

December 12, 2024

Terry Jones
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Lauderdale By The Sea, FL

PROJECT NAME: JADE BEACH EAST RESERVE STUDY – LAUDERDALE BY THE SEA, FL
PROJECT NUMBER: E-11774

Dear Terry:

Attached is the reserve study for Jade Beach East.

We have developed the components list from a combination of field investigation and information provided by you. This reserve study is for Structural Integrity Items only as required by Florida. It is not inclusive of all items that you need to budget for or all maintenance items. This study also assumes that all the currently ongoing work is already paid for/accounted for and will be completed. There is no funding for currently ongoing structural repairs to the building. The timelines assume this work will be completed in 2025 and the aging of those items will begin at their completion.

If the funding is to be split equally among units, the three models require the following reserve contributions per unit per month:

- Current Assessment Model: \$93.99 per Unit
- Threshold Model: \$189.18 per Unit
- Component Model: \$113.40 per Unit

Please read the report carefully to fully understand the different models. Also please consult with your Attorney regarding specific requirements of the Florida requirements.

Please call if you have any questions or if we can be of additional service to you.

Best Regards,



Joe DiPompeo, PE, F.SEI, F.ASCE
President
Structural Workshop

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Jade Beach East

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Important Information

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 catalogues, actual quotations or historical costs, and our own experience in the field of property management and reserve study preparation.

It has been assumed, unless otherwise noted in this report, that all assets have been designed and constructed properly and that each estimated useful life will approximate that of the norm per industry standards and/or manufacturer's specifications. In some cases, estimates may have been used on assets, which have an indeterminable but potential liability to the association. The decision for the inclusion of these as well as all assets considered is left to the client.

We recommend that your reserve analysis study be updated on an annual basis due to fluctuating interest rates, inflationary changes, and the unpredictable nature of the lives of many of the assets under consideration. All of the information collected during our inspection of the association and computations made subsequently in preparing this reserve analysis study are retained in our computer files. Therefore, annual updates may be completed quickly and inexpensively each year.

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, in fact, occur as described.

Part I

Introduction

Preparing the annual budget and overseeing the association's finances are perhaps the most important responsibilities of board members. The annual operating and reserve budgets reflect the planning and goals of the association and set the level and quality of service for all of the association's activities.

Funding Options

When a major repair or replacement is required in a community, an association has essentially four options available to address the expenditure:

The first, and only logical means that the Board of Directors has to ensure its ability to maintain the assets for which it is obligated, is by **assessing an adequate level of reserves** as part of the regular membership assessment, thereby distributing the cost of the replacements uniformly over the entire membership. The community is not only comprised of present members, but also future members. Any decision by the Board of Directors to adopt a calculation method or funding plan which would disproportionately burden future members in order to make up for past reserve deficits, would be a breach of its fiduciary responsibility to those future members. Unlike individuals determining their own course of action, the board is responsible to the "community" as a whole.

Whereas, if the association was setting aside reserves for this purpose, using the vehicle of the regularly assessed membership dues, it would have had the full term of the life of the roof, for example, to accumulate the necessary moneys. Additionally, those contributions would have been evenly distributed over the entire membership and would have earned interest as part of that contribution.

The second option is for the association to **acquire a loan** from a lending institution in order to effect the required repairs. In many cases, banks will lend to an association using "future homeowner assessments" as collateral for the loan. With this method, the current board is pledging the future assets of an association. They are also incurring the additional expense of interest fees along with the original principal amount. In the case of a \$150,000 roofing replacement, the association may be required to pay back the loan over a three to five year period, with interest.

The third option, too often used, is simply to **defer the required repair or replacement**. This option, which is not recommended, can create an environment of declining property values due to expanding lists of deferred maintenance items and the association's financial inability to keep pace with the normal aging process of the common area components. This, in turn, can have a seriously negative impact on sellers in the association by making it difficult, or even impossible, for potential buyers to obtain financing from lenders. Increasingly, lending institutions are requesting copies of the association's most recent reserve study before granting loans, either for the association itself, a prospective purchaser, or for an individual within such an association.

The fourth option is to pass a "**special assessment**" to the membership in an amount required to cover the expenditure. When a special assessment is passed, the association has the authority and responsibility to collect the assessments, even by means of foreclosure, if necessary. However, an association considering a special assessment cannot guarantee that an assessment, when needed, will be passed. Consequently, the association cannot guarantee its ability to perform the required repairs or replacements to those major components for which it is obligated when the need arises. Additionally, while relatively new communities require very little in the way of major "reserve" expenditures, associations reaching 12 to 15 years of age and older, find many components reaching the end of their effective useful lives. These required expenditures, all accruing at the same time, could be devastating to an association's overall budget.

Types of Reserve Studies

Most reserve studies fit into one of three categories:

Full Reserve Study;

Update with site inspection; and

Update without site inspection.

In a **Full Reserve Study**, the reserve provider conducts a component inventory, a condition assessment (based upon on-site visual observations), and life and valuation estimates to determine both a “fund status” and “funding plan”.

In an **Update with site inspection**, the reserve provider conducts a component inventory (verification only, not quantification unless new components have been added to the inventory), a condition assessment (based upon on-site visual observations), and life and valuation estimates to determine both the “fund status and “funding plan.”

In an **Update without site inspection**, the reserve provider conducts life and valuation estimates to determine the “fund status” and “funding plan.”

The Reserve Study: A Physical and a Financial Analysis

There are two components of a reserve study: a physical analysis and a financial analysis.

Physical Analysis

During the physical analysis, a reserve study provider evaluates information regarding the physical status and repair/replacement cost of the association’s major common area components. To do so, the provider conducts a component inventory, a condition assessment, and life and valuation estimates.

Developing a Component List

The budget process begins with full inventory of all the major components for which the association is responsible. The determination of whether an expense should be labeled as operational, reserve, or excluded altogether is sometimes subjective. Since this labeling may have a major impact on the financial plans of the association, subjective determinations should be minimized. We suggest the following considerations when labeling an expense.

Operational Expenses

Occur at least annually, no matter how large the expense, and can be budgeted for effectively each year. They are characterized as being reasonably predictable, both in terms of frequency and cost. Operational expenses include all minor expenses, which would not otherwise adversely affect an operational budget from one year to the next. Examples of *operational expenses* include:

Utilities:	Bank Service Charges	Accounting
Electricity	Dues & Publications	Reserve Study
Gas	Licenses, Permits & Fees	Repair Expenses:
Water	Insurance(s)	Tile Roof Repairs
Telephone	Services:	Equipment Repairs
Cable TV	Landscaping	Minor Concrete Repairs
Administrative:	Pool Maintenance	Operating Contingency
Supplies	Street Sweeping	

Reserve Expenses

These are major expenses that occur other than annually, and which must be budgeted for in advance in order to ensure the availability of the necessary funds in time for their use. Reserve expenses are reasonably predictable both in terms of frequency and cost. However, they may include significant assets that have an indeterminable but potential liability that may be demonstrated as a likely occurrence. They are expenses that, when incurred, would have a significant effect on the smooth operation of the budgetary process from one year to the next, if they were not reserved for in advance. Examples of reserve expenses include:

Roof Replacements	Park/Play Equipment
Painting	Pool/Spa Re-plastering
Deck Resurfacing	Pool Equipment Replacement
Fencing Replacement	Pool Furniture Replacement
Asphalt Seal Coating	Tennis Court Resurfacing
Asphalt Repairs	Lighting Replacement
Asphalt Overlays	Insurance(s)
Equipment Replacement	Reserve Study
Interior Furnishings	

Budgeting is Normally Excluded for:

Repairs or replacements of assets which are deemed to have an estimated useful life equal to or exceeding the estimated useful life of the facility or community itself, or exceeding the legal life of the community as defined in an association's governing documents. Examples include the complete replacement of elevators, tile roofs, wiring and plumbing. Also excluded are insignificant expenses that may be covered either by an operating or reserve contingency, or otherwise in a general maintenance fund. Expenses that are necessitated by acts of nature, accidents or other occurrences that are more properly insured for, rather than reserved for, are also excluded.

Financial Analysis

The financial analysis assesses the association's reserve balance or "fund status" (measured in cash or as percent fully funded) to determine a recommendation for the appropriate reserve contribution rate in the future, known as the "funding plan".

Preparing the Reserve Study

Once the reserve assets have been identified and quantified, their respective replacement costs, useful lives and remaining lives must be assigned so that a funding schedule can be constructed. Replacement costs and useful lives can be found in published manuals such as construction estimators, appraisal handbooks, and valuation guides. Remaining lives are calculated from the useful lives and ages of assets and adjusted according to conditions such as design, manufactured quality, usage, exposure to the elements and maintenance history.

By following the recommendations of an effective reserve study, the association should avoid any major shortfalls. However, to remain accurate, the report should be updated on an annual basis to reflect such changes as shifts in economic parameters, additions of phases or assets, or expenditures of reserve funds. The association can assist in simplifying the reserve analysis update process by keeping accurate records of these changes throughout the year.

Funding Methods

From the simplest to the most complex, reserve analysis providers use many different computational processes to calculate reserve requirements. However, there are two basic processes identified as industry standards: the cash flow method and the component method.

The cash flow method develops a reserve-funding plan where contributions to the reserve fund are designed to offset the variable annual expenditures from the reserve fund. Different reserve funding plans are tested against the actual anticipated schedule of reserve expenses until the desired funding goal is achieved. This method sets up a "window" in which all future anticipated replacement costs are computed, based upon the individual lives of the components under consideration. The Threshold and the Current Assessment funding models are based upon the cash flow method.

The component method develops a reserve-funding plan where the total contribution is based upon the sum of contributions for individual components. The component method is the more conservative of the two funding options, and assures that the association will achieve and maintain an ideal level of reserve over time. This method also allows for computations on individual components in the analysis. The Component Funding model is based upon the component methodology.

Funding Strategies

Once an association has established its funding goals, the association can select an appropriate funding plan. There are four basic strategies from which most associations select. It is recommended that associations consult professionals to determine the best strategy or combination of plans that best suit the association's need. Additionally, associations should consult with their financial advisor to determine the tax implications of selecting a particular plan. Further, consultation with the American Institute of Certified Public Accountants (AICPA) for their reporting requirements is advisable. The four funding plans and descriptions of each are detailed below. Associations will have to update their reserve studies more or less frequently depending on the funding strategy they select.

Full Funding---Given that the basis of funding for reserves is to distribute the costs of the replacements over the lives of the components in question, it follows that the ideal level of reserves would be proportionately related to those lives and costs. If an association has a component with an expected estimated useful life of ten years, it would set aside approximately one-tenth of the replacement cost each year. At the end of three years, one would expect three-tenths of the replacement cost to have accumulated, and if so, that component would be "fully-funded." This model is important in that it is a measure of the adequacy of an association's reserves at any one point of time, and is independent of any particular method which may have been used for past funding or may be under consideration for future funding. This formula represents a snapshot in time and is based upon current replacement cost, independent of future inflationary or investment factors:

Fully Funded Reserves = Age divided by Useful Life the results multiplied by Current Replacement Cost

When an association's total accumulated reserves for all components meet this criterion, its reserves are considered "fully-funded."

The Threshold Funding Model (Minimum Funding). The goal of this funding method is to keep the reserve cash balance above zero. This means that while each individual component may not be fully funded, the reserve balance overall does not drop below zero during the projected period. An association using this funding method must understand that even a minor reduction in a component's remaining useful life can result in a deficit in the reserve cash balance.

The Threshold Funding Model. This method is based upon the cash flow funding concept. The minimum reserve cash balance in threshold funding, however, is set at a predetermined dollar amount (other than \$0).

The Current Assessment Funding Model. This method is also based upon the cash flow funding concept. The initial reserve assessment is set at the association's current fiscal year funding level and a 30-year projection is calculated to illustrate the adequacy of the current funding over time.

The Component Funding Model. This is a straight-line funding model. It distributes the cash reserves to individual reserve components and then calculates what the reserve assessment and interest contribution (minus taxes) should be, again by each reserve component. The current annual assessment is then determined by summing all the individual component assessments, hence the name "Component Funding Model". This is the most conservative funding model. It leads to or maintains the fully funded reserve position. The following details this calculation process.

Component Funding Model Distribution of Accumulated Reserves

The "Distribution of Accumulated Reserves Report" is a "Component Funding Model" calculation. This distribution **does not** apply to the cash flow funding models.

When calculating reserves based upon the component methodology, a beginning reserve balance must be

allocated for each of the individual components considered in the analysis, before the individual calculations can be completed. When this distribution is not available, or of sufficient detail, the following method is suggested for allocating reserves:

The first step the program performs in this process is subtracting, from the total accumulated reserves, any amounts for assets that have predetermined (fixed) reserve balances. The user can “fix” the accumulated reserve balance within the program on the individual asset’s detail page. If, by error, these amounts total more than the amount of funds available, then the remaining assets are adjusted accordingly. A provision for a contingency reserve is then deducted by the determined percentage used, and if there are sufficient remaining funds available.

The second step is to identify the ideal level of reserves for each asset. As indicated in the prior section, this is accomplished by evaluating the component’s age proportionate to its estimated useful life and current replacement cost. Again, the equation used is as follows:

Fully Funded Reserves = (Age/Useful Life) x Current Replacement Cost

The Reserve Analyst[®] software program performs the above calculations to the actual month the component was placed-in-service. The program projects that the accumulation of necessary reserves for repairs or replacements will be available on the first day of the fiscal year in which they are scheduled to occur.

The next step the program performs is to arrange all of the assets used in the study in ascending order by remaining life, and alphabetically within each grouping of remaining life items. These assets are then assigned their respective ideal level of reserves until the amount of funds available is depleted, or until all assets are appropriately funded. If any assets are assigned a zero remaining life (scheduled for replacement in the current fiscal year), then the amount assigned equals the current replacement cost and funding begins for the next cycle of replacement. If there are insufficient funds available to accomplish this, then the software automatically adjusts the zero remaining life items to one year, and that asset assumes its new grouping position alphabetically in the final printed report.

If, at the completion of this task, there are additional moneys that have not been distributed, the remaining reserves are then assigned, in ascending order, to a level equal to, but not exceeding, the current replacement cost for each component. If there are sufficient moneys available to fund all assets at their current replacement cost levels, then any excess funds are designated as such and are not factored into any of the report computations. If, at the end of this assignment process there are designated excess funds, they can be used to offset the monthly contribution requirements recommended, or used in any other manner the client may desire.

Assigning the reserves in this manner defers the make-up period for any under-funding over the longest remaining life of all assets under consideration, thereby minimizing the impact of any deficiency. For example, if the report indicates an under funding of \$50,000, this under-funding will be assigned to components with the longest remaining lives in order to give more time to “replenish” the account. If the \$50,000 under-funding were to be assigned to short remaining life items, the impact would be felt immediately.

If the reserves are under-funded, the monthly contribution requirements, as outlined in this report, can be expected to be higher than normal. In future years, as individual assets are replaced, the funding requirements will return to their normal levels. In the case of a large deficiency, a special assessment may be considered. The program can easily generate revised reports outlining how the monthly contributions would be affected by such an adjustment, or by any other changes that may be under consideration.

Funding Reserves

Three assessment and contribution figures are provided in the report, the “Monthly Reserve Assessment Required”, the “Average Net Monthly Interest Earned” contribution and the “Total Monthly Allocation to Reserves.” The association should allocate the “Monthly Reserve Assessment Required” amount to reserves each month when the interest earned on the reserves is left in the reserve accounts as part of the contribution. Any interest earned on reserve deposits, must be left in reserves and only amounts set aside for taxes should be removed.

The second alternative is to allocate the “Total Monthly Allocation” to reserves (this is the member assessment plus the anticipated interest earned for the fiscal year). This method assumes that all interest earned will be assigned directly as operating income. This allocation takes into consideration the anticipated interest earned on accumulated reserves regardless of whether or not it is actually earned. When taxes are paid, the amount due will be taken directly from the association’s operating accounts as the reserve accounts are allocated only those moneys net of taxes.

Users’ Guide to your Reserve Analysis Study

Part II of this Report contains the reserve analysis study for your association. There are seven types of reports in the study as described below.

Report Summaries

The Report Summary for all funding models lists all of the parameters that were used in calculating the report as well as the summary of your reserve analysis study.

Index Reports

The **Distribution of Accumulated Reserves** report lists all assets in remaining life order. It also identifies the ideal level of reserves that should have accumulated for the association as well as the actual reserves available. This information is valid only for the “Component Funding Model” calculation.

The **Component Listing/Summary** lists all assets by category (i.e. roofing, painting, lighting, etc.) together with their remaining life, current cost, monthly reserve contribution, and net monthly allocation.

Detail Reports

The Detail Report itemizes each asset and lists all measurements, current and future costs, and calculations for that asset. Provisions for percentage replacements, salvage values, and one-time replacements can also be utilized. These reports can be sorted by category or group.

The numerical listings for each asset are enhanced by extensive narrative detailing factors such as design, manufactured quality, usage, exposure to elements and maintenance history.

The Detail Index is an alphabetical listing of all assets, together with the page number of the asset's detail report, the projected replacement year, and the asset number.

Projections

Thirty-year projections add to the usefulness of your reserve analysis study.

Definitions

Report I.D.

Includes the Report Date (example: November 15, 1992), Account Number (example: 9773), and Version (example: 1.0). Please use this information (displayed on the summary page) when referencing your report.

Budget Year Beginning/Ending

The budgetary year for which the report is prepared. For associations with fiscal years ending December 31st, the monthly contribution figures indicated are for the 12-month period beginning 1/1/20xx and ending 12/31/20xx.

Number of Units and/or Phases

If applicable, the number of units and/or phases included in this version of the report.

Inflation

This figure is used to approximate the future cost to repair or replace each component in the report. The current cost for each component is compounded on an annual basis by the number of remaining years to replacement, and the total is used in calculating the monthly reserve contribution that will be necessary to accumulate the required funds in time for replacement.

Annual Assessment Increase

This represents the percentage rate at which the association will increase its assessment to reserves at the end of each year. For example, in order to accumulate \$10,000 in 10 years, you could set aside \$1,000 per year. As an alternative, you could set aside \$795 the first year and increase that amount by 5% each year until the year of replacement. In either case you arrive at the same amount. The idea is that you start setting aside a lower amount and increase that number each year in accordance with the planned percentage. Ideally this figure should be equal to the rate of inflation. It can, however, be used to aide those associations that have not set aside appropriate reserves in the past, by making the initial year's allocation less formidable.

Investment Yield Before Taxes

The average interest rate anticipated by the association based upon its current investment practices.

Taxes on Interest Yield

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

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 upon information provided and not audited.

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 aging of the components on the basis of construction date or date of acceptance by the association.

Monthly Assessment

The assessment to reserves required by the association each month.

Interest Contribution (After Taxes)

The interest that should be earned on the reserves, net of taxes, based upon their beginning reserve balance and monthly contributions for one year. This figure is averaged for budgeting purposes.

Total Monthly Allocation

The sum of the monthly assessment and interest contribution figures.

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.

Percentage of Replacement or Repairs

In some cases, an asset may not be replaced in its entirety or the cost may be shared with a second party. Examples are budgeting for a percentage of replacement of streets over a period of time, or sharing the expense to replace a common wall with a neighboring party.

Placed-In-Service Date

The month and year that the asset was placed-in-service. This may be the construction date, the first escrow closure date in a given phase, or the date of the last servicing or replacement.

Estimated Useful Life

The estimated useful life of an asset based upon industry standards, manufacturer specifications, visual inspection, location, usage, association standards and prior history. All of these factors are taken into consideration when tailoring the estimated useful life to the particular asset. For example, the carpeting in a hallway or elevator (a heavy traffic area) will not have the same life as the identical carpeting in a seldom-used meeting room or office.

Adjustment to Useful Life

Once the useful life is determined, it may be adjusted, up or down, by this separate figure for the current cycle of replacement. This will allow for a current period adjustment without affecting the estimated replacement cycles for future replacements.

Estimated Remaining Life

This calculation is completed internally based upon the report's fiscal year date and the date the asset

was placed-in-service.

Replacement Year

The year that the asset is scheduled to be replaced. The appropriate funds will be available by the first day of the fiscal year for which replacement is anticipated.

Annual Fixed Reserves

An optional figure which, if used, will override the normal process of allocating reserves to each asset.

Fixed Assessment

An optional figure which, if used, will override all calculations and set the assessment at this amount. This assessment can be set for monthly, quarterly or annually as necessary.

Salvage Value

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

One-Time Replacement

Notation if the asset is to be replaced on a one-time basis.

Current Replacement Cost

The estimated replacement cost effective at the beginning of the fiscal year for which the report is being prepared

Future Replacement Cost

The estimated cost to repair or replace the asset at the end of its estimated useful life based upon the current replacement cost and inflation.

Component Inventory

The task of selecting and qualifying reserve components. This task can be accomplished through on-site visual, review of association design and organizational documents, a review of established association precedents, and discussion with appropriate association representative(s).

A Multi-Purpose Tool

Your Report is an important part of your association's budgetary process. Following its recommendations should ensure the association's smooth budgetary transitions from one fiscal year to the next, and either decrease or eliminate the need for "special assessments".

In addition, your reserve study serves a variety of useful purposes:

- Following the recommendations of a reserve study performed by a professional consultant can protect the Board of Directors in a community from personal liability concerning reserve components and reserve funding.
- A reserve analysis study is required by your accountant during the preparation of the association's annual audit.
- The reserve study is often requested by lending institutions during the process of loan applications, both for the community and, in many cases, the individual owners.
- Your Report is also a detailed inventory of the association's major assets and serves as a management tool for scheduling, coordinating and planning future repairs and replacements.
- Your Report is a tool that can assist the Board in fulfilling its legal and fiduciary obligations for maintaining the community in a state of good repair. If a community is operating on a special assessment basis, it cannot guarantee that an assessment, when needed, will be passed. Therefore, it cannot guarantee its ability to perform the required repairs or replacements to those major components for which the association is obligated.
- Since the reserve analysis study includes measurements and cost estimates of the client's assets, the detail reports may be used to evaluate the accuracy and price of contractor bids when assets are due to be repaired or replaced.
- The reserve study is an annual disclosure to the membership concerning the financial condition of the association, and may be used as a "consumers' guide" by prospective purchasers.
- Your Report provides a record of the time, cost, and quantities of past reserve replacements. At times the association's management company and board of directors are transitory which may result in the loss of these important records.

Jade Beach East
 Lauderdale by the Sea, FL
RA Current Assessment Funding Model Summary

Report Date	January 1, 2025
Account Number	11774
Budget Year Beginning	January 1, 2025
Budget Year Ending	December 31, 2025
Total Units	45

<i>Report Parameters</i>	
Annual Assessment Increase	3.00%
Interest Rate on Reserve Deposit	5.00%
Tax Rate on Interest	21.00%
2025 Beginning Balance	\$48,175

Current Assessment Funding Model Summary

- For budgeting purposes, unless otherwise indicated, we have used 1/1/1975 to begin aging the original components in this reserve study.
- This a 45 unit condominium is located at 1750 S Ocean Blvd, Lauderdale by the Sea, FL.
- The last field inspection was completed on 9/18/24.

Current Assessment Funding Model Summary of Calculations

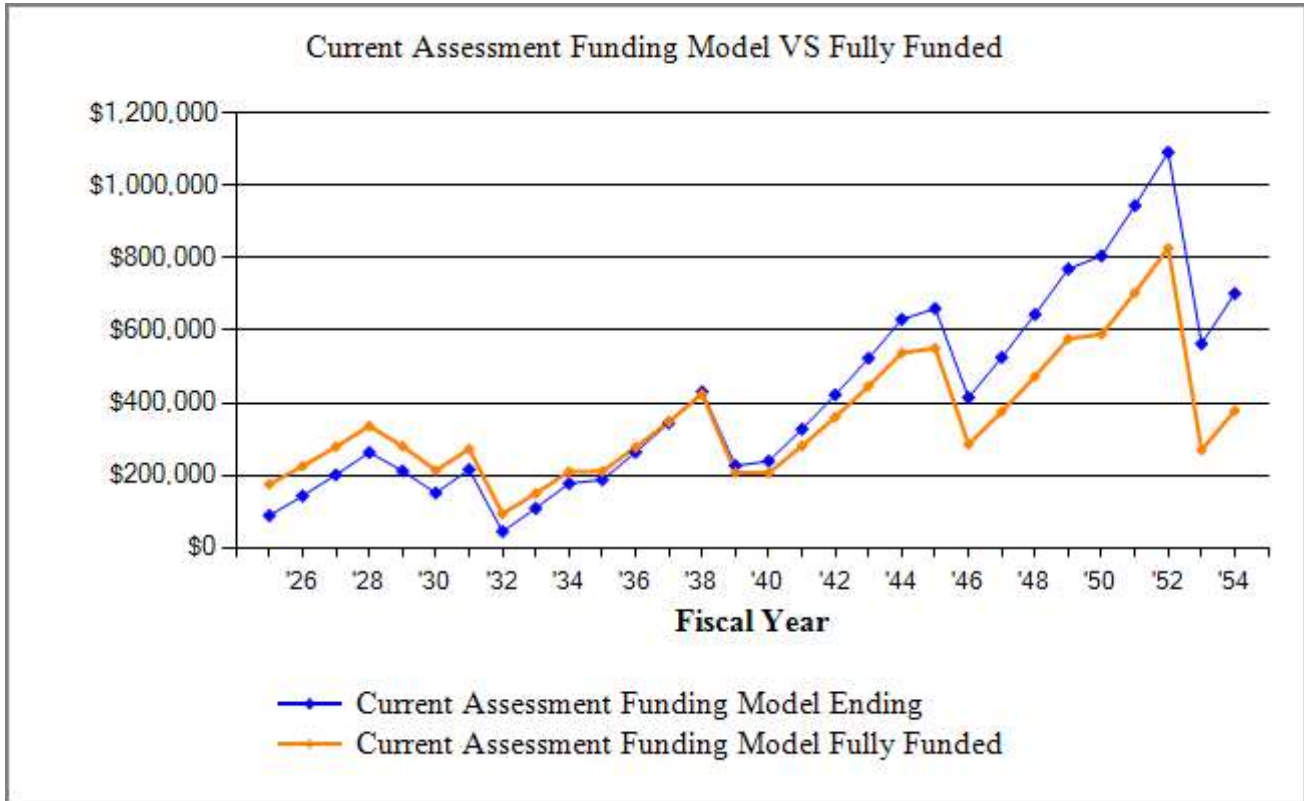
Required Monthly Contribution	\$4,014.58
<i>\$89.21 per unit monthly</i>	
Average Net Monthly Interest Earned	<u>\$214.90</u>
Total Monthly Allocation to Reserves	\$4,229.48
<i>\$93.99 per unit monthly</i>	

Jade Beach East
RA Current Assessment Funding Model Projection

Beginning Balance: \$48,175

Year	Current Cost	Annual Contribution	Annual Interest	Annual Expenditures	Projected Ending Reserves	Fully Funded Reserves	Percent Funded
2025	402,825	48,175	2,579	10,000	88,929	175,415	51%
2026	414,910	49,620	4,652		143,201	225,268	64%
2027	427,357	51,109	6,867		201,176	278,709	72%
2028	440,178	52,642	9,232		263,050	336,011	78%
2029	453,383	54,221	7,236	112,354	212,153	280,140	76%
2030	466,985	55,848	4,847	121,724	151,125	213,478	71%
2031	480,994	57,523	7,324		215,972	272,556	79%
2032	495,424	59,249	670	231,216	44,675	93,695	48%
2033	510,287	61,027	3,119		108,821	149,818	73%
2034	525,595	62,857	5,738		177,416	209,986	84%
2035	541,363	64,743	6,106	60,476	187,789	211,104	89%
2036	557,604	66,685	8,998		263,472	277,136	95%
2037	574,332	68,686	12,085		344,243	347,944	99%
2038	591,562	70,747	15,379		430,368	423,892	102%
2039	609,309	72,869	7,451	284,367	226,321	207,423	109%
2040	627,588	75,055	7,909	70,109	239,177	206,696	116%
2041	646,416	77,307	11,295		327,778	281,038	117%
2042	665,808	79,626	14,909		422,312	360,710	117%
2043	685,783	82,015	18,763		523,090	446,115	117%
2044	706,356	84,475	22,870		630,435	537,691	117%
2045	727,547	87,009	23,973	81,275	660,142	550,715	120%
2046	749,373	89,620	14,426	349,735	414,453	285,415	145%
2047	771,854	92,308	18,670		525,431	375,883	140%
2048	795,010	95,078	23,193		643,702	472,836	136%
2049	818,860	97,930	28,012		769,644	576,766	133%
2050	843,426	100,868	29,352	94,220	805,644	589,434	137%
2051	868,729	103,894	34,655		944,193	704,046	134%
2052	894,791	107,011	40,296		1,091,499	826,983	132%
2053	921,634	110,221	19,803	658,523	563,000	269,696	209%
2054	949,283	113,528	25,104		701,632	378,211	186%

Jade Beach East
RA Current Assessment Funding Model VS Fully Funded Chart



The Current Assessment Funding Model is based on the current annual assessment, parameters, and reserve fund balance. Because it is calculated using the current annual assessment, it will give the accurate projection of how well the association is funded for the next 30 years of planned reserve expenditures.

Jade Beach East
 Lauderdale by the Sea, FL
RA Threshold Funding Model Summary

Report Date	January 1, 2025
Account Number	11774
Budget Year Beginning	January 1, 2025
Budget Year Ending	December 31, 2025
Total Units	45

<i>Report Parameters</i>	
Inflation	3.00%
Annual Assessment Increase	3.00%
Interest Rate on Reserve Deposit	5.00%
Tax Rate on Interest	21.00%
2025 Beginning Balance	\$48,175

Threshold Funding Model Summary

- For budgeting purposes, unless otherwise indicated, we have used 1/1/1975 to begin aging the original components in this reserve study.
- This a 45 unit condominium is located at 1750 S Ocean Blvd, Lauderdale by the Sea, FL.
- The last field inspection was completed on 9/18/24.

Threshold Funding Model Summary of Calculations

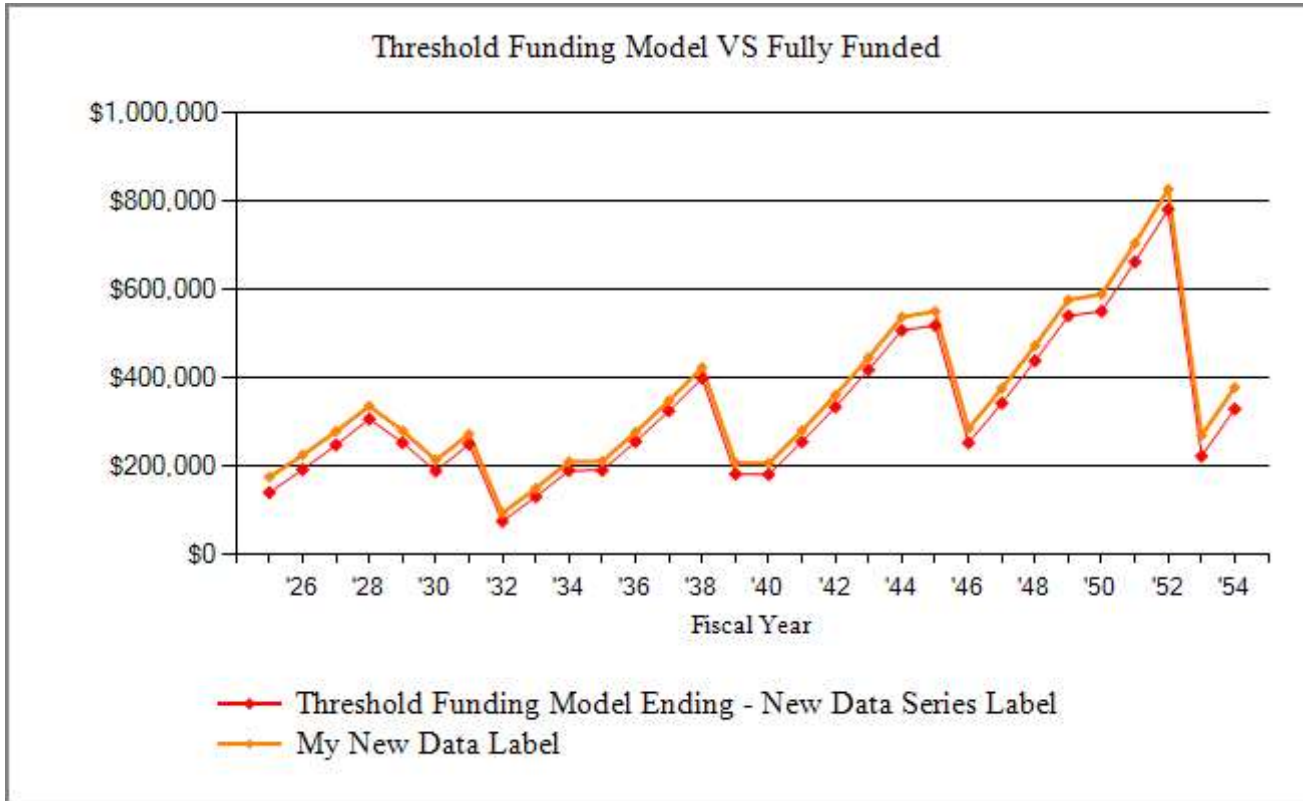
Required Monthly Contribution	\$8,207.36
<i>\$182.39 per unit monthly</i>	
Average Net Monthly Interest Earned	<u>\$305.70</u>
Total Monthly Allocation to Reserves	\$8,513.06
<i>\$189.18 per unit monthly</i>	

**Jade Beach East
RA Threshold Funding Model Projection**

Beginning Balance: \$48,175

Year	Current Cost	Annual Contribution	Annual Interest	Annual Expenditures	Projected Ending Reserves	Fully Funded Reserves	Percent Funded
2025	402,825	98,488	3,668	10,000	140,332	175,415	80%
2026	414,910	45,362	6,627		192,321	225,268	85%
2027	427,357	46,723	8,748		247,791	278,709	89%
2028	440,178	48,125	11,009		306,925	336,011	91%
2029	453,383	49,568	8,900	112,354	253,039	280,140	90%
2030	466,985	51,055	6,388	121,724	188,758	213,478	88%
2031	480,994	52,587	8,731		250,076	272,556	92%
2032	495,424	54,165	1,932	231,216	74,956	93,695	80%
2033	510,287	51,469	4,130		130,555	149,818	87%
2034	525,595	53,013	6,399		189,968	209,986	90%
2035	541,363	54,604	6,391	60,476	190,487	211,104	90%
2036	557,604	56,242	8,880		255,609	277,136	92%
2037	574,332	57,929	11,536		325,074	347,944	93%
2038	591,562	59,667	14,368		399,109	423,892	94%
2039	609,309	61,457	5,946	284,367	182,145	207,423	88%
2040	627,588	63,301	5,877	70,109	181,215	206,696	88%
2041	646,416	65,200	8,701		255,116	281,038	91%
2042	665,808	67,156	11,716		333,987	360,710	93%
2043	685,783	69,171	14,932		418,090	446,115	94%
2044	706,356	71,246	18,360		507,695	537,691	94%
2045	727,547	73,383	18,741	81,275	518,544	550,715	94%
2046	749,373	75,585	8,427	349,735	252,820	285,415	89%
2047	771,854	77,852	11,855		342,527	375,883	91%
2048	795,010	80,188	15,514		438,229	472,836	93%
2049	818,860	82,593	19,416		540,238	576,766	94%
2050	843,426	85,071	19,783	94,220	550,871	589,434	93%
2051	868,729	87,623	24,055		662,550	704,046	94%
2052	894,791	90,252	28,604		781,406	826,983	94%
2053	921,634	92,959	6,956	658,523	222,799	269,696	83%
2054	949,283	95,748	11,035		329,582	378,211	87%

Jade Beach East
RA Threshold Funding Model VS Fully Funded Chart



The **Threshold Funding Model** calculates the minimum reserve assessments, with the restriction that the reserve balance is not allowed to go below \$0 or other predetermined threshold, during the period of time examined. All funds for planned reserve expenditures will be available on the first day of each fiscal year. The **Threshold Funding Model** allows the client to choose the level of conservative funding they desire by choosing the threshold dollar amount.

Jade Beach East
 Lauderdale by the Sea, FL
RA Component Funding Model Summary

Report Date	January 1, 2025
Account Number	11774
Budget Year Beginning	January 1, 2025
Budget Year Ending	December 31, 2025
Total Units	45

<i>Report Parameters</i>	
Inflation	3.00%
Interest Rate on Reserve Deposit	5.00%
Tax Rate on Interest	21.00%
2025 Beginning Balance	\$48,175

Component Funding Model Summary

- For budgeting purposes, unless otherwise indicated, we have used 1/1/1975 to begin aging the original components in this reserve study.
- This a 45 unit condominium is located at 1750 S Ocean Blvd, Lauderdale by the Sea, FL.
- The last field inspection was completed on 9/18/24.

Component Funding Model Summary of Calculations

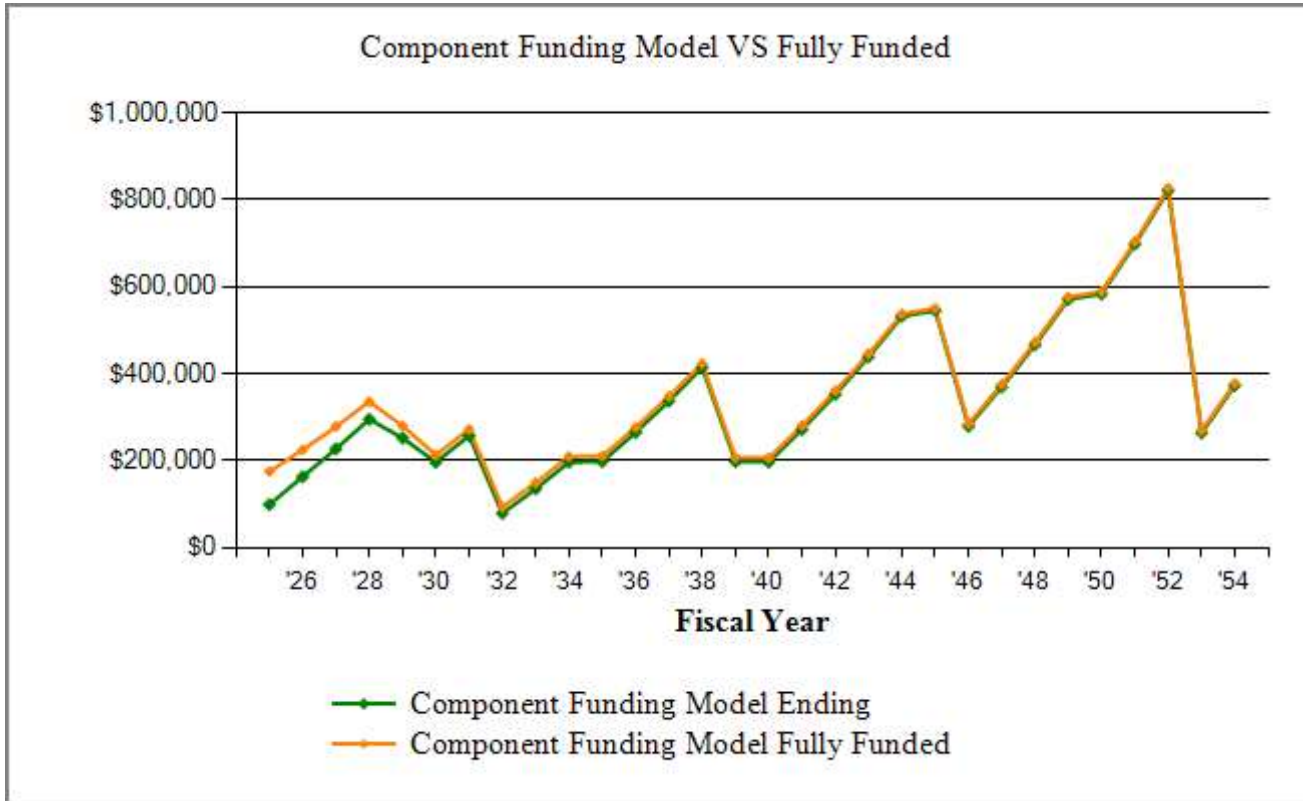
Required Monthly Contribution	\$4,869.65
<i>\$108.21 per unit monthly</i>	
Average Net Monthly Interest Earned	<u>\$233.42</u>
Total Monthly Allocation to Reserves	\$5,103.07
<i>\$113.40 per unit monthly</i>	

**Jade Beach East
RA Component Funding Model Projection**

Beginning Balance: \$48,175

Year	Current Cost	Annual Contribution	Annual Interest	Annual Expenditures	Projected Ending Reserves	Fully Funded Reserves	Percent Funded
2025	402,825	58,436	2,801	10,000	99,412	175,415	57%
2026	414,910	58,719	5,270		163,401	225,268	73%
2027	427,357	56,331	7,792		227,525	278,709	82%
2028	440,178	57,606	10,399		295,531	336,011	88%
2029	453,383	60,431	8,677	112,354	252,284	280,140	90%
2030	466,985	59,838	6,547	121,724	196,946	213,478	92%
2031	480,994	51,870	9,045		257,861	272,556	95%
2032	495,424	50,251	2,160	231,216	79,056	93,695	84%
2033	510,287	52,326	4,313		135,695	149,818	91%
2034	525,595	54,443	6,637		196,775	209,986	94%
2035	541,363	55,369	6,681	60,476	198,348	211,104	94%
2036	557,604	57,667	9,227		265,242	277,136	96%
2037	574,332	60,032	11,969		337,243	347,944	97%
2038	591,562	62,472	14,918		414,632	423,892	98%
2039	609,309	61,514	6,572	284,367	198,351	207,423	96%
2040	627,588	62,649	6,515	70,109	197,406	206,696	96%
2041	646,416	65,324	9,355		272,085	281,038	97%
2042	665,808	68,065	12,418		352,568	360,710	98%
2043	685,783	70,879	15,716		439,164	446,115	98%
2044	706,356	73,775	19,262		532,200	537,691	99%
2045	727,547	75,109	19,764	81,275	545,798	550,715	99%
2046	749,373	73,997	9,489	349,735	279,549	285,415	98%
2047	771,854	77,233	12,917		369,699	375,883	98%
2048	795,010	80,561	16,615		466,874	472,836	99%
2049	818,860	83,990	20,598		571,463	576,766	99%
2050	843,426	85,587	21,050	94,220	583,879	589,434	99%
2051	868,729	89,284	25,419		698,582	704,046	99%
2052	894,791	93,113	30,116		821,811	826,983	99%
2053	921,634	92,352	8,568	658,523	264,208	269,696	98%
2054	949,283	96,244	12,712		373,164	378,211	99%

**Jade Beach East
RA Component Funding Model VS Fully Funded Chart**



The **Component Funding Model's** long-term objective is to provide a plan to a fully funded reserve position over the longest period of time practical. This is the most conservative funding model.

Jade Beach East
RA Component Funding Model Assessment & Category Summary

Description	Replacement Year	Useful Life	Adjustment	Remaining Life	Current Cost	Assigned Reserves	Fully Funded
Streets/Asphalt							
Parking Lot	2030	31	0	5	<u>60,000</u>	0	<u>48,375</u>
Streets/Asphalt - Total					<u>\$60,000</u>		<u>\$48,375</u>
Roofing							
Roofing	2029	24	0	4	<u>99,825</u>	<u>38,175</u>	<u>80,522</u>
Roofing - Total					<u>\$99,825</u>	<u>\$38,175</u>	<u>\$80,522</u>
Painting							
Painting	2032	7	0	7	<u>88,000</u>	0	0
Painting - Total					<u>\$88,000</u>		
Building Components							
Common Doors and Windows	2025	50	0	0	10,000	10,000	10,000
Exterior Concrete Repairs	2032	7	0	7	100,000	0	0
Stucco Repairs	2030	5	0	5	10,000	0	0
Walkway Waterproofing	2030	5	0	5	<u>35,000</u>	<u>0</u>	<u>0</u>
Building Components - Total					<u>\$155,000</u>	<u>\$10,000</u>	<u>\$10,000</u>
Total Asset Summary					<u><u>\$402,825</u></u>	<u><u>\$48,175</u></u>	<u><u>\$138,897</u></u>

Percent Fully Funded	35%
Current Average Liability per Unit (Total Units: 45)	-\$2,016

Jade Beach East
RA Distribution of Accumulated Reserves

Description	Remaining Life	Replacement Year	Assigned Reserves	Fully Funded Reserves
Common Doors and Windows	0	2025	10,000	10,000
Roofing	4	2029	* 38,175	80,522
Stucco Repairs	5	2030		
Walkway Waterproofing	5	2030		
Parking Lot	5	2030		48,375
Exterior Concrete Repairs	7	2032		
Painting	7	2032		
Total Asset Summary			<u>\$48,175</u>	<u>\$138,897</u>

Percent Fully Funded	35%
Current Average Liability per Unit (Total Units: 45)	-\$2,016

'' Indicates Partially Funded*

**Jade Beach East
RA Annual Expenditure Detail**

Description	Expenditures
Replacement Year 2025	
Common Doors and Windows	10,000
Total for 2025	<u>\$10,000</u>
 <i>No Replacement in 2026</i>	
<i>No Replacement in 2027</i>	
<i>No Replacement in 2028</i>	
 Replacement Year 2029	
Roofing	112,354
Total for 2029	<u>\$112,354</u>
 Replacement Year 2030	
Parking Lot	69,556
Stucco Repairs	11,593
Walkway Waterproofing	40,575
Total for 2030	<u>\$121,724</u>
 <i>No Replacement in 2031</i>	
 Replacement Year 2032	
Exterior Concrete Repairs	122,987
Painting	108,229
Total for 2032	<u>\$231,216</u>
 <i>No Replacement in 2033</i>	
<i>No Replacement in 2034</i>	
 Replacement Year 2035	
Stucco Repairs	13,439
Walkway Waterproofing	47,037
Total for 2035	<u>\$60,476</u>
 <i>No Replacement in 2036</i>	
<i>No Replacement in 2037</i>	
<i>No Replacement in 2038</i>	
 Replacement Year 2039	
Exterior Concrete Repairs	151,259

**Jade Beach East
RA Annual Expenditure Detail**

Description	Expenditures
<i>Replacement Year 2039 continued...</i>	
Painting	133,108
Total for 2039	\$284,367
Replacement Year 2040	
Stucco Repairs	15,580
Walkway Waterproofing	54,529
Total for 2040	\$70,109
<i>No Replacement in 2041</i>	
<i>No Replacement in 2042</i>	
<i>No Replacement in 2043</i>	
<i>No Replacement in 2044</i>	
Replacement Year 2045	
Stucco Repairs	18,061
Walkway Waterproofing	63,214
Total for 2045	\$81,275
Replacement Year 2046	
Exterior Concrete Repairs	186,029
Painting	163,706
Total for 2046	\$349,735
<i>No Replacement in 2047</i>	
<i>No Replacement in 2048</i>	
<i>No Replacement in 2049</i>	
Replacement Year 2050	
Stucco Repairs	20,938
Walkway Waterproofing	73,282
Total for 2050	\$94,220
<i>No Replacement in 2051</i>	
<i>No Replacement in 2052</i>	
Replacement Year 2053	
Exterior Concrete Repairs	228,793

**Jade Beach East
RA Annual Expenditure Detail**

Description	Expenditures
<i>Replacement Year 2053 continued...</i>	
Painting	201,338
Roofing	228,392
Total for 2053	<u>\$658,523</u>
 <i>No Replacement in 2054</i>	

**Jade Beach East
RA Detail Report by Category**

Parking Lot - 2030		1	@ \$60,000.00
Asset ID	1012	Asset Actual Cost	\$60,000.00
		Percent Replacement	100%
Category	Streets/Asphalt	Future Cost	\$69,556.44
Placed in Service	April 1999	Assigned Reserves	<i>none</i>
Useful Life	31		
Replacement Year	2030	Monthly Assessment	\$758.61
Remaining Life	5	Interest Contribution	<u>\$22.67</u>
		Reserve Allocation	\$781.28
Streets/Asphalt - Total Current Cost			\$60,000
Assigned Reserves			\$0
Fully Funded Reserves			\$48,375

**Jade Beach East
RA Detail Report by Category**

Roofing - 2029		13,310	@ \$7.50
Asset ID	1001	Asset Actual Cost	\$99,825.00
		Percent Replacement	100%
Category	Roofing	Future Cost	\$112,353.92
Placed in Service	April 2005	Assigned Reserves	\$38,175.00
Useful Life	24		
Replacement Year	2029	Monthly Assessment	\$941.27
Remaining Life	4	Interest Contribution	<u>\$156.09</u>
		Reserve Allocation	\$1,097.36

Assumes Complete Tear Off

Using Terry Number as Placeholder. Verify Unit Cost.

Roofing - Total Current Cost	\$99,825
Assigned Reserves	\$38,175
Fully Funded Reserves	\$80,522

Jade Beach East
RA Detail Report by Category

Painting - 2032		1	@ \$88,000.00
Asset ID	1002	Asset Actual Cost	\$88,000.00
		Percent Replacement	100%
Category	Painting	Future Cost	\$108,228.90
Placed in Service	January 2032	Assigned Reserves	<i>none</i>
Useful Life	7		
Replacement Year	2032	Monthly Assessment	\$809.27
Remaining Life	7	Interest Contribution	<u>\$24.19</u>
		Reserve Allocation	\$833.46
Painting - Total Current Cost		\$88,000	
Assigned Reserves		\$0	
Fully Funded Reserves		\$0	

**Jade Beach East
RA Detail Report by Category**

Common Doors and Windows - 2025			
Asset ID	1004	10	@ \$1,000.00
Category	Building Components	Asset Actual Cost	\$10,000.00
Placed in Service	January 1975	Percent Replacement	100%
Useful Life	50	Future Cost	\$10,000.00
Replacement Year	2025	Assigned Reserves	\$10,000.00
Remaining Life	0	Monthly Assessment	\$16.85
		Interest Contribution	<u>\$0.50</u>
		Reserve Allocation	\$17.36

Exterior Concrete Repairs - 2032			
Asset ID	1007	1	@ \$100,000.00
Category	Building Components	Asset Actual Cost	\$100,000.00
Placed in Service	January 2032	Percent Replacement	100%
Useful Life	7	Future Cost	\$122,987.39
Replacement Year	2032	Assigned Reserves	<i>none</i>
Remaining Life	7	Monthly Assessment	\$919.63
		Interest Contribution	<u>\$27.49</u>
		Reserve Allocation	\$947.11

Stucco Repairs - 2030			
Asset ID	1008	1	@ \$10,000.00
Category	Building Components	Asset Actual Cost	\$10,000.00
Placed in Service	January 2030	Percent Replacement	100%
Useful Life	5	Future Cost	\$11,592.74
Replacement Year	2030	Assigned Reserves	<i>none</i>
Remaining Life	5	Monthly Assessment	\$126.43
		Interest Contribution	<u>\$3.78</u>
		Reserve Allocation	\$130.21

Walkway Waterproofing - 2030			
Asset ID	1005	1	@ \$35,000.00
Category	Building Components	Asset Actual Cost	\$35,000.00
Placed in Service	January 2030	Percent Replacement	100%
Useful Life	5	Future Cost	\$40,574.59
Replacement Year	2030	Assigned Reserves	<i>none</i>
Remaining Life	5	Monthly Assessment	\$442.52
		Interest Contribution	<u>\$13.23</u>
		Reserve Allocation	\$455.75

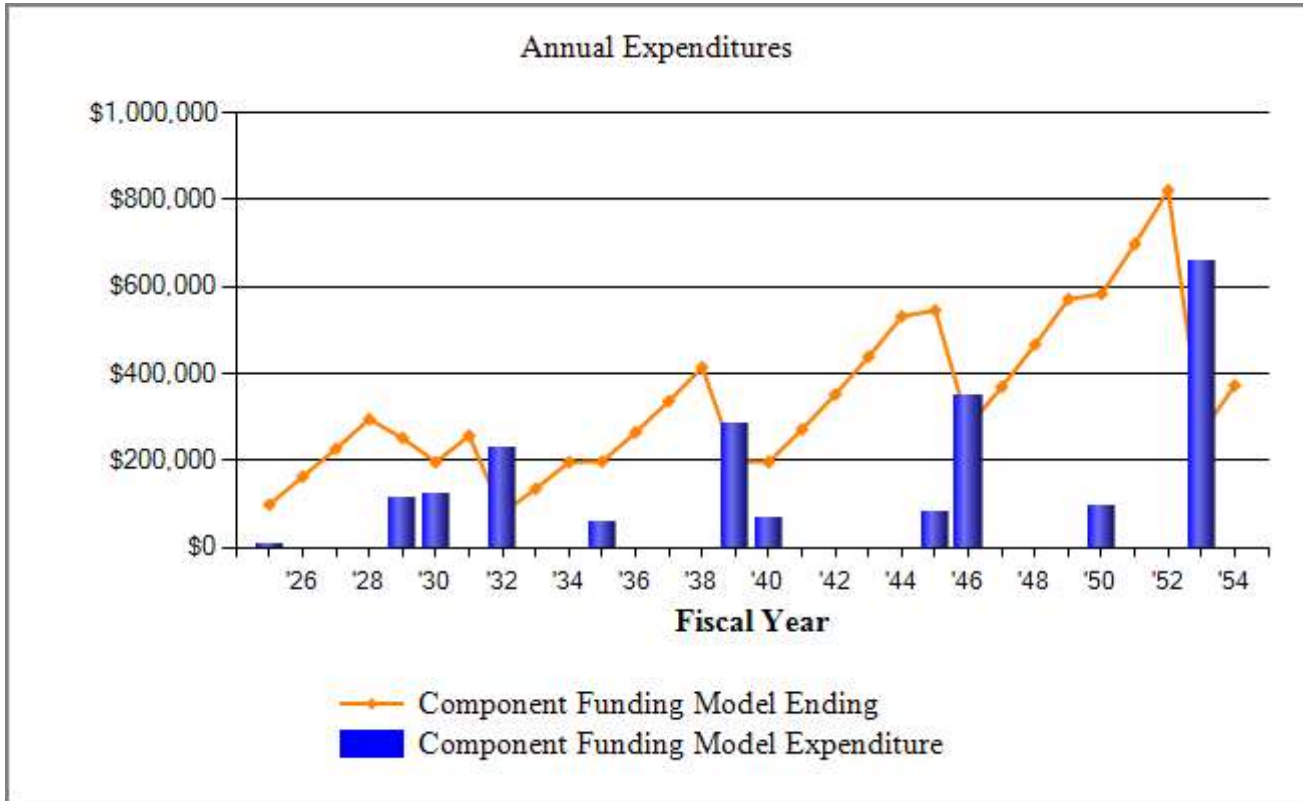
**Jade Beach East
RA Detail Report by Category**

Building Components - Total Current Cost	\$155,000
Assigned Reserves	\$10,000
Fully Funded Reserves	\$10,000

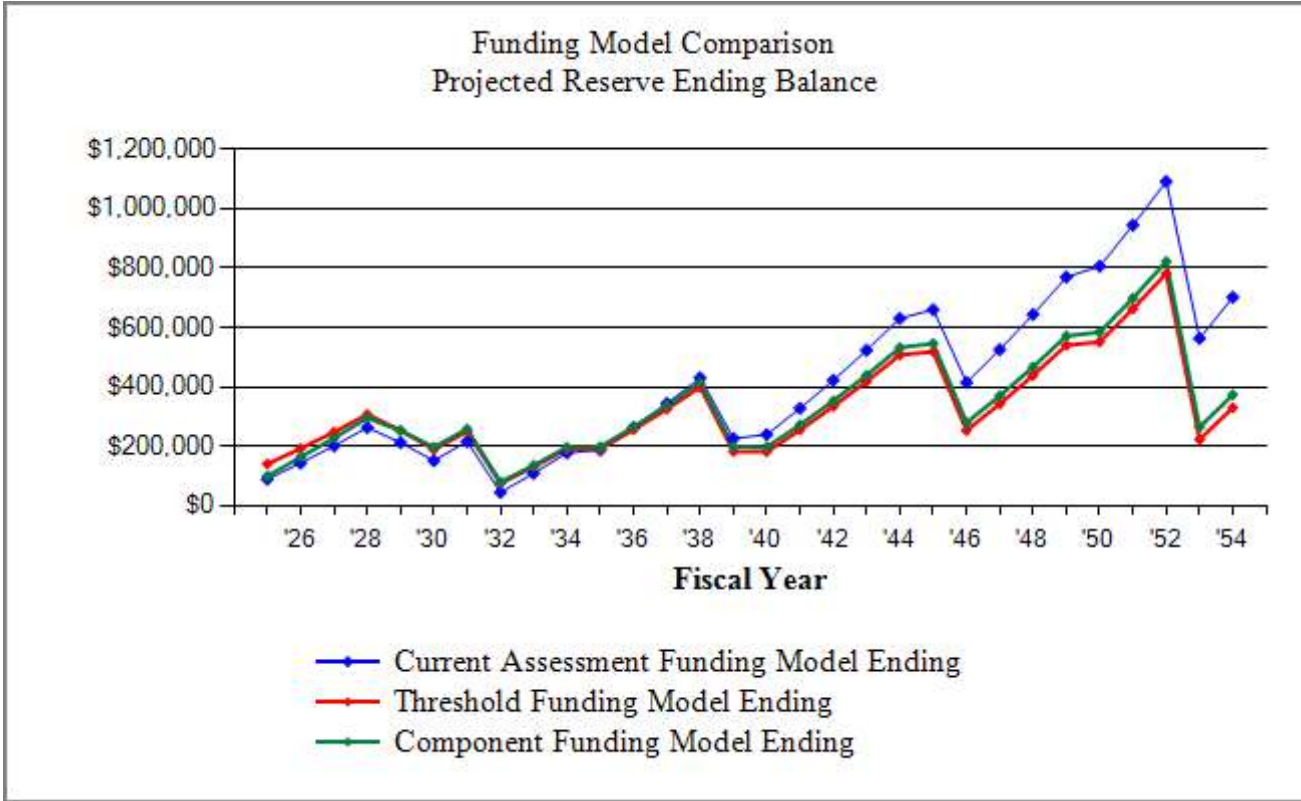
**Jade Beach East
RA Category Detail Index**

Asset ID	Description	Replacement	Page
1004	Common Doors and Windows	2025	2-18
1007	Exterior Concrete Repairs	2032	2-18
1002	Painting	2032	2-17
1012	Parking Lot	2030	2-15
1001	Roofing	2029	2-16
1008	Stucco Repairs	2030	2-18
1005	Walkway Waterproofing	2030	2-18
	Total Funded Assets	7	
	Total Unfunded Assets	<u>0</u>	
	Total Assets	7	

Jade Beach East RA Annual Expenditure Chart

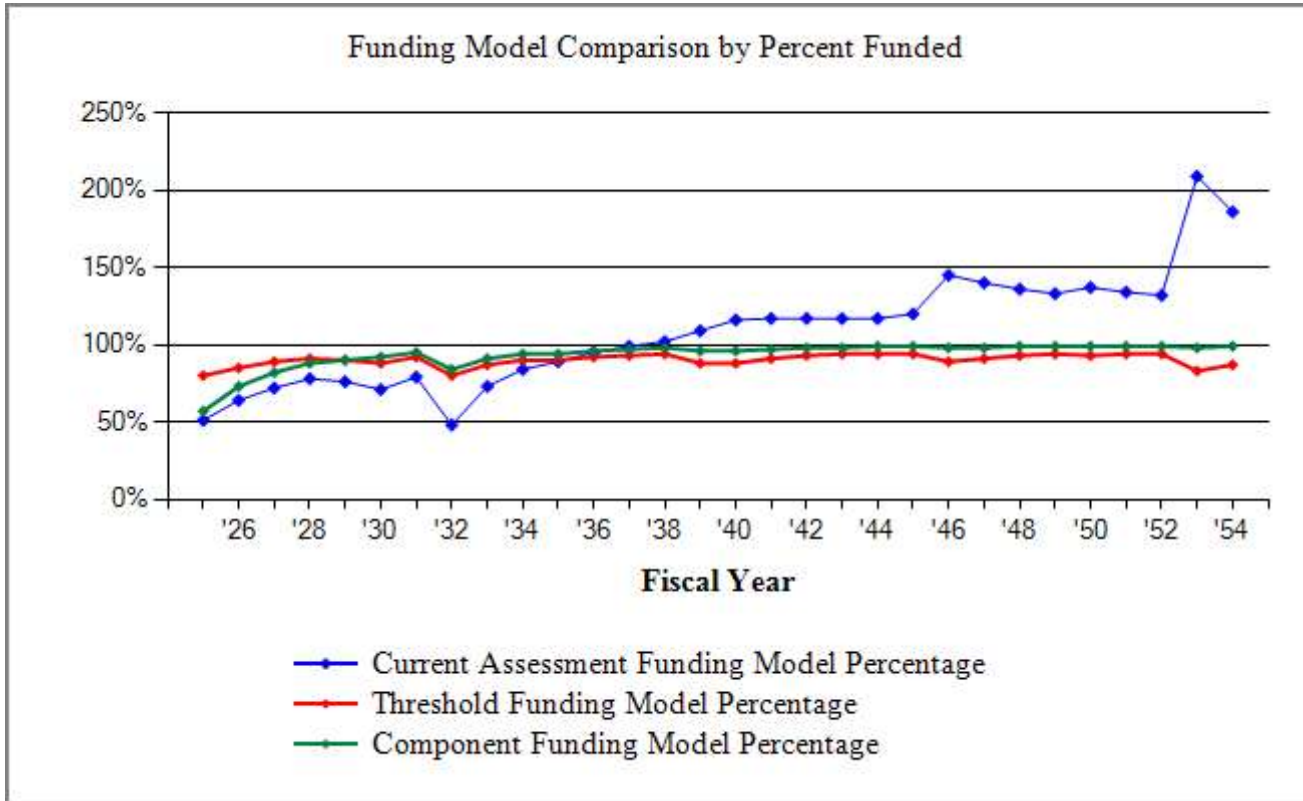


**Jade Beach East
RA Funding Model Reserve Ending Balance Comparison Chart**



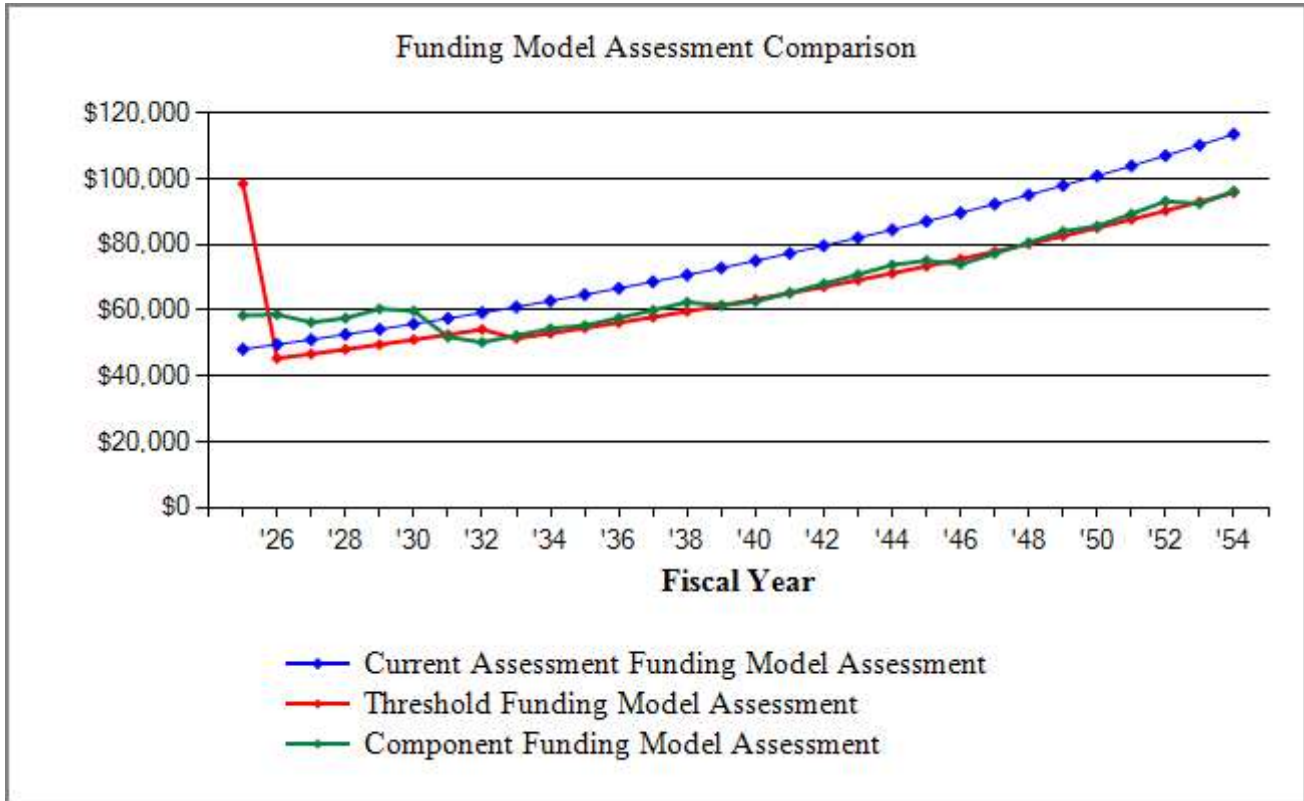
The chart above compares the projected reserve ending balances of the three funding models (Current Assessment Funding Model, Threshold Funding Model and Component Funding Model) over 30 years.

**Jade Beach East
RA Funding Model Comparison by Percent Funded**



The chart above compares the three funding models (Current Assessment Funding Model, Threshold Funding Model and Component Funding Model) by the percentage fully funded over 30 years. This allows your association to view and then choose the funding model that might best fit your community's needs.

**Jade Beach East
RA Funding Model Assessment Comparison Chart**



The chart above compares the annual assessment of the three funding models (Current Assessment Funding Model, Threshold Funding Model and Component Funding Model) over 30 years.