

STRUCTURAL INTEGRITY RESERVE STUDY

PREPARED FOR:

River Bend Condominium Association of Brevard, Inc.

Cocoa Beach, FL



For The Period Beginning January 1, 2025

PREPARED BY:



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Stone Building Solutions
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Attention: **Board of Directors**
Property: River Bend Condominium Association of Brevard, Inc., Cocoa Beach, Florida
Service: Structural Integrity Reserve Study
Period: Meet regulation requirement by 2024

Dear Board of Directors of River Bend Condominium Association of Brevard, Inc. :

At the direction of the Board and management of River Bend Condominium Association of Brevard, Inc. ,

Stone Building Solutions has completed a Structural Integrity Reserve Study for the River Bend Condominium Association of Brevard, Inc. 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 River Bend Condominium Association of Brevard, Inc. upon which this study is based was performed by of Stone Building Solutions.

The effective date of this report is the date of inspection, November 15, 2023

This Reserve Study meets or exceeds all requirements set forth 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

Nathan D. Holmberg

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Executive Summary

A Structural Integrity Reserve Study (SIRS) is a newly developed form of reserve study, required by Florida Statute, designed to ensure that condo and homeowners associations are reserving funds for crucial structural elements in their buildings for repairs.

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

River Bend Condominium Association of Brevard, Inc. has 52 units. This study is for the fiscal year starting January 1, 2025, and ending December 31, 2025.

As of January 1, 2025, the estimated unaudited reserve fund balance is \$0

The estimated *current replacement* cost of the reserve items is \$2,034,724

The estimated *inflated replacement* cost of the reserve items is \$3,665,469

This report presents the 30 Year Cash Flow Funding Analysis.

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

The 30-Year Funding Plan is an approach to determine 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:	\$178,000
Recommended annual contribution per unit:	\$3,423
Average monthly contribution per unit:	\$285



Key SIRS Elements Identified

CATEGORY ASSET №	NAME	NEXT REPL	EST LIFE	ADJ LIFE	REM USEFUL LIFE	UNIT COST	QTY	CURRENT COST
Building Service Components								
002	Fire Alarm Control Panel & Devices: Common	01/01/2043	25y	25y	18y	\$1,886.00	52 U	\$98,072
007	Fire Pump & Controller: Common	01/01/2041	40y	40y	16y	\$76,362.50	1 Ea	\$76,362
010	Electric, Main Panels & Meter Bases: Common	01/01/2051	50y	50y	26y	\$1,470.875	42 PC	\$61,777
								\$236,211
Exterior Building Components								
001	Painting, Waterproofing & Stucco Repairs: Common	01/01/2028	10y	10y	3y	\$2.255	55,000 SF	\$124,025
004	Concrete Restoration, Staircases: Common	01/01/2031	30y	30y	6y	\$18,962.50	6.50 Ea	\$123,256
005	Concrete Restoration, Walkways & Balconies: Common	01/01/2031	30y	30y	6y	\$12.854	8,137.50 SF	\$104,599
006	Roofs, Flat, Membrane Coated: Common	01/01/2028	18y	27y	3y	\$15.375	32,000 SF	\$492,000
008	Railings, Aluminum Picket: Balconies	01/01/2034	30y	33y	9y	\$102.50	2,925 LF	\$299,812
008	Railings, Aluminum Picket: Walkways	01/01/2031	30y	30y	6y	\$102.50	1,200 LF	\$123,000
009	Roof Mansard, Tiles: Common	01/01/2036	35y	35y	11y	\$1,486.25	103 SQ	\$153,084
011	Doors, Metal, Man: Common	01/01/2036	35y	35y	11y	\$2,613.75	30 Ea	\$78,412
012	Doors, Wood Core, Fiberglass: Unit Entry	01/01/2051	50y	50y	26y	\$1,486.25	104 Ea	\$154,570
013	Doors, Double Storefront, Metal & Glass: Common	01/01/2036	35y	35y	11y	\$5,945.00	3 Ea	\$17,835
								\$1,670,593
Property Site Components								
003	Piping & Plumbing, Major Renovations : Common	01/01/2056	55y	55y	31y	\$2,460.00	52 U	\$127,920
								\$127,920

State of Florida

SB-4D & SB-154

Enacted by the Legislature of the State of Florida and signed into effect by Governor Ron Desantis on June 9th, 2023. These bills:

Establish- Statewide structural integrity reserve study and funding requirements for condominium associations and cooperatives.

Provide- That associations existing on or before July 1, 2022, that are controlled by unit owners other than the developer, must have a structural integrity reserve study completed by December 31, 2024, for each building on the association property that is three stories or taller.

Provide- That if an association fails to complete a structural integrity reserve study pursuant to the statutory requirements, such failure is a breach of an officer's and director's fiduciary relationship to the unit owners.

Require- That if a condominium or cooperative association is required to have a milestone inspection, the association must arrange for the milestone inspection to be performed and is responsible for ensuring compliance. The association is responsible for all costs associated with the inspection. If the officers or directors of an association willfully and knowingly fail to have a milestone inspection, such failure is a breach of the officers' and directors' fiduciary relationship to the unit owners. Upon completion of a phase one or phase two milestone inspection and receipt of the summary report from the architect or engineer who performed the inspection, the association must distribute a copy of the inspector-prepared summary of the inspection report to each unit owner, regardless of the findings or recommendations in the report, by United States mail or personal delivery and by electronic transmission to unit owners who previously consented to receive notice by electronic transmission; must post a copy of the inspector-prepared summary in a conspicuous place on the condominium property; and must publish the full report and inspector-prepared summary on the association's website, if the association is required to have a website.

Prohibit- Members and associations from waiving or reducing reserves for structural reserve items.

"SIRS" Evaluation

Structural Integrity Reserve Study (SIRS)

A Structural Integrity Reserve Study (SIRS) is a newly developed study with more rigid standards and higher qualifications than previously required for condominium properties in the State of Florida. Now required under Florida Statutes, this study is designed to ensure that condo and homeowners associations are reserving funds for crucial structural elements in their buildings in order to perform maintenance and repairs.

It is critical to understand the SIRS comprises 8 elements that must be separately accounted for in the reserve study. Funds for repairs can only be used for that specific named purpose and are not able to be pooled with other non-critical Traditional Reserve Component funds. A Structural Integrity Reserve Study states the estimated remaining useful life, the estimated replacement cost or deferred maintenance expense of the common areas being visually inspected and provides a recommended annual reserve amount based off of a cash flow formula that achieves the estimated replacement cost or deferred maintenance expense of each common area being visually inspected by the end of the estimated remaining useful life of each component.

Specifically, as per Florida Statute 718.112(2)(g), we have investigated the structural integrity and safety of common elements within the following:

SIRS Elements

- Roof
- Floor
- Load Bearing Walls
- Fireproofing & Fire Safety
- Exterior Painting & Water Proofing
- Plumbing
- Electrical Systems
- Windows
- Other elements over \$10,000 that have an impact on the structural integrity of the building



Qualification-

Florida Statute 718.112 states: "A person performing a Structural Integrity Reserve Study. A structural integrity reserve study is based on a visual inspection of the condominium property. A structural integrity reserve study may be performed by any person qualified to perform such study. However, the visual inspection portion of the structural integrity reserve study must be performed or verified by an engineer licensed under chapter 471, an architect licensed under chapter 481, or a person who is certified as a Reserve Specialist (RS) or Professional Reserve Analyst (PRA) by the Community Associations Institute or the Association of Professional Reserve Analysts."

In accordance with this law; the visual inspection of the property was performed by a member of the Stone Building Solutions Engineering team, a Florida State Certified E.I.T under the supervision of a Florida State licensed P.E. (#48598) Dr. Dudley G. McFarquhar, PHD on November 15, 2023. The results of the inspection were utilized as the primary basis for this analysis. The Structural Integrity Reserve Study was prepared in accordance with Florida Statutes by CAI Reserve Specialist Nathan Holmberg, RS (#488) on December 31, 2023.

Onsite Process

Stone Building Solutions Engineering Team conducted a physical inspection of the River Bend Condominium Association of Brevard, Inc. on November 15, 2023.

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

1. Project plans where available.
2. Maintenance records of the reserve components where available.
3. Association board members, management and staff.

Critical SIRS Elements Identification

Critical SIRS elements were identified as physical deficiencies that require immediate action as they are the result of:

- (i) existing or potentially unsafe conditions,
- (ii) severe conditions adversely affecting tenancy,
- (iii) material building code violations,
- (iv) poor or deteriorated condition of a critical element or system, or
- (v) a condition that if left "as is," with an extensive delay in remedying the same, would result in or could contribute to a critical element or system failure within one year.



Items Excluded from Structural Integrity Reserve Expenditures -

We excluded expenditures for the elements below for one or more of the following categories of reasons:

- Remaining useful lives or their replacement may occur beyond the 30-year scope of the study
- Current condition does not warrant predictable maintenance expenditures
- Issue applies to a unit owner maintained element

Specific exclusions for the following elements:

- Foundations, Floors, Load-Bearing Walls or Primary Structural Members -
We anticipate a useful life of up to and beyond 100 years and consider full replacement unlikely and cost prohibitive. Management and the Board report no history of water infiltration or repairs to the foundations. Based on the current condition, we do not anticipate the need for replacement, repair or maintenance expenditures through reserves within the 30-year scope of this study. Future updates of this Reserve Study may incorporate costs for remediation based on historical data if they become significant enough to require reserve funding.

Homeowner Responsibility -

Items designated as the responsibility of the homeowners to repair or replace at their cost. Property Maintained by Homeowners, including items billed back to Homeowners, relates to unit:

- Entrance Doors to Units
- Heating, Ventilating and Air Conditioning (HVAC) Units
- Interiors
- Pipes (Within Units)
- Electrical Systems (Within Units) (Including Circuit Protection Panels)
- Water Heaters, Domestic
- Windows and Balcony Doors



Cost Evaluation

The cost estimates identified are based upon approximate quantities, costs and published information, and they include labor, material, design fees, and 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.

SIRS Expenditures

Individual Elements

ASSET Nº	NAME	NEXT ACTIVITY	EST LIFE	ADJ LIFE	REM USEFUL LIFE	UNIT COST	QTY	YEAR 1 REPLACEMENT COST
001	Painting, Waterproofing & Stucco Repairs: Common	01/01/2028	10y	10y	3y	\$2.255	55,000 SF	\$124,025
002	Fire Alarm Control Panel & Devices: Common	01/01/2043	25y	25y	18y	\$1,886.00	52 U	\$98,072
003	Piping & Plumbing, Major Renovations : Common	01/01/2056	55y	55y	31y	\$2,460.00	52 U	\$127,920
004	Concrete Restoration, Staircases: Common	01/01/2031	30y	30y	6y	\$18,962.50	6.50 Ea	\$123,256
005	Concrete Restoration, Walkways & Balconies: Common	01/01/2031	30y	30y	6y	\$12.854	8,137.50 SF	\$104,599
006	Roofs, Flat, Membrane Coated: Common	01/01/2028	18y	27y	3y	\$15.375	32,000 SF	\$492,000
007	Fire Pump & Controller: Common	01/01/2041	40y	40y	16y	\$76,362.50	1 Ea	\$76,362
008	Railings, Aluminum Picket: Balconies	01/01/2034	30y	33y	9y	\$102.50	2,925 LF	\$299,812
008	Railings, Aluminum Picket: Walkways	01/01/2031	30y	30y	6y	\$102.50	1,200 LF	\$123,000
009	Roof Mansard, Tiles: Common	01/01/2036	35y	35y	11y	\$1,486.25	103 SQ	\$153,084
010	Electric, Main Panels & Meter Bases: Common	01/01/2051	50y	50y	26y	\$1,470.875	42 PC	\$61,777
011	Doors, Metal, Man: Common	01/01/2036	35y	35y	11y	\$2,613.75	30 Ea	\$78,412
012	Doors, Wood Core, Fiberglass: Unit Entry	01/01/2051	50y	50y	26y	\$1,486.25	104 Ea	\$154,570
013	Doors, Double Storefront, Metal & Glass: Common	01/01/2036	35y	35y	11y	\$5,945.00	3 Ea	\$17,835
								\$2,034,724



Critical Expenditure Planning (3-Year Outlook)

CATEGORY RESERVE ITEM	2025	2026	2027
Building Service Components			
Total Building Service Components			
Exterior Building Components			
Total Exterior Building Components			
Total			

Expenditures (By Year)

ASSET N°	NAME	UNIT COST	QTY.	FUTURE COST	USEFUL LIFE	NEXT ACTIVITY
2025 (Year 1)						
2025 (Year 1) Total				\$0		
2026 (Year 2)						
2026 (Year 2) Total				\$0		
2027 (Year 3)						
2027 (Year 3) Total				\$0		
2028 (Year 4)						
001	Painting, Waterproofing & Stucco Repairs: Common	\$2.428	55,000 SF	\$133,540	10y	2038
006	Roofs, Flat, Membrane Coated: Common	\$16.557	32,000 SF	\$529,824	18y	2046
2028 (Year 4) Total				\$663,364		
2029 (Year 5)						
2029 (Year 5) Total				\$0		
2030 (Year 6)						
2030 (Year 6) Total				\$0		
2031 (Year 7)						
004	Concrete Restoration, Staircases: Common	\$21,990.686	6.50 Ea	\$142,939	30y	N/A
005	Concrete Restoration, Walkways & Balconies: Common	\$14.907	8,137.50 SF	\$121,306	30y	N/A
008	Railings, Aluminum Picket: Walkways	\$118.869	1,200 LF	\$142,643	30y	2034
2031 (Year 7) Total				\$406,888		
2032 (Year 8)						
2032 (Year 8) Total				\$0		

ASSET №	NAME	UNIT COST	QTY.	FUTURE COST	USEFUL LIFE	NEXT ACTIVITY
2033 (Year 9)						
2033 (Year 9) Total				\$0		
2034 (Year 10)						
008	Railings, Aluminum Picket: Balconies	\$128.008	2,925 LF	\$374,423	30y	N/A
2034 (Year 10) Total				\$374,423		
2035 (Year 11)						
2035 (Year 11) Total				\$0		
2036 (Year 12)						
013	Doors, Double Storefront, Metal & Glass: Common	\$7,800.353	3 Ea	\$23,401	35y	N/A
011	Doors, Metal, Man: Common	\$3,429.467	30 Ea	\$102,884	35y	N/A
009	Roof Mansard, Tiles: Common	\$1,950.089	103 SQ	\$200,859	35y	N/A
2036 (Year 12) Total				\$327,144		
2037 (Year 13)						
2037 (Year 13) Total				\$0		
2038 (Year 14)						
001	Painting, Waterproofing & Stucco Repairs: Common	\$3.109	55,000 SF	\$170,995	10y	2048
2038 (Year 14) Total				\$170,995		
2039 (Year 15)						
2039 (Year 15) Total				\$0		
2040 (Year 16)						
2040 (Year 16) Total				\$0		
2041 (Year 17)						
007	Fire Pump & Controller: Common	\$113,360.56	1 Ea	\$113,361	40y	N/A
2041 (Year 17) Total				\$113,361		
2042 (Year 18)						
2042 (Year 18) Total				\$0		
2043 (Year 19)						
002	Fire Alarm Control Panel & Devices: Common	\$2,941.516	52 U	\$152,959	25y	N/A

ASSET #	NAME	UNIT COST	QTY.	FUTURE COST	USEFUL LIFE	NEXT ACTIVITY
2043 (Year 19) Total				\$152,959		
2044 (Year 20)						
2044 (Year 20) Total				\$0		
2045 (Year 21)						
2045 (Year 21) Total				\$0		
2046 (Year 22)						
006	Roofs, Flat, Membrane Coated: Common	\$25.824	32,000 SF	\$826,368	18y	N/A
2046 (Year 22) Total				\$826,368		
2047 (Year 23)						
2047 (Year 23) Total				\$0		
2048 (Year 24)						
001	Painting, Waterproofing & Stucco Repairs: Common	\$3.979	55,000 SF	\$218,845	10y	N/A
2048 (Year 24) Total				\$218,845		
2049 (Year 25)						
2049 (Year 25) Total				\$0		
2050 (Year 26)						
2050 (Year 26) Total				\$0		
2051 (Year 27)						
012	Doors, Wood Core, Fiberglass: Unit Entry	\$2,824.31	104 Ea	\$293,728	50y	N/A
010	Electric, Main Panels & Meter Bases: Common	\$2,795.093	42 PC	\$117,394	50y	N/A
2051 (Year 27) Total				\$411,122		
2052 (Year 28)						
2052 (Year 28) Total				\$0		
2053 (Year 29)						
2053 (Year 29) Total				\$0		
2054 (Year 30)						
2054 (Year 30) Total				\$0		

Critical Outlook (3-Year Plan)

Based on the inspection of the property, the evaluated condition and the anticipated expected useful life of each reserve component, we have determined the most likely immediate expenditures the association is expected to incur.

The following is an extrapolation of these expected expenses:

Exterior Paint Finishes & Waterproofing

- It was noted on the date of inspection that isolated areas of cracking and weathering could lead to future water intrusion to the building. We recommend the association paint and seal the building by calendar year 2025, to prevent any future damage associated with this component.

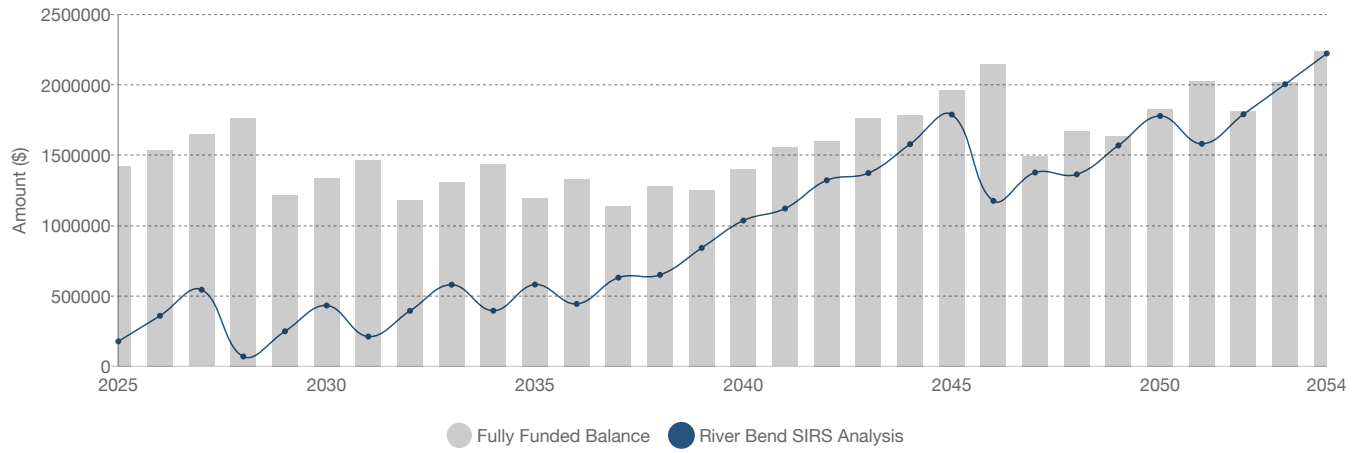


Cash-Flow River Bend SIRS Analysis

Inflation: 2.50% | Investment: 2.00% | 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	\$0	\$178,000	N/A	\$0	\$0	\$0	\$0	\$178,000	12.48%	\$1,426,795
2026	\$178,000	\$178,000	0.00%	\$3,560	\$0	\$0	\$0	\$359,560	23.42%	\$1,535,253
2027	\$359,560	\$178,000	0.00%	\$7,191	\$0	\$0	\$0	\$544,751	33.05%	\$1,648,243
2028	\$544,751	\$178,000	0.00%	\$10,895	\$0	\$0	\$663,364	\$70,282	3.98%	\$1,765,923
2029	\$70,282	\$178,000	0.00%	\$1,406	\$0	\$0	\$0	\$249,688	20.49%	\$1,218,538
2030	\$249,688	\$178,000	0.00%	\$4,994	\$0	\$0	\$0	\$432,682	32.30%	\$1,339,655
2031	\$432,682	\$178,000	0.00%	\$8,654	\$0	\$0	\$406,888	\$212,447	14.49%	\$1,466,066
2032	\$212,447	\$178,000	0.00%	\$4,249	\$0	\$0	\$0	\$394,696	33.42%	\$1,180,904
2033	\$394,696	\$178,000	0.00%	\$7,894	\$0	\$0	\$0	\$580,590	44.39%	\$1,308,051
2034	\$580,590	\$178,000	0.00%	\$11,612	\$0	\$0	\$374,423	\$395,779	27.47%	\$1,440,817
2035	\$395,779	\$178,000	0.00%	\$7,916	\$0	\$0	\$0	\$581,694	48.60%	\$1,196,781
2036	\$581,694	\$178,000	0.00%	\$11,634	\$0	\$0	\$327,144	\$444,184	33.32%	\$1,333,023
2037	\$444,184	\$178,000	0.00%	\$8,884	\$0	\$0	\$0	\$631,067	55.36%	\$1,140,007

YEAR	STARTING BALANCE	CONTRIBUTIONS	PERCENT CHANGE	INTEREST	SPECIAL ASSMNT	ADDITIONAL CAPITAL	EXPENDITURE FUTURE COST	ENDING BALANCE	PERCENT FUNDED	FULLY FUNDED BALANCE
2038	\$631,067	\$178,000	0.00%	\$12,621	\$0	\$0	\$170,995	\$650,694	50.83%	\$1,280,212
2039	\$650,694	\$178,000	0.00%	\$13,014	\$0	\$0	\$0	\$841,708	67.26%	\$1,251,471
2040	\$841,708	\$178,000	0.00%	\$16,834	\$0	\$0	\$0	\$1,036,542	74.03%	\$1,400,118
2041	\$1,036,542	\$178,000	0.00%	\$20,731	\$0	\$0	\$113,361	\$1,121,912	72.13%	\$1,555,415
2042	\$1,121,912	\$178,000	0.00%	\$22,438	\$0	\$0	\$0	\$1,322,350	82.57%	\$1,601,408
2043	\$1,322,350	\$178,000	0.00%	\$26,447	\$0	\$0	\$152,959	\$1,373,839	77.71%	\$1,767,827
2044	\$1,373,839	\$178,000	0.00%	\$27,477	\$0	\$0	\$0	\$1,579,315	88.49%	\$1,784,784
2045	\$1,579,315	\$178,000	0.00%	\$31,586	\$0	\$0	\$0	\$1,788,902	91.17%	\$1,962,186
2046	\$1,788,902	\$178,000	0.00%	\$35,778	\$0	\$0	\$826,368	\$1,176,312	54.78%	\$2,147,342
2047	\$1,176,312	\$178,000	0.00%	\$23,526	\$0	\$0	\$0	\$1,377,838	92.25%	\$1,493,517
2048	\$1,377,838	\$178,000	0.00%	\$27,557	\$0	\$0	\$218,845	\$1,364,550	81.52%	\$1,673,847
2049	\$1,364,550	\$178,000	0.00%	\$27,291	\$0	\$0	\$0	\$1,569,841	95.84%	\$1,637,933
2050	\$1,569,841	\$178,000	0.00%	\$31,397	\$0	\$0	\$0	\$1,779,237	97.27%	\$1,829,112
2051	\$1,779,237	\$178,000	0.00%	\$35,585	\$0	\$0	\$411,122	\$1,581,700	77.96%	\$2,028,827
2052	\$1,581,700	\$178,000	0.00%	\$31,634	\$0	\$0	\$0	\$1,791,334	98.64%	\$1,815,984
2053	\$1,791,334	\$178,000	0.00%	\$35,827	\$0	\$0	\$0	\$2,005,161	99.11%	\$2,023,166
2054	\$2,005,161	\$178,000	0.00%	\$40,103	\$0	\$0	\$0	\$2,223,264	99.27%	\$2,239,572



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. It is important for the board 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 the 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 a period of 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.



Reserve Components & Parameters

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.

For every reserve item, we have assessed and determined its estimated lifespan, remaining lifespan, current cost, and projected future cost.

Reports displayed in this section utilize the following assumptions:

Inflation on Reserve Items - 2.50%

Component List - Full Detail

001 - Painting, Waterproofing & Stucco Repairs

Basic Info

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

Comments/Notes

On the date of inspection it was observed that the paint & waterproofing were in good conditon. This fund provides monies for the reapplication of paint & waterproofing layers to the building based on a 10-year life cycle.

Useful Life

Last Activity Date:	01/01/2018
Est. Useful Life:	10y
Remaining Useful Life:	3y
Next Activity Date:	01/01/2028

Financial Data

Estimate Date:	01/01/2024
Estimate Source:	Local Contactors
Cost Per SF:	\$2.20
Total Quantity:	55,000 SF
Total Current Cost:	\$124,025
Inflation Rate:	2.50%
Total Expenditures:	\$523,380



002 - Fire Alarm Control Panel & Devices

Basic Info

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

Comments/Notes

This fund provides monies for the as needed repairs and eventual replacement of the Fire Alarm system over a standard market observed 25-year life cycle. This includes costs for controllers, detection equipment, annunciator or indicator devices & ancillary equipment associated with these systems.

Useful Life

Last Activity Date: 01/01/2018
Est. Useful Life: 25y
Remaining Useful Life: 18y
Next Activity Date: 01/01/2043

Financial Data

Estimate Date: 01/01/2024
Estimate Source: Local
Cost Per U: \$1,840.00
Total Quantity: 52 U
Total Current Cost: \$98,072
Inflation Rate: 2.50%
Total Expenditures: \$152,959





003 - Piping & Plumbing, Major Renovations

Basic Info

Type of Cost: Repairs & Maintenance
Category: Property Site Components
Sub-Category: Mechanical
Condition: Good

Comments/Notes

Based on the expected life cycle of plumbing utilities, it is recommended that the association reserve for major refurbishment of this component during the projected cycle.

Useful Life

Last Activity Date: 01/01/2001
Est. Useful Life: 55y
Remaining Useful Life: 31y
Next Activity Date: 01/01/2056

Financial Data

Estimate Date: 01/01/2024
Estimate Source: Local Contractors
Cost Per U: \$2,400.00
Total Quantity: 52 U
Total Current Cost: \$127,920
Inflation Rate: 2.50%
Total Expenditures: \$0



004 - Concrete Restoration, Staircases

Basic Info

Type of Cost: Replacement
Category: Exterior Building Components
Sub-Category: Unit Access
Condition: Good

Comments/Notes

On the date of inspection it was observed that the concrete staircases were in good condition. This fund provides monies for the as needed repairs to eventual major refurbishment of the staircases.

Useful Life

Last Activity Date: 01/01/2001
Est. Useful Life: 30y
Remaining Useful Life: 6y
Next Activity Date: 01/01/2031

Financial Data

Estimate Date: 01/01/2024
Estimate Source: Local Contractors
Cost Per Ea: \$18,500.00
Total Quantity: 26 Ea
Percent of Total to Maintain: 25%
Quantity to Maintain: 6.50 Ea
Total Current Cost: \$123,256
Inflation Rate: 2.50%
Total Expenditures: \$142,939



005 - Concrete Restoration, Walkways & Balconies

Basic Info

Type of Cost: Repairs & Maintenance
Category: Exterior Building Components
Sub-Category: Ground Surfaces
Condition: Good

Comments/Notes

This fund provides monies for the as needed repairs and eventual major concrete restoration projects that would need to take place over a market observed 30-year life cycle.

Useful Life

Last Activity Date: 01/01/2001
Est. Useful Life: 30y
Remaining Useful Life: 6y
Next Activity Date: 01/01/2031

Financial Data

Estimate Date: 01/01/2024
Estimate Source: Local Contractors
Cost Per SF: \$12.54
Total Quantity: 32,550 SF
Percent of Total to Maintain: 25%
Quantity to Maintain: 8,137.50 SF
Total Current Cost: \$104,599
Inflation Rate: 2.50%
Total Expenditures: \$121,306



006 - Roofs, Flat, Membrane Coated

Basic Info

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

Comments/Notes

On the date of inspection it was noted the current roof is in fair condition with no reported issues of leaks and deterioration. It has been recoated in 2018.

Useful Life

Last Activity Date: 01/01/2001
Est. Useful Life: 18y
Remaining Useful Life: 3y
Next Activity Date: 01/01/2028

Financial Data

Estimate Date: 01/01/2024
Estimate Source: Local Contractors
Cost Per SF: \$15.00
Total Quantity: 32,000 SF
Total Current Cost: \$492,000
Inflation Rate: 2.50%
Total Expenditures: \$1,356,192



007 - Fire Pump & Controller

Basic Info

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

Comments/Notes

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

Useful Life

Last Activity Date: 01/01/2001
Est. Useful Life: 40y
Remaining Useful Life: 16y
Next Activity Date: 01/01/2041

Financial Data

Estimate Date: 01/01/2024
Estimate Source: MVS
Cost Per Ea: \$74,500.00
Total Quantity: 1 Ea
Total Current Cost: \$76,362
Inflation Rate: 2.50%
Total Expenditures: \$113,361



008 - Railings, Aluminum Picket

Basic Info

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

Comments/Notes

This fund provides monies for the as needed repairs and eventual major replacement of the railings over a 30-year life cycle.

Useful Life

Last Activity Date: 01/01/2001
Est. Useful Life: 30y
Remaining Useful Life: 9y
Next Activity Date: 01/01/2034

Financial Data

Estimate Date: 01/01/2024
Estimate Source: XactRemodel
Cost Per LF: \$100.00
Total Quantity: 4,125 LF
Total Current Cost: \$422,812
Inflation Rate: 2.50%
Total Expenditures: \$517,066



009 - Roof Mansard, Tiles

Basic Info

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

Comments/Notes

On the date of inspection it was noted the current Roof Mansard is in good condition.

Useful Life

Last Activity Date: 01/01/2001
Est. Useful Life: 35y
Remaining Useful Life: 11y
Next Activity Date: 01/01/2036

Financial Data

Estimate Date: 01/01/2024
Estimate Source: Local Contractor
Cost Per SQ: \$1,450.00
Total Quantity: 103 SQ
Total Current Cost: \$153,084
Inflation Rate: 2.50%
Total Expenditures: \$200,859



010 - Electric, Main Panels & Meter Bases

Basic Info

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

Comments/Notes

On the date of inspection, it was observed that the electrical service was in good working condition. This fund provides monies for the as needed repairs and eventual partial replacement of the electrical systems over a standard market observed 50-year life cycle.

Useful Life

Last Activity Date: 01/01/2001
Est. Useful Life: 50y
Remaining Useful Life: 26y
Next Activity Date: 01/01/2051

Financial Data

Estimate Date: 01/01/2024
Estimate Source: Local Contractors
Cost Per PC: \$1,435.00
Total Quantity: 42 PC
Total Current Cost: \$61,777
Inflation Rate: 2.50%
Total Expenditures: \$117,394



011 - Doors, Metal, Man

Basic Info

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

Useful Life

Last Activity Date: 01/01/2001
Est. Useful Life: 35y
Remaining Useful Life: 11y
Next Activity Date: 01/01/2036

Financial Data

Estimate Date: 01/01/2024
Estimate Source: XactRemodel
Cost Per Ea: \$2,550.00
Total Quantity: 30 Ea
Total Current Cost: \$78,412
Inflation Rate: 2.50%
Total Expenditures: \$102,884

012 - Doors, Wood Core, Fiberglass

Basic Info

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

Useful Life

Last Activity Date: 01/01/2001
Est. Useful Life: 50y
Remaining Useful Life: 26y
Next Activity Date: 01/01/2051

Financial Data

Estimate Date: 01/01/2024
Estimate Source: XactRemodel
Cost Per Ea: \$1,450.00
Total Quantity: 104 Ea
Total Current Cost: \$154,570
Inflation Rate: 2.50%
Total Expenditures: \$293,728

013 - Doors, Double Storefront, Metal & Glass

Basic Info

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

Useful Life

Last Activity Date: 01/01/2001
Est. Useful Life: 35y
Remaining Useful Life: 11y
Next Activity Date: 01/01/2036

Financial Data

Estimate Date: 01/01/2024
Estimate Source: XactRemodel
Cost Per Ea: \$5,800.00
Total Quantity: 3 Ea
Total Current Cost: \$17,835
Inflation Rate: 2.50%
Total Expenditures: \$23,401



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-month period beginning on January 1st and ending on December 31st of a specific year for associations with a fiscal year ending on December 31st.

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

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

Cost per Unit: The estimated cost 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, 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

River Bend Condominium Association of Brevard, Inc. contracted with Stone Building Solutions to conduct a Structural Integrity Reseve 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 with respect to 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, in fact, occur as described.



Update Requirements

Florida Statutes require an update to this study every 10 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 and updated study, please contact us at (800) 892-1116, or email us at info@stonebldg.com.