

# RESERVE STUDY

PREPARED FOR:

Seven Lakes Golf and Tennis Community Condo 21A

Fort Myers, FL



For The Period Beginning April 1, 2025

PREPARED BY:



260 1st Ave South, STE 225

St. Petersburg, FL 33701

1-800-892-1116

[www.stonebldg.com](http://www.stonebldg.com)



Stone Building Solutions  
reserves@stonebldg.com  
www.stonebldg.com  
1-800-892-1116

Attention: **Board of Directors**  
Property: Seven Lakes Golf and Tennis Community Condo 21A, Fort Myers, Florida  
Service: Traditional Reserve Study  
Period: Beginning April 1, 2025

January 7, 2025

Dear Board of Directors of Seven Lakes Golf and Tennis Community Condo 21A:

At the direction of the Board and management of Seven Lakes Golf and Tennis Community Condo 21A, Stone Building Solutions has completed a Traditional Reserve Study for the Seven Lakes Golf and Tennis Community Condo 21A Association. Enclosed is our report for the Board's review and consideration.

This study is based on an on-site analysis. The on-site analysis of Seven Lakes Golf and Tennis Community Condo 21A upon which this study is based was performed by of Stone Building Solutions.

The effective date of this report is the date of inspection, June 4, 2024

This Reserve Study meets or exceeds all requirements outlined in Florida Statute 718.112 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

Summer Megdadi, RS

Reserve Specialist #411

Reserves@stonebldg.com

Summer  
Megdadi

# Table of Contents

---

Executive Summary ..... 4

Cost Evaluation ..... 6

Expenditures..... 7

Expenditures (By Year) ..... 9

Pooling Methodology..... 14

Cash Flow Analysis..... 15

Charts & Graphs ..... 17

Funding Options ..... 18

Reserve Component Summary ..... 20

Component Details ..... 21

Definitions ..... 31

Disclosures ..... 34

Update Service ..... 35



## Executive Summary

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 evaluation. Stone Building Solutions has received this information 'as is' and is not in a position to add or comment on the engineering analysis. Stone Building Solutions is using this information to create a financial evaluation for budgeting purposes.

Seven Lakes Golf and Tennis Community Condo 21A has 50 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: Annual Percent Contribution Change:	2.50% 3.00%	Association:	Condominium
Interest (Gained):	1.00%	Buildings:	1
		Total Units:	50
		Year Built:	1984

---

**Note-** For this projection, 25% of the available Reserve Balances have been allocated as the starting balance of the proposed Traditional Reserve Account.

As of April 1, 2025, the estimated unaudited reserve fund balance is **\$119,103**

The estimated *current replacement* cost of the reserve items is **\$295,434**

### 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 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 recommendations for the initial year are based on the 30-year Pooled Cash Flow Funding Plan.

Recommended annual contribution:	\$24,000
Recommended annual contribution per unit:	\$480
First Year monthly contribution per unit:	\$40
Average monthly contribution per unit (Over 30 Years):	\$63
Special assessments:	\$0



## Cost Evaluation

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

No contractors have been contacted for actual bids or price quotes, and the actual cost of repairs may vary from our estimates. These opinions of probable costs are for components or systems exhibiting material deferred maintenance, and for existing physical deficiencies requiring major repairs or replacement.

This report presents the 30 Year Cash Flow Funding Analysis.

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



## Expenditures

### Individual Elements

NAME	NEXT ACTIVITY	EST LIFE	ADJ LIFE	REM USEFUL LIFE	UNIT COST	QTY	YEAR 1 REPLACEMENT COST
Asphalt Pavement, Mill & Overlay: Common	04/01/2029	25y	28y	4y	\$13.838	4,601 SY	\$63,669
Asphalt Pavement, Patch, Stripe & Sealcoat: Common	04/01/2030	5y	9y	5y	\$0.461	41,412 SF	\$19,091
Elevator Cabs, Refurbish: Common	04/01/2025	20y	15y	0y	\$25,625.00	1 Ea	\$25,625
Elevators, 5-Stop, Hydraulic, Modernization : Common	04/01/2029	36y	19y	4y	\$126,587.50	1 Ea	\$126,588
Gutters & Downspouts, 6" Aluminum: Common	04/01/2044	30y	30y	19y	\$13.838	1,000 LF	\$13,838
Light Fixtures, Exterior: Common	04/01/2030	15y	15y	5y	\$354.65	25 Ea	\$8,866
Mailbox Clusters, Aluminum, Multi-Tenant: Common	04/01/2045	25y	35y	20y	\$3,546.50	5 Ea	\$17,732
Sidewalks, Concrete: Common	04/01/2031	10y	10y	6y	\$12.782	270 SF	\$3,451
Sidewalks, Concrete: Patio Deck	04/01/2031	10y	10y	6y	\$12.782	180 SF	\$2,301
SIRS and TRS Yearly Update: Update	04/01/2025	1y	1y 3m	0y	\$1,973.125	1 Ea	\$1,973
Trash Chute, Stainless Doors: Common	04/01/2055	35y	35y	30y	\$2,460.00	5 Flr	\$12,300
							<b>\$295,434</b>



## Critical Expenditure Planning ( 3-Year Outlook )

LOCATION RESERVE ITEM	2025	2026	2027
<b>Building Service Components</b>			
<b>Total Building Service Components</b>			
<b>Exterior Building Components</b>			
<b>Total Exterior Building Components</b>			
<b>General</b>			
SIRS and TRS Yearly Update: Update	\$2,022	\$2,073	\$2,125
<b>Total General</b>	<b>\$2,022</b>	<b>\$2,073</b>	<b>\$2,125</b>
<b>Interior Building Components</b>			
Elevator Cabs, Refurbish: Common	\$25,625		
<b>Total Interior Building Components</b>	<b>\$25,625</b>		
<b>Property Site Components</b>			
<b>Total Property Site Components</b>			
<b>Total</b>	<b>\$27,647</b>	<b>\$2,073</b>	<b>\$2,125</b>





## Expenditures (By Year)

NAME	UNIT COST	QTY.	FUTURE COST	USEFUL LIFE	NEXT ACTIVITY
<b>2025-26 (Year 1)</b>					
Elevator Cabs, Refurbish: Common	\$25,625.00	1 Ea	\$25,625	15y	2045-46
SIRS and TRS Yearly Update: Update	\$2,022.00	1 Ea	\$2,022	1y	2026-27
<b>2025-26 (Year 1) Total</b>			<b>\$27,647</b>		
<b>2026-27 (Year 2)</b>					
SIRS and TRS Yearly Update: Update	\$2,073.00	1 Ea	\$2,073	1y	2027-28
<b>2026-27 (Year 2) Total</b>			<b>\$2,073</b>		
<b>2027-28 (Year 3)</b>					
SIRS and TRS Yearly Update: Update	\$2,125.00	1 Ea	\$2,125	1y	2028-29
<b>2027-28 (Year 3) Total</b>			<b>\$2,125</b>		
<b>2028-29 (Year 4)</b>					
SIRS and TRS Yearly Update: Update	\$2,178.00	1 Ea	\$2,178	1y	2029-30
<b>2028-29 (Year 4) Total</b>			<b>\$2,178</b>		
<b>2029-30 (Year 5)</b>					
Asphalt Pavement, Mill & Overlay: Common	\$15.275	4,601 SY	\$70,280	28y	2054-55
Elevators, 5-Stop, Hydraulic, Modernization : Common	\$139,729.00	1 Ea	\$139,729	19y	N/A
SIRS and TRS Yearly Update: Update	\$2,232.00	1 Ea	\$2,232	1y	2030-31
<b>2029-30 (Year 5) Total</b>			<b>\$212,241</b>		
<b>2030-31 (Year 6)</b>					
Asphalt Pavement, Patch, Stripe & Sealcoat: Common	\$0.522	41,412 SF	\$21,617	9y	2035-36
Light Fixtures, Exterior: Common	\$401.24	25 Ea	\$10,031	15y	2045-46
SIRS and TRS Yearly Update: Update	\$2,288.00	1 Ea	\$2,288	1y	2031-32

NAME	UNIT COST	QTY.	FUTURE COST	USEFUL LIFE	NEXT ACTIVITY
2030-31 (Year 6) Total			\$33,936		
2031-32 (Year 7)					
Sidewalks, Concrete: Common	\$14.822	270 SF	\$4,002	10y	2041-42
Sidewalks, Concrete: Patio Deck	\$14.822	180 SF	\$2,668	10y	2041-42
SIRS and TRS Yearly Update: Update	\$2,345.00	1 Ea	\$2,345	1y	2032-33
2031-32 (Year 7) Total			\$9,015		
2032-33 (Year 8)					
SIRS and TRS Yearly Update: Update	\$2,404.00	1 Ea	\$2,404	1y	2033-34
2032-33 (Year 8) Total			\$2,404		
2033-34 (Year 9)					
SIRS and TRS Yearly Update: Update	\$2,464.00	1 Ea	\$2,464	1y	2034-35
2033-34 (Year 9) Total			\$2,464		
2034-35 (Year 10)					
SIRS and TRS Yearly Update: Update	\$2,526.00	1 Ea	\$2,526	1y	2035-36
2034-35 (Year 10) Total			\$2,526		
2035-36 (Year 11)					
Asphalt Pavement, Patch, Stripe & Sealcoat: Common	\$0.59	41,412 SF	\$24,433	5y	2040-41
SIRS and TRS Yearly Update: Update	\$2,589.00	1 Ea	\$2,589	1y	2036-37
2035-36 (Year 11) Total			\$27,022		
2036-37 (Year 12)					
SIRS and TRS Yearly Update: Update	\$2,654.00	1 Ea	\$2,654	1y	2037-38
2036-37 (Year 12) Total			\$2,654		
2037-38 (Year 13)					
SIRS and TRS Yearly Update: Update	\$2,720.00	1 Ea	\$2,720	1y	2038-39
2037-38 (Year 13) Total			\$2,720		
2038-39 (Year 14)					
SIRS and TRS Yearly Update: Update	\$2,788.00	1 Ea	\$2,788	1y	2039-40
2038-39 (Year 14) Total			\$2,788		
2039-40 (Year 15)					

NAME	UNIT COST	QTY.	FUTURE COST	USEFUL LIFE	NEXT ACTIVITY
SIRS and TRS Yearly Update: Update	\$2,858.00	1 Ea	\$2,858	1y	2040-41
2039-40 (Year 15) Total			\$2,858		
2040-41 (Year 16)					
Asphalt Pavement, Patch, Stripe & Sealcoat: Common	\$0.668	41,412 SF	\$27,663	5y	2045-46
SIRS and TRS Yearly Update: Update	\$2,929.00	1 Ea	\$2,929	1y	2041-42
2040-41 (Year 16) Total			\$30,592		
2041-42 (Year 17)					
Sidewalks, Concrete: Common	\$18.974	270 SF	\$5,123	10y	2051-52
Sidewalks, Concrete: Patio Deck	\$18.978	180 SF	\$3,416	10y	2051-52
SIRS and TRS Yearly Update: Update	\$3,002.00	1 Ea	\$3,002	1y	2042-43
2041-42 (Year 17) Total			\$11,541		
2042-43 (Year 18)					
SIRS and TRS Yearly Update: Update	\$3,077.00	1 Ea	\$3,077	1y	2043-44
2042-43 (Year 18) Total			\$3,077		
2043-44 (Year 19)					
SIRS and TRS Yearly Update: Update	\$3,154.00	1 Ea	\$3,154	1y	2044-45
2043-44 (Year 19) Total			\$3,154		
2044-45 (Year 20)					
Gutters & Downspouts, 6" Aluminum: Common	\$22.122	1,000 LF	\$22,122	30y	N/A
SIRS and TRS Yearly Update: Update	\$3,233.00	1 Ea	\$3,233	1y	2045-46
2044-45 (Year 20) Total			\$25,355		
2045-46 (Year 21)					
Asphalt Pavement, Patch, Stripe & Sealcoat: Common	\$0.755	41,412 SF	\$31,266	5y	2050-51
Elevator Cabs, Refurbish: Common	\$41,990.00	1 Ea	\$41,990	20y	N/A
Light Fixtures, Exterior: Common	\$581.12	25 Ea	\$14,528	15y	N/A
Mailbox Clusters, Aluminum, Multi-Tenant: Common	\$5,811.40	5 Ea	\$29,057	35y	N/A

NAME	UNIT COST	QTY.	FUTURE COST	USEFUL LIFE	NEXT ACTIVITY
SIRS and TRS Yearly Update: Update	\$3,314.00	1 Ea	\$3,314	1y	2046-47
2045-46 (Year 21) Total			\$120,155		
2046-47 (Year 22)					
SIRS and TRS Yearly Update: Update	\$3,397.00	1 Ea	\$3,397	1y	2047-48
2046-47 (Year 22) Total			\$3,397		
2047-48 (Year 23)					
SIRS and TRS Yearly Update: Update	\$3,482.00	1 Ea	\$3,482	1y	2048-49
2047-48 (Year 23) Total			\$3,482		
2048-49 (Year 24)					
SIRS and TRS Yearly Update: Update	\$3,569.00	1 Ea	\$3,569	1y	2049-50
2048-49 (Year 24) Total			\$3,569		
2049-50 (Year 25)					
SIRS and TRS Yearly Update: Update	\$3,658.00	1 Ea	\$3,658	1y	2050-51
2049-50 (Year 25) Total			\$3,658		
2050-51 (Year 26)					
Asphalt Pavement, Patch, Stripe & Sealcoat: Common	\$0.855	41,412 SF	\$35,407	5y	N/A
SIRS and TRS Yearly Update: Update	\$3,750.00	1 Ea	\$3,750	1y	2051-52
2050-51 (Year 26) Total			\$39,157		
2051-52 (Year 27)					
Sidewalks, Concrete: Common	\$24.289	270 SF	\$6,558	10y	N/A
Sidewalks, Concrete: Patio Deck	\$24.289	180 SF	\$4,372	10y	N/A
SIRS and TRS Yearly Update: Update	\$3,843.00	1 Ea	\$3,843	1y	2052-53
2051-52 (Year 27) Total			\$14,773		
2052-53 (Year 28)					
SIRS and TRS Yearly Update: Update	\$3,939.00	1 Ea	\$3,939	1y	2053-54
2052-53 (Year 28) Total			\$3,939		
2053-54 (Year 29)					
SIRS and TRS Yearly Update: Update	\$4,038.00	1 Ea	\$4,038	1y	N/A
2053-54 (Year 29) Total			\$4,038		

NAME	UNIT COST	QTY.	FUTURE COST	USEFUL LIFE	NEXT ACTIVITY
2054-55 (Year 30)					
Asphalt Pavement, Mill & Overlay: Common	\$28.318	4,601 SY	\$130,291	25y	N/A
2054-55 (Year 30) Total			\$130,291		

## Pooled/Cash-Flow Funding (30-Year Projection)

This part of the Reserve Study introduces an alternative approach to funding compared to the Component Funding Analysis (Straight-Line).

This method entails computing the yearly Reserve contribution based on a 30-year positive cash flow projection. Known as the 30-year "Pooled" or "Cash Flow" Funding Plan, it involves determining Reserve contributions aimed at balancing out the fluctuating annual expenses from the Reserve fund. By consolidating funds from initial balances, a yearly contribution rate is computed to ensure a consistent positive cash flow over the analysis period.

This methodology is a widely accepted, logical, factual, and mathematical basis for calculating Reserve contributions where the Reserve fund total balance at any one point in the projection can offset the expected annual expenditures from the Reserve fund, in perpetuity, on a year-over-year basis.

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.



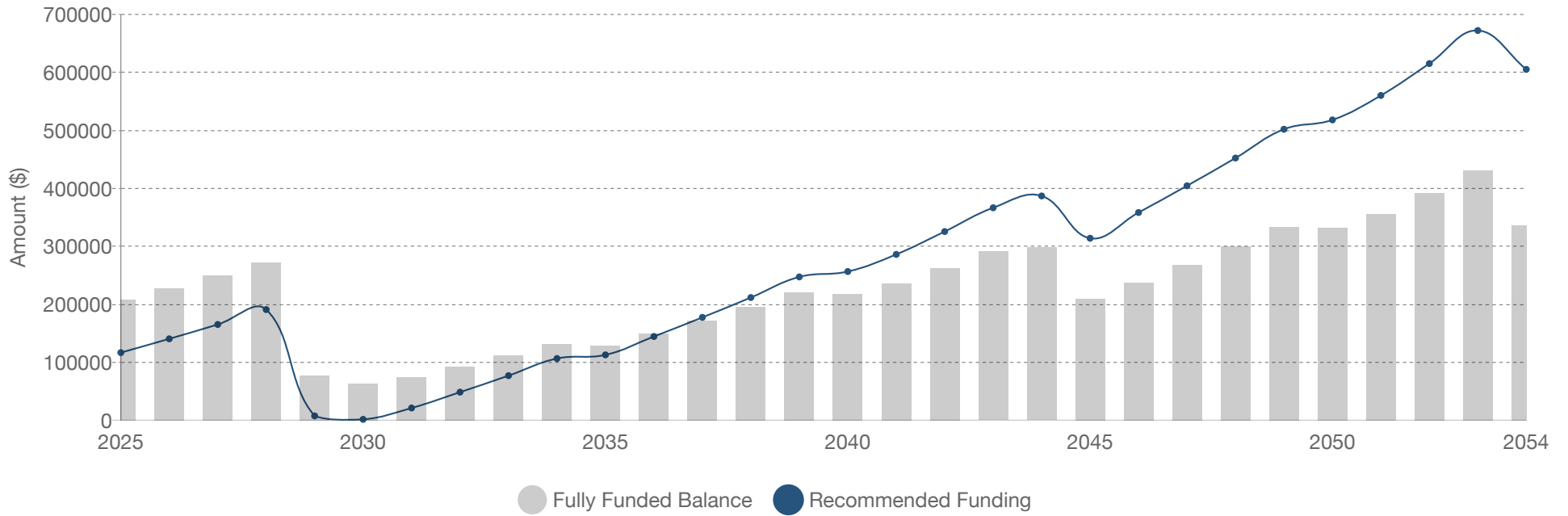
## Cash-Flow Projection

Inflation: 2.50% | Calc: Inflation-Adjusted

YEAR	STARTING BALANCE	CONTRIBUTIONS	PERCENT CHANGE	INTEREST	SPECIAL ASSMNT	ADDITIONAL CAPITAL	EXPENDITURE FUTURE COST	ENDING BALANCE	PERCENT FUNDED	FULLY FUNDED BALANCE
2025-26	\$119,103	\$24,000	N/A	\$1,191	\$0	\$0	\$27,647	\$116,647	56.22%	\$207,495
2026-27	\$116,647	\$24,720	3.00%	\$1,166	\$0	\$0	\$2,073	\$140,460	61.54%	\$228,259
2027-28	\$140,460	\$25,462	3.00%	\$1,405	\$0	\$0	\$2,125	\$165,202	66.10%	\$249,931
2028-29	\$165,202	\$26,225	3.00%	\$1,652	\$0	\$0	\$2,178	\$190,901	70.05%	\$272,540
2029-30	\$190,901	\$27,012	3.00%	\$1,909	\$0	\$0	\$212,241	\$7,581	9.77%	\$77,617
2030-31	\$7,581	\$27,823	3.00%	\$76	\$0	\$0	\$33,936	\$1,544	2.45%	\$62,964
2031-32	\$1,544	\$28,657	3.00%	\$15	\$0	\$0	\$9,015	\$21,201	28.68%	\$73,924
2032-33	\$21,201	\$29,517	3.00%	\$212	\$0	\$0	\$2,404	\$48,526	52.52%	\$92,401
2033-34	\$48,526	\$30,402	3.00%	\$485	\$0	\$0	\$2,464	\$76,950	68.85%	\$111,757
2034-35	\$76,950	\$31,315	3.00%	\$770	\$0	\$0	\$2,526	\$106,508	80.68%	\$132,021
2035-36	\$106,508	\$32,254	3.00%	\$1,065	\$0	\$0	\$27,022	\$112,805	88.00%	\$128,181
2036-37	\$112,805	\$33,222	3.00%	\$1,128	\$0	\$0	\$2,654	\$144,501	96.50%	\$149,741
2037-38	\$144,501	\$34,218	3.00%	\$1,445	\$0	\$0	\$2,720	\$177,444	102.99%	\$172,298
2038-39	\$177,444	\$35,245	3.00%	\$1,774	\$0	\$0	\$2,788	\$211,676	108.06%	\$195,890

YEAR	STARTING BALANCE	CONTRIBUTIONS	PERCENT CHANGE	INTEREST	SPECIAL ASSMNT	ADDITIONAL CAPITAL	EXPENDITURE FUTURE COST	ENDING BALANCE	PERCENT FUNDED	FULLY FUNDED BALANCE
2039-40	\$211,676	\$36,302	3.00%	\$2,117	\$0	\$0	\$2,858	\$247,236	112.10%	\$220,550
2040-41	\$247,236	\$37,391	3.00%	\$2,472	\$0	\$0	\$30,592	\$256,508	117.67%	\$217,987
2041-42	\$256,508	\$38,513	3.00%	\$2,565	\$0	\$0	\$11,541	\$286,045	121.49%	\$235,453
2042-43	\$286,045	\$39,668	3.00%	\$2,860	\$0	\$0	\$3,077	\$325,497	123.94%	\$262,624
2043-44	\$325,497	\$40,858	3.00%	\$3,255	\$0	\$0	\$3,154	\$366,456	125.93%	\$291,009
2044-45	\$366,456	\$42,084	3.00%	\$3,665	\$0	\$0	\$25,355	\$386,850	129.83%	\$297,974
2045-46	\$386,850	\$43,347	3.00%	\$3,868	\$0	\$0	\$120,155	\$313,910	150.26%	\$208,907
2046-47	\$313,910	\$44,647	3.00%	\$3,139	\$0	\$0	\$3,397	\$358,299	150.56%	\$237,977
2047-48	\$358,299	\$45,986	3.00%	\$3,583	\$0	\$0	\$3,482	\$404,387	150.68%	\$268,368
2048-49	\$404,387	\$47,366	3.00%	\$4,044	\$0	\$0	\$3,569	\$452,228	150.68%	\$300,131
2049-50	\$452,228	\$48,787	3.00%	\$4,522	\$0	\$0	\$3,658	\$501,879	150.57%	\$333,311
2050-51	\$501,879	\$50,251	3.00%	\$5,019	\$0	\$0	\$39,157	\$517,992	156.17%	\$331,684
2051-52	\$517,992	\$51,758	3.00%	\$5,180	\$0	\$0	\$14,773	\$560,157	157.46%	\$355,751
2052-53	\$560,157	\$53,311	3.00%	\$5,602	\$0	\$0	\$3,939	\$615,130	156.80%	\$392,298
2053-54	\$615,130	\$54,910	3.00%	\$6,151	\$0	\$0	\$4,038	\$672,154	156.15%	\$430,451
2054-55	\$672,154	\$56,558	3.00%	\$6,722	\$0	\$0	\$130,291	\$605,142	179.72%	\$336,714





## Funding Options

Significant expenses for repair or replacement of reserve components are expected within a community. When these expenses occur there are essentially four funding options available for addressing the expenditure:

- The *First and 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 members, both present and future. The board needs to avoid adopting a calculation method or funding plan that unfairly burdens future members to compensate for past reserve deficits. The board has a fiduciary responsibility to the entire community and should act in their best interest. By setting aside reserves over the lifespan of the asset, such as a roof, the association has ample time to accumulate the necessary funds. Additionally, these contributions would be evenly distributed among all members and could earn interest.
- The *Second option* is for the association to secure a loan from a lending institution to finance any immediately required repairs. In many cases, banks are willing to lend to associations using future homeowner assessments as collateral. However, this method commits the association's future assets and incurs additional expenses in the form of interest fees. For instance, in the case of a \$150,000 roofing replacement, the association may be required to repay the loan over three to five years, along with the accrued interest.
- The *Third option* is 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. However, it is important to note that there is no guarantee that an assessment will be passed when it is needed. Therefore, the association cannot ensure its ability to perform the required repairs or replacements for major components when the need arises. Furthermore, as communities age, the need for major reserve expenditures increases. Associations that are 12 to 15 years old or older often encounter numerous components reaching the end of their useful lives. If these required expenditures coincide, they can have a detrimental impact on the association's overall budget.
- The *Fourth option*, although not recommended, is to defer the necessary repair or replacement. This approach can lead to declining property values due to an expanding list of deferred maintenance items. The association may struggle to keep up with the natural aging process of common area components. Consequently, this can make it difficult, or even impossible, for potential buyers to obtain financing from lenders. Lending institutions are increasingly requesting copies of the association's most recent reserve study before granting loans, whether to the association itself, a

prospective purchaser, or an individual within the association.

## 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 has been assessed based on its physical condition during the inspection. A determination was made regarding the following:

- *Installation date*
- *Estimated market expected lifespan*
- *Subjective remaining lifespan*
- *Unit current cost*
- *Unit projected future cost*

## Component List - Full Detail

### Asphalt Pavement, Mill & Overlay

#### Basic Info

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

#### Useful Life

Last Activity Date:	04/01/2001
Est. Useful Life:	25y
Remaining Useful Life:	4y
Next Activity Date:	04/01/2029

#### Financial Data

Estimate Date:	01/01/2024
Estimate Source:	Xactimate
Cost Per SY:	\$13.50
Total Quantity:	4,601 SY
Total Current Cost:	\$63,669
Inflation Rate:	2.50%
Total Expenditures:	\$200,571



# Asphalt Pavement, Patch, Stripe & Sealcoat

## Basic Info

Type of Cost:	Repairs & Maintenance
Location:	Property Site Components
Category:	Ground Surfaces
Condition:	Good

## Useful Life

Last Activity Date:	04/01/2021
Est. Useful Life:	5y
Remaining Useful Life:	5y
Next Activity Date:	04/01/2030

## Financial Data

Estimate Date:	01/01/2024
Estimate Source:	Xactimate
Cost Per SF:	\$0.45
Total Quantity:	41,412 SF
Total Current Cost:	\$19,091
Inflation Rate:	2.50%
Total Expenditures:	\$140,386



# Elevator Cabs, Refurbish

## Basic Info

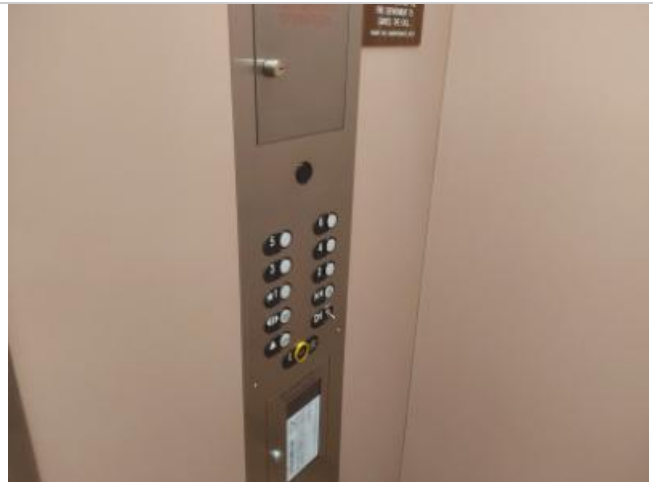
Type of Cost: Repairs & Maintenance  
Location: Interior Building Components  
Category: Mechanical  
Condition: Good

## Useful Life

Last Activity Date: 04/01/2010  
Est. Useful Life: 20y  
Remaining Useful Life: 0y  
Next Activity Date: 04/01/2025

## Financial Data

Estimate Date: 01/01/2024  
Estimate Source: MVS  
Cost Per Ea: \$25,000.00  
Total Quantity: 1 Ea  
Total Current Cost: \$25,625  
Inflation Rate: 2.50%  
Total Expenditures: \$67,615



# Elevators, 5-Stop, Hydraulic, Modernization

## Basic Info

Type of Cost:	Repairs & Maintenance
Location:	Building Service Components
Category:	Mechanical
Condition:	Good

## Useful Life

Last Activity Date:	04/01/2010
Est. Useful Life:	36y
Remaining Useful Life:	4y
Next Activity Date:	04/01/2029

## Financial Data

Estimate Date:	01/01/2024
Estimate Source:	MVS
Cost Per Ea:	\$123,500.00
Total Quantity:	1 Ea
Total Current Cost:	\$126,588
Inflation Rate:	2.50%
Total Expenditures:	\$139,729





# Gutters & Downspouts, 6" Aluminum

## Basic Info

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

## Useful Life

Last Activity Date: 04/01/2014  
Est. Useful Life: 30y  
Remaining Useful Life: 19y  
Next Activity Date: 04/01/2044

## Financial Data

Estimate Date: 01/01/2024  
Estimate Source: XactRemodel  
Cost Per LF: \$13.50  
Total Quantity: 1,000 LF  
Total Current Cost: \$13,838  
Inflation Rate: 2.50%  
Total Expenditures: \$22,122



# Light Fixtures, Exterior

## Basic Info

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

## Useful Life

Last Activity Date: 04/01/2015  
Est. Useful Life: 15y  
Remaining Useful Life: 5y  
Next Activity Date: 04/01/2030

## Financial Data

Estimate Date: 01/01/2024  
Estimate Source: MVS  
Cost Per Ea: \$346.00  
Total Quantity: 25 Ea  
Total Current Cost: \$8,866  
Inflation Rate: 2.50%  
Total Expenditures: \$24,559



# Mailbox Clusters, Aluminum, Multi-Tenant

## Basic Info

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

## Useful Life

Last Activity Date:	04/01/2010
Est. Useful Life:	25y
Remaining Useful Life:	20y
Next Activity Date:	04/01/2045

## Financial Data

Estimate Date:	01/01/2024
Estimate Source:	USPS
Cost Per Ea:	\$3,460.00
Total Quantity:	5 Ea
Total Current Cost:	\$17,732
Inflation Rate:	2.50%
Total Expenditures:	\$29,057



# Sidewalks, Concrete

## Basic Info

---

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

## Useful Life

---

Last Activity Date:	04/01/2021
Est. Useful Life:	10y
Remaining Useful Life:	6y
Next Activity Date:	04/01/2031

## Financial Data

---

Estimate Date:	01/01/2024
Estimate Source:	XactRemodel
Cost Per SF:	\$12.47
Total Quantity:	2,250 SF
Percent of Total to Maintain:	20%
Quantity to Maintain:	450 SF
Total Current Cost:	\$5,752
Inflation Rate:	2.50%
Total Expenditures:	\$26,139



# SIRS and TRS Yearly Update

## Basic Info

---

Type of Cost:	Replacement
Location:	General
Category:	
Condition:	Excellent

## Comments/Notes

---

Based on CAI Reserve Study Standards study cost should be accounted for in the reserve study. This reflects a yearly update.

## Useful Life

---

Last Activity Date:	01/01/2024
Est. Useful Life:	1y
Remaining Useful Life:	0y
Next Activity Date:	04/01/2025

## Financial Data

---

Estimate Date:	01/01/2024
Cost Per Ea:	\$1,925.00
Total Quantity:	1 Ea
Total Current Cost:	\$1,973
Inflation Rate:	2.50%
Total Expenditures:	\$84,651

# Trash Chute, Stainless Doors

## Basic Info

---

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

## Useful Life

---

Last Activity Date:	04/01/2020
Est. Useful Life:	35y
Remaining Useful Life:	30y
Next Activity Date:	04/01/2055

## Financial Data

---

Estimate Date:	01/01/2024
Estimate Source:	MVS
Cost Per Flr:	\$2,400.00
Total Quantity:	5 Flr
Total Current Cost:	\$12,300
Inflation Rate:	2.50%
Total Expenditures:	\$0



## Useful Definitions

**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 months 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 to replace 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.

**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 to 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)



## Disclosures

Seven Lakes Golf and Tennis Community Condo 21A contracted with Stone Building Solutions to conduct a Reserve Study. Stone Building Solutions completed the site review and has conducted interviews with the building engineer, ownership group, and property manager in an attempt to evaluate the physical condition of the various components and their maintenance schedules, as well as to obtain information related to any previous defects that may exist and any repairs that have been performed.

Stone Building Solutions has no present or prospective interest in the subject property of this report and also has no personal interest concerning 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, cash flow projections, and tax calculations consistent with IRS guidelines for 1120c and 1120h corporations.

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

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



## Annual Update Requirements

We recommend updating this study yearly, no longer than every 3 years.

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

To order an updated study, please contact us at (800) 892-1116, or email us at [reserves@stonebldg.com](mailto:reserves@stonebldg.com).