RESERVE STUDY

Board of Directors
ABC Condo Assoc
1234 Main Street
Miami, Florida 33180

PREPARED BY

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DATE OF ESTIMATE

June 7, 2010

FILE NUMBER

RS2010501

REAL PROPERTY
VALUATION SERVICES INC.

June 7, 2010

Board of Directors
ABC Condo Assoc
1234 Main Street
Miami, Florida 33180

Dear Board Members:

As requested, I have prepared a reserve study to assist you in planning for adequate reserves for replacement purposes on the above referenced property. This reserve 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.

It is imperative that any interested parties read and understand the methodology used in compiling this report. A list of what is included and excluded is contained within the body of this report. This list may be modified to reflect the wishes of the Board of Directors or the Manager.

RPVS would like to thank you for using our services. We invite you to call us at any time, should you have questions, comments or need assistance. In addition, any of the parameters and estimates used in this study may be changed at your request, after which we will provide a revised study.

Respectfully submitted,

Robert E. Transue, MAI
State General Certification #RZ0000364
President
RET:dt

PROPERTY DESCRIPTION

The subject property is known as ABC Condo Assoc. This complex consists of 277 units in a 29-story structure located at 1234 Main Street, Miami, Florida 33180.

The overall size of the building is 598,324 square feet plus 90,000 square feet of balconies and a 117,621 square foot parking garage. In addition, there are 15 cabanas totaling 3,300 square feet and a snack bar/fast food structure consisting of 1,800 square feet.

Additional on-site amenities include three passenger elevators, one freight elevator, first floor lobby, meeting room, recreation room and pool. The subject property has excellent continuing maintenance. The individual floor plans of the respective subject units include living/dining areas, kitchens and covered patios or balconies. Individual units include central air conditioning with individual unit controls and an all electric appliance package consisting of a range/oven & refrigerator/freezer. Unit floor coverings consist of tile or carpet throughout and ceramic tile walls in bathrooms.

The common areas and common area furnishings are going to be completed over the next three years at an estimated cost of $3,500,000. This will be funded by a special assessment. We will include this item in the study beginning in year 5 (2016).

SUMMARY OF CONCLUSIONS

DATE OF INSPECTION: June 10, 2010

PROJECT NAME: ABC Condo Assoc

UNITS: 277

COMPONENTS IN STUDY: 31

ASSESSMENT PERIOD: Monthly

BEGINNING BALANCE $1,115,103 as of 1/1/2011

MONTHLY ASSESSMENT BY TYPE OF FUNDING

TYPE	AMOUNT	AVG AMT/ UNIT*
CURRENT	$33,259.20	$120.06
THRESHHOLD	$20,620.45	$ 74.44
COMPONENT	$47,795.44	$172.55

*Please see following page for individual unit breakdowns of recommended assessments

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ABC Condo Assoc
Miami, Fl
RPVS Current Assessment Funding Model Summary

Report Date	January 01, 2011
Account Number	RS2010501
Version	1
Budget Year Beginning	January 01, 2011
Budget Year Ending	December 31, 2011
Total Units	277
Phase Development	1 of 1

Report Parameters

Inflation	2.00%
Annual Assessment Increase	4.00%
Interest Rate on Reserve Deposit	1.25%
Tax Rate on Interest	0.00%
Contingency	2.00%
2011 Beginning Balance	$1,115,103.00

Current Assessment Funding Model Summary of Calculations

Required Monthly Contribution	$33,259.00
$120.07 per unit monthly	
Average Net Monthly Interest Earned	$959.52
Total Monthly Allocation to Reserves	$34,218.52
$123.53 per unit monthly	

ABC Condo Assoc
RPVS Spread Sheet

Description	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Balcony Railing		310,794								364,145
Boiler 1,790 MBH										
Boiler 2400 MBH										
Boilers Domestic Water									29,291	
Common Area Refurbishment	*unfunded*									
Concrete restoration		204,000								239,019
Deck Membrane										
Domestice Water Pumps & Panel									44,523	
Elevator Cabs				92,325						
Elevator Equipment Upgrade										
Expansion Joint Restoration										
Fire Alarm Modernization										
Fire Pump									49,210	
Furnishings Pool Deck				87,019						
Generator							106,985			
HVAC Chiller										
HVAC Common Area -135 Ton										
HVAC Common Area -90 Ton										
HVAC Cooling Tower Pump 1										
HVAC Cooling Tower Pump 2										
HVAC-Cooling Towwer Main										
Paint Exterior Metal									193,324	
Paint Garage Interiors										
Paving	15,000									
Planter Box Restoration					286,845					
Pool						22,082				
Roof- Upper										
Roof-Lower Tower	400,000									
Security System					64,946					
Trash Chute										
Trash Compactor										
Waterproofing-Tower /Garage			299,351							
Year Total:	**415,000**	**514,794**	**299,351**	**179,344**	**351,790**	**22,082**	**106,985**		**316,348**	**603,163**

ABC Condo Assoc
RPVS Spread Sheet

Description	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Balcony Railing								426,654		
Boiler 1,790 MBH										
Boiler 2400 MBH										
Boilers Domestic Water										
Common Area Refurbishment	*unfunded*									
Concrete restoration								280,048		
Deck Membrane										
Domestice Water Pumps & Panel										
Elevator Cabs										
Elevator Equipment Upgrade										874,087
Expansion Joint Restoration									35,706	
Fire Alarm Modernization									428,474	
Fire Pump										
Furnishings Pool Deck				106,076						
Generator										
HVAC Chiller										
HVAC Common Area -135 Ton										
HVAC Common Area -90 Ton										
HVAC Cooling Tower Pump 1								15,403		
HVAC Cooling Tower Pump 2								15,403		
HVAC-Cooling Towwer Main								770,133		
Paint Exterior Metal										
Paint Garage Interiors					118,753					
Paving										
Planter Box Restoration					349,662					
Pool					26,390					
Roof- Upper										
Roof-Lower Tower										
Security System							82,367			
Trash Chute										
Trash Compactor									17,139	
Waterproofing-Tower /Garage	350,737								410,944	
Year Total:	**350,737**			**106,076**	**494,805**		**82,367**	**1,507,640**	**892,263**	**874,087**

ABC Condo Assoc
RPVS Spread Sheet

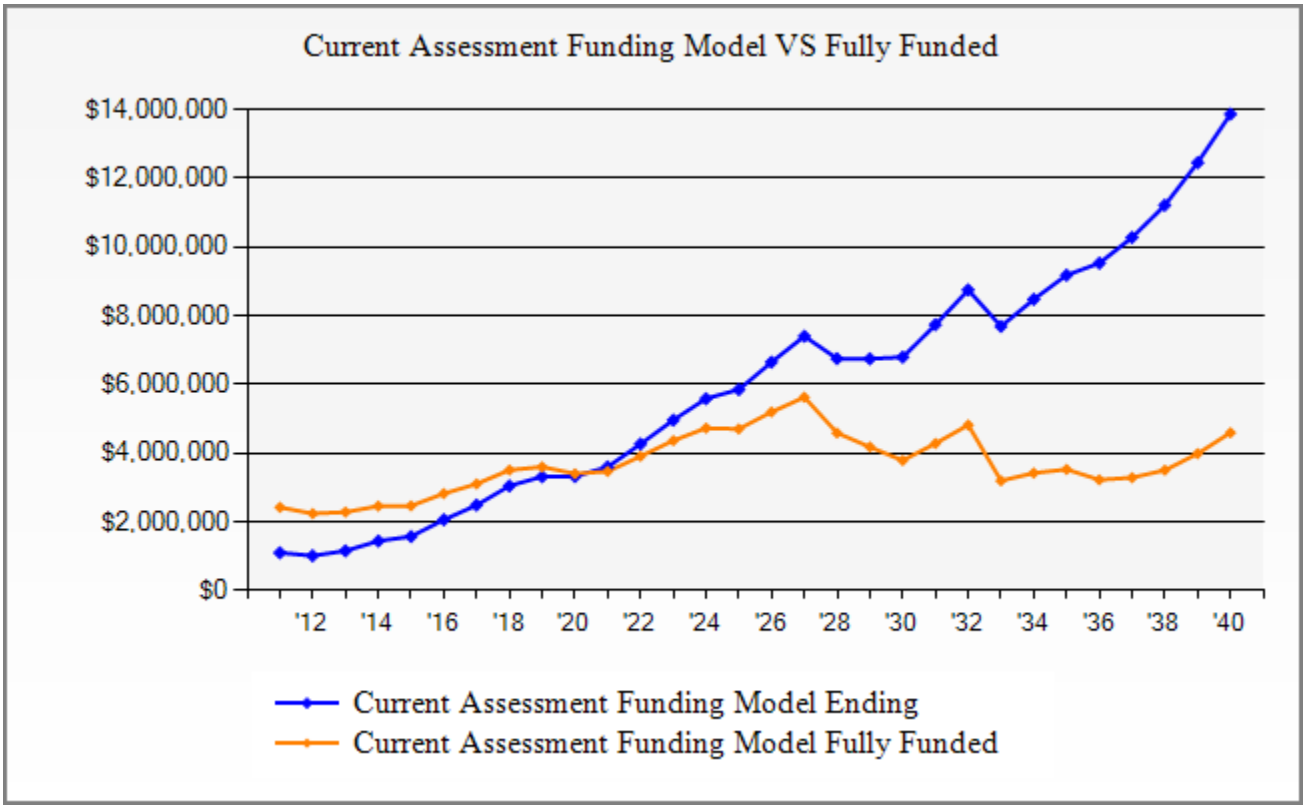
Description	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
Balcony Railing						499,893				
Boiler 1,790 MBH			66,477							
Boiler 2400 MBH			88,894							
Boilers Domestic Water										
Common Area Refurbishment	*unfunded*									
Concrete restoration						328,121				
Deck Membrane			1,004,887							
Domestice Water Pumps & Panel										
Elevator Cabs				137,190						
Elevator Equipment Upgrade										
Expansion Joint Restoration										
Fire Alarm Modernization										
Fire Pump										
Furnishings Pool Deck				129,306						
Generator										
HVAC Chiller			432,874							
HVAC Common Area -135 Ton			146,868							
HVAC Common Area -90 Ton			100,489							
HVAC Cooling Tower Pump 1										
HVAC Cooling Tower Pump 2										
HVAC-Cooling Towwer Main										
Paint Exterior Metal			255,087							
Paint Garage Interiors										
Paving	22,289									
Planter Box Restoration					426,236					
Pool				31,538						
Roof- Upper								221,895		
Roof-Lower Tower										
Security System									104,461	
Trash Chute								122,896		
Trash Compactor										
Waterproofing-Tower /Garage							481,487			
Year Total:	**22,289**		**2,095,575**	**298,034**	**426,236**	**828,014**	**481,487**	**344,791**	**104,461**	

ABC Condo Assoc
RPVS Current Assessment Funding Model Projection

Beginning Balance: $1,115,103

Year	Current Cost	Annual Contribution	Annual Interest	Annual Expenditures	Projected Ending Reserves	Fully Funded Reserves	Percent Funded
2011	5,077,926	399,108	11,514	415,000	1,110,725	2,430,642	45%
2012	5,179,485	415,072	10,313	514,794	1,021,317	2,247,994	45%
2013	5,283,075	431,675	12,010	299,351	1,165,652	2,292,021	50%
2014	5,388,736	448,942	15,451	179,344	1,450,701	2,468,046	58%
2015	5,496,511	466,900	16,989	351,790	1,582,799	2,474,444	63%
2016	5,606,441	485,576	22,921	22,082	2,069,215	2,830,599	73%
2017	5,718,570	504,999	28,101	106,985	2,495,330	3,111,955	80%
2018	5,832,941	525,199	34,941		3,055,469	3,517,013	86%
2019	5,949,600	546,207	38,148	316,348	3,323,476	3,607,767	92%
2020	6,068,592	568,055	38,060	603,163	3,326,429	3,408,808	97%
2021	6,189,964	590,777	41,425	350,737	3,607,894	3,475,733	103%
2022	6,313,763	614,408	49,534		4,271,837	3,916,325	109%
2023	6,440,038	638,985	58,048		4,968,869	4,373,150	113%
2024	6,568,839	664,544	65,651	106,076	5,592,989	4,736,276	118%
2025	6,700,216	691,126	68,791	494,805	5,858,102	4,709,791	124%
2026	6,834,220	718,771	78,533		6,655,405	5,205,653	127%
2027	6,970,905	747,522	87,716	82,367	7,408,276	5,633,736	131%
2028	7,110,323	777,423	79,466	1,507,640	6,757,524	4,595,128	147%
2029	7,252,529	808,520	79,233	892,263	6,753,013	4,184,600	161%
2030	7,397,580	840,860	79,624	874,087	6,799,411	3,793,304	179%
2031	7,545,531	874,495	91,145	22,289	7,742,762	4,289,443	180%
2032	7,696,442	909,475	103,522		8,755,759	4,827,573	181%
2033	7,850,371	945,854	90,160	2,095,575	7,696,196	3,204,403	240%
2034	8,007,378	983,688	99,695	298,034	8,481,545	3,428,908	247%
2035	8,167,526	1,023,035	108,224	426,236	9,186,568	3,533,881	259%
2036	8,330,876	1,063,957	112,314	828,014	9,534,824	3,232,377	294%
2037	8,497,494	1,106,515	121,338	481,487	10,281,191	3,295,307	311%
2038	8,667,444	1,150,775	132,741	344,791	11,219,916	3,511,758	319%
2039	8,840,793	1,196,806	147,876	104,461	12,460,137	3,992,866	312%
2040	9,017,609	1,244,679	165,107		13,869,923	4,602,713	301%

ABC Condo Assoc
RPVS Current Funding Model & Fully Funded Comparison 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.

INTRODUCTION

This reserve 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 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 study are retained in our computer files. Therefore, annual updates may be completed quickly and inexpensively each year.

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
- 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:

- Physical Analysis
- 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.

<u>Developing a Component List</u>

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.

Physical Analysis (cont.)

Operational Expenses

Occur at least annually, no matter how large the expense, and can be effectively budgeted for 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:
- Electricity
- Gas
- Water
- Telephone
- Cable TV

Administrative:
- Supplies
- Bank Service Charges
- Dues & Publications
- Licenses, Permits & Fees
- Insurance(s)

Services:
- Landscaping
- Pool Maintenance
- Street Sweeping
- Accounting
- Reserve Study

Repair Expenses:
- Tile Roof Repairs
- Equipment Repairs
- Minor Concrete Repairs
- Operating Contingency

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
- Painting
- Deck Resurfacing
- Fencing Replacement
- Asphalt Seal Coating
- Asphalt Repairs
- Asphalt Overlays
- Reserve Study
- Park/Play Equipment
- Pool/Spa Re-plastering
- Pool Equipment Replacement
- Pool Furniture Replacement
- Tennis Court Resurfacing
- Lighting Replacement
- Equipment Replacement
- 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

Physical Analysis (cont.)

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 RPVS Threshold and the RPVS Current Assessment funding models are based upon the cash flow method.

Financial Analysis (cont.)

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 RPVS 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."

Financial Analysis (cont.)

- ***The RPVS 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. 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 RPVS 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 RPVS 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.

<u>Component Funding Model Distribution of Accumulated Reserves</u>

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.

Financial Analysis (cont.)

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 software program that RPVS uses 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.

Financial Analysis (cont.)

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 your RPVS 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 RPVS 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. We will not estimate the tax liabilities. These should be estimated by your association's accountant.

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.

DEFINITIONS (cont.)

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.

DEFINITIONS (cont.)

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 RPVS 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 RPVS 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 study is required by your accountant during the preparation of the association's annual audit.
- The RPVS 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 RPVS 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 RPVS 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 RPVS reserve 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 RPVS 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.
- The RPVS Owners' Summary meets the disclosure requirements of the State of Florida and also the recently adopted FNMA standards.
- Your RPVS 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.

ABC Condo Assoc
Miami, Fl
RPVS Threshold Funding Model Summary

Report Date	January 01, 2011
Account Number	RS2010501
Version	1
Budget Year Beginning	January 01, 2011
Budget Year Ending	December 31, 2011
Total Units	277
Phase Development	1 of 1

Report Parameters

Inflation	2.00%
Annual Assessment Increase	4.00%
Interest Rate on Reserve Deposit	1.25%
Tax Rate on Interest	0.00%
Contingency	3.00%
2011 Beginning Balance	$1,115,103.00

Threshold Funding Model Summary of Calculations

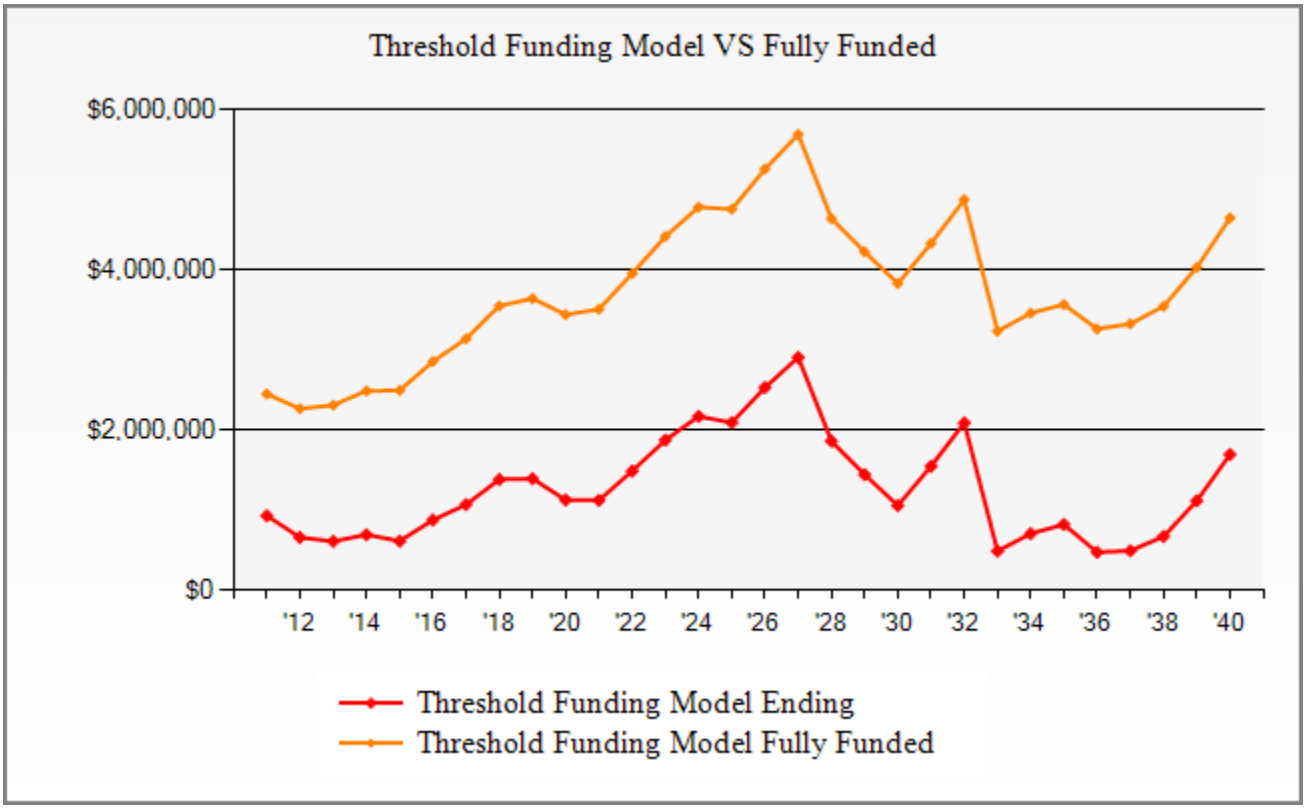
Required Monthly Contribution	$18,907.63
$68.26 per unit monthly	
Average Net Monthly Interest Earned	$861.98
Total Monthly Allocation to Reserves	$19,769.61
$71.37 per unit monthly	

ABC Condo Assoc
RPVS Threshold Funding Model Projection

Beginning Balance: $1,115,103

Year	Current Cost	Annual Contribution	Annual Interest	Annual Expenditures	Projected Ending Reserves	Fully Funded Reserves	Percent Funded
2011	5,077,926	226,892	10,344	415,000	937,338	2,455,700	38%
2012	5,179,485	235,967	6,916	514,794	665,428	2,271,169	29%
2013	5,283,075	245,406	6,270	299,351	617,753	2,315,650	26%
2014	5,388,736	255,222	7,246	179,344	700,878	2,493,490	28%
2015	5,496,511	265,431	6,193	351,790	620,711	2,499,954	24%
2016	5,606,441	276,048	9,402	22,082	884,080	2,859,781	30%
2017	5,718,570	287,090	11,721	106,985	1,075,905	3,144,037	34%
2018	5,832,941	298,574	15,555		1,390,035	3,553,270	39%
2019	5,949,600	310,517	15,609	316,348	1,399,812	3,644,960	38%
2020	6,068,592	322,937	12,210	603,163	1,131,797	3,443,950	32%
2021	6,189,964	335,855	12,102	350,737	1,129,017	3,511,565	32%
2022	6,313,763	349,289	16,568		1,494,874	3,956,699	37%
2023	6,440,038	363,261	21,262		1,879,397	4,418,234	42%
2024	6,568,839	377,791	24,862	106,076	2,175,974	4,785,104	45%
2025	6,700,216	392,903	23,806	494,805	2,097,878	4,758,346	44%
2026	6,834,220	408,619	29,152		2,535,649	5,259,320	48%
2027	6,970,905	424,964	33,731	82,367	2,911,976	5,691,816	51%
2028	7,110,323	441,962	20,659	1,507,640	1,866,957	4,642,501	40%
2029	7,252,529	459,641	15,378	892,263	1,449,713	4,227,740	34%
2030	7,397,580	478,026	10,486	874,087	1,064,138	3,832,410	27%
2031	7,545,531	497,147	16,477	22,289	1,555,473	4,333,664	35%
2032	7,696,442	517,033	23,069		2,095,576	4,877,342	42%
2033	7,850,371	491,971	3,344	2,095,575	495,315	3,237,438	15%
2034	8,007,378	511,650	5,958	298,034	714,889	3,464,258	20%
2035	8,167,526	532,116	7,246	426,236	828,014	3,570,313	23%
2036	8,330,876	478,236	3,250	828,014	481,487	3,265,701	14%
2037	8,497,494	497,366	3,380	481,487	500,746	3,329,279	15%
2038	8,667,444	517,260	5,476	344,791	678,691	3,547,962	19%
2039	8,840,793	537,951	10,875	104,461	1,123,056	4,034,030	27%
2040	9,017,609	559,469	17,921		1,700,446	4,650,164	36%

ABC Condo Assoc
RPVS Threshold Funding Model & Fully Funded Comparison 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.

ABC Condo Assoc
Miami, Fl
RPVS Component Funding Model Summary

Report Date	January 01, 2011
Account Number	RS2010501
Version	1
Budget Year Beginning	January 01, 2011
Budget Year Ending	December 31, 2011
Total Units	277
Phase Development	1 of 1

Report Parameters

Inflation	4.00%
Interest Rate on Reserve Deposit	1.25%
Tax Rate on Interest	0.00%
Contingency	3.00%
2011 Beginning Balance	$1,115,103.00

Component Funding Model Summary of Calculations

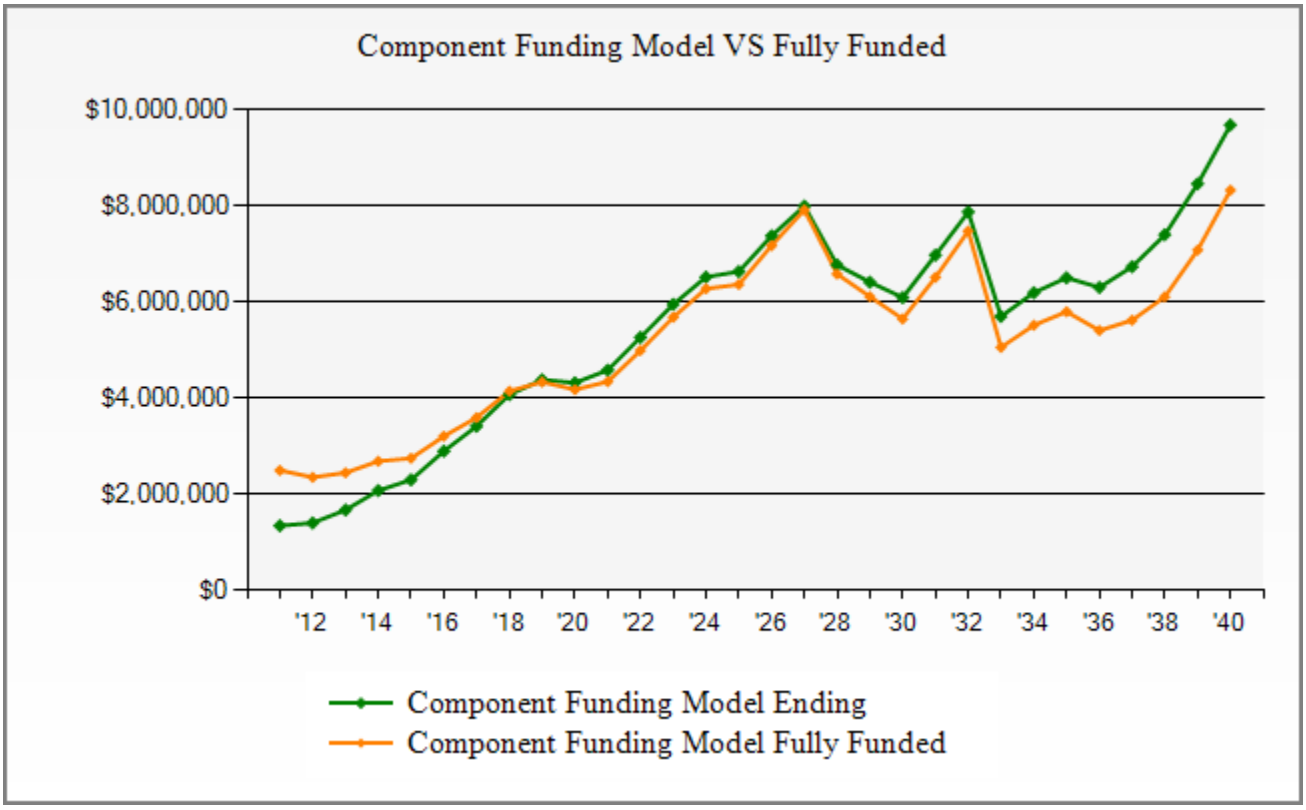
Required Monthly Contribution	$53,484.60
$193.09 per unit monthly	
Average Net Monthly Interest Earned	$1,096.99
Total Monthly Allocation to Reserves	$54,581.59
$197.05 per unit monthly	

ABC Condo Assoc
RPVS Component Funding Model Projection

Beginning Balance: $1,115,103

Year	Current Cost	Annual Contribution	Annual Interest	Annual Expenditures	Projected Ending Reserves	Fully Funded Reserves	Percent Funded
2011	5,077,926	641,815	13,164	415,000	1,355,082	2,503,851	54%
2012	5,281,043	568,191	14,299	524,888	1,412,684	2,361,108	59%
2013	5,492,285	562,927	17,674	311,205	1,682,079	2,454,553	68%
2014	5,711,977	569,617	22,628	190,102	2,084,223	2,694,885	77%
2015	5,940,456	580,074	25,365	380,204	2,309,459	2,754,849	83%
2016	6,178,074	586,958	32,718	24,333	2,904,802	3,213,156	90%
2017	6,425,197	599,336	39,081	120,205	3,423,014	3,601,802	95%
2018	6,682,205	607,930	47,166		4,078,109	4,150,435	98%
2019	6,949,493	627,261	50,887	369,514	4,386,743	4,341,015	101%
2020	7,227,473	606,345	50,240	718,345	4,324,983	4,182,044	103%
2021	7,516,572	635,071	53,335	425,905	4,587,484	4,347,760	105%
2022	7,817,234	618,832	61,879		5,268,195	4,994,949	105%
2023	8,129,924	616,315	70,420		5,954,929	5,686,956	104%
2024	8,455,121	627,225	77,411	136,536	6,523,030	6,279,943	103%
2025	8,793,326	683,007	78,485	649,379	6,635,143	6,367,274	104%
2026	9,145,059	653,988	87,861		7,376,992	7,175,634	102%
2027	9,510,861	636,436	95,655	112,379	7,996,704	7,917,986	100%
2028	9,891,295	794,006	79,563	2,097,304	6,772,969	6,584,897	102%
2029	10,286,947	833,855	74,906	1,265,581	6,416,149	6,114,183	104%
2030	10,698,425	873,294	70,706	1,264,110	6,096,039	5,651,131	107%
2031	11,126,362	831,396	81,876	32,867	6,976,445	6,515,560	107%
2032	11,571,416	803,647	93,169		7,873,261	7,476,750	105%
2033	12,034,273	975,488	65,226	3,212,425	5,701,549	5,060,161	112%
2034	12,515,644	888,173	71,859	465,831	6,195,750	5,520,854	112%
2035	13,016,270	914,776	75,570	679,276	6,506,821	5,801,436	112%
2036	13,536,921	1,072,246	72,176	1,345,448	6,305,795	5,410,517	116%
2037	14,078,397	1,151,483	77,073	797,713	6,736,638	5,624,005	119%
2038	14,641,533	1,160,239	85,256	582,440	7,399,692	6,110,935	121%
2039	15,227,195	1,140,785	98,520	179,922	8,459,074	7,084,365	119%
2040	15,836,282	1,108,553	113,881		9,681,507	8,326,515	116%

ABC Condo Assoc
RPVS Component Funding Model & Fully Funded Comparison 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.

ABC Condo Assoc
RPVS Component Funding Model Assessment & Category Summary

Description	Replacement Year	Useful Life	Adjustment	Remaining Life	Current Cost	Assigned Reserves	Fully Funded
Streets/Asphalt							
Paving	2011	20	12	0	15,000	15,000	15,000
Streets/Asphalt - Total					$15,000	$15,000	$15,000
Roofing							
Roof- Upper	2038	30	0	27	130,000	0	13,000
Roof-Lower Tower	2011	30	-15	0	400,000	400,000	400,000
Roofing - Total					$530,000	$400,000	$413,000
Painting							
Deck Membrane	2033	30	0	22	650,000	0	173,333
Paint Exterior Metal	2019	14	0	8	165,000	0	70,714
Paint Garage Interiors	2025	20	0	14	90,000	0	27,000
Waterproofing-Tower /Garage	2013	8	0	2	287,726	215,795	215,795
Painting - Total					$1,192,726	$215,795	$486,842
Recreation/Pool							
Planter Box Restoration	2015	10	0	4	265,000	0	159,000
Pool	2016	9	0	5	20,000	0	8,889
Recreation/Pool - Total					$285,000		$167,889
Furniture, Equipment							
Elevator Cabs	2014	20	0	3	87,000	9,243	73,950
Furnishings Pool Deck	2014	10	0	3	82,000	0	57,400
Furniture, Equipment - Total					$169,000	$9,243	$131,350
Equipment							
Boiler 1,790 MBH	2033	30	0	22	43,000	0	11,467
Boiler 2400 MBH	2033	30	0	22	57,500	0	15,333
Boilers Domestic Water	2019	25	0	8	25,000	0	17,000
Domestice Water Pumps & Panel	2019	25	0	8	38,000	0	25,840
Elevator Equipment Upgrade	2030	25	0	19	600,000	0	144,000
Generator	2017	40	-2	6	95,000	0	80,000
HVAC Chiller	2033	35	0	22	280,000	0	104,000
HVAC Common Area -135 Ton	2033	30	0	22	95,000	0	25,333
HVAC Common Area -90 Ton	2033	30	0	22	65,000	0	17,333
Trash Chute	2038	35	0	27	72,000	0	16,457
Trash Compactor	2029	25	0	18	12,000	0	3,360
Equipment - Total					$1,382,500		$460,124
Building Components							
Balcony Railing	2012	8	0	1	304,700	266,612	266,612
Common Area Refurbishment	*unfunded*						
Concrete restoration	2012	8	0	1	200,000	175,000	175,000
Expansion Joint Restoration	2029	25	0	18	25,000	0	7,000
HVAC Cooling Tower Pump 1	2028	25	0	17	11,000	0	3,520

ABC Condo Assoc
RPVS Component Funding Model Assessment & Category Summary

Description	Replacement Year	Useful Life	Adjustment	Remaining Life	Current Cost	Assigned Reserves	Fully Funded
Building Components continued...							
HVAC Cooling Tower Pump 2	2028	25	0	17	11,000	0	3,520
HVAC-Cooling Towwer Main	2028	25	0	17	550,000	0	176,000
Building Components - Total					$1,101,700	$441,612	$631,652
Fire Safety/ Security							
Fire Alarm Modernization	2029	25	0	18	300,000	0	84,000
Fire Pump	2019	40	0	8	42,000	0	33,600
Security System	2015	12	0	4	60,000	0	40,000
Fire Safety/ Security - Total					$402,000		$157,600
Total Asset Summary					$5,077,926	$1,081,650	$2,463,458
Contingency at 3.00%						$33,453	$76,189
Summary Total						$1,115,103	$2,539,647
Fully Funded Level						44%	
Current Average Liability per Unit (Total Units: 277)						-$5,143	

ABC Condo Assoc
RPVS Distribution of Accumulated Reserves

Description	Remaining Life	Replacement Year	Assigned Reserves	Fully Funded Reserves
Paving	0	2011	15,000	15,000
Roof-Lower Tower	0	2011	400,000	400,000
Balcony Railing	1	2012	266,612	266,612
Concrete restoration	1	2012	175,000	175,000
Waterproofing-Tower /Garage	2	2013	215,795	215,795
Elevator Cabs	3	2014	*20,394	73,950
Furnishings Pool Deck	3	2014		57,400
Planter Box Restoration	4	2015		159,000
Security System	4	2015		40,000
Pool	5	2016		8,889
Generator	6	2017		80,000
Boilers Domestic Water	8	2019		17,000
Domestice Water Pumps & Panel	8	2019		25,840
Fire Pump	8	2019		33,600
Paint Exterior Metal	8	2019		70,714
Paint Garage Interiors	14	2025		27,000
HVAC Cooling Tower Pump 1	17	2028		3,520
HVAC Cooling Tower Pump 2	17	2028		3,520
HVAC-Cooling Towwer Main	17	2028		176,000
Expansion Joint Restoration	18	2029		7,000
Fire Alarm Modernization	18	2029		84,000
Trash Compactor	18	2029		3,360
Elevator Equipment Upgrade	19	2030		144,000
Boiler 1,790 MBH	22	2033		11,467
Boiler 2400 MBH	22	2033		15,333
Deck Membrane	22	2033		173,333
HVAC Chiller	22	2033		104,000
HVAC Common Area -135 Ton	22	2033		25,333
HVAC Common Area -90 Ton	22	2033		17,333
Roof- Upper	27	2038		13,000
Trash Chute	27	2038		16,457
Common Area Refurbishment		unfunded		
Total Asset Summary			$1,092,801	$2,463,458
Contingency at 2.00%			$22,302	$50,275
Summary Total			$1,115,103	$2,513,732

Fully Funded Level 44%

Current Average Liability per Unit (Total Units: 277) -$5,049

'' Indicates Partially Funded*

ABC Condo Assoc
RPVS Annual Expenditure Detail

Description	Expenditures
Replacement Year 2011	
Paving	15,000
Roof-Lower Tower	400,000
Total for 2011	**$415,000**
Replacement Year 2012	
Balcony Railing	316,888
Concrete restoration	208,000
Total for 2012	**$524,888**
Replacement Year 2013	
Waterproofing-Tower /Garage	311,205
Total for 2013	**$311,205**
Replacement Year 2014	
Elevator Cabs	97,863
Furnishings Pool Deck	92,239
Total for 2014	**$190,102**
Replacement Year 2015	
Planter Box Restoration	310,013
Security System	70,192
Total for 2015	**$380,204**
Replacement Year 2016	
Pool	24,333
Total for 2016	**$24,333**
Replacement Year 2017	
Generator	120,205
Total for 2017	**$120,205**
No Replacement in 2018	
Replacement Year 2019	
Boilers Domestic Water	34,214
Domestice Water Pumps & Panel	52,006
Fire Pump	57,480

ABC Condo Assoc
RPVS Annual Expenditure Detail

Description	Expenditures
Replacement Year 2019 continued...	
Paint Exterior Metal	225,814
Total for 2019	**$369,514**
Replacement Year 2020	
Balcony Railing	433,683
Concrete restoration	284,662
Total for 2020	**$718,345**
Replacement Year 2021	
Waterproofing-Tower /Garage	425,905
Total for 2021	**$425,905**
No Replacement in 2022	
No Replacement in 2023	
Replacement Year 2024	
Furnishings Pool Deck	136,536
Total for 2024	**$136,536**
Replacement Year 2025	
Paint Garage Interiors	155,851
Planter Box Restoration	458,894
Pool	34,634
Total for 2025	**$649,379**
No Replacement in 2026	
Replacement Year 2027	
Security System	112,379
Total for 2027	**$112,379**
Replacement Year 2028	
Balcony Railing	593,525
Concrete restoration	389,580
HVAC Cooling Tower Pump 1	21,427
HVAC Cooling Tower Pump 2	21,427
HVAC-Cooling Towwer Main	1,071,345
Total for 2028	**$2,097,304**

ABC Condo Assoc
RPVS Annual Expenditure Detail

Description	Expenditures
Replacement Year 2029	
Expansion Joint Restoration	50,645
Fire Alarm Modernization	607,745
Trash Compactor	24,310
Waterproofing-Tower /Garage	582,881
Total for 2029	**$1,265,581**
Replacement Year 2030	
Elevator Equipment Upgrade	1,264,110
Total for 2030	**$1,264,110**
Replacement Year 2031	
Paving	32,867
Total for 2031	**$32,867**
No Replacement in 2032	
Replacement Year 2033	
Boiler 1,790 MBH	101,907
Boiler 2400 MBH	136,270
Deck Membrane	1,540,447
HVAC Chiller	663,577
HVAC Common Area -135 Ton	225,142
HVAC Common Area -90 Ton	154,045
Paint Exterior Metal	391,037
Total for 2033	**$3,212,425**
Replacement Year 2034	
Elevator Cabs	214,430
Furnishings Pool Deck	202,107
Pool	49,294
Total for 2034	**$465,831**
Replacement Year 2035	
Planter Box Restoration	679,276
Total for 2035	**$679,276**
Replacement Year 2036	
Balcony Railing	812,280

ABC Condo Assoc
RPVS Annual Expenditure Detail

Description	Expenditures
Replacement Year 2036 continued...	
Concrete restoration	533,167
Total for 2036	**$1,345,448**
Replacement Year 2037	
Waterproofing-Tower /Garage	797,713
Total for 2037	**$797,713**
Replacement Year 2038	
Roof- Upper	374,838
Trash Chute	207,603
Total for 2038	**$582,440**
Replacement Year 2039	
Security System	179,922
Total for 2039	**$179,922**

Paving - 2011

Asset ID	1004	Asset Cost	$15,000.00
		Percent Replacement	100%
	Streets/Asphalt	Future Cost	$15,000.00
Placed in Service	January 1979		
Useful Life	20		
Adjustment	12		
Replacement Year	2011		
Remaining Life	0		

Streets/Asphalt - Total Current Cost **$15,000**

Roof- Upper - 2038

Asset ID	1033	Asset Cost	$130,000.00
		Percent Replacement	100%
	Roofing	Future Cost	$221,895.24
Placed in Service	January 2008		
Useful Life	30		
Replacement Year	2038		
Remaining Life	27		

See comment on lower roof section

Roof-Lower Tower - 2011

Asset ID	1001	Asset Cost	$400,000.00
		Percent Replacement	100%
	Roofing	Future Cost	$400,000.00
Placed in Service	June 1996		
Useful Life	30		
Adjustment	-15		
Replacement Year	2011		
Remaining Life	0		

Roof-Lower Tower continued...

The roof is divided into a lower and upper roof section. The upper is the roof of the A/C tower and the lower is the main roof. The upper was replaced two years ago. There is a separate category for this area. The lower roof also has areas that are the responsibility of the individual unit owners. This area is not included in the price. The separation area is retained in our files.

Roofing - Total Current Cost **$530,000**

Deck Membrane - 2033

Asset ID	1013	Asset Cost	$650,000.00
		Percent Replacement	100%
	Painting	Future Cost	$1,004,886.78
Placed in Service	June 2003		
Useful Life	30		
Replacement Year	2033		
Remaining Life	22		

Paint Exterior Metal - 2019

Asset ID	1009	Asset Cost	$165,000.00
		Percent Replacement	100%
	Painting	Future Cost	$193,323.80
Placed in Service	June 2005		
Useful Life	14		
Replacement Year	2019		
Remaining Life	8		

Paint Garage Interiors - 2025

Asset ID	1008	Asset Cost	$90,000.00
		Percent Replacement	100%
	Painting	Future Cost	$118,753.09
Placed in Service	June 2005		
Useful Life	20		
Replacement Year	2025		
Remaining Life	14		

Waterproofing-Tower /Garage - 2013

Asset ID	1002	221,328	@ $1.30
		Asset Cost	$287,726.40
		Percent Replacement	100%
	Painting	Future Cost	$299,350.55
Placed in Service	June 2005		
Useful Life	8		
Replacement Year	2013		
Remaining Life	2		

Painting - Total Current Cost **$1,192,726**

Planter Box Restoration - 2015

Asset ID	1035	Asset Cost	$265,000.00
		Percent Replacement	100%
	Recreation/Pool	Future Cost	$286,844.52
Placed in Service	June 2005		
Useful Life	10		
Replacement Year	2015		
Remaining Life	4		

Remaining Planter boxes

Pool - 2016

Asset ID	1010	Asset Cost	$20,000.00
		Percent Replacement	100%
	Recreation/Pool	Future Cost	$22,081.62
Placed in Service	June 2007		
Useful Life	9		
Replacement Year	2016		
Remaining Life	5		

Recreation/Pool - Total Current Cost **$285,000**

Elevator Cabs - 2014

Asset ID	1019	Asset Cost	$87,000.00
		Percent Replacement	100%
	Furniture, Equipment	Future Cost	$92,325.10
Placed in Service	January 1994		
Useful Life	20		
Replacement Year	2014		
Remaining Life	3		

This includes the three passenger elevators and the freight elevator.

Furnishings Pool Deck - 2014

Asset ID	1020	Asset Cost	$82,000.00
		Percent Replacement	100%
	Furniture, Equipment	Future Cost	$87,019.06
Placed in Service	June 2004		
Useful Life	10		
Replacement Year	2014		
Remaining Life	3		

Furnishings Pool Deck continued...

Furniture, Equipment - Total Current Cost **$169,000**

Boiler 1,790 MBH - 2033

Asset ID	1022	Asset Cost	$43,000.00
		Percent Replacement	100%
	Equipment	Future Cost	$66,477.12
Placed in Service	June 2003		
Useful Life	30		
Replacement Year	2033		
Remaining Life	22		

Boiler 2400 MBH - 2033

Asset ID	1023	Asset Cost	$57,500.00
		Percent Replacement	100%
	Equipment	Future Cost	$88,893.83
Placed in Service	June 2003		
Useful Life	30		
Replacement Year	2033		
Remaining Life	22		

Boilers Domestic Water - 2019

Asset ID	1024	Asset Cost	$25,000.00
		Percent Replacement	100%
	Equipment	Future Cost	$29,291.48
Placed in Service	June 1994		
Useful Life	25		
Replacement Year	2019		
Remaining Life	8		

Domestice Water Pumps & Panel - 2019

Asset ID	1025	Asset Cost	$38,000.00
		Percent Replacement	100%
	Equipment	Future Cost	$44,523.06
Placed in Service	June 1994		
Useful Life	25		
Replacement Year	2019		
Remaining Life	8		

Elevator Equipment Upgrade - 2030

Asset ID	1026	Asset Cost	$600,000.00
		Percent Replacement	100%
	Equipment	Future Cost	$874,086.70
Placed in Service	March 2005		
Useful Life	25		
Replacement Year	2030		
Remaining Life	19		

Generator - 2017

Asset ID	1027	Asset Cost	$95,000.00
		Percent Replacement	100%
	Equipment	Future Cost	$106,985.43
Placed in Service	January 1979		
Useful Life	40		
Adjustment	-2		
Replacement Year	2017		
Remaining Life	6		

HVAC Chiller - 2033

Asset ID	1028	Asset Cost	$280,000.00
		Percent Replacement	100%
	Equipment	Future Cost	$432,874.31
Placed in Service	January 1998		
Useful Life	35		
Replacement Year	2033		
Remaining Life	22		

HVAC Common Area -135 Ton - 2033

Asset ID	1029	Asset Cost	$95,000.00
		Percent Replacement	100%
	Equipment	Future Cost	$146,868.07
Placed in Service	March 2003		
Useful Life	30		
Replacement Year	2033		
Remaining Life	22		

HVAC Common Area -90 Ton - 2033

Asset ID	1030	Asset Cost	$65,000.00
		Percent Replacement	100%
	Equipment	Future Cost	$100,488.68
Placed in Service	March 2003		
Useful Life	30		
Replacement Year	2033		
Remaining Life	22		

Trash Chute - 2038

Asset ID	1031	Asset Cost	$72,000.00
		Percent Replacement	100%
	Equipment	Future Cost	$122,895.82
Placed in Service	June 2003		
Useful Life	35		
Replacement Year	2038		
Remaining Life	27		

Trash Compactor - 2029

Asset ID	1032	Asset Cost	$12,000.00
		Percent Replacement	100%
	Equipment	Future Cost	$17,138.95
Placed in Service	June 2004		
Useful Life	25		
Replacement Year	2029		
Remaining Life	18		

Equipment - Total Current Cost **$1,382,500**

Balcony Railing - 2012

		277	@ $1,100.00
Asset ID	1006	Asset Cost	$304,700.00
		Percent Replacement	100%
	Building Components	Future Cost	$310,794.00
Placed in Service	June 2004		
Useful Life	8		
Replacement Year	2012		
Remaining Life	1		

Common Area Refurbishment

Asset ID	1036	Asset Cost	$1,500,000.00
		Percent Replacement	100%
	Building Components	Future Cost	$1,902,362.69
Placed in Service	January 2023		
Useful Life	8		
Replacement Year	2023		
Remaining Life	12		

Concrete restoration - 2012

Asset ID	1034	Asset Cost	$200,000.00
		Percent Replacement	100%
	Building Components	Future Cost	$204,000.00
Placed in Service	January 2004		
Useful Life	8		
Replacement Year	2012		
Remaining Life	1		

Expansion Joint Restoration - 2029

Asset ID	1014	Asset Cost	$25,000.00
		Percent Replacement	100%
	Building Components	Future Cost	$35,706.16
Placed in Service	March 2004		
Useful Life	25		
Replacement Year	2029		
Remaining Life	18		

HVAC Cooling Tower Pump 1 - 2028

Asset ID	1005	Asset Cost	$11,000.00
		Percent Replacement	100%
	Building Components	Future Cost	$15,402.65
Placed in Service	January 2003		
Useful Life	25		
Replacement Year	2028		
Remaining Life	17		

HVAC Cooling Tower Pump 2 - 2028

Asset ID	1007	Asset Cost	$11,000.00
		Percent Replacement	100%
	Building Components	Future Cost	$15,402.65
Placed in Service	January 2003		
Useful Life	25		
Replacement Year	2028		
Remaining Life	17		

HVAC-Cooling Towwer Main - 2028

Asset ID	1003	Asset Cost	$550,000.00
		Percent Replacement	100%
	Building Components	Future Cost	$770,132.78
Placed in Service	January 2003		
Useful Life	25		
Replacement Year	2028		
Remaining Life	17		

Building Components - Total Current Cost **$1,101,700**

Fire Alarm Modernization - 2029

Asset ID	1016	Asset Cost	$300,000.00
		Percent Replacement	100%
	Fire Safety/ Security	Future Cost	$428,473.87
Placed in Service	June 2004		
Useful Life	25		
Replacement Year	2029		
Remaining Life	18		

Fire Pump - 2019

Asset ID	1017	Asset Cost	$42,000.00
		Percent Replacement	100%
	Fire Safety/ Security	Future Cost	$49,209.69
Placed in Service	January 1979		
Useful Life	40		
Replacement Year	2019		
Remaining Life	8		

Security System - 2015

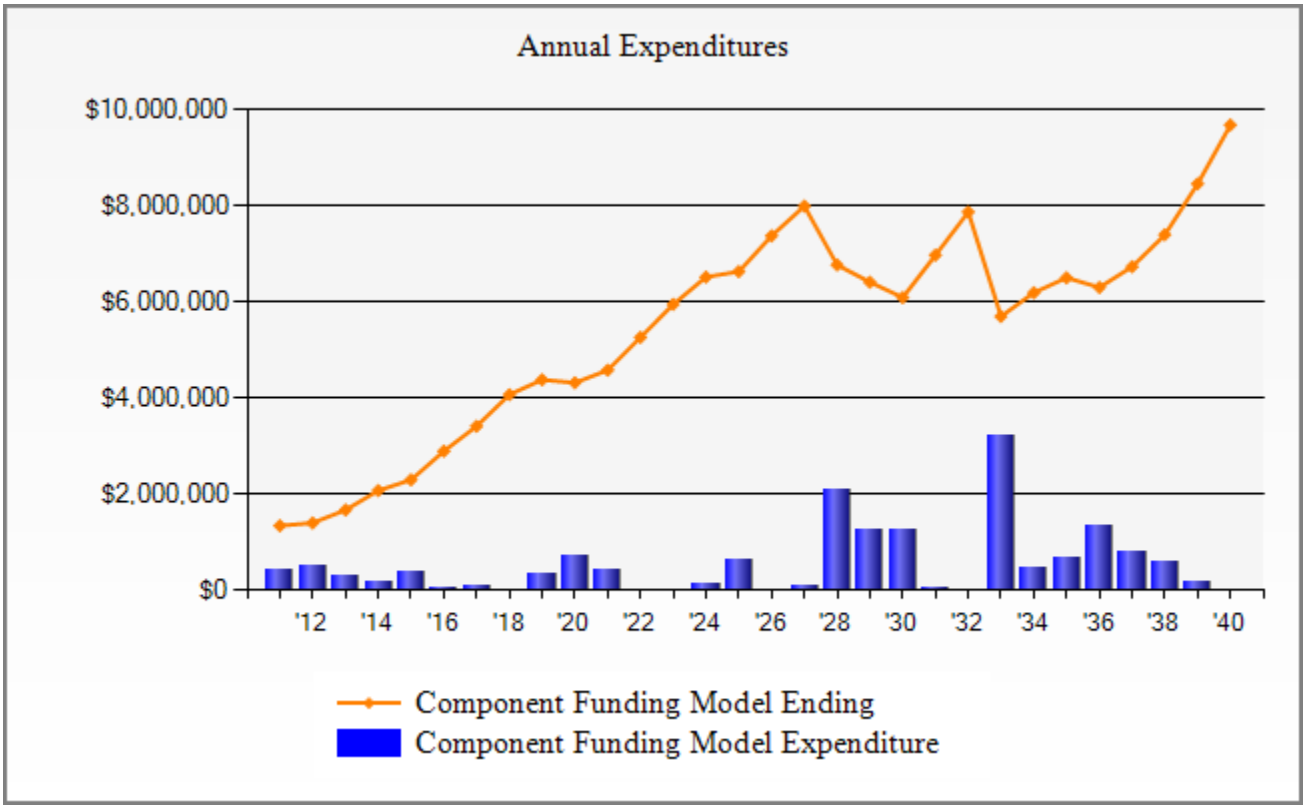
Asset ID	1018	Asset Cost	$60,000.00
		Percent Replacement	100%
	Fire Safety/ Security	Future Cost	$64,945.93
Placed in Service	June 2003		
Useful Life	12		
Replacement Year	2015		
Remaining Life	4		

Fire Safety/ Security - Total Current Cost **$402,000**

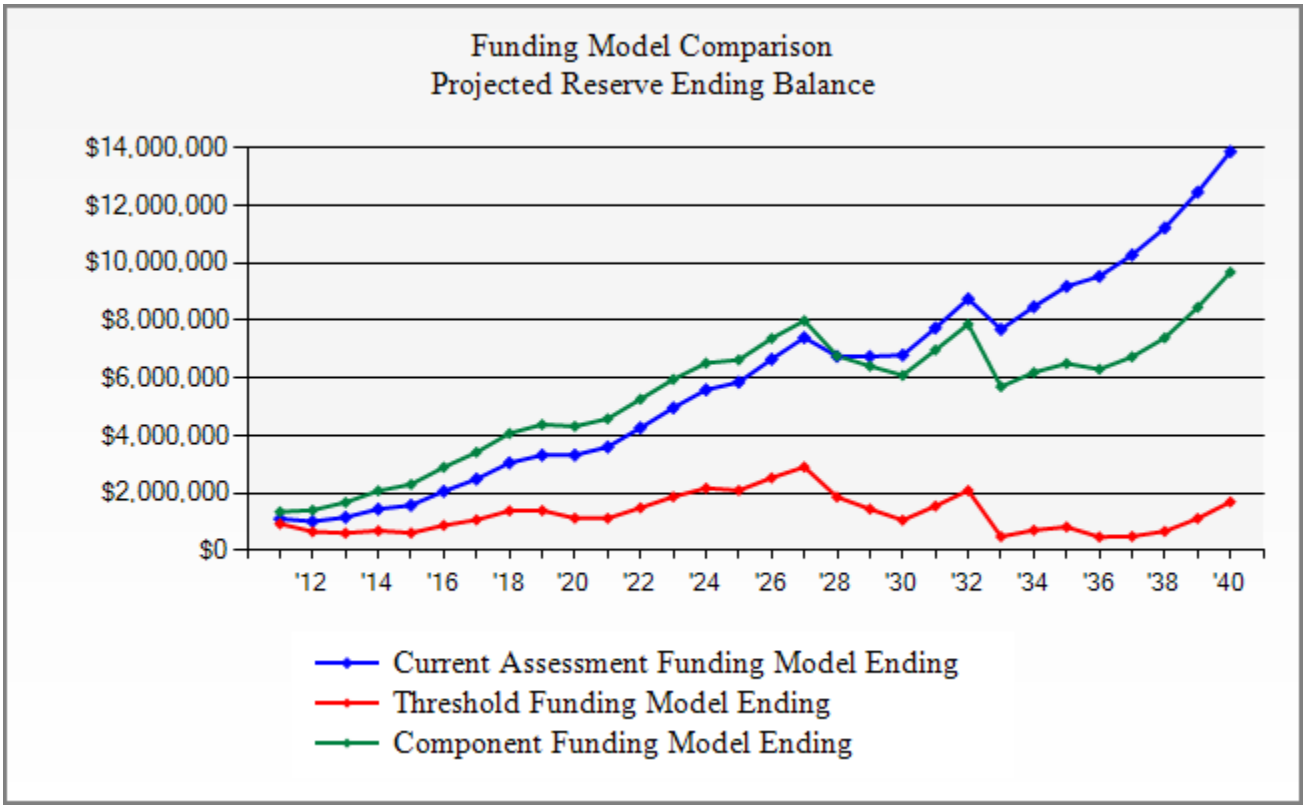
ABC Condo Assoc
RPVS Category Detail Index

Total Funded Assets	31
Total Unfunded Assets	1
Total Assets	32

ABC Condo Assoc
RPVS Annual Asset Expenditure Charts

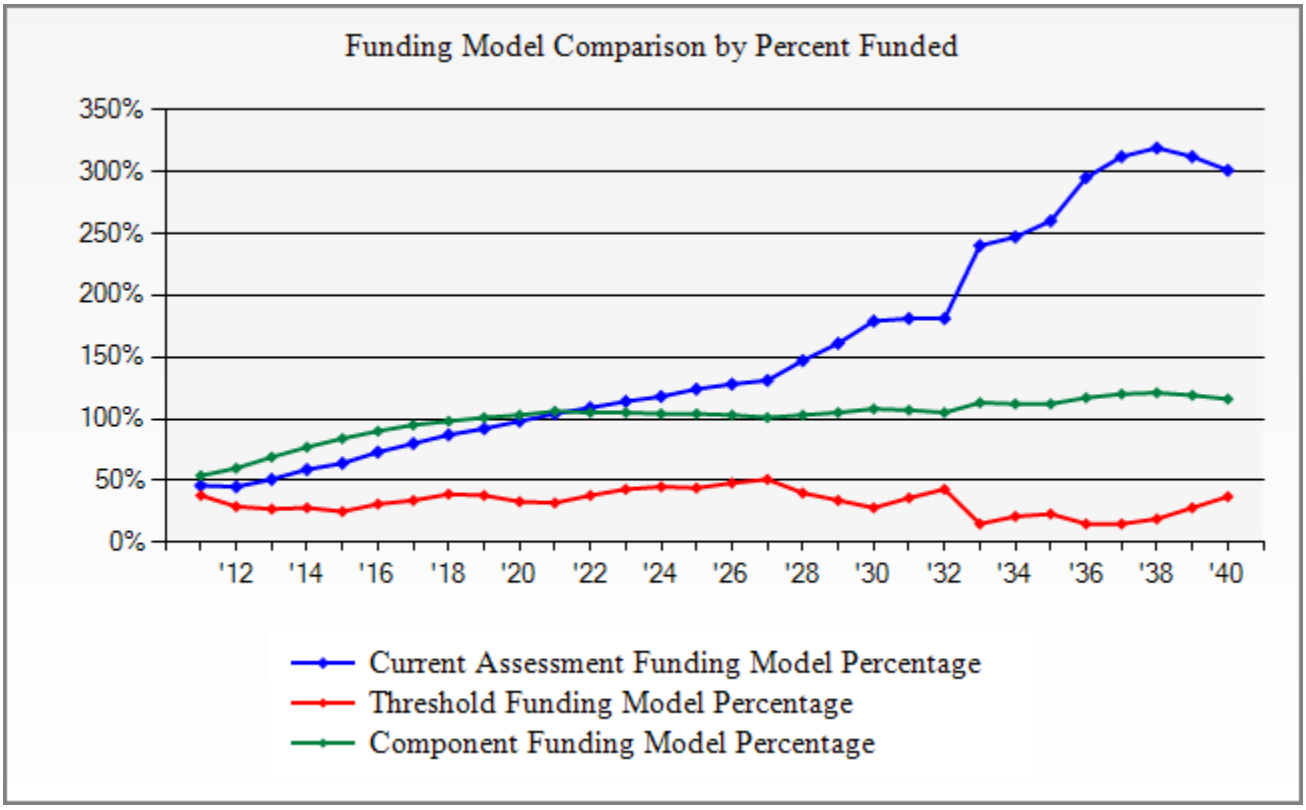


ABC Condo Assoc
RPVS Funding Model Reserve Ending Balance Comparison Chart



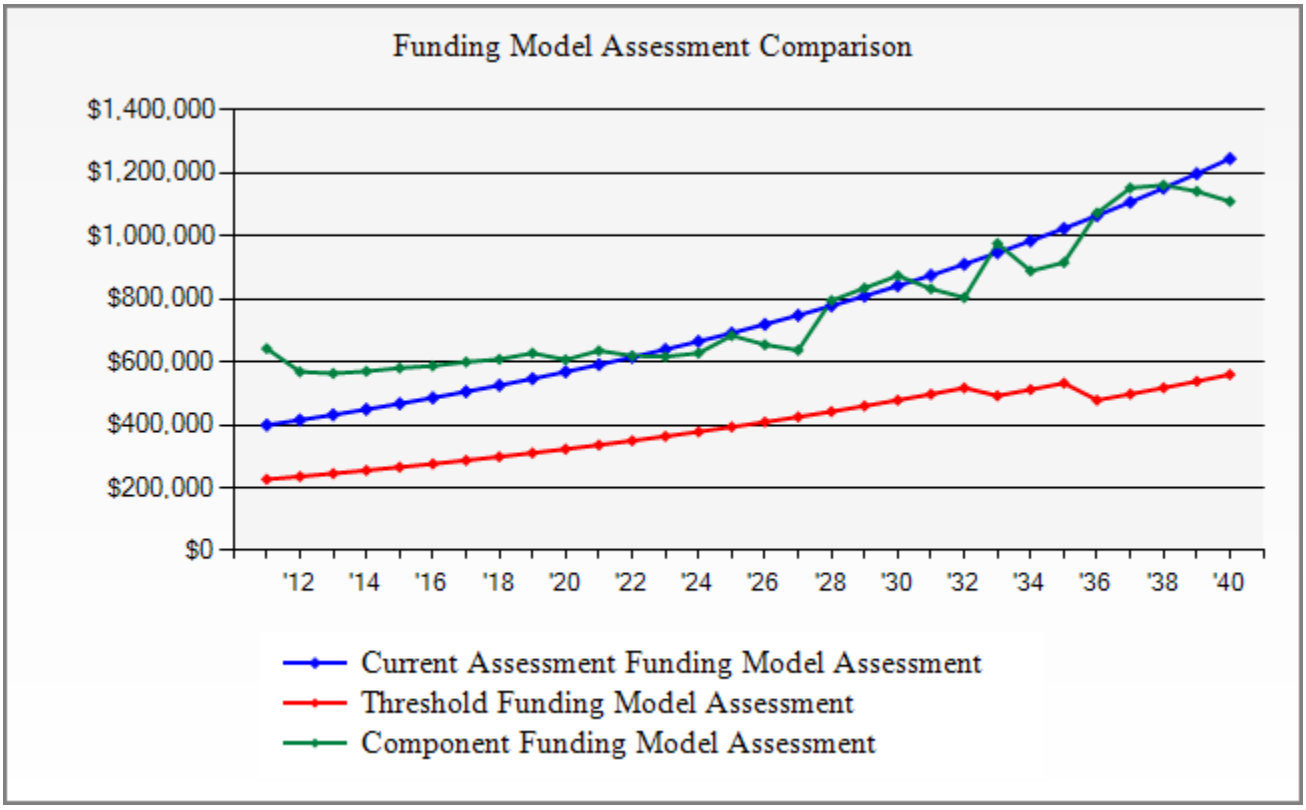
The chart above compares the projected reserve ending balances of the three funding models (Current Assessment Funding Model, Threshold Funding Model and Component Funding Model) over 30 years.

ABC Condo Assoc
RPVS Funding Model Comparison By Percent Funded Chart



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.

ABC Condo Assoc
RPVS Funding Model Annual 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.

ABC Condo Assoc
RPVS Asset Current Cost by Category