

RESERVE STUDY

PREPARED FOR:

Seven Lakes Golf and Tennis Community Condo 23

Fort Myers, FL



For The Period Beginning April 1, 2025

PREPARED BY:



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Attention: **Board of Directors**
Property: Seven Lakes Golf and Tennis Community Condo 23, Fort Myers, Florida
Service: Traditional Reserve Study
Period: Beginning April 1, 2025

January 10, 2025

Dear Board of Directors of Seven Lakes Golf and Tennis Community Condo 23:

At the direction of the Board and management of Seven Lakes Golf and Tennis Community Condo 23, Stone Building Solutions has completed a Traditional Reserve Study for the Seven Lakes Golf and Tennis Community Condo 23 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 23 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

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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 23 has 56 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:	56
		Year Built:	1981

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 **\$84,524**

The estimated *current replacement* cost of the reserve items is **\$662,294**

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:	\$33,000
Recommended annual contribution per unit:	\$589
First Year monthly contribution per unit:	\$49
Average monthly contribution per unit (Over 30 Years):	\$78
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	04/01/2036	25y	15y	11y	\$21.525	5,247 SY	\$112,942
Asphalt Pavement, Patch, Stripe & Sealcoat: Common	04/01/2026	5y	5y	1y	\$0.236	47,223 SF	\$11,145
Elevator Additional Expense: Common	N/A	N/A	N/A	N/A	\$42,000.00	1 Allow	\$42,000
Elevator Cabs, Refurbish: Common	04/01/2030	20y	20y	5y	\$12,812.50	1 Ea	\$12,812
Elevators, 4-Stop, Hydraulic, Modernization : Common	04/01/2046	36y	36y	21y	\$116,850.00	1 Ea	\$116,850
Flooring, Tile: Common	04/01/2044	35y	35y	19y	\$13.92	14,300 SF	\$199,056
Flooring, Tile Resealing: Common	04/01/2027	14y	18y	2y	\$52,349.792	1 Allow	\$52,350
Gutters & Downspouts, 6" Aluminum: Common	04/01/2059	36y	35y	34y	\$13.838	1,400 LF	\$19,373
Light Fixtures, Exterior: Common	04/01/2035	25y	25y	10y	\$354.65	68 Ea	\$24,116
Light Fixtures, Post & Globe: Common	04/01/2040	25y	25y	15y	\$1,793.75	8 Ea	\$14,350
Mailbox Clusters, Aluminum, Multi-Tenant: Common	04/01/2035	25y	25y	10y	\$3,546.50	5 Ea	\$17,732
Pavers, Concrete, Walkways: Common	04/01/2040	35y	35y	15y	\$15.375	1,000 SF	\$15,375
Sidewalks, Concrete: Common	04/01/2030	10y	10y	5y	\$12.782	950 SF	\$12,143
SIRS and TRS Yearly Update: Update	04/01/2025	1y	1y	0y	\$2,209.90	1 Ea	\$2,210
Trash Chute, Stainless Doors: Common	04/01/2045	35y	35y	20y	\$2,460.00	4 Flr	\$9,840
							\$662,294



Critical Expenditure Planning (3-Year Outlook)

LOCATION RESERVE ITEM	2025	2026	2027
Building Service Components			
Total Building Service Components			
Exterior Building Components			
Total Exterior Building Components			
General			
SIRS and TRS Yearly Update: Update	\$2,210	\$2,265	\$2,322
Total General	\$2,210	\$2,265	\$2,322
Interior Building Components			
Elevator Additonal Expense: Common	\$42,000		
Flooring, Tile Resealing: Common			\$55,000
Total Interior Building Components	\$42,000		\$55,000
Property Site Components			
Asphalt Pavement, Patch, Stripe & Sealcoat: Common		\$11,428	
Total Property Site Components		\$11,428	
Total	\$44,210	\$13,693	\$57,322



Expenditures (By Year)

NAME	UNIT COST	QTY.	FUTURE COST	USEFUL LIFE	NEXT ACTIVITY
2025-26 (Year 1)					
Elevator Additional Expense: Common	\$42,000.00	1 Allow	\$42,000	N/A	N/A
SIRS and TRS Yearly Update: Update	\$2,210.00	1 Ea	\$2,210	1y	2026-27
2025-26 (Year 1) Total			\$44,210		
2026-27 (Year 2)					
Asphalt Pavement, Patch, Stripe & Sealcoat: Common	\$0.242	47,223 SF	\$11,428	5y	2031-32
SIRS and TRS Yearly Update: Update	\$2,265.00	1 Ea	\$2,265	1y	2027-28
2026-27 (Year 2) Total			\$13,693		
2027-28 (Year 3)					
Flooring, Tile Resealing: Common	\$55,000.00	1 Allow	\$55,000	18y	2041-42
SIRS and TRS Yearly Update: Update	\$2,322.00	1 Ea	\$2,322	1y	2028-29
2027-28 (Year 3) Total			\$57,322		
2028-29 (Year 4)					
SIRS and TRS Yearly Update: Update	\$2,380.00	1 Ea	\$2,380	1y	2029-30
2028-29 (Year 4) Total			\$2,380		
2029-30 (Year 5)					
SIRS and TRS Yearly Update: Update	\$2,439.00	1 Ea	\$2,439	1y	2030-31
2029-30 (Year 5) Total			\$2,439		
2030-31 (Year 6)					
Elevator Cabs, Refurbish: Common	\$14,496.00	1 Ea	\$14,496	20y	2050-51
Sidewalks, Concrete: Common	\$14.462	950 SF	\$13,739	10y	2040-41
SIRS and TRS Yearly Update: Update	\$2,500.00	1 Ea	\$2,500	1y	2031-32

NAME	UNIT COST	QTY.	FUTURE COST	USEFUL LIFE	NEXT ACTIVITY
2030-31 (Year 6) Total			\$30,735		
2031-32 (Year 7)					
Asphalt Pavement, Patch, Stripe & Sealcoat: Common	\$0.274	47,223 SF	\$12,939	5y	2036-37
SIRS and TRS Yearly Update: Update	\$2,563.00	1 Ea	\$2,563	1y	2032-33
2031-32 (Year 7) Total			\$15,502		
2032-33 (Year 8)					
SIRS and TRS Yearly Update: Update	\$2,627.00	1 Ea	\$2,627	1y	2033-34
2032-33 (Year 8) Total			\$2,627		
2033-34 (Year 9)					
SIRS and TRS Yearly Update: Update	\$2,693.00	1 Ea	\$2,693	1y	2034-35
2033-34 (Year 9) Total			\$2,693		
2034-35 (Year 10)					
SIRS and TRS Yearly Update: Update	\$2,760.00	1 Ea	\$2,760	1y	2035-36
2034-35 (Year 10) Total			\$2,760		
2035-36 (Year 11)					
Light Fixtures, Exterior: Common	\$453.985	68 Ea	\$30,871	25y	N/A
Mailbox Clusters, Aluminum, Multi-Tenant: Common	\$4,539.80	5 Ea	\$22,699	25y	N/A
SIRS and TRS Yearly Update: Update	\$2,829.00	1 Ea	\$2,829	1y	2036-37
2035-36 (Year 11) Total			\$56,399		
2036-37 (Year 12)					
Asphalt Pavement, Mill & Overlay: Common	\$28.243	5,247 SY	\$148,191	15y	N/A
Asphalt Pavement, Patch, Stripe & Sealcoat: Common	\$0.31	47,223 SF	\$14,639	5y	2041-42
SIRS and TRS Yearly Update: Update	\$2,900.00	1 Ea	\$2,900	1y	2037-38
2036-37 (Year 12) Total			\$165,730		
2037-38 (Year 13)					
SIRS and TRS Yearly Update: Update	\$2,972.00	1 Ea	\$2,972	1y	2038-39
2037-38 (Year 13) Total			\$2,972		
2038-39 (Year 14)					

NAME	UNIT COST	QTY.	FUTURE COST	USEFUL LIFE	NEXT ACTIVITY
SIRS and TRS Yearly Update: Update	\$3,046.00	1 Ea	\$3,046	1y	2039-40
2038-39 (Year 14) Total			\$3,046		
2039-40 (Year 15)					
SIRS and TRS Yearly Update: Update	\$3,123.00	1 Ea	\$3,123	1y	2040-41
2039-40 (Year 15) Total			\$3,123		
2040-41 (Year 16)					
Light Fixtures, Post & Globe: Common	\$2,597.875	8 Ea	\$20,783	25y	N/A
Pavers, Concrete, Walkways: Common	\$22.268	1,000 SF	\$22,268	35y	N/A
Sidewalks, Concrete: Common	\$18.512	950 SF	\$17,586	10y	2050-51
SIRS and TRS Yearly Update: Update	\$3,201.00	1 Ea	\$3,201	1y	2041-42
2040-41 (Year 16) Total			\$63,838		
2041-42 (Year 17)					
Asphalt Pavement, Patch, Stripe & Sealcoat: Common	\$0.35	47,223 SF	\$16,528	5y	2046-47
Flooring, Tile Resealing: Common	\$77,714.00	1 Allow	\$77,714	14y	N/A
SIRS and TRS Yearly Update: Update	\$3,281.00	1 Ea	\$3,281	1y	2042-43
2041-42 (Year 17) Total			\$97,523		
2042-43 (Year 18)					
SIRS and TRS Yearly Update: Update	\$3,363.00	1 Ea	\$3,363	1y	2043-44
2042-43 (Year 18) Total			\$3,363		
2043-44 (Year 19)					
SIRS and TRS Yearly Update: Update	\$3,447.00	1 Ea	\$3,447	1y	2044-45
2043-44 (Year 19) Total			\$3,447		
2044-45 (Year 20)					
Flooring, Tile: Common	\$22.253	14,300 SF	\$318,218	35y	N/A
SIRS and TRS Yearly Update: Update	\$3,533.00	1 Ea	\$3,533	1y	2045-46
2044-45 (Year 20) Total			\$321,751		
2045-46 (Year 21)					
SIRS and TRS Yearly Update: Update	\$3,621.00	1 Ea	\$3,621	1y	2046-47

NAME	UNIT COST	QTY.	FUTURE COST	USEFUL LIFE	NEXT ACTIVITY
Trash Chute, Stainless Doors: Common	\$4,031.00	4 Flr	\$16,124	35y	N/A
2045-46 (Year 21) Total			\$19,745		
2046-47 (Year 22)					
Asphalt Pavement, Patch, Stripe & Sealcoat: Common	\$0.396	47,223 SF	\$18,700	5y	2051-52
Elevators, 4-Stop, Hydraulic, Modernization : Common	\$196,259.00	1 Ea	\$196,259	36y	N/A
SIRS and TRS Yearly Update: Update	\$3,712.00	1 Ea	\$3,712	1y	2047-48
2046-47 (Year 22) Total			\$218,671		
2047-48 (Year 23)					
SIRS and TRS Yearly Update: Update	\$3,805.00	1 Ea	\$3,805	1y	2048-49
2047-48 (Year 23) Total			\$3,805		
2048-49 (Year 24)					
SIRS and TRS Yearly Update: Update	\$3,900.00	1 Ea	\$3,900	1y	2049-50
2048-49 (Year 24) Total			\$3,900		
2049-50 (Year 25)					
SIRS and TRS Yearly Update: Update	\$3,997.00	1 Ea	\$3,997	1y	2050-51
2049-50 (Year 25) Total			\$3,997		
2050-51 (Year 26)					
Elevator Cabs, Refurbish: Common	\$23,754.00	1 Ea	\$23,754	20y	N/A
Sidewalks, Concrete: Common	\$23.697	950 SF	\$22,512	10y	N/A
SIRS and TRS Yearly Update: Update	\$4,097.00	1 Ea	\$4,097	1y	2051-52
2050-51 (Year 26) Total			\$50,363		
2051-52 (Year 27)					
Asphalt Pavement, Patch, Stripe & Sealcoat: Common	\$0.448	47,223 SF	\$21,156	5y	N/A
SIRS and TRS Yearly Update: Update	\$4,199.00	1 Ea	\$4,199	1y	2052-53
2051-52 (Year 27) Total			\$25,355		
2052-53 (Year 28)					
SIRS and TRS Yearly Update: Update	\$4,304.00	1 Ea	\$4,304	1y	2053-54

NAME	UNIT COST	QTY.	FUTURE COST	USEFUL LIFE	NEXT ACTIVITY
2052-53 (Year 28) Total			\$4,304		
2053-54 (Year 29)					
SIRS and TRS Yearly Update: Update	\$4,412.00	1 Ea	\$4,412	1y	2054-55
2053-54 (Year 29) Total			\$4,412		
2054-55 (Year 30)					
SIRS and TRS Yearly Update: Update	\$4,522.00	1 Ea	\$4,522	1y	N/A
2054-55 (Year 30) Total			\$4,522		

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.

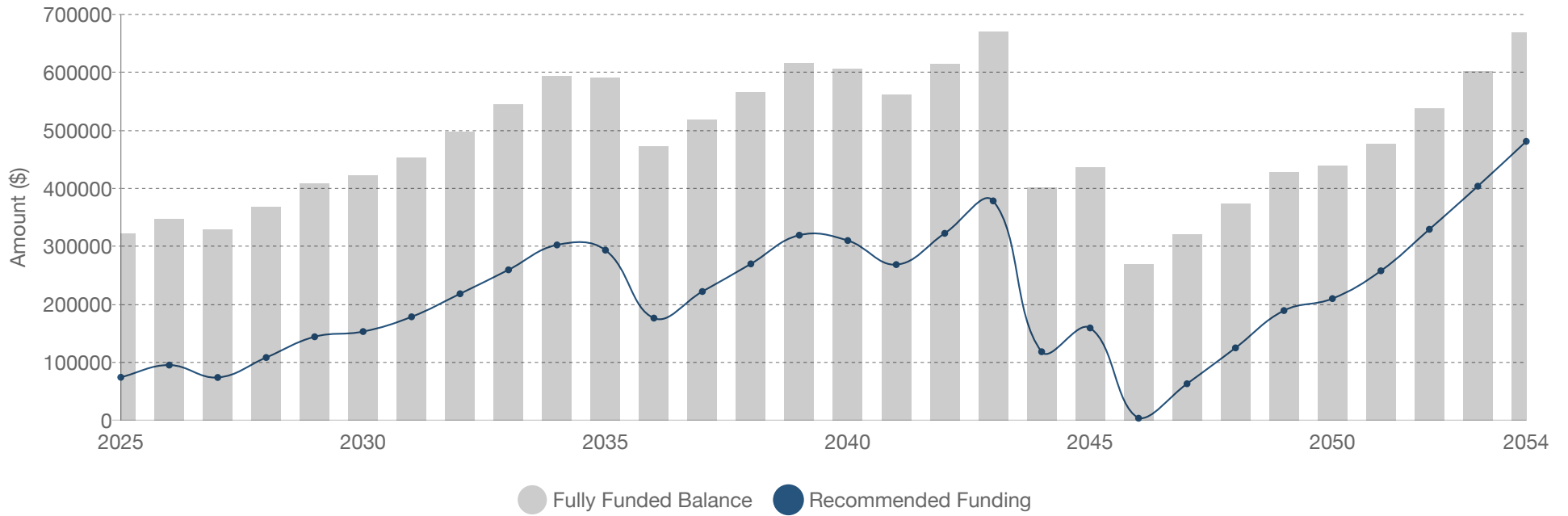


Cash-Flow Projection

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	\$84,524	\$33,000	N/A	\$845	\$0	\$0	\$44,210	\$74,159	23.00%	\$322,389
2026-27	\$74,159	\$33,990	3.00%	\$742	\$0	\$0	\$13,693	\$95,198	27.43%	\$347,081
2027-28	\$95,198	\$35,010	3.00%	\$952	\$0	\$0	\$57,322	\$73,838	22.42%	\$329,328
2028-29	\$73,838	\$36,060	3.00%	\$738	\$0	\$0	\$2,380	\$108,256	29.40%	\$368,254
2029-30	\$108,256	\$37,142	3.00%	\$1,083	\$0	\$0	\$2,439	\$144,041	35.22%	\$408,924
2030-31	\$144,041	\$38,256	3.00%	\$1,440	\$0	\$0	\$30,735	\$153,003	36.22%	\$422,455
2031-32	\$153,003	\$39,404	3.00%	\$1,530	\$0	\$0	\$15,502	\$178,434	39.40%	\$452,823
2032-33	\$178,434	\$40,586	3.00%	\$1,784	\$0	\$0	\$2,627	\$218,178	43.81%	\$498,027
2033-34	\$218,178	\$41,803	3.00%	\$2,182	\$0	\$0	\$2,693	\$259,470	47.59%	\$545,204
2034-35	\$259,470	\$43,058	3.00%	\$2,595	\$0	\$0	\$2,760	\$302,362	50.87%	\$594,429
2035-36	\$302,362	\$44,349	3.00%	\$3,024	\$0	\$0	\$56,399	\$293,336	49.64%	\$590,869
2036-37	\$293,336	\$45,680	3.00%	\$2,933	\$0	\$0	\$165,730	\$176,219	37.33%	\$472,105
2037-38	\$176,219	\$47,050	3.00%	\$1,762	\$0	\$0	\$2,972	\$222,059	42.86%	\$518,087
2038-39	\$222,059	\$48,462	3.00%	\$2,221	\$0	\$0	\$3,046	\$269,695	47.64%	\$566,077

YEAR	STARTING BALANCE	CONTRIBUTIONS	PERCENT CHANGE	INTEREST	SPECIAL ASSMNT	ADDITIONAL CAPITAL	EXPENDITURE FUTURE COST	ENDING BALANCE	PERCENT FUNDED	FULLY FUNDED BALANCE
2039-40	\$269,695	\$49,915	3.00%	\$2,697	\$0	\$0	\$3,123	\$319,185	51.80%	\$616,140
2040-41	\$319,185	\$51,413	3.00%	\$3,192	\$0	\$0	\$63,838	\$309,951	51.13%	\$606,201
2041-42	\$309,951	\$52,955	3.00%	\$3,100	\$0	\$0	\$97,523	\$268,483	47.73%	\$562,469
2042-43	\$268,483	\$54,544	3.00%	\$2,685	\$0	\$0	\$3,363	\$322,349	52.40%	\$615,205
2043-44	\$322,349	\$56,180	3.00%	\$3,223	\$0	\$0	\$3,447	\$378,306	56.44%	\$670,224
2044-45	\$378,306	\$57,866	3.00%	\$3,783	\$0	\$0	\$321,751	\$118,204	29.45%	\$401,434
2045-46	\$118,204	\$59,602	3.00%	\$1,182	\$0	\$0	\$19,745	\$159,242	36.47%	\$436,589
2046-47	\$159,242	\$61,390	3.00%	\$1,592	\$0	\$0	\$218,671	\$3,553	1.32%	\$269,840
2047-48	\$3,553	\$63,231	3.00%	\$36	\$0	\$0	\$3,805	\$63,015	19.67%	\$320,341
2048-49	\$63,015	\$65,128	3.00%	\$630	\$0	\$0	\$3,900	\$124,874	33.46%	\$373,199
2049-50	\$124,874	\$67,082	3.00%	\$1,249	\$0	\$0	\$3,997	\$189,208	44.16%	\$428,498
2050-51	\$189,208	\$69,095	3.00%	\$1,892	\$0	\$0	\$50,363	\$209,831	47.81%	\$438,909
2051-52	\$209,831	\$71,167	3.00%	\$2,098	\$0	\$0	\$25,355	\$257,742	54.09%	\$476,471
2052-53	\$257,742	\$73,303	3.00%	\$2,577	\$0	\$0	\$4,304	\$329,318	61.22%	\$537,886
2053-54	\$329,318	\$75,502	3.00%	\$3,293	\$0	\$0	\$4,412	\$403,701	67.05%	\$602,076
2054-55	\$403,701	\$77,767	3.00%	\$4,037	\$0	\$0	\$4,522	\$480,983	71.88%	\$669,140



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:	04/01/2021
Est. Useful Life:	25y
Remaining Useful Life:	11y
Next Activity Date:	04/01/2036

Financial Data

Estimate Date:	01/01/2024
Estimate Source:	Xactimate
Cost Per SY:	\$21.00
Total Quantity:	5,247 SY
Total Current Cost:	\$112,942
Inflation Rate:	2.50%
Total Expenditures:	\$148,191



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:	1y
Next Activity Date:	04/01/2026

Financial Data

Estimate Date:	01/01/2024
Estimate Source:	Xactimate
Cost Per SF:	\$0.23
Total Quantity:	47,223 SF
Total Current Cost:	\$11,145
Inflation Rate:	2.50%
Total Expenditures:	\$95,390



Elevator Additional Expense

Basic Info

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

Useful Life

Last Activity Date: N/A
Est. Useful Life: N/A
Remaining Useful Life: N/A
Next Activity Date: N/A

Financial Data

Estimate Date: 01/01/2025
Cost Per Allow: \$42,000.00
Total Quantity: 1 Allow
Total Current Cost: \$42,000
Inflation Rate: 2.50%
Total Expenditures: \$42,000

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: 5y
Next Activity Date: 04/01/2030

Financial Data

Estimate Date: 01/01/2024
Estimate Source: MVS
Cost Per Ea: \$12,500.00
Total Quantity: 1 Ea
Total Current Cost: \$12,812
Inflation Rate: 2.50%
Total Expenditures: \$38,250



Elevators, 4-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: 21y
Next Activity Date: 04/01/2046

Financial Data

Estimate Date: 01/01/2024
Estimate Source: MVS
Cost Per Ea: \$114,000.00
Total Quantity: 1 Ea
Total Current Cost: \$116,850
Inflation Rate: 2.50%
Total Expenditures: \$196,259



Flooring, Tile

Basic Info

Type of Cost:	Replacement
Location:	Interior Building Components
Category:	Flooring
Condition:	Good

Useful Life

Last Activity Date:	04/01/2009
Est. Useful Life:	35y
Remaining Useful Life:	19y
Next Activity Date:	04/01/2044

Financial Data

Estimate Date:	01/01/2024
Estimate Source:	MVS
Cost Per SF:	\$13.58
Total Quantity:	14,300 SF
Total Current Cost:	\$199,056
Inflation Rate:	2.50%
Total Expenditures:	\$318,218



Flooring, Tile Resealing

Basic Info

Type of Cost: Replacement
Location: Interior Building Components
Category: Flooring
Condition: Good

Useful Life

Last Activity Date: 04/01/2009
Est. Useful Life: 14y
Remaining Useful Life: 2y
Next Activity Date: 04/01/2027

Financial Data

Estimate Date: 01/01/2027
Estimate Source: MVS
Cost Per Allow: \$55,000.00
Total Quantity: 1 Allow
Total Current Cost: \$52,350
Inflation Rate: 2.50%
Total Expenditures: \$132,714

Gutters & Downspouts, 6" Aluminum

Basic Info

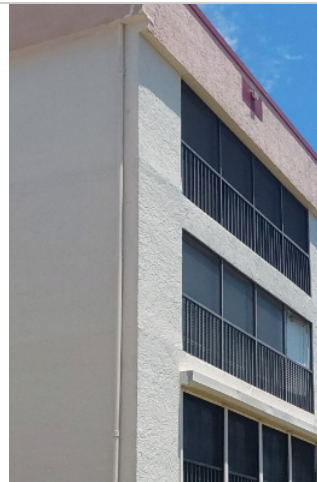
Type of Cost:	Replacement
Location:	Exterior Building Components
Category:	Weatherproofing
Condition:	Good

Useful Life

Last Activity Date:	04/01/2024
Est. Useful Life:	36y
Remaining Useful Life:	34y
Next Activity Date:	04/01/2059

Financial Data

Estimate Date:	01/01/2024
Estimate Source:	MVS
Cost Per LF:	\$13.50
Total Quantity:	1,400 LF
Total Current Cost:	\$19,373
Inflation Rate:	2.50%
Total Expenditures:	\$0



Light Fixtures, Exterior

Basic Info

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

Useful Life

Last Activity Date:	04/01/2010
Est. Useful Life:	25y
Remaining Useful Life:	10y
Next Activity Date:	04/01/2035

Financial Data

Estimate Date:	01/01/2024
Estimate Source:	MVS
Cost Per Ea:	\$346.00
Total Quantity:	68 Ea
Total Current Cost:	\$24,116
Inflation Rate:	2.50%
Total Expenditures:	\$30,871



Light Fixtures, Post & Globe

Basic Info

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

Useful Life

Last Activity Date: 04/01/2015
Est. Useful Life: 25y
Remaining Useful Life: 15y
Next Activity Date: 04/01/2040

Financial Data

Estimate Date: 01/01/2024
Estimate Source: XactRemodel
Cost Per Ea: \$1,750.00
Total Quantity: 8 Ea
Total Current Cost: \$14,350
Inflation Rate: 2.50%
Total Expenditures: \$20,783



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:	10y
Next Activity Date:	04/01/2035

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:	\$22,699



Pavers, Concrete, Walkways

Basic Info

Type of Cost: Replacement
Location: Property Site Components
Category: Ground Surfaces
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: XactRemodel
Cost Per SF: \$15.00
Total Quantity: 1,000 SF
Total Current Cost: \$15,375
Inflation Rate: 2.50%
Total Expenditures: \$22,268



Sidewalks, Concrete

Basic Info

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

Useful Life

Last Activity Date:	04/01/2020
Est. Useful Life:	10y
Remaining Useful Life:	5y
Next Activity Date:	04/01/2030

Financial Data

Estimate Date:	01/01/2024
Estimate Source:	XactRemodel
Cost Per SF:	\$12.47
Total Quantity:	950 SF
Total Current Cost:	\$12,143
Inflation Rate:	2.50%
Total Expenditures:	\$53,837

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

Financial Data

Estimate Date:	01/01/2024
Cost Per Ea:	\$2,156.00
Total Quantity:	1 Ea
Total Current Cost:	\$2,210
Inflation Rate:	2.50%
Total Expenditures:	\$97,023

Trash Chute, Stainless Doors

Basic Info

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

Useful Life

Last Activity Date:	04/01/2010
Est. Useful Life:	35y
Remaining Useful Life:	20y
Next Activity Date:	04/01/2045

Financial Data

Estimate Date:	01/01/2024
Estimate Source:	MVS
Cost Per Flr:	\$2,400.00
Total Quantity:	4 Flr
Total Current Cost:	\$9,840
Inflation Rate:	2.50%
Total Expenditures:	\$16,124



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 23 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.