

STRUCTURAL INTEGRITY RESERVE STUDY

PREPARED FOR:

Seven Lakes Golf and Tennis Community Condo 46

Fort Myers, FL



For The Period Beginning April 1, 2025

PREPARED BY:



260 1st Ave South, STE 225

St. Petersburg, FL 33701

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Report Date: December 15, 2024

Location: 1781 Pine Valley Dr., Fort Myers, Florida
Service: Structural Integrity Reserve Study
Budget: Beginning April 1, 2025

Attention: Board of Directors @ Seven Lakes Golf and Tennis Community Condo 46

At the direction of the Board and/ or management of Seven Lakes Golf and Tennis Community Condo 46, 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 Seven Lakes Golf and Tennis Community Condo 46 upon which this study is based was performed by qualified field engineer.

The effective date of this report is the date of that on-site analysis, June 4, 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,

Stone Building Solutions

Summer Megdadi

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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.

Seven Lakes Golf and Tennis Community Condo 46 has 48 units. This study is for the fiscal year starting April 1, 2025, and ending Mar 31, 2026.

Financial Parameters & Assumptions

| | | | |
|-------------------------------------|-----------------------------------|--------------|-------------|
| Projection Period: | April 1, 2025 - March 31, 2025 | Report Type: | Type 1 |
| Inflation: | 2.50% | Association: | Condominium |
| Annual Percent Contribution Change: | 3.00% | Buildings: | 1 |
| Interest (Gained): | 1.00% | Total Units: | 48 |
| | | Year Built: | 1973 |

As of April 1, 2025, the estimated unaudited reserve fund balance is \$102,096

The estimated *current replacement* cost of the reserve items is \$1,696,950

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

The 30-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. **This funding plan requires level contributions to Reserves over the projected period.**

The requirements for the initial year are based on the 30-year Pooled Cash Flow Funding Plan.

| | |
|--|----------|
| Required First Year Association contribution: | \$95,000 |
| Required First Year annual contribution per unit: | \$1,979 |
| Required First Year monthly contribution per unit: | \$165 |
| Average monthly contribution per unit (Over 30 Years): | \$262 |
| Special assessments: | \$0 |

State of Florida Statutory Requirements

SB-4D/SB-154

Florida Statute s. 718.112 (2)s (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.

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 2025 that includes fully funding reserves as required in the Structural Integrity Reserve Study**

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

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

Notes:

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



SIRS Evaluation

Structural Integrity Reserve Study (SIRS) Principles:

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

It is critical to understand 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 Seven Lakes Golf and Tennis Community Condo 46 on June 4, 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.



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 | 04/01/2036 | 60y | 63y | 11y | \$1,470.875 | 48 U | \$70,602 |
| 002 | Fire Alarm Control Panel & Ancillary Devices: Common | 04/01/2037 | 25y | 25y | 12y | \$1,886.00 | 48 U | \$90,528 |
| 003 | Concrete Restoration, Walkways, Staircases & Balconies: Common | 04/01/2033 | 25y | 9y | 8y | \$25.154 | 3,237.30 SF | \$81,431 |
| 004 | Roofs, Mansards, Standing Seam Metal: Common | 04/01/2030 | 35y | 30y | 5y | \$1,281.25 | 17 SQ | \$21,781 |
| 005 | Roofs, Flat, Membrane - TPO: Common | 04/01/2030 | 18y | 20y | 5y | \$15.375 | 28,890 SF | \$444,184 |
| 006 | Skylights, Engineered Dome: Common | 04/01/2030 | 45y | 30y | 5y | \$209.10 | 40 SF | \$8,364 |
| 007 | Piping & Plumbing, Major Renovations : Common | 04/01/2038 | 65y | 65y | 13y | \$2,460.00 | 48 U | \$118,080 |
| 008 | Windows, Impact Rated: Common | 04/01/2049 | 50y | 30y | 24y | \$493,025.00 | 1 Allow | \$493,025 |
| 009 | Railings, Aluminum Picket: Common | 04/01/2059 | 44y | 44y | 34y | \$123.00 | 900 LF | \$110,700 |
| 010 | Doors, Entry or Utility, Single / Double: Common | 04/01/2040 | 35y | 35y | 15y | \$1,845.00 | 66 Ea | \$121,770 |
| 011 | Painting, Waterproofing & Stucco Repairs: Common | 04/01/2034 | 10y | 10y | 9y | \$2.255 | 49,980 SF | \$112,705 |
| 012 | Walkway Coatings, Clean & Clear Seal: Common | 04/01/2025 | 7y | 13y | 0y | \$3.28 | 7,250 SF | \$23,780 |
| | | | | | | | | \$1,696,950 |



Expenditures (By Year)

| ASSET № | NAME | UNIT COST | QTY. | FUTURE COST | USEFUL LIFE | NEXT ACTIVITY |
|-------------------------------|---|-------------|-----------|------------------|-------------|---------------|
| 2025-26 (Year 1) | | | | | | |
| 012 | Walkway Coatings, Clean & Clear Seal: Common | \$3.28 | 7,250 SF | \$23,780 | 13y | 2032-33 |
| 2025-26 (Year 1) Total | | | | \$23,780 | | |
| 2026-27 (Year 2) | | | | | | |
| 2026-27 (Year 2) Total | | | | \$0 | | |
| 2027-28 (Year 3) | | | | | | |
| 2027-28 (Year 3) Total | | | | \$0 | | |
| 2028-29 (Year 4) | | | | | | |
| 2028-29 (Year 4) Total | | | | \$0 | | |
| 2029-30 (Year 5) | | | | | | |
| 2029-30 (Year 5) Total | | | | \$0 | | |
| 2030-31 (Year 6) | | | | | | |
| 005 | Roofs, Flat, Membrane - TPO: Common | \$17.395 | 28,890 SF | \$502,542 | 20y | 2048-49 |
| 004 | Roofs, Mansards, Standing Seam Metal: Common | \$1,449.588 | 17 SQ | \$24,643 | 30y | N/A |
| 006 | Skylights, Engineered Dome: Common | \$236.575 | 40 SF | \$9,463 | 30y | N/A |
| 2030-31 (Year 6) Total | | | | \$536,648 | | |
| 2031-32 (Year 7) | | | | | | |
| 2031-32 (Year 7) Total | | | | \$0 | | |
| 2032-33 (Year 8) | | | | | | |

| ASSET N° | NAME | UNIT COST | QTY. | FUTURE COST | USEFUL LIFE | NEXT ACTIVITY |
|-------------------------|---|-------------|-------------|-------------|-------------|---------------|
| 012 | Walkway Coatings, Clean & Clear Seal: Common | \$3.899 | 7,250 SF | \$28,268 | 7y | 2039-40 |
| 2032-33 (Year 8) Total | | | | \$28,268 | | |
| 2033-34 (Year 9) | | | | | | |
| 003 | Concrete Restoration, Walkways, Staircases & Balconies: Common | \$30.648 | 3,237.30 SF | \$99,217 | 9y | N/A |
| 2033-34 (Year 9) Total | | | | \$99,217 | | |
| 2034-35 (Year 10) | | | | | | |
| 011 | Painting, Waterproofing & Stucco Repairs: Common | \$2.816 | 49,980 SF | \$140,744 | 10y | 2044-45 |
| 2034-35 (Year 10) Total | | | | \$140,744 | | |
| 2035-36 (Year 11) | | | | | | |
| 2035-36 (Year 11) Total | | | | \$0 | | |
| 2036-37 (Year 12) | | | | | | |
| 001 | Electric, Main Panels & Meter Bases: Common | \$1,929.917 | 48 U | \$92,636 | 63y | N/A |
| 2036-37 (Year 12) Total | | | | \$92,636 | | |
| 2037-38 (Year 13) | | | | | | |
| 002 | Fire Alarm Control Panel & Ancillary Devices: Common | \$2,536.458 | 48 U | \$121,750 | 25y | N/A |
| 2037-38 (Year 13) Total | | | | \$121,750 | | |
| 2038-39 (Year 14) | | | | | | |
| 007 | Piping & Plumbing, Major Renovations : Common | \$3,391.146 | 48 U | \$162,775 | 65y | N/A |
| 2038-39 (Year 14) Total | | | | \$162,775 | | |
| 2039-40 (Year 15) | | | | | | |
| 012 | Walkway Coatings, Clean & Clear Seal: Common | \$4.635 | 7,250 SF | \$33,604 | 7y | 2046-47 |
| 2039-40 (Year 15) Total | | | | \$33,604 | | |
| 2040-41 (Year 16) | | | | | | |

| ASSET N° | NAME | UNIT COST | QTY. | FUTURE COST | USEFUL LIFE | NEXT ACTIVITY |
|-------------------------|---|--------------|-----------|-------------|-------------|---------------|
| 010 | Doors, Entry or Utility, Single / Double: Common | \$2,672.106 | 66 Ea | \$176,359 | 35y | N/A |
| 2040-41 (Year 16) Total | | | | \$176,359 | | |
| 2041-42 (Year 17) | | | | | | |
| 2041-42 (Year 17) Total | | | | \$0 | | |
| 2042-43 (Year 18) | | | | | | |
| 2042-43 (Year 18) Total | | | | \$0 | | |
| 2043-44 (Year 19) | | | | | | |
| 2043-44 (Year 19) Total | | | | \$0 | | |
| 2044-45 (Year 20) | | | | | | |
| 011 | Painting, Waterproofing & Stucco Repairs: Common | \$3.605 | 49,980 SF | \$180,178 | 10y | 2054-55 |
| 2044-45 (Year 20) Total | | | | \$180,178 | | |
| 2045-46 (Year 21) | | | | | | |
| 2045-46 (Year 21) Total | | | | \$0 | | |
| 2046-47 (Year 22) | | | | | | |
| 012 | Walkway Coatings, Clean & Clear Seal: Common | \$5.509 | 7,250 SF | \$39,940 | 7y | 2053-54 |
| 2046-47 (Year 22) Total | | | | \$39,940 | | |
| 2047-48 (Year 23) | | | | | | |
| 2047-48 (Year 23) Total | | | | \$0 | | |
| 2048-49 (Year 24) | | | | | | |
| 005 | Roofs, Flat, Membrane - TPO: Common | \$27.131 | 28,890 SF | \$783,815 | 18y | N/A |
| 2048-49 (Year 24) Total | | | | \$783,815 | | |
| 2049-50 (Year 25) | | | | | | |
| 008 | Windows, Impact Rated: Common | \$891,747.00 | 1 Allow | \$891,747 | 30y | N/A |
| 2049-50 (Year 25) Total | | | | \$891,747 | | |
| 2050-51 (Year 26) | | | | | | |
| 2050-51 (Year 26) Total | | | | \$0 | | |

| ASSET Nº | NAME | UNIT COST | QTY. | FUTURE COST | USEFUL LIFE | NEXT ACTIVITY |
|-------------------------|---|-----------|-----------|-------------|-------------|---------------|
| 2051-52 (Year 27) | | | | | | |
| 2051-52 (Year 27) Total | | | | \$0 | | |
| 2052-53 (Year 28) | | | | | | |
| 2052-53 (Year 28) Total | | | | \$0 | | |
| 2053-54 (Year 29) | | | | | | |
| 012 | Walkway Coatings, Clean & Clear Seal: Common | \$6.549 | 7,250 SF | \$47,480 | 7y | N/A |
| 2053-54 (Year 29) Total | | | | \$47,480 | | |
| 2054-55 (Year 30) | | | | | | |
| 011 | Painting, Waterproofing & Stucco Repairs: Common | \$4.615 | 49,980 SF | \$230,658 | 10y | N/A |
| 2054-55 (Year 30) Total | | | | \$230,658 | | |



Critical Expenditure Planning (3-Year Outlook)

| LOCATION RESERVE ITEM | 2025 | 2026 | 2027 |
|--|-----------------|------|------|
| Building Service Components | | | |
| <hr/> | | | |
| Total Building Service Components | | | |
| <hr/> | | | |
| Exterior Building Components | | | |
| <hr/> | | | |
| Walkway Coatings, Clean & Clear Seal: Common | \$23,780 | | |
| <hr/> | | | |
| Total Exterior Building Components | \$23,780 | | |
| <hr/> | | | |
| Total | \$23,780 | | |



Cash-Flow (Pooled) Funding Methodology (30-Year Projection)

The 30-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."

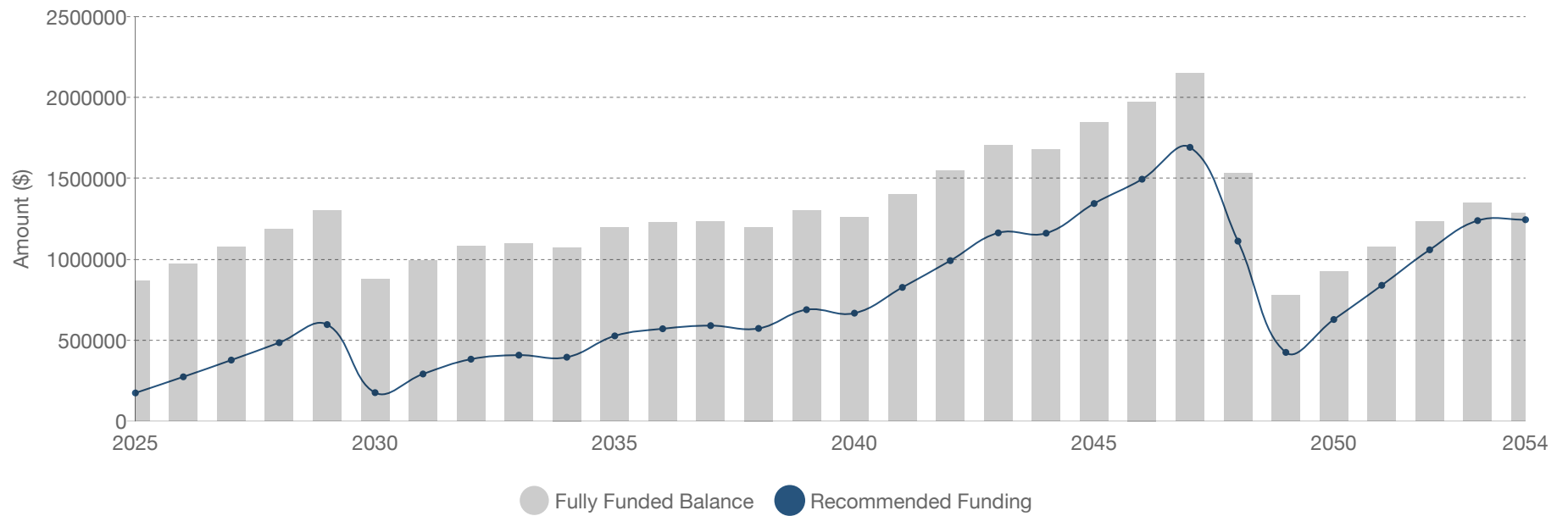
See the "Useful Links" section for additional details.



30-Year Cash-Flow Recommended Funding

| YEAR | STARTING BALANCE | CONTRIBUTIONS | PERCENT CHANGE | INTEREST | SPECIAL ASSMNT | ADDITIONAL CAPITAL | EXPENDITURE FUTURE COST | ENDING BALANCE | PERCENT FUNDED | FULLY FUNDED BALANCE |
|---------|---------------------|---------------|-------------------|----------|-------------------|-----------------------|----------------------------|-------------------|-------------------|-------------------------|
| 2025-26 | \$102,096 | \$95,000 | N/A | \$1,021 | \$0 | \$0 | \$23,780 | \$174,337 | 20.07% | \$868,847 |
| 2026-27 | \$174,337 | \$97,850 | 3.00% | \$1,743 | \$0 | \$0 | \$0 | \$273,930 | 28.23% | \$970,327 |
| 2027-28 | \$273,930 | \$100,786 | 3.00% | \$2,739 | \$0 | \$0 | \$0 | \$377,455 | 35.07% | \$1,076,340 |
| 2028-29 | \$377,455 | \$103,809 | 3.00% | \$3,775 | \$0 | \$0 | \$0 | \$485,039 | 40.86% | \$1,187,047 |
| 2029-30 | \$485,039 | \$106,923 | 3.00% | \$4,850 | \$0 | \$0 | \$0 | \$596,812 | 45.82% | \$1,302,615 |
| 2030-31 | \$596,812 | \$110,131 | 3.00% | \$5,968 | \$0 | \$0 | \$536,648 | \$176,264 | 20.13% | \$875,781 |
| 2031-32 | \$176,264 | \$113,435 | 3.00% | \$1,763 | \$0 | \$0 | \$0 | \$291,461 | 29.42% | \$990,616 |
| 2032-33 | \$291,461 | \$116,838 | 3.00% | \$2,915 | \$0 | \$0 | \$28,268 | \$382,946 | 35.40% | \$1,081,672 |
| 2033-34 | \$382,946 | \$120,343 | 3.00% | \$3,829 | \$0 | \$0 | \$99,217 | \$407,901 | 37.17% | \$1,097,431 |
| 2034-35 | \$407,901 | \$123,953 | 3.00% | \$4,079 | \$0 | \$0 | \$140,744 | \$395,190 | 36.82% | \$1,073,273 |
| 2035-36 | \$395,190 | \$127,672 | 3.00% | \$3,952 | \$0 | \$0 | \$0 | \$526,814 | 44.08% | \$1,195,094 |
| 2036-37 | \$526,814 | \$131,502 | 3.00% | \$5,268 | \$0 | \$0 | \$92,636 | \$570,948 | 46.51% | \$1,227,465 |
| 2037-38 | \$570,948 | \$135,447 | 3.00% | \$5,709 | \$0 | \$0 | \$121,750 | \$590,355 | 47.87% | \$1,233,235 |
| 2038-39 | \$590,355 | \$139,511 | 3.00% | \$5,904 | \$0 | \$0 | \$162,775 | \$572,994 | 47.77% | \$1,199,597 |
| 2039-40 | \$572,994 | \$143,696 | 3.00% | \$5,730 | \$0 | \$0 | \$33,604 | \$688,816 | 52.98% | \$1,300,079 |
| 2040-41 | \$688,816 | \$148,007 | 3.00% | \$6,888 | \$0 | \$0 | \$176,359 | \$667,352 | 52.99% | \$1,259,370 |
| 2041-42 | \$667,352 | \$152,447 | 3.00% | \$6,674 | \$0 | \$0 | \$0 | \$826,473 | 58.99% | \$1,401,102 |
| 2042-43 | \$826,473 | \$157,021 | 3.00% | \$8,265 | \$0 | \$0 | \$0 | \$991,758 | 64.02% | \$1,549,134 |
| 2043-44 | \$991,758 | \$161,731 | 3.00% | \$9,918 | \$0 | \$0 | \$0 | \$1,163,407 | 68.29% | \$1,703,689 |
| 2044-45 | \$1,163,407 | \$166,583 | 3.00% | \$11,634 | \$0 | \$0 | \$180,178 | \$1,161,446 | 69.12% | \$1,680,323 |

| YEAR | STARTING BALANCE | CONTRIBUTIONS | PERCENT CHANGE | INTEREST | SPECIAL ASSMNT | ADDITIONAL CAPITAL | EXPENDITURE FUTURE COST | ENDING BALANCE | PERCENT FUNDED | FULLY FUNDED BALANCE |
|---------|---------------------|---------------|-------------------|----------|-------------------|-----------------------|----------------------------|-------------------|-------------------|-------------------------|
| 2045-46 | \$1,161,446 | \$171,581 | 3.00% | \$11,614 | \$0 | \$0 | \$0 | \$1,344,641 | 72.92% | \$1,844,024 |
| 2046-47 | \$1,344,641 | \$176,728 | 3.00% | \$13,446 | \$0 | \$0 | \$39,940 | \$1,494,875 | 75.73% | \$1,973,920 |
| 2047-48 | \$1,494,875 | \$182,030 | 3.00% | \$14,949 | \$0 | \$0 | \$0 | \$1,691,854 | 78.65% | \$2,151,121 |
| 2048-49 | \$1,691,854 | \$187,491 | 3.00% | \$16,919 | \$0 | \$0 | \$783,815 | \$1,112,448 | 72.59% | \$1,532,538 |
| 2049-50 | \$1,112,448 | \$193,115 | 3.00% | \$11,124 | \$0 | \$0 | \$891,747 | \$424,941 | 54.55% | \$778,951 |
| 2050-51 | \$424,941 | \$198,909 | 3.00% | \$4,249 | \$0 | \$0 | \$0 | \$628,099 | 68.00% | \$923,616 |
| 2051-52 | \$628,099 | \$204,876 | 3.00% | \$6,281 | \$0 | \$0 | \$0 | \$839,256 | 78.07% | \$1,075,028 |
| 2052-53 | \$839,256 | \$211,022 | 3.00% | \$8,393 | \$0 | \$0 | \$0 | \$1,058,671 | 85.83% | \$1,233,431 |
| 2053-54 | \$1,058,671 | \$217,353 | 3.00% | \$10,587 | \$0 | \$0 | \$47,480 | \$1,239,131 | 91.76% | \$1,350,420 |
| 2054-55 | \$1,239,131 | \$223,874 | 3.00% | \$12,391 | \$0 | \$0 | \$230,658 | \$1,244,738 | 96.79% | \$1,285,963 |



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.



Component List - Full Detail

001 - Electric, Main Panels & Meter Bases

Basic Info

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

Useful Life

| | |
|------------------------|------------|
| Last Activity Date: | 04/01/1973 |
| Est. Useful Life: | 60y |
| Remaining Useful Life: | 11y |
| Next Activity Date: | 04/01/2036 |

Financial Data

| | |
|---------------------|-------------------|
| Estimate Date: | 01/01/2024 |
| Estimate Source: | Local Contractors |
| Cost Per U: | \$1,435.00 |
| Total Quantity: | 48 U |
| Total Current Cost: | \$70,602 |
| Inflation Rate: | 2.50% |
| Total Expenditures: | \$92,636 |

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.

Useful Life

Last Activity Date: 04/01/2012
Est. Useful Life: 25y
Remaining Useful Life: 12y
Next Activity Date: 04/01/2037

Financial Data

Estimate Date: 01/01/2024
Estimate Source: Local Estimate
Cost Per U: \$1,840.00
Total Quantity: 48 U
Total Current Cost: \$90,528
Inflation Rate: 2.50%
Total Expenditures: \$121,750



003 - Concrete Restoration, Walkways, Staircases & Balconies

Basic Info

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

Comments/Notes

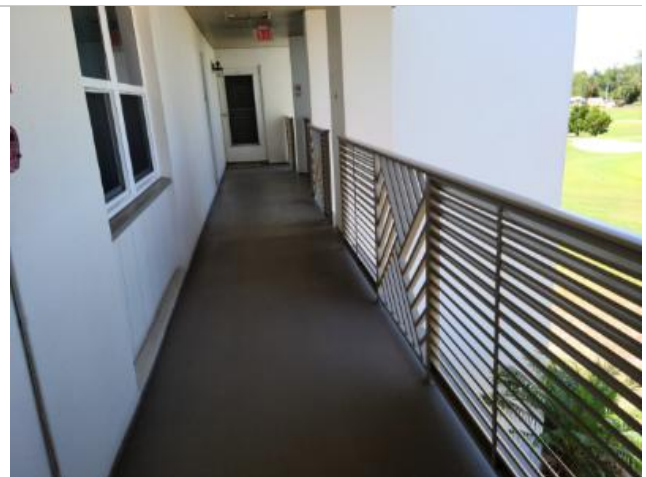
This fund provides monies for the as needed repairs and eventual major concrete restoration projects that would need to take place over a market observed 25-year life cycle. The stated cost is an projected partial rate of failure (33%) over the components expected market life cycle.

Useful Life

Last Activity Date: 04/01/2024
Est. Useful Life: 25y
Remaining Useful Life: 8y
Next Activity Date: 04/01/2033

Financial Data

Estimate Date: 01/01/2024
Estimate Source: Local Contractors
Cost Per SF: \$24.54
Total Quantity: 9,810 SF
Percent of Total to Maintain: 33%
Quantity to Maintain: 3,237.30 SF
Total Current Cost: \$81,431
Inflation Rate: 2.50%
Total Expenditures: \$99,217



004 - Roofs, Mansards, Standing Seam Metal

Basic Info

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

Useful Life

Last Activity Date: 04/01/2000
Est. Useful Life: 35y
Remaining Useful Life: 5y
Next Activity Date: 04/01/2030

Financial Data

Estimate Date: 01/01/2024
Estimate Source: Local Contractors
Cost Per SQ: \$1,250.00
Total Quantity: 17 SQ
Total Current Cost: \$21,781
Inflation Rate: 2.50%
Total Expenditures: \$24,643



005 - Roofs, Flat, Membrane - TPO

Basic Info

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

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.

Useful Life

| | |
|------------------------|------------|
| Last Activity Date: | 04/01/2010 |
| Est. Useful Life: | 18y |
| Remaining Useful Life: | 5y |
| Next Activity Date: | 04/01/2030 |

Financial Data

| | |
|---------------------|-------------------|
| Estimate Date: | 01/01/2024 |
| Estimate Source: | Local Contractors |
| Cost Per SF: | \$15.00 |
| Total Quantity: | 28,890 SF |
| Total Current Cost: | \$444,184 |
| Inflation Rate: | 2.50% |
| Total Expenditures: | \$1,286,357 |



006 - Skylights, Engineered Dome

Basic Info

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

Useful Life

Last Activity Date: 04/01/2000
Est. Useful Life: 45y
Remaining Useful Life: 5y
Next Activity Date: 04/01/2030

Financial Data

Estimate Date: 01/01/2024
Estimate Source: MVS
Cost Per SF: \$204.00
Total Quantity: 40 SF
Total Current Cost: \$8,364
Inflation Rate: 2.50%
Total Expenditures: \$9,463

007 - Piping & Plumbing, Major Renovations

Basic Info

Type of Cost: Repairs & Maintenance
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 refurbishment of this component during the projected cycle.

Useful Life

Last Activity Date: 04/01/1973
Est. Useful Life: 65y
Remaining Useful Life: 13y
Next Activity Date: 04/01/2038

Financial Data

Estimate Date: 01/01/2024
Estimate Source: Local Contractors
Cost Per U: \$2,400.00
Total Quantity: 48 U
Total Current Cost: \$118,080
Inflation Rate: 2.50%
Total Expenditures: \$162,775

008 - Windows, Impact Rated

Basic Info

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

Comments/Notes

Based on current reserve schedule provided by association

Useful Life

Last Activity Date: 04/01/2019
Est. Useful Life: 50y
Remaining Useful Life: 24y
Next Activity Date: 04/01/2049

Financial Data

Estimate Date: 01/01/2024
Estimate Source: Association Provided
Cost Per Allow: \$481,000.00
Total Quantity: 1 Allow
Total Current Cost: \$493,025
Inflation Rate: 2.50%
Total Expenditures: \$891,747

009 - Railings, Aluminum Picket

Basic Info

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

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.

Useful Life

| | |
|------------------------|------------|
| Last Activity Date: | 04/01/2015 |
| Est. Useful Life: | 44y |
| Remaining Useful Life: | 34y |
| Next Activity Date: | 04/01/2059 |

Financial Data

| | |
|---------------------|-------------|
| Estimate Date: | 01/01/2024 |
| Estimate Source: | XactRemodel |
| Cost Per LF: | \$120.00 |
| Total Quantity: | 900 LF |
| Total Current Cost: | \$110,700 |
| Inflation Rate: | 2.50% |
| Total Expenditures: | \$0 |



010 - Doors, Entry or Utility, Single / Double

Basic Info

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

Useful Life

| | |
|------------------------|------------|
| Last Activity Date: | 04/01/2005 |
| Est. Useful Life: | 35y |
| Remaining Useful Life: | 15y |
| Next Activity Date: | 04/01/2040 |

Financial Data

| | |
|---------------------|------------|
| Estimate Date: | 01/01/2024 |
| Estimate Source: | Xactimate |
| Cost Per Ea: | \$1,800.00 |
| Total Quantity: | 66 Ea |
| Total Current Cost: | \$121,770 |
| Inflation Rate: | 2.50% |
| Total Expenditures: | \$176,359 |



011 - Painting, Waterproofing & Stucco Repairs

Basic Info

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

Comments/Notes

On the date of inspection it was observed that the paint & waterproofing were in Excellent 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.

Useful Life

Last Activity Date: 04/01/2024
Est. Useful Life: 10y
Remaining Useful Life: 9y
Next Activity Date: 04/01/2034

Financial Data

Estimate Date: 01/01/2024
Estimate Source: Local Contactors
Cost Per SF: \$2.20
Total Quantity: 49,980 SF
Total Current Cost: \$112,705
Inflation Rate: 2.50%
Total Expenditures: \$551,580



012 - Walkway Coatings, Clean & Clear Seal

Basic Info

Type of Cost: Repairs & Maintenance
Location: Exterior Building Components
Category: Ground Surfaces
Condition: Fair

Useful Life

Last Activity Date: 04/01/2012
Est. Useful Life: 7y
Remaining Useful Life: 0y
Next Activity Date: 04/01/2025

Financial Data

Estimate Date: 01/01/2024
Estimate Source: Local Contractor
Cost Per SF: \$3.20
Total Quantity: 7,250 SF
Total Current Cost: \$23,780
Inflation Rate: 2.50%
Total Expenditures: \$173,072



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

Seven Lakes Golf and Tennis Community Condo 46 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!