FULL RESERVE STUDY

9th Fairway Condominium at Green Dolphin Park, Inc.

Tarpon Springs, Florida

June 30, 2021

RESERVE™ ADVISORS

Long-term thinking. Everyday commitment.

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Corporate Office
Reserve Advisors, LLC
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Milwaukee, WI 53202

9th Fairway Condominium at Green Dolphin Park, Inc.
Tarpon Springs, Florida

Dear Board of Directors of 9th Fairway Condominium at Green Dolphin Park, Inc.:

At the direction of the Board that recognizes the need for proper reserve planning, we have conducted a *Full Reserve Study* of 9th Fairway Condominium at Green Dolphin Park, Inc. in Tarpon Springs, Florida and submit our findings in this report. The effective date of this study is the date of our visual, noninvasive inspection, June 30, 2021.

This *Full Reserve Study* exceeds the Association of Professional Reserve Analysts (APRA) standards fulfilling the requirements of a "Level I Full Reserve Study."

An ongoing review by the Board and an Update of this Reserve Study are necessary to ensure an equitable funding plan since a Reserve Study is a snapshot in time. We recommend the Board budget for an Update to this Reserve Study in two- to three-years. We look forward to continuing to help 9th Fairway Condominium at Green Dolphin Park, Inc. plan for a successful future.

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

Respectfully submitted on July 20, 2021 by

Reserve Advisors, LLC

Visual Inspection and Report by: Tyler C. Gidden
Review by: Alan M. Ebert, RS[1], PRA[2], Director of Quality Assurance

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

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1. RESERVE STUDY EXECUTIVE SUMMARY

Client: 9th Fairway Condominium at Green Dolphin Park, Inc. (9th Fairway Condominium)
Location: Tarpon Springs, Florida
Reference: 090433

Property Basics: 9th Fairway Condominium at Green Dolphin Park, Inc. is a condominium style development which consists of 96 units in three buildings. The buildings were built from 1982 to 1984. The buildings comprise stucco walls and a flat roof. The community contains a pool and garage parking beneath the building.

Reserve Components Identified: 30 Reserve Components.

Inspection Date: June 30, 2021.

Funding Goal: The Funding Goal of this Reserve Study is to maintain reserves above an adequate, not excessive threshold during one or more years of significant expenditures. Our recommended Funding Plan recognizes multiple threshold funding years due to replacement of the elevator cylinders and waterproof coatings at the balconies. In addition, the Reserve Funding Plan recommends 2051 year-end accumulated reserves of approximately $1,067,300. We judge this amount of accumulated reserves in 2051 necessary to fund the likely replacement of the foam roofs after 2051. These future needs, although beyond the limit of the Cash Flow Analysis of this Reserve Study, are reflected in the amount of accumulated 2051 year-end reserves.

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

- Current and future local costs of replacement
- 0.0% anticipated annual rate of return on invested reserves
- 0.0% future Inflation Rate for estimating Future Replacement Costs

We exclude interest and inflation from our 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 increase in reserve contributions over the length of a cash flow analysis would be considered "balloon payments" and prohibited by the Fla. Admin. Code, Rule 61B-22.0005(3)(b). Nothing in the Code purports to define “balloon payments” in a manner inconsistent with the general understanding of the word, which contemplates a series of smaller payments followed by a significantly larger lump-sum payment. However, the Division maintains their opinion and has cited Associations for non-compliance due to this issue. In order to ensure compliance, the funding plan, contributions and expenditure projections shown in this study exclude any increases due to inflation or adjustments for interest.

Please contact us if you would like us to prepare an alternate funding plan inclusive of these variables for your consideration. However, please note that a cash flow funding plan with any future increases in contributions would not comply with Fla. Admin. Code based on the Division’s recent interpretations.

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

Unaudited Cash Status of Reserve Fund:

- $185,001 as of June 29, 2021
- 2021 budgeted Reserve Contributions of $56,364
- A potential deficit in reserves might occur by 2022 based upon continuation of the most recent annual reserve contribution of $56,364 and the identified Reserve Expenditures.

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

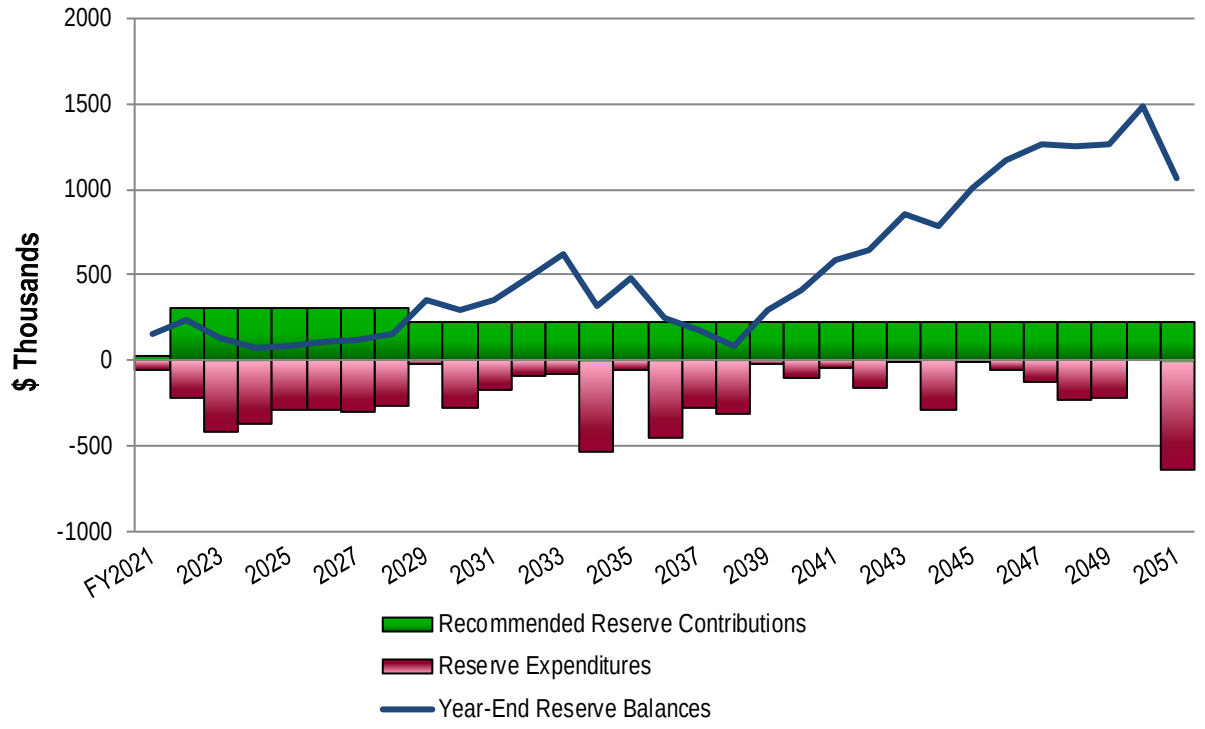
- Staircases, Remaining
- Asphalt Pavement, Mill and Overlay
- Walls, Stucco, Paint Finishes and Capital Repairs
- Elevators, Hydraulic
- Balconies and Breezeways, Railings, Aluminum

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

- Increase to $305,000 in 2022
- Stable contributions of $305,000 from 2023 through 2028
- Decrease to $221,000 by 2029 due to fully funding for replacement of the waterproof coatings at the balconies
- Stable contributions of $221,000 from 2030 through 2051, the limit of this study's Cash Flow Analysis
- Initial adjustment in Reserve Contributions of $248,636 represents an average monthly increase of $215.83 per unit owner and about a fifty-seven percent (56.7%) adjustment in the 2021 total Operating Budget of $438,312.

9th Fairway Condominium
Recommended Reserve Funding Table and Graph

Year	Reserve Contributions ($)	Reserve Balances ($)	Year	Reserve Contributions ($)	Reserve Balances ($)	Year	Reserve Contributions ($)	Reserve Balances ($)
2022	305,000	241,378	2032	221,000	481,633	2042	221,000	647,398
2023	305,000	133,928	2033	221,000	625,183	2043	221,000	854,398
2024	305,000	71,943	2034	221,000	315,658	2044	221,000	787,433
2025	305,000	84,993	2035	221,000	476,658	2045	221,000	1,003,333
2026	305,000	105,293	2036	221,000	244,558	2046	221,000	1,164,933
2027	305,000	115,103	2037	221,000	183,353	2047	221,000	1,258,293
2028	305,000	157,103	2038	221,000	89,053	2048	221,000	1,251,493
2029	221,000	356,638	2039	221,000	288,588	2049	221,000	1,258,993
2030	221,000	298,538	2040	221,000	406,438	2050	221,000	1,479,993
2031	221,000	347,838	2041	221,000	587,253	2051	221,000	1,067,293



2. RESERVE STUDY REPORT

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

9th Fairway Condominium at Green Dolphin Park, Inc.

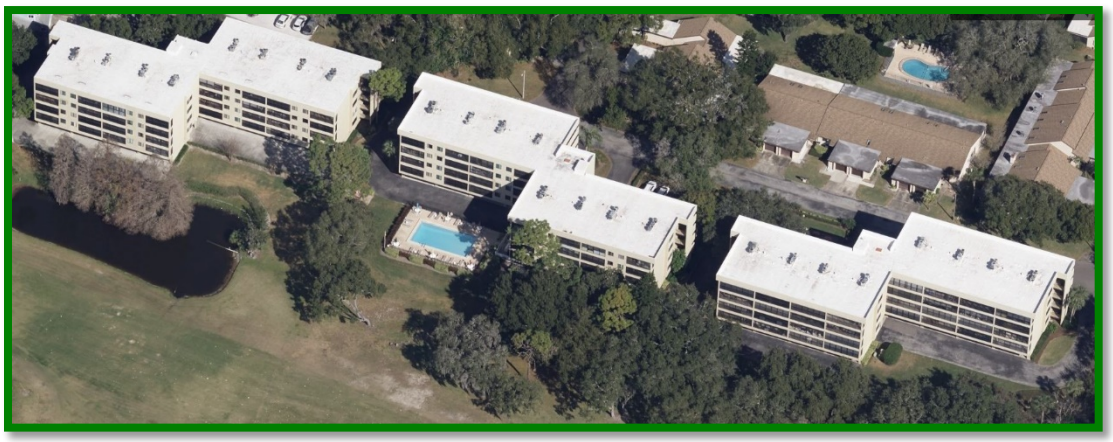
Tarpon Springs, Florida

and submit our findings in this report. The effective date of this study is the date of our visual, noninvasive inspection, June 30, 2021.

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

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

IDENTIFICATION OF PROPERTY



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

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

- Reserve Components
- Long-Lived Property Elements
- Operating Budget Funded Repairs and Replacements
- Property Maintained by Unit Owners
- Property Maintained by Others

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

- 9th Fairway Condominium responsibility
- Limited useful life expectancies
- Predictable remaining useful life expectancies
- Replacement cost above a minimum threshold

Long-Lived Property Elements may not have predictable Remaining Useful Lives or their replacement may occur beyond the 30-year scope of the study. The operating budget should fund infrequent repairs. Funding untimely or unexpected replacements from reserves will necessitate increases to Reserve Contributions. Periodic updates of

this Reserve Study will help determine the merits of adjusting the Reserve Funding Plan. We identify the following Long-Lived Property Elements as excluded from the 30-year Reserve Expenditures at this time.

- Foundations
- Structural Frames
- Valves, Large Diameter (2018)

The operating budget provides money for the repair and replacement of certain Reserve Components. The Association may develop independent criteria for use of operating and reserve funds. For purposes of calculating appropriate Reserve Contributions, we identify the following list of Operating Budget Funded Repairs and Replacements:

Pump house

Rest room

Metal roof assembly

- General Maintenance to the Common Elements
- Expenditures less than $5,000 (These relatively minor expenditures have a limited effect on the recommended Reserve Contributions.)

- Asphalt Pavement, Patch
- Fence, Vinyl, Pool Mechanical Equipment
- Irrigation System, Controls and Maintenance
- Landscape
- Life Safety Systems, Emergency Devices (Per Management)
- Light Fixtures, Exterior (Per Management)
- Paint Finishes, Touch Up
- Pipes, Interior Building, Common, Interim Repairs and Waste Rodding
- Pipes, Subsurface Utilities (Association is responsible for 45% of subsurface piping costs.)
- Pump House
- Rest Rooms, Common
- Roof Assemblies, Metal (Per Management)
- Security System, Access System
- Signage
- Staff, Storage and Service Areas
- Valves, Small Diameter (We assume replacement as needed in lieu of an aggregate replacement of all small diameter valves as a single event.)
- Other Repairs normally funded through the Operating Budget

Certain items have been designated as the responsibility of the unit owners to repair or replace at their cost. Property Maintained by Unit Owners, including items billed back to Unit Owners, relates to unit:

- Balconies, Floor Coverings
- Electrical Systems (Including Circuit Protection Panels)
- Heating, Ventilating and Air Conditioning (HVAC) Units
- Interiors
- Pipes (Within Units)
- Water Heaters
- Windows and Doors (Excl. Doors at Garages)

Certain items have been designated as the responsibility of others to repair or replace. Property Maintained by Others relates to:

- Light Poles and Fixtures (Duke Energy)
- Mailboxes (United States Postal Service)
- Pipes, Subsurface Utilities (Neighboring Associations are responsible for 55% of subsurface piping costs.)

3. RESERVE EXPENDITURES and FUNDING PLAN

The tables following this introduction present:

Reserve Expenditures

- Line item numbers
- Total quantities
- Quantities replaced per phase (in a single year)
- Reserve component inventory
- Estimated first year of event (i.e., replacement, application, etc.)
- Life analysis showing
  - useful life
  - remaining useful life
- 2021 local cost of replacement
  - Per unit
  - Per phase
  - Replacement of total quantity
- Percentage of future expenditures anticipated during the next 30 years
- Schedule of estimated costs for each reserve component

Reserve Funding Plan

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

Five-Year Outlook

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

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

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

Years 2021 to 2036

RESERVE EXPENDITURES

9th Fairway Condominium
at Green Dolphin Park, Inc.
Tarpon Springs, Florida

Explanatory Notes:
1) 0.0% is the estimated Inflation Rate; see Executive Summary for details.
2) FY2021 is Fiscal Year beginning January 1, 2021 and ending December 31, 2021.

Line Item	Total Quantity	Per Phase Quantity	Units	Reserve Component Inventory	Estimated 1st Year of Event	Life Analysis, Years Useful	Remaining	Costs, $ Unit (2021)	Per Phase (2021)	Total (2021)	Percentage of Future Expenditures	RUL = 0 FY2021	1 2022	2 2023	3 2024	4 2025	5 2026	6 2027	7 2028	8 2029	9 2030	10 2031	11 2032	12 2033	13 2034	14 2035	15 2036
				Exterior Building Elements																							
1.060	20,300	**20,300**	Square Feet	Balconies, Concrete, Repairs and Waterproof Coating Applications	2028	8 to 12	7	11.00	223,300	223,300	**10.5%**								223,300								
1.165	2,050	**2,050**	Linear Feet	Balconies, Railings, Aluminum (Incl. Screen Enclosures)	2025	to 35	4	79.00	161,950	161,950	**2.5%**					161,950											
1.090	19,700	**19,700**	Square Feet	Breezeways, Concrete, Repairs and Waterproof Coating Applications (Incl. First Floor)	2036	to 20	15	23.00	453,100	453,100	**7.1%**																453,100
1.091	19,700	**19,700**	Square Feet	Breezeways, Concrete, Sealer	2021	to 5	0	1.00	19,700	19,700	**1.9%**	19,700					19,700					19,700					
1.100	2,700	**2,700**	Linear Feet	Breezeways, Railings, Aluminum, Paint Finishes and Capital Repairs	2033	6 to 8	12	23.50	63,450	63,450	**3.0%**												63,450				
1.105	2,700	**2,700**	Linear Feet	Breezeways, Railings, Aluminum, Replacement	2026	to 35	5	50.00	135,000	135,000	**2.1%**						135,000										
1.210	120	**40**	Each	Doors, Metal, Common, Phased	2027	to 30	6 to 14	1,500.00	60,000	180,000	**2.8%**							60,000				60,000				60,000	
1.419	39,700	**39,700**	Square Feet	Roofs, Foam, Inspections, Repairs and Coating Applications	2022	6 to 8	1	1.00	39,700	39,700	**2.5%**		39,700						39,700								
1.420	39,700	**39,700**	Square Feet	Roofs, Foam, Replacement	2034	to 20	13	13.25	526,025	526,025	**8.3%**													526,025			
1.600	6	**1**	Each	Staircases, Remaining (2022-2024 Budgeted), Phased	2022	to 35	1 to 6	130,000.00	130,000	780,000	**12.3%**		130,000	130,000	130,000	130,000	130,000	130,000									
1.880	132,000	**132,000**	Square Feet	Walls, Stucco, Paint Finishes and Capital Repairs (Incl. Ceilings)	2023	5 to 7	2	2.00	264,000	264,000	**20.7%**			264,000							264,000						
				Building Services Elements																							
3.300	1	**1**	Allowance	Electrical System, Main Panels	2051	to 70+	30	350,000.00	350,000	350,000	**5.5%**																
3.310	3	**1**	Each	Elevator Cab Finishes (2021 Budgeted), Phased	2021	to 20	0 to 6	15,985.00	15,985	47,955	**1.5%**	15,985			15,985			15,985									
3.320	3	**1**	Each	Elevators, Hydraulic, Pumps and Controls (2021 Budgeted), Phased	2021	to 25	0 to 14	92,000.00	92,000	276,000	**6.1%**	18,770			92,000							92,000					
3.330	3	**3**	Each	Elevators, Hydraulic, Cylinders	2024	to 40	3	43,000.00	129,000	129,000	**2.0%**				129,000												
3.555	3	**3**	Each	Life Safety System, Control Panels	2032	to 15	11	10,000.00	30,000	30,000	**0.9%**												30,000				
3.605	120	**60**	Each	Pipes, Riser Sections, Domestic Water and Waste, Partial	2042	to 80+	21 to 30+	1,500.00	90,000	180,000	**1.4%**																
3.880	3	**3**	Each	Trash Chutes and Doors	2032	to 50	11	13,000.00	39,000	39,000	**0.6%**												39,000				
				Property Site Elements																							
4.040	4,050	**4,050**	Square Yards	Asphalt Pavement, Mill and Overlay (2022 Planned)	2022	15 to 20	1	13.00	52,650	52,650	**1.7%**		52,650														
4.120	10,200	**610**	Square Feet	Concrete Driveways, Partial	2027	to 65	6 to 30+	12.00	7,320	122,400	**0.6%**							7,320					7,320				
4.410	1	**1**	Each	Irrigation System, Pump	2030	to 15	9	5,100.00	5,100	5,100	**0.2%**										5,100						
4.420	4	**4**	Zones	Irrigation System, Replacement	2030	to 40+	9	2,500.00	10,000	10,000	**0.2%**										10,000						
				Pool Elements																							
6.200	2,100	**2,100**	Square Feet	Deck, Pavers	2027	to 25	6	7.00	14,700	14,700	**0.2%**							14,700									
6.400	190	**190**	Linear Feet	Fence, Aluminum	2044	to 25	23	42.00	7,980	7,980	**0.1%**																
6.500	1	**1**	Allowance	Furniture (2023 Planned)	2023	to 12	2	14,000.00	14,000	14,000	**0.7%**			14,000										14,000			
6.600	2	**1**	Allowance	Mechanical Equipment, Phased	2027	to 15	6 to 13	4,500.00	4,500	9,000	**0.3%**							4,500							4,500		
6.800	810	**810**	Square Feet	Pool Finish, Plaster and Tile	2029	8 to 12	8	26.50	21,465	21,465	**0.7%**									21,465							
6.900	810	**810**	Square Feet	Structure and Deck, Total Replacement	2049	to 60+	28	150.00	121,500	121,500	**1.9%**																
				Garage Elements																							
7.360	25,900	**1,555**	Square Feet	Concrete, On-grade (Including Drain Repairs), Partial	2027	to 90	6 to 30+	7.00	10,885	181,300	**0.9%**							10,885					10,885				
7.500	25,900	**25,900**	Square Feet	Fire Suppression System	2027	35 to 45	6	2.00	51,800	51,800	**0.8%**							51,800									
		1	Allowance	**Reserve Study Update with Site Visit**	2023	2	2	4,450.00	4,450	4,450	**0.1%**			4,450													
				Anticipated Expenditures, By Year ($6,363,890 over 30 years)								54,455	222,350	412,450	366,985	291,950	284,700	295,190	263,000	21,465	279,100	171,700	87,205	77,450	530,525	60,000	453,100

RESERVE EXPENDITURES

9th Fairway Condominium
at Green Dolphin Park, Inc.
Tarpon Springs, Florida

Line Item	Total Quantity	Per Phase Quantity	Units	Reserve Component Inventory	Estimated 1st Year of Event	Life Analysis, Years Useful	Remaining	Unit (2021)	Costs, $ Per Phase (2021)	Total (2021)	Percentage of Future Expenditures	16 2037	17 2038	18 2039	19 2040	20 2041	21 2042	22 2043	23 2044	24 2045	25 2046	26 2047	27 2048	28 2049	29 2050	30 2051
				Exterior Building Elements																						
1.060	20,300	**20,300**	Square Feet	Balconies, Concrete, Repairs and Waterproof Coating Applications	2028	8 to 12	7	11.00	223,300	223,300	**10.5%**		223,300										223,300			
1.165	2,050	**2,050**	Linear Feet	Balconies, Railings, Aluminum (Incl. Screen Enclosures)	2025	to 35	4	79.00	161,950	161,950	**2.5%**															
1.090	19,700	**19,700**	Square Feet	Breezeways, Concrete, Repairs and Waterproof Coating Applications (Incl. First Floor)	2036	to 20	15	23.00	453,100	453,100	**7.1%**															
1.091	19,700	**19,700**	Square Feet	Breezeways, Concrete, Sealer	2021	to 5	0	1.00	19,700	19,700	**1.9%**					19,700					19,700					19,700
1.100	2,700	**2,700**	Linear Feet	Breezeways, Railings, Aluminum, Paint Finishes and Capital Repairs	2033	6 to 8	12	23.50	63,450	63,450	**3.0%**				63,450							63,450				
1.105	2,700	**2,700**	Linear Feet	Breezeways, Railings, Aluminum, Replacement	2026	to 35	5	50.00	135,000	135,000	**2.1%**															
1.210	120	**40**	Each	Doors, Metal, Common, Phased	2027	to 30	6 to 14	1,500.00	60,000	180,000	**2.8%**															
1.419	39,700	**39,700**	Square Feet	Roofs, Foam, Inspections, Repairs and Coating Applications	2022	6 to 8	1	1.00	39,700	39,700	**2.5%**				39,700						39,700					
1.420	39,700	**39,700**	Square Feet	Roofs, Foam, Replacement	2034	to 20	13	13.25	526,025	526,025	**8.3%**															
1.600	6	**1**	Each	Staircases, Remaining (2022-2024 Budgeted), Phased	2022	to 35	1 to 6	130,000.00	130,000	780,000	**12.3%**															
1.880	132,000	**132,000**	Square Feet	Walls, Stucco, Paint Finishes and Capital Repairs (Incl. Ceilings)	2023	5 to 7	2	2.00	264,000	264,000	**20.7%**	264,000							264,000							264,000
				Building Services Elements																						
3.300	1	**1**	Allowance	Electrical System, Main Panels	2051	to 70+	30	350,000.00	350,000	350,000	**5.5%**															350,000
3.310	3	**1**	Each	Elevator Cab Finishes (2021 Budgeted), Phased	2021	to 20	0 to 6	15,985.00	15,985	47,955	**1.5%**					15,985			15,985			15,985				
3.320	3	**1**	Each	Elevators, Hydraulic, Pumps and Controls (2021 Budgeted), Phased	2021	to 25	0 to 14	92,000.00	92,000	276,000	**6.1%**		92,000											92,000		
3.330	3	**3**	Each	Elevators, Hydraulic, Cylinders	2024	to 40	3	43,000.00	129,000	129,000	**2.0%**															
3.555	3	**3**	Each	Life Safety System, Control Panels	2032	to 15	11	10,000.00	30,000	30,000	**0.9%**											30,000				
3.605	120	**60**	Each	Pipes, Riser Sections, Domestic Water and Waste, Partial	2042	to 80+	21 to 30+	1,500.00	90,000	180,000	**1.4%**							90,000								
3.880	3	**3**	Each	Trash Chutes and Doors	2032	to 50	11	13,000.00	39,000	39,000	**0.6%**															
				Property Site Elements																						
4.040	4,050	**4,050**	Square Yards	Asphalt Pavement, Mill and Overlay (2022 Planned)	2022	15 to 20	1	13.00	52,650	52,650	**1.7%**							52,650							
4.120	10,200	**610**	Square Feet	Concrete Driveways, Partial	2027	to 65	6 to 30+	12.00	7,320	122,400	**0.6%**	7,320						7,320				7,320				
4.410	1	**1**	Each	Irrigation System, Pump	2030	to 15	9	5,100.00	5,100	5,100	**0.2%**									5,100						
4.420	4	**4**	Zones	Irrigation System, Replacement	2030	to 40+	9	2,500.00	10,000	10,000	**0.2%**															
				Pool Elements																						
6.200	2,100	**2,100**	Square Feet	Deck, Pavers	2027	to 25	6	7.00	14,700	14,700	**0.2%**															
6.400	190	**190**	Linear Feet	Fence, Aluminum	2044	to 25	23	42.00	7,980	7,980	**0.1%**								7,980							
6.500	1	**1**	Allowance	Furniture (2023 Planned)	2023	to 12	2	14,000.00	14,000	14,000	**0.7%**							14,000								
6.600	2	**1**	Allowance	Mechanical Equipment, Phased	2027	to 15	6 to 13	4,500.00	4,500	9,000	**0.3%**					4,500							4,500			
6.800	810	**810**	Square Feet	Pool Finish, Plaster and Tile	2029	8 to 12	8	26.50	21,465	21,465	**0.7%**			21,465												
6.900	810	**810**	Square Feet	Structure and Deck, Total Replacement	2049	to 60+	28	150.00	121,500	121,500	**1.9%**													121,500		
				Garage Elements																						
7.360	25,900	**1,555**	Square Feet	Concrete, On-grade (Including Drain Repairs), Partial	2027	to 90	6 to 30+	7.00	10,885	181,300	**0.9%**	10,885						10,885				10,885				
7.500	25,900	**25,900**	Square Feet	Fire Suppression System	2027	35 to 45	6	2.00	51,800	51,800	**0.8%**															
		1	Allowance	**Reserve Study Update with Site Visit**	2023	2	2	4,450.00	4,450	4,450	**0.1%**															
				Anticipated Expenditures, By Year ($6,363,890 over 30 years)								282,205	315,300	21,465	103,150	40,185	160,855	14,000	287,965	5,100	59,400	127,640	227,800	213,500	0	633,700

RESERVE FUNDING PLAN

CASH FLOW ANALYSIS
9th Fairway Condominium
at Green Dolphin Park, Inc.
Tarpon Springs, Florida

Individual Reserve Budgets & Cash Flows for the Next 30 Years

		FY2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
Reserves at Beginning of Year	*(Note 1)*	185,001	158,728	241,378	133,928	71,943	84,993	105,293	115,103	157,103	356,638	298,538	347,838	481,633	625,183	315,658	476,658
Total Recommended Reserve Contributions	*(Note 2)*	**28,182**	**305,000**	**305,000**	**305,000**	**305,000**	**305,000**	**305,000**	**305,000**	**221,000**	**221,000**	**221,000**	**221,000**	**221,000**	**221,000**	**221,000**	**221,000**
Estimated Interest Earned, During Year	*(Note 3)*	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Anticipated Expenditures, By Year		(54,455)	(222,350)	(412,450)	(366,985)	(291,950)	(284,700)	(295,190)	(263,000)	(21,465)	(279,100)	(171,700)	(87,205)	(77,450)	(530,525)	(60,000)	(453,100)
Anticipated Reserves at Year End		$158,728	$241,378	$133,928	$71,943 *(NOTE 5)*	$84,993	$105,293	$115,103	$157,103 *(NOTE 5)*	$356,638	$298,538	$347,838	$481,633	$625,183	$315,658	$476,658	$244,558
Predicted Reserves based on 2021 funding level of:	$56,364	158,728	(7,258)														

(continued)

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

	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051
Reserves at Beginning of Year	244,558	183,353	89,053	288,588	406,438	587,253	647,398	854,398	787,433	1,003,333	1,164,933	1,258,293	1,251,493	1,258,993	1,479,993
Total Recommended Reserve Contributions	**221,000**	**221,000**	**221,000**	**221,000**	**221,000**	**221,000**	**221,000**	**221,000**	**221,000**	**221,000**	**221,000**	**221,000**	**221,000**	**221,000**	**221,000**
Estimated Interest Earned, During Year	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Anticipated Expenditures, By Year	(282,205)	(315,300)	(21,465)	(103,150)	(40,185)	(160,855)	(14,000)	(287,965)	(5,100)	(59,400)	(127,640)	(227,800)	(213,500)	0	(633,700)
Anticipated Reserves at Year End	$183,353	$89,053 *(NOTE 5)*	$288,588	$406,438	$587,253	$647,398	$854,398	$787,433	$1,003,333	$1,164,933	$1,258,293	$1,251,493	$1,258,993	$1,479,993	$1,067,293 *(NOTE 4)*

Explanatory Notes:

1) Year 2021 starting reserves are as of June 29, 2021; FY2021 starts January 1, 2021 and ends December 31, 2021.
2) Reserve Contributions for 2021 are the remaining budgeted 6 months; 2022 is the first year of recommended contributions.
3) **0.0%** is the estimated annual rate of return on invested reserves; see Executive Summary for details
4) Accumulated year 2051 ending reserves consider the need to fund for replacement of the foam roofs shortly after 2051, and the age, size, overall condition and complexity of the property.
5) Threshold Funding Years (reserve balance at critical point).

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

FIVE-YEAR OUTLOOK

9th Fairway Condominium
at Green Dolphin Park, Inc.
Tarpon Springs, Florida

Line Item	Reserve Component Inventory	RUL = 0 FY2021	1 2022	2 2023	3 2024	4 2025	5 2026
	Exterior Building Elements						
1.165	Balconies, Railings, Aluminum (Incl. Screen Enclosures)					161,950	
1.091	Breezeways, Concrete, Sealer	19,700					19,700
1.105	Breezeways, Railings, Aluminum, Replacement						135,000
1.419	Roofs, Foam, Inspections, Repairs and Coating Applications		39,700				
1.600	Staircases, Remaining (2022-2024 Budgeted), Phased		130,000	130,000	130,000	130,000	130,000
1.880	Walls, Stucco, Paint Finishes and Capital Repairs (Incl. Ceilings)			264,000			
	Building Services Elements						
3.310	Elevator Cab Finishes (2021 Budgeted), Phased	15,985			15,985		
3.320	Elevators, Hydraulic, Pumps and Controls (2021 Budgeted), Phased	18,770			92,000		
3.330	Elevators, Hydraulic, Cylinders				129,000		
	Property Site Elements						
4.040	Asphalt Pavement, Mill and Overlay (2022 Planned)		52,650				
	Pool Elements						
6.500	Furniture (2023 Planned)			14,000			
	Reserve Study Update with Site Visit			4,450			
	Anticipated Expenditures, By Year ($6,363,890 over 30 years)	54,455	222,350	412,450	366,985	291,950	284,700

4. RESERVE COMPONENT DETAIL

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

Exterior Building Elements

Typical partial front elevation

Typical partial rear elevation

Typical side elevation

Balconies, Concrete

Line Item: 1.060

Quantity: 96 concrete balconies comprising approximately 20,300 square feet of horizontal surface area. The balconies comprise reinforced concrete with a waterproof coating.

History: The coating applications are original.

Condition: Satisfactory overall. Management informs us that some homeowners have installed carpet on their balconies. Carpet conceals concrete deterioration, retains water and inhibits drainage. Water trapped by the carpet can result in accelerated concrete deterioration. Therefore, we do not recommend the use of carpet on balcony surfaces.

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

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

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

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

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

Balconies, Railings, Aluminum

Line Item: 1.165

Quantity: Approximately 2,050 linear feet

History: Original

Condition: Good to fair overall

Typical balcony railings with screen enclosures

Previous repairs at a balcony railing

Useful Life: Up to 35 years (The useful life of the finish is indeterminate. Future updates of this Reserve Study will again consider the need to refinish the railings based on condition.)

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

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. Our cost includes replacement of the balcony screen enclosures. We defer replacement of the balcony railings and screens based on the current condition.

Breezeways, Concrete

Line Items: 1.090 and 1.091

Quantity: 15 concrete breezeways including the first floor comprising approximately 19,700 square feet of horizontal surface area. The breezeways comprise reinforced concrete with a waterproof coating.

History: The waterproof coatings were installed in 2016.

Condition: Good to fair overall with isolated cracks and damage evident

Typical breezeway and waterproof coating

Waterproof coating at breezeway

Minor crack at breezeway

Coating damage at breezeway

Useful Life: Capital repairs including a close-up visual inspection, patching of delaminated concrete, routing and filling of cracked concrete, and waterproof coating applications up to every 20 years with sealer applied up to every five years.

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

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

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

- Partial depth replacement of up to one percent (1%) of the concrete topsides and edges
- Crack repairs as necessary

- Repairs to the railings as necessary
- Replacement of perimeter sealants as needed
- Application of a waterproof coating (Urethane based elastomeric)

Breezeways, Railings, Aluminum

Line Items: 1.100 and 1.105

Quantity: Approximately 2,700 linear feet

History: Original. The railings historically are painted by maintenance personnel through the operating budget.

Condition: The railings are in good to fair overall condition and the railing finishes are in fair condition. The railings exhibit isolated bent pickets, finish deterioration and previous repairs.

Typical breezeway railing

Breezeway railing with bent picket

Breezeway railing finish deterioration

Previous repair at breezeway railing

Useful Life: Up to 35 years for replacement. At the request of management, we include periodic applications of a protective paint finish and partial replacement of deteriorated aluminum every six- to eight-years.

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

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. We defer replacement of the breezeway railings based on the current condition.

Doors, Metal, Common

Line Item: 1.210

Quantity: 120 each

History: Primarily original

Condition: Good to fair overall with no significant deterioration evident

Typical common doors at garages

Common doors

Useful Life: Up to 30 years

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

- Annually:
    - Inspect and repair loose weather stripping and/or lock damage

Priority/Criticality: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. We defer replacement of the common doors based on the current condition.

Roofs, Foam

Line Items: 1.419 and 1.420

Quantity: 39,700 square feet of spray polyurethane foam (SPF) roofing

History: Replaced in 2016; the Association conducts inspections of the roofs annually. We concur with this preventive maintenance practice and recommend the Association continue to fund these inspections through the operating budget.

Condition: Good to fair overall with standing water evident. Management does not report history of leaks.

Overview of foam roof

Overview of foam roof

Overview of foam roof

Standing water at foam roof

Typical foam roof

Typical drain at foam roof

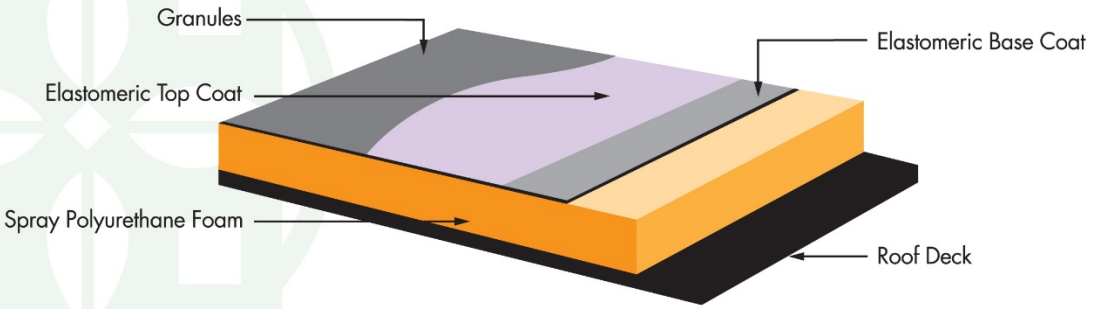
Useful Life: Up to 20 years for replacement with repairs and coating applications every six- to eight-years

Component Detail Notes: SPF roofs are seamless spray-applied insulating foam plastics that are installed as a liquid and then expand into a solid many times the original volume. An SPF roof is a two-part system that includes sprayed foam and a protective coating. The spray polyurethane foam is water resistant by itself. However, ultraviolet rays from the sun can deteriorate the surface of SPF roofs. A protective coating, such as an elastomeric coating, provides a water resistant and protective membrane.

SPF roofs are lightweight and can be installed in varying thickness to provide slope for drainage. However, the foam should be installed in uniform passes from ½ to one inch thick. Loss of adhesion will result if installed at less than ½ inch. Excessive temperature build-up will result if installed in passes greater than one inch. The contractor should follow the manufacturer's directions and specifications upon installation of the roofs

The following image details the components of a typical SPF roof:

SPRAY FOAM ROOF DETAIL



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

- Semi-annually:
  - Note drainage issues with water ponding after 48 hours of rainfall event. Verify scuppers and drains are free of debris. Replace damaged or missing drain covers.
  - Inspect perimeter flashing for loose fasteners, deflections, and sealant damage
  - Verify foam surface is free of ruptures or damage, and areas of extensive blistering. Damaged or saturated foam should be cut out and replaced.
  - Remove oil spills or contaminants from mechanical equipment
  - Touch-up coating applications as needed
  - If frequency of leaks increase or location of water infiltration is unknown, we recommend the consideration of a thermal image inspection

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

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

Staircases

Line Item: 1.600

Quantity: Six remaining sets of staircases

History: The remaining sets are original. Three staircases were replaced with aluminum staircases between 2019 and 2021.

Condition: Fair to poor overall with widespread rust evident

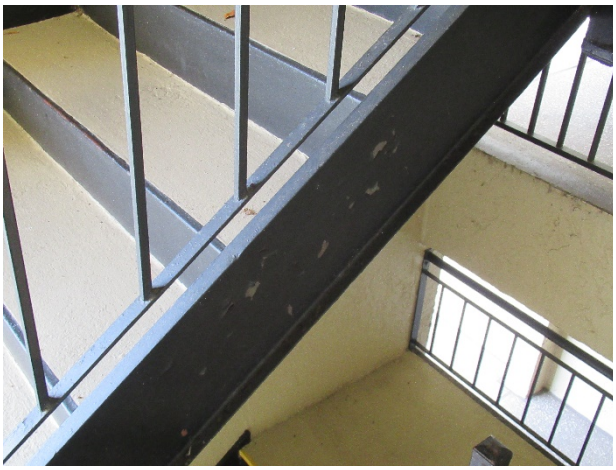
Typical remaining staircase

Staircase with widespread rust

Staircase with rusted through hole

Heavy rust at staircase

Rusted staircase component



Peeling paint at staircase

Useful Life: Up to 35 years

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

- Semi-annually:
  - Check railing stability and fasteners.
  - Apply finish applications at areas with excessive finish deterioration
  - Replace damage or broken stair treads and ensure proper attachment to the building

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

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. Our cost is based on information provided by the Association. The Association plans to continue replacing staircases with aluminum assemblies in the near-term.

Walls, Stucco

Line Item: 1.880

Quantity: Approximately 132,000 square feet of the building exteriors including the ceilings at the breezeways and garages, garage fire suppression systems and walls

History: Last painted in 2015

Condition: Fair to poor overall with coating deterioration, previous repairs, signs of water intrusion and stains evident

Isolated wall coating deterioration

Previous stucco repair

Signs of water intrusion with rust

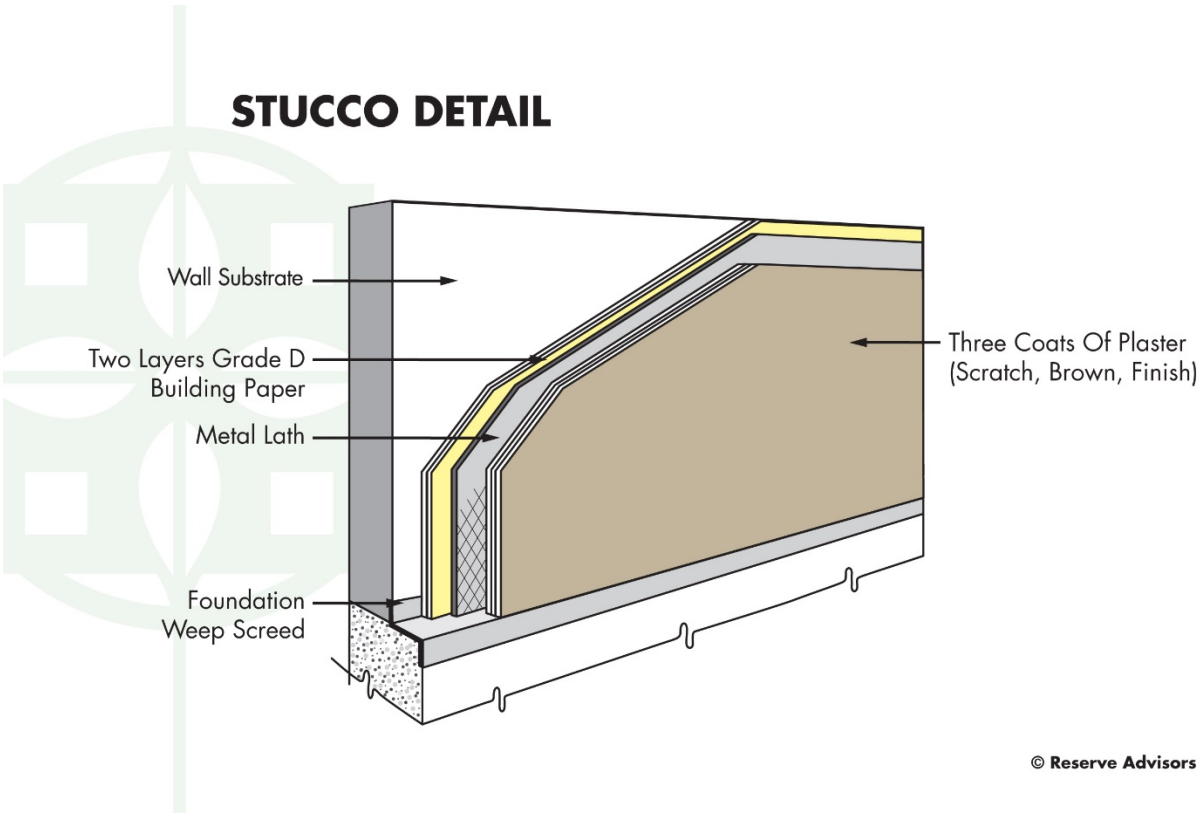
Signs of water intrusion with rust

Signs of water intrusion with rust

Isolated stain at stucco wall

Useful Life: We recommend inspections, repairs and paint finish applications every five- to seven-years.

Component Detail Notes: The following graphic details the typical components of a stucco wall system on frame construction although it may not reflect the actual configuration at 9th Fairway Condominium:



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

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

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

- Complete inspection of the stucco
- Crack repairs as needed (Each paint product has the limited ability to cover and seal cracks but we recommend repair of all cracks which exceed the ability of the paint product to bridge.)
- Replacement of up to three percent (3%), of the stucco walls and ceilings (The exact amount of area in need of replacement will be discretionary based on the actual future conditions and the desired appearance.)
- Replacement of up to thirty-three percent (33%) of the sealants in coordination with each paint finish application.

Building Services Elements

Electrical System

Line Item: 3.300

History: Primarily original to construction

Condition: Reported satisfactory

Typical electrical panels

Useful Life: Up to and sometimes beyond 70 years

Component Detail Notes: The system includes:

- Breaker type circuit protection panels for low ampacity circuits
- Homeowners are responsible for the electrical system within their unit

We give a brief overview of electrical system components in the following sections of this narrative.

Primary Switchgear - The primary switchgear is located where the electric supply comes into the building. Switchgear can include associated controls, regulating, metering and protective devices, and is used for the transmission, distribution and conversion of electric power for use within the building. Switchgear components have a useful life of up to and sometimes beyond 70 years. Replacement is often determined by a desired upgrade of the entire electrical system.

Transformer - A transformer is an electric device with two or more coupled windings used to convert a power supply from one voltage to another voltage. Transformers within a building lower the supplied electrical voltage to a level that can be utilized by the building's equipment and unit owners. Transformers do not utilize mechanical components and therefore have a long useful life. However, the Association should anticipate periodic replacement of a limited quantity of transformers.

Distribution Panel - The distribution panel is an electric switchboard or panel used to control, energize or turn off electricity in total or for individual circuits. The panel also distributes electricity to individual and controllable circuits. One or more distribution panels may exist and further distribute electricity to individual panel boards for each unit. The distribution panel is enclosed in a box and contains circuit breakers, fuses and switches. Distribution panels have a useful life of up to and sometimes beyond 70 years.

Circuit Protection - Once electricity is distributed throughout the building and is at a usable voltage level, the electricity is divided into circuits. Each circuit requires circuit protection. Circuit protection is necessary to prevent injury and fires, and minimize damage to electrical components and disturbances to the electrical system. Abnormalities in the circuit can include overloads, short circuits and surges. Circuit protection devices are commonly referred to as circuit breakers and fuses. For the protection of the circuits in the units and common areas, we recommend the use of only circuit breakers as they are safer than fuses. The circuit protection panels have a useful life of up to and sometimes beyond 70 years.

Conductors - Conductors are the electrical wires that convey electricity to the units, light fixtures, receptacles and appliances. Conductors in typical high and low capacity circuits are copper, as we assume is the case at 9th Fairway Condominium. Copper conductors have an indefinite useful life.

Conductor Insulation and Conduit - Conductor insulation provides protection against the transfer of electricity. Conductor insulation can eventually become brittle and damaged from rodents or heat from many years of service. Conductor conduit is a pipe or tube used to enclose insulated electric wires to protect them from damage. Steel conductor conduit, although galvanized, will eventually rust if used in damp conditions. The useful life of conductor insulation and conduit is indeterminate.

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

- Annually:
  - Inspect system for signs of electrical overheating, deterioration, and/or panel corrosion
  - Clean and vacuum exterior and interior switchboards
- Five-Year Cycles:
  - Check power meters, lamps, indicators, and transformers for deficiencies
  - Inspect wiring, relays, power supply units, and timers
  - Verify surge protection is intact

- As-needed:
  - Test outlets and ground-fault circuit interrupters (GFCI's) for faulty components
  - Examine the insulation at switchgears for signs of deterioration or cracking
  - Ensure all conductors are clean and dry with no moisture build-up
  - Check and inspect for loose wire connections
  - Clean and clear dust and debris away from system components
  - Check for flickering or dimming light fixtures as these could indicate a short in the wiring, arcing, or an over-extension of the electrical system
  - Conduct thermal image scanning if system experiences numerous or consistent outages
  - Keep an accurate record of all repairs to the electrical system

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

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. We recommend the Association budget to replace the main switchgear, distribution and circuit protection panels. Updates of this Reserve Study will consider possible changes in the scope and times of component replacements based on the conditions, including the need for replacement of the wires.

We recommend the Association conduct thermoscans of the distribution panels and circuit protection panels, and inspections of the transformers for any indications of arcing, burning or overheating on a regular basis, funded through the operating budget. Verification of the integrity of all connection points minimizes the potential for arcing and fires.

Elevator Cab Finishes

Line Item: 3.310

Quantity: Three elevators; the cab finishes consist of:

- Rubber floor coverings
- Laminate wall coverings
- Eggcrate ceiling finishes

History: Unknown ages

Condition: Good to fair overall

Typical cab finishes

Useful Life: Up to 20 years

Priority/Criticality: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. Our cost is based on information provided by the Association. The Association plans to install a vinyl floor and LED ceiling in the near-term.

Elevators, Hydraulic

Line Items: 3.320 and 3.330

Quantity: Three hydraulic passenger elevators

History: Components vary in age. At least one pump and controls was replaced in 2013.

Condition: Reported satisfactory

Pump housing and controller

Pump housing and controller

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

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

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

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

- Ensure air temperature and humidity of machine/pump housing room meets the designated specified range for proper operation
- Ensure all call buttons are in working condition
- Check elevator cabs for leveling accuracy to prevent tripping hazards

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

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

- Cab control panels
- Door operators
- Hallway panels/buttons
- Microprocessor based controllers
- Pumps (Power Unit)

These costs may vary based on the desired scope of the actual replacements, changes in technology and requirements of local codes or ordinances at the actual times of replacements. However, we judge our estimated costs sufficient to budget appropriate reserves at this time. The Association should require the contractor to verify that elevator component replacements include all of the necessary features for the latest in elevator code compliance. The Association plans to replace buttons and panels on an elevator in the near-term. We defer replacement of the elevator cylinders based on the current condition.

Life Safety System

Line Item: 3.555

Quantity: The life safety system at 9th Fairway Condominium includes the following components:

- Emergency Devices
- *Silent Knight by Honeywell* control panels
- Wiring

History: Unknown ages

Conditions: Reported satisfactory

Life safety system control panel

Useful Life: Up to 15 years for the control panels

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

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

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

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

Pipes

Line Item: 3.605

Quantity: Based on our discussion with the Association, we were informed the buildings have 120 riser sections comprising eight riser pipes in each of the three buildings.

History and Condition:

- Domestic Water, Supply and Return – Original and reported in satisfactory condition
- Sanitary Waste Disposal and Vent – Original and reported in satisfactory condition

Component Detail Notes: The Association is responsible for maintenance and replacement of the piping systems arranged in vertical and horizontal segments. These pipes comprise the following:

- Domestic cold water
- Sanitary waste disposal

The exact locations and conditions of the pipes were not ascertained due to the nature of their location and the non-invasive nature of our inspection. We comment on the respective quantities and conditions of the piping systems in the following sections of this narrative.

Domestic Water - Copper piping is the predominant type of pipe used in new construction for domestic water piping. With low mineral content in the water, the useful life of copper domestic water pipes is up to and sometimes beyond 80 years. However, there is recent evidence that copper piping prematurely develops pinhole leaks. Studies have shown that changes in water treatment practices, recently required in response to U.S. Environmental Protection Agency regulations, are dramatically increasing the risk of pitting corrosion in many geographic locations. Utility companies are implementing higher chloride levels to prevent outbreaks of waterborne disease. These higher chloride levels can accelerate corrosion of copper pipes and indeterminately reduce their useful life.

In the event that numerous pinhole leaks develop or occur throughout the system of pipes, 9th Fairway Condominium should also consider “in-place” pipe restoration technology. This process includes drying, sandblasting away interior pipe occlusions and applying an epoxy lining to the interior surfaces of the pipes. Future updates of this study will consider the possibility of the pipe restoration process in lieu of pipe replacement at 9th Fairway Condominium. Restoration technology can extend the useful life of a pipe system thus avoiding a system pipe replacement.

Sanitary Waste Disposal and Vent - The PVC pipes typically deteriorate from the inside out as a result of sewer gases, condensation and rust.

Valves - The piping systems include various valves. Identification of a typical useful life and remaining useful life for individual valves is difficult. 9th Fairway Condominium replaced all of their valves in 2018.

Preventative Maintenance Notes: The required preventative maintenance may vary in frequency and scope based on the building's age and demands of the piping systems. We note the following select recommended preventative maintenance activities to maximize the remaining useful life:

- Quarterly:
  - Inspect all visible piping for corrosion and leaks, including common areas or areas immediately surrounding pipes such as insulation, ceiling tiles or the floor for moisture, water accumulation, mold or mildew
- Annually:
  - Verify system pressure is sufficient
  - Check accessible valves for proper operation
  - Test backflow prevention devices
  - Inspect and obtain certification for pressure relief valves
  - Test drain line flow rates
  - Mechanically or chemically clean sewer lines as needed

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

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. Our cost assumes replacement of all pipes located within each wall opening, associated branch piping, fittings and minimal interior finishes. However, the cost does not include temporary housing for affected residents, pipes within the units or significant interior finishes.

The Association budgets an amount in the annual operating budget for minor pipe repairs and replacements. We recommend the Association continue to fund interim pipe replacements, prior to more aggregate replacements identified in the following paragraphs, from the operating budget. We also recommend the Association contract for an invasive investigation of the condition of the piping system prior to beginning more aggregate replacements, funded through the operating budget.

We recommend the Association budget the following expenditures:

- Domestic water and waste - We include expenditures to replace 60 riser sections beginning by 2042 followed by an increasing rate of replacement as the pipes age. Our estimate provides funds to replace approximately fifty percent (50%) of the pipes during the next 30 years.

An invasive analysis of the piping systems will provide various replacement options. Replacement of the systems as an aggregate event will likely require the use of special assessments or loans to fund the replacements.

Although it is likely that the times of replacement and extent of repair costs may vary from the budgetary allowance, 9th Fairway Condominium could budget sufficient reserves for

the beginning of these pipe replacements and have the opportunity to adjust its future reserves up or down to meet any changes to these budgetary estimates. Updates of this Reserve Study would incorporate changes to budgetary costs through a continued historical analysis of the rate of deterioration and actual pipe replacements to budget sufficient reserves.

We recommend the Association budget for replacement of the following items through the operating budget:

- Replacement of valves on an as-needed basis
- Minor pipe repairs and replacements
- invasive investigation of the condition of the piping system prior to beginning more aggregate replacements
- Rodding of waste pipes

Trash Chute and Doors

Line Item: 3.880

Quantity: Three trash chutes

History: Original

Condition: Reported satisfactory

Typical trash chute door

Useful Life: Up to 50 years

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

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

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

Priority/Criticality: Per Board discretion

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

Property Site Elements

Asphalt Pavement, Repaving

Line Item: 4.040

Quantity: Approximately 4,050 square yards including half of Golf View Drive between Pine Drive and Palm Drive

History: Original

Condition: Fair overall with cracks, patches, raveling and settlement evident

Asphalt pavement cracks

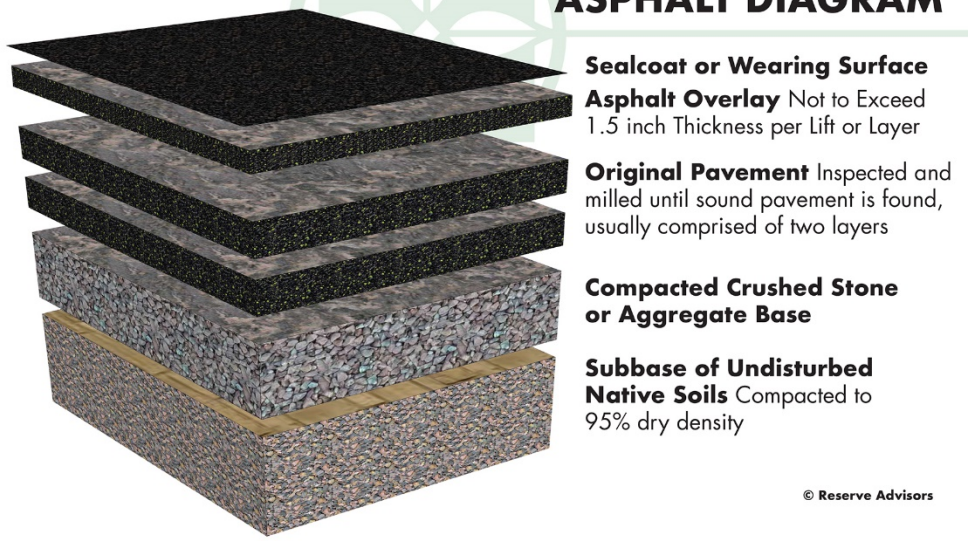
Longitudinal cracks, patches and settlement

Cracks and raveling at pavement

Cracks and raveling at pavement

Useful Life: 15- to 20-years with the benefit of timely crack repairs and patching

Component Detail Notes: The initial installation of asphalt uses at least two lifts, or two separate applications of asphalt, over the base course. The first lift is the binder course. The second lift is the wearing course. The wearing course comprises a finer aggregate for a smoother more watertight finish. The following diagram depicts the typical components although it may not reflect the actual configuration at 9th Fairway Condominium:



The manner of repaving is either a mill and overlay or total replacement. A mill and overlay is a method of repaving where cracked, worn and failed pavement is mechanically removed or milled until sound pavement is found. A new layer of asphalt is overlaid atop the remaining base course of pavement. Total replacement includes the removal of all existing asphalt down to the base course of aggregate and native soil followed by the application of two or more new lifts of asphalt. We recommend mill and overlayment on asphalt pavement that exhibits normal deterioration and wear. We recommend total replacement of asphalt pavement that exhibits severe deterioration, inadequate drainage, pavement that has been overlaid multiple times in the past or where the configuration makes overlayment not possible. Based on the apparent visual condition and configuration of the asphalt pavement, we recommend the mill and overlay method of repaving at 9th Fairway Condominium.

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

- Annually:
    - Inspect for settlement, large cracks and trip hazards, and ensure proper drainage
    - Repair areas which could cause vehicular damage such as potholes
- As needed:
    - Perform patching

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

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. Our cost for milling and overlayment includes area patching of up to ten percent (10%). The Association plans to repave in the near-term.

Concrete Driveways

Line Item: 4.120

Quantity: Approximately 10,200 square feet

Condition: Good to fair overall with cracks evident

Concrete driveway with cracks

Concrete driveway with cracks

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

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

- Annually:
    - Inspect and repair major cracks, spalls and trip hazards
    - Mark with orange safety paint prior to replacement or repair
    - Repair or perform concrete leveling in areas in immediate need of repair or possible safety hazard

Priority/Criticality: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. We estimate that up to 3,050 square feet of concrete driveways, or thirty percent (30%) of the total, will require replacement during the next 30 years.

Irrigation System, Pump

Line Item: 4.410

Quantity: One pump at the pump house

History: Unknown age

Condition: Reported satisfactory

Irrigation pump

Useful Life: Up to 15 years

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

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

Irrigation System, Replacement

Line Item: 4.420

Quantity: One controller with four zones

History: Original

Condition: Satisfactory overall and Management does not report any deficiencies

Useful Life: Up to 40 years and beyond

Component Detail Notes: Irrigation systems typically include the following components:

- Electronic controls (timer)
- Impact rotors
- Network of supply pipes

- Pop-up heads
- Pumps
- Valves

9th Fairway Condominium should anticipate interim and partial replacements of the system network supply pipes and other components as normal maintenance to maximize the useful life of the irrigation system. The Association should fund these ongoing seasonal repairs through the operating budget.

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

- Semi-annually:
    - Conduct seasonal repairs which includes valve repairs, controller repairs, partial head replacements and pipe repairs

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

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

Pool Elements

Pool area

Deck, Pavers

Line Item: 6.200

Quantity: 2,100 square feet

History: Original. The pavers were reset in 2016.

Condition: Good to fair condition with isolated settlement evident

Typical pavers at pool deck

Minor settlement at pool deck pavers

Useful Life: Up to 25 years

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

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

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

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

Fence, Aluminum

Line Item: 6.400

Quantity: 190 linear feet

History: Replaced in 2019

Condition: Good overall

Aluminum fence at pool

Useful Life: Up to 25 years

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

- Annually:
    - Inspect and repair loose fasteners or sections, and damage
    - Repair leaning sections and clear vegetation from fence areas which could cause damage

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

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. Our cost is based on information provided by the Association.

Furniture

Line Item: 6.500

Quantity: The pool furniture includes the following:

- Chairs (24)
- Lounges (12)
- Tables (12)
- Ladders and life safety equipment

History: Replaced in 2013

Condition: Good to fair overall

Typical pool furniture

Useful Life: Up to 12 years

Priority/Criticality: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. We recommend interim re-strapping, refinishing, cushion replacements, reupholstering and other repairs to the furniture as normal maintenance to maximize its useful life. The Association plans to replace the furniture in the near-term.

Mechanical Equipment

Line Item: 6.600

Quantity: The mechanical equipment includes the following:

- Controls
- Filters
- Heater
- Interconnected pipe, fittings and valves
- Pump

History: Varies in age

Condition: Reported satisfactory

Pool heater

Pool mechanical equipment

Useful Life: Up to 15 years

Preventative Maintenance Notes: We recommend the Association maintain a maintenance contract with a qualified professional and follow the manufacturer's specific recommended maintenance and local, state and/or federal inspection guidelines.

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

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. Failure of the pool mechanical equipment as a single event is unlikely. Therefore, we include replacement of up to fifty percent (50%) of the equipment per event. We consider interim replacement of motors and minor repairs as normal maintenance.

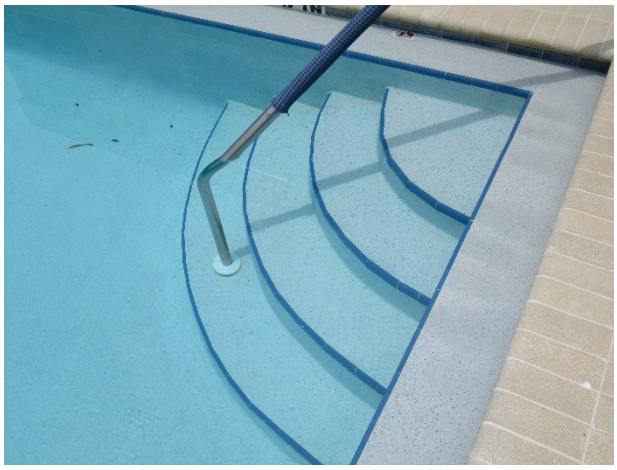
Pool Finishes, Plaster and Tile

Line Item: 6.800

Quantity: 810 square feet of plaster and tile based on the horizontal surface area

History: Replaced in 2019

Condition: We note no visible deterioration.



Typical pool plaster and tile

Typical pool plaster and tile

Useful Life: 8- to 12-years

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

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

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

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. Our cost is based on information provided by the Association. Removal and replacement of the finish provides the opportunity to inspect the pool structure and to allow for partial repairs of the underlying concrete surfaces as needed. To maintain the integrity of the pool structure, we recommend the Association budget for the following:

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

Structure and Deck

Line Item: 6.900

Quantity: 810 square feet of horizontal surface area

History: Original

Conditions: Visually appears in satisfactory condition. The concrete floors and walls have a plaster finish. This finish makes it difficult to thoroughly inspect the concrete structure during a noninvasive visual inspection.

Useful Life: Up to 60 years and beyond

Component Detail Notes: The need to replace a pool structure depends on the condition of the concrete structure, the condition of the embedded or concealed water circulation piping, possible long-term uneven settlement of the structure, and the increasing cost of repair and maintenance. Deterioration of any one of these component systems could result in complete replacement of the pool. For example, deferral of a deteriorated piping system could result in settlement and cracks in the pool structure. This mode of failure is more common as the system ages and deterioration of the piping system goes undetected. For reserve budgeting purposes, we recommend 9th Fairway Condominium plan to replace the following components:

- Paver deck
- Pool structure
- Subsurface piping

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

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

Garage Elements

Concrete, On-grade

Line Item: 7.360

Quantity: Approximately 25,900 square feet of on-grade concrete

Condition: Good to fair overall with isolated cracks evident

Typical on-grade concrete at garage

Concrete crack at garage

Useful Life: Up to 90 years

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

- Semi-annually:
  - Clean floors and remove vehicular oil stains
- Annually:
  - Inspect for large cracks, concrete spalls and vehicular damage at walls and columns
  - Verify drains are working properly and check for areas of extensive water ponding

Priority/Criticality: Per Board discretion

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

- Complete inspection of the floor
- Selective cut out and replacement of up to six percent (6%), or 1,555 square feet, of the on-grade concrete

Fire Suppression System

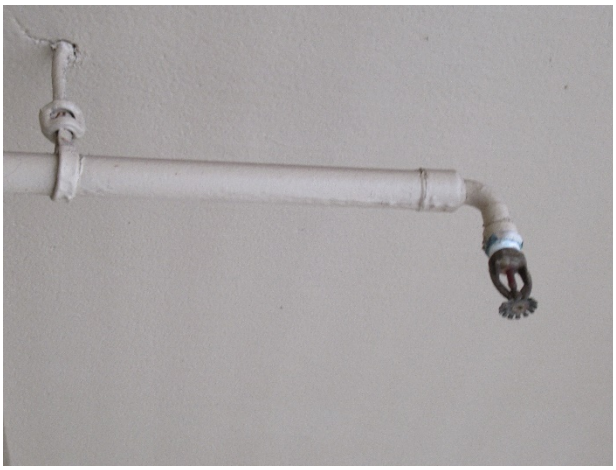
Line Item: 7.500

Quantity: Approximately 25,900 square feet of garage area

History: Original

Condition: Reported satisfactory

Typical fire suppression system at garage



Typical fire suppression sprinkler head

Useful Life: 35- to 45-years

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

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

Reserve Study Update

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

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

Periodic updates incorporate these variable changes since the last Reserve Study or Update. The Association can expense the fee for an Update with site visit from the reserve account. This fee is included in the Reserve Funding Plan. We base this budgetary amount on updating the same property components and quantities of this Reserve Study report. We recommend the Board budget for an Update to this Reserve Study in two- to three-years. Budgeting for an Update demonstrates the Board's objective to continue fulfilling its fiduciary responsibility to maintain the commonly owned property and to fund reserves appropriately.

5. METHODOLOGY

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

9th Fairway Condominium can fund capital repairs and replacements in any combination of the following:

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

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

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

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

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

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

- The past and current maintenance practices of 9th Fairway Condominium and their effects on remaining useful lives
- Financial information provided by the Association pertaining to the cash status of the reserve fund and budgeted reserve contribution
- The anticipated effects of appreciation of the reserves over time in accord with a return or yield on investment of your cash equivalent assets. (We did not consider the costs, if any, of Federal and State Taxes on income derived from interest and/or dividend income).
- The Funding Plan excludes necessary operating budget expenditures. It is our understanding that future operating budgets will provide for the ongoing normal maintenance of Reserve Components.

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

6. CREDENTIALS

HISTORY AND DEPTH OF SERVICE

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

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

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

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

TOTAL STAFF INVOLVEMENT

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

OUR GOAL

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

VAST EXPERIENCE WITH A VARIETY OF BUILDINGS

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

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

OLD TO NEW

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

TYLER C. GIDDEN, E.I.,
Responsible Advisor

CURRENT CLIENT SERVICES

Tyler C. Gidden, an Engineering Intern (E.I.) in environmental engineering, is an Advisor for Reserve Advisors. Mr. Gidden is responsible for the inspection and analysis of the condition of clients' property, and recommending engineering solutions to prolong the lives of the components. He also forecasts capital expenditures for the repair and/or replacement of the property components and prepares technical reports on assignments. He is responsible for conducting Life Cycle Cost Analysis and Capital Replacement Forecast services and the preparation of Reserve Study Reports for apartments, condominiums, townhomes, and homeowners associations.

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

The Estates at Traditions Neighborhood Association - A 147 home community in Port St. Lucie, FL. This property was constructed in 2006 as part of a master association in Tradition. It includes single-family homes, gated entrances, and a pool with pool house.

Gateway at Riverwalk Condominium Association - Located in Sanford, Florida is this six-story, 72-unit building. This waterfront mixed-used mid-rise contains a parking garage, commercial space, and luxury club room.

Three Palms Pointe Condominium Association - A community built in 1970 with two 13-story buildings. Located in Clearwater, Florida, these high-rise buildings have a seawall, docks, pool, and community building.

Woodside Village Condo Association - Built in 1973, these 288 units compose 35 buildings in a wide variety of designs. This large community in Clearwater, Florida includes phased road projects and 3 different pools with community buildings.

Ancient Oaks RV Condominium Association - In the rural area of Okeechobee, Florida is this community built in 1983. It includes aspects like a seawall, docks, a water plant, and a wastewater plant.

PRIOR RELEVANT EXPERIENCE

Before joining Reserve Advisors, Mr. Gidden was a Regional Consulting Manager for an environmental firm. He was responsible for the supervision of a team of environmental analysts who provided field inspections and consulting services for storm water controls in residential and commercial construction projects.

EDUCATION

University of Central Florida - B.S. Civil and Environmental Engineering

PROFESSIONAL AFFILIATIONS / DESIGNATIONS

Engineering Intern (E.I.) – Florida 2013

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

CURRENT CLIENT SERVICES

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

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

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

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

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

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

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

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

PRIOR RELEVANT EXPERIENCE

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

EDUCATION

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

PROFESSIONAL AFFILIATIONS/DESIGNATIONS

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

RESOURCES

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

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

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

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

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

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

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

7. DEFINITIONS

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

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

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

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

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

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

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

Long-Lived Property Component - Property component of 9th Fairway Condominium responsibility not likely to require capital repair or replacement during the next 30 years with an unpredictable remaining Useful Life beyond the next 30 years.

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

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

Reserve Component - Property elements with: 1) 9th Fairway Condominium responsibility; 2) limited Useful Life expectancies; 3) predictable Remaining Useful Life expectancies; and 4) a replacement cost above a minimum threshold.

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

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

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

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

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

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

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

8. PROFESSIONAL SERVICE CONDITIONS

Our Services - Reserve Advisors, LLC (RA) performs its services as an independent contractor in accordance with our professional practice standards and its compensation is not contingent upon our conclusions. The purpose of our reserve study is to provide a budget planning tool that identifies the current status of the reserve fund, and an opinion recommending an annual funding plan to create reserves for anticipated future replacement expenditures of the property.

Our inspection and analysis of the subject property is limited to visual observations, is noninvasive and is not meant to nor does it include investigation into statutory, regulatory or code compliance. RA inspects sloped roofs from the ground and inspects flat roofs where safe access (stairs or ladder permanently attached to the structure) is available. The report is based upon a "snapshot in time" at the moment of inspection. RA may note visible physical defects in our report. The inspection is made by employees generally familiar with real estate and building construction but in the absence of invasive testing RA cannot opine on, nor is RA responsible for, the structural integrity of the property including its conformity to specific governmental code requirements for fire, building, earthquake, and occupancy, or any physical defects that were not readily apparent during the inspection.

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

RA assumes, without independent verification, the accuracy of all data provided to it. You agree to indemnify and hold RA harmless against and from any and all losses, claims, actions, damages, expenses or liabilities, including reasonable attorneys' fees, to which we may become subject in connection with this engagement, because of any false, misleading or incomplete information which we have relied upon supplied by you or others under your direction, or which may result from any improper use or reliance on the Report by you or third parties under your control or direction. Your obligation for indemnification and reimbursement shall extend to any director, officer, employee, affiliate, or agent of RA. Liability of RA and its employees, affiliates, and agents for errors and omissions, if any, in this work is limited to the amount of its compensation for the work performed in this engagement.

Report - RA completes the services in accordance with the Proposal. The Report represents a valid opinion of RA's findings and recommendations and is deemed complete. RA, however, considers any additional information made available to us within 6 months of issuing the Report if a timely request for a revised Report is made. RA retains the right to withhold a revised Report if payment for services was not tendered in a timely manner. All information received by RA and all files, work papers or documents developed by RA during the course of the engagement shall remain the property of RA and may be used for whatever purpose it sees fit.

Your Obligations - You agree to provide us access to the subject property for an on-site visual inspection You agree to provide RA all available, historical and budgetary information, the governing documents, and other information that we request and deem necessary to complete the Report. You agree to pay actual attorneys' fees and any other costs incurred to collect on any unpaid balance for RA's services.

Use of Our Report and Your Name - Use of this Report is limited to only the purpose stated herein. You hereby acknowledge that any use or reliance by you on the Report for any unauthorized purpose is at your own risk and you shall hold RA harmless from any consequences of such use. Use by any unauthorized third party is unlawful. The Report in whole or in part ***is not and cannot be used*** *as a design specification for design engineering purposes or as an appraisal.* You may show our Report in its entirety to the following third parties: members of your organization, your accountant, attorney, financial institution and property manager who need to review the information contained herein. Without the written consent of RA, you shall not disclose the Report to any other third party. The Report contains intellectual property developed by RA and ***shall not be reproduced or distributed to any party that conducts reserve studies without the written consent of RA.***

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

Payment Terms, Due Dates and Interest Charges - Retainer payment is due upon authorization and prior to inspection. The balance is due net 30 days from the report shipment date. Any balance remaining 30 days after delivery of the Report shall accrue an interest charge of 1.5% per month. Any litigation necessary to collect an unpaid balance shall be venued in Milwaukee County Circuit Court for the State of Wisconsin.