

# **STRUCTURAL INTEGRITY RESERVE STUDY**

**PREPARED FOR:**

**River Bend Condominium Association of Brevard,  
Inc.**

**Cocoa Beach, FL**



**For The Period Beginning January 1, 2027**

**PREPARED BY:**



**260 1st Ave South, STE 225**

**St. Petersburg, FL 33701**

**848-986-0367**

**[www.stonebldg.com](http://www.stonebldg.com)**

Report Date: **August 14, 2026**

Location: 3360 S Atlantic Avenue, Cocoa Beach, Florida  
Service: Structural Integrity Reserve Study  
Budget: Beginning January 1, 2027

**Attention: Board of Directors @ River Bend Condominium Association of Brevard, Inc.**

At the direction of the Board and/ or management of River Bend Condominium Association of Brevard, Inc., Stone Building Solutions has completed a Structural Integrity Reserve Study for the Association as requested. Enclosed is our report for the Board's review.

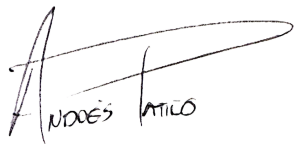
This is a Level III (no-site-visit) Reserve Study based on a previous report created by Stone Building Solutions for your 2026 Fiscal Year.

This Reserve Study meets or exceeds all requirements outlined in Florida Statute **s.718.112**. This report is written in compliance with both the Community Associations Institute (CAI) and the Association of Professional Reserve Analysts (APRA) standards, fulfilling the requirements of a "Level III Reserve Study."

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

Respectfully submitted,

Prepared by:

A handwritten signature in black ink, appearing to read "Andres Patino". The signature is stylized with a large, sweeping initial 'A'.

**Andres Patino,**

Reserve Analyst

Reserves@stonebldg.com

**848-986-0367**

## Executive Summary

A Structural Integrity Reserve Study (SIRS) is a mandate of Florida statutes under s. 718.112 (2) (g) requires condominium associations and cooperatives to reserve funds for crucial structural elements related to their buildings.

This reserve study aims to produce a reserve funding plan that will project future reserve obligations and expenditures to ensure that reserve funds are available as needed.

Stone Building Solutions was responsible for the physical evaluation. Stone Building Solutions provided analysis on key building components, their condition, and lifecycle. Stone Reserve Studies has received this information 'as is', and our opinions are based on the observations of the analysis by the engineer onsite. Stone Reserve Studies is using this information to create a financial evaluation for budgeting purposes.

River Bend Condominium Association of Brevard, Inc. has 52 units. This study is for the fiscal year starting January 1, 2027, and ending Dec 31, 2027.

### Financial Parameters & Assumptions

|                           |                                     |                     |                       |
|---------------------------|-------------------------------------|---------------------|-----------------------|
| <b>Projection Period:</b> | January 1, 2027 - December 31, 2051 | <b>Association:</b> | Condominiums (Condos) |
| <b>Report Type:</b>       | Level III                           | <b>Year Built:</b>  | 2001                  |
| <b>Inflation:</b>         | 2.50%                               | <b>Buildings:</b>   | 1                     |
| <b>Interest (Gained):</b> | 2.00%                               | <b>Total Units:</b> | 52                    |

As of January 1, 2027, the estimated unaudited reserve fund balance is **\$0**

**The suggested yearly reserve obligations are not based on the condominium's governing documents, which may allocate costs according to each unit's percentage of ownership in the property's total square footage.**

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

The 25-year Funding Plan is an approach to determining reserve obligations in a way that balances the annual expenses from the reserve fund. This analysis takes into account future replacement costs for reserve components as they come due for replacement, acknowledges construction and inflationary cost increases, and considers interest income generated by reserve accounts. By pooling funds from initial balances, a yearly reserve obligation rate is calculated to ensure a positive cash flow throughout the analysis period. Annual reserve obligations will start at \$143,000 for the 2027 Fiscal Year. Going forward, the yearly reserve obligations are illustrated on the 25-year cash flow table

The requirements for the initial year are based on the 25-year Pooled Cash Flow Funding Plan.

|                                                               |                  |
|---------------------------------------------------------------|------------------|
| <b>Required First Year Association contribution:</b>          | <b>\$143,000</b> |
| <b>Required First Year annual contribution per unit:</b>      | <b>\$2,750</b>   |
| <b>Required First Year monthly contribution per unit:</b>     | <b>\$229</b>     |
| <b>Average monthly contribution per unit (Over 25 Years):</b> | <b>\$167</b>     |
| <b>Special Assessments per unit:</b>                          | <b>\$0</b>       |
| <b>Report Ending Balance:</b>                                 | <b>\$566,072</b> |

**25-Year Baseline Funding Analysis Summary**

The Baseline Funding method plans reserve obligations so that the reserve balance never falls below zero during the study period. This approach focuses on meeting projected expenses just in time, without overfunding the reserve account. While it results in lower annual reserve obligations compared to more conservative methods, the risk of special assessments is high, especially if unexpected repairs arise or costs increase. Baseline funding is often chosen for its affordability, but should be carefully considered in light of its potential financial risks. Annual reserve obligations will start at \$120,765 for the 2027 Fiscal Year. Going forward, the yearly reserve obligations are illustrated on the 25-year Baseline table.

|                                                               |                  |
|---------------------------------------------------------------|------------------|
| <b>Required First Year Association contribution:</b>          | <b>\$120,765</b> |
| <b>Required First Year annual contribution per unit:</b>      | <b>\$2,322</b>   |
| <b>Required First Year monthly contribution per unit:</b>     | <b>\$194</b>     |
| <b>Average monthly contribution per unit (Over 25 Years):</b> | <b>\$139</b>     |
| <b>Special Assessments per unit:</b>                          | <b>\$0</b>       |
| <b>Report Ending Balance:</b>                                 | <b>\$76</b>      |

**25-Year Current Funding Trend Analysis Summary**

**Required First Year Association contribution:**

**Required First Year annual contribution per unit:**

**Required First Year monthly contribution per unit:**

**Average monthly contribution per unit (Over 25 Years):**

**Special Assessments per unit:**

**Report Ending Balance:**

# State of Florida Statutory Requirements

## SB-4D/SB-154

Florida Statute S.718.112 (2) (g) mandates that all residential condominiums and cooperative associations with buildings of 3 or more habitable stories must complete a Structural Integrity Reserve Study (SIRS) and fund a corresponding "structural Integrity" reserve account based on the results of the study. In contrast, buildings with 4 units or fewer and 3 or fewer stories are exempt from the structural integrity reserve study requirement.

The Structural Integrity Reserve Study (SIRS) **MUST:**

- **Be completed** for associations built before July 2022. The initial study must be completed by *December 31, 2025*, and updated with a site inspection by a qualified professional at least every 10 years
- **Be conducted** by a Florida-licensed engineer, architect, certified Reserve Specialist (RS), or Accredited Professional Reserve Analyst (APRA)
- **Include the following components:**
  - Roofing
  - Walls and Primary Support Members
  - Plumbing
  - Electrical
  - Fire Protection & Life Safety Components
  - Waterproofing & Paint
  - Common Area Windows & Doors
  - Items related to the *structural integrity* of the building costing over \$25,000
- **Include a funding plan** that expresses a yearly reserve obligation amount, without special assessments, that allows for funding expenditures and allocating adequate fund balances over the projection.

## Board Responsibilities

Once the Board has received the published Structural Integrity Reserve Study (SIRS) they **MUST:**

- **Electronically notify members** that the Structural Integrity Reserve Study has been completed and that it has become part of official records **within 45 days** of receiving the published SIRS.
- Associations must make a published copy of the report available to members upon request thereafter.
- **Approve a budget for 2027 that includes fully funding reserves as required in the Structural Integrity Reserve Study**

Once the Board has received the published Structural Integrity Reserve Study (SIRS) they **CAN NOT:**

- **Waive or reduce funding** requirements for any components listed in the SIRS report.
- **Alter the funding** in any year without having the study modified by a qualified professional.

### Notes:

- **The board has a fiduciary responsibility to the entire community and should always act in their best interest.**
- **Failure to complete a Structural Integrity Reserve Study (SIRS) according to the statutory requirements by December 31st, 2024 would be considered a breach of an officer's or director's fiduciary responsibilities to the unit owners.**
- **Failure to complete or comply with this study could result in complications with insurance coverage and financing.**
- **This study is not currently required to be publicly posted or submitted to any local building officials; but must be made available upon request.**
- **The association will be required to submit compliance forms to the DBPR (once available).**

## SIRS Evaluation

### **Structural Integrity Reserve Study (SIRS) Principles:**

A Structural Integrity Reserve Study (SIRS) is a form of reserve study with more rigid standards and higher qualifications than previously required for condominium and cooperative properties in the State of Florida. As required under Florida Statutes, this study is designed to ensure that condo and cooperative associations set aside adequate funds for crucial structural elements in their buildings to perform maintenance and repairs.

It is critical to understand that the SIRS comprises several elements that must be separately accounted for in the reserve study. Once established, funds for repairs can only be used for that specific named purpose and cannot be shared or pooled with other non-critical Traditional Reserve Component funds..

A Structural Integrity Reserve Study states the estimated remaining useful life, the estimated replacement cost, or the deferred maintenance expense of the common areas being visually inspected. It provides a recommended annual reserve obligation based on a formula that achieves the estimated replacement cost or deferred maintenance expense of each common area being visually inspected by the end of the estimated remaining useful life of each component.



# Stone Building Solutions Evaluation

## Onsite Process

A member of the Stone Building Solutions Engineering Team conducted a visual inspection of River Bend Condominium Association of Brevard, Inc. on November 15, 2023. The results of the inspection were utilized as the primary basis for this analysis.

## Structural Integrity Reserve Evaluations

The Stone Building Solutions SIRS report provides the estimated remaining useful life, replacement cost, or the deferred maintenance expense of the required areas, along with the annual reserve obligation based on a pooled cash flow formula.

The inspection should not be considered an engineering assessment, but a visual inspection to determine the overall condition and subjective remaining useful life of the reservable elements identified at the property.

Supplemental information to the physical inspection may have been obtained from the following sources:

- Project plans
- Maintenance Records
- Contracts
- Association BOD
- Management
- Public Databases

## Structural Integrity Reserve Exclusions

Expenditures could be excluded for one or more of the following reasons:

- The current condition does not warrant predictable maintenance expenditures.
- The issue applies to a unit owner-maintained element.
- Items that have a useful life of over 100 years, such as foundations.



## Cost Evaluation

Stone Building Solutions (SBS) LLC. maintains a proprietary cost database that we continually update to reflect current market conditions.

These costs are derived by averaging comparable scopes of work in the local regions. Stone Building Solutions also utilizes nationally recognized cost databases such as Xactimate/XactRemodel and similar software to determine base costs when needed.

The cost estimates provided are based on approximate quantities, costs, and published data. They include labor, materials, design fees, appropriate overhead, general conditions, and profit. The estimated costs to repair, replace, or upgrade the improvements are considered typical for the marketplace.

Please note that no contractors have been contacted for actual bids or price quotes, so the actual cost of repairs may vary from our estimates. These opinions of probable costs apply to components or systems showing material deferred maintenance and existing physical deficiencies that require major repairs or replacement.

## Structural Integrity Reserve Items

| ASSET N° | NAME                                                  | NEXT<br>ACTIVITY | EST<br>LIFE | ADJ<br>LIFE | REM<br>USEFUL<br>LIFE | UNIT<br>COST | QTY       | YEAR 1<br>REPLACEMENT<br>COST |
|----------|-------------------------------------------------------|------------------|-------------|-------------|-----------------------|--------------|-----------|-------------------------------|
| 001      | Painting, Waterproofing & Wall Repairs:<br>Common     | 01/01/2036       | 10y         | 10y         | 9y                    | \$198,337.50 | 1 SF      | \$198,338                     |
| 002      | Fire Alarm Control Panel & Devices: Common            | 01/01/2043       | 25y         | 25y         | 16y                   | \$1,933.15   | 52 U      | \$100,524                     |
| 003      | Piping & Plumbing, Major Renovations :<br>Common      | 01/01/2056       | 55y         | 55y         | 29y                   | \$2,521.50   | 52 U      | \$131,118                     |
| 004      | Concrete Restoration, Staircases: Common              | 01/01/2036       | 10y         | 10y         | 9y                    | \$13,837.50  | 1.04 Ea   | \$14,391                      |
| 005      | Concrete Restoration, Walkways & Balconies:<br>Common | 01/01/2036       | 10y         | 10y         | 9y                    | \$13.18      | 1,302 SF  | \$17,154                      |
| 006      | Roofs, Flat, Foam Recoat: Common                      | 01/01/2031       | 10y         | 13y         | 4y                    | \$1.79       | 32,000 SF | \$57,408                      |
| 006.5    | Roofs, Flat, Foam Replace: Common                     | 01/01/2031       | 30y         | 30y         | 4y                    | \$15.76      | 32,000 SF | \$504,288                     |
| 007      | Fire Pump & Controller: Common                        | 01/01/2041       | 40y         | 40y         | 14y                   | \$78,271.56  | 1 Ea      | \$78,272                      |
| 008      | Railings, Aluminum Picket: Walkways                   | 01/01/2037       | 30y         | 36y         | 10y                   | \$76.88      | 222.75 LF | \$17,124                      |
| 008      | Railings, Aluminum Picket: Balconies                  | 01/01/2037       | 30y         | 36y         | 10y                   | \$76.88      | 310.5 LF  | \$23,870                      |
| 009      | Roof Mansard, Coated Metal Tiles: Common              | 01/01/2060       | 35y         | 35y         | 33y                   | \$3,095.50   | 103 SQ    | \$318,836                     |
| 010      | Electric, Main Panels & Meter Bases: Common           | 01/01/2051       | 50y         | 50y         | 24y                   | \$1,507.65   | 42 PC     | \$63,321                      |
| 011      | Doors, Metal, Man: Phase 1                            | 01/01/2047       | 30y         | 30y         | 20y                   | \$2,679.09   | 5 Ea      | \$13,395                      |
| 011      | Doors, Metal, Man: Phase 2                            | 01/01/2049       | 30y         | 30y         | 22y                   | \$2,679.09   | 5 Ea      | \$13,395                      |
| 011      | Doors, Metal, Man: Phase 3                            | 01/01/2051       | 30y         | 30y         | 24y                   | \$2,679.09   | 6 Ea      | \$16,075                      |
| 011      | Doors, Metal, Man: Phase 4                            | 01/01/2053       | 30y         | 30y         | 26y                   | \$2,679.09   | 6 Ea      | \$16,075                      |
| 011      | Doors, Metal, Man: Phase 5                            | 01/01/2055       | 30y         | 30y         | 28y                   | \$2,679.09   | 6 Ea      | \$16,075                      |
| 011      | Doors, Metal, Man: Phase 6                            | 01/01/2027       | 30y         | 26y         | 0y                    | \$2,679.09   | 2 Ea      | \$5,358                       |
| 012      | Doors, Wood Core, Fiberglass: Unit Entry              | 01/01/2051       | 50y         | 50y         | 24y                   | \$1,523.41   | 104 Ea    | \$158,434                     |

| ASSET N° | NAME                                               | NEXT<br>ACTIVITY | EST<br>LIFE | ADJ<br>LIFE | REM<br>USEFUL<br>LIFE | UNIT<br>COST | QTY  | YEAR 1<br>REPLACEMENT<br>COST |
|----------|----------------------------------------------------|------------------|-------------|-------------|-----------------------|--------------|------|-------------------------------|
| 013      | Doors, Double Storefront, Metal & Glass:<br>Common | 01/01/2036       | 35y         | 35y         | 9y                    | \$6,093.63   | 3 Ea | \$18,281                      |
|          |                                                    |                  |             |             |                       |              |      | <b>\$1,781,732</b>            |

## Expenditures (By Year)

| ASSET Nº            | NAME                              | UNIT COST  | QTY.      | FUTURE COST | USEFUL LIFE | NEXT ACTIVITY |
|---------------------|-----------------------------------|------------|-----------|-------------|-------------|---------------|
| 2027 (Year 1)       |                                   |            |           |             |             |               |
| 011                 | Doors, Metal, Man: Phase 6        | \$2,679.00 | 2 Ea      | \$5,358     | 30y         | 2047          |
| 2027 (Year 1) Total |                                   |            |           | \$5,358     |             |               |
| 2028 (Year 2)       |                                   |            |           |             |             |               |
| 2028 (Year 2) Total |                                   |            |           | \$0         |             |               |
| 2029 (Year 3)       |                                   |            |           |             |             |               |
| 2029 (Year 3) Total |                                   |            |           | \$0         |             |               |
| 2030 (Year 4)       |                                   |            |           |             |             |               |
| 2030 (Year 4) Total |                                   |            |           | \$0         |             |               |
| 2031 (Year 5)       |                                   |            |           |             |             |               |
| 006                 | Roofs, Flat, Foam Recoat: Common  | \$1.98     | 32,000 SF | \$63,360    | 10y         | 2041          |
| 006.5               | Roofs, Flat, Foam Replace: Common | \$17.40    | 32,000 SF | \$556,640   | 30y         | N/A           |
| 2031 (Year 5) Total |                                   |            |           | \$620,000   |             |               |
| 2032 (Year 6)       |                                   |            |           |             |             |               |
| 2032 (Year 6) Total |                                   |            |           | \$0         |             |               |
| 2033 (Year 7)       |                                   |            |           |             |             |               |
| 2033 (Year 7) Total |                                   |            |           | \$0         |             |               |
| 2034 (Year 8)       |                                   |            |           |             |             |               |
| 2034 (Year 8) Total |                                   |            |           | \$0         |             |               |
| 2035 (Year 9)       |                                   |            |           |             |             |               |

| ASSET Nº             | NAME                                               | UNIT COST    | QTY.      | FUTURE COST | USEFUL LIFE | NEXT ACTIVITY |
|----------------------|----------------------------------------------------|--------------|-----------|-------------|-------------|---------------|
| 2035 (Year 9) Total  |                                                    |              |           | \$0         |             |               |
| 2036 (Year 10)       |                                                    |              |           |             |             |               |
| 001                  | Painting, Waterproofing & Wall Repairs: Common     | \$247,696.00 | 1 SF      | \$247,696   | 10y         | 2046          |
| 004                  | Concrete Restoration, Staircases: Common           | \$17,280.77  | 1.04 Ea   | \$17,972    | 10y         | 2046          |
| 005                  | Concrete Restoration, Walkways & Balconies: Common | \$16.45      | 1,302 SF  | \$21,423    | 10y         | 2046          |
| 013                  | Doors, Double Storefront, Metal & Glass: Common    | \$7,610.00   | 3 Ea      | \$22,830    | 35y         | N/A           |
| 2036 (Year 10) Total |                                                    |              |           | \$309,921   |             |               |
| 2037 (Year 11)       |                                                    |              |           |             |             |               |
| 008                  | Railings, Aluminum Picket: Walkways                | \$98.41      | 222.75 LF | \$21,920    | 30y         | N/A           |
| 008                  | Railings, Aluminum Picket: Balconies               | \$98.41      | 310.5 LF  | \$30,555    | 30y         | N/A           |
| 2037 (Year 11) Total |                                                    |              |           | \$52,475    |             |               |
| 2038 (Year 12)       |                                                    |              |           |             |             |               |
| 2038 (Year 12) Total |                                                    |              |           | \$0         |             |               |
| 2039 (Year 13)       |                                                    |              |           |             |             |               |
| 2039 (Year 13) Total |                                                    |              |           | \$0         |             |               |
| 2040 (Year 14)       |                                                    |              |           |             |             |               |
| 2040 (Year 14) Total |                                                    |              |           | \$0         |             |               |
| 2041 (Year 15)       |                                                    |              |           |             |             |               |
| 006                  | Roofs, Flat, Foam Recoat: Common                   | \$2.54       | 32,000 SF | \$81,120    | 10y         | 2051          |
| 007                  | Fire Pump & Controller: Common                     | \$110,596.00 | 1 Ea      | \$110,596   | 40y         | N/A           |
| 2041 (Year 15) Total |                                                    |              |           | \$191,716   |             |               |
| 2042 (Year 16)       |                                                    |              |           |             |             |               |
| 2042 (Year 16) Total |                                                    |              |           | \$0         |             |               |
| 2043 (Year 17)       |                                                    |              |           |             |             |               |
| 002                  | Fire Alarm Control Panel & Devices: Common         | \$2,869.77   | 52 U      | \$149,228   | 25y         | N/A           |

| ASSET Nº             | NAME                                               | UNIT COST    | QTY.      | FUTURE COST | USEFUL LIFE | NEXT ACTIVITY |
|----------------------|----------------------------------------------------|--------------|-----------|-------------|-------------|---------------|
| 2043 (Year 17) Total |                                                    |              |           | \$149,228   |             |               |
| 2044 (Year 18)       |                                                    |              |           |             |             |               |
| 2044 (Year 18) Total |                                                    |              |           | \$0         |             |               |
| 2045 (Year 19)       |                                                    |              |           |             |             |               |
| 2045 (Year 19) Total |                                                    |              |           | \$0         |             |               |
| 2046 (Year 20)       |                                                    |              |           |             |             |               |
| 001                  | Painting, Waterproofing & Wall Repairs: Common     | \$317,072.00 | 1 SF      | \$317,072   | 10y         | N/A           |
| 004                  | Concrete Restoration, Staircases: Common           | \$22,121.15  | 1.04 Ea   | \$23,006    | 10y         | N/A           |
| 005                  | Concrete Restoration, Walkways & Balconies: Common | \$21.06      | 1,302 SF  | \$27,423    | 10y         | N/A           |
| 2046 (Year 20) Total |                                                    |              |           | \$367,501   |             |               |
| 2047 (Year 21)       |                                                    |              |           |             |             |               |
| 011                  | Doors, Metal, Man: Phase 1                         | \$4,390.00   | 5 Ea      | \$21,950    | 30y         | 2049          |
| 2047 (Year 21) Total |                                                    |              |           | \$21,950    |             |               |
| 2048 (Year 22)       |                                                    |              |           |             |             |               |
| 2048 (Year 22) Total |                                                    |              |           | \$0         |             |               |
| 2049 (Year 23)       |                                                    |              |           |             |             |               |
| 011                  | Doors, Metal, Man: Phase 2                         | \$4,612.20   | 5 Ea      | \$23,061    | 30y         | 2051          |
| 2049 (Year 23) Total |                                                    |              |           | \$23,061    |             |               |
| 2050 (Year 24)       |                                                    |              |           |             |             |               |
| 2050 (Year 24) Total |                                                    |              |           | \$0         |             |               |
| 2051 (Year 25)       |                                                    |              |           |             |             |               |
| 006                  | Roofs, Flat, Foam Recoat: Common                   | \$3.25       | 32,000 SF | \$103,840   | 10y         | N/A           |
| 010                  | Electric, Main Panels & Meter Bases: Common        | \$2,726.93   | 42 PC     | \$114,531   | 50y         | N/A           |
| 011                  | Doors, Metal, Man: Phase 3                         | \$4,845.67   | 6 Ea      | \$29,074    | 30y         | N/A           |
| 012                  | Doors, Wood Core, Fiberglass: Unit Entry           | \$2,755.42   | 104 Ea    | \$286,564   | 50y         | N/A           |
| 2051 (Year 25) Total |                                                    |              |           | \$534,009   |             |               |

## Critical Expenditure Planning ( 3-Year Outlook)

| CATEGORY<br>ASSET                         |                               |                |      |      |
|-------------------------------------------|-------------------------------|----------------|------|------|
| Nº                                        | RESERVE ITEM                  | 2027           | 2028 | 2029 |
| <b>Building Service Components</b>        |                               |                |      |      |
| <b>Total Building Service Components</b>  |                               |                |      |      |
| <b>Exterior Building Components</b>       |                               |                |      |      |
| 011                                       | Doors, Metal, Man:<br>Phase 6 | \$5,358        |      |      |
| <b>Total Exterior Building Components</b> |                               | <b>\$5,358</b> |      |      |
| <b>Total</b>                              |                               | <b>\$5,358</b> |      |      |

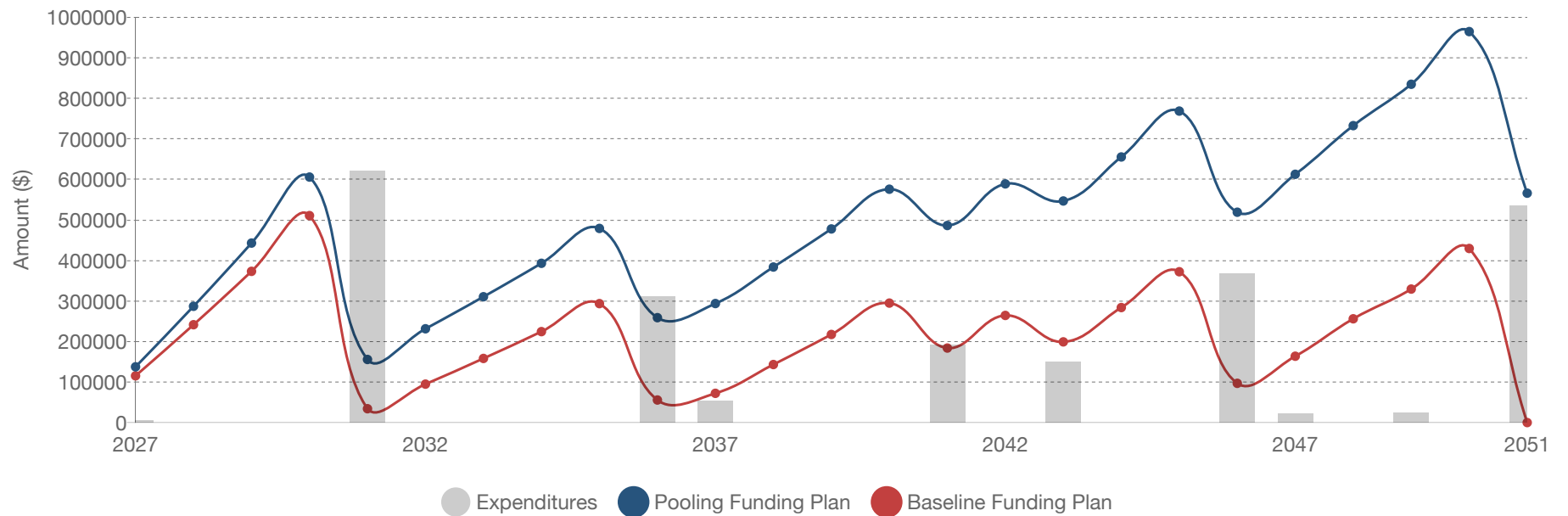
## Annual Plan Comparison Table

| YEAR | POOLING FUNDING PLAN        |                  |                   | BASELINE FUNDING PLAN       |                  |                   |
|------|-----------------------------|------------------|-------------------|-----------------------------|------------------|-------------------|
|      | FY CONTRIBUTIONS: \$143,000 |                  |                   | FY CONTRIBUTIONS: \$120,765 |                  |                   |
|      | ASSOC.<br>END. BAL.         | OWNER<br>PER MO. | PERCENT<br>FUNDED | ASSOC.<br>END. BAL.         | OWNER<br>PER MO. | PERCENT<br>FUNDED |
| 2027 | \$137,642                   | \$229            | 15%               | \$115,407                   | \$194            | 12%               |
| 2028 | \$286,970                   | \$235            | 28%               | \$241,499                   | \$198            | 23%               |
| 2029 | \$442,949                   | \$241            | 39%               | \$373,208                   | \$203            | 33%               |
| 2030 | \$605,803                   | \$247            | 49%               | \$510,723                   | \$208            | 41%               |
| 2031 | \$155,764                   | \$253            | 22%               | \$34,239                    | \$214            | 5%                |
| 2032 | \$231,488                   | \$116            | 28%               | \$94,910                    | \$96             | 12%               |
| 2033 | \$310,542                   | \$119            | 34%               | \$158,294                   | \$99             | 17%               |
| 2034 | \$393,038                   | \$122            | 38%               | \$224,483                   | \$101            | 22%               |
| 2035 | \$479,090                   | \$125            | 42%               | \$293,571                   | \$104            | 26%               |
| 2036 | \$258,897                   | \$128            | 27%               | \$55,735                    | \$106            | 6%                |
| 2037 | \$293,751                   | \$132            | 29%               | \$72,244                    | \$109            | 7%                |
| 2038 | \$383,830                   | \$135            | 34%               | \$143,254                   | \$111            | 13%               |
| 2039 | \$477,815                   | \$138            | 38%               | \$217,424                   | \$114            | 17%               |
| 2040 | \$575,838                   | \$142            | 41%               | \$294,860                   | \$117            | 21%               |
| 2041 | \$486,318                   | \$145            | 36%               | \$183,956                   | \$120            | 14%               |
| 2042 | \$588,989                   | \$149            | 40%               | \$264,422                   | \$123            | 18%               |
| 2043 | \$546,810                   | \$153            | 37%               | \$199,190                   | \$126            | 14%               |
| 2044 | \$655,397                   | \$156            | 40%               | \$283,849                   | \$129            | 17%               |
| 2045 | \$768,597                   | \$160            | 43%               | \$372,217                   | \$133            | 21%               |

| YEAR | POOLING FUNDING PLAN        |                  |                   | BASELINE FUNDING PLAN       |                  |                   |
|------|-----------------------------|------------------|-------------------|-----------------------------|------------------|-------------------|
|      | FY CONTRIBUTIONS: \$143,000 |                  |                   | FY CONTRIBUTIONS: \$120,765 |                  |                   |
|      | ASSOC.<br>END. BAL.         | OWNER<br>PER MO. | PERCENT<br>FUNDED | ASSOC.<br>END. BAL.         | OWNER<br>PER MO. | PERCENT<br>FUNDED |
| 2046 | \$519,062                   | \$164            | 33%               | \$96,920                    | \$136            | 6%                |
| 2047 | \$612,653                   | \$169            | 36%               | \$163,786                   | \$139            | 10%               |
| 2048 | \$732,694                   | \$173            | 39%               | \$256,111                   | \$143            | 14%               |
| 2049 | \$834,770                   | \$177            | 41%               | \$329,449                   | \$146            | 16%               |
| 2050 | \$964,710                   | \$181            | 44%               | \$429,596                   | \$150            | 20%               |
| 2051 | \$566,072                   | \$186            | 31%               | \$76                        | \$154            | 0%                |

## Funding Model Comparison

### Projected Reserve Ending Balance



**The chart above compares the projected annual reserve fund ending balances for funding plans.**

## Cash-Flow (Pooled) Funding Methodology (25-Year Projection)

The 25-year Cash-Flow or "Pooled" Funding methodology involves determining reserve obligations that offset fluctuating annual expenses and create a positive cash flow throughout the projection. By consolidating funds from initial balances, a yearly reserve obligation rate is calculated to ensure a consistently positive cash flow over the analysis period.

The most significant element of the Cash-Flow or "Pooled" Funding methodology is that it significantly reduces the annual reserve obligation amount by maintaining an adequate level of funding year-over-year to the fully funded or 100% funded balance. This calculation allows the Reserve fund to operate at less than 100% so long as adequate reserves are present. In this methodology, Reserve funds can only be collectively allocated (used) for purposes authorized under the categorical nature of the components identified within the pool as they become due. **This leads to the lowest monthly allocations for membership and prevents excess balances from accruing in the reserve account.**

This methodology is a widely accepted, logical, factual, and mathematical basis for calculating reserve obligations. This method, year after year, allows the total fund balance to offset expected expenditures adequately and ensures that future funds will be available as needed through the scope of the projection and thereafter. This calculation, when done correctly, is considered "fully" funded under Florida statutes.

**The DBPR maintains that "The Pooling of reserves is allowable under current Florida laws."**

**See the "Useful Links" section for additional details.**

## Baseline Funding Methodology (25-Year Projection)

Florida House Bill 913 (HB 913), effective July 1, 2025, introduces significant reforms to condominium governance, safety inspections, and financial management. Here's an overview of its key provisions:

The **Baseline Funding Method** is a method for planning reserve contributions to ensure the reserve account **never goes negative**, but **may reach zero**. In other words, it ensures that at no point will the reserve account be overdrawn, but it doesn't build a safety cushion beyond that.

Florida HB 913 officially recognizes and permits the use of the Baseline Funding Method for Structural Integrity Reserve Studies (SIRS), but with new guidelines:

- **Permitted Use:**
  - Associations may use the Baseline Funding Method to calculate reserves for SIRS items like roofs, load-bearing walls, foundations, etc.
- **No Waiver for SIRS Components:**
  - Even if using the baseline method, funding for SIRS components may not be waived or reduced by a vote of the owners. This is still mandatory.
  - So while the method can guide how much is contributed annually, 100% funding over time is still expected.
- **Disclosure Required:**
  - If the Baseline Method is used, the reserve study and budget must disclose that the method allows the balance to reach zero.
  - Owners must be made aware that while this method avoids deficits, it may not allow for flexibility or cushion if actual costs are higher than forecasted.
- **Board Responsibility:**
  - Boards must act promptly if a SIRS component becomes underfunded or if emergency structural issues are identified. The method doesn't override the obligation to maintain safety.



## 25-Year Cash-Flow Pooling Funding Plan

| YEAR | STARTING<br>BALANCE | CONTRIBUTIONS | PERCENT<br>CHANGE | INTEREST | SPECIAL<br>ASSMNT | ADDITIONAL<br>CAPITAL | EXPENDITURE<br>FUTURE COST | ENDING<br>BALANCE | PERCENT<br>FUNDED | FULLY FUNDED<br>BALANCE |
|------|---------------------|---------------|-------------------|----------|-------------------|-----------------------|----------------------------|-------------------|-------------------|-------------------------|
| 2027 | \$0                 | \$143,000     | N/A               | \$0      | \$0               | \$0                   | \$5,358                    | \$137,642         | 14.75%            | \$933,238               |
| 2028 | \$137,642           | \$146,575     | 2.50%             | \$2,753  | \$0               | \$0                   | \$0                        | \$286,970         | 27.85%            | \$1,030,597             |
| 2029 | \$286,970           | \$150,239     | 2.50%             | \$5,739  | \$0               | \$0                   | \$0                        | \$442,949         | 39.12%            | \$1,132,240             |
| 2030 | \$442,949           | \$153,995     | 2.50%             | \$8,859  | \$0               | \$0                   | \$0                        | \$605,803         | 48.92%            | \$1,238,322             |
| 2031 | \$605,803           | \$157,845     | 2.50%             | \$12,116 | \$0               | \$0                   | \$620,000                  | \$155,764         | 21.79%            | \$714,990               |
| 2032 | \$155,764           | \$72,609      | -54.00%           | \$3,115  | \$0               | \$0                   | \$0                        | \$231,488         | 28.36%            | \$816,112               |
| 2033 | \$231,488           | \$74,424      | 2.50%             | \$4,630  | \$0               | \$0                   | \$0                        | \$310,542         | 33.69%            | \$921,847               |
| 2034 | \$310,542           | \$76,285      | 2.50%             | \$6,211  | \$0               | \$0                   | \$0                        | \$393,038         | 38.07%            | \$1,032,356             |
| 2035 | \$393,038           | \$78,192      | 2.50%             | \$7,861  | \$0               | \$0                   | \$0                        | \$479,090         | 41.74%            | \$1,147,812             |
| 2036 | \$479,090           | \$80,147      | 2.50%             | \$9,582  | \$0               | \$0                   | \$309,921                  | \$258,897         | 27.23%            | \$950,730               |
| 2037 | \$258,897           | \$82,150      | 2.50%             | \$5,178  | \$0               | \$0                   | \$52,475                   | \$293,751         | 28.94%            | \$1,015,201             |
| 2038 | \$293,751           | \$84,204      | 2.50%             | \$5,875  | \$0               | \$0                   | \$0                        | \$383,830         | 33.75%            | \$1,137,427             |
| 2039 | \$383,830           | \$86,309      | 2.50%             | \$7,677  | \$0               | \$0                   | \$0                        | \$477,815         | 37.77%            | \$1,265,135             |
| 2040 | \$477,815           | \$88,467      | 2.50%             | \$9,556  | \$0               | \$0                   | \$0                        | \$575,838         | 41.18%            | \$1,398,514             |
| 2041 | \$575,838           | \$90,678      | 2.50%             | \$11,517 | \$0               | \$0                   | \$191,716                  | \$486,318         | 36.26%            | \$1,341,268             |
| 2042 | \$486,318           | \$92,945      | 2.50%             | \$9,726  | \$0               | \$0                   | \$0                        | \$588,989         | 39.75%            | \$1,481,705             |
| 2043 | \$588,989           | \$95,269      | 2.50%             | \$11,780 | \$0               | \$0                   | \$149,228                  | \$546,810         | 37.06%            | \$1,475,364             |
| 2044 | \$546,810           | \$97,651      | 2.50%             | \$10,936 | \$0               | \$0                   | \$0                        | \$655,397         | 40.34%            | \$1,624,566             |
| 2045 | \$655,397           | \$100,092     | 2.50%             | \$13,108 | \$0               | \$0                   | \$0                        | \$768,597         | 43.17%            | \$1,780,302             |
| 2046 | \$768,597           | \$102,594     | 2.50%             | \$15,372 | \$0               | \$0                   | \$367,501                  | \$519,062         | 33.14%            | \$1,566,123             |

| YEAR | STARTING<br>BALANCE | CONTRIBUTIONS | PERCENT<br>CHANGE | INTEREST | SPECIAL<br>ASSMNT | ADDITIONAL<br>CAPITAL | EXPENDITURE<br>FUTURE COST | ENDING<br>BALANCE | PERCENT<br>FUNDED | FULLY FUNDED<br>BALANCE |
|------|---------------------|---------------|-------------------|----------|-------------------|-----------------------|----------------------------|-------------------|-------------------|-------------------------|
| 2047 | \$519,062           | \$105,159     | 2.50%             | \$10,381 | \$0               | \$0                   | \$21,950                   | \$612,653         | 35.96%            | \$1,703,727             |
| 2048 | \$612,653           | \$107,788     | 2.50%             | \$12,253 | \$0               | \$0                   | \$0                        | \$732,694         | 39.18%            | \$1,870,297             |
| 2049 | \$732,694           | \$110,483     | 2.50%             | \$14,654 | \$0               | \$0                   | \$23,061                   | \$834,770         | 41.32%            | \$2,020,495             |
| 2050 | \$834,770           | \$113,245     | 2.50%             | \$16,695 | \$0               | \$0                   | \$0                        | \$964,710         | 43.83%            | \$2,201,257             |
| 2051 | \$964,710           | \$116,076     | 2.50%             | \$19,294 | \$0               | \$0                   | \$534,009                  | \$566,072         | 30.72%            | \$1,842,442             |

## 25-Year Baseline Funding Plan

| YEAR | STARTING<br>BALANCE | CONTRIBUTIONS | PERCENT<br>CHANGE | INTEREST | SPECIAL<br>ASSMNT | ADDITIONAL<br>CAPITAL | EXPENDITURE<br>FUTURE COST | ENDING<br>BALANCE | PERCENT<br>FUNDED | FULLY FUNDED<br>BALANCE |
|------|---------------------|---------------|-------------------|----------|-------------------|-----------------------|----------------------------|-------------------|-------------------|-------------------------|
| 2027 | \$0                 | \$120,765     | N/A               | \$0      | \$0               | \$0                   | \$5,358                    | \$115,407         | 12.37%            | \$933,238               |
| 2028 | \$115,407           | \$123,784     | 2.50%             | \$2,308  | \$0               | \$0                   | \$0                        | \$241,499         | 23.43%            | \$1,030,597             |
| 2029 | \$241,499           | \$126,879     | 2.50%             | \$4,830  | \$0               | \$0                   | \$0                        | \$373,208         | 32.96%            | \$1,132,240             |
| 2030 | \$373,208           | \$130,051     | 2.50%             | \$7,464  | \$0               | \$0                   | \$0                        | \$510,723         | 41.24%            | \$1,238,322             |
| 2031 | \$510,723           | \$133,302     | 2.50%             | \$10,214 | \$0               | \$0                   | \$620,000                  | \$34,239          | 4.79%             | \$714,990               |
| 2032 | \$34,239            | \$59,986      | -55.00%           | \$685    | \$0               | \$0                   | \$0                        | \$94,910          | 11.63%            | \$816,112               |
| 2033 | \$94,910            | \$61,486      | 2.50%             | \$1,898  | \$0               | \$0                   | \$0                        | \$158,294         | 17.17%            | \$921,847               |
| 2034 | \$158,294           | \$63,023      | 2.50%             | \$3,166  | \$0               | \$0                   | \$0                        | \$224,483         | 21.74%            | \$1,032,356             |
| 2035 | \$224,483           | \$64,599      | 2.50%             | \$4,490  | \$0               | \$0                   | \$0                        | \$293,571         | 25.58%            | \$1,147,812             |
| 2036 | \$293,571           | \$66,214      | 2.50%             | \$5,871  | \$0               | \$0                   | \$309,921                  | \$55,735          | 5.86%             | \$950,730               |
| 2037 | \$55,735            | \$67,869      | 2.50%             | \$1,115  | \$0               | \$0                   | \$52,475                   | \$72,244          | 7.12%             | \$1,015,201             |
| 2038 | \$72,244            | \$69,566      | 2.50%             | \$1,445  | \$0               | \$0                   | \$0                        | \$143,254         | 12.59%            | \$1,137,427             |
| 2039 | \$143,254           | \$71,305      | 2.50%             | \$2,865  | \$0               | \$0                   | \$0                        | \$217,424         | 17.19%            | \$1,265,135             |
| 2040 | \$217,424           | \$73,087      | 2.50%             | \$4,348  | \$0               | \$0                   | \$0                        | \$294,860         | 21.08%            | \$1,398,514             |
| 2041 | \$294,860           | \$74,915      | 2.50%             | \$5,897  | \$0               | \$0                   | \$191,716                  | \$183,956         | 13.72%            | \$1,341,268             |
| 2042 | \$183,956           | \$76,787      | 2.50%             | \$3,679  | \$0               | \$0                   | \$0                        | \$264,422         | 17.85%            | \$1,481,705             |
| 2043 | \$264,422           | \$78,707      | 2.50%             | \$5,288  | \$0               | \$0                   | \$149,228                  | \$199,190         | 13.50%            | \$1,475,364             |
| 2044 | \$199,190           | \$80,675      | 2.50%             | \$3,984  | \$0               | \$0                   | \$0                        | \$283,849         | 17.47%            | \$1,624,566             |
| 2045 | \$283,849           | \$82,692      | 2.50%             | \$5,677  | \$0               | \$0                   | \$0                        | \$372,217         | 20.91%            | \$1,780,302             |
| 2046 | \$372,217           | \$84,759      | 2.50%             | \$7,444  | \$0               | \$0                   | \$367,501                  | \$96,920          | 6.19%             | \$1,566,123             |
| 2047 | \$96,920            | \$86,878      | 2.50%             | \$1,938  | \$0               | \$0                   | \$21,950                   | \$163,786         | 9.61%             | \$1,703,727             |
| 2048 | \$163,786           | \$89,050      | 2.50%             | \$3,276  | \$0               | \$0                   | \$0                        | \$256,111         | 13.69%            | \$1,870,297             |

| YEAR | STARTING<br>BALANCE | CONTRIBUTIONS | PERCENT<br>CHANGE | INTEREST | SPECIAL<br>ASSMNT | ADDITIONAL<br>CAPITAL | EXPENDITURE<br>FUTURE COST | ENDING<br>BALANCE | PERCENT<br>FUNDED | FULLY FUNDED<br>BALANCE |
|------|---------------------|---------------|-------------------|----------|-------------------|-----------------------|----------------------------|-------------------|-------------------|-------------------------|
| 2049 | \$256,111           | \$91,276      | 2.50%             | \$5,122  | \$0               | \$0                   | \$23,061                   | \$329,449         | 16.31%            | \$2,020,495             |
| 2050 | \$329,449           | \$93,558      | 2.50%             | \$6,589  | \$0               | \$0                   | \$0                        | \$429,596         | 19.52%            | \$2,201,257             |
| 2051 | \$429,596           | \$95,897      | 2.50%             | \$8,592  | \$0               | \$0                   | \$534,009                  | \$76              | 0.00%             | \$1,842,442             |



## 25-Year

## Funding Options

Significant expenses related to the repair or replacement of Reserve components are both expected and projected to occur within any community. When these expenses occur, there are essentially funding options available for addressing the cost associated with each expenditure:

### **Reserve Funds:**

- The most logical option for the Board of Directors is to ensure the association's ability to maintain the obligated assets by assessing an adequate level of reserves as part of the regular membership fees. This approach allows for the cost of replacements to be uniformly distributed among all present and future members, ensuring that future members don't bear the burden of past deficits. Therefore, the Association must adopt a rule for "reasonable figure reserve study", which means adopting a funding plan that is reasonable and sustainable. By setting aside Reserves over the lifespan of each asset, such as a roof, the association has ample time to accumulate the necessary funds for the projected replacement. Additionally, these reserve obligations would be appropriately distributed among all members and have interest-earning potential.

**If Critical elements prevent reserving funds over time, there are two alternative funding options:**

### **Securing a Loan:**

- For major repairs, such as a multi-million dollar Concrete Restoration project that can't be delayed, a long-term Reserve plan may not be sufficient. In such cases, the association may seek to secure a loan from a lending institution to finance any required repairs. In many cases, banks are willing to lend to associations using future homeowner assessments as collateral. However, this option comes with challenges as it commits the association's future assets and incurs additional expenses in the form of interest & fees. It is critical to account for loan repayments in addition to reserve obligations and communicate those costs to the membership.

### **Special Assessment:**

- Another option would be for the board to pass a "special assessment" to the membership, requiring each member to contribute an amount necessary to cover the expenditure. When a special assessment is implemented, the association has the authority and responsibility to

collect the assessments, even through foreclosure, if necessary. SB-154 allows the Board of Directors (BODs) to implement special assessments over the 115% threshold of the previous year if the repairs are for critical structural components.

**Important Notes:**

- **The current statute does not permit associations to include special assessments in the funding plan for the SIRS.**
- **Any "Special Assessment" or "Loan" should be coordinated along with the Reserve Study to build a manageable financial plan for the membership over the period in which it is projected.**

## Reserve Components

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

Each Reserve Component was assessed based on its physical condition observed during the inspection. The following factors were determined:

- **Installation Date:** When the component was originally installed
- **Estimated Market Expected Lifespan:** The maintenance plan currently implemented by the association
- **Subjective Remaining Lifespan:** The remaining lifespan based on visual inspection and current condition
- **Unit Current Cost:** The current cost of the component
- **Unit Projected Future Cost:** The estimated future cost of the component, considering inflation and other factors.
- **Maintenance Opportunities:** Potential actions to extend the useful lifespan of the component.

## Component List - Full Detail

### 001 - Painting, Waterproofing & Wall Repairs

#### Basic Info

|               |                              |
|---------------|------------------------------|
| Type of Cost: | Repairs & Maintenance        |
| Category:     | Exterior Building Components |
| Sub-Category: | Weatherproofing              |
| Condition:    | Good                         |

#### Comments/Notes

This component funds to repaint the walls, patios, balconies, and railings. Funding is also allocated to waterproof the horizontal surfaces of the balconies and walkways.

#### Useful Life

|                        |            |
|------------------------|------------|
| Last Activity Date:    | 01/01/2026 |
| Est. Useful Life:      | 10y        |
| Remaining Useful Life: | 9y         |
| Next Activity Date:    | 01/01/2036 |

#### Financial Data

|                     |                   |
|---------------------|-------------------|
| Unit Cost Date:     | 01/01/2026        |
| Unit Cost Source:   | SBS Cost Estimate |
| Cost Per SF:        | \$193,500.00      |
| Total Quantity:     | 1 SF              |
| Total Current Cost: | \$198,338         |
| Inflation Rate:     | 2.50%             |
| Total Expenditures: | \$564,768         |

Painting, Waterproofing & Wall Repairs Photo 1

Painting, Waterproofing & Wall Repairs Photo 2

# 002 - Fire Alarm Control Panel & Devices

## Basic Info

|               |                             |
|---------------|-----------------------------|
| Type of Cost: | Replacement                 |
| Category:     | Building Service Components |
| Sub-Category: | Life Safety Devices         |
| Condition:    | Good                        |

## Comments/Notes

This fund provides monies for the as needed repairs and eventual replacement of the Fire Alarm system over a standard market observed 25-year life cycle. This includes costs for controllers, detection equipment, annunciator or indicator devices & ancillary equipment associated with these systems.

Fire Alarm Control Panel & Devices Photo 1

Fire Alarm Control Panel & Devices Photo 3

## Useful Life

|                        |            |
|------------------------|------------|
| Last Activity Date:    | 01/01/2018 |
| Est. Useful Life:      | 25y        |
| Remaining Useful Life: | 16y        |
| Next Activity Date:    | 01/01/2043 |

## Financial Data

|                     |            |
|---------------------|------------|
| Unit Cost Date:     | 01/01/2026 |
| Unit Cost Source:   | Local      |
| Cost Per U:         | \$1,886.00 |
| Total Quantity:     | 52 U       |
| Total Current Cost: | \$100,524  |
| Inflation Rate:     | 2.50%      |
| Total Expenditures: | \$149,228  |

Fire Alarm Control Panel & Devices Photo 2

# 003 - Piping & Plumbing, Major Renovations

## Basic Info

|               |                          |
|---------------|--------------------------|
| Type of Cost: | Repairs & Maintenance    |
| Category:     | Property Site Components |
| Sub-Category: | Mechanical               |
| Condition:    | Good                     |

## Comments/Notes

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

Piping & Plumbing, Major Renovations Photo 1

## Useful Life

|                        |            |
|------------------------|------------|
| Last Activity Date:    | 01/01/2001 |
| Est. Useful Life:      | 55y        |
| Remaining Useful Life: | 29y        |
| Next Activity Date:    | 01/01/2056 |

## Financial Data

|                     |                   |
|---------------------|-------------------|
| Unit Cost Date:     | 01/01/2026        |
| Unit Cost Source:   | Local Contractors |
| Cost Per U:         | \$2,460.00        |
| Total Quantity:     | 52 U              |
| Total Current Cost: | \$131,118         |
| Inflation Rate:     | 2.50%             |
| Total Expenditures: | \$0               |

Piping & Plumbing, Major Renovations Photo 2

# 004 - Concrete Restoration, Staircases

## Basic Info

|               |                              |
|---------------|------------------------------|
| Type of Cost: | Replacement                  |
| Category:     | Exterior Building Components |
| Sub-Category: | Unit Access                  |
| Condition:    | Good                         |

## Comments/Notes

On the date of inspection it was observed that the concrete staircases were in good conditon. This fund provides monies for the as needed repairs to eventual major refurbishment of the staircases.

Concrete Restoration, Staircases Photo 1

## Useful Life

|                        |            |
|------------------------|------------|
| Last Activity Date:    | 01/01/2026 |
| Est. Useful Life:      | 10y        |
| Remaining Useful Life: | 9y         |
| Next Activity Date:    | 01/01/2036 |

## Financial Data

|                               |                   |
|-------------------------------|-------------------|
| Unit Cost Date:               | 01/01/2026        |
| Unit Cost Source:             | Local Contractors |
| Cost Per Ea:                  | \$13,500.00       |
| Total Quantity:               | 26 Ea             |
| Percent of Total to Maintain: | 4%                |
| Quantity to Maintain:         | 1.04 Ea           |
| Total Current Cost:           | \$14,391          |
| Inflation Rate:               | 2.50%             |
| Total Expenditures:           | \$40,978          |

Concrete Restoration, Staircases Photo 2

# 005 - Concrete Restoration, Walkways & Balconies

## Basic Info

|               |                              |
|---------------|------------------------------|
| Type of Cost: | Repairs & Maintenance        |
| Category:     | Exterior Building Components |
| Sub-Category: | Ground Surfaces              |
| Condition:    | Good                         |

## Comments/Notes

This fund provides money for as-needed repairs and eventual major concrete restoration projects that would need to take place over a market-observed 10-year life cycle.

Concrete Restoration, Walkways & Balconies Photo 1

## Useful Life

|                        |            |
|------------------------|------------|
| Last Activity Date:    | 01/01/2026 |
| Est. Useful Life:      | 10y        |
| Remaining Useful Life: | 9y         |
| Next Activity Date:    | 01/01/2036 |

## Financial Data

|                               |                   |
|-------------------------------|-------------------|
| Unit Cost Date:               | 01/01/2026        |
| Unit Cost Source:             | Local Contractors |
| Cost Per SF:                  | \$12.85           |
| Total Quantity:               | 32,550 SF         |
| Percent of Total to Maintain: | 4%                |
| Quantity to Maintain:         | 1,302 SF          |
| Total Current Cost:           | \$17,154          |
| Inflation Rate:               | 2.50%             |
| Total Expenditures:           | \$48,846          |

Concrete Restoration, Walkways & Balconies Photo 2

## 006 - Roofs, Flat, Foam Recoat

### Basic Info

|               |                              |
|---------------|------------------------------|
| Type of Cost: | Replacement                  |
| Category:     | Exterior Building Components |
| Sub-Category: | Roofing                      |
| Condition:    | Good                         |

### Comments/Notes

Recoated in 2018. This component funds to periodically recoat the foam roofs between replacement intervals.

### Useful Life

|                        |            |
|------------------------|------------|
| Last Activity Date:    | 01/01/2018 |
| Est. Useful Life:      | 10y        |
| Remaining Useful Life: | 4y         |
| Next Activity Date:    | 01/01/2031 |

### Financial Data

|                     |                   |
|---------------------|-------------------|
| Unit Cost Date:     | 01/01/2026        |
| Unit Cost Source:   | Local Contractors |
| Cost Per SF:        | \$1.75            |
| Total Quantity:     | 32,000 SF         |
| Total Current Cost: | \$57,408          |
| Inflation Rate:     | 2.50%             |
| Total Expenditures: | \$248,320         |

# 006.5 - Roofs, Flat, Foam Replace

## Basic Info

|               |                              |
|---------------|------------------------------|
| Type of Cost: | Replacement                  |
| Category:     | Exterior Building Components |
| Sub-Category: | Roofing                      |
| Condition:    | Good                         |

## Comments/Notes

On the date of inspection, it was noted that the current roof is in fair condition with no reported issues of leaks and deterioration. It was recoated in 2018. Combined cost with the recoat component accounts for total cost estimate.

Roofs, Flat, Foam Replace Photo 1

## Useful Life

|                        |            |
|------------------------|------------|
| Last Activity Date:    | 01/01/2001 |
| Est. Useful Life:      | 30y        |
| Remaining Useful Life: | 4y         |
| Next Activity Date:    | 01/01/2031 |

## Financial Data

|                     |                   |
|---------------------|-------------------|
| Unit Cost Date:     | 01/01/2026        |
| Unit Cost Source:   | Local Contractors |
| Cost Per SF:        | \$15.38           |
| Total Quantity:     | 32,000 SF         |
| Total Current Cost: | \$504,288         |
| Inflation Rate:     | 2.50%             |
| Total Expenditures: | \$556,640         |

Roofs, Flat, Foam Replace Photo 2

# 007 - Fire Pump & Controller

## Basic Info

|               |                             |
|---------------|-----------------------------|
| Type of Cost: | Replacement                 |
| Category:     | Building Service Components |
| Sub-Category: | Mechanical                  |
| Condition:    | Good                        |

## Comments/Notes

This fund provides monies for the as needed repairs and eventual replacement of the Fire Pump system over a 40-year life cycle. The current cost estimate includes the pump, controller panel and ancillary equipment.

Fire Pump & Controller Photo 1

## Useful Life

|                        |            |
|------------------------|------------|
| Last Activity Date:    | 01/01/2001 |
| Est. Useful Life:      | 40y        |
| Remaining Useful Life: | 14y        |
| Next Activity Date:    | 01/01/2041 |

## Financial Data

|                     |             |
|---------------------|-------------|
| Unit Cost Date:     | 01/01/2026  |
| Unit Cost Source:   | MVS         |
| Cost Per Ea:        | \$76,362.50 |
| Total Quantity:     | 1 Ea        |
| Total Current Cost: | \$78,272    |
| Inflation Rate:     | 2.50%       |
| Total Expenditures: | \$110,596   |

Fire Pump & Controller Photo 2

# 008 - Railings, Aluminum Picket

## Basic Info

|               |                              |
|---------------|------------------------------|
| Type of Cost: | Replacement                  |
| Category:     | Exterior Building Components |
| Sub-Category: | Life Safety                  |
| Condition:    | Good                         |

## Comments/Notes

An estimated replacement of ~220 LF is planned for 2025. This component funds to partially replace sections or railings with every repaint project.

Railings, Aluminum Picket Photo 1

## Useful Life

|                        |            |
|------------------------|------------|
| Last Activity Date:    | 01/01/2001 |
| Est. Useful Life:      | 30y        |
| Remaining Useful Life: | 10y        |
| Next Activity Date:    | 01/01/2037 |

## Financial Data

|                               |             |
|-------------------------------|-------------|
| Unit Cost Date:               | 01/01/2026  |
| Unit Cost Source:             | XactRemodel |
| Cost Per LF:                  | \$75.00     |
| Total Quantity:               | 3,555 LF    |
| Percent of Total to Maintain: | 15%         |
| Quantity to Maintain:         | 533.25 LF   |
| Total Current Cost:           | \$40,994    |
| Inflation Rate:               | 2.50%       |
| Total Expenditures:           | \$52,475    |

Railings, Aluminum Picket Photo 2

# 009 - Roof Mansard, Coated Metal Tiles

## Basic Info

|               |                              |
|---------------|------------------------------|
| Type of Cost: | Replacement                  |
| Category:     | Exterior Building Components |
| Sub-Category: | Roofing                      |
| Condition:    | Excellent                    |

## Comments/Notes

Replaced in 2025 for ~\$311,000. This component funds to replace the mansard roofs.

Roof Mansard, Coated Metal Tiles Photo 1

## Useful Life

|                        |            |
|------------------------|------------|
| Last Activity Date:    | 01/01/2025 |
| Est. Useful Life:      | 35y        |
| Remaining Useful Life: | 33y        |
| Next Activity Date:    | 01/01/2060 |

## Financial Data

|                     |                 |
|---------------------|-----------------|
| Unit Cost Date:     | 01/01/2026      |
| Unit Cost Source:   | Stratus Roofing |
| Cost Per SQ:        | \$3,020.00      |
| Total Quantity:     | 103 SQ          |
| Total Current Cost: | \$318,836       |
| Inflation Rate:     | 2.50%           |
| Total Expenditures: | \$0             |

Roof Mansard, Coated Metal Tiles Photo 2

# 010 - Electric, Main Panels & Meter Bases

## Basic Info

|               |                             |
|---------------|-----------------------------|
| Type of Cost: | Replacement                 |
| Category:     | Building Service Components |
| Sub-Category: | Mechanical                  |
| Condition:    | Good                        |

## Comments/Notes

On the date of inspection, it was observed that the electrical service was in good working condition. This fund provides monies for the as needed repairs and eventual partial replacement of the electrical systems over a standard market observed 50-year life cycle.

Electric, Main Panels & Meter Bases Photo 1

## Useful Life

|                        |            |
|------------------------|------------|
| Last Activity Date:    | 01/01/2001 |
| Est. Useful Life:      | 50y        |
| Remaining Useful Life: | 24y        |
| Next Activity Date:    | 01/01/2051 |

## Financial Data

|                     |                   |
|---------------------|-------------------|
| Unit Cost Date:     | 01/01/2026        |
| Unit Cost Source:   | Local Contractors |
| Cost Per PC:        | \$1,470.88        |
| Total Quantity:     | 42 PC             |
| Total Current Cost: | \$63,321          |
| Inflation Rate:     | 2.50%             |
| Total Expenditures: | \$114,531         |

Electric, Main Panels & Meter Bases Photo 2

## 011 - Doors, Metal, Man

### Basic Info

|               |                              |
|---------------|------------------------------|
| Type of Cost: | Replacement                  |
| Category:     | Exterior Building Components |
| Sub-Category: | Access Control Systems       |
| Condition:    | Good                         |

### Useful Life

|                        |            |
|------------------------|------------|
| Last Activity Date:    | 01/01/2017 |
| Est. Useful Life:      | 30y        |
| Remaining Useful Life: | 20y        |
| Next Activity Date:    | 01/01/2047 |

### Financial Data

|                     |             |
|---------------------|-------------|
| Unit Cost Date:     | 01/01/2026  |
| Unit Cost Source:   | XactRemodel |
| Cost Per Ea:        | \$2,613.75  |
| Total Quantity:     | 30 Ea       |
| Total Current Cost: | \$80,373    |
| Inflation Rate:     | 2.50%       |
| Total Expenditures: | \$79,443    |

## 012 - Doors, Wood Core, Fiberglass

### Basic Info

|               |                              |
|---------------|------------------------------|
| Type of Cost: | Replacement                  |
| Category:     | Exterior Building Components |
| Sub-Category: | Access Control Systems       |
| Condition:    | Good                         |

### Useful Life

|                        |            |
|------------------------|------------|
| Last Activity Date:    | 01/01/2001 |
| Est. Useful Life:      | 50y        |
| Remaining Useful Life: | 24y        |
| Next Activity Date:    | 01/01/2051 |

### Financial Data

|                     |             |
|---------------------|-------------|
| Unit Cost Date:     | 01/01/2026  |
| Unit Cost Source:   | XactRemodel |
| Cost Per Ea:        | \$1,486.25  |
| Total Quantity:     | 104 Ea      |
| Total Current Cost: | \$158,434   |
| Inflation Rate:     | 2.50%       |
| Total Expenditures: | \$286,564   |

# 013 - Doors, Double Storefront, Metal & Glass

## Basic Info

|               |                              |
|---------------|------------------------------|
| Type of Cost: | Replacement                  |
| Category:     | Exterior Building Components |
| Sub-Category: | Access Control Systems       |
| Condition:    | Good                         |

## Useful Life

|                        |            |
|------------------------|------------|
| Last Activity Date:    | 01/01/2001 |
| Est. Useful Life:      | 35y        |
| Remaining Useful Life: | 9y         |
| Next Activity Date:    | 01/01/2036 |

## Financial Data

|                     |             |
|---------------------|-------------|
| Unit Cost Date:     | 01/01/2026  |
| Unit Cost Source:   | XactRemodel |
| Cost Per Ea:        | \$5,945.00  |
| Total Quantity:     | 3 Ea        |
| Total Current Cost: | \$18,281    |
| Inflation Rate:     | 2.50%       |
| Total Expenditures: | \$22,830    |

Doors, Double Storefront, Metal & Glass Photo 1

Doors, Double Storefront, Metal & Glass Photo 2

## Definitions

**Adequate:** The required level of funding, determined by a qualified professional, that must be in place to allow for the coverage of reserve obligations as needed in the course of the projection and thereafter.

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

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

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

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

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

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

**Cost per Unit:** The estimated cost of replacing a reserve component per unit of measurement.

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

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

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



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

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

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

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

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

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

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

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

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

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

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

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

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



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

**SBS:** Stone Building Solutions

**SIRS:** Structural Integrity Reserve Study

**SRS:** Stone Reserve Studies

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

**Units:** The unit of measurement used for each quantity.

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

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

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

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

### **Unit Abbreviations:**

|                            |                              |                                        |
|----------------------------|------------------------------|----------------------------------------|
| <b>Sq Ft</b> - Square Feet | <b>Sq Yds</b> - Square Yards | <b>Ln Ft</b> - Linear Feet             |
| <b>Cu Ft</b> - Cubic Feet  | <b>Cu Yds</b> - Cubic Yards  | <b>Opngs</b> - Openings (elevators)    |
| <b>Lp Sm</b> - Lump Sum    | <b>Allow</b> - Allowance     | <b>Hp</b> - Horsepower                 |
| <b>Units</b> - Units       | <b>Ct</b> - Court            | <b>Bldg</b> - Building                 |
| <b>Ea</b> - Each           | <b>Kw</b> - Kilowatts        | <b>Sq</b> - Squares (1 Sq = 100 sq ft) |



## Useful Links

### Association of Professional Reserve Analysts

- [APRA Home](#)
- [APRA Reserve Study Standards](#)

### Community Associations Institute

- [CAI Home](#)
- [CAI Reserve Study Standards](#)

### Florida Department of Business and Professional Regulation (DBPR)-

- [DBPR Home](#)
- [DBPR Building Reporting](#)
- [DBPR Frequently Asked Questions](#)

### Florida Statutes

- [SB-4D](#)
- [HB-154](#)
- [FL 718 - Condominiums](#)
- [FL 719 - Cooperatives](#)
- [FL 720](#)

### State Funded Grant / Loan Options

- [MySafeFLHome Condo Grants](#)

### Stone Building Solutions (SBS)

- [Stone Building Solutions](#)
- [Stone Webinars](#)
- [Leave a 5-Star Review for SBS](#)

### Financial Management for HOAs and Associations

- [HOA Invest](#)



## Disclosures

River Bend Condominium Association of Brevard, Inc. ("the Association") engaged Stone Building Solutions LLC ("Stone") to conduct a Structural Integrity Reserve Study ("SIRS"). The study is based on a visual review of representative common areas by a qualified member of our engineering team, combined with information provided through documentation, interviews with Association representatives, and documentation submitted.

Stone holds no present or future interest in the subject property and has no personal or financial interest in any parties involved. Our engagement was not contingent upon any predetermined outcome, and compensation is not dependent on the results or any actions arising from this report.

This Reserve Study is a planning tool, not a substitute for an audit, engineering analysis, or insurance appraisal. All cost estimates and component life projections are based on industry-standard sources, including, but not limited to: RSMeans, Verisk, Xactimate, Marshall & Swift, McGraw-Hill, and actual vendor data, as well as Stone's experience in construction, reserve analysis, and valuation.

Cash flow projections were produced using Stone's reserve study software, which has been independently reviewed by a Certified Public Accounting firm for compliance with the AICPA Audit and Accounting Guide for Common Interest Realty Associations. Calculations align with IRS guidelines for Form 1120-C and 1120-H entities.

This report reflects assumptions and estimates based on current information and conditions. No guarantee is made regarding future costs, component performance, or funding sufficiency.

According to Florida law, community association managers and management firms are obligated to act in good faith, with loyalty, skill, diligence, honesty, full disclosure, and reasonable fees. When under contract with an association subject to the requirements of Florida Statutes §553.899 (Milestone Inspections) or §718.112(2)(g) (Structural Integrity Reserve Studies), they must comply with these statutory obligations as directed by the association's board. Stone provides this study as a tool to support that compliance.

Stone Building Solutions LLC remains available to provide further engineering evaluations, construction monitoring, and reserve updates upon request. We are committed to professional integrity and industry best practices.



## Update Requirements

Florida State Statutes require an update for this study to be performed and published every 10 years.

We suggest yearly updates and provide a rock solid rate call 848-986-0367 or email [reserves@stonebldg.com](mailto:reserves@stonebldg.com).

While Florida law requires updating the SIRS study only every 10 years, we suggest a yearly refresh to keep your reserve amounts as solid as a rock. Given that this study is still new, annual updates help ensure you're always on the cutting edge of funding requirements. Once your association is up to speed and has a smooth funding flow, we recommend shifting to updates every five years.

Communities that stay on top of their reserve planning often find their allocations drop over time, leading to stronger fiscal and structural health.

As a valued Stone Customer, we're offering a special deal: sign on now, save 10% today, and receive these discounted rates:

Annual Updates 4-year commitment 30% (normally 40%)

5-year update 68% (normally 80% plus market conditions at the time)

Stone Building Solutions will integrate the cost of these updates into your budgets so you can plan ahead without a hitch. Currently, your study does not allocate any updates for the next 10 years (SIRS).

Ready to keep your reserve funds as steady as granite? Contact us at 848-986-0367 or email us at [info@stonebldg.com](mailto:info@stonebldg.com) to order your updated study and keep your community rolling smoothly!