



RESERVE STUDIES | INSURANCE APPRAISALS | WIND MITIGATION



## Reserve Study

Prepared exclusively for:

### High Point of Delray Beach Section 2

For the period of January 1, 2023 - December 31, 2023

Felten Property Assessment Team

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FPAT File# RES2217620



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August 8, 2022

High Point of Delray Beach Section 2  
c/o Self Managed  
245 High Point Boulevard  
Delray Beach, Florida 33445

Regarding: January 1, 2023 - Level I - Full Reserve Study

Dear Mike Triassi,

We are pleased to submit this Level I - Full Reserve Study for High Point of Delray Beach Section 2.

If you have questions about the Reserve Study, please contact us at (866) 568-7853. We look forward to doing business with you in the future.

Best,

Brad Felten, RS, PRA  
Felten Property Assessment Team

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# Reserve Study Summary

High Point of Delray Beach Section 2  
January 1, 2023 - December 31, 2023

The following Level I - Full Reserve Study was performed for High Point of Delray Beach Section 2 ("property") a Condominium Association located in Delray Beach, Florida. The property has 276 units. The reserve study is for the fiscal year starting January 1, 2023, and ending December 31, 2023.

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

As of January 1, 2023, the estimated unaudited reserve fund balance is \$1,388,480. The estimated current replacement cost of the reserve items is \$3,856,312.

This report presents the 30 Year Cash Flow Funding Analysis as well as the Component Funding Analysis (Straight-Line).

## 30 Year Pooled Cash Flow Funding Analysis - (Current Cost):

This 30 Year Funding Plan is a method of calculating reserve contributions where contributions to the reserve funds are designed to offset the variable annual expenditures from the reserve fund. This analysis utilizes current replacement costs for reserve components when they are due for replacement, and does not recognize increases in construction costs as well as interest income attributable to reserve accounts. Funds from the beginning balances are pooled together and a yearly contribution rate is calculated to arrive at a positive cash flow throughout the analysis period. This funding plan requires level reserve contributions over the 30 year analysis period.

Initial year recommendations based on the 30 year Pooled Cash Flow Funding Plan:

Recommended annual contribution:	\$264,960
Recommended monthly contribution:	\$22,080
Average monthly contribution per unit:	\$80



### Component Funding Analysis Summary:

The Component Funding Analysis (Straight-Line) calculates the annual contribution amount for each individual line item component by dividing the component's remaining unfunded balance by its remaining useful life. A component's unfunded remaining balance is its replacement cost less the reserve balance for the component at the beginning of the analysis period. The annual contribution rate for each individual line item component is then summed to calculate the total annual contribution rate for this analysis. Straight-line accounting is based on current costs and neither interest or inflation are factored into the calculations.

Initial year recommendations based on the Component Funding Plan:

Recommended annual contribution:	\$401,771
Recommended monthly contribution:	\$33,481
Average monthly contribution per unit (276):	\$121

## 30 Year Pooled Cash Flow Funding Plan

This section of the reserve study presents an alternate funding plan to the Component Funding Analysis (Straight-Line). This method calculates the annual reserve contribution based on a 30 year positive cash flow.

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

We exclude interest and inflation from our cash flow analysis due to recent interpretations of the Florida Administrative Code by the Division of Condominiums, Timeshares and Mobile Homes. The Division has opined that any increases in reserve contributions over the length of the cash flow analysis would be considered “balloon payments” and prohibited by the Fla. Admin. Code, Rule 61B-22.0005(3)(b). In order to ensure compliance, the funding plan contributions and expenditure projections shown in this reserve study exclude any increases due to inflation or adjustments for interest.

This funding plan utilizes the following assumptions:

- Annual Contribution Increase - 0.00%
- Interest Earned - 0.00%
- Taxes on Interest Earned - 0.00%
- Inflation on Reserve Items - 0.00%



## High Point of Delray Beach Section 2

Analysis Date - January 1, 2023

Inflation:0.00% Investment:0.00% Contribution Factor:0.00% Calc:Current

### Cash Flow - Annual

	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Begin Balance	1,388,480	1,611,624	1,825,598	2,065,558	1,815,130	2,080,090	75,485	340,445	415,505	504,733
Contribution	264,960	264,960	264,960	264,960	264,960	264,960	264,960	264,960	264,960	264,960
Average Per Unit	960	960	960	960	960	960	960	960	960	960
Percent Change	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Interest	0	0	0	0	0	0	0	0	0	0
Less Expenditures	41,816	50,985	25,000	515,388	0	2,269,565	0	189,900	175,732	19,435
Ending Balance	1,611,624	1,825,598	2,065,558	1,815,130	2,080,090	75,485	340,445	415,505	504,733	750,258

	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042
Begin Balance	750,258	1,015,218	1,280,178	1,391,785	1,586,426	1,851,386	1,845,826	2,110,786	2,353,661	2,466,083
Contribution	264,960	264,960	264,960	264,960	264,960	264,960	264,960	264,960	264,960	264,960
Average Per Unit	960	960	960	960	960	960	960	960	960	960
Percent Change	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Interest	0	0	0	0	0	0	0	0	0	0
Less Expenditures	0	0	153,352	70,318	0	270,520	0	22,085	152,538	15,000
Ending Balance	1,015,218	1,280,178	1,391,785	1,586,426	1,851,386	1,845,826	2,110,786	2,353,661	2,466,083	2,716,043

	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052
Begin Balance	2,716,043	2,981,003	3,236,128	3,394,768	3,394,888	3,618,032	1,618,827	1,880,679	2,024,221	1,832,964
Contribution	264,960	264,960	264,960	264,960	264,960	264,960	264,960	264,960	264,960	264,960
Average Per Unit	960	960	960	960	960	960	960	960	960	960
Percent Change	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Interest	0	0	0	0	0	0	0	0	0	0
Less Expenditures	0	9,835	106,320	264,840	41,816	2,264,165	3,108	121,418	456,216	24,835
Ending Balance	2,981,003	3,236,128	3,394,768	3,394,888	3,618,032	1,618,827	1,880,679	2,024,221	1,832,964	2,073,089

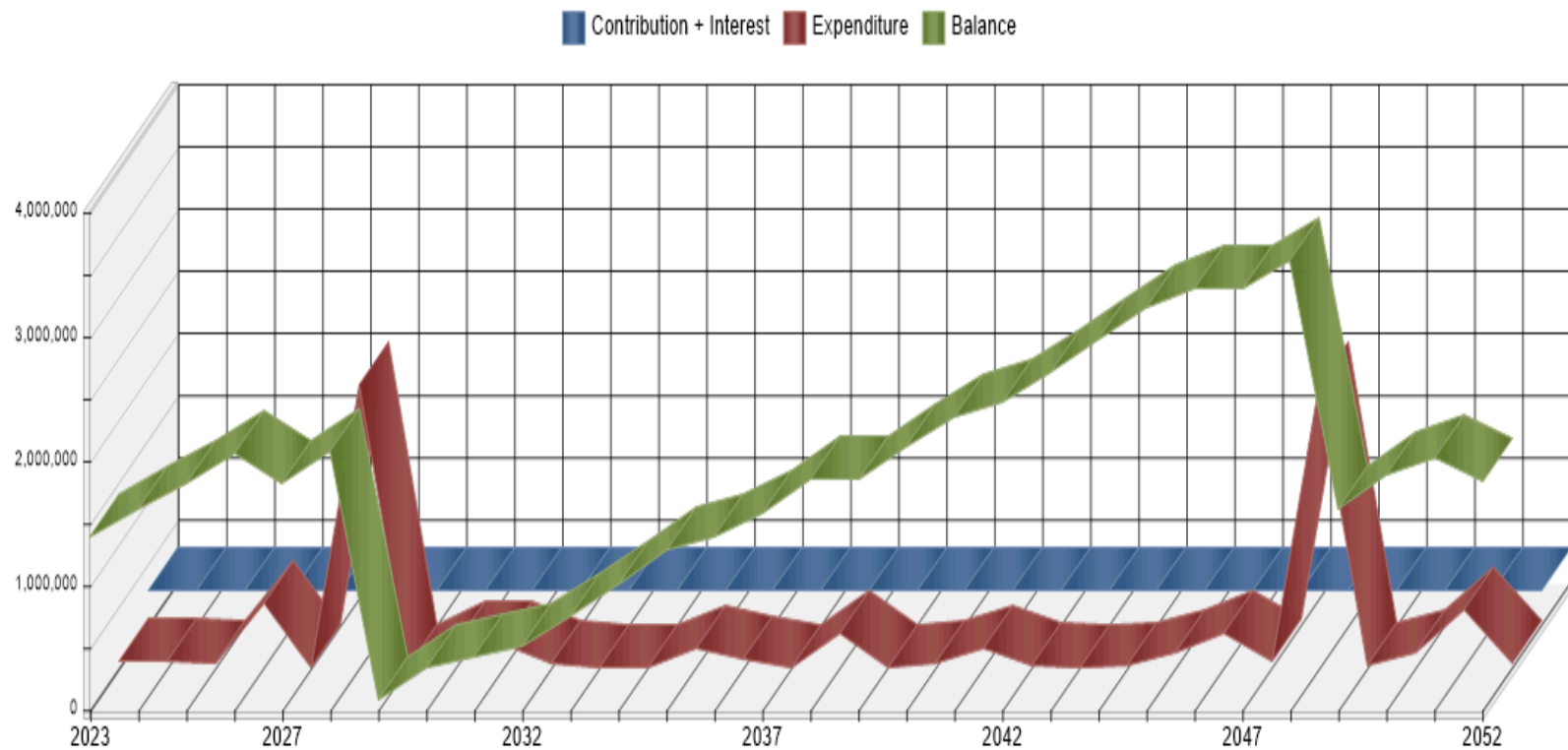


## High Point of Delray Beach Section 2

Analysis Date - January 1, 2023

Inflation:0.00% Investment:0.00% Contribution Factor:0.00% Calc:Current

### Cash Flow - Chart





## Component Funding Analysis

This section of the reserve study report utilizes straight line accounting formulas to arrive at the required annual reserve contribution.

The Component Funding Analysis calculates the annual contribution amount for each individual line item component by dividing the component's remaining unfunded balance by its remaining useful life. A component's unfunded remaining balance is its replacement cost less the reserve balance for the component at the beginning of the analysis period. The annual contribution rate for each individual line item component is then summed to calculate the total annual contribution rate for this analysis. Straight-line accounting is based on current costs and neither interest or inflation are factored into the calculations.

The projected reserve fund balance at the end of the current fiscal year has been allocated to those components which have the shortest remaining life. This also provides for the lowest straight line contribution amount using this plan. However, if the property is a condominium association, per Florida Statute 718.112(2)(f)(3) condominium associations in Florida can only re-allocate (use) reserve funds for purposes other than which they were authorized for by getting approval in advance by a vote of the majority of the voting interests.



## High Point of Delray Beach Section 2

Analysis Date - January 1, 2023

Inflation:0.00% Investment:0.00% Contribution Factor:0.00% Calc:Current

### Component Funding Analysis

Category Reserve Item	Current Cost	Useful Life YY:MM	Remaining Life YY:MM	Reserve Balance	Unfunded Balance	Reserve Contribution 2023
Clubhouse Components						
Awning, Aluminum & Vinyl, Entry	\$ 3,108	14:00	12:00	\$ 0	\$ 3,108	\$ 259
Exterior Paint & Stucco Repairs	5,400	8:00	5:00	2,025	3,375	675
Flooring, Tile	39,338	35:00	18:00	0	39,338	2,185
Furniture, Interior	28,390	15:00	8:00	0	28,390	3,549
Hurricane Shutters	13,328	30:00	27:00	0	13,328	494
HVAC, Split-System, 2 Ton	3,500	12:00	3:00	2,625	875	292
HVAC, Split-System, 2.5 Ton	4,000	12:00	0:00	4,000	0	333
HVAC, Split-System, 5 Ton	13,000	12:00	0:00	13,000	0	1,083
Interior Painting, Ceiling & Walls	8,829	15:00	13:00	0	8,829	679
Interior Renovation, Kitchen	34,116	25:00	8:00	0	34,116	4,265
Interior Renovation, Restrooms	19,146	25:00	8:00	0	19,146	2,393
Roof, Architectural Shingle	19,380	20:00	13:00	0	19,380	1,491
Roofs, Modified Bitumen	22,275	20:00	13:00	0	22,275	1,713
Surveillance System, Upgrade	10,000	10:00	7:00	0	10,000	1,429
Windows, Exterior, Impact	41,160	40:00	37:00	0	41,160	1,112
	264,970			21,650	243,320	21,952
Exterior Building Components						
Exterior Paint & Stucco Repairs	\$ 179,900	8:00	7:00	\$ 0	\$ 179,900	\$ 25,700
Fascia, Wood, Repairs	81,620	16:00	15:00	0	81,620	5,441
Roofs, Architectural Shingle	2,005,830	20:00	5:00	629,616	1,376,214	275,243
Roofs, Modified Bitumen	248,400	20:00	5:00	186,300	62,100	12,420
	2,515,750			815,916	1,699,834	318,804
Pool Facility Components						
Light Fixtures, Post & Pineapple, 6'	\$ 7,650	20:00	17:00	\$ 0	\$ 7,650	\$ 450
Outdoor Shower, Tile	3,500	15:00	12:00	0	3,500	292
Patio Cover & Pavilion, Metal & Vinyl	33,115	15:00	12:00	0	33,115	2,760
Pool Collector Tank & Equipment	15,000	30:00	18:00	0	15,000	833



## High Point of Delray Beach Section 2

Analysis Date - January 1, 2023

Inflation:0.00% Investment:0.00% Contribution Factor:0.00% Calc:Current

### Component Funding Analysis

Category Reserve Item	Current Cost	Useful Life YY:MM	Remaining Life YY:MM	Reserve Balance	Unfunded Balance	Reserve Contribution 2023
Pool Deck, Concrete Pavers	57,064	30:00	12:00	0	57,064	4,755
Pool Deck, Pavers, Clean, Sand & Seal	4,435	4:00	1:00	3,326	1,109	1,109
Pool Fence, 6' & 4' Vinyl Coat Chain-Link	18,225	30:00	27:00	0	18,225	675
Pool Finish & Border Tiles	24,816	12:00	0:00	24,816	0	2,068
Pool Furniture, Aluminum Strap, Replace	14,750	15:00	12:00	0	14,750	1,229
Pool Heater, Electric Heat Pump (2018)	5,500	10:00	5:00	2,750	2,750	550
Pool Heater, Electric Heat Pump (2021)	5,500	10:00	8:00	0	5,500	688
	189,555			30,892	158,663	15,409
Property Site Components						
Asphalt Pavement, Mill & Overlay (2000)	\$ 441,888	25:00	3:00	\$ 388,861	\$ 53,027	\$ 17,676
Asphalt Pavement, Mill & Overlay (2020)	106,320	25:00	22:00	0	106,320	4,833
Fishing Pier, Wood Deck, Joists & Rails	46,550	22:00	1:00	44,434	2,116	2,116
Fountain, Aeration, Pond	10,000	10:00	3:00	7,000	3,000	1,000
Irrigation Well Pumps, 5hp	15,000	10:00	9:00	0	15,000	1,667
Irrigation, Pipes, Controllers, Valves (Partial)	30,000	30:00	8:00	0	30,000	3,750
Light Fixtures, Post & Single Globe	92,700	35:00	18:00	0	92,700	5,150
Piping, Water Service	60,000	55:00	3:00	56,727	3,273	1,091
Sidewalks, Concrete, (Partial)	58,580	60:00	8:00	0	58,580	7,323
Stormwater Drainage, Inspect/Repair (Partial)	25,000	25:00	2:00	23,000	2,000	1,000
	886,038			520,022	366,016	45,606
	3,856,313			1,388,480	2,467,833	401,771

## Reserve Expenditures

This section of the report details the associations expenditures over the next 30 years.

Reports displayed in this section utilize the following assumptions:

- Inflation on Reserve Items - 0.00%





## High Point of Delray Beach Section 2

Analysis Date - January 1, 2023

Inflation:0.00% Investment:0.00% Contribution Factor:0.00% Calc:Current

### Expenditures

Category	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Clubhouse Components										
Exterior Paint & Stucco Repairs						5,400				
Furniture, Interior									28,390	
HVAC, Split-System, 2 Ton				3,500						
HVAC, Split-System, 2.5 Ton	4,000									
HVAC, Split-System, 5 Ton	13,000									
Interior Renovation, Kitchen									34,116	
Interior Renovation, Restrooms									19,146	
Surveillance System, Upgrade								10,000		
	17,000	0	0	3,500	0	5,400	0	10,000	81,652	0
Exterior Building Components										
Exterior Paint & Stucco Repairs								179,900		
Roofs, Architectural Shingle						2,005,830				
Roofs, Modified Bitumen						248,400				
	0	0	0	0	0	2,254,230	0	179,900	0	0
Pool Facility Components										
Pool Deck, Pavers, Clean, Sand & Seal		4,435				4,435				4,435
Pool Finish & Border Tiles	24,816									
Pool Heater, Electric Heat Pump (2018)						5,500				
Pool Heater, Electric Heat Pump (2021)									5,500	
	24,816	4,435	0	0	0	9,935	0	0	5,500	4,435
Property Site Components										
Asphalt Pavement, Mill & Overlay (20				441,888						
Fishing Pier, Wood Deck, Joists & Rails		46,550								
Fountain, Aeration, Pond				10,000						
Irrigation Well Pumps, 5hp										15,000
Irrigation, Pipes, Controllers, Valves (P									30,000	
Piping, Water Service				60,000						



## High Point of Delray Beach Section 2

Analysis Date - January 1, 2023

Inflation:0.00% Investment:0.00% Contribution Factor:0.00% Calc:Current

### Expenditures

Category	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Sidewalks, Concrete, (Partial)									58,580	
Stormwater Drainage, Inspect/Repair			25,000							
	0	46,550	25,000	511,888	0	0	0	0	88,580	15,000
	41,816	50,985	25,000	515,388	0	2,269,565	0	189,900	175,732	19,435



## High Point of Delray Beach Section 2

Analysis Date - January 1, 2023

Inflation:0.00% Investment:0.00% Contribution Factor:0.00% Calc:Current

### Expenditures

Category	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042
Clubhouse Components										
Awning, Aluminum & Vinyl, Entry			3,108							
Exterior Paint & Stucco Repairs				5,400						
Flooring, Tile									39,338	
HVAC, Split-System, 2 Ton						3,500				
HVAC, Split-System, 2.5 Ton			4,000							
HVAC, Split-System, 5 Ton			13,000							
Interior Painting, Ceiling & Walls				8,828						
Roof, Architectural Shingle				19,380						
Roofs, Modified Bitumen				22,275						
Surveillance System, Upgrade								10,000		
	0	0	20,108	55,883	0	3,500	0	10,000	39,338	0
Exterior Building Components										
Exterior Paint & Stucco Repairs						179,900				
Fascia, Wood, Repairs						81,620				
	0	0	0	0	0	261,520	0	0	0	0
Pool Facility Components										
Light Fixtures, Post & Pineapple, 6'								7,650		
Outdoor Shower, Tile			3,500							
Patio Cover & Pavilion, Metal & Vinyl			33,115							
Pool Collector Tank & Equipment									15,000	
Pool Deck, Concrete Pavers			57,063							
Pool Deck, Pavers, Clean, Sand & Seal				4,435				4,435		
Pool Finish & Border Tiles			24,816							
Pool Furniture, Aluminum Strap, Repl			14,750							
Pool Heater, Electric Heat Pump (2018)						5,500				
Pool Heater, Electric Heat Pump (2021)									5,500	
	0	0	133,244	4,435	0	5,500	0	12,085	20,500	0



## High Point of Delray Beach Section 2

Analysis Date - January 1, 2023

Inflation:0.00% Investment:0.00% Contribution Factor:0.00% Calc:Current

### Expenditures

Category	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042
Property Site Components										
Fountain, Aeration, Pond				10,000						
Irrigation Well Pumps, 5hp										15,000
Light Fixtures, Post & Single Globe									92,700	
	0	0	0	10,000	0	0	0	0	92,700	15,000
	0	0	153,352	70,318	0	270,520	0	22,085	152,538	15,000





## High Point of Delray Beach Section 2

Analysis Date - January 1, 2023

Inflation:0.00% Investment:0.00% Contribution Factor:0.00% Calc:Current

### Expenditures

Category	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052
Clubhouse Components										
Awning, Aluminum & Vinyl, Entry							3,108			
Exterior Paint & Stucco Repairs		5,400								5,400
Furniture, Interior				28,390						
Hurricane Shutters								13,328		
HVAC, Split-System, 2 Ton								3,500		
HVAC, Split-System, 2.5 Ton					4,000					
HVAC, Split-System, 5 Ton					13,000					
Interior Painting, Ceiling & Walls									8,828	
Surveillance System, Upgrade								10,000		
	0	5,400	0	28,390	17,000	0	3,108	26,828	8,828	5,400
Exterior Building Components										
Exterior Paint & Stucco Repairs				179,900						
Roofs, Architectural Shingle						2,005,830				
Roofs, Modified Bitumen						248,400				
	0	0	0	179,900	0	2,254,230	0	0	0	0
Pool Facility Components										
Outdoor Shower, Tile								3,500		
Patio Cover & Pavilion, Metal & Vinyl								33,115		
Pool Deck, Pavers, Clean, Sand & Seal		4,435				4,435				4,435
Pool Fence, 6' & 4' Vinyl Coat Chain-Li								18,225		
Pool Finish & Border Tiles					24,816					
Pool Furniture, Aluminum Strap, Repl								14,750		
Pool Heater, Electric Heat Pump (2018						5,500				
Pool Heater, Electric Heat Pump (2021									5,500	
	0	4,435	0	0	24,816	9,935	0	69,590	5,500	4,435



## High Point of Delray Beach Section 2

Analysis Date - January 1, 2023

Inflation:0.00% Investment:0.00% Contribution Factor:0.00% Calc:Current

### Expenditures

Category	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052
Property Site Components										
Asphalt Pavement, Mill & Overlay (20									441,888	
Asphalt Pavement, Mill & Overlay (20			106,320							
Fishing Pier, Wood Deck, Joists & Rails				46,550						
Fountain, Aeration, Pond				10,000						
Irrigation Well Pumps, 5hp										15,000
Stormwater Drainage, Inspect/Repair								25,000		
	0	0	106,320	56,550	0	0	0	25,000	441,888	15,000
	0	9,835	106,320	264,840	41,816	2,264,165	3,108	121,418	456,216	24,835

## Reserve Items & Parameters

This section of the report details the physical analysis of the reserve study which includes a complete inventory of the association's major common area components.

For each reserve item we have determined estimated life, remaining life, current cost and future cost.

Reports displayed in this section utilize the following assumptions:

Inflation on Reserve Items - 0.00%



## High Point of Delray Beach Section 2

Analysis Date - January 1, 2023

Inflation:0.00% Investment:0.00% Contribution Factor:0.00% Calc:Current

### Item Parameters - Summary

Category	Replace Date	Basis Cost	Quantity	Current Cost	Est Life	Adj Life	Rem Life	Future Cost	Straight Line Allocation	100 % Funded
Reserve Item										
Clubhouse Components										
Awning, Aluminum & Vinyl, Entry	1/2035	\$ 37.00	84 Sq Ft	\$ 3,108	14:00	14:00	12:00	\$ 3,108	\$ 222	\$ 444
Exterior Paint & Stucco Repairs	1/2028	2.00	2,700 Sq Ft	5,400	8:00	8:00	5:00	5,400	675	2,025
Flooring, Tile	1/2041	13.00	3,026 Sq Ft	39,338	35:00	35:00	18:00	39,338	1,123	19,107
Furniture, Interior	1/2031	28,390.00	1 Lp Sm	28,390	15:00	15:00	8:00	28,390	1,892	13,248
Hurricane Shutters	1/2050	34.00	392 Sq Ft	13,328	30:00	30:00	27:00	13,328	444	1,332
HVAC, Split-System, 2 Ton	1/2026	3,500.00	1 Ea	3,500	12:00	12:00	3:00	3,500	291	2,625
HVAC, Split-System, 2.5 Ton	1/2023	4,000.00	1 Ea	4,000	12:00	12:00	0:00	4,000	333	4,000
HVAC, Split-System, 5 Ton	1/2023	6,500.00	2 Ea	13,000	12:00	18:00	0:00	13,000	722	13,000
Interior Painting, Ceiling & Walls	1/2036	1.25	7,063 Sq Ft	8,828	15:00	15:00	13:00	8,828	588	1,177
Interior Renovation, Kitchen	1/2031	34,116.00	1 Lp Sm	34,116	25:00	25:00	8:00	34,116	1,364	23,198
Interior Renovation, Restrooms	1/2031	19,146.00	1 Lp Sm	19,146	25:00	25:00	8:00	19,146	765	13,019
Roof, Architectural Shingle	1/2036	510.00	38 Sq	19,380	20:00	20:00	13:00	19,380	969	6,783
Roofs, Modified Bitumen	1/2036	15.00	1,485 Sq Ft	22,275	20:00	20:00	13:00	22,275	1,113	7,796
Surveillance System, Upgrade	1/2030	10,000.00	1 Allow	10,000	10:00	10:00	7:00	10,000	1,000	3,000
Windows, Exterior, Impact	1/2060	105.00	392 Sq Ft	41,160	40:00	40:00	37:00	41,160	1,029	3,087
				264,969				264,969	12,535	113,844
Exterior Building Components										
Exterior Paint & Stucco Repairs	1/2030	\$ 179,900.00	1 Lp Sm	\$ 179,900	8:00	8:00	7:00	\$ 179,900	\$ 22,487	\$ 22,487
Fascia, Wood, Repairs	1/2038	35.00	2,332 Ln Ft	81,620	16:00	16:00	15:00	81,620	5,101	5,101
Roofs, Architectural Shingle	1/2028	510.00	3,933 Sq	2,005,830	20:00	20:00	5:00	2,005,830	100,291	1,504,372
Roofs, Modified Bitumen	1/2028	15.00	16,560 Sq Ft	248,400	20:00	20:00	5:00	248,400	12,420	186,300
				2,515,750				2,515,750	140,300	1,718,261
Pool Facility Components										
Light Fixtures, Post & Pineapple, 6'	1/2040	\$ 850.00	9 Ea	\$ 7,650	20:00	20:00	17:00	\$ 7,650	\$ 382	\$ 1,147
Outdoor Shower, Tile	1/2035	3,500.00	1 Lp Sm	3,500	15:00	15:00	12:00	3,500	233	700
Patio Cover & Pavilion, Metal & Vinyl	1/2035	37.00	895 Sq Ft	33,115	15:00	15:00	12:00	33,115	2,207	6,623





## High Point of Delray Beach Section 2

Analysis Date - January 1, 2023

Inflation:0.00% Investment:0.00% Contribution Factor:0.00% Calc:Current

### Item Parameters - Summary

Category	Replace	Basis		Current	Est	Adj	Rem	Future	Straight Line	100 %
Reserve Item	Date	Cost	Quantity	Cost	Life	Life	Life	Cost	Allocation	Funded
Pool Facility Components										
Pool Collector Tank & Equipment	1/2041	\$ 15,000.00	1 Lp Sm	\$ 15,000	30:00	30:00	18:00	\$ 15,000	\$ 500	\$ 6,000
Pool Deck, Concrete Pavers	1/2035	14.41	3,960 Sq Ft	57,063	30:00	30:00	12:00	57,063	1,902	34,238
Pool Deck, Pavers, Clean, Sand & Seal	1/2024	1.12	3,960 Sq Ft	4,435	4:00	4:00	1:00	4,435	1,108	3,326
Pool Fence, 6' & 4' Vinyl Coat Chain-Link	1/2050	45.00	405 Ln Ft	18,225	30:00	30:00	27:00	18,225	607	1,822
Pool Finish & Border Tiles	1/2023	24,816.00	1 Lp Sm	24,816	12:00	12:00	0:00	24,816	2,068	24,816
Pool Furniture, Aluminum Strap, Replace	1/2035	14,750.00	1 Lp Sm	14,750	15:00	15:00	12:00	14,750	983	2,950
Pool Heater, Electric Heat Pump (2018)	1/2028	5,500.00	1 Ea	5,500	10:00	10:00	5:00	5,500	550	2,750
Pool Heater, Electric Heat Pump (2021)	1/2031	5,500.00	1 Ea	5,500	10:00	10:00	8:00	5,500	550	1,100
				189,554				189,554	11,093	85,473
Property Site Components										
Asphalt Pavement, Mill & Overlay (2000)	1/2026	\$ 12.00	36,824 Sq Yds	\$ 441,888	25:00	25:00	3:00	\$ 441,888	\$ 17,675	\$ 388,861
Asphalt Pavement, Mill & Overlay (2020)	1/2045	12.00	8,860 Sq Yds	106,320	25:00	25:00	22:00	106,320	4,252	12,758
Fishing Pier, Wood Deck, Joists & Rails	1/2024	95.00	490 Sq Ft	46,550	22:00	22:00	1:00	46,550	2,115	44,434
Fountain, Aeration, Pond	1/2026	10,000.00	1 Ea	10,000	10:00	10:00	3:00	10,000	1,000	7,000
Irrigation Well Pumps, 5hp	1/2032	5,000.00	3 Ea	15,000	10:00	10:00	9:00	15,000	1,500	1,500
Irrigation, Pipes, Controllers, Valves (Parti	1/2031	30,000.00	1 Lp Sm	30,000	30:00	30:00	8:00	30,000	1,000	22,000
Light Fixtures, Post & Single Globe	1/2041	92,700.00	1 Lp Sm	92,700	35:00	35:00	18:00	92,700	2,648	45,025
Piping, Water Service	1/2026	60,000.00	1 Allow	60,000	55:00	55:00	3:00	60,000	1,090	56,727
Sidewalks, Concrete, (Partial)	1/2031	11.12	5,268 Sq Ft	58,580	60:00	60:00	8:00	58,580	976	50,769
Stormwater Drainage, Inspect/Repair (Pa	1/2025	25,000.00	1 Allow	25,000	25:00	25:00	2:00	25,000	1,000	23,000
				886,038				886,038	33,260	652,076
				3,856,312				3,856,312	197,189	2,569,655

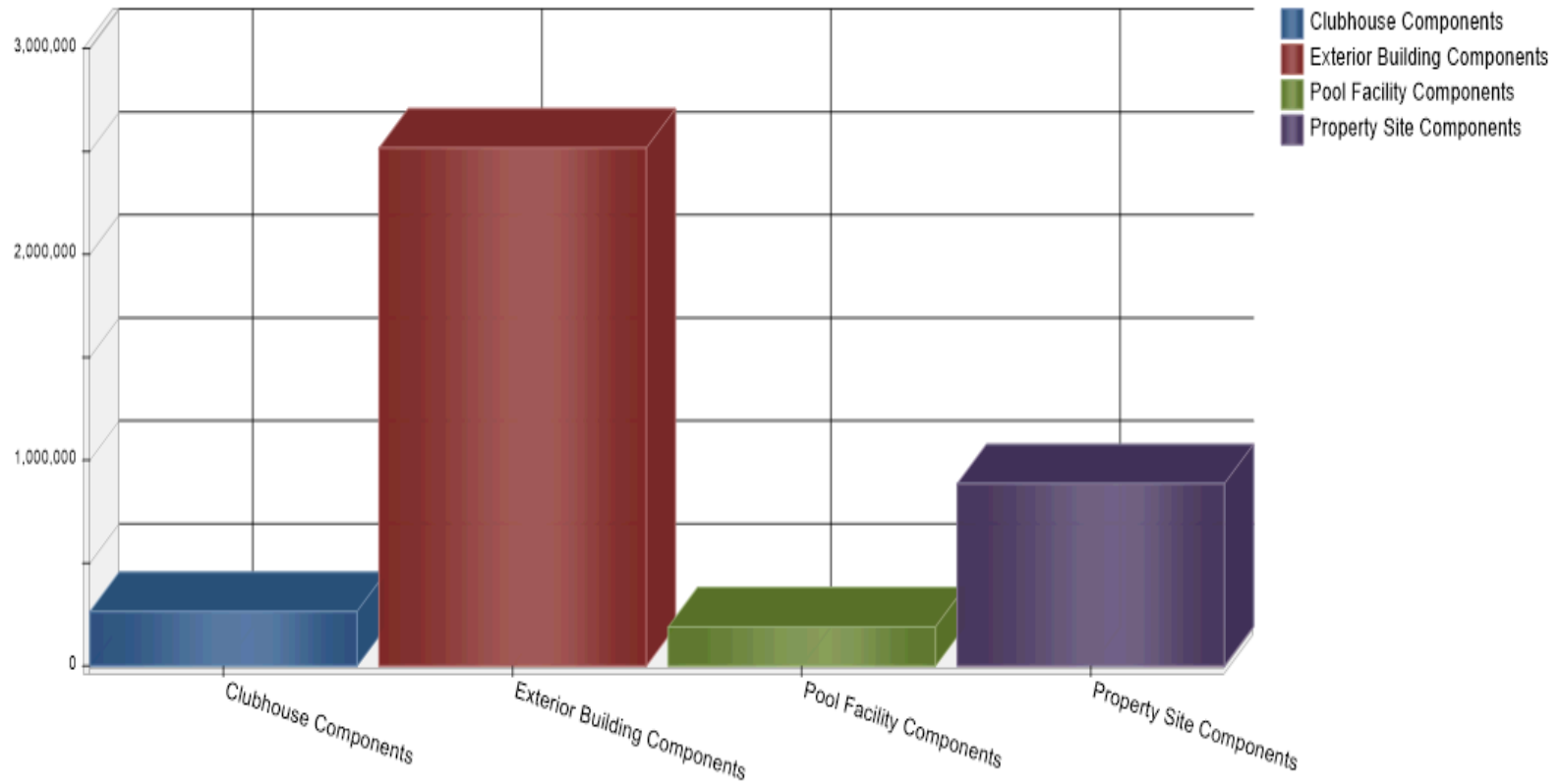


## High Point of Delray Beach Section 2

Analysis Date - January 1, 2023

Inflation:0.00% Investment:0.00% Contribution Factor:0.00% Calc:Current

### Item Parameter - Category - Chart





## High Point of Delray Beach Section 2

Analysis Date - January 1, 2023

Inflation:0.00% Investment:0.00% Contribution Factor:0.00% Calc:Current

### Item Parameters - Full Detail

#### Awning, Aluminum & Vinyl, Entry

Item Number	19	Measurement Basis	Sq Ft
Type	Common Area	Estimated Useful Life	14 Years
Category	Clubhouse Components	Basis Cost	\$ 37.00
Tracking Method	Logistical Fixed		

Code	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0019	01/01/2021	01/01/2035	12:00	14:00	84	\$ 3,108.00	\$ 3,108.00
						3,108.00	3,108.00

#### Comments





## High Point of Delray Beach Section 2

Analysis Date - January 1, 2023

Inflation:0.00% Investment:0.00% Contribution Factor:0.00% Calc:Current

### Item Parameters - Full Detail

#### Exterior Paint & Stucco Repairs

Item Number	13	Measurement Basis	Sq Ft
Type	Common Area	Estimated Useful Life	8 Years
Category	Clubhouse Components	Basis Cost	\$ 2.00
Tracking Method	Logistical Fixed		

Code	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0013	01/01/2020	01/01/2028	5:00	8:00	2,700	\$ 5,400.00	\$ 5,400.00
						5,400.00	5,400.00

#### Comments





## High Point of Delray Beach Section 2

Analysis Date - January 1, 2023

Inflation:0.00% Investment:0.00% Contribution Factor:0.00% Calc:Current

### Item Parameters - Full Detail

#### Flooring, Tile

Item Number	21	Measurement Basis	Sq Ft
Type	Common Area	Estimated Useful Life	35 Years
Category	Clubhouse Components	Basis Cost	\$ 13.00
Tracking Method	Logistical Fixed		

Code	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0021	01/01/2006	01/01/2041	18:00	35:00	3,026	\$ 39,338.00	\$ 39,338.00
						39,338.00	39,338.00

#### Comments





## High Point of Delray Beach Section 2

Analysis Date - January 1, 2023

Inflation:0.00% Investment:0.00% Contribution Factor:0.00% Calc:Current

### Item Parameters - Full Detail

#### Furniture, Interior

Item Number	23	Measurement Basis	Lp Sm
Type	Common Area	Estimated Useful Life	15 Years
Category	Clubhouse Components	Basis Cost	\$ 28,390.00
Tracking Method	Logistical Fixed		

Code	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0023	01/01/2016	01/01/2031	8:00	15:00	1	\$ 28,390.00	\$ 28,390.00
						28,390.00	28,390.00

#### Comments



#### Basis for Lump Sum Replacement Cost Estimate

Sub Component	Basis	Basis Cost	Quantity	Current Cost
Art Work, Décor, & Light Fixtures	Lp Sm	\$2,500.00	1	\$2,500.00
Sofa	Each	\$2,000.00	1	\$2,000.00
Love Seat	Each	\$1,700.00	3	\$5,100.00
Recliner/Glider Chair	Each	\$1,500.00	2	\$3,000.00
Cushioned Chairs	Each	\$650.00	4	\$2,600.00
Coffe Table, Glass Top	Each	\$1,300.00	2	\$2,600.00
Bar Stools, High Back	Each	\$295.00	2	\$590.00
Dining Table & Chairs, Wood	Each	\$1,000.00	10	\$10,000.00
Total				\$28,390



## High Point of Delray Beach Section 2

Analysis Date - January 1, 2023

Inflation:0.00% Investment:0.00% Contribution Factor:0.00% Calc:Current

### Item Parameters - Full Detail

#### Hurricane Shutters

Item Number	26	Measurement Basis	Sq Ft
Type	Common Area	Estimated Useful Life	30 Years
Category	Clubhouse Components	Basis Cost	\$ 34.00
Tracking Method	Logistical Fixed		

Code	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0026	01/01/2020	01/01/2050	27:00	30:00	392	\$ 13,328.00	\$ 13,328.00
						13,328.00	13,328.00

#### Comments





## High Point of Delray Beach Section 2

Analysis Date - January 1, 2023

Inflation:0.00% Investment:0.00% Contribution Factor:0.00% Calc:Current

### Item Parameters - Full Detail

#### HVAC, Split-System, 2 Ton

Item Number	17	Measurement Basis	Ea
Type	Common Area	Estimated Useful Life	12 Years
Category	Clubhouse Components	Basis Cost	\$ 3,500.00
Tracking Method	Logistical Fixed		

Code	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0017	01/01/2014	01/01/2026	3:00	12:00	1	\$ 3,500.00	\$ 3,500.00
						3,500.00	3,500.00

#### Comments







## High Point of Delray Beach Section 2

Analysis Date - January 1, 2023

Inflation:0.00% Investment:0.00% Contribution Factor:0.00% Calc:Current

### Item Parameters - Full Detail

#### HVAC, Split-System, 2.5 Ton

Item Number	18	Measurement Basis	Ea
Type	Common Area	Estimated Useful Life	12 Years
Category	Clubhouse Components	Basis Cost	\$ 4,000.00
Tracking Method	Logistical Fixed		

Code	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0018	01/01/2011	01/01/2023	0:00	12:00	1	\$ 4,000.00	\$ 4,000.00
						4,000.00	4,000.00

#### Comments





## High Point of Delray Beach Section 2

Analysis Date - January 1, 2023

Inflation:0.00% Investment:0.00% Contribution Factor:0.00% Calc:Current

### Item Parameters - Full Detail

#### HVAC, Split-System, 5 Ton

Item Number	16	Measurement Basis	Ea
Type	Common Area	Estimated Useful Life	12 Years
Category	Clubhouse Components	Basis Cost	\$ 6,500.00
Tracking Method	Logistical Adjusted		

Code	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0016	01/01/2005	01/01/2023	0:00	18:00	2	\$ 13,000.00	\$ 13,000.00
						13,000.00	13,000.00

#### Comments





## High Point of Delray Beach Section 2

Analysis Date - January 1, 2023

Inflation:0.00% Investment:0.00% Contribution Factor:0.00% Calc:Current

### Item Parameters - Full Detail

#### Interior Painting, Ceiling & Walls

Item Number	20	Measurement Basis	Sq Ft
Type	Common Area	Estimated Useful Life	15 Years
Category	Clubhouse Components	Basis Cost	\$ 1.25
Tracking Method	Logistical Fixed		

Code	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0020	01/01/2021	01/01/2036	13:00	15:00	7,063	\$ 8,828.75	\$ 8,828.75
						8,828.75	8,828.75

#### Comments





## High Point of Delray Beach Section 2

Analysis Date - January 1, 2023

Inflation:0.00% Investment:0.00% Contribution Factor:0.00% Calc:Current

### Item Parameters - Full Detail

#### Interior Renovation, Kitchen

Item Number	24	Measurement Basis	Lp Sm
Type	Common Area	Estimated Useful Life	25 Years
Category	Clubhouse Components	Basis Cost	\$ 34,116.00
Tracking Method	Logistical Fixed		

Code	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0024	01/01/2006	01/01/2031	8:00	25:00	1	\$ 34,116.00	\$ 34,116.00
						34,116.00	34,116.00

#### Comments





## High Point of Delray Beach Section 2

Analysis Date - January 1, 2023

Inflation:0.00% Investment:0.00% Contribution Factor:0.00% Calc:Current

### Basis for Lump Sum Replacement Cost Estimate

<u>Sub Component</u>	<u>Basis</u>	<u>Basis Cost</u>	<u>Quantity</u>	<u>Current Cost</u>
Kitchen Cabinetry (Upper Section) Standard Grade	Ln Ft	\$199.94	34	\$6,797.96
Kitchen Cabinetry (Lower Section) Standard Grade	Ln Ft	\$303.95	29	\$8,814.55
Countertop (Laminate)	Sq Ft	\$51.01	72	\$3,672.72
Backsplash (Laminate)	Ln Ft	\$10.35	29	\$300.15
Kitchen Sink Faucet	Each	\$323.34	1	\$323.34
Kitchen Sink (Double)	Each	\$725.56	1	\$725.56
Kitchen Sink Drain Assembly	Each	\$88.75	1	\$88.75
Microwave oven - over range	Each	\$315.00	1	\$315.00
Kitchen Range (Freestanding) Electric	Each	\$1,599.00	1	\$1,599.00
Kitchen Refrigerator - Top Freezer - 18 to 22 cf	Each	\$2,299.00	1	\$2,299.00
Dishwasher	Each	\$955.00	1	\$955.00
Garbage Disposal	Each	\$351.86	1	\$351.86
Subtotal				\$26,242.89
Grand Total with Contractor O&P Plus Contingency (30%)				\$34,116



## High Point of Delray Beach Section 2

Analysis Date - January 1, 2023

Inflation:0.00% Investment:0.00% Contribution Factor:0.00% Calc:Current

### Item Parameters - Full Detail

#### Interior Renovation, Restrooms

Item Number	25	Measurement Basis	Lp Sm
Type	Common Area	Estimated Useful Life	25 Years
Category	Clubhouse Components	Basis Cost	\$ 19,146.00
Tracking Method	Logistical Fixed		

Code	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0025	01/01/2006	01/01/2031	8:00	25:00	1	\$ 19,146.00	\$ 19,146.00
						19,146.00	19,146.00

#### Comments





## High Point of Delray Beach Section 2

Analysis Date - January 1, 2023

Inflation:0.00% Investment:0.00% Contribution Factor:0.00% Calc:Current

### Basis for Lump Sum Replacement Cost Estimate

Sub Component	Basis	Basis Cost	Quantity	Current Cost
Floor Cover - Tile	Sq Ft	\$13.00	190	\$2,470.00
Painting - Ceiling & Walls	Sq Ft	\$1.25	1134	\$1,417.50
Bathroom Ventilation Fan	Each	\$205.00	2	\$410.00
Bathroom Mirror	Sq Ft	\$26.00	36	\$936.00
Countertop	Ln Ft	\$219.00	10	\$2,190.00
Sink Faucets	Each	\$270.00	4	\$1,080.00
Sinks	Each	\$518.00	4	\$2,072.00
Soap Dispensers	Each	\$60.00	4	\$240.00
Paper Towel Dispenser	Each	\$180.00	4	\$720.00
Toilet Paper Dispenser	Each	\$60.00	4	\$240.00
Handicap Grab Bar	Each	\$145.00	4	\$580.00
Toilets	Each	\$593.00	4	\$2,372.00
Subtotal				\$14,727.50
Grand Total with Contractor O&P Plus Contingency (30%)				\$19,146



## High Point of Delray Beach Section 2

Analysis Date - January 1, 2023

Inflation:0.00% Investment:0.00% Contribution Factor:0.00% Calc:Current

### Item Parameters - Full Detail

#### Roof, Architectural Shingle

Item Number	11	Measurement Basis	Sq
Type	Common Area	Estimated Useful Life	20 Years
Category	Clubhouse Components	Basis Cost	\$ 510.00
Tracking Method	Logistical Fixed		

Code	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0011	01/01/2016	01/01/2036	13:00	20:00	38	\$ 19,380.00	\$ 19,380.00
						19,380.00	19,380.00

#### Comments







## High Point of Delray Beach Section 2

Analysis Date - January 1, 2023

Inflation:0.00% Investment:0.00% Contribution Factor:0.00% Calc:Current

### Item Parameters - Full Detail

#### Roofs, Modified Bitumen

Item Number	12	Measurement Basis	Sq Ft
Type	Common Area	Estimated Useful Life	20 Years
Category	Clubhouse Components	Basis Cost	\$ 15.00
Tracking Method	Logistical Fixed		

Code	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0012	01/01/2016	01/01/2036	13:00	20:00	1,485	\$ 22,275.00	\$ 22,275.00
						22,275.00	22,275.00

#### Comments





## High Point of Delray Beach Section 2

Analysis Date - January 1, 2023

Inflation:0.00% Investment:0.00% Contribution Factor:0.00% Calc:Current

### Item Parameters - Full Detail

#### Surveillance System, Upgrade

Item Number	22	Measurement Basis	Allow
Type	Common Area	Estimated Useful Life	10 Years
Category	Clubhouse Components	Basis Cost	\$ 10,000.00
Tracking Method	Logistical Fixed		

Code	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0022	01/01/2020	01/01/2030	7:00	10:00	1	\$ 10,000.00	\$ 10,000.00
						10,000.00	10,000.00

#### Comments





## High Point of Delray Beach Section 2

Analysis Date - January 1, 2023

Inflation:0.00% Investment:0.00% Contribution Factor:0.00% Calc:Current

### Item Parameters - Full Detail

#### Windows, Exterior, Impact

Item Number	14	Measurement Basis	Sq Ft
Type	Common Area	Estimated Useful Life	40 Years
Category	Clubhouse Components	Basis Cost	\$ 105.00
Tracking Method	Logistical Fixed		

Code	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0014	01/01/2020	01/01/2060	37:00	40:00	392	\$ 41,160.00	\$ 41,160.00
						41,160.00	41,160.00

#### Comments





## High Point of Delray Beach Section 2

Analysis Date - January 1, 2023

Inflation:0.00% Investment:0.00% Contribution Factor:0.00% Calc:Current

### Item Parameters - Full Detail

#### Exterior Paint & Stucco Repairs

Item Number	37	Measurement Basis	Lp Sm
Type	Common Area	Estimated Useful Life	8 Years
Category	Exterior Building Components	Basis Cost	\$ 179,900.00
Tracking Method	Logistical Fixed		

Code	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0037	01/01/2022	01/01/2030	7:00	8:00	1	\$ 179,900.00	\$ 179,900.00
						179,900.00	179,900.00

#### Comments



Basis for lump sum cost is based on a proposal from MTD Painting in 2022.



## High Point of Delray Beach Section 2

Analysis Date - January 1, 2023

Inflation:0.00% Investment:0.00% Contribution Factor:0.00% Calc:Current

### Item Parameters - Full Detail

#### Fascia, Wood, Repairs

Item Number	40	Measurement Basis	Ln Ft
Type	Common Area	Estimated Useful Life	16 Years
Category	Exterior Building Components	Basis Cost	\$ 35.00
Tracking Method	Logistical Fixed		

Code	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0040	01/01/2022	01/01/2038	15:00	16:00	2,332	\$ 81,620.00	\$ 81,620.00
						81,620.00	81,620.00

#### Comments



Basis for linear foot cost is based on a proposal from MTD Painting in 2022. 2332 linear feet is approximately 10% of all fascia, and is scheduled to repeat with every other paint application.





## High Point of Delray Beach Section 2

Analysis Date - January 1, 2023

Inflation:0.00% Investment:0.00% Contribution Factor:0.00% Calc:Current

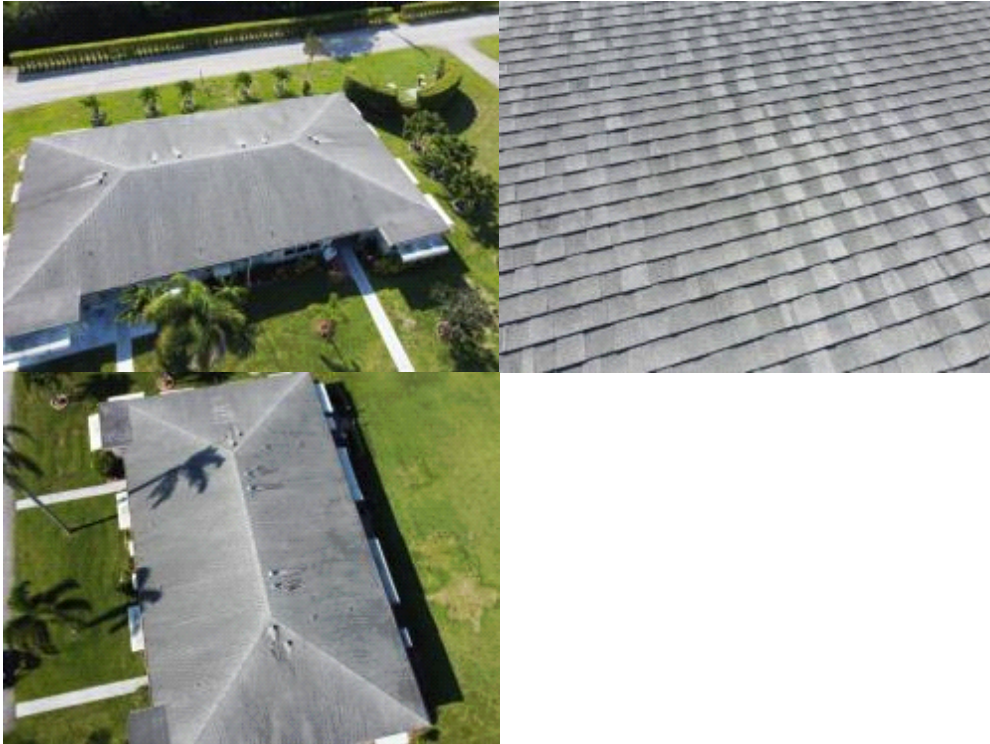
### Item Parameters - Full Detail

#### Roofs, Architectural Shingle

Item Number	38	Measurement Basis	Sq
Type	Common Area	Estimated Useful Life	20 Years
Category	Exterior Building Components	Basis Cost	\$ 510.00
Tracking Method	Logistical Fixed		

Code	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0038	01/01/2008	01/01/2028	5:00	20:00	3,933	\$ 2,005,830.00	\$ 2,005,830.00
						2,005,830.00	2,005,830.00

#### Comments





## High Point of Delray Beach Section 2

Analysis Date - January 1, 2023

Inflation:0.00% Investment:0.00% Contribution Factor:0.00% Calc:Current

### Item Parameters - Full Detail

#### Roofs, Modified Bitumen

Item Number	39	Measurement Basis	Sq Ft
Type	Common Area	Estimated Useful Life	20 Years
Category	Exterior Building Components	Basis Cost	\$ 15.00
Tracking Method	Logistical Fixed		

Code	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0039	01/01/2008	01/01/2028	5:00	20:00	16,560	\$ 248,400.00	\$ 248,400.00
						248,400.00	248,400.00

#### Comments





## High Point of Delray Beach Section 2

Analysis Date - January 1, 2023

Inflation:0.00% Investment:0.00% Contribution Factor:0.00% Calc:Current

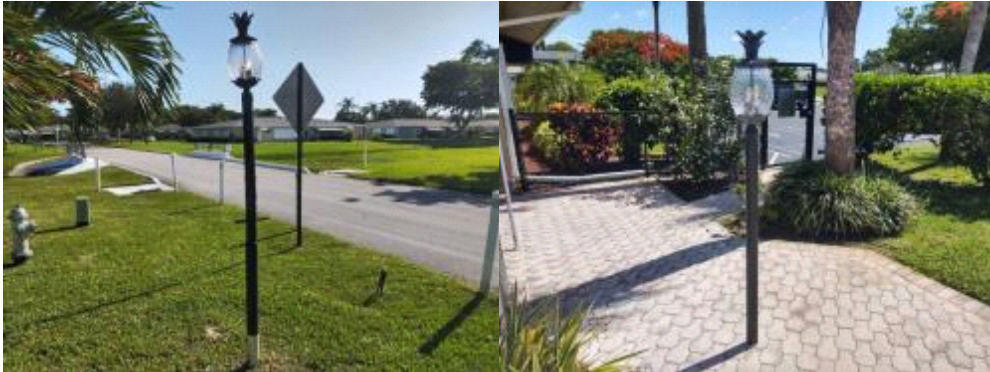
### Item Parameters - Full Detail

#### Light Fixtures, Post & Pineapple, 6'

Item Number	35	Measurement Basis	Ea
Type	Common Area	Estimated Useful Life	20 Years
Category	Pool Facility Components	Basis Cost	\$ 850.00
Tracking Method	Logistical Fixed		

Code	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0035	01/01/2020	01/01/2040	17:00	20:00	9	\$ 7,650.00	\$ 7,650.00
						7,650.00	7,650.00

#### Comments







## High Point of Delray Beach Section 2

Analysis Date - January 1, 2023

Inflation:0.00% Investment:0.00% Contribution Factor:0.00% Calc:Current

### Item Parameters - Full Detail

#### Outdoor Shower, Tile

Item Number	36	Measurement Basis	Lp Sm
Type	Common Area	Estimated Useful Life	15 Years
Category	Pool Facility Components	Basis Cost	\$ 3,500.00
Tracking Method	Logistical Fixed		

Code	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0036	01/01/2020	01/01/2035	12:00	15:00	1	\$ 3,500.00	\$ 3,500.00
						3,500.00	3,500.00

#### Comments





## High Point of Delray Beach Section 2

Analysis Date - January 1, 2023

Inflation:0.00% Investment:0.00% Contribution Factor:0.00% Calc:Current

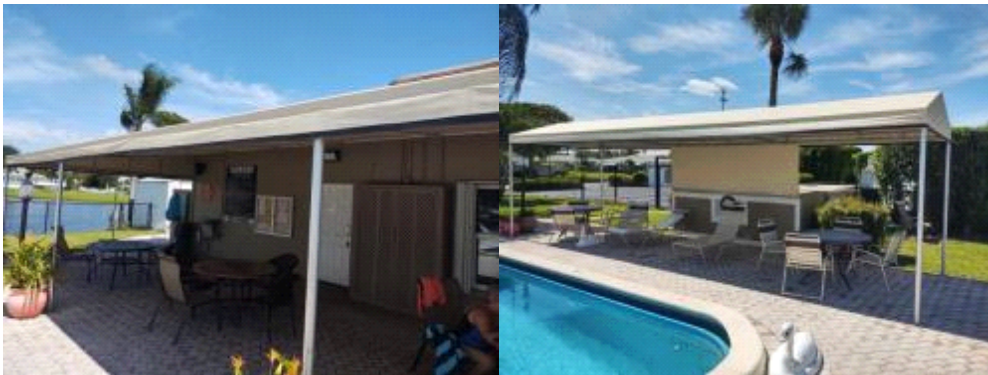
### Item Parameters - Full Detail

#### Patio Cover & Pavilion, Metal & Vinyl

Item Number	32	Measurement Basis	Sq Ft
Type	Common Area	Estimated Useful Life	15 Years
Category	Pool Facility Components	Basis Cost	\$ 37.00
Tracking Method	Logistical Fixed		

Code	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0032	01/01/2020	01/01/2035	12:00	15:00	895	\$ 33,115.00	\$ 33,115.00
						33,115.00	33,115.00

#### Comments





## High Point of Delray Beach Section 2

Analysis Date - January 1, 2023

Inflation:0.00% Investment:0.00% Contribution Factor:0.00% Calc:Current

### Item Parameters - Full Detail

#### Pool Collector Tank & Equipment

Item Number	41	Measurement Basis	Lp Sm
Type	Common Area	Estimated Useful Life	30 Years
Category	Pool Facility Components	Basis Cost	\$ 15,000.00
Tracking Method	Logistical Fixed		

Code	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0041	01/01/2011	01/01/2041	18:00	30:00	1	\$ 15,000.00	\$ 15,000.00
						15,000.00	15,000.00

#### Comments





## High Point of Delray Beach Section 2

Analysis Date - January 1, 2023

Inflation:0.00% Investment:0.00% Contribution Factor:0.00% Calc:Current

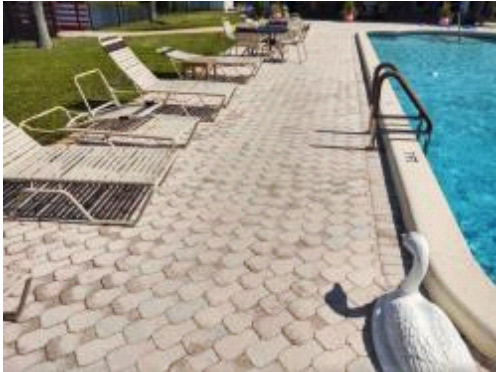
### Item Parameters - Full Detail

#### Pool Deck, Concrete Pavers

Item Number	28	Measurement Basis	Sq Ft
Type	Common Area	Estimated Useful Life	30 Years
Category	Pool Facility Components	Basis Cost	\$ 14.41
Tracking Method	Logistical Fixed		

Code	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0028	01/01/2005	01/01/2035	12:00	30:00	3,960	\$ 57,063.60	\$ 57,063.60
						57,063.60	57,063.60

#### Comments





## High Point of Delray Beach Section 2

Analysis Date - January 1, 2023

Inflation:0.00% Investment:0.00% Contribution Factor:0.00% Calc:Current

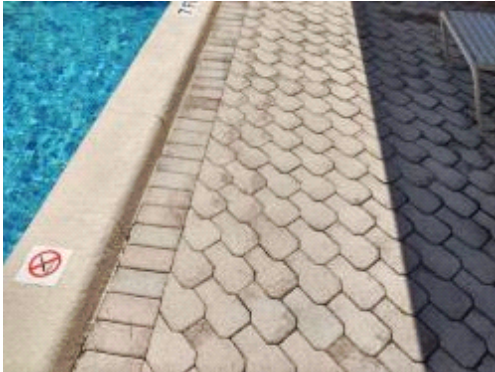
### Item Parameters - Full Detail

#### Pool Deck, Pavers, Clean, Sand & Seal

Item Number	29	Measurement Basis	Sq Ft
Type	Common Area	Estimated Useful Life	4 Years
Category	Pool Facility Components	Basis Cost	\$ 1.12
Tracking Method	Logistical Fixed		

Code	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0029	01/01/2020	01/01/2024	1:00	4:00	3,960	\$ 4,435.20	\$ 4,435.20
						4,435.20	4,435.20

#### Comments





## High Point of Delray Beach Section 2

Analysis Date - January 1, 2023

Inflation:0.00% Investment:0.00% Contribution Factor:0.00% Calc:Current

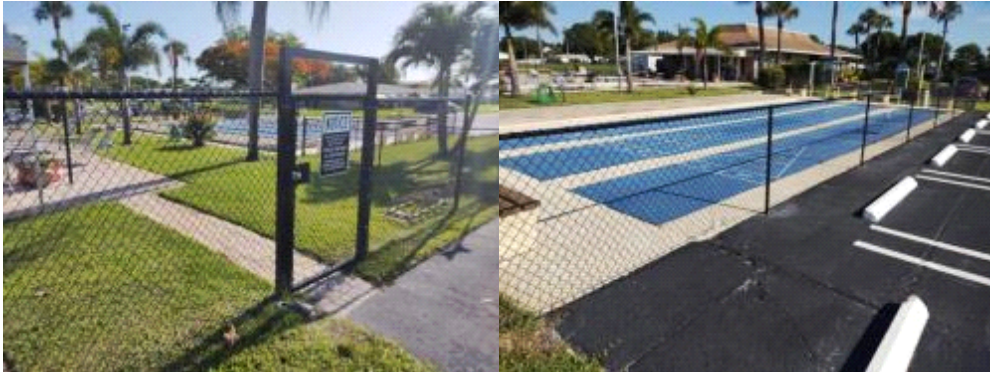
### Item Parameters - Full Detail

#### Pool Fence, 6' & 4' Vinyl Coat Chain-Link

Item Number	31	Measurement Basis	Ln Ft
Type	Common Area	Estimated Useful Life	30 Years
Category	Pool Facility Components	Basis Cost	\$ 45.00
Tracking Method	Logistical Adjusted		

Code	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0031	01/01/2020	01/01/2050	27:00	30:00	405	\$ 18,225.00	\$ 18,225.00
						18,225.00	18,225.00

#### Comments





## High Point of Delray Beach Section 2

Analysis Date - January 1, 2023

Inflation:0.00% Investment:0.00% Contribution Factor:0.00% Calc:Current

### Item Parameters - Full Detail

#### Pool Finish & Border Tiles

Item Number	27	Measurement Basis	Lp Sm
Type	Common Area	Estimated Useful Life	12 Years
Category	Pool Facility Components	Basis Cost	\$ 24,816.00
Tracking Method	Logistical Fixed		

Code	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0027	01/01/2011	01/01/2023	0:00	12:00	1	\$ 24,816.00	\$ 24,816.00
						24,816.00	24,816.00

#### Comments



#### Basis for Lump Sum Replacement Cost Estimate

Sub Component	Basis	Basis Cost	Quantity	Current Cost
Prep for pool finish	Sq Ft	\$1.41	1,810	\$2,552.10
Refinish pool interior	SqFt	\$7.00	1,810	\$12,670.00
Install border tiles	Ln Ft	\$16.00	324	\$5,184.00
Pool lights, LED	Ea	\$750.00	2	\$1,500.00
Crack repair	Ln Ft	\$100.00	10	\$1,000.00
Spa hand rail - stainless	Ea	\$580.00	1	\$580.00
Ladder - stainless	Ea	\$665.00	2	\$1,330.00
Total				\$24,816





## High Point of Delray Beach Section 2

Analysis Date - January 1, 2023

Inflation:0.00% Investment:0.00% Contribution Factor:0.00% Calc:Current

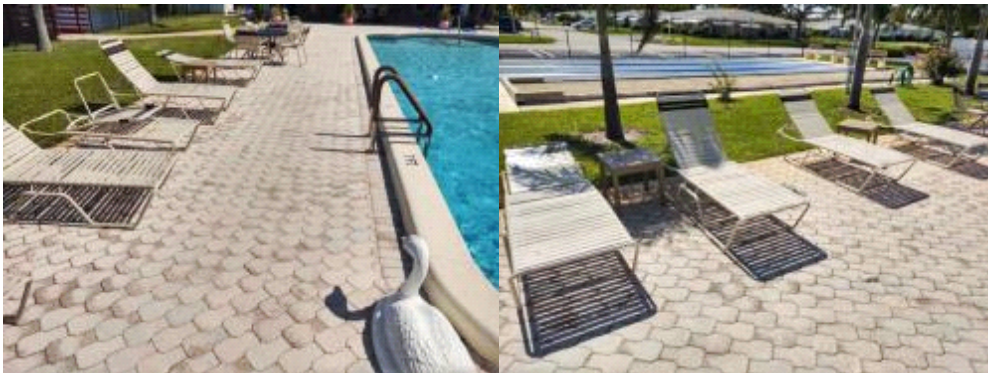
### Item Parameters - Full Detail

#### Pool Furniture, Aluminum Strap, Replace

Item Number	30	Measurement Basis	Lp Sm
Type	Common Area	Estimated Useful Life	15 Years
Category	Pool Facility Components	Basis Cost	\$ 14,750.00
Tracking Method	Logistical Fixed		

Code	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0030	01/01/2020	01/01/2035	12:00	15:00	1	\$ 14,750.00	\$ 14,750.00
						14,750.00	14,750.00

#### Comments



#### Basis for Lump Sum Replacement Cost Estimate

Sub Component	Basis	Basis Cost	Quantity	Current Cost
Chaise Lounges, Strap, Aluminum Frame	Each	\$250.00	20	\$5,000.00
Chairs, Strap, Aluminum Frame	Each	\$200.00	32	\$6,400.00
Beverage Tables	Each	\$225.00	4	\$900.00
Tables, 42" Round	Each	\$350.00	7	\$2,450.00
Total				\$14,750.00





## High Point of Delray Beach Section 2

Analysis Date - January 1, 2023

Inflation:0.00% Investment:0.00% Contribution Factor:0.00% Calc:Current

### Item Parameters - Full Detail

#### Pool Heater, Electric Heat Pump (2018)

Item Number	34	Measurement Basis	Ea
Type	Common Area	Estimated Useful Life	10 Years
Category	Pool Facility Components	Basis Cost	\$ 5,500.00
Tracking Method	Logistical Fixed		

Code	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0034	01/01/2018	01/01/2028	5:00	10:00	1	\$ 5,500.00	\$ 5,500.00
						5,500.00	5,500.00

#### Comments





## High Point of Delray Beach Section 2

Analysis Date - January 1, 2023

Inflation:0.00% Investment:0.00% Contribution Factor:0.00% Calc:Current

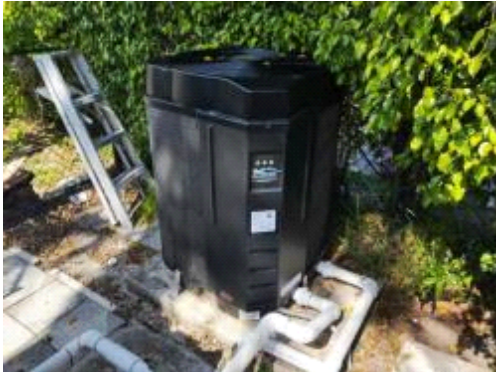
### Item Parameters - Full Detail

#### Pool Heater, Electric Heat Pump (2021)

Item Number	33	Measurement Basis	Ea
Type	Common Area	Estimated Useful Life	10 Years
Category	Pool Facility Components	Basis Cost	\$ 5,500.00
Tracking Method	Logistical Fixed		

Code	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0033	01/01/2021	01/01/2031	8:00	10:00	1	\$ 5,500.00	\$ 5,500.00
						5,500.00	5,500.00

#### Comments





## High Point of Delray Beach Section 2

Analysis Date - January 1, 2023

Inflation:0.00% Investment:0.00% Contribution Factor:0.00% Calc:Current

### Item Parameters - Full Detail

#### Asphalt Pavement, Mill & Overlay (2000)

Item Number	1	Measurement Basis	Sq Yds
Type	Common Area	Estimated Useful Life	25 Years
Category	Property Site Components	Basis Cost	\$ 12.00
Tracking Method	Logistical Fixed		

Code	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0001	01/01/2001	01/01/2026	3:00	25:00	36,824	\$ 441,888.00	\$ 441,888.00
						441,888.00	441,888.00

#### Comments





## High Point of Delray Beach Section 2

Analysis Date - January 1, 2023

Inflation:0.00% Investment:0.00% Contribution Factor:0.00% Calc:Current

### Item Parameters - Full Detail

#### Asphalt Pavement, Mill & Overlay (2020)

Item Number	2	Measurement Basis	Sq Yds
Type	Common Area	Estimated Useful Life	25 Years
Category	Property Site Components	Basis Cost	\$ 12.00
Tracking Method	Logistical Fixed		

Code	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0002	01/01/2020	01/01/2045	22:00	25:00	8,860	\$ 106,320.00	\$ 106,320.00
						106,320.00	106,320.00

#### Comments



In 2020 the Association repaved High Point North and parking lots 612, 632, 652, and 672.



## High Point of Delray Beach Section 2

Analysis Date - January 1, 2023

Inflation:0.00% Investment:0.00% Contribution Factor:0.00% Calc:Current

### Item Parameters - Full Detail

#### Fishing Pier, Wood Deck, Joists & Rails

Item Number	10	Measurement Basis	Sq Ft
Type	Common Area	Estimated Useful Life	22 Years
Category	Property Site Components	Basis Cost	\$ 95.00
Tracking Method	Logistical Fixed		

Code	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0010	01/01/2002	01/01/2024	1:00	22:00	490	\$ 46,550.00	\$ 46,550.00
						46,550.00	46,550.00

#### Comments





## High Point of Delray Beach Section 2

Analysis Date - January 1, 2023

Inflation:0.00% Investment:0.00% Contribution Factor:0.00% Calc:Current

### Item Parameters - Full Detail

#### Fountain, Aeration, Pond

Item Number	9	Measurement Basis	Ea
Type	Common Area	Estimated Useful Life	10 Years
Category	Property Site Components	Basis Cost	\$ 10,000.00
Tracking Method	Logistical Fixed		

Code	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0009	01/01/2016	01/01/2026	3:00	10:00	1	\$ 10,000.00	\$ 10,000.00
						10,000.00	10,000.00

#### Comments







## High Point of Delray Beach Section 2

Analysis Date - January 1, 2023

Inflation:0.00% Investment:0.00% Contribution Factor:0.00% Calc:Current

### Item Parameters - Full Detail

#### Irrigation Well Pumps, 5hp

Item Number	5	Measurement Basis	Ea
Type	Common Area	Estimated Useful Life	10 Years
Category	Property Site Components	Basis Cost	\$ 5,000.00
Tracking Method	Logistical Fixed		

Code	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0005	01/01/2022	01/01/2032	9:00	10:00	3	\$ 15,000.00	\$ 15,000.00
						15,000.00	15,000.00

#### Comments





## High Point of Delray Beach Section 2

Analysis Date - January 1, 2023

Inflation:0.00% Investment:0.00% Contribution Factor:0.00% Calc:Current

### Item Parameters - Full Detail

#### Irrigation, Pipes, Controllers, Valves (Partial)

Item Number	4	Measurement Basis	Lp Sm
Type	Common Area	Estimated Useful Life	30 Years
Category	Property Site Components	Basis Cost	\$ 30,000.00
Tracking Method	Logistical Fixed		

Code	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0004	01/01/2001	01/01/2031	8:00	30:00	1	\$ 30,000.00	\$ 30,000.00
						30,000.00	30,000.00

#### Comments







## High Point of Delray Beach Section 2

Analysis Date - January 1, 2023

Inflation:0.00% Investment:0.00% Contribution Factor:0.00% Calc:Current

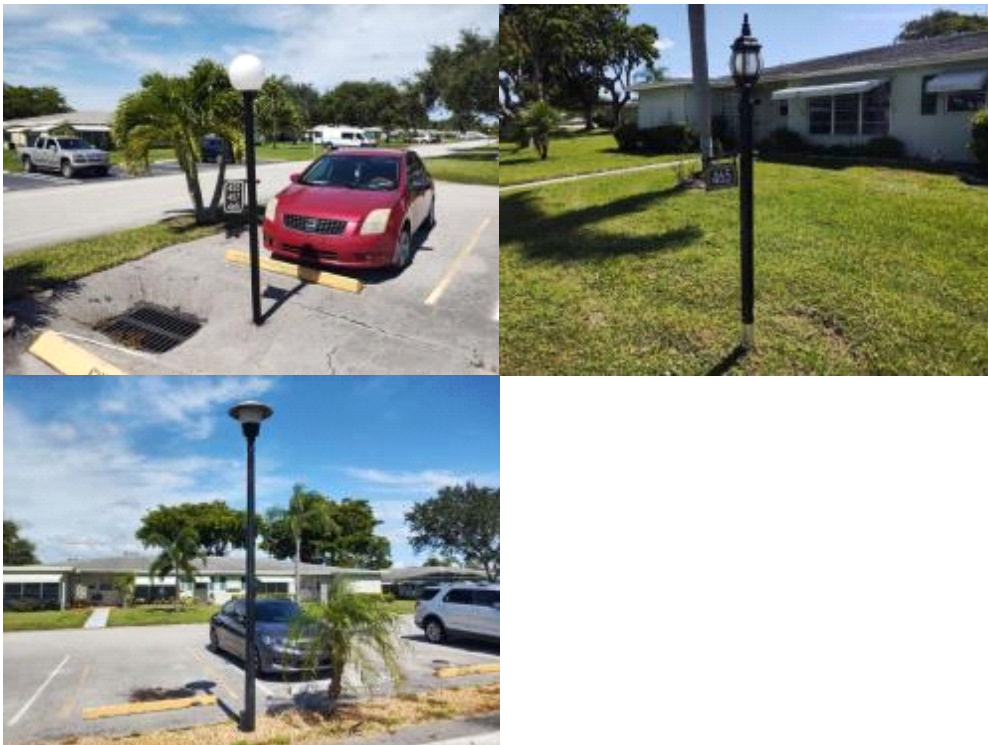
### Item Parameters - Full Detail

#### Light Fixtures, Post & Single Globe

Item Number	3	Measurement Basis	Lp Sm
Type	Common Area	Estimated Useful Life	35 Years
Category	Property Site Components	Basis Cost	\$ 92,700.00
Tracking Method	Logistical Fixed		

Code	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0003	01/01/2006	01/01/2041	18:00	35:00	1	\$ 92,700.00	\$ 92,700.00
						92,700.00	92,700.00

#### Comments





## High Point of Delray Beach Section 2

Analysis Date - January 1, 2023

Inflation:0.00% Investment:0.00% Contribution Factor:0.00% Calc:Current

### Basis for Lump Sum Replacement Cost Estimate

<u>Sub Component</u>	<u>Basis</u>	<u>Basis Cost</u>	<u>Quantity</u>	<u>Current Cost</u>
Light Fixture, 6' Post & Single Globe	Ea	\$550.00	63	\$34,650.00
Light Fixture, 8' Post & Single Globe	Ea	\$750.00	34	\$25,500.00
Light Fixture, 12' Parking Lot	Ea	\$1,550.00	21	\$32,550.00
Total				\$92,700.00



## High Point of Delray Beach Section 2

Analysis Date - January 1, 2023

Inflation:0.00% Investment:0.00% Contribution Factor:0.00% Calc:Current

### Item Parameters - Full Detail

#### Piping, Water Service

Item Number	8	Measurement Basis	Allow
Type	Common Area	Estimated Useful Life	55 Years
Category	Property Site Components	Basis Cost	\$ 60,000.00
Tracking Method	Logistical Fixed		

Code	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0008	01/01/1971	01/01/2026	3:00	55:00	1	\$ 60,000.00	\$ 60,000.00
						60,000.00	60,000.00

#### Comments



## High Point of Delray Beach Section 2

Analysis Date - January 1, 2023

Inflation:0.00% Investment:0.00% Contribution Factor:0.00% Calc:Current

### Item Parameters - Full Detail

#### Sidewalks, Concrete, (Partial)

Item Number	7	Measurement Basis	Sq Ft
Type	Common Area	Estimated Useful Life	60 Years
Category	Property Site Components	Basis Cost	\$ 11.12
Tracking Method	Logistical Fixed		

Code	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0007	01/01/1971	01/01/2031	8:00	60:00	5,268	\$ 58,580.16	\$ 58,580.16
						58,580.16	58,580.16

#### Comments





## High Point of Delray Beach Section 2

Analysis Date - January 1, 2023

Inflation:0.00% Investment:0.00% Contribution Factor:0.00% Calc:Current

Component Details					
Total Concrete Area sf	Cost per sf	Total Cost	50 yr life failure rate	Reserve Requirement	
16,470	\$11.12	\$183,146.40	20%	\$36,629.28	
Reserve Schedule					
Years	Reserve Amount	Sq Footage			
Years 1-10	no reserves				
Years 11-20	\$3,662.93	329			
Years 21-30	\$7,325.86	658			
Years 31-40	\$10,988.78	988			
Years 41-50	\$14,651.71	1,317			
Total	\$36,629.28				
Years 51-60		5,268			
Years 61-100		7,910			
	Total Area	16,470			



## High Point of Delray Beach Section 2

Analysis Date - January 1, 2023

Inflation:0.00% Investment:0.00% Contribution Factor:0.00% Calc:Current

### Item Parameters - Full Detail

#### Stormwater Drainage, Inspect/Repair (Partial)

Item Number	6	Measurement Basis	Allow
Type	Common Area	Estimated Useful Life	25 Years
Category	Property Site Components	Basis Cost	\$ 25,000.00
Tracking Method	Logistical Fixed		

Code	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0006	01/01/2000	01/01/2025	2:00	25:00	1	\$ 25,000.00	\$ 25,000.00
						25,000.00	25,000.00

#### Comments



## Explanations & Definitions

Preparing the annual budget and overseeing the association's finances are perhaps the most important responsibilities of board members. The annual operating and reserve budgets reflect the planning and goals of the association and set the level and quality of service for all of the association's activities.

### Funding Options

When a major repair or replacement is required in a community, an association has essentially four options available to address the expenditure:

The first, and only logical means that the Board of Directors has to ensure its ability to maintain the assets for which it is obligated, is by assessing an adequate level of reserves as part of the regular membership assessment, thereby distributing the cost of the replacements uniformly over the entire membership. The community is not only comprised of present members, but also future members. Any decision by the Board of Directors to adopt a calculation method or funding plan which would disproportionately burden future members in order to make up for past reserve deficits, would be a breach of its fiduciary responsibility to those future members. Unlike individuals determining their own course of action, the board is responsible to the "community" as a whole.

Whereas, if the association was setting aside reserves for this purpose, using the vehicle of the regularly assessed membership dues, it would have had the full term of the life of the roof, for example, to accumulate the necessary moneys. Additionally, those contributions would have been evenly distributed over the entire membership and would have earned interest as part of that contribution.

The second option is for the association to acquire a loan from a lending institution in order to effect the required repairs. In many cases, banks will lend to an association using "future homeowner assessments" as collateral for the loan. With this method, the current board is pledging the future assets of an association. They are also incurring the additional expense of interest fees along with the original principal amount. In the case of a \$150,000 roofing replacement, the association may be required to pay back the loan over a three to five year period, with interest.

The third option, too often used, is simply to defer the required repair or replacement. This option, which is not recommended, can create an environment of declining property values due to expanding lists of deferred maintenance items and the association's financial inability to keep pace with the normal aging process of the common area components. This, in turn, can have a seriously negative impact on sellers in the association by making it difficult, or even impossible, for potential buyers to obtain financing from lenders. Increasingly, lending institutions are requesting copies of the association's most recent reserve study before granting loans, either for the association itself, a prospective purchaser, or for an individual within such an association.

The fourth option is to pass a "special assessment" to the membership in an amount required to cover the expenditure. When a special assessment is passed, the association has the authority and responsibility to collect the assessments, even by means of foreclosure, if necessary. However, an association considering a special assessment cannot guarantee that an assessment, when needed, will be passed. Consequently, the association cannot guarantee its ability to perform the required repairs

or replacements to those major components for which it is obligated when the need arises. Additionally, while relatively new communities require very little in the way of major “reserve” expenditures, associations reaching 12 to 15 years of age and older, find many components reaching the end of their effective useful lives. These required expenditures, all accruing at the same time, could be devastating to an association’s overall budget.

## Types of Reserve Studies

Most reserve studies fit into one of three categories:

Level I - Full Reserve Study with site visit;

Level II - Update with site visit; and

Level III - Update without site visit.

In a Full Reserve Study, the reserve provider conducts a component inventory, a condition assessment (based upon on-site visual observations), and life and valuation estimates to determine both a “fund status” and “funding plan”.

In an Update with site inspection, the reserve provider conducts a component inventory (verification only, not quantification unless new components have been added to the inventory), a condition assessment (based upon on-site visual observations), and life and valuation estimates to determine both the “fund status and “funding plan.”

In an Update without site inspection, the reserve provider conducts life and valuation estimates to determine the “fund status” and “funding plan.”

## Physical and Financial Analysis

There are two components of a reserve study: a physical analysis and a financial analysis.

### Physical Analysis

During the physical analysis, a reserve study provider evaluates information regarding the physical status and repair/replacement cost of the association’s major common area components. To do so, the provider conducts a component inventory, a condition assessment, and life and valuation estimates.

### Developing a Component List

The budget process begins with full inventory of all the major components for which the association is responsible. The determination of whether an expense should be labeled as operational, reserve, or excluded altogether is sometimes subjective. Since this labeling may have a major impact on the financial plans of the association, subjective determinations should be minimized. We suggest the following considerations when labeling an expense.

### Operational Expenses

Occur at least annually, no matter how large the expense, and can be budgeted for effectively each year. They are characterized as being reasonably predictable, both in terms of frequency and cost. Operational expenses include all minor expenses, which would not otherwise adversely affect an



operational budget from one year to the next. Examples of operational expenses include:

Utilities:	Administrative:	Services:	Repair Expenses:
Electricity	Supplies	Landscaping	Minor Roof Repairs
Gas	Licenses, Permits & Fees	Pool Maintenance	Minor Concrete Repairs
Water	Insurance(s)	Street Sweeping	Operating Contingency
Telephone	Bank Service Charges	Accounting	
Cable TV	Dues & Publications	Reserve Study	

### Reserve Expenses

These are major expenses that occur other than annually, and which must be budgeted for in advance in order to ensure the availability of the necessary funds in time for their use. Reserve expenses are reasonably predictable both in terms of frequency and cost. However, they may include significant assets that have an indeterminable but potential liability that may be demonstrated as a likely occurrence. They are expenses that, when incurred, would have a significant effect on the smooth operation of the budgetary process from one year to the next, if they were not reserved for in advance. Examples of reserve expenses include:

Roof Replacements	Elevator Modernization
Painting	Interior Furnishings
Deck Resurfacing	Park/Play Equipment
Fencing Replacement	Pool/Spa Re-plastering
Asphalt Seal Coating	Pool Equipment Replacement
Asphalt Repairs	Pool Furniture Replacement
Asphalt Overlays	Tennis Court Resurfacing
Equipment Replacement	Lighting Replacement

### Budgeting is Normally Excluded for:

Repairs or replacements of assets which are deemed to have an estimated useful life equal to or exceeding the estimated useful life of the facility or community itself, or exceeding the legal life of the community as defined in an association's governing documents. Examples include the complete replacement of elevators, wiring, plumbing, concrete driveways, etc. Also excluded are insignificant expenses that may be covered either by an operating or reserve contingency, or otherwise in a general maintenance fund. Expenses that are necessitated by acts of nature, accidents or other occurrences that are more properly insured for, rather than reserved for, are also excluded.

### Financial Analysis

The financial analysis assesses the association's reserve balance or "fund status" (measured in cash or

as percent fully funded) to determine a recommendation for the appropriate reserve contribution rate in the future, known as the “funding plan”.

### Preparing the Reserve Study

Once the reserve assets have been identified and quantified, their respective replacement costs, useful lives and remaining lives must be assigned so that a funding schedule can be constructed. Replacement costs and useful lives can be found in published manuals such as construction estimators, appraisal handbooks, and valuation guides. Remaining lives are calculated from the useful lives and ages of assets and adjusted according to conditions such as design, manufactured quality, usage, exposure to the elements and maintenance history.

By following the recommendations of an effective reserve study, the association should avoid any major shortfalls. However, to remain accurate, the report should be updated on an annual basis to reflect such changes as shifts in economic parameters, additions of phases or assets, or expenditures of reserve funds. The association can assist in simplifying the reserve analysis update process by keeping accurate records of these changes throughout the year.

## Funding Methods

This report presents the two generally accepted means of estimating reserve contributions; the Straight Line Funding Plan and the 30 Year Pooled Cash Flow Plan.

### Component Funding Analysis Plan (Straight-Line)

The Component Funding Analysis Plan calculates the annual contribution amount for each individual line item component by dividing the component’s remaining unfunded balance by its remaining useful life. A component’s unfunded remaining balance is its replacement cost less the reserve balance for the component at the beginning of the analysis period. The annual contribution rate for each individual line item component is then summed to calculate the total annual contribution rate for this analysis. Straight-line accounting is based on current costs and neither interest or inflation are factored into the calculations.

The projected reserve fund balance at the end of the current fiscal year has been allocated to those components which have the shortest remaining life. This also provides for the lowest straight line contribution amount using this plan. However, per Florida Statute 718.112(2)(f)(3) condominium associations in Florida can only re-allocate (use) reserve funds for purposes other than which they were authorized for by getting approval in advance by a vote of the majority of the voting interests.

### 30 Year Pooled Cash Flow Analysis Plan

The 30 Year Cash Flow Plan is a method of calculating reserve contributions where contributions to the reserve funds are designed to offset the variable annual expenditures from the reserve fund. This analysis calculates the future replacement cost for reserve components when they are due for replacement, and recognizes increases in construction costs as well as interest income attributable to reserve accounts. Funds from the beginning balances are pooled together and a yearly contribution rate is calculated to arrive at a positive cash flow throughout the analysis period.

The following describes how the cash flow was produced:

Reserve Fund Balance – projected from the date this reserve study was prepared to the beginning of the fiscal year above;

Reserve Item Data - for each reserve item the following was determined: description, category, basis cost, cost, quantity, estimated useful life and estimated remaining life;

Expenditures - the reserve item data above was used to project when the initial and recurring expenditures will be incurred over the next 30 years;

Interest – calculated on the available funds;

Contribution – determined based on the following: annual contribution increases, interest earned with related taxes and inflation on reserve items.

Prior to December 23, 2002, Florida statute mandated that condominium associations calculate reserves via the Component Funding Analysis method, on an annual basis. Funding at less than 100% of the fully funded estimate, based on the Component Funding Analysis method, could occur only after a full vote of the association membership. As of December 23, 2002, amendments to the Florida Administrative Code recognize the Cash Flow Analysis method as an approved methodology for the calculation of reserve funding for condominium associations. The fund requirement estimated by the Cash Flow Analysis method can now be provided to the membership, on an annual basis as a fully funded figure. The analysis must be completed as a portion of the association's annual budget, include the total estimated useful lives, estimated remaining useful lives, and estimated replacement cost/deferred maintenance expenses of all assets in the reserve budget (minimum roofing, painting, paving and any other item with a replacement/repair cost over \$10,000), and the estimated fund balance of the pooled reserve account as of the beginning of the period for which the budget will be in effect.

If the association maintains a pooled account for reserves, the amount of the contribution to the pooled reserve account as disclosed on the proposed budget shall be not less than that required to ensure that the balance on hand at the beginning of the period for which the budget will go into effect plus the projected annual cash inflows over the remaining estimated useful lives of all of the assets that make up the reserve pool are equal to or greater than the projected annual cash outflows over the remaining estimated useful lives of all of the assets that make up the reserve pool, based on the current reserve analysis. The projected annual cash inflows may include estimated earnings from investment of principal; the association may include annual percentage increases in costs for the reserve components, but these increases are not mandated. Fully funded reserve contributions utilizing this methodology may not include future special assessments, and the annual funding levels cannot include percentage increases.

## Definitions

#### Reserves

Monies set aside for the projected repair and/or replacement of the associations common elements.

#### Component

A specific item or element which is part of the association's common area assets and is considered to require reserve funding.

#### Component Inventory

The task of selecting and qualifying reserve components. This task can be accomplished through on-site visual, review of association design and organizational documents, a review of established association precedents, and discussion with appropriate association representative(s).

#### Quantity

The quantity or amount of each reserve component element.

#### Units

The unit of measurement for each quantity.

#### Cost per Unit

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

#### Current Replacement Cost

The estimated replacement cost effective at the beginning of the fiscal year for which the report is being prepared

#### Future Replacement Cost

The estimated cost to repair or replace the asset at the end of its estimated useful life based upon the current replacement cost and inflation.

#### Placed-In-Service Date

The month and year that the asset was placed-in-service. This may be the construction date, the first escrow closure date in a given phase, or the date of the last servicing or replacement.

#### Estimated Useful Life

The estimated useful life of an asset based upon industry standards, manufacturer specifications, visual inspection, location, usage, association standards and prior history. All of these factors are taken into consideration when tailoring the estimated useful life to the particular asset. For example, the carpeting in a hallway or elevator (a heavy traffic area) will not have the same life as the identical carpeting in a seldom-used meeting room or office.

#### Adjustment to Useful Life

Once the useful life is determined, it may be adjusted, up or down, by this separate figure for the current cycle of replacement. This will allow for a current period adjustment without affecting the estimated replacement cycles for future replacements.

#### Estimated Remaining Life

This calculation is completed internally based upon the report's fiscal year date and the date the asset was placed-in-service.

#### Replacement Year

The year that the asset is scheduled to be replaced. The appropriate funds will be available by the first day of the fiscal year for which replacement is anticipated.

#### Budget Year Beginning/Ending

The budgetary year for which the report is prepared. For associations with fiscal years ending December 31<sup>st</sup>, the monthly contribution figures indicated are for the 12-month period beginning 1/1/20xx and ending 12/31/20xx.

#### Number of Units and/or Phases

If applicable, the number of units and/or phases included in this version of the report.

#### Inflation

This figure is used to approximate the future cost to repair or replace each component in the report. The current cost for each component is compounded on an annual basis by the number of remaining years to replacement, and the total is used in calculating the monthly reserve contribution that will be necessary to accumulate the required funds in time for replacement.

#### Annual Assessment Increase

This represents the percentage rate at which the association will increase its assessment to reserves at the end of each year. For example, in order to accumulate \$10,000 in 10 years, you could set aside \$1,000 per year. As an alternative, you could set aside \$795 the first year and increase that amount by 5% each year until the year of replacement. In either case you arrive at the same amount. The idea is that you start setting aside a lower amount and increase that number each year in accordance with the planned percentage. Ideally this figure should be equal to the rate of inflation. It can, however, be used to aide those associations that have not set aside appropriate reserves in the past, by making the initial year's allocation less formidable.

#### Investment Yield Before Taxes

The average interest rate anticipated by the association based upon its current investment practices.

#### Taxes on Interest Yield

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

#### 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 upon information provided and not audited.

#### 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 aging of the components on the basis of construction date or date of acceptance by the association.

#### Monthly Assessment

The assessment to reserves required by the association each month.

#### Interest Contribution (After Taxes)

The interest that should be earned on the reserves, net of taxes, based upon their beginning reserve balance and monthly contributions for one year. This figure is averaged for budgeting purposes.

#### Total Monthly Allocation

The sum of the monthly assessment and interest contribution figures.

#### 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.

#### Percentage of Replacement or Repairs

In some cases, an asset may not be replaced in its entirety or the cost may be shared with a second party. Examples are budgeting for a percentage of replacement of streets over a period of time, or sharing the expense to replace a common wall with a neighboring party.

#### Annual Fixed Reserves

An optional figure which, if used, will override the normal process of allocating reserves to each asset.

#### Fixed Assessment

An optional figure which, if used, will override all calculations and set the assessment at this amount. This assessment can be set for monthly, quarterly or annually as necessary.

#### Salvage Value

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

#### One-Time Replacement

Notation if the asset is to be replaced on a one-time basis.

### Unit Abbreviations

Sq Ft - Square Feet

Lp Sm - Lump Sum

Dbl Ct - Double Tennis Court

Ln Ft - Linear Feet

Allow - Allowance

Ct - Court

Ea - Each

Hp - Horsepower

Units - Units

Sq Yds - Square Yards

Cu Ft - Cubic Feet

Cu Yds - Cubic Yards

Kw - Kilowatts

Pair - Pair

Sq - Squares (1 Sq = 100 sq ft)

Opngs - Openings (elevators)

## Important Information

This document has been provided pursuant to an agreement containing restrictions on its use. No part of this document may be copied or distributed, in any form or by any means, nor disclosed to third parties without the expressed written permission of Felten Property Assessment Team (FPAT). The client shall have the right to reproduce and distribute copies of this report, or the information contained within, as may be required for compliance with all applicable regulations.

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

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

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

It has been assumed, unless otherwise noted in this report, that all assets have been designed and constructed properly and that each estimated useful life will approximate that of the norm per industry standards and/or manufacturer's specifications. Invasive testing has not been performed on the subject assets. In some cases, estimates may have been used on assets, which have an indeterminable but potential liability to the association. The decision for the inclusion of these as well as all assets considered is left to the client.

We recommend that your reserve study be updated on an annual basis due to fluctuating interest rates, inflationary changes, and the unpredictable nature of the lives of many of the assets under consideration. All of the information collected during our inspection of the association and computations made subsequently in preparing this reserve analysis study are retained in our computer files. Therefore, annual updates may be completed quickly and inexpensively each year.

Felten Property Assessment Team would like to thank you for using our services. We invite you to call us at any time, should you have questions, comments or need assistance. In addition, any of the parameters and estimates used in this study may be changed at your request, after which we will provide a revised study.

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

## Annual Update Service

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

To order updates please contact our office at (886) 568-7853 or email us at [info@fpat.com](mailto:info@fpat.com).