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**Verona Reserve
Villas
Venice, FL**



Report #: 27039-4
Beginning: January 1, 2026
Expires: December 31, 2026

RESERVE STUDY
Update "No-Site-Visit"

August 29, 2025

Welcome to your Reserve Study!

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

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

In this Report, you will find three key results:

- **Component List**

Unique to each property, the Component List serves as the foundation of the Reserve Study and details the scope and schedule of all necessary repairs & replacements.

- **Reserve Fund Strength**

A calculation that measures how well the Reserve Fund has kept pace with the property's physical deterioration.

- **Reserve Funding Plan**

A multi-year funding plan based on current Reserve Fund strength that allows for component repairs and replacements to be completed in a timely manner, with an emphasis on fairness and avoiding "catch-up" funding.

Questions?

Please contact your Project Manager directly.



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**Verona Reserve - Villas**

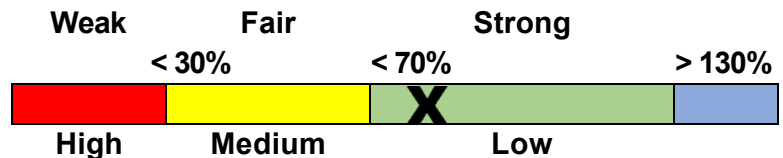
Venice, FL

Level of Service: **Update "No-Site-Visit"**Report #: **27039-4**

of Units: 102

January 1, 2026 through December 31, 2026**Findings & Recommendations****as of January 1, 2026**

Projected Starting Reserve Balance	\$977,673
Projected "Fully Funded" (Ideal) Reserve Balance	\$1,201,383
Percent Funded	81.4 %
Required 2026 Special Assessments	\$0
Minimum 2026 Reserve Funding (Baseline Funding)	\$102,000
Recommended 2026 Reserve Funding (Fully Funding, Achieve 100% by Year 30)	\$114,000

Reserve Fund Strength: 81.4%**Risk of Special Assessment:****High Medium Low****Economic Assumptions:**Net Annual "After Tax" Interest Earnings Accruing to Reserves **2.00 %**Annual Inflation Rate **3.00 %**

This document is a "Update, No-Site-Visit" Reserve Study based on a prior Report prepared by Association Reserves for your 2025 Fiscal Year. The most recent visual inspection of the property was conducted 8/22/2024.

This analysis was prepared or verified by a credentialed Reserve Specialist (RS). No assets appropriate for Reserve designation were excluded. As of the start of the initial fiscal year shown in this study, your Reserve fund is determined to be 81.4 % Funded. Based on this figure, the Client's risk of special assessments & deferred maintenance is currently Low.

Component cost estimates, life expectancies, and recommended reserve funding amounts are subject to change in subsequent years. As such, this Reserve Study analysis expires at the end of the initial fiscal year (December, 31, 2026). Please contact our office to discuss options for updating your Reserve Study in future years.

Reserve Funding Goals and Methodology:

This Reserve Study has been prepared using the "pooled" method of Reserve funding (also known as the cash flow method). The terms "full funding" and/or "fully funding" as used in this Reserve Study are based on the National Reserve Study Standards definition of full funding: "setting a Reserve funding goal to attain and maintain Reserves at or near 100 percent funded." (The definition and means of calculating percent-funded are addressed later in this report.)

In our opinion, the National Reserve Study Standards definition of fully funding not only complies with all relevant jurisdictional requirements, but is also more likely to provide an adequate "cushion" of accumulated funds, which will help mitigate financial risks in the event of higher-than-expected component costs, reduced component life expectancies, or other unforeseen negative circumstances. In our experience, Clients that choose to fund their Reserves using a baseline (or threshold) funding goal are significantly more likely to experience special assessments and deferred maintenance in the event of these circumstances.

For additional questions or to request more information about reserve funding goals and methods, please contact our office.

Special Assessments:

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

Minimum Funding Required:

As of 2025, Florida statutes have been amended to define baseline funding as follows: "...a baseline funding plan...provides a reserve funding goal in which the reserve funding for each budget year is sufficient to maintain the reserve cash balance above zero. Our projection of the minimum reserve funding required (taken together with any projected special assessments) is designed to maintain this pooled fund balance above \$0 throughout the forecast period.

Recommended Funding Plan:

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

Annual Increases to Reserve Funding:

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

Waiving or Partial Funding of Reserves:

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



Executive Summary Table

Report # 27039-4
No-Site-Visit

#	Component	Useful Life (yrs)	Rem. Useful Life (yrs)	Current Average Cost
Villas				
2343	Phase 1 Villas (2019) - Seal/Paint	10	3	\$46,750
2343	Phase 2 Villas (2020) - Seal/Paint	10	4	\$35,750
2343	Phase 3 Villas (2021) - Seal/Paint	10	5	\$57,750
2381	Phase 1 Asphalt Shingle (2026) - Replace	15	0	\$225,000
2381	Phase 2 Asphalt Shingle (2027) - Replace	15	1	\$250,000
2381	Phase 3 Asphalt Shingle (2028) - Replace	15	2	\$300,000
2381	Phase 4 Asphalt Shingle (2029) - Replace	15	3	\$500,000

7 Total Funded Components

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

Introduction



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

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



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

Methodology

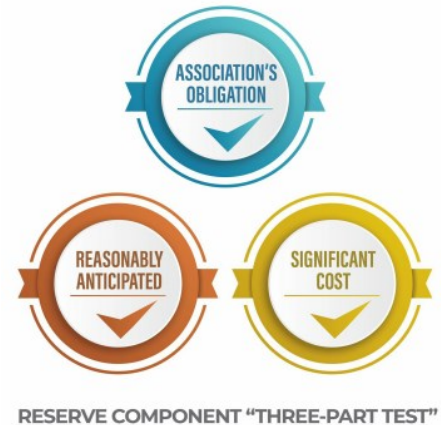


For this [Update No-Site-Visit Reserve Study](#), we started with a review of your prior Reserve Study, then looked into recent Reserve expenditures, evaluated how expenditures are handled (ongoing maintenance vs Reserves), and researched any well-established association

precedents. We updated and adjusted your Reserve Component List on the basis of time elapsed since the last Reserve Study and interviews with association representatives.

Which Physical Assets are Funded by Reserves?

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



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

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

How do we establish Current Repair/Replacement Cost Estimates?

In this order...

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

How much Reserves are enough?

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

Adequacy is measured in a two-step process:

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



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

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

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

How much should we transfer to Reserves?



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

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

What is our Recommended Funding Goal?

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



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

Projected Expenses

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

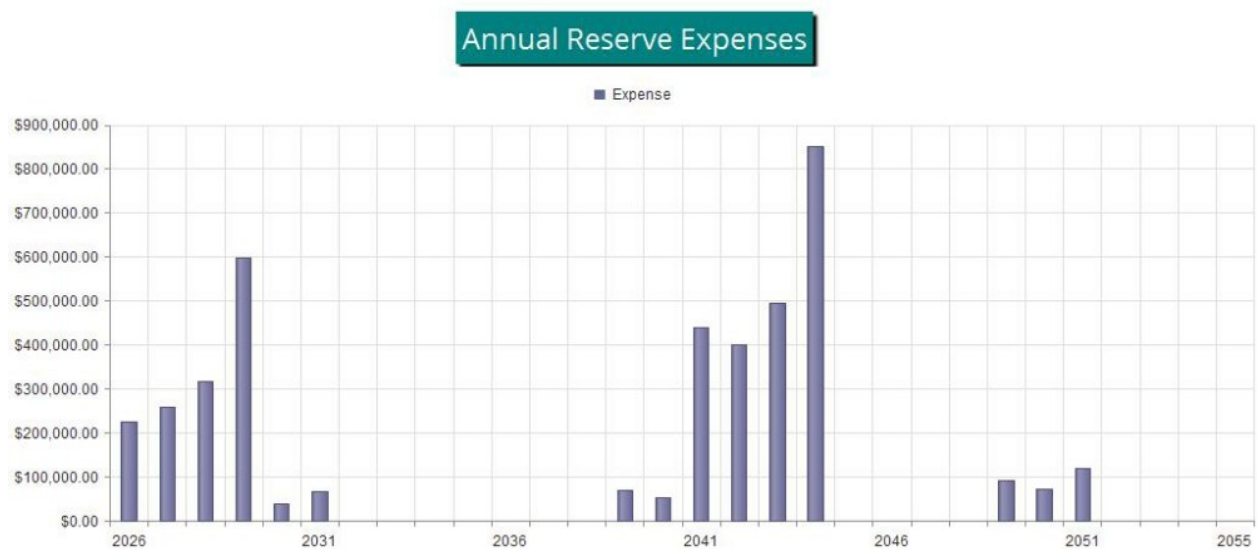


Figure 1

Reserve Fund Status

The starting point for our financial analysis is your Reserve Fund balance, projected to be \$977,673 as-of the start of your Fiscal Year on 1/1/2026. This is based either on information provided directly to us, or using your most recent available Reserve account balance, plus any budgeted funding amounts and less any planned expenses through the end of your Fiscal Year. As of your Fiscal Year Start, your Fully Funded Balance is computed to be \$1,201,383. This figure represents the deteriorated value of your common area components. Comparing your Reserve Balance to your Fully Funded Balance indicates your Reserves are 81.4 % Funded.

Recommended Funding Plan

Based on your current Percent Funded and your near-term and long-term Reserve needs, we are recommending budgeted funding of \$114,000 in the upcoming fiscal year. At minimum, the Association must budget \$102,000 for Reserves in the upcoming year. The overall 30-yr plan, in perspective, is shown below. This same information is shown numerically in both the 30-yr Summary and the Cash Flow Detail tables.

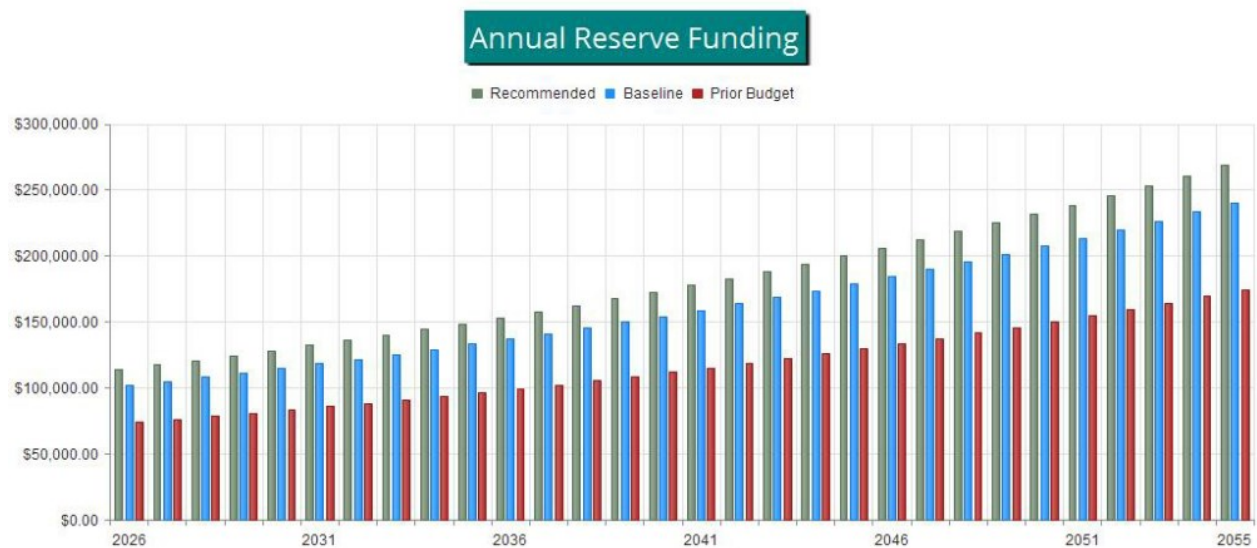


Figure 2

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

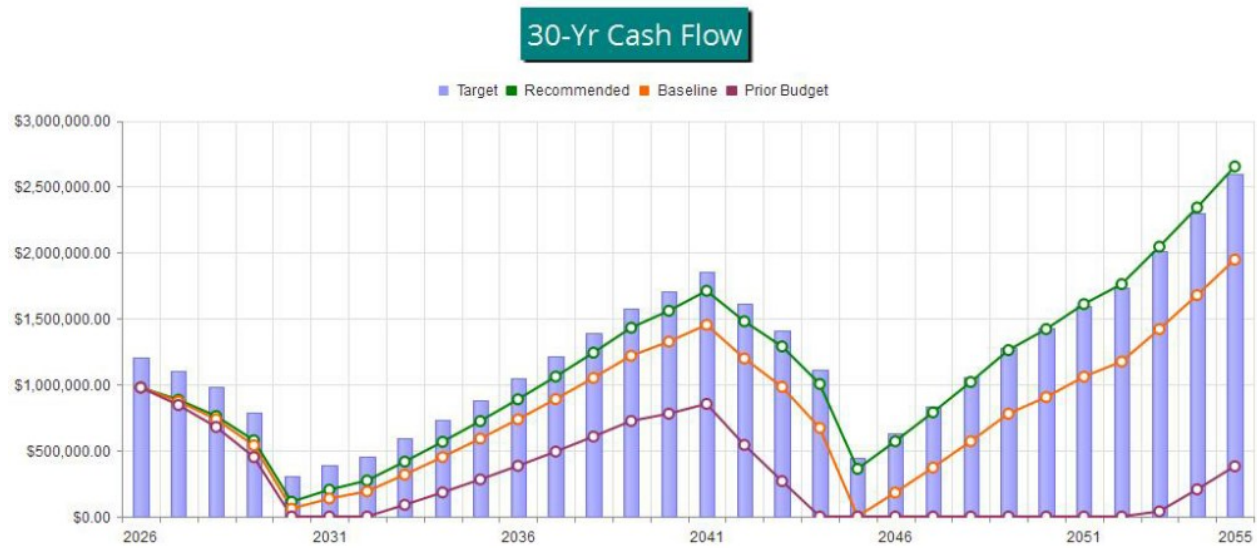


Figure 3

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

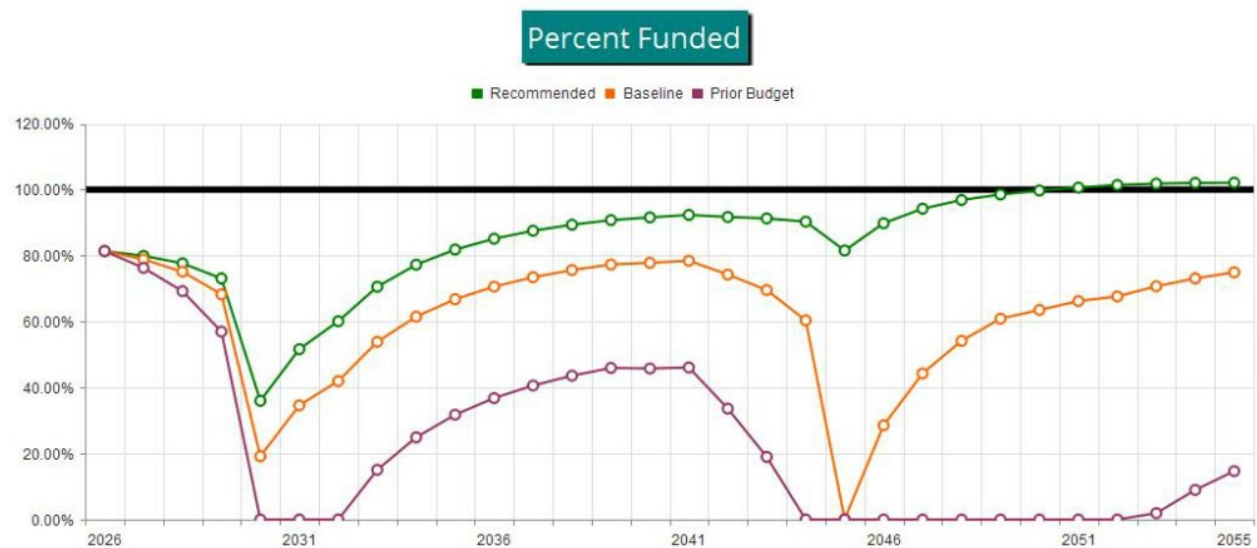


Figure 4



Table Descriptions

Executive Summary is a summary of your Reserve Components

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

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

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

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



#	Component	Current Cost Estimate	X	Effective Age	/	Useful Life	=	Fully Funded Balance
Villas								
2343	Phase 1 Villas (2019) - Seal/Paint	\$46,750	X	7	/	10	=	\$32,725
2343	Phase 2 Villas (2020) - Seal/Paint	\$35,750	X	6	/	10	=	\$21,450
2343	Phase 3 Villas (2021) - Seal/Paint	\$57,750	X	5	/	10	=	\$28,875
2381	Phase 1 Asphalt Shingle (2026) - Replace	\$225,000	X	15	/	15	=	\$225,000
2381	Phase 2 Asphalt Shingle (2027) - Replace	\$250,000	X	14	/	15	=	\$233,333
2381	Phase 3 Asphalt Shingle (2028) - Replace	\$300,000	X	13	/	15	=	\$260,000
2381	Phase 4 Asphalt Shingle (2029) - Replace	\$500,000	X	12	/	15	=	\$400,000
								\$1,201,383



#	Component	Useful Life (yrs)	Current Cost Estimate	Deterioration Cost/Yr	Deterioration Significance
Villas					
2343	Phase 1 Villas (2019) - Seal/Paint	10	\$46,750	\$4,675	4.72 %
2343	Phase 2 Villas (2020) - Seal/Paint	10	\$35,750	\$3,575	3.61 %
2343	Phase 3 Villas (2021) - Seal/Paint	10	\$57,750	\$5,775	5.83 %
2381	Phase 1 Asphalt Shingle (2026) - Replace	15	\$225,000	\$15,000	15.15 %
2381	Phase 2 Asphalt Shingle (2027) - Replace	15	\$250,000	\$16,667	16.83 %
2381	Phase 3 Asphalt Shingle (2028) - Replace	15	\$300,000	\$20,000	20.20 %
2381	Phase 4 Asphalt Shingle (2029) - Replace	15	\$500,000	\$33,333	33.66 %
7	Total Funded Components			\$99,025	100.00 %



30-Year Reserve Plan Summary

Report # 27039-4
No-Site-Visit

Fiscal Year Start: 2026

Net After Tax Interest:

2.00 %

Avg 30-Yr Inflation:

3.00 %

Reserve Fund Strength: as-of Fiscal Year Start Date

Projected Reserve Balance Changes

Year	Starting Reserve Balance	Fully Funded Balance	Percent Funded		Special Assmt Risk	% Increase In Annual		Loan or Special Assmts	Interest Income	Reserve Expenses
						Reserve Funding	Reserve Funding			
2026	\$977,673	\$1,201,383	81.4 %		Low	54.05 %	\$114,000	\$0	\$18,613	\$225,000
2027	\$885,286	\$1,107,671	79.9 %		Low	3.00 %	\$117,420	\$0	\$16,455	\$257,500
2028	\$761,662	\$980,731	77.7 %		Low	3.00 %	\$120,943	\$0	\$13,382	\$318,270
2029	\$577,716	\$790,542	73.1 %		Low	3.00 %	\$124,571	\$0	\$6,888	\$597,448
2030	\$111,727	\$310,340	36.0 %		Medium	3.00 %	\$128,308	\$0	\$3,144	\$40,237
2031	\$202,942	\$393,004	51.6 %		Medium	3.00 %	\$132,157	\$0	\$4,754	\$66,948
2032	\$272,906	\$454,078	60.1 %		Medium	3.00 %	\$136,122	\$0	\$6,882	\$0
2033	\$415,910	\$589,489	70.6 %		Low	3.00 %	\$140,206	\$0	\$9,810	\$0
2034	\$565,926	\$732,615	77.2 %		Low	3.00 %	\$144,412	\$0	\$12,880	\$0
2035	\$723,218	\$883,799	81.8 %		Low	3.00 %	\$148,744	\$0	\$16,099	\$0
2036	\$888,061	\$1,043,394	85.1 %		Low	3.00 %	\$153,206	\$0	\$19,471	\$0
2037	\$1,060,738	\$1,211,770	87.5 %		Low	3.00 %	\$157,803	\$0	\$23,003	\$0
2038	\$1,241,544	\$1,389,309	89.4 %		Low	3.00 %	\$162,537	\$0	\$26,700	\$0
2039	\$1,430,781	\$1,576,410	90.8 %		Low	3.00 %	\$167,413	\$0	\$29,876	\$68,654
2040	\$1,559,416	\$1,702,773	91.6 %		Low	3.00 %	\$172,435	\$0	\$32,670	\$54,075
2041	\$1,710,446	\$1,852,436	92.3 %		Low	3.00 %	\$177,608	\$0	\$31,871	\$440,515
2042	\$1,479,410	\$1,613,185	91.7 %		Low	3.00 %	\$182,937	\$0	\$27,658	\$401,177
2043	\$1,288,828	\$1,412,042	91.3 %		Low	3.00 %	\$188,425	\$0	\$22,912	\$495,854
2044	\$1,004,310	\$1,112,256	90.3 %		Low	3.00 %	\$194,077	\$0	\$13,639	\$851,217
2045	\$360,810	\$442,512	81.5 %		Low	3.00 %	\$199,900	\$0	\$9,300	\$0
2046	\$570,010	\$634,637	89.8 %		Low	3.00 %	\$205,897	\$0	\$13,583	\$0
2047	\$789,490	\$837,892	94.2 %		Low	3.00 %	\$212,074	\$0	\$18,076	\$0
2048	\$1,019,639	\$1,052,771	96.9 %		Low	3.00 %	\$218,436	\$0	\$22,785	\$0
2049	\$1,260,860	\$1,279,789	98.5 %		Low	3.00 %	\$224,989	\$0	\$26,789	\$92,265
2050	\$1,420,373	\$1,424,447	99.7 %		Low	3.00 %	\$231,739	\$0	\$30,275	\$72,672
2051	\$1,609,714	\$1,599,664	100.6 %		Low	3.00 %	\$238,691	\$0	\$33,680	\$120,916
2052	\$1,761,169	\$1,736,667	101.4 %		Low	3.00 %	\$245,851	\$0	\$38,029	\$0
2053	\$2,045,049	\$2,008,730	101.8 %		Low	3.00 %	\$253,227	\$0	\$43,834	\$0
2054	\$2,342,110	\$2,295,554	102.0 %		Low	3.00 %	\$260,824	\$0	\$49,906	\$0
2055	\$2,652,840	\$2,597,780	102.1 %		Low	3.00 %	\$268,648	\$0	\$56,257	\$0



30-Year Reserve Plan Summary (Alternate Funding Plan)

Report # 27039-4
No-Site-Visit

Fiscal Year Start: 2026

Net After Tax Interest:

2.00 %

Avg 30-Yr Inflation:

3.00 %

Reserve Fund Strength: as-of Fiscal Year Start Date

Projected Reserve Balance Changes

Year	Starting Reserve Balance	Fully Funded Balance	Percent Funded		Special Assmt Risk	% Increase In Annual Reserve Funding	Reserve Funding	Loan or Special Assmts	Interest Income	Reserve Expenses
2026	\$977,673	\$1,201,383	81.4 %		Low	37.84 %	\$102,000	\$0	\$18,492	\$225,000
2027	\$873,165	\$1,107,671	78.8 %		Low	3.00 %	\$105,060	\$0	\$16,086	\$257,500
2028	\$736,811	\$980,731	75.1 %		Low	3.00 %	\$108,212	\$0	\$12,752	\$318,270
2029	\$539,505	\$790,542	68.2 %		Medium	3.00 %	\$111,458	\$0	\$5,985	\$597,448
2030	\$59,500	\$310,340	19.2 %		High	3.00 %	\$114,802	\$0	\$1,953	\$40,237
2031	\$136,018	\$393,004	34.6 %		Medium	3.00 %	\$118,246	\$0	\$3,263	\$66,948
2032	\$190,579	\$454,078	42.0 %		Medium	3.00 %	\$121,793	\$0	\$5,076	\$0
2033	\$317,448	\$589,489	53.9 %		Medium	3.00 %	\$125,447	\$0	\$7,674	\$0
2034	\$450,569	\$732,615	61.5 %		Medium	3.00 %	\$129,211	\$0	\$10,398	\$0
2035	\$590,178	\$883,799	66.8 %		Medium	3.00 %	\$133,087	\$0	\$13,255	\$0
2036	\$736,520	\$1,043,394	70.6 %		Low	3.00 %	\$137,079	\$0	\$16,250	\$0
2037	\$889,849	\$1,211,770	73.4 %		Low	3.00 %	\$141,192	\$0	\$19,386	\$0
2038	\$1,050,427	\$1,389,309	75.6 %		Low	3.00 %	\$145,428	\$0	\$22,670	\$0
2039	\$1,218,525	\$1,576,410	77.3 %		Low	3.00 %	\$149,790	\$0	\$25,414	\$68,654
2040	\$1,325,075	\$1,702,773	77.8 %		Low	3.00 %	\$154,284	\$0	\$27,757	\$54,075
2041	\$1,453,041	\$1,852,436	78.4 %		Low	3.00 %	\$158,913	\$0	\$26,487	\$440,515
2042	\$1,197,926	\$1,613,185	74.3 %		Low	3.00 %	\$163,680	\$0	\$21,782	\$401,177
2043	\$982,211	\$1,412,042	69.6 %		Medium	3.00 %	\$168,590	\$0	\$16,523	\$495,854
2044	\$671,470	\$1,112,256	60.4 %		Medium	3.00 %	\$173,648	\$0	\$6,715	\$851,217
2045	\$617	\$442,512	0.1 %		High	3.00 %	\$178,858	\$0	\$1,818	\$0
2046	\$181,292	\$634,637	28.6 %		High	3.00 %	\$184,223	\$0	\$5,518	\$0
2047	\$371,034	\$837,892	44.3 %		Medium	3.00 %	\$189,750	\$0	\$9,404	\$0
2048	\$570,188	\$1,052,771	54.2 %		Medium	3.00 %	\$195,443	\$0	\$13,481	\$0
2049	\$779,112	\$1,279,789	60.9 %		Medium	3.00 %	\$201,306	\$0	\$16,826	\$92,265
2050	\$904,979	\$1,424,447	63.5 %		Medium	3.00 %	\$207,345	\$0	\$19,626	\$72,672
2051	\$1,059,277	\$1,599,664	66.2 %		Medium	3.00 %	\$213,565	\$0	\$22,316	\$120,916
2052	\$1,174,242	\$1,736,667	67.6 %		Medium	3.00 %	\$219,972	\$0	\$25,921	\$0
2053	\$1,420,136	\$2,008,730	70.7 %		Low	3.00 %	\$226,571	\$0	\$30,951	\$0
2054	\$1,677,659	\$2,295,554	73.1 %		Low	3.00 %	\$233,369	\$0	\$36,218	\$0
2055	\$1,947,245	\$2,597,780	75.0 %		Low	3.00 %	\$240,370	\$0	\$41,730	\$0



30-Year Income/Expense Detail

Report # 27039-4
No-Site-Visit

Fiscal Year	2026	2027	2028	2029	2030
Starting Reserve Balance	\$977,673	\$885,286	\$761,662	\$577,716	\$111,727
Annual Reserve Funding	\$114,000	\$117,420	\$120,943	\$124,571	\$128,308
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$18,613	\$16,455	\$13,382	\$6,888	\$3,144
Total Income	\$1,110,286	\$1,019,162	\$895,986	\$709,176	\$243,179
# Component					
Villas					
2343 Phase 1 Villas (2019) - Seal/Paint	\$0	\$0	\$0	\$51,085	\$0
2343 Phase 2 Villas (2020) - Seal/Paint	\$0	\$0	\$0	\$0	\$40,237
2343 Phase 3 Villas (2021) - Seal/Paint	\$0	\$0	\$0	\$0	\$0
2381 Phase 1 Asphalt Shingle (2026) - Replace	\$225,000	\$0	\$0	\$0	\$0
2381 Phase 2 Asphalt Shingle (2027) - Replace	\$0	\$257,500	\$0	\$0	\$0
2381 Phase 3 Asphalt Shingle (2028) - Replace	\$0	\$0	\$318,270	\$0	\$0
2381 Phase 4 Asphalt Shingle (2029) - Replace	\$0	\$0	\$0	\$546,364	\$0
Total Expenses	\$225,000	\$257,500	\$318,270	\$597,448	\$40,237
Ending Reserve Balance	\$885,286	\$761,662	\$577,716	\$111,727	\$202,942

Fiscal Year	2031	2032	2033	2034	2035
Starting Reserve Balance	\$202,942	\$272,906	\$415,910	\$565,926	\$723,218
Annual Reserve Funding	\$132,157	\$136,122	\$140,206	\$144,412	\$148,744
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$4,754	\$6,882	\$9,810	\$12,880	\$16,099
Total Income	\$339,854	\$415,910	\$565,926	\$723,218	\$888,061
# Component					
Villas					
2343 Phase 1 Villas (2019) - Seal/Paint	\$0	\$0	\$0	\$0	\$0
2343 Phase 2 Villas (2020) - Seal/Paint	\$0	\$0	\$0	\$0	\$0
2343 Phase 3 Villas (2021) - Seal/Paint	\$66,948	\$0	\$0	\$0	\$0
2381 Phase 1 Asphalt Shingle (2026) - Replace	\$0	\$0	\$0	\$0	\$0
2381 Phase 2 Asphalt Shingle (2027) - Replace	\$0	\$0	\$0	\$0	\$0
2381 Phase 3 Asphalt Shingle (2028) - Replace	\$0	\$0	\$0	\$0	\$0
2381 Phase 4 Asphalt Shingle (2029) - Replace	\$0	\$0	\$0	\$0	\$0
Total Expenses	\$66,948	\$0	\$0	\$0	\$0
Ending Reserve Balance	\$272,906	\$415,910	\$565,926	\$723,218	\$888,061

Fiscal Year	2036	2037	2038	2039	2040
Starting Reserve Balance	\$888,061	\$1,060,738	\$1,241,544	\$1,430,781	\$1,559,416
Annual Reserve Funding	\$153,206	\$157,803	\$162,537	\$167,413	\$172,435
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$19,471	\$23,003	\$26,700	\$29,876	\$32,670
Total Income	\$1,060,738	\$1,241,544	\$1,430,781	\$1,628,069	\$1,764,521
# Component					
Villas					
2343 Phase 1 Villas (2019) - Seal/Paint	\$0	\$0	\$0	\$68,654	\$0
2343 Phase 2 Villas (2020) - Seal/Paint	\$0	\$0	\$0	\$0	\$54,075
2343 Phase 3 Villas (2021) - Seal/Paint	\$0	\$0	\$0	\$0	\$0
2381 Phase 1 Asphalt Shingle (2026) - Replace	\$0	\$0	\$0	\$0	\$0
2381 Phase 2 Asphalt Shingle (2027) - Replace	\$0	\$0	\$0	\$0	\$0
2381 Phase 3 Asphalt Shingle (2028) - Replace	\$0	\$0	\$0	\$0	\$0
2381 Phase 4 Asphalt Shingle (2029) - Replace	\$0	\$0	\$0	\$0	\$0
Total Expenses	\$0	\$0	\$0	\$68,654	\$54,075
Ending Reserve Balance	\$1,060,738	\$1,241,544	\$1,430,781	\$1,559,416	\$1,710,446

Fiscal Year	2041	2042	2043	2044	2045
Starting Reserve Balance	\$1,710,446	\$1,479,410	\$1,288,828	\$1,004,310	\$360,810
Annual Reserve Funding	\$177,608	\$182,937	\$188,425	\$194,077	\$199,900
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$31,871	\$27,658	\$22,912	\$13,639	\$9,300
Total Income	\$1,919,925	\$1,690,005	\$1,500,164	\$1,212,027	\$570,010
# Component					
Villas					
2343 Phase 1 Villas (2019) - Seal/Paint	\$0	\$0	\$0	\$0	\$0
2343 Phase 2 Villas (2020) - Seal/Paint	\$0	\$0	\$0	\$0	\$0
2343 Phase 3 Villas (2021) - Seal/Paint	\$89,973	\$0	\$0	\$0	\$0
2381 Phase 1 Asphalt Shingle (2026) - Replace	\$350,543	\$0	\$0	\$0	\$0
2381 Phase 2 Asphalt Shingle (2027) - Replace	\$0	\$401,177	\$0	\$0	\$0
2381 Phase 3 Asphalt Shingle (2028) - Replace	\$0	\$0	\$495,854	\$0	\$0
2381 Phase 4 Asphalt Shingle (2029) - Replace	\$0	\$0	\$0	\$851,217	\$0
Total Expenses	\$440,515	\$401,177	\$495,854	\$851,217	\$0
Ending Reserve Balance	\$1,479,410	\$1,288,828	\$1,004,310	\$360,810	\$570,010

Fiscal Year	2046	2047	2048	2049	2050
Starting Reserve Balance	\$570,010	\$789,490	\$1,019,639	\$1,260,860	\$1,420,373
Annual Reserve Funding	\$205,897	\$212,074	\$218,436	\$224,989	\$231,739
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$13,583	\$18,076	\$22,785	\$26,789	\$30,275
Total Income	\$789,490	\$1,019,639	\$1,260,860	\$1,512,638	\$1,682,386
# Component					
Villas					
2343 Phase 1 Villas (2019) - Seal/Paint	\$0	\$0	\$0	\$92,265	\$0
2343 Phase 2 Villas (2020) - Seal/Paint	\$0	\$0	\$0	\$0	\$72,672
2343 Phase 3 Villas (2021) - Seal/Paint	\$0	\$0	\$0	\$0	\$0
2381 Phase 1 Asphalt Shingle (2026) - Replace	\$0	\$0	\$0	\$0	\$0
2381 Phase 2 Asphalt Shingle (2027) - Replace	\$0	\$0	\$0	\$0	\$0
2381 Phase 3 Asphalt Shingle (2028) - Replace	\$0	\$0	\$0	\$0	\$0
2381 Phase 4 Asphalt Shingle (2029) - Replace	\$0	\$0	\$0	\$0	\$0
Total Expenses	\$0	\$0	\$0	\$92,265	\$72,672
Ending Reserve Balance	\$789,490	\$1,019,639	\$1,260,860	\$1,420,373	\$1,609,714

Fiscal Year	2051	2052	2053	2054	2055
Starting Reserve Balance	\$1,609,714	\$1,761,169	\$2,045,049	\$2,342,110	\$2,652,840
Annual Reserve Funding	\$238,691	\$245,851	\$253,227	\$260,824	\$268,648
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$33,680	\$38,029	\$43,834	\$49,906	\$56,257
Total Income	\$1,882,084	\$2,045,049	\$2,342,110	\$2,652,840	\$2,977,745
# Component					
Villas					
2343 Phase 1 Villas (2019) - Seal/Paint	\$0	\$0	\$0	\$0	\$0
2343 Phase 2 Villas (2020) - Seal/Paint	\$0	\$0	\$0	\$0	\$0
2343 Phase 3 Villas (2021) - Seal/Paint	\$120,916	\$0	\$0	\$0	\$0
2381 Phase 1 Asphalt Shingle (2026) - Replace	\$0	\$0	\$0	\$0	\$0
2381 Phase 2 Asphalt Shingle (2027) - Replace	\$0	\$0	\$0	\$0	\$0
2381 Phase 3 Asphalt Shingle (2028) - Replace	\$0	\$0	\$0	\$0	\$0
2381 Phase 4 Asphalt Shingle (2029) - Replace	\$0	\$0	\$0	\$0	\$0
Total Expenses	\$120,916	\$0	\$0	\$0	\$0
Ending Reserve Balance	\$1,761,169	\$2,045,049	\$2,342,110	\$2,652,840	\$2,977,745

**30-Year Income/Expense Detail (Alternate Funding Plan)****Report # 27039-4
No-Site-Visit**

Fiscal Year	2026	2027	2028	2029	2030
Starting Reserve Balance	\$977,673	\$873,165	\$736,811	\$539,505	\$59,500
Annual Reserve Funding	\$102,000	\$105,060	\$108,212	\$111,458	\$114,802
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$18,492	\$16,086	\$12,752	\$5,985	\$1,953
Total Income	\$1,098,165	\$994,311	\$857,775	\$656,948	\$176,255
# Component					
Villas					
2343 Phase 1 Villas (2019) - Seal/Paint	\$0	\$0	\$0	\$51,085	\$0
2343 Phase 2 Villas (2020) - Seal/Paint	\$0	\$0	\$0	\$0	\$40,237
2343 Phase 3 Villas (2021) - Seal/Paint	\$0	\$0	\$0	\$0	\$0
2381 Phase 1 Asphalt Shingle (2026) - Replace	\$225,000	\$0	\$0	\$0	\$0
2381 Phase 2 Asphalt Shingle (2027) - Replace	\$0	\$257,500	\$0	\$0	\$0
2381 Phase 3 Asphalt Shingle (2028) - Replace	\$0	\$0	\$318,270	\$0	\$0
2381 Phase 4 Asphalt Shingle (2029) - Replace	\$0	\$0	\$0	\$546,364	\$0
Total Expenses	\$225,000	\$257,500	\$318,270	\$597,448	\$40,237
Ending Reserve Balance	\$873,165	\$736,811	\$539,505	\$59,500	\$136,018

Fiscal Year	2031	2032	2033	2034	2035
Starting Reserve Balance	\$136,018	\$190,579	\$317,448	\$450,569	\$590,178
Annual Reserve Funding	\$118,246	\$121,793	\$125,447	\$129,211	\$133,087
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$3,263	\$5,076	\$7,674	\$10,398	\$13,255
Total Income	\$257,527	\$317,448	\$450,569	\$590,178	\$736,520
# Component					
Villas					
2343 Phase 1 Villas (2019) - Seal/Paint	\$0	\$0	\$0	\$0	\$0
2343 Phase 2 Villas (2020) - Seal/Paint	\$0	\$0	\$0	\$0	\$0
2343 Phase 3 Villas (2021) - Seal/Paint	\$66,948	\$0	\$0	\$0	\$0
2381 Phase 1 Asphalt Shingle (2026) - Replace	\$0	\$0	\$0	\$0	\$0
2381 Phase 2 Asphalt Shingle (2027) - Replace	\$0	\$0	\$0	\$0	\$0
2381 Phase 3 Asphalt Shingle (2028) - Replace	\$0	\$0	\$0	\$0	\$0
2381 Phase 4 Asphalt Shingle (2029) - Replace	\$0	\$0	\$0	\$0	\$0
Total Expenses	\$66,948	\$0	\$0	\$0	\$0
Ending Reserve Balance	\$190,579	\$317,448	\$450,569	\$590,178	\$736,520

Fiscal Year	2036	2037	2038	2039	2040
Starting Reserve Balance	\$736,520	\$889,849	\$1,050,427	\$1,218,525	\$1,325,075
Annual Reserve Funding	\$137,079	\$141,192	\$145,428	\$149,790	\$154,284
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$16,250	\$19,386	\$22,670	\$25,414	\$27,757
Total Income	\$889,849	\$1,050,427	\$1,218,525	\$1,393,729	\$1,507,116
# Component					
Villas					
2343 Phase 1 Villas (2019) - Seal/Paint	\$0	\$0	\$0	\$68,654	\$0
2343 Phase 2 Villas (2020) - Seal/Paint	\$0	\$0	\$0	\$0	\$54,075
2343 Phase 3 Villas (2021) - Seal/Paint	\$0	\$0	\$0	\$0	\$0
2381 Phase 1 Asphalt Shingle (2026) - Replace	\$0	\$0	\$0	\$0	\$0
2381 Phase 2 Asphalt Shingle (2027) - Replace	\$0	\$0	\$0	\$0	\$0
2381 Phase 3 Asphalt Shingle (2028) - Replace	\$0	\$0	\$0	\$0	\$0
2381 Phase 4 Asphalt Shingle (2029) - Replace	\$0	\$0	\$0	\$0	\$0
Total Expenses	\$0	\$0	\$0	\$68,654	\$54,075
Ending Reserve Balance	\$889,849	\$1,050,427	\$1,218,525	\$1,325,075	\$1,453,041

Fiscal Year	2041	2042	2043	2044	2045
Starting Reserve Balance	\$1,453,041	\$1,197,926	\$982,211	\$671,470	\$617
Annual Reserve Funding	\$158,913	\$163,680	\$168,590	\$173,648	\$178,858
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$26,487	\$21,782	\$16,523	\$6,715	\$1,818
Total Income	\$1,638,441	\$1,383,388	\$1,167,324	\$851,833	\$181,292
# Component					
Villas					
2343 Phase 1 Villas (2019) - Seal/Paint	\$0	\$0	\$0	\$0	\$0
2343 Phase 2 Villas (2020) - Seal/Paint	\$0	\$0	\$0	\$0	\$0
2343 Phase 3 Villas (2021) - Seal/Paint	\$89,973	\$0	\$0	\$0	\$0
2381 Phase 1 Asphalt Shingle (2026) - Replace	\$350,543	\$0	\$0	\$0	\$0
2381 Phase 2 Asphalt Shingle (2027) - Replace	\$0	\$401,177	\$0	\$0	\$0
2381 Phase 3 Asphalt Shingle (2028) - Replace	\$0	\$0	\$495,854	\$0	\$0
2381 Phase 4 Asphalt Shingle (2029) - Replace	\$0	\$0	\$0	\$851,217	\$0
Total Expenses	\$440,515	\$401,177	\$495,854	\$851,217	\$0
Ending Reserve Balance	\$1,197,926	\$982,211	\$671,470	\$617	\$181,292

Fiscal Year	2046	2047	2048	2049	2050
Starting Reserve Balance	\$181,292	\$371,034	\$570,188	\$779,112	\$904,979
Annual Reserve Funding	\$184,223	\$189,750	\$195,443	\$201,306	\$207,345
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$5,518	\$9,404	\$13,481	\$16,826	\$19,626
Total Income	\$371,034	\$570,188	\$779,112	\$997,244	\$1,131,949
# Component					
Villas					
2343 Phase 1 Villas (2019) - Seal/Paint	\$0	\$0	\$0	\$92,265	\$0
2343 Phase 2 Villas (2020) - Seal/Paint	\$0	\$0	\$0	\$0	\$72,672
2343 Phase 3 Villas (2021) - Seal/Paint	\$0	\$0	\$0	\$0	\$0
2381 Phase 1 Asphalt Shingle (2026) - Replace	\$0	\$0	\$0	\$0	\$0
2381 Phase 2 Asphalt Shingle (2027) - Replace	\$0	\$0	\$0	\$0	\$0
2381 Phase 3 Asphalt Shingle (2028) - Replace	\$0	\$0	\$0	\$0	\$0
2381 Phase 4 Asphalt Shingle (2029) - Replace	\$0	\$0	\$0	\$0	\$0
Total Expenses	\$0	\$0	\$0	\$92,265	\$72,672
Ending Reserve Balance	\$371,034	\$570,188	\$779,112	\$904,979	\$1,059,277

Fiscal Year	2051	2052	2053	2054	2055
Starting Reserve Balance	\$1,059,277	\$1,174,242	\$1,420,136	\$1,677,659	\$1,947,245
Annual Reserve Funding	\$213,565	\$219,972	\$226,571	\$233,369	\$240,370
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$22,316	\$25,921	\$30,951	\$36,218	\$41,730
Total Income	\$1,295,158	\$1,420,136	\$1,677,659	\$1,947,245	\$2,229,344
# Component					
Villas					
2343 Phase 1 Villas (2019) - Seal/Paint	\$0	\$0	\$0	\$0	\$0
2343 Phase 2 Villas (2020) - Seal/Paint	\$0	\$0	\$0	\$0	\$0
2343 Phase 3 Villas (2021) - Seal/Paint	\$120,916	\$0	\$0	\$0	\$0
2381 Phase 1 Asphalt Shingle (2026) - Replace	\$0	\$0	\$0	\$0	\$0
2381 Phase 2 Asphalt Shingle (2027) - Replace	\$0	\$0	\$0	\$0	\$0
2381 Phase 3 Asphalt Shingle (2028) - Replace	\$0	\$0	\$0	\$0	\$0
2381 Phase 4 Asphalt Shingle (2029) - Replace	\$0	\$0	\$0	\$0	\$0
Total Expenses	\$120,916	\$0	\$0	\$0	\$0
Ending Reserve Balance	\$1,174,242	\$1,420,136	\$1,677,659	\$1,947,245	\$2,229,344



Accuracy, Limitations, and Disclosures

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



Terms and Definitions

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



Component Details

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

Excluded Components

Comp #: 2000 Client Not Responsible**Approx Quantity: 1 Informational Component****Location:** Throughout property/development**Funded?:** No. Per information provided - Client/Association not responsible.**History:**

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

The first part of the test is that the client/association "has the obligation to maintain or replace the existing element." Additional component selection guidelines state "Association maintenance/replacement responsibility is generally established by a review of governing documents as well as established association precedent." In our opinion, there are multiple components throughout the property that do not pass this test on the basis that they are either the responsibility of individual unit owners or the responsibility of another entity (i.e. local municipality, third-party vendor, master association, or adjacent development). These components include but are not necessarily limited to:

- Exterior Lights
- Lanai Lights & Fixtures
- Lanai Screen Enclosures
- Unit Windows & Doors
- Unit Garage Doors
- Villa Gutters/Downspouts (Owner Responsibility)
- Unit Interiors (Within Wall Boundaries)
- Unit Electrical Infrastructure (Serving Individual Unit Only)
- Unit HVAC Systems (Serving Individual Unit Only)
- Unit Plumbing Infrastructure (Serving Individual Unit Only)

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

Useful Life:**Remaining Life:****Lower Estimate:** \$ 0**Higher Estimate:**

\$0

Cost Source:

Comp #: 2010 Not Reasonably Anticipated**Approx Quantity: 1 Informational Component****Location:** Throughout property/development**Funded?:** No. Life expectancy and/or cost too indeterminate for Reserve designation.**History:**

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

The second part of the test is that the "the need and schedule for this project can be reasonably anticipated." Additional component selection guidelines state: "When a project becomes 'reasonably anticipated' will vary based on building age, construction type, and the judgment of the reserve study provider. This test means that component definitions should be based on some degree of certainty." There are multiple components throughout the property that do not currently pass this test on the basis that their useful life (need) and/or remaining useful life (schedule) cannot be reasonably anticipated. Those components include but are not limited to:

- Comprehensive Repair/Replacement of Utility Infrastructure (Electrical, Water, Sanitary Sewer)
- Comprehensive Repair/Replacement of Building Foundation(s)
- Comprehensive Repair/Replacement of Non-Accessible Building Structural Members (Load Bearing Walls, Beams, Columns, Etc.)

In some cases, adequate evaluation would require additional diagnostics, destructive testing, or inspection beyond the limited visual inspection which serves as the basis of this engagement. Since the components listed above are currently deemed to be too indeterminate for Reserve designation, there are no funding recommendations within this Reserve Study for those items. However, this determination is not a guarantee that substantial expenses will not occur, as these elements may eventually require repair/replacement projects at potentially a significant cost to the client. In the event that the client desires to incorporate funding for any of the above components within the Reserve Study, we recommend further consultation with qualified professionals (i.e. engineer, contractor, and/or vendor) in order to define the following values for projects under consideration: 1. Total Life Expectancy (Recurring Interval Between Project Cycles) 2. Remaining Useful Life (Before Next Project) 3. Total Project Cost Estimate (In Current Dollars) In the event that these values can be reasonably anticipated, they can be provided for our review, at which time funding recommendations may be incorporated into subsequent Reserve Studies.

Useful Life:**Remaining Life:****Lower Estimate:** \$ 0**Higher Estimate:**

\$0

Cost Source:

Comp #: 2020 Immaterial/Unpredictable Cost**Approx Quantity: 1 Informational Component****Location:** Throughout property/development**Funded?:** No. Cost estimates below minimum threshold set for Reserve consideration.**History:**

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

The third part of the test is that the "The total cost for the project is material to the association, can be reasonably estimated, and includes all direct and related costs." Additional component selection guidelines state: "The community's budget should be reviewed, to establish the amount of maintenance planned and which projects are being funded from the operating account." After discussion with the client and/or consideration of the association's size, a minimum threshold of \$10,000 was used for Reserve consideration.

There are multiple components throughout the property that do not pass this test on the basis that projected costs are immaterial in nature, or cannot be reasonably estimated. Those components include but are not limited to:

- NONE

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

Useful Life:**Remaining Life:****Lower Estimate:** \$ 0**Higher Estimate:**

\$0

Cost Source:

Comp #: 2030 Including in Operating Budget

Approx Quantity: 1 Informational Component

Location: Throughout property/development

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

History:

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

- Concrete Driveway Repairs
- Pressure Washing
- Roof Cleaning/Treatment

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

Useful Life:

Remaining Life:

Lower Estimate: \$ 0

Higher Estimate:

\$0

Cost Source:

Villas

Comp #: 2343 Phase 1 Villas (2019) - Seal/Paint**Approx Quantity: 48,800 GSF****Location:** Building exteriors (individual villas listed below)**Funded?:** Yes.**History:** Phase 1 villas painted in 2019 at a cost of \$51,000 (per information provided).**Comments:** Villas included in phase 1:

2441/2447 Terracina Drive
2453/2459 Terracina Drive
2465/2471 Terracina Drive
2466/2472 Terracina Drive
2477/2483 Terracina Drive
2478/2484 Terracina Drive
2489/2509 Terracina Drive
2490/2496 Terracina Drive
2502/2508 Terracina Drive
2514/2520 Terracina Drive
2515/2521 Terracina Drive
2526/2532 Terracina Drive
2527/2533 Terracina Drive
2538/2544 Terracina Drive
2539/2545 Terracina Drive
2550/2556 Terracina Drive
2551/2557 Terracina Drive

Client estimates \$2,750 per building.

No project history reported for this component since the prior Reserve Study engagement (completed in 2024 for the 2025 fiscal year).

Useful Life: 10 years**Remaining Life:**

3 years

Lower Estimate: \$ 42,100**Higher Estimate:**

\$51,400

Cost Source: Estimate Provided by Client

Comp #: 2343 Phase 2 Villas (2020) - Seal/Paint**Approx Quantity: 37,300 GSF****Location:** Building exteriors (individual villas listed below)**Funded?:** Yes.**History:** Phase 2 villas painted in 2020 at a cost of \$56,650 (per information provided).**Comments:** Villas included in phase 2:

131/137 Fontanelle Circle
143/149 Fontanelle Circle
161/167 Fontanelle Circle
173/179 Fontanelle Circle
191/197 Fontanelle Circle
203/209 Fontanelle Circle
215/221 Fontanelle Circle
227/233 Fontanelle Circle
239/245 Fontanelle Circle
2555/2561 Cortenova Court
2567/2573 Cortenova Court
2579/2585 Cortenova Court
2591/2597 Cortenova Court

Client estimates \$2,750 per building.

No project history reported for this component since the prior Reserve Study engagement (completed in 2024 for the 2025 fiscal year).

Useful Life: 10 years**Remaining Life:**

4 years

Lower Estimate: \$ 32,200**Higher Estimate:**

\$39,300

Cost Source: Estimate Provided by Client

Comp #: 2343 Phase 3 Villas (2021) - Seal/Paint**Approx Quantity: 60,300 GSF****Location:** Building exteriors in Phase 3**Funded?:** Yes.**History:** Phase 3 villas painted in 2021 at a cost of \$44,000 (per information provided).**Comments:** Villas included in phase 2:

250/256 Capulet Drive
251/257 Capulet Drive
262/268 Capulet Drive
263/269 Capulet Drive
274/280 Capulet Drive
275/281 Capulet Drive
286/292 Capulet Drive
287/293 Capulet Drive
298/304 Capulet Drive
299/305 Capulet Drive
310/316 Capulet Drive
311/317 Capulet Drive
322/328 Capulet Drive
323/329 Capulet Drive
335/341 Capulet Drive
347/353 Capulet Drive
359/365 Capulet Drive
371/377 Capulet Drive
383/389 Capulet Drive
395/401 Capulet Drive
407/413 Capulet Drive

Client estimates \$2,500 per building.

No project history reported for this component since the prior Reserve Study engagement (completed in 2024 for the 2025 fiscal year).

Useful Life: 10 years**Remaining Life:**

5 years

Lower Estimate: \$ 52,000**Higher Estimate:**

\$63,500

Cost Source: Estimate Provided by Client

Comp #: 2381 Phase 1 Asphalt Shingle (2026) - Replace**Approx Quantity: 41,400 GSF****Location:** Building rooftops at Villas (individual villas listed below)**Funded?:** Yes.**History:** Phase 1 villas roofing to be replaced in 2026 at a cost of \$225,000 (per information provided). Costing have been adjusted and the remaining useful life has been reset accordingly, assuming completion by 2026.**Comments:** *NOTE: Although the roofing systems included within this component typically have a functional life expectancy of up to 20 years, the useful life shown within the following components has been adjusted to assume a 15-year life expectancy for financial planning purposes. This is due to insurance considerations, as a significant quantity of clients have had to replace asphalt shingle roofing systems over 15 years of age to maintain insurance coverage. As such, we believe at this time that the client/association should be "financially capable" of replacement once roofing systems of this type reach 15 years of age. We recommend that the client consult with their insurance vendor to verify this assumption, and any new information should be incorporated within a future Reserve Study revision or update based on the most current information available at that time.

Villas included in this phase:

2453/2459 Terracina Drive
2466/2472 Terracina Drive
2477/2483 Terracina Drive
2478/2484 Terracina Drive
2489/2509 Terracina Drive
2490/2496 Terracina Drive
2502/2508 Terracina Drive
2550/2556 Terracina Drive
2555/2561 Cortenova Court

No project history reported for this component since the prior Reserve Study engagement (completed in 2024 for the 2025 fiscal year).

Useful Life: 15 years**Remaining Life:**

0 years

Lower Estimate: \$ 203,000**Higher Estimate:**

\$248,000

Cost Source: Estimate Provided by Client

Comp #: 2381 Phase 2 Asphalt Shingle (2027) - Replace**Approx Quantity: 46,000 GSF****Location:** Building rooftops at Villas (individual villas listed below)**Funded?:** Yes.**History:** Previously replaced in 2012 (per information provided)

Comments: *NOTE: Although the roofing systems included within this component typically have a functional life expectancy of up to 20 years, the useful life shown within the following components has been adjusted to assume a 15-year life expectancy for financial planning purposes. This is due to insurance considerations, as a significant quantity of clients have had to replace asphalt shingle roofing systems over 15 years of age to maintain insurance coverage. As such, we believe at this time that the client/association should be "financially capable" of replacement once roofing systems of this type reach 15 years of age. We recommend that the client consult with their insurance vendor to verify this assumption, and any new information should be incorporated within a future Reserve Study revision or update based on the most current information available at that time.

Villas included in this phase:

2465/2471 Terracina Drive
2514/2520 Terracina Drive
2515/2521 Terracina Drive
2527/2533 Terracina Drive
2551/2557 Terracina Drive
131/137 Fontanelle Circle
173/179 Fontanelle Circle
191/197 Fontanelle Circle
227/233 Fontanelle Circle
239/245 Fontanelle Circle

No project history reported for this component since the prior Reserve Study engagement (completed in 2024 for the 2025 fiscal year).

Useful Life: 15 years**Remaining Life:**

1 years

Lower Estimate: \$ 225,000**Higher Estimate:**

\$275,000

Cost Source: Estimate Provided by Client

Comp #: 2381 Phase 3 Asphalt Shingle (2028) - Replace**Approx Quantity: 55,200 GSF****Location:** Building rooftops at Villas (individual villas listed below)**Funded?:** Yes.**History:** Previously replaced in 2013 (per information provided)

Comments: *NOTE: Although the roofing systems included within this component typically have a functional life expectancy of up to 20 years, the useful life shown within the following components has been adjusted to assume a 15-year life expectancy for financial planning purposes. This is due to insurance considerations, as a significant quantity of clients have had to replace asphalt shingle roofing systems over 15 years of age to maintain insurance coverage. As such, we believe at this time that the client/association should be "financially capable" of replacement once roofing systems of this type reach 15 years of age. We recommend that the client consult with their insurance vendor to verify this assumption, and any new information should be incorporated within a future Reserve Study revision or update based on the most current information available at that time.

Villas included in this phase:

2526/2532 Terracina Drive
2538/2544 Terracina Drive
2539/2545 Terracina Drive
143/149 Fontanelle Circle
161/167 Fontanelle Circle
203/209 Fontanelle Circle
215/221 Fontanelle Circle
2567/2573 Cortenova Court
2579/2585 Cortenova Court
2591/2597 Cortenova Court
383/389 Capulet Drive
395/401 Capulet Drive

No project history reported for this component since the prior Reserve Study engagement (completed in 2024 for the 2025 fiscal year).

Useful Life: 15 years**Remaining Life:**

2 years

Lower Estimate: \$ 270,000**Higher Estimate:**

\$330,000

Cost Source: Estimate Provided by Client

Comp #: 2381 Phase 4 Asphalt Shingle (2029) - Replace
Location: Building rooftops at Villas (individual villas listed below)
Funded?: Yes.
History: Previously replaced in 2014 (per information provided)

Approx Quantity: 92,000 GSF

Comments: *NOTE: Although the roofing systems included within this component typically have a functional life expectancy of up to 20 years, the useful life shown within the following components has been adjusted to assume a 15-year life expectancy for financial planning purposes. This is due to insurance considerations, as a significant quantity of clients have had to replace asphalt shingle roofing systems over 15 years of age to maintain insurance coverage. As such, we believe at this time that the client/association should be "financially capable" of replacement once roofing systems of this type reach 15 years of age. We recommend that the client consult with their insurance vendor to verify this assumption, and any new information should be incorporated within a future Reserve Study revision or update based on the most current information available at that time.

Villas included in this phase:

- 2441/2447 Terracina Drive
- 250/256 Capulet Drive
- 251/257 Capulet Drive
- 262/268 Capulet Drive
- 263/269 Capulet Drive
- 274/280 Capulet Drive
- 275/281 Capulet Drive
- 286/292 Capulet Drive
- 287/293 Capulet Drive
- 298/304 Capulet Drive
- 299/305 Capulet Drive
- 310/316 Capulet Drive
- 311/317 Capulet Drive
- 322/328 Capulet Drive
- 323/329 Capulet Drive
- 335/341 Capulet Drive
- 347/353 Capulet Drive
- 359/365 Capulet Drive
- 371/377 Capulet Drive
- 407/413 Capulet Drive

No project history reported for this component since the prior Reserve Study engagement (completed in 2024 for the 2025 fiscal year).

Useful Life: 15 years	Remaining Life:	3 years
Lower Estimate: \$ 450,000	Higher Estimate:	\$550,000
Cost Source: Estimate Provided by Client		
