels
  - Check controls and switches for proper operating
  - Check and inspect condensate drain
  - Check all gaskets for tight sealing
- Annually:
  - Conduct full inspection of burners and flues
  - Clean and inspect tubes to reduce scaling
  - Inspect any pressure relief valves
  - Inspect electrical terminals and controls

***Priority/Criticality:*** Defer only upon opinion of independent professional or engineer

***Expenditure Detail Notes:*** Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. Our cost is based on information provided by the Association and includes an allowance for replacement of controls.

## Elevator, Hydraulic

***Line Items:*** 3.320 and 3.330

***Quantity:*** One *ThyssenKrupp* hydraulic passenger elevator

***History:*** Original

***Condition:*** Reported satisfactory and service interruptions are reportedly infrequent

**Hydraulic elevator equipment**

***Useful Life:*** Pumps and controls have a useful life of up to 25 years. Cylinders have a useful life of up to 40 years.

***Component Detail Notes:*** Major components in a hydraulic elevator system include the pump, controls, cylinder, fluid reservoir and a valve between the cylinder and reservoir. Once activated by the elevator controls, the pump forces hydraulic fluid from the reservoir into the cylinder. The piston within the cylinder rises lifting the elevator cab. The elevator cab lowers at a controlled rate when the controls open the valve.

***Preventative Maintenance Notes:*** The Association informs us preventative maintenance is conducted on a regular basis. We recommend the Association obtain and adhere to the manufacturer's recommended maintenance plan. The required preventative maintenance may vary in frequency and scope based on the unit's age, operational condition, or changes in technology. We note the following select recommended preventative maintenance activities to maximize the remaining useful life:

- Ongoing:
  - Maintain a maintenance contract with a qualified professional for the elevator(s) and follow the manufacturer's specific recommended maintenance plan adhering to local, state, and/or federal inspection guidelines
- As-needed:
  - Keep an accurate log of all repairs and inspection dates
  - Inspect and adjust misaligned door operators
  - Check for oil leaks or stains near the pump housing and confirm oil levels are adequate
  - Clear and remove any items located in the elevator machine room(s) not associated with the elevator components (These rooms should never be used for storage)
  - Lubricate the hydraulic cylinders
  - Inspect electrical components for signs of overheating or failure
  - Inspect spring buffers in elevator pit for signs of corrosion or loose attachments
  - Ensure air temperature and humidity of machine/pump housing room meets the designated specified range for proper operation
  - Ensure all call buttons are in working condition
  - Check elevator cabs for leveling accuracy to prevent tripping hazards

***Priority/Criticality:*** Defer only upon opinion of independent professional or engineer

***Expenditure Detail Notes:*** Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. We anticipate the following hydraulic elevator system components will require replacement:

- Cab control panel
- Door operator
- Hallway panels/buttons
- Microprocessor based controller

- Pump (Power Unit)

These costs may vary based on the desired scope of the actual replacements, changes in technology and requirements of local codes or ordinances at the actual times of replacements. However, we judge our estimated costs sufficient to budget appropriate reserves at this time. The Association should require the contractor to verify that elevator component replacements include all of the necessary features for the latest in elevator code compliance.

## Intercom Panel

***Line Item:*** 3.470

***Quantity:*** One each

***History:*** Replaced in 2020.

***Condition:*** Reported satisfactory without operational deficiencies

**Intercom panel**

***Useful Life:*** 15- to 20-years

***Preventative Maintenance Notes:*** We recommend the Association obtain and adhere to the manufacturer's recommended maintenance plan. The required preventative maintenance may vary in frequency and scope based on the unit's age, operational condition, or changes in technology. We note the following select recommended preventative maintenance activities to maximize the remaining useful life:

- Monthly:
  - Inspect panel for damage and ensure the panel is mounted securely, tighten or replace any loose or damaged fasteners.
  - Inspect panel for proper operation of buttons, displays, microphone and speaker.
- Annually:

- Check power connections, and if applicable, functionality of battery power supply systems

***Priority/Criticality:*** Per Board discretion

***Expenditure Detail Notes:*** Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

## Pumps, Domestic Water

***Line Item:*** 3.700

***Quantity:*** Two each

***History:*** Replaced in 2023.

***Condition:*** Reported satisfactory without operational deficiencies.

**Domestic water pumps**

***Useful Life:*** Up to 20 years

***Preventative Maintenance Notes:*** The status of preventative maintenance was unavailable to us during our inspection. We recommend the Association obtain and adhere to the manufacturer's recommended maintenance plan. We also recommend the Association maintain a maintenance contract with a qualified professional. The required preventative maintenance may vary in frequency and scope based on the unit's age, operational condition, or changes in technology. Valuable motor information to note in a preventative maintenance plan or schedule includes age of unit and last time of repair, horsepower and rpm (revolutions per minute), bearing type and conditions surrounding motor/pump. We note the following select recommended preventative maintenance activities to maximize the remaining useful life:

- Weekly:
  - Check/adjust controls
  - Check/adjust pressure levels

- Check for leaks
- Conduct churn tests

- Quarterly:
  - Inspect/clean motors
  - Inspect mountings and connections for proper alignment, torque and condition
  - Inspect/replace pump packing as needed, consider replacement with mechanical seals
  - Check for appropriate oil levels
- Semi-annually:
  - Lubricate pumps, motors and motor bearings
- Annually:
  - Clean filters if present
  - Assess proper internal component performance and replace damaged or malfunction components as necessary, and tighten fittings
  - Access temperature and vibration performance of motors in accordance with the intended design

***Priority/Criticality:*** Defer only upon opinion of independent professional or engineer

***Expenditure Detail Notes:*** Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. Our costs include an allowance for replacement of the variable frequency drives (VFD) and controls.

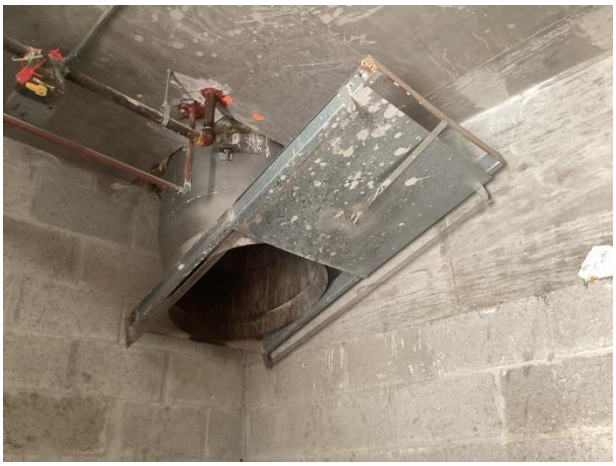
## Trash Chute and Doors

***Line Item:*** 3.880

***Quantity:*** One trash chute

***History:*** Original

***Condition:*** Reported satisfactory without operational deficiencies



**Trash chute**

**Trash chute door**

***Useful Life:*** Up to 50 years.

***Component Detail Notes:*** Damaged doors or poor door operation will result in a decreased useful life. The Association should fund interim repairs and partial replacements of the doors through the operating budget.

***Preventative Maintenance Notes:*** The Association informs us preventative maintenance is conducted on a regular basis. We recommend the Association obtain and adhere to the manufacturer's recommended maintenance plan. . We note the following select recommended preventative maintenance activities to maximize the remaining useful life:

- Weekly:
  - Clean doors and latches
  - In accordance with *NFPA 82* and fire code, ensure all trash chute doors self-latch and self-close
- Monthly:
  - Check operation of discharge door
  - Inspect fusible link and replace if necessary
  - If applicable, inspect, reinforce and/or replace discharge elbow
- Quarterly:
  - If applicable, check vent cap for damage and tighten fasteners
- Semi-annually:
  - Lubricate and/or replace doors, hinges and latches
  - Clear obstructions, clean and scrape trash chute and doors. The frequency of this activity may vary based upon occupancy and usage rates. This activity may also be based upon limitation of unwanted odors, prevention of harmful bacteria, pest infiltration and debris removal to further prevent fire hazards.

***Priority/Criticality:*** Per Board discretion

***Expenditure Detail Notes:*** Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

# GENERAL - Property Site Elements

## Concrete Access Drive

***Line Item:*** 4.120

***Quantity:*** Approximately 5,700 square feet

***Condition:*** Good to fair overall with periodic cracks evident.

**Concrete cracks**

**Concrete cracks**

**Concrete cracks**

**Concrete cracks**

***Useful Life:*** Up to 65 years although interim deterioration of areas is common

***Preventative Maintenance Notes:*** We note the following select recommended preventative maintenance activities to maximize the remaining useful life:

- Annually:
    - Inspect and repair major cracks, spalls and trip hazards
    - Mark with orange safety paint prior to replacement or repair

- Repair or perform concrete leveling in areas in immediate need of repair or possible safety hazard

***Priority/Criticality:*** Per Board discretion

***Expenditure Detail Notes:*** Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. We estimate that up to 1,740 square feet of concrete driveways, or thirty-one percent (30.5%) of the total, will require replacement during the next 30 years.

## Docks and Pilings, Wood

***Line Items:*** 4.395 and 4.400

***Quantity:*** Approximately 510 square feet of wood deck boards and framing and a concrete tile roof

***History:*** The dock is original and the Association plans to replace the deck boards in 2024

***Condition:*** Fair overall with damaged deck boards evident.

**Dock with wood decking**

**Deck board damage**

***Useful Life:*** Up to 35 years for complete replacement and 12- to 18-years for interim replacement of the decking and structure repairs

***Component Detail Notes:*** The wood docks sit atop wood pilings. The height of the docks are manually adjustable at the piles to accommodate changes in water levels. Riverside Landing should fund this activity through the operating budget when necessary. Riverside Landing should also anticipate replacement of the utility lines for the docks at the time of replacement.

***Priority/Criticality:*** Defer only upon opinion of independent professional or engineer

***Expenditure Detail Notes:*** Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. Our cost for repairs includes allowances for complete replacement of the decking and partial replacement of up to ten percent (10%) of the structure and pilings.

# GENERAL - Pool Elements

## Deck, Pavers

***Line Item:*** 6.200

***Quantity:*** 1,300 square feet

***History:*** Original

***Condition:*** Good to fair overall with periodic settlement evident.

**Paver pool deck overview**

**Paver settlement**


**Paver settlement**

***Useful Life:*** Up to 25 years

***Preventative Maintenance Notes:*** We note the following select recommended preventative maintenance activities to maximize the remaining useful life:

- Annually:
    - Inspect and repair settlement, trip hazards and significant paver spall
    - Reset and/or reseal damaged pavers as necessary
    - Periodically clean and remove overgrown vegetation as needed

***Priority/Criticality:*** Defer only upon opinion of independent professional or engineer

***Expenditure Detail Notes:*** Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. We recommend the Association fund interim inspections, partial replacements and repairs through the operating budget.

## Mechanical Equipment, Heater

***Line Item:*** 6.599

***Quantity:*** One heater

***History:*** The age was unavailable at the time of our inspection

***Condition:*** Reported satisfactory without operational deficiencies

**Pool mechanical equipment**

***Useful Life:*** Up to 15 years

***Preventative Maintenance Notes:*** The status of preventative maintenance was unavailable to us during our inspection. We recommend the Association maintain a maintenance contract with a qualified professional and follow the manufacturer's specific recommended maintenance and local, state and/or federal inspection guidelines.

***Priority/Criticality:*** Defer only upon opinion of independent professional or engineer

***Expenditure Detail Notes:*** Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. Management and the Board inform us the Association funds replacement of the pool filters and pumps through the operating budget as needed.

## Pool Finishes, Plaster and Tile

***Line Items:*** 6.800 and 6.801

***Quantity:*** 500 square feet of plaster based on the horizontal surface area and approximately 120 linear feet of tile. This quantity includes the spa pool finishes.

***History:***

- Plaster finish: The age was unavailable at the time of our inspection.
- Tile: Original

***Condition:*** Good overall

**Pool plaster overview**

**Spa plaster overview**

***Useful Life:*** 8- to 12-years for the plaster and 15- to 25-years for the tile

***Preventative Maintenance Notes:*** We note the following select recommended preventative maintenance activities to maximize the remaining useful life:

- Semi-annually:
    - Inspect and patch areas of significant plaster delamination, coping damage and structure cracks
    - Inspect main drain connection and anti-entrapment covers, pressure test circulation piping and valves
    - Test handrails and safety features for proper operation

***Priority/Criticality:*** Defer only upon opinion of independent professional or engineer

***Expenditure Detail Notes:*** Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. We recommend the Association budget for full tile

replacement every other plaster replacement event. Removal and replacement of the finish provides the opportunity to inspect the pool structure and to allow for partial repairs of the underlying concrete surfaces as needed. To maintain the integrity of the pool structure, we recommend the Association budget for the following:

- Removal and replacement of the plaster finish
- Partial replacements of the scuppers and coping as needed
- Replacement of tiles as needed
- Replacement of joint sealants as needed
- Concrete structure repairs as needed

# GENERAL - Garage Elements

## Exhaust System

***Line Item:*** 7.460

***Quantity:*** System includes:

- Carbon monoxide detectors
- Exhaust fans
- Louvers

***History:*** Original

***Condition:*** Reported satisfactory without operational deficiencies

**Exhaust fan**

**Mechanical louvers**

***Useful Life:*** Up to 35 years

***Preventative Maintenance Notes:*** The Association informs us preventative maintenance is conducted on a regular basis. We recommend the Association obtain and adhere to the manufacturer's recommended maintenance plan. The required preventative maintenance may vary in frequency and scope based on the unit's age,

operational condition, or changes in technology. We note the following select recommended preventative maintenance activities to maximize the remaining useful life:

- Monthly:
  - Check unit for unusual noises and vibrations
- Quarterly:
  - Test carbon monoxide detectors for proper operation
  - Inspect belts for wear, adjust tension and replace as needed
  - Inspect/clean fan blades
  - Inspect/replace anti-vibration mounts as needed
  - Check motors for proper operation
  - Replace filters as applicable
- Semi-annually:
  - Lubricate fan and motor bearings if bearings are not sealed according to manufacturer's recommendation
  - Inspect/clean inlets, shafts and outlets
  - Ensure louvers and dampers are unclogged and operable

***Priority/Criticality:*** Defer only upon opinion of independent professional or engineer

***Expenditure Detail Notes:*** Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. We regard interim repairs or partial replacements of components as normal maintenance.

## Light Fixtures

***Line Item:*** 7.600

***Quantity:*** Approximately 32 light fixtures

***History:*** Original

***Condition:*** Reported satisfactory

**Garage light fixture**

***Useful Life:*** Up to 30 years

***Preventative Maintenance Notes:*** We note the following select recommended preventative maintenance activities to maximize the remaining useful life:

- As-needed:
  - Inspect and replace/repair broken or dislodged fixtures
  - Replace burned out bulbs

***Priority/Criticality:*** Per Board discretion

***Expenditure Detail Notes:*** Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

## Reserve Study Update

An ongoing review by the Board and an Update of this Reserve Study are necessary to ensure an equitable funding plan since a Reserve Study is a snapshot in time. Many variables change after the study is conducted that may result in significant overfunding or underfunding the reserve account. Variables that may affect the Reserve Funding Plan include, but are not limited to:

- Deferred or accelerated capital projects based on Board discretion
- Changes in the interest rates on reserve investments
- Changes in the *local* construction inflation rate
- Additions and deletions to the Reserve Component Inventory
- The presence or absence of maintenance programs
- Unusually mild or extreme weather conditions
- Technological advancements

Periodic updates incorporate these variable changes since the last Reserve Study or Update. We recommend the Board budget for an Update to this Reserve Study in two- to three-years. Budgeting for an Update demonstrates the Board's objective to continue fulfilling its fiduciary responsibility to maintain the commonly owned property and to fund reserves appropriately.

# 5. METHODOLOGY

Reserves for replacement are the amounts of money required for future expenditures to repair or replace Reserve Components that wear out before the entire facility or project wears out. Reserving funds for future repair or replacement of the Reserve Components is also one of the most reliable ways of protecting the value of the property's infrastructure and marketability.

Riverside Landing can fund capital repairs and replacements in any combination of the following:

1. Increases in the operating budget during years when the shortages occur
2. Loans using borrowed capital for major replacement projects
3. Level monthly reserve assessments annually adjusted upward for inflation to increase reserves to fund the expected major future expenditures
4. Special assessments

We do not advocate special assessments or loans unless near term circumstances dictate otherwise. Although loans provide a gradual method of funding a replacement, the costs are higher than if the Association were to accumulate reserves ahead of the actual replacement. Interest earnings on reserves also accumulate in this process of saving or reserving for future replacements, thereby defraying the amount of gradual reserve collections. We advocate the third method of *Level Monthly Reserve Assessments* with relatively minor annual adjustments. The method ensures that Owners pay their "fair share" of the weathering and aging of the commonly owned property each year. Level reserve assessments preserve the property and enhance the resale value of the homes.

This Reserve Study is in compliance with Florida Statute 718.112 and exceeds the National standards[1] set forth by the Association of Professional Reserve Analysts (APRA) fulfilling the requirements of a "Level I Full Reserve Study." These standards require a Reserve Component to have a "predictable remaining Useful Life." Estimating Remaining Useful Lives and Reserve Expenditures beyond 30 years is often indeterminate. Long-Lived Property Elements are necessarily excluded from this analysis. We considered the following factors in our analysis:

- The Cash Flow Method to compute, project and illustrate the 30-year Reserve Funding Plan
- Local[2] costs of material, equipment and labor
- Current and future costs of replacement for the Reserve Components
- Costs of demolition as part of the cost of replacement
- Local economic conditions and a historical perspective to arrive at our estimate of long-term future inflation for construction costs in Cocoa, Florida at an annual inflation rate[3]. Isolated or regional markets of greater

[1] Identified in the APRA "Standards - Terms and Definitions" and the CAI "Terms and Definitions".
[2] See Credentials for additional information on our use of published sources of cost data.
[3] Derived from Marshall & Swift, historical costs and the Bureau of Labor Statistics.

construction (development) activity may experience slightly greater rates of inflation for both construction materials and labor.

- The past and current maintenance practices of Riverside Landing and their effects on remaining useful lives
- Financial information provided by the Association pertaining to the cash status of the reserve fund and budgeted reserve contribution
- The anticipated effects of appreciation of the reserves over time in accord with a return or yield on investment of your cash equivalent assets. (We did not consider the costs, if any, of Federal and State Taxes on income derived from interest and/or dividend income).
- The Funding Plan excludes necessary operating budget expenditures. It is our understanding that future operating budgets will provide for the ongoing normal maintenance of Reserve Components.

Updates to this Reserve Study will continue to monitor historical facts and trends concerning the external market conditions.

# 6. CREDENTIALS

## HISTORY AND DEPTH OF SERVICE

**Founded in 1991,** Reserve Advisors is the leading provider of reserve studies, insurance appraisals, developer turnover transition studies, expert witness services, and other engineering consulting services. Clients include community associations, resort properties, hotels, clubs, non-profit organizations, apartment building owners, religious and educational institutions, and office/commercial building owners in 48 states, Canada and throughout the world.

The **architectural engineering consulting firm** was formed to take a leadership role in helping fiduciaries, boards, and property managers manage their property like a business with a long-range master plan known as a Reserve Study.

Reserve Advisors employs the **largest staff of Reserve Specialists** with bachelor's degrees in engineering dedicated to Reserve Study services. Our founders are also founders of Community Associations Institute's (CAI) Reserve Committee that developed national standards for reserve study providers. One of our founders is a Past President of the Association of Professional Reserve Analysts (APRA). Our vast experience with a variety of building types and ages, on-site examination and historical analyses are keys to determining accurate remaining useful life estimates of building components.

**No Conflict of Interest** - As consulting specialists, our **independent opinion** eliminates any real or perceived conflict of interest because we do not conduct or manage capital projects.

## TOTAL STAFF INVOLVEMENT

Several staff members participate in each assignment. The responsible advisor involves the staff through a Team Review, exclusive to Reserve Advisors, and by utilizing the experience of other staff members, each of whom has served hundreds of clients. We conduct Team Reviews, an internal quality assurance review of each assignment, including: the inspection; building component costing; lifing; and technical report phases of the assignment. Due to our extensive experience with building components, we do not have a need to utilize subcontractors.

## OUR GOAL

To help our clients fulfill their fiduciary responsibilities to maintain property in good condition.

## VAST EXPERIENCE WITH A VARIETY OF BUILDINGS

Reserve Advisors has conducted reserve studies for a multitude of different communities and building types. We've analyzed thousands of buildings, from as small as a 3,500-square foot day care center to a 2,600,000-square foot 98-story highrise. We also routinely inspect buildings with various types of mechanical systems such as simple electric heat, to complex systems with air handlers, chillers, boilers, elevators, and life safety and security systems.

We're familiar with all types of building exteriors as well. Our well-versed staff regularly identifies optimal repair and replacement solutions for such building exterior surfaces such as adobe, brick, stone, concrete, stucco, EIFS, wood products, stained glass and aluminum siding, and window wall systems.

## OLD TO NEW

Reserve Advisors' experience includes ornate and vintage buildings as well as modern structures. Our specialists are no strangers to older buildings. We're accustomed to addressing the unique challenges posed by buildings that date to the 1800's. We recognize and consider the methods of construction employed into our analysis. We recommend appropriate replacement programs that apply cost effective technologies while maintaining a building's character and appeal.

**NICHOLAS M. JOHANNING, E.I.T., RS**
**Responsible Advisor**

## CURRENT CLIENT SERVICES

Nicholas M. Johanning, a Civil Engineer, is an Advisor for Reserve Advisors. Mr. Johanning is responsible for the inspection and analysis of the condition of clients' properties, and recommending engineering solutions to prolong the lives of the components. He also forecasts capital expenditures for the repair and/or replacement of the property components and prepares technical reports on assignments. He is responsible for conducting Life Cycle Cost Analysis and Capital Replacement Forecast services on townhomes, homeowners associations, planned unit developments and recreational associations.

The following is a partial list of clients served by Nicholas Johanning demonstrating his breadth of experiential knowledge of community associations in construction and related buildings systems.

**Ranch at Roaring Fork Homeowners Association, Inc.** Situated in Carbondale, Colorado, this community features 162 single family homes and 60 units in 14 condominium buildings. The Association features a golf course, water treatment facility and asphalt pavement streets.

**Hampden Terrace Homeowners Association** Built in 2002, this community of 50 units in seven buildings is located in Aurora, CO. These uniquely shaped buildings feature masonry veneer walls, balconies, patios and asphalt shingle roofs. The property includes concrete access streets and sidewalks, masonry retaining walls and an inviting entrance monument.

**Lorian at Prospect Creek Owners Association, Inc.** Located in picturesque Mountain Village, Colorado, this condominium style development of 20 units features an outdoor pool, concrete plaza deck and two common underground garages.

**The Town Homes at Coal Creek Homeowners Association** This townhome style development of 112 units in 29 buildings and is located in Louisville, Colorado. Exterior features of the buildings include stucco wall finishes and asphalt shingle roofs and the site contains a pool, concrete flatwork and asphalt pavement streets.

**Cornerstone Lake Condominium Association, Inc.** This townhome style development of 122 units in 16 buildings is located in Farmington, Minnesota. Exterior features of the buildings include vinyl siding, brick masonry and asphalt shingle roofs. The site consists of a pond, asphalt pavement, concrete flatwork, vinyl fences and an irrigation system.

**Blue Water Keyes Horizontal Property Regime** Built in 2006, this 14-story mid-rise in Myrtle Beach, South Carolina includes stucco exterior finishes, a modified bitumen roof, indoor and outdoor poles, and concrete breezeways and balconies. The building also utilizes two elevators, and various pool mechanical equipment, including a dehumidifier.

## PRIOR RELEVANT EXPERIENCE

Before joining Reserve Advisors, Mr. Johanning attended the University of Toledo in Toledo, Ohio where he attained his Bachelor of Science degree in Civil Engineering. During his time at the University of Toledo, Mr. Johanning helped his senior design group develop a water reduction plan for the buildings on the University of Toledo's campus. This project included designs for improving fixture efficiencies within selected buildings and estimations of water reduction and financial savings. Mr. Johanning also interned for The Douglas Company and R.A. Plumbing and Heating as an estimating engineer.

## EDUCATION

University of Toledo - B.S. Civil Engineering

## PROFESSIONAL AFFILIATIONS / DESIGNATIONS

*Engineer In Training (E.I.T.) Registration*
*Reserve Specialist (RS)* - Community Associations Institute

**TAMARA S. SAMHOURI, E.I., RS**
**Southeast Quality Assurance Engineer**

## CURRENT CLIENT SERVICES

Tamara Samhouri, a Civil Engineer, is an Advisor for ***Reserve Advisors.*** Mrs. Samhouri is responsible for the inspection and analysis of the condition of clients' properties, and recommending engineering solutions to prolong the lives of the components. She also forecasts capital expenditures for the repair and/or replacement of the property components and prepares technical reports on assignments. She is responsible for conducting Life Cycle Cost Analyses and Capital Replacement Forecast services and the preparation of Reserve Study Reports for condominiums, townhomes and homeowner associations.

The following is a partial list of clients served by Tamara Samhouri demonstrating her breadth of experiential knowledge of community associations in construction and related buildings systems.

**North Lake at Tarpon Springs Homeowners Association** Located in Tarpon Springs, Florida, this single family development consists of 122 homes built in 1999. The Association maintains the asphalt pavement street systems, ponds, gates, signage, & a boardwalk and dock assembly.

**Talon Bay Property Owners Association** This Homeowners Association located in North Port, Florida is comprised of 233 single unit homes. The clubhouse in this community includes a fitness center, kitchen, rest rooms, and a patio leading to a pool deck. The clubhouse and gate house were constructed with stucco façade and a metal roof assembly. The Association maintains asphalt pavement street systems, tennis and shuffleboard courts, and gates.

**Lake Highlander Resident Owned Association** This Cooperative style development located in Dunedin, Florida is comprised of 293 homes built in the 1960s. The community maintains amenities, such as a laundry room, pool hall, library, office, and clubhouse. The Cooperative maintains the subsurface pipes, electric meter panels, and bridges throughout the community.

**Royal Pointe at Majestic Palms Recreation Association and Condominium Associations** The Recreation Association is responsible for the elements shared by five condominium buildings. The Recreation Association maintains the pool amenities & asphalt pavement street systems. The Condominium Associations are responsible for their building exteriors comprised of concrete tile roofs, balconies, breezeways, & staircases. The Condominium Associations maintain the building service elements, including life safety systems, & domestic water pumps.

## PRIOR RELEVANT EXPERIENCE

Before joining ***Reserve Advisors,*** Mrs. Samhouri successfully completed the bachelors program in Civil Engineering from The University of South Florida. She has experience as a Transportation Planning Intern at AECOM, the world's premier infrastructure consulting firm, where she gained knowledge on the safety and design of specialized roadway networks. Mrs. Samhouri has an expertise in transportation and geotechnical engineering infrastructure.

## EDUCATION

University of South Florida - B.S. Civil Engineering

## PROFESSIONAL AFFILIATIONS / DESIGNATIONS

*Engineering Intern (E.I.)* – Florida, 2021-present
*American Society of Civil Engineers (A.S.C.E.)* – Florida, 2015-present
*Institute of Transportation Engineers (I.T.E.)* – Florida, 2015-present
*Reserve Specialist (RS)* - Community Association Institute (CAI)

**ALAN M. EBERT, P.E., PRA, RS**
**Director of Quality Assurance**

## CURRENT CLIENT SERVICES

Alan M. Ebert, a Professional Engineer, is the Director of Quality Assurance for Reserve Advisors. Mr. Ebert is responsible for the management, review and quality assurance of reserve studies. In this role, he assumes the responsibility of stringent report review analysis to assure report accuracy and the best solution for Reserve Advisors' clients.

Mr. Ebert has been involved with thousands of Reserve Study assignments. The following is a partial list of clients served by Alan Ebert demonstrating his breadth of experiential knowledge of community associations in construction and related buildings systems.

**Brownsville Winter Haven** Located in Brownsville, Texas, this unique homeowners association contains 525 units. The Association maintains three pools and pool houses, a community and management office, landscape and maintenance equipment, and nine irrigation canals with associated infrastructure.

**Rosemont Condominiums** This unique condominium is located in Alexandria, Virginia and dates to the 1940's. The two mid-rise buildings utilize decorative stone and brick masonry. The development features common interior spaces, multi-level wood balconies and common asphalt parking areas.

**Stillwater Homeowners Association** Located in Naperville, Illinois, Stillwater Homeowners Association maintains four tennis courts, an Olympic sized pool and an upscale ballroom with commercial-grade kitchen. The community also maintains three storm water retention ponds and a detention basin.

**Birchfield Community Services Association** This extensive Association comprises seven separate parcels which include 505 townhome and single family homes. This Community Services Association is located in Mt. Laurel, New Jersey. Three lakes, a pool, a clubhouse and management office, wood carports, aluminum siding, and asphalt shingle roofs are a few of the elements maintained by the Association.

**Oakridge Manor Condominium Association** Located in Londonderry, New Hampshire, this Association includes 104 units at 13 buildings. In addition to extensive roads and parking areas, the Association maintains a large septic system and significant concrete retaining walls.

**Memorial Lofts Homeowners Association** This upscale high rise is located in Houston, Texas. The 20 luxury units include large balconies and decorative interior hallways. The 10-story building utilizes a painted stucco facade and TPO roof, while an on-grade garage serves residents and guests.

## PRIOR RELEVANT EXPERIENCE

Mr. Ebert earned his Bachelor of Science degree in Geological Engineering from the University of Wisconsin-Madison. His relevant course work includes foundations, retaining walls, and slope stability. Before joining Reserve Advisors, Mr. Ebert was an oilfield engineer and tested and evaluated hundreds of oil and gas wells throughout North America.

## EDUCATION

University of Wisconsin-Madison - B.S. Geological Engineering

## PROFESSIONAL AFFILIATIONS/DESIGNATIONS

*Professional Engineering License* – Wisconsin, North Carolina, Illinois, Colorado
*Reserve Specialist (RS)* **-** Community Associations Institute
*Professional Reserve Analyst (PRA)* **-** Association of Professional Reserve Analysts

# RESOURCES

Reserve Advisors utilizes numerous resources of national and local data to conduct its Professional Services. A concise list of several of these resources follows:

**Association of Construction Inspectors**, (ACI) the largest professional organization for those involved in construction inspection and construction project management. ACI is also the leading association providing standards, guidelines, regulations, education, training, and professional recognition in a field that has quickly become important procedure for both residential and commercial construction, found on the web at www.iami.org.

**American Society of Heating, Refrigerating and Air-Conditioning Engineers, Inc**., (ASHRAE) the American Society of Heating, Refrigerating and Air-Conditioning Engineers, Inc., devoted to the arts and sciences of heating, ventilation, air conditioning and refrigeration; recognized as the foremost, authoritative, timely and responsive source of technical and educational information, standards and guidelines, found on the web at www.ashrae.org. Reserve Advisors actively participates in its local chapter and holds individual memberships.

**Community Associations Institute**, (CAI) America's leading advocate for responsible communities noted as the only national organization dedicated to fostering vibrant, responsive, competent community associations. Their mission is to assist community associations in promoting harmony, community, and responsible leadership.

**Marshall & Swift / Boeckh**, (MS/B) the worldwide provider of building cost data, co-sourcing solutions, and estimating technology for the property and casualty insurance industry found on the web at www.marshallswift.com.

**R.S. Means CostWorks**, North America's leading supplier of construction cost information. As a member of the Construction Market Data Group, Means provides accurate and up-to-date cost information that helps owners, developers, architects, engineers, contractors and others to carefully and precisely project and control the cost of both new building construction and renovation projects found on the web at www.rsmeans.com.

Reserve Advisors' library of numerous periodicals relating to reserve studies, condition analyses, chapter community associations, and historical costs from thousands of capital repair and replacement projects, and product literature from manufacturers of building products and building systems.

# 7. DEFINITIONS

Definitions are derived from the standards set forth by the Community Associations Institute (CAI) representing America's 305,000 condominium and homeowners associations and cooperatives, and the Association of Professional Reserve Analysts, setting the standards of care for reserve study practitioners.

**Cash Flow Method** - A method of calculating Reserve Contributions where contributions to the reserve fund are designed to offset the variable annual expenditures from the reserve fund. Different Reserve Funding Plans are tested against the anticipated schedule of reserve expenses until the desired funding goal is achieved.

**Component Method** - A method of developing a Reserve Funding Plan with the total contribution is based on the sum of the contributions for individual components.

**Current Cost of Replacement** - That amount required today derived from the quantity of a *Reserve Component* and its unit cost to replace or repair a Reserve Component using the most current technology and construction materials, duplicating the productive utility of the existing property at current *local* market prices for *materials*, *labor* and manufactured equipment, contractors' overhead, profit and fees, but without provisions for building permits, overtime, bonuses for labor or premiums for material and equipment. We include removal and disposal costs where applicable.

**Fully Funded Balance** - The Reserve balance that is in direct proportion to the fraction of life "used up" of the current Repair or Replacement cost similar to Total Accrued Depreciation.

**Funding Goal (Threshold)** - The stated purpose of this Reserve Study is to determine the adequate, not excessive, minimal threshold reserve balances.

**Future Cost of Replacement** - *Reserve Expenditure* derived from the inflated current cost of replacement or current cost of replacement as defined above, with consideration given to the effects of inflation on local market rates for materials, labor and equipment.

**Long-Lived Property Component** - Property component of Riverside Landing responsibility not likely to require capital repair or replacement during the next 30 years with an unpredictable remaining Useful Life beyond the next 30 years.

**Percent Funded** - The ratio, at a particular point of time (typically the beginning of the Fiscal Year), of the actual (or projected) Reserve Balance to the Fully Funded Balance, expressed as a percentage.

**Remaining Useful Life** - The estimated remaining functional or useful time in years of a *Reserve Component* based on its age, condition and maintenance.

**Reserve Component** - Property elements with: 1) Riverside Landing responsibility; 2) limited Useful Life expectancies; 3) predictable Remaining Useful Life expectancies; and 4) a replacement cost above a minimum threshold.

**Reserve Component Inventory** - Line Items in ***Reserve Expenditures*** that identify a *Reserve Component*.

**Reserve Contribution** - An amount of money set aside or *Reserve Assessment* contributed to a *Reserve Fund* for future *Reserve Expenditures* to repair or replace *Reserve Components*.

**Reserve Expenditure** - Future Cost of Replacement of a Reserve Component.

**Reserve Fund Status** - The accumulated amount of reserves in dollars at a given point in time, i.e., at year end.

**Reserve Funding Plan** - The portion of the Reserve Study identifying the *Cash Flow Analysis* and containing the recommended Reserve Contributions and projected annual expenditures, interest earned and reserve balances.

**Reserve Study** - A budget planning tool that identifies the current status of the reserve fund and a stable and equitable Funding Plan to offset the anticipated future major common area expenditures.

**Useful Life** - The anticipated total time in years that a *Reserve Component* is expected to serve its intended function in its present application or installation.

**Structural Integrity Reserve Study** - A budget planning tool that separates items depicted in Florida Statute 718.112(2)(g), identifies the current status of the reserve fund and a stable and equitable Funding Plan to offset the anticipated future major common area expenditures

# 8. PROFESSIONAL SERVICE CONDITIONS

**Our Services -** Reserve Advisors, LLC ("RA") performs its services as an independent contractor in accordance with our professional practice standards and its compensation is not contingent upon our conclusions. The purpose of our structural integrity reserve study ("SIRS") is to provide a budget planning tool that identifies the current status of the reserve fund, and an opinion recommending an annual funding plan, to create reserves for anticipated future replacement expenditures of the subject property. The purpose of our energy benchmarking services is to track, collect and summarize the subject property's energy consumption over time for your use in comparison with other buildings of similar size and establishing a performance baseline for your planning of long-term energy efficiency goals.

Our inspection and analysis of the subject property is limited to visual observations, is noninvasive and is not meant to nor does it include investigation into statutory, regulatory or code compliance. RA inspects sloped roofs from the ground and inspects flat roofs where safe access (stairs or ladder permanently attached to the structure) is available. Our energy benchmarking services with respect to the subject property is limited to collecting energy and utility data and summarizing such data in the form of an Energy Star Portfolio Manager Report or any other similar report, and hereby expressly excludes any recommendations with respect to the results of such energy benchmarking services or the accuracy of the energy information obtained from utility companies and other third-party sources with respect to the subject property. SIRS and any energy benchmarking report (i.e., any Energy Star Portfolio Manager Report) (including any subsequent revisions thereto pursuant to the terms hereof, collectively, the "Report") are based upon a "snapshot in time" at the moment of inspection. RA may note visible physical defects in the Report. Other than the visual inspection conducted in connection with the SIRS (which visual inspection shall be conducted by a licensed architect or engineer (in RA's sole discretion)) (the "SIRS Visual Inspection"), the study will be performed by employees generally familiar with real estate and building construction. Except to the extent readily apparent to RA during the SIRS Visual Inspection, RA cannot and shall not opine on the structural integrity of or other physical defects in the property under any circumstances. Without limitation to the foregoing, RA cannot and shall not opine on, nor is RA responsible for, the property's conformity to specific governmental code requirements for fire, building, earthquake, occupancy or otherwise.

RA is not responsible for conditions that have changed between the time of inspection and the issuance of the Report. RA does not provide invasive testing on any mechanical systems that provide energy to the property, nor can RA opine on any system components that are not easily accessible during the inspection. RA does not investigate, nor assume any responsibility for any existence or impact of any hazardous materials, such as asbestos, urea-formaldehyde foam insulation, other chemicals, toxic wastes, environmental mold or other potentially hazardous materials or structural defects that are latent or hidden defects which may or may not be present on or within the property. RA does not make any soil analysis or geological study as part of its services, nor does RA investigate vapor, water, oil, gas, coal, or other subsurface mineral and use rights or such hidden conditions, and RA assumes no responsibility for any such conditions. The Report contains opinions of estimated replacement costs or deferred maintenance expenses and remaining useful lives, which are neither a guarantee of the actual costs or expenses of replacement or deferred maintenance nor a guarantee of remaining useful lives of any property element.

RA assumes, without independent verification, the accuracy of all data provided to it. Except to the extent resulting from RA's willful misconduct in connection with the performance of its obligations under this agreement, you agree to indemnify, defend, and hold RA and its affiliates, officers, managers, employees, agents, successors and assigns (each, an "RA Party") harmless from and against (and promptly reimburse each RA Party for) any and all losses, claims, actions, demands, judgments, orders, damages, expenses or liabilities, including, without limitation, reasonable attorneys' fees, asserted against or to which any RA Party may become subject in connection with this engagement, including, without limitation, as a result of any false, misleading or incomplete information which RA relied upon that was supplied by you or others under your direction, or which may result from any improper use or reliance on the Report by you or third parties under your control or direction or to whom you provided the Report. NOTWITHSTANDING ANY OTHER PROVISION HEREIN TO THE CONTRARY, THE AGGREGATE LIABILITY (IF ANY) OF RA WITH RESPECT TO THIS AGREEMENT AND RA'S OBLIGATIONS HEREUNDER IS LIMITED TO THE AMOUNT OF THE FEES ACTUALLY RECEIVED BY RA FROM YOU FOR THE SERVICES AND REPORT PERFORMED BY RA UNDER THIS AGREEMENT, WHETHER ARISING IN CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY OR OTHERWISE. YOUR REMEDIES SET FORTH HEREIN ARE EXCLUSIVE AND ARE YOUR SOLE REMEDIES FOR ANY FAILURE OF RA TO COMPLY WITH ITS OBLIGATIONS HEREUNDER OR OTHERWISE. RA SHALL NOT BE LIABLE FOR ANY SPECIAL, INDIRECT, INCIDENTAL, CONSEQUENTIAL, PUNITIVE OR EXEMPLARY DAMAGES OF ANY KIND, INCLUDING, BUT NOT LIMITED TO, ANY LOST PROFITS AND LOST SAVINGS, LOSS OF USE OR INTERRUPTION OF BUSINESS, HOWEVER CAUSED, WHETHER ARISING IN CONTRACT, TORT (INCLUDING NEGLIGENCE), BREACH OF WARRANTY, STRICT LIABILITY OR OTHERWISE, EVEN IF RA HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. IN NO EVENT WILL RA BE LIABLE FOR THE COST OF PROCUREMENT OF SUBSTITUTE GOODS OR SERVICES. RA DISCLAIMS ALL REPRESENTATIONS AND WARRANTIES WHATSOEVER, EXPRESS OR IMPLIED OR OF ANY NATURE, WITH REGARD TO THE SERVICES AND THE REPORT, INCLUDING, WITHOUT LIMITATION, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

**Report -** RA will complete the services in accordance with the Proposal. The Report represents a valid opinion of RA's findings and recommendations with respect to the reserve study and is deemed complete. RA will consider any additional information made available to RA within 6 months of issuing the Report and issue a revised Report based on such additional information if a timely request for a revised Report is made by you. RA retains the right to withhold

a revised Report if payment for services was not tendered in a timely manner. All information received by RA and all files, work papers or documents developed by RA during the course of the engagement shall remain the property of RA and may be used for whatever purpose it sees fit. RA reserves the right to, and you acknowledge and agree that RA may, use any data provided by you in connection with the services, or gathered as a result of providing such services, including in connection with creating and issuing any Report, in a de-identified and aggregated form for RA's business purposes.

**Your Obligations -** You agree to provide us access to the subject property for an inspection. You agree to provide RA all available, historical and budgetary information, the governing documents, and other information that we request and deem necessary to complete the Report. Additionally, you agree to provide historical replacement schedules, utility bills and historical energy usage files that RA requests and deems necessary to complete the energy benchmarking services, and you agree to provide any utility release(s) reasonably requested by RA permitting RA to obtain any such data and/or information from any utility representative or other third party. You agree to pay actual attorneys' fees and any other costs incurred to collect on any unpaid balance for RA's services.

**Use of Our Report and Your Name -** Use of the Report is limited to only the purpose stated herein. You acknowledge that RA is the exclusive owner of all intellectual property rights in and relating to the Report. You hereby acknowledge that any use or reliance by you on the Report for any unauthorized purpose is at your own risk and that you will be liable for the consequences of any unauthorized use or distribution of the Report. Use or possession of the Report by any unauthorized third party is prohibited. The Report in whole or in part ***is not and cannot be*** *used as a design specification for design engineering purposes or as an appraisal*. You may show the Report in its entirety to the following third parties: members of your organization (including your directors, officers, tenants and prospective purchasers), your accountants, attorneys, financial institutions and property managers who need to review the information contained herein, and any other third party who has a right to inspect the Report under applicable law including, but not limited, to any government entity or agency, or any utility companies. Without the written consent of RA, you shall not disclose the Report to any other third party. By engaging our services, you agree that the Report contains intellectual property developed (and owned solely) by RA and agree that you will not reproduce or distribute the Report ***to any party that conducts reserve studies without the written consent of RA***.

RA will include (and you hereby agree that RA may include) your name in our client lists. RA reserves the right to use (and you hereby agree that RA may use) property information to obtain estimates of replacement costs, useful life of property elements or otherwise as RA, in its sole discretion, deems appropriate.

**Payment Terms, Due Dates and Interest Charges -** If reserve study and energy benchmarking services are performed by RA, then the retainer payment is due upon execution of this agreement and prior to the inspection by RA, and any balance is due net 30 days from the Report shipment date. If only energy benchmarking services are performed by RA, then the retainer payment is due upon execution of this agreement and any balance is due net 30 days from the Report shipment date. In any case, any balance remaining 30 days after delivery of the Report shall accrue an interest charge of 1.5% per month. Unless this agreement is earlier terminated by RA in the event you breach or otherwise fail to comply with your obligations under this agreement, RA's obligations under this agreement shall commence on the date you execute and deliver this agreement and terminate on the date that is 6 months from the date of delivery of the Report by RA. Notwithstanding anything herein to the contrary, each provision that by its context and nature should survive the expiration or early termination of this agreement shall so survive, including, without limitation, any provisions with respect to payment, intellectual property rights, limitations of liability and governing law.

**Miscellaneous** – Neither party shall be liable for any failures or delays in performance due to fire, flood, strike or other labor difficulty, act of God, act of any governmental authority, riot, embargo, fuel or energy shortage, pandemic, wrecks or delays in transportation, or due to any other cause beyond such party's reasonable control; provided, however, that you shall not be relieved from your obligations to make any payment(s) to RA as and when due hereunder. In the event of a delay in performance due to any such cause, the time for completion or date of delivery will be extended by a period of time reasonably necessary to overcome the effect of such delay. You may not assign or otherwise transfer this agreement, in whole or in part, without the prior written consent of RA. RA may freely assign or otherwise transfer this agreement, in whole or in part, without your prior consent. This agreement shall be governed by the laws of the State of Wisconsin without regard to any principles of conflicts of law that would apply the laws of another jurisdiction. Any dispute with respect to this agreement shall be exclusively venued in Milwaukee County Circuit Court or in the United States District Court for the Eastern District of Wisconsin. Each party hereto agrees and hereby waives the right to a trial by jury in any action, proceeding or claim brought by or on behalf of the parties hereto with respect to any matter related to this agreement.