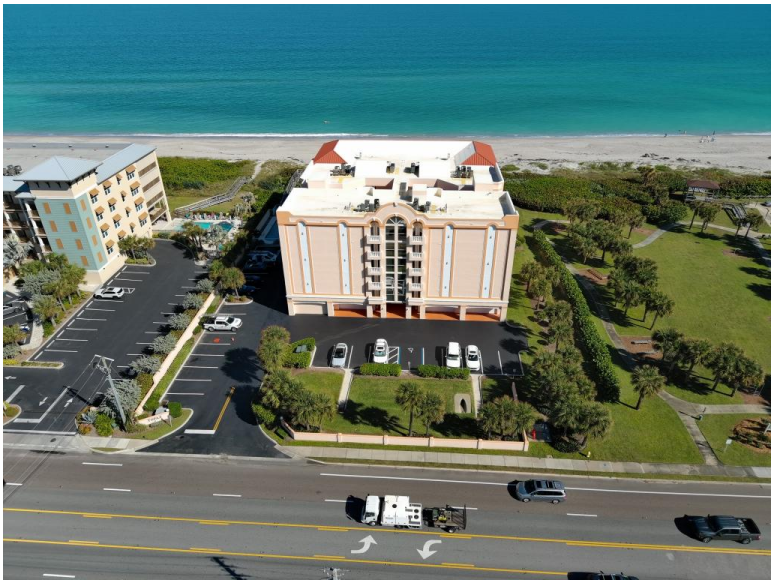
STRUCTURAL INTEGRITY RESERVE STUDY

PREPARED FOR:

Topaz Oceanfront Condominium Association, Inc.

Indialantic, FL



For The Period Beginning January 1, 2026

PREPARED BY:

STONEBUILDING SOLUTIONS

260 1st Ave South, STE 225

St. Petersburg, FL 33701

800-892-1116

stonebldg.com

Report Date: March 28, 2025

Location: 735 Highway A1A, Indialantic, Florida
Service: Structural Integrity Reserve Study
Budget: Beginning January 1, 2026

Attention: Board of Directors @ Topaz Oceanfront Condominium Association, Inc.

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

This study is based on an on-site analysis of the property. The on-site analysis of Topaz Oceanfront Condominium Association, Inc. upon which this study is based was performed by a qualified field engineer.

The effective date of this report is the date of that on-site analysis, November 26, 2024

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

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

Respectfully submitted,

Reviewed by:

Summer Megdadi, RS

Reserve Specialist #534

Reserves@stonebldg.com

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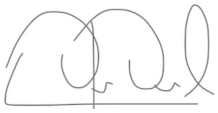
Prepared by:



Diego Duran

Reserve Analyst

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Executive Summary

A Structural Integrity Reserve Study (SIRS) is a mandate of Florida statutes under s. 718112 (2) (g) that requires condominium associations and cooperatives to reserve funds for crucial structural elements related to their buildings.

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

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

Topaz Oceanfront Condominium Association, Inc. has 28 units. This study is for the fiscal year starting January 1, 2026, and ending Dec 31, 2026.

Financial Parameters & Assumptions

Projection Period:	January 1, 2026 - December 31, 2050	**Association:**	Condominiums (Condos)
Report Type:	Level I	**Year Built:**	2002
Inflation:	2.50%	**Buildings:**	1
Interest (Gained):	1.00%	**Total Units:**	28

As of January 1, 2026, the estimated unaudited reserve fund balance is **$350,000**

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

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

The 25-year Funding Plan is an approach to determining reserve contributions in a way that balances the annual expenses from the reserve fund. This analysis takes into account future replacement costs for reserve components as they come due for replacement, acknowledges construction and inflationary cost increases, and considers interest income generated by reserve accounts. By pooling funds from initial balances, a yearly contribution rate is calculated to ensure a positive cash flow throughout the analysis period. Annual contributions will start at $40,000 for the 2026 Fiscal Year. Going forward, the yearly contributions are illustrated on the 25-year cash flow table

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

Required First Year Association contribution:	$40,000
Required First Year annual contribution per unit:	$1,429
Required First Year monthly contribution per unit:	$119
Average monthly contribution per unit (Over 25 Years):	$163
Special assessments:	$0

25-Year Baseline Funding Analysis Summary

The Baseline Funding method plans reserve contributions so that the reserve balance never falls below zero during the study period. This approach focuses on meeting projected expenses just in time, without overfunding the reserve account. While it results in lower annual contributions compared to more conservative methods, the risk of special assessments is high, especially if unexpected repairs arise or costs increase. Baseline funding is often chosen for its affordability but should be carefully considered in light of its potential financial risks. Annual contributions will start at $32,600 for the 2026 Fiscal Year. Going forward, the yearly contributions are illustrated on the 25-year Baseline table.

Required First Year Association contribution:	$32,600
Required First Year annual contribution per unit:	$1,164
Required First Year monthly contribution per unit:	$97
Average monthly contribution per unit (Over 25 Years):	$142
Special assessments:	$0

State of Florida Statutory Requirements

SB-4D/SB-154

Florida Statute S.718.112 (2) (g) mandates that all residential condominiums and cooperative associations with buildings of 3 or more stories must complete a Structural Integrity Reserve Study (SIRS) and fund a corresponding "structural Integrity" reserve account based on the results of the study.

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

- **Be completed** for associations built before November 2022. The initial study must be completed ***by December 31, 2024,*** and updated with a site inspection by a qualified professional at least every 10 years
- **Be conducted** by a Florida-licensed engineer, architect, certified Reserve Specialist (RS), or Accredited Professional Reserve Analyst (APRA)
- **Include the following components**:
    - Roofing
    - Walls and Primary Support Members
    - Plumbing
    - Electrical
    - Fire Protection & Life Safety Components
    - Waterproofing & Paint
    - Common Area Windows & Doors
    - Items related to the *structural integrity* of the building costing over $10,000
- **Include a funding plan** that expresses a yearly contribution amount, without special assessments, that allows for the funding of expenditures and allocation of adequate fund balances over the projection.

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Board Responsibilities

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

- **Electronically notify members** that the Structural Integrity Reserve Study has been completed and that it has become part of official records **within 45 days** of receiving the published SIRS.
- Associations must make a published copy of the report available to members upon request thereafter.
- **Approve a budget for 2026 that includes fully funding reserves as required in the Structural Integrity Reserve Study**

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

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

Notes:

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

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SIRS Evaluation

Structural Integrity Reserve Study (SIRS) Principles:

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

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

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

Stone Building Solutions Evaluation

Onsite Process

A member of the Stone Building Solutions Engineering Team conducted a visual inspection of Topaz Oceanfront Condominium Association, Inc. on November 26, 2024. The results of the inspection were utilized as the primary basis for this analysis.

Structural Integrity Reserve Evaluations

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

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

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

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

Structural Integrity Reserve Exclusions

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

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

Cost Evaluation

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

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

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

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

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Structural Integrity Reserve Items

ASSET №	NAME	NEXT ACTIVITY	EST LIFE	ADJ LIFE	REM USEFUL LIFE	UNIT COST	QTY	YEAR 1 REPLACEMENT COST
001	Electric, Main Panels & Meter Bases: Common	01/01/2053	40y	40y	27y	$1,470.875	28 U	$41,184
002	Fire Alarm Control Panel & Ancillary Devices: Common	01/01/2047	25y	25y	21y	$1,886.00	28 U	$52,808
003	Fire Pump, Controller: Common	01/01/2044	25y	25y	18y	$25,112.50	1 Ea	$25,112
003.5	Fire Pump, Jockey Controller: Common	01/01/2030	12y	N/A	4y	$6,662.50	1 Ea	$6,662
004	Fire Pump, Motor & Piping: Common	01/01/2044	40y	40y	18y	$76,362.50	1 Ea	$76,362
005	Fire Stand Pipes & Valves: Common	01/01/2047	45y	45y	21y	$156.825	96 LF	$15,055
006	Fire Suppression System, Piping & Heads: Common	01/01/2042	40y	40y	16y	$76,875.00	0.20 Allow	$15,375
007	Domestic Water Pump System: Pump 1	01/01/2043	25y	25y	17y	$1,603.10	6 Flr	$9,619
007	Domestic Water Pump System: Pump 2	01/01/2047	25y	25y	21y	$1,603.10	6 Flr	$9,619
008	Roofs, Flat, TPO: Common	01/01/2043	20y	20y	17y	$31.467	12,250 SF	$385,471
009	Roofs, Standing Seam Metal: Common	01/01/2056	35y	35y	30y	$1,537.50	32 SQ	$49,200
010	Fire Pump Diesel Engine Fuel Tank, Replace: Common	01/01/2044	25y	25y	18y	$9,225.00	1 Ea	$9,225
011	Backflow Preventers: Common	01/01/2047	45y	45y	21y	$7,687.50	2 Ea	$15,375
012	Painting, Waterproofing & Stucco Repairs: Common	01/01/2034	10y	10y	8y	$2.562	32,510 SF	$83,291
013	Concrete Restoration, Exterior Walls	01/01/2034	20y	N/A	8y	$13.878	1,625.50 SF	$22,559
014	Concrete Restoration, Walkways & Balconies: Balconies	01/01/2034	25y	32y	8y	$25.154	527 SF	$13,256
014	Concrete Restoration, Walkways & Balconies: Walkways	01/01/2046	25y	25y	20y	$25.154	706.20 SF	$17,764
015	Concrete Restoration, Parking Garage: Common	01/01/2034	25y	32y	8y	$13.878	376.20 SF	$5,221

ASSET №	NAME	NEXT ACTIVITY	EST LIFE	ADJ LIFE	REM USEFUL LIFE	UNIT COST	QTY	YEAR 1 REPLACEMENT COST
016	Concrete Restoration, Staircases: Common	01/01/2034	20y	32y	8y	$25.154	281.60 SF	$7,083
017	Railings, Aluminum Picket: Balconies	01/01/2060	44y	44y	34y	$102.50	898 LF	$92,045
017	Railings, Aluminum Picket: Stairs	01/01/2046	44y	44y	20y	$102.50	285 LF	$29,212
017	Railings, Aluminum Picket: Walkways	01/01/2069	44y	44y	43y	$102.50	671 LF	$68,778
018	Handrails, Aluminum Picket: Stairs	01/01/2046	44y	44y	20y	$87.125	589 LF	$51,317
019	Piping & Plumbing, Major Renovations : Common	01/01/2079	55y	55y	53y	$2,460.00	14 U	$34,440
020	HVAC Stands, Elevated: Common	01/01/2057	36y	36y	31y	$1,127.50	28 U	$31,570
021	Windows, Impact Rated: Common	01/01/2062	60y	60y	36y	$205.00	167 SF	$34,235
022	Doors, Metal Utility, Double: Common	01/01/2055	35y	35y	29y	$2,408.75	1 Ea	$2,409
023	Doors. Sliding Glass Patio: Common	01/01/2064	40y	62y	38y	$4,100.00	1 Ea	$4,100
024	Doors, Overhead, Garage: Common	01/01/2047	25y	25y	21y	$2,562.50	8 Ea	$20,500
025	Doors, Storefront, Single: Common	01/01/2051	40y	40y	25y	$3,075.00	1 Ea	$3,075
026	Doors, Storefront, Double: Common	01/01/2042	40y	40y	16y	$4,612.50	2 Ea	$9,225
027	Doors, Steel, Fire Rated, Double: Common	01/01/2079	55y	55y	53y	$4,510.00	1 Ea	$4,510
028	Doors, Steel, Fire Rated, Single: Common	01/01/2079	55y	55y	53y	$3,280.00	7 Ea	$22,960
029	Structural Integrity Reserve Study - UPDATE: FL Requirement	01/01/2034	10y	10y	8y	$3,587.50	1 Ea	$3,588
								$1,272,205

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Expenditures (By Year)

ASSET №	NAME	UNIT COST	QTY.	FUTURE COST	USEFUL LIFE	NEXT ACTIVITY
2026 (Year 1)						
2026 (Year 1) Total				$0		
2027 (Year 2)						
2027 (Year 2) Total				$0		
2028 (Year 3)						
2028 (Year 3) Total				$0		
2029 (Year 4)						
2029 (Year 4) Total				$0		
2030 (Year 5)						
003.5	Fire Pump, Jockey Controller: Common	$7,354.00	1 Ea	$7,354	12y	2042
2030 (Year 5) Total				$7,354		
2031 (Year 6)						
2031 (Year 6) Total				$0		
2032 (Year 7)						
2032 (Year 7) Total				$0		
2033 (Year 8)						
2033 (Year 8) Total				$0		
2034 (Year 9)						
013	Concrete Restoration, Exterior Walls	$16.909	1,625.50 SF	$27,486	20y	N/A
015	Concrete Restoration, Parking Garage: Common	$16.909	376.20 SF	$6,361	32y	N/A

ASSET №	NAME	UNIT COST	QTY.	FUTURE COST	USEFUL LIFE	NEXT ACTIVITY
016	Concrete Restoration, Staircases: Common	$30.646	281.60 SF	$8,630	32y	N/A
014	Concrete Restoration, Walkways & Balconies: Balconies	$30.647	527 SF	$16,151	32y	2046
012	Painting, Waterproofing & Stucco Repairs: Common	$3.122	32,510 SF	$101,496	10y	2044
029	Structural Integrity Reserve Study - UPDATE: FL Requirement	$4,371.00	1 Ea	$4,371	10y	2044
2034 (Year 9) Total				**$164,495**		
2035 (Year 10)						
2035 (Year 10) Total				**$0**		
2036 (Year 11)						
2036 (Year 11) Total				**$0**		
2037 (Year 12)						
2037 (Year 12) Total				**$0**		
2038 (Year 13)						
2038 (Year 13) Total				**$0**		
2039 (Year 14)						
2039 (Year 14) Total				**$0**		
2040 (Year 15)						
2040 (Year 15) Total				**$0**		
2041 (Year 16)						
2041 (Year 16) Total				**$0**		
2042 (Year 17)						
026	Doors, Storefront, Double: Common	$6,847.50	2 Ea	$13,695	40y	N/A
003.5	Fire Pump, Jockey Controller: Common	$9,891.00	1 Ea	$9,891	12y	N/A
006	Fire Suppression System, Piping & Heads: Common	$114,120.00	0.20 Allow	$22,824	40y	N/A
2042 (Year 17) Total				**$46,410**		
2043 (Year 18)						

ASSET №	NAME	UNIT COST	QTY.	FUTURE COST	USEFUL LIFE	NEXT ACTIVITY
007	Domestic Water Pump System: Pump 1	$2,439.333	6 Flr	$14,636	25y	2047
008	Roofs, Flat, TPO: Common	$47.881	12,250 SF	$586,542	20y	N/A
2043 (Year 18) Total				$601,178		
2044 (Year 19)						
010	Fire Pump Diesel Engine Fuel Tank, Replace: Common	$14,388.00	1 Ea	$14,388	25y	N/A
003	Fire Pump, Controller: Common	$39,167.00	1 Ea	$39,167	25y	N/A
004	Fire Pump, Motor & Piping: Common	$119,099.00	1 Ea	$119,099	40y	N/A
012	Painting, Waterproofing & Stucco Repairs: Common	$3.996	32,510 SF	$129,910	10y	N/A
029	Structural Integrity Reserve Study - UPDATE: FL Requirement	$5,595.00	1 Ea	$5,595	10y	N/A
2044 (Year 19) Total				$308,159		
2045 (Year 20)						
2045 (Year 20) Total				$0		
2046 (Year 21)						
014	Concrete Restoration, Walkways & Balconies: Walkways	$41.218	706.20 SF	$29,108	25y	N/A
018	Handrails, Aluminum Picket: Stairs	$142.764	589 LF	$84,088	44y	N/A
017	Railings, Aluminum Picket: Stairs	$167.958	285 LF	$47,868	44y	N/A
2046 (Year 21) Total				$161,064		
2047 (Year 22)						
011	Backflow Preventers: Common	$12,912.00	2 Ea	$25,824	45y	N/A
007	Domestic Water Pump System: Pump 2	$2,692.50	6 Flr	$16,155	25y	N/A
024	Doors, Overhead, Garage: Common	$4,303.875	8 Ea	$34,431	25y	N/A
002	Fire Alarm Control Panel & Ancillary Devices: Common	$3,167.679	28 U	$88,695	25y	N/A
005	Fire Stand Pipes & Valves: Common	$263.396	96 LF	$25,286	45y	N/A

ASSET №	NAME	UNIT COST	QTY.	FUTURE COST	USEFUL LIFE	NEXT ACTIVITY
2047 (Year 22) Total				$190,391		
2048 (Year 23)						
2048 (Year 23) Total				$0		
2049 (Year 24)						
2049 (Year 24) Total				$0		
2050 (Year 25)						
2050 (Year 25) Total				$0		

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Expenditures (By Year and Category)

LOCATION RESERVE ITEM	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038
Building Service Components													
Fire Pump, Jockey Controller: Common					$7,354								
Total Building Service Components					**$7,354**								
Exterior Building Components													
Concrete Restoration, Exterior Walls									$27,486				
Concrete Restoration, Parking Garage: Common									$6,361				
Concrete Restoration, Staircases: Common									$8,630				
Concrete Restoration, Walkways & Balconies: Balconies									$16,151				

LOCATION RESERVE ITEM	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038
Painting, Waterproofing & Stucco Repairs: Common									$101,496				
Total Exterior Building Components									**$160,124**				
Property Site Components													
Structural Integrity Reserve Study - UPDATE: FL Requirement									$4,371				
Total Property Site Components									**$4,371**				
Total					**$7,354**				**$164,495**				

LOCATION RESERVE ITEM	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050
Building Service Components												
Domestic Water Pump System: Pump 1					$14,636							
Domestic Water Pump System: Pump 2									$16,155			
Fire Alarm Control Panel & Ancillary Devices: Common									$88,695			
Fire Pump Diesel Engine Fuel Tank, Replace: Common						$14,388						
Fire Pump, Controller: Common						$39,167						
Fire Pump, Jockey Controller: Common				$9,891								
Fire Pump, Motor & Piping: Common						$119,099						
Fire Stand Pipes & Valves: Common									$25,286			
Fire Suppression System, Piping & Heads: Common				$22,824								
Total Building Service Components				**$32,715**	**$14,636**	**$172,654**			**$130,136**			
Exterior Building Components												
Concrete Restoration, Walkways & Balconies: Walkways								$29,108				
Doors, Storefront, Double: Common				$13,695								
Handrails, Aluminum Picket: Stairs								$84,088				

LOCATION RESERVE ITEM	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050
Painting, Waterproofing & Stucco Repairs: Common						$129,910						
Railings, Aluminum Picket: Stairs								$47,868				
Roofs, Flat, TPO: Common					$586,542							
Total Exterior Building Components				**$13,695**	**$586,542**	**$129,910**		**$161,064**				
Property Site Components												
Backflow Preventers: Common									$25,824			
Doors, Overhead, Garage: Common									$34,431			
Structural Integrity Reserve Study - UPDATE: FL Requirement						$5,595						
Total Property Site Components						**$5,595**			**$60,255**			
Total				**$46,410**	**$601,178**	**$308,159**		**$161,064**	**$190,391**			

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Critical Expenditure Planning (3-Year Outlook)

LOCATION RESERVE ITEM	2026	2027	2028
Building Service Components			
Total Building Service Components			
Exterior Building Components			
Total Exterior Building Components			
Property Site Components			
Total Property Site Components			
Total			

Annual Plan Comparison Table

	RECOMMENDED CASH FLOW			BASELINE FUNDING		
	FY CONTRIBUTIONS: $40,000			FY CONTRIBUTIONS: $32,600		
YEAR	ASSOC. END. BAL.	OWNER PER MO.	PERCENT FUNDED	ASSOC. END. BAL.	OWNER PER MO.	PERCENT FUNDED
2026	$393,500	$119	102%	$386,100	$97	100%
2027	$438,435	$122	98%	$424,191	$102	95%
2028	$484,844	$125	95%	$464,374	$107	91%
2029	$532,768	$128	92%	$506,757	$112	87%
2030	$574,895	$131	89%	$543,152	$115	84%
2031	$625,900	$135	87%	$588,233	$118	82%
2032	$678,547	$138	85%	$634,756	$121	80%
2033	$732,879	$142	84%	$682,759	$124	78%
2034	$624,449	$145	79%	$567,790	$127	72%
2035	$680,648	$149	78%	$617,233	$130	70%
2036	$738,658	$152	77%	$668,265	$134	69%
2037	$798,528	$156	76%	$720,928	$137	68%
2038	$860,309	$160	75%	$775,268	$140	67%
2039	$924,053	$164	74%	$831,329	$144	66%
2040	$989,812	$168	73%	$889,158	$147	65%
2041	$1,057,642	$172	72%	$948,804	$151	65%
2042	$1,081,189	$177	71%	$963,905	$155	63%
2043	$551,687	$181	53%	$425,690	$159	41%
2044	$311,432	$186	38%	$176,445	$163	21%

	RECOMMENDED CASH FLOW			BASELINE FUNDING		
	FY CONTRIBUTIONS: $40,000			FY CONTRIBUTIONS: $32,600		
YEAR	ASSOC. END. BAL.	OWNER PER MO.	PERCENT FUNDED	ASSOC. END. BAL.	OWNER PER MO.	PERCENT FUNDED
2045	$378,492	$190	41%	$234,232	$167	25%
2046	$286,757	$195	33%	$132,934	$171	15%
2047	$166,417	$200	21%	$2,732	$175	0%
2048	$236,944	$205	27%	$63,090	$180	7%
2049	$309,898	$210	31%	$125,560	$184	12%
2050	$385,346	$215	34%	$190,200	$189	17%

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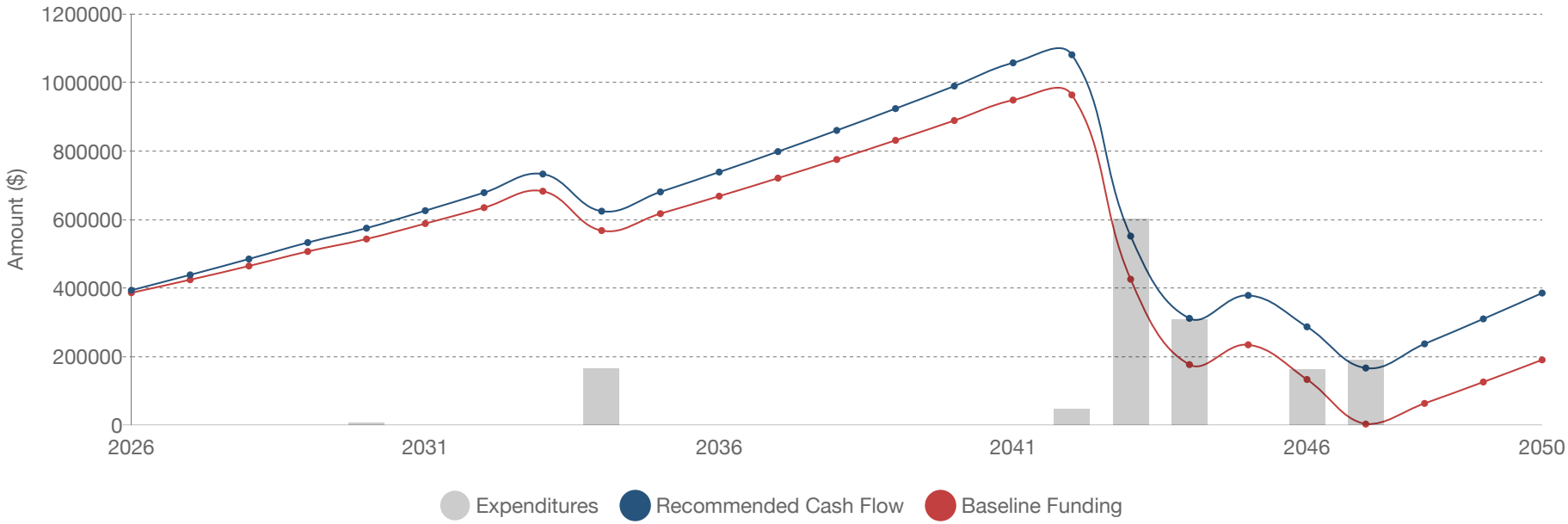
Funding Model Comparison

Projected Reserve Ending Balance



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

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

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

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

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

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

See the "Useful Links" section for additional details.

STONEBUILDING SOLUTIONS

25-Year Cash-Flow

Recommended Cash Flow

YEAR	STARTING BALANCE	CONTRIBUTIONS	PERCENT CHANGE	INTEREST	SPECIAL ASSMNT	ADDTIONAL CAPITAL	EXPENDITURE FUTURE COST	ENDING BALANCE	PERCENT FUNDED	FULLY FUNDED BALANCE
2026	$350,000	$40,000	N/A	$3,500	$0	$0	$0	$393,500	102.30%	$384,668
2027	$393,500	$41,000	2.50%	$3,935	$0	$0	$0	$438,435	98.09%	$446,958
2028	$438,435	$42,025	2.50%	$4,384	$0	$0	$0	$484,844	94.67%	$512,120
2029	$484,844	$43,076	2.50%	$4,848	$0	$0	$0	$532,768	91.81%	$580,263
2030	$532,768	$44,153	2.50%	$5,328	$0	$0	$7,354	$574,895	89.28%	$643,953
2031	$574,895	$45,256	2.50%	$5,749	$0	$0	$0	$625,900	87.15%	$718,195
2032	$625,900	$46,388	2.50%	$6,259	$0	$0	$0	$678,547	85.27%	$795,745
2033	$678,547	$47,547	2.50%	$6,785	$0	$0	$0	$732,879	83.59%	$876,723
2034	$732,879	$48,736	2.50%	$7,329	$0	$0	$164,495	$624,449	78.74%	$793,025
2035	$624,449	$49,955	2.50%	$6,244	$0	$0	$0	$680,648	77.58%	$877,406
2036	$680,648	$51,203	2.50%	$6,806	$0	$0	$0	$738,658	76.50%	$965,513
2037	$738,658	$52,483	2.50%	$7,387	$0	$0	$0	$798,528	75.51%	$1,057,467
2038	$798,528	$53,796	2.50%	$7,985	$0	$0	$0	$860,309	74.59%	$1,153,425
2039	$860,309	$55,140	2.50%	$8,603	$0	$0	$0	$924,053	73.72%	$1,253,514
2040	$924,053	$56,519	2.50%	$9,241	$0	$0	$0	$989,812	72.89%	$1,357,891
2041	$989,812	$57,932	2.50%	$9,898	$0	$0	$0	$1,057,642	72.11%	$1,466,701
2042	$1,057,642	$59,380	2.50%	$10,576	$0	$0	$46,410	$1,081,189	70.55%	$1,532,533
2043	$1,081,189	$60,865	2.50%	$10,812	$0	$0	$601,178	$551,687	53.39%	$1,033,295
2044	$551,687	$62,386	2.50%	$5,517	$0	$0	$308,159	$311,432	37.80%	$823,886
2045	$311,432	$63,946	2.50%	$3,114	$0	$0	$0	$378,492	40.82%	$927,118

YEAR	STARTING BALANCE	CONTRIBUTIONS	PERCENT CHANGE	INTEREST	SPECIAL ASSMNT	ADDTIONAL CAPITAL	EXPENDITURE FUTURE COST	ENDING BALANCE	PERCENT FUNDED	FULLY FUNDED BALANCE
2046	$378,492	$65,545	2.50%	$3,785	$0	$0	$161,064	$286,757	32.96%	$869,904
2047	$286,757	$67,183	2.50%	$2,868	$0	$0	$190,391	$166,417	21.25%	$783,322
2048	$166,417	$68,863	2.50%	$1,664	$0	$0	$0	$236,944	26.57%	$891,895
2049	$236,944	$70,584	2.50%	$2,369	$0	$0	$0	$309,898	30.82%	$1,005,401
2050	$309,898	$72,349	2.50%	$3,099	$0	$0	$0	$385,346	34.28%	$1,124,030

STONEBUILDING SOLUTIONS

25-Year Baseline Funding

YEAR	STARTING BALANCE	CONTRIBUTIONS	PERCENT CHANGE	INTEREST	SPECIAL ASSMNT	ADDTIONAL CAPITAL	EXPENDITURE FUTURE COST	ENDING BALANCE	PERCENT FUNDED	FULLY FUNDED BALANCE
2026	$350,000	$32,600	N/A	$3,500	$0	$0	$0	$386,100	100.37%	$384,668
2027	$386,100	$34,230	5.00%	$3,861	$0	$0	$0	$424,191	94.91%	$446,958
2028	$424,191	$35,942	5.00%	$4,242	$0	$0	$0	$464,374	90.68%	$512,120
2029	$464,374	$37,739	5.00%	$4,644	$0	$0	$0	$506,757	87.33%	$580,263
2030	$506,757	$38,682	2.50%	$5,068	$0	$0	$7,354	$543,152	84.35%	$643,953
2031	$543,152	$39,649	2.50%	$5,432	$0	$0	$0	$588,233	81.90%	$718,195
2032	$588,233	$40,640	2.50%	$5,882	$0	$0	$0	$634,756	79.77%	$795,745
2033	$634,756	$41,656	2.50%	$6,348	$0	$0	$0	$682,759	77.88%	$876,723
2034	$682,759	$42,698	2.50%	$6,828	$0	$0	$164,495	$567,790	71.60%	$793,025
2035	$567,790	$43,765	2.50%	$5,678	$0	$0	$0	$617,233	70.35%	$877,406
2036	$617,233	$44,859	2.50%	$6,172	$0	$0	$0	$668,265	69.21%	$965,513
2037	$668,265	$45,981	2.50%	$6,683	$0	$0	$0	$720,928	68.17%	$1,057,467
2038	$720,928	$47,130	2.50%	$7,209	$0	$0	$0	$775,268	67.21%	$1,153,425
2039	$775,268	$48,309	2.50%	$7,753	$0	$0	$0	$831,329	66.32%	$1,253,514
2040	$831,329	$49,516	2.50%	$8,313	$0	$0	$0	$889,158	65.48%	$1,357,891
2041	$889,158	$50,754	2.50%	$8,892	$0	$0	$0	$948,804	64.69%	$1,466,701
2042	$948,804	$52,023	2.50%	$9,488	$0	$0	$46,410	$963,905	62.90%	$1,532,533
2043	$963,905	$53,324	2.50%	$9,639	$0	$0	$601,178	$425,690	41.20%	$1,033,295
2044	$425,690	$54,657	2.50%	$4,257	$0	$0	$308,159	$176,445	21.42%	$823,886
2045	$176,445	$56,023	2.50%	$1,764	$0	$0	$0	$234,232	25.26%	$927,118
2046	$234,232	$57,424	2.50%	$2,342	$0	$0	$161,064	$132,934	15.28%	$869,904
2047	$132,934	$58,859	2.50%	$1,329	$0	$0	$190,391	$2,732	0.35%	$783,322

YEAR	STARTING BALANCE	CONTRIBUTIONS	PERCENT CHANGE	INTEREST	SPECIAL ASSMNT	ADDTIONAL CAPITAL	EXPENDITURE FUTURE COST	ENDING BALANCE	PERCENT FUNDED	FULLY FUNDED BALANCE
2048	$2,732	$60,331	2.50%	$27	$0	$0	$0	$63,090	7.07%	$891,895
2049	$63,090	$61,839	2.50%	$631	$0	$0	$0	$125,560	12.49%	$1,005,401
2050	$125,560	$63,385	2.50%	$1,256	$0	$0	$0	$190,200	16.92%	$1,124,030

Funding Options

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

Reserve Funds:

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

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

Securing a Loan:

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

Special Assessment:

- Another option would be for the board to pass a "special assessment" to the membership, requiring each member to contribute an amount necessary to cover the expenditure. When a special assessment is implemented, the association has the authority and responsibility to collect the assessments, even through foreclosure, if necessary. SB-154 allows the Board of Directors (BODs) to implement special assessments over the 115% threshold of the previous year if the repairs are for critical structural components.

Important Notes:

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

Reserve Components

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

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

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

STONEBUILDING SOLUTIONS

Component List - Full Detail

001 - Electric, Main Panels & Meter Bases

Basic Info

Type of Cost:	Replacement
Location:	Building Service Components
Category:	Mechanical
Condition:	Good

Comments/Notes

On the date of inspection, it was observed that the electrical service was in good working condition. This fund provides monies for the as needed repairs and eventual partial replacement of the electrical systems over a standard market observed 40-year life cycle.

No electrical upgrades were performed. Any issues are immediately repaired.

Useful Life

Last Activity Date:	01/01/2013
Est. Useful Life:	40y
Remaining Useful Life:	27y
Next Activity Date:	01/01/2053

Financial Data

Estimate Date:	01/01/2025
Estimate Source:	Local Contractors
Cost Per U:	$1,435.00
Total Quantity:	28 U
Total Current Cost:	$41,184
Inflation Rate:	2.50%
Total Expenditures:	$0

002 - Fire Alarm Control Panel & Ancillary Devices

Basic Info

Type of Cost:	Replacement
Location:	Building Service Components
Category:	Life Safety Devices
Condition:	Good

Comments/Notes

This fund provides monies for the as needed repairs and eventual replacement of the Fire Alarm system over a standard market observed 25-year life cycle.

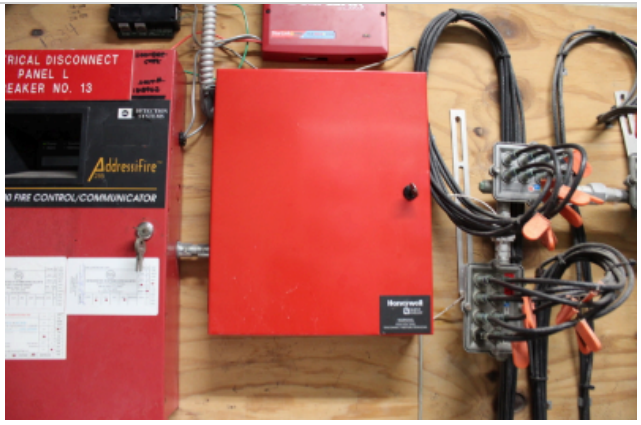
The system was updated in 2022.

Useful Life

Last Activity Date:	01/01/2022
Est. Useful Life:	25y
Remaining Useful Life:	21y
Next Activity Date:	01/01/2047

Financial Data

Estimate Date:	01/01/2025
Estimate Source:	Local Estimate
Cost Per U:	$1,840.00
Total Quantity:	28 U
Total Current Cost:	$52,808
Inflation Rate:	2.50%
Total Expenditures:	$88,695



003 - Fire Pump, Controller

Basic Info

Type of Cost:	Replacement
Location:	Building Service Components
Category:	Mechanical
Condition:	Good

Comments/Notes

This fund provides monies for the as needed repairs and eventual replacement of the Fire Pump Controller over a 25-year life cycle.

Changed valves in 2024.

Useful Life

Last Activity Date:	N/A
Est. Useful Life:	25y
Remaining Useful Life:	18y
Next Activity Date:	01/01/2044

Financial Data

Estimate Date:	01/01/2025
Estimate Source:	MVS
Cost Per Ea:	$24,500.00
Total Quantity:	1 Ea
Total Current Cost:	$25,112
Inflation Rate:	2.50%
Total Expenditures:	$39,167

003.5 - Fire Pump, Jockey Controller

Basic Info

Type of Cost:	Replacement
Location:	Building Service Components
Category:	Mechanical
Condition:	Good

Useful Life

Last Activity Date:	N/A
Est. Useful Life:	12y
Remaining Useful Life:	4y
Next Activity Date:	01/01/2030

Comments/Notes

This fund provides monies for the as needed repairs and eventual replacement of the Jockey Controller over a 12-year life cycle.

Rust observed. We recommend a replacement soon.

Financial Data

Estimate Date:	01/01/2025
Estimate Source:	MVS
Cost Per Ea:	$6,500.00
Total Quantity:	1 Ea
Total Current Cost:	$6,662
Inflation Rate:	2.50%
Total Expenditures:	$17,245

004 - Fire Pump, Motor & Piping

Basic Info

Type of Cost:	Replacement
Location:	Building Service Components
Category:	Mechanical
Condition:	Good

Comments/Notes

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

Useful Life

Last Activity Date:	N/A
Est. Useful Life:	40y
Remaining Useful Life:	18y
Next Activity Date:	01/01/2044

Financial Data

Estimate Date:	01/01/2025
Estimate Source:	MVS
Cost Per Ea:	$74,500.00
Total Quantity:	1 Ea
Total Current Cost:	$76,362
Inflation Rate:	2.50%
Total Expenditures:	$119,099

005 - Fire Stand Pipes & Valves

Basic Info

Type of Cost:	Repairs & Maintenance
Location:	Building Service Components
Category:	Fire & Life Safety
Condition:	Good

Useful Life

Last Activity Date:	01/01/2002
Est. Useful Life:	45y
Remaining Useful Life:	21y
Next Activity Date:	01/01/2047

Financial Data

Estimate Date:	01/01/2025
Estimate Source:	MVS
Cost Per LF:	$153.00
Total Quantity:	192 LF
Percent of Total to Maintain:	50%
Quantity to Maintain:	96 LF
Total Current Cost:	$15,055
Inflation Rate:	2.50%
Total Expenditures:	$25,286

006 - Fire Suppression System, Piping & Heads

Basic Info

Type of Cost:	Replacement
Location:	Building Service Components
Category:	Fire & Life Safety
Condition:	Good

Comments/Notes

The system is inspected monthly & serviced quarterly - any issues are
immediately repaired.

Useful Life

Last Activity Date:	01/01/2002
Est. Useful Life:	40y
Remaining Useful Life:	16y
Next Activity Date:	01/01/2042

Financial Data

Estimate Date:	01/01/2025
Estimate Source:	MVS
Cost Per Allow:	$75,000.00
Total Quantity:	1 Allow
Percent of Total to Maintain:	20%
Quantity to Maintain:	0.20 Allow
Total Current Cost:	$15,375
Inflation Rate:	2.50%
Total Expenditures:	$22,824

007 - Domestic Water Pump System

Basic Info

Type of Cost:	Replacement
Location:	Building Service Components
Category:	Mechanical
Condition:	Good

Comments/Notes

This fund provides monies for the as needed repairs and eventual replacement of the domestic water pump system over a 25-year life cycle.

Useful Life

Last Activity Date:	01/01/2018
Est. Useful Life:	25y
Remaining Useful Life:	17y
Next Activity Date:	01/01/2043

Financial Data

Estimate Date:	01/01/2025
Estimate Source:	MVS
Cost Per Flr:	$1,564.00
Total Quantity:	12 Flr
Total Current Cost:	$19,238
Inflation Rate:	2.50%
Total Expenditures:	$30,791

008 - Roofs, Flat, TPO

Basic Info

Type of Cost:	Replacement
Location:	Exterior Building Components
Category:	Roofing
Condition:	Good

Comments/Notes

Replaced in 2023 for $~$358,000. On the date of inspection it was noted the current roof is in Good condition with no reported issues of leaks or apparent deterioration.

Useful Life

Last Activity Date:	01/01/2023
Est. Useful Life:	20y
Remaining Useful Life:	17y
Next Activity Date:	01/01/2043

Financial Data

Estimate Date:	01/01/2023
Estimate Source:	Local Contractors
Cost Per SF:	$29.22
Total Quantity:	12,250 SF
Total Current Cost:	$385,471
Inflation Rate:	2.50%
Total Expenditures:	$586,542

009 - Roofs, Standing Seam Metal

Basic Info

Type of Cost:	Replacement
Location:	Exterior Building Components
Category:	Roof
Condition:	Good

Useful Life

Last Activity Date:	01/01/2021
Est. Useful Life:	35y
Remaining Useful Life:	30y
Next Activity Date:	01/01/2056

Comments/Notes

On the date of inspection it was noted the current roof is in Good condition with no reported issues of leaks or apparent deterioration.

Financial Data

Estimate Date:	01/01/2025
Estimate Source:	Local Contractors
Cost Per SQ:	$1,500.00
Total Quantity:	32 SQ
Total Current Cost:	$49,200
Inflation Rate:	2.50%
Total Expenditures:	$0

010 - Fire Pump Diesel Engine Fuel Tank, Replace

Basic Info

Type of Cost:	Replacement
Location:	Building Service Components
Category:	
Condition:	Good

Useful Life

Last Activity Date:	N/A
Est. Useful Life:	25y
Remaining Useful Life:	18y
Next Activity Date:	01/01/2044

Financial Data

Estimate Date:	01/01/2025
Estimate Source:	Local Contractor
Cost Per Ea:	$9,000.00
Total Quantity:	1 Ea
Total Current Cost:	$9,225
Inflation Rate:	2.50%
Total Expenditures:	$14,388

011 - Backflow Preventers

Basic Info

Type of Cost:	Replacement
Location:	Property Site Components
Category:	Mechanical
Condition:	Good

Useful Life

Last Activity Date:	01/01/2002
Est. Useful Life:	45y
Remaining Useful Life:	21y
Next Activity Date:	01/01/2047

Financial Data

Estimate Date:	01/01/2025
Estimate Source:	Xactimate
Cost Per Ea:	$7,500.00
Total Quantity:	2 Ea
Total Current Cost:	$15,375
Inflation Rate:	2.50%
Total Expenditures:	$25,824

012 - Painting, Waterproofing & Stucco Repairs

Basic Info

Type of Cost:	Repairs & Maintenance
Location:	Exterior Building Components
Category:	Weatherproofing
Condition:	Good

Useful Life

Last Activity Date:	01/01/2024
Est. Useful Life:	10y
Remaining Useful Life:	8y
Next Activity Date:	01/01/2034

Comments/Notes

On the date of inspection, it was observed that the paint & waterproofing were in Good **condition** and recently reapplied. This fund provides monies for the reapplication of paint & waterproofing layers to the building based on a 10-year life cycle.

This property has not performed a "concrete or balcony restoration" project but any crack or spauling is immediately repaired when needed. No cracks or spalling were observed.

Financial Data

Estimate Date:	01/01/2025
Estimate Source:	Local Contactors
Cost Per SF:	$2.50
Total Quantity:	32,510 SF
Total Current Cost:	$83,291
Inflation Rate:	2.50%
Total Expenditures:	$231,406

013 - Concrete Restoration, Exterior Walls

Basic Info

Type of Cost:	Repairs & Maintenance
Location:	Exterior Building Components
Category:	Load Bearing Surfaces
Condition:	N/A

Useful Life

Last Activity Date:	N/A
Est. Useful Life:	20y
Remaining Useful Life:	8y
Next Activity Date:	01/01/2034

Comments/Notes

This fund provides monies for the as-needed repairs and eventual major concrete restoration projects that would need to take place over a market-observed 20-year life cycle. The stated cost is a projected partial rate of failure **(5%)** over the component's expected market life cycle.

This property has not performed a "concrete or balcony restoration" project but any crack or spalling is immediately repaired when needed—no cracks or spalling were observed during the inspection.

Financial Data

Estimate Date:	01/01/2025
Estimate Source:	Local Contractors
Cost Per SF:	$13.54
Total Quantity:	32,510 SF
Percent of Total to Maintain:	5%
Quantity to Maintain:	1,625.50 SF
Total Current Cost:	$22,559
Inflation Rate:	2.50%
Total Expenditures:	$27,486

014 - Concrete Restoration, Walkways & Balconies

Basic Info

Type of Cost:	Repairs & Maintenance
Location:	Exterior Building Components
Category:	Load Bearing Surfaces
Condition:	Good

Comments/Notes

This fund provides monies for the as-needed repairs and eventual major concrete restoration projects that would need to occur over a market-observed 25-year life cycle. The stated cost is a projected partial failure rate **(10%)** over the components' expected market life cycle.

The building has not needed a concrete or balcony restoration but has repaired stucco/concrete cracks and spalling as it occurs. The north penthouse (Unit: PH-1) balcony recently had tile flooring installed. Gaps were observed between the concrete slab and the tile flooring, indicating that the tile thin-set was not applied to the edge of all tiles and will cause spalling if not corrected. COA President is aware of this condition.

Useful Life

Last Activity Date:	01/01/2002
Est. Useful Life:	25y
Remaining Useful Life:	8y
Next Activity Date:	01/01/2034

Financial Data

Estimate Date:	01/01/2025
Estimate Source:	Local Contractors
Cost Per SF:	$24.54
Total Quantity:	12,332 SF
Percent of Total to Maintain:	10%
Quantity to Maintain:	1,233.20 SF
Total Current Cost:	$31,020
Inflation Rate:	2.50%
Total Expenditures:	$45,259

015 - Concrete Restoration, Parking Garage

Basic Info

Type of Cost:	Repairs & Maintenance
Location:	Exterior Building Components
Category:	Load Bearing Surfaces
Condition:	Good

Comments/Notes

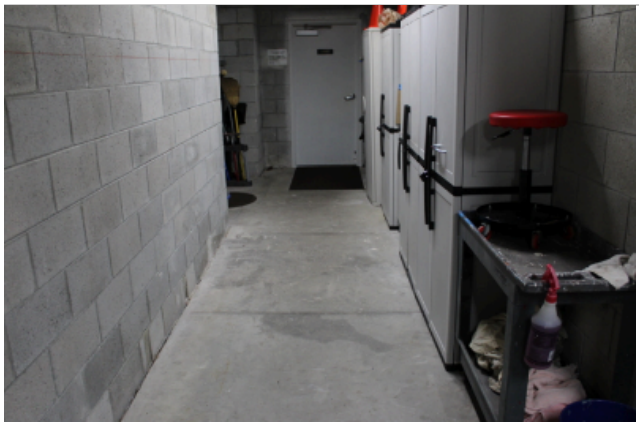
This fund provides monies for the as-needed repairs and eventual major concrete restoration projects that would need to take place over a market-observed 25-year life cycle. The stated cost is a projected partial rate of failure **(15%)** over the component's expected market life cycle.

Useful Life

Last Activity Date:	01/01/2002
Est. Useful Life:	25y
Remaining Useful Life:	8y
Next Activity Date:	01/01/2034

Financial Data

Estimate Date:	01/01/2025
Estimate Source:	Local Contractors
Cost Per SF:	$13.54
Total Quantity:	2,508 SF
Percent of Total to Maintain:	15%
Quantity to Maintain:	376.20 SF
Total Current Cost:	$5,221
Inflation Rate:	2.50%
Total Expenditures:	$6,361



016 - Concrete Restoration, Staircases

Basic Info

Type of Cost:	Repairs & Maintenance
Location:	Exterior Building Components
Category:	Unit Access
Condition:	Good

Comments/Notes

On the date of inspection, it was observed that the concrete staircases were in Good condition. This fund provides monies for the as needed repairs to eventual major refurbishment of the staircases. The stated cost is a projected partial rate of failure (20%) over the component's expected market life cycle.

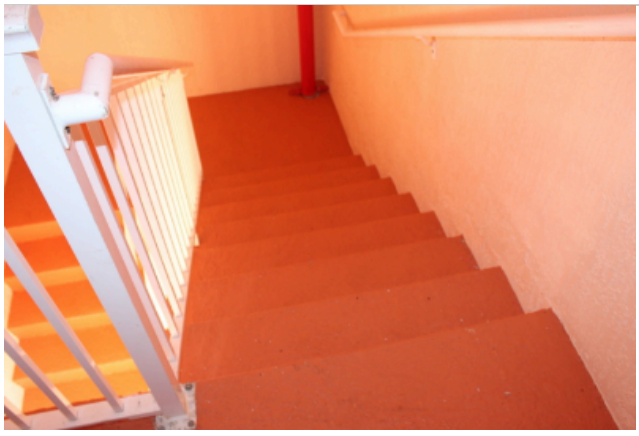
Stairs, landings, railing, and handrails, are in areas protected from weather.

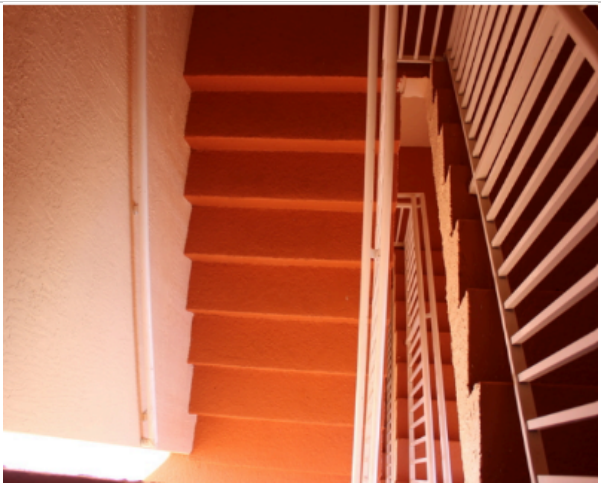
Useful Life

Last Activity Date:	01/01/2002
Est. Useful Life:	20y
Remaining Useful Life:	8y
Next Activity Date:	01/01/2034

Financial Data

Estimate Date:	01/01/2025
Estimate Source:	Local Contractors
Cost Per SF:	$24.54
Total Quantity:	1,408 SF
Percent of Total to Maintain:	20%
Quantity to Maintain:	281.60 SF
Total Current Cost:	$7,083
Inflation Rate:	2.50%
Total Expenditures:	$8,630





017 - Railings, Aluminum Picket

Basic Info

Type of Cost:	Replacement
Location:	Exterior Building Components
Category:	Life Safety
Condition:	Good

Useful Life

Last Activity Date:	01/01/2016
Est. Useful Life:	44y
Remaining Useful Life:	34y
Next Activity Date:	01/01/2060

Comments/Notes

This fund provides monies for the as needed repairs and eventual replacement of the railings over a standard market observed 44-year life cycle.

Balconies: These have been filled to prevent moisture/condensation from collecting inside the railing posts to avoid/prolong the spalling of the balcony slabs.

Walkways: They are planning on filling the breezeway railing posts in 2025. Breezeway railings are in an outdoor courtyard and are somewhat protected from weather.

Financial Data

Estimate Date:	01/01/2025
Estimate Source:	XactRemodel
Cost Per LF:	$100.00
Total Quantity:	1,854 LF
Total Current Cost:	$190,035
Inflation Rate:	2.50%
Total Expenditures:	$47,868

018 - Handrails, Aluminum Picket

Basic Info

Type of Cost:	Replacement
Location:	Exterior Building Components
Category:	Life Safety
Condition:	Good

Useful Life

Last Activity Date:	01/01/2002
Est. Useful Life:	44y
Remaining Useful Life:	20y
Next Activity Date:	01/01/2046

Financial Data

Estimate Date:	01/01/2025
Estimate Source:	Local
Cost Per LF:	$85.00
Total Quantity:	589 LF
Total Current Cost:	$51,317
Inflation Rate:	2.50%
Total Expenditures:	$84,088

019 - Piping & Plumbing, Major Renovations

Basic Info

Type of Cost:	Replacement
Location:	Building Service Components
Category:	Mechanical
Condition:	Good

Comments/Notes

Based on the market expected life cycle of Plumbing Utilities, it is recommended that the association reserve for major repair/replacement of this component during the projected cycle.

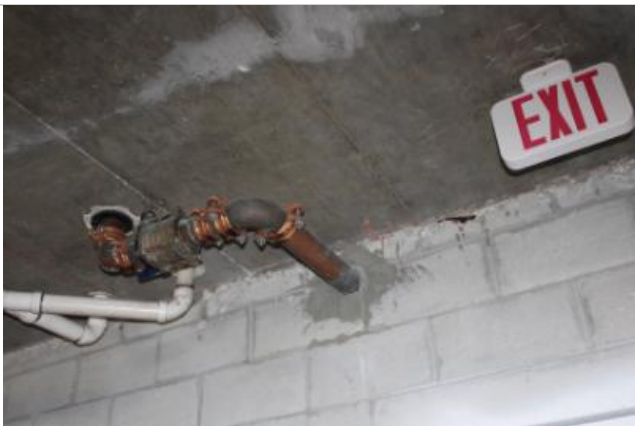
System is inspected monthly & serviced quarterly - any issues are
immediately repaired.

Useful Life

Last Activity Date:	01/01/2024
Est. Useful Life:	55y
Remaining Useful Life:	53y
Next Activity Date:	01/01/2079

Financial Data

Estimate Date:	01/01/2025
Estimate Source:	Local Contractors
Cost Per U:	$2,400.00
Total Quantity:	28 U
Percent of Total to Maintain:	50%
Quantity to Maintain:	14 U
Total Current Cost:	$34,440
Inflation Rate:	2.50%
Total Expenditures:	$0



020 - HVAC Stands, Elevated

Basic Info

Type of Cost:	Replacement
Location:	Exterior Building Components
Category:	Mechanical
Condition:	Good

Useful Life

Last Activity Date:	01/01/2021
Est. Useful Life:	36y
Remaining Useful Life:	31y
Next Activity Date:	01/01/2057

Financial Data

Estimate Date:	01/01/2025
Estimate Source:	Local Contractor
Cost Per U:	$1,100.00
Total Quantity:	28 U
Total Current Cost:	$31,570
Inflation Rate:	2.50%
Total Expenditures:	$0

021 - Windows, Impact Rated

Basic Info

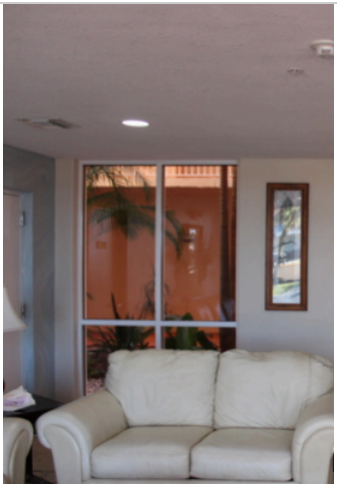
Type of Cost:	Replacement
Location:	Exterior Building Components
Category:	Windows & Doors
Condition:	Good

Useful Life

Last Activity Date:	01/01/2002
Est. Useful Life:	60y
Remaining Useful Life:	36y
Next Activity Date:	01/01/2062

Financial Data

Estimate Date:	01/01/2025
Estimate Source:	XactRemodel
Cost Per SF:	$200.00
Total Quantity:	167 SF
Total Current Cost:	$34,235
Inflation Rate:	2.50%
Total Expenditures:	$0



022 - Doors, Metal Utility, Double

Basic Info

Type of Cost:	Replacement
Location:	Exterior Building Components
Category:	Access Control Systems
Condition:	Good

Useful Life

Last Activity Date:	01/01/2020
Est. Useful Life:	35y
Remaining Useful Life:	29y
Next Activity Date:	01/01/2055

Financial Data

Estimate Date:	01/01/2025
Estimate Source:	Xactimate
Cost Per Ea:	$2,350.00
Total Quantity:	1 Ea
Total Current Cost:	$2,409
Inflation Rate:	2.50%
Total Expenditures:	$0

023 - Doors. Sliding Glass Patio

Basic Info

Type of Cost:	Replacement
Location:	Exterior Building Components
Category:	Access Control Systems
Condition:	Good

Useful Life

Last Activity Date:	01/01/2002
Est. Useful Life:	40y
Remaining Useful Life:	38y
Next Activity Date:	01/01/2064

Financial Data

Estimate Date:	01/01/2025
Estimate Source:	Xactimate
Cost Per Ea:	$4,000.00
Total Quantity:	1 Ea
Total Current Cost:	$4,100
Inflation Rate:	2.50%
Total Expenditures:	$0

024 - Doors, Overhead, Garage

Basic Info

Type of Cost:	Replacement
Location:	Property Site Components
Category:	Access Control Systems
Condition:	Good

Useful Life

Last Activity Date:	01/01/2022
Est. Useful Life:	25y
Remaining Useful Life:	21y
Next Activity Date:	01/01/2047

Financial Data

Estimate Date:	01/01/2025
Estimate Source:	Xactimate
Cost Per Ea:	$2,500.00
Total Quantity:	8 Ea
Total Current Cost:	$20,500
Inflation Rate:	2.50%
Total Expenditures:	$34,431

025 - Doors, Storefront, Single

Basic Info

Type of Cost:	Replacement
Location:	Exterior Building Components
Category:	Access Control Systems
Condition:	Good

Useful Life

Last Activity Date:	01/01/2011
Est. Useful Life:	40y
Remaining Useful Life:	25y
Next Activity Date:	01/01/2051

Financial Data

Estimate Date:	01/01/2025
Estimate Source:	Xactimate
Cost Per Ea:	$3,000.00
Total Quantity:	1 Ea
Total Current Cost:	$3,075
Inflation Rate:	2.50%
Total Expenditures:	$0

026 - Doors, Storefront, Double

Basic Info

Type of Cost:	Replacement
Location:	Exterior Building Components
Category:	Access Control Systems
Condition:	Good

Useful Life

Last Activity Date:	01/01/2002
Est. Useful Life:	40y
Remaining Useful Life:	16y
Next Activity Date:	01/01/2042

Financial Data

Estimate Date:	01/01/2025
Estimate Source:	Xactimate
Cost Per Ea:	$4,500.00
Total Quantity:	2 Ea
Total Current Cost:	$9,225
Inflation Rate:	2.50%
Total Expenditures:	$13,695

027 - Doors, Steel, Fire Rated, Double

Basic Info

Type of Cost:	Replacement
Location:	Exterior Building Components
Category:	Access Control Systems
Condition:	Good

Useful Life

Last Activity Date:	01/01/2024
Est. Useful Life:	55y
Remaining Useful Life:	53y
Next Activity Date:	01/01/2079

Financial Data

Estimate Date:	01/01/2025
Estimate Source:	Xactimate
Cost Per Ea:	$4,400.00
Total Quantity:	1 Ea
Total Current Cost:	$4,510
Inflation Rate:	2.50%
Total Expenditures:	$0

028 - Doors, Steel, Fire Rated, Single

Basic Info

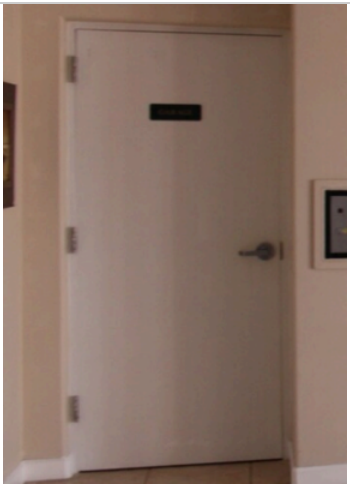
Type of Cost:	Replacement
Location:	Exterior Building Components
Category:	Access Control Systems
Condition:	Good

Useful Life

Last Activity Date:	01/01/2024
Est. Useful Life:	55y
Remaining Useful Life:	53y
Next Activity Date:	01/01/2079

Financial Data

Estimate Date:	01/01/2025
Estimate Source:	Xactimate
Cost Per Ea:	$3,200.00
Total Quantity:	7 Ea
Total Current Cost:	$22,960
Inflation Rate:	2.50%
Total Expenditures:	$0



029 - Structural Integrity Reserve Study - UPDATE

Basic Info

Type of Cost:	Improvement
Location:	Property Site Components
Category:	Professional Services
Condition:	Good

Comments/Notes

Based on the recommendations of the Community Associations Institute (CAI): Reserve Study Best Practices handbook; Associations should be preparing for the expense associated with professional inspections required by local mandate.

Useful Life

Last Activity Date:	01/01/2024
Est. Useful Life:	10y
Remaining Useful Life:	8y
Next Activity Date:	01/01/2034

Financial Data

Estimate Date:	01/01/2025
Estimate Source:	Stone Building Solutions
Cost Per Ea:	$3,500.00
Total Quantity:	1 Ea
Total Current Cost:	$3,588
Inflation Rate:	2.50%
Total Expenditures:	$9,966

Definitions

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

SBS: Stone Building Solutions

SIRS: Structural Integrity Reserve Study

SRS: Stone Reserve Studies

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

Units: The unit of measurement used for each quantity.

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

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

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

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

Unit Abbreviations:

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

Useful Links

Association of Professional Reserve Analysts

- APRA Home
- APRA Reserve Study Standards

Community Associations Institute

- CAI Home
- CAI Reserve Study Standards

Florida Department of Business and Professional Regulation (DBPR)-

- DBPR Home
- DBPR Building Reporting
- DBPR Frequently Asked Questions

Florida Statutes

- SB-4D
- HB-154
- FL 718 - Condominiums
- FL 719 - Cooperatives
- FL 720

State Funded Grant / Loan Options

- MySafeFLHome Condo Grants

Stone Building Solutions (SBS)

- Stone Building Solutions
- Stone Webinars
- Leave a 5-Star Review for SBS

Disclosures

Topaz Oceanfront Condominium Association, Inc. contracted with Stone Building Solutions to conduct a SIRS. Stone Building Solutions or one of its entities completed a site review and conducted interviews if representatives were available from the association to assess the physical condition of various components and their maintenance schedules, as well as to obtain information related to any previous defects that may currently exist and any repairs that have been previously performed.

Stone Building Solutions LLC. and Stone Reserve Study LLC. hold no present or prospective interest in the subject property of this report and also have no personal interest with respect to the parties involved. Our assignment was not contingent upon producing or reporting predetermined results, and our compensation is not contingent on any action or event resulting from this report.

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

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

This Reserve Analysis is provided as a planning tool and is not an accounting instrument or an engineering report. As it involves future events yet to take place, there is no assurance or guarantee that the results enumerated within it will, in fact, occur as projected.

Update Requirements

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

We suggest yearly updates and provide a rock solid rate call 800-892-1116 or email reserves@stonebldg.com.

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

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

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

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

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

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

Ready to keep your reserve funds as steady as granite? Contact us at (800) 892-1116 or email us at info@stonebldg.com to order your updated study and keep your community rolling smoothly!