2026

Structural Integrity Reserve Study (SIRS) and Traditional Reserve Study (Non-SIRS)



Ultimar Three Condominium Association, Inc.

1560 Gulf Boulevard, Clearwater, Florida 33767

Report No: 9886 Version 2

January 1, 2026 - December 31, 2026

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July 23, 2025

Board of Directors
Ultimar Three Condominium Association, Inc.
1560 Gulf Boulevard
Clearwater, Florida 33767

Re: Structural Integrity Reserve Study (SIRS) & Traditional Reserve Study (Non-SIRS)

As authorized, this Structural Integrity Reserve Study (SIRS) and traditional reserve study (Non-SIRS) has been prepared on the subject property Ultimar Three Condominium Association, Inc. property, located at 1560 Gulf Boulevard in Clearwater, Florida.

This report meets current Florida Statutory SIRS requirements. A visual site inspection of the property was completed by the qualified credentialed undersigned. This report includes a detailed SIRS component schedule and full funding plan as well as a second separate, traditional reserve study (Non-SIRS) component schedule and full funding plan.

This report was developed in accordance with industry guidelines and through the process of meetings and discussions with property representatives, inspection, physical analysis, and financial forecasting. It should be used as a budgeting tool to aid in preparing a capital reserve plan that will provide a course for long term financial stability.

Thank you for this opportunity. Should you have any questions, please contact us.

Inspected and Prepared by

D.J. Muehlstedt, Jr., RS, PRA
Sr. Reserve Analyst/Insurance Appraiser

Reviewed by

Dreux Isaac, RS, PRA
President

Executive Summary

General Information

Property Name:	**Ultimar Three Condominium Association, Inc.**		
Property Location:	**Clearwater, Florida**		
Property Number:	**1935**	Report Run Date:	**07/22/2025**
Property Type:	**Condominium**	Report No:	**9886 Version 2**
Total Units:	**100**	Budget Year Begins:	**01/01/2026**
Inspection Date(s):	**02/13/2025**	Budget Year Ends:	**12/31/2026**

Consolidated Findings

Reserve categories:	14
Reserve components:	87
Current cost of reserve components:	$7,660,196
Current reserve funding contribution:	$486,194
Estimated beginning year reserve balance:	$2,103,000
Fully funded (ideal) reserve balance:	$5,412,944
Fully funded percentage:	39%
Number of components scheduled for replacement in year 1:	22
Cost of components scheduled for replacement in year 1:	$2,276,015

Consolidated Funding Plans

Projected Beginning Year Reserve Balance

Allocated to SIRS:	52.10%	$1,095,663
Allocated to traditional reserve study (non-SIRS):	47.90%	$1,007,337
Total	**100.00%**	**$2,103,000**

Pooled Funding Plan

Pooled plan method:	Threshold
Pooled threshold amount for SIRS:	$100,000
Pooled threshold amount for traditional reserve study (Non-SIRS):	$100,000

Recommended Funding Contributions

SIRS:	64.89%	$350,932
Non-SIRS (waivable with majority vote of membership):	35.11%	$189,879
Total	**100.00%**	**$540,811**

Increase (decrease) $ between current and recommended funding:	11.23%	$54,617
Additional contributions (special assessments, loans, settlement):		$0

Report Process

The purpose of this report is to provide Ultimar Three Condominium Association, Inc. with specific information necessary in establishing a capital reserves program for the current budget year beginning January 1, 2026 and ending December 31, 2026.

The process of preparing this report began with a re-inspection of the property. During this re-inspection we met with management and personnel and reviewed all reserve related work that had been done on the property since our last contact.

Replacement cost values have been adjusted to reflect current economic conditions. These economic conditions were determined through a combination of local contractor information, bid proposals, our own database of construction costs and published construction cost indexes.

Remaining lives were then adjusted according to schedule, except in cases where it was determined that a particular component's life should be extended or reduced by a greater amount based on its condition.

Based on the latest available financial records, projections were made as to what the Association's end of year reserve balances would be. However, accumulating interest on the varying reserve balance amounts and/or unplanned expenditures may cause the actual end of year reserve balances to differ from what is presented in this report.

SIRS History and Explanation

What is a structural integrity reserve study (SIRS)?
A structural integrity reserve study, or "SIRS" as it is often referred to, is a specialized type of reserve study required for certain Florida condominiums and co-ops. It was a creation of Florida Lawmakers in 2022 and was amended in 2023.

Why was the SIRS created?
This was a response by Florida Lawmakers to the horrific collapse of Champlain Towers, a 12-story condo building in Surfside, Florida on June 24, 2021, which killed 98 people. In the aftermath, it was learned that the association had substantially underfunded their reserves for most of its 40-year existence. These inadequate reserve funds likely contributed to insufficient structural repairs being made over time and a delay in fully addressing the building's critical structural integrity issues.

Who is required to do a SIRS?
Any Florida condominium or co-op building that is three stories or higher in height (as determined by the Florida Building Code) is required to have a SIRS done. Florida condominium or co-ops buildings less than three stories in height; single-family, two-family, or three-family dwellings with three or fewer habitable stories above ground are not required to a SIRS.

What is required to be included in a SIRS?
a) Roof
b) Structure, including load-bearing walls and or other primary structural members and primary structural systems as those terms are defined in s. 627.706.
c) Fireproofing and fire protection systems
d) Plumbing
e) Electrical systems
f) Waterproofing and exterior painting
g) Windows and exterior doors (only those that the association is responsible for)

Any other item that has a deferred maintenance expense or replacement cost that exceeds $10,000 and the failure to replace or maintain such item negatively affects items a-g listed above as determined by the visual inspection portion of the structural integrity reserve study.

At a minimum, a structural integrity reserve study must identify each item of the condominium property being visually inspected, state the estimated remaining useful life and the estimated replacement cost or deferred maintenance expense of each item of the condominium property being visually inspected, and provide a reserve funding schedule with a recommended annual reserve amount that achieves the estimated replacement cost or deferred maintenance expense of each item of condominium property being visually inspected by the end of the estimated remaining useful life of the item. The structural integrity reserve study may recommend that reserves do not need to be maintained for any item for which an estimate of useful life and an estimate of replacement cost cannot be determined, or the study may recommend a deferred maintenance expense amount for such item. The structural integrity reserve study may recommend that reserves for replacement costs do not need to be maintained for any item with an estimated remaining useful life of greater than 25 years, but the study may recommend a deferred maintenance expense amount for such item.

What is the deadline for completing the SIRS?
December 31, 2024. There is a conditional one-year extension for buildings turning 30 years old between 7/1/2022 and 12/31/2024. If the building turns 30 during this period, the association can delay doing a Milestone inspection and SIRS simultaneously until December 31, 2025.

SIRS Components

Roofs

This Structural Integrity Reserve Study (SIRS) includes roof components for the building(s) under consideration. These components are for replacement of both sloped and flat roofs.

Depending on the physical makeup of the building(s) roofs these costs may also include related expenses such as skylights, rooftop ac stand replacement, roof top electrical boxes and wiring, lightening protection equipment, parapet wall caps, etc. Roof component costs can also be used for related costs associated with roofing projects such as engineering, permitting, demolition, removal, and other relevant expenses.

Unless otherwise stated, these roof components are not based on a current scope of work or specifications. Should a scope of work with associated costs become available in the future, it is advisable to incorporate such information into subsequent updates of the SIRS schedule.

Structure

This Structural Integrity Reserve Study (SIRS) includes a structural restoration allowance. This allowance is for any capital repair expenses related to maintaining the structural integrity of the building(s) under consideration. This includes such work as concrete spalling, delamination, corrosion, p-t cable/pocket repairs, settlement issues, cracks, etc. This allowance can also be used for related or associated costs, including engineering, permitting, demolition, removal, and other relevant expenses.

Unless otherwise stated in this SIRS, this allowance is not based on a scope of work or specifications. Instead, it serves as a general provision to address periodic building structural and restoration corrective maintenance and capital repair costs that arise over time. Therefore, the allowance amount may or may not be sufficient to cover complete project costs.

We have excluded complete structure replacement from the SIRS schedule based on the understanding that such an occurrence would not only be extremely rare but would entail reconstruction of the entire building(s). Including complete structural replacement in the SIRS would be a form of self-insurance and its cost alone would be prohibitive.

This allowance strategy remains adjustable, adaptable, and responsive to evolving corrective maintenance and capital repair requirements, while also providing a more accurate reflection of the investment needed to maintain the structural integrity and functionality of the building(s) over time. Should a scope of work with associated costs become available in the future, it is advisable to incorporate such information into subsequent updates of the SIRS schedule.

Fireproofing and Fire Protection

Depending on the physical makeup of your building(s) this Structural Integrity Reserve Study (SIRS) will include funding for select fireproofing and fire protection system equipment. This will include fire pump, jockey pump, and controller replacement, fire backflow preventers, fire alarm system and fire sprinkler system allowances.

Except for the fire sprinkler system, the estimated cost for these components is typically for complete replacement. Fire sprinkler systems often run throughout the entire building in both conditioned spaces (living areas) as well as unconditioned spaces (garages). They are typically monitored by tamper and flow switches which communicate with the fire alarm system.

SIRS Components

Fire sprinkler systems consist of several components including sprinkler heads, piping, valves, standpipes, and gauges. These various components have different lifespans. Additionally, their location within the building can significantly affect their life span. Fire sprinklers systems located in unconditioned areas, such as garages, typically have a much shorter lifespan. The corrosive salt air environment at coastal and beachfront properties will further reduce the life expectancy of these components. This type of uneven exposure typically leads to select components and sections of the system needing to be repaired or replaced as needed. It is uncommon that the entire fire sprinkler system will be completely replaced all at once.

Because complete fire sprinkler systems replacement at once is unlikely, a corrective maintenance and capital repair allowance had been included. Unless otherwise stated, this allowance is not based on a scope of work or specifications. Instead, it serves as a general provision to address periodic corrective maintenance and capital repair costs that arise over time.

The allowance amount may or may not be sufficient to cover complete project costs. This allowance is also not intended to cover the cost of annual inspections nor the associated annual repairs that typically accompany these inspection test results. These costs should be accounted for in your operating budget. Should a fire protection project scope of work with associated costs become available in the future, it is advisable to incorporate such information into subsequent updates of the SIRS schedule.

Plumbing

This Structural Integrity Reserve Study (SIRS) includes a plumbing capital allowance for the building(s) under consideration.

Plumbing systems in condominium buildings include potable water pipes or lines. These pipes bring in treated water from the local municipal water supply into the building and distribute it throughout. These pipes are made from materials such as copper, PVC, CPVC, and PEX. At the end of these potable water lines are plumbing fixtures such as toilets, faucets, shower heads, dishwashers, etc. and any appliance that has a connection to the potable water system.

These systems also have waste and vent stacks. Each water fixture has a drain line and a connection to a vent stack. The waste stack removes wastewater from the building. The vent stacks enable air to enter and exit the drain lines. This equilibrium ensures proper flow of wastewater down the drains into the main sewer line.

Over time potable water pipes deteriorate. The combined water makeup and pressure can lead to corrosion, cracks, and leaking. There are different approaches to performing capital repairs and replacement of the plumbing system. One approach includes piecemeal replacement of piping sections as needed. Some associations will coordinate scheduled replacement of sections of piping when a unit undergoes renovation. Others may do a pipe relining which can add many more years of life to the piping. Although less common, in some cases, complete replacement of all piping at one time may occur.

The capital plumbing allowance in this SIRS is for capital repairs and replacement of any part of the building’s plumbing system that the association is responsible for. This would include potable water lines, waste stacks, vent stacks, valves, fittings, backflow preventer, and common area water fixtures. This allowance can also be used for related or associated plumbing project costs, including engineering, permitting, demolition, removal, relining and other relevant expenses.

SIRS Components

Unless otherwise stated, this plumbing allowance is not based on a scope of work or specifications. Instead, it serves as a general provision to address periodic building plumbing capital repair and partial replacement costs that arise over time. Therefore, the allowance amount may or may not be sufficient to cover complete project costs.

If your building(s) is over 30 years old, or if there are known issues with the plumbing system, it is recommended that a comprehensive plumbing inspection be performed which may require a video pipe inspection and other forms of testing. Should a plumbing scope of work with associated costs become available in the future, it is advisable to incorporate such information into subsequent updates of the SIRS schedule.

Electrical

This Structural Integrity Reserve Study (SIRS) includes an electrical capital allowance for the building(s) under consideration. This allowance is for any capital repair or replacement expenses of the electrical system of the building(s). This includes the main distribution panel, secondary or sub panels, switchgear, disconnects, meters, conduit/raceways, grounding, wiring, etc. This allowance can also be used for related or associated electrical system costs, including engineering, permitting, demolition, removal, and other relevant expenses.

Components of the electrical system will deteriorate over time and are known to have a long but finite lifespan. Maintenance and periodic inspections factor into this lifespan as does the equipment's environment and the ever-changing demands of modern technology.

Evidence of scorching, corrosion, loose connections, frequently tripped breakers, buzzing sounds, etc. are all indications of an aging system that needs attention. The system should be inspected periodically by a qualified professional. An infrared thermography inspection may also be needed.

Unless otherwise stated, this electrical allowance is not based on a scope of work or specifications. Instead, it serves as a general provision to address periodic building electrical capital repair and partial replacement costs that arise over time. Therefore, the allowance amount may or may not be sufficient to cover complete project costs. Should a scope of work with associated costs become available in the future, it is advisable to incorporate such information into subsequent updates of the SIRS schedule.

Waterproofing and Exterior Painting

This Structural Integrity Reserve Study (SIRS) includes waterproofing and exterior painting components for the building(s) under consideration. These components are for painting and waterproofing of the building's exterior envelope. This can include sealants, exterior walls, ceilings, doors, railings, overhangs, skylights, attached structures, etc.

Depending on the physical makeup of the building(s) these components may also include balconies, lanais, terraces, elevated decks, etc. These component costs can also be used for related costs associated with any waterproofing or exterior painting projects including engineering, permitting, demolition, removal, and other relevant expenses.

Unless otherwise stated, these waterproofing and exterior painting components are not based on a current scope of work or specifications. Should a scope of work with associated costs become available in the future, it is advisable to incorporate such information into subsequent updates of the SIRS schedule.

SIRS Components

Windows and Exterior Doors

This Structural Integrity Reserve Study (SIRS) may include replacement or deferred maintenance for windows and exterior doors of the building(s) under consideration. Only those windows and exterior doors which are the association's responsibility for replacement have been included.

As windows age the contact weather exposure and temperature changes begin to weaken the seals and degrade both the glass and frame. While repairs and maintenance can extend their life, eventually replacement becomes necessary.

Like their window counterparts, exterior doors also face contact weather exposure. These doors can be made of various material including wood, glass, steel, aluminum, fiberglass, and assorted composite materials. Building entry doors and exterior service doors have been included in this SIRS.

Exterior service doors, even those that are identical construction, can have varying lifespans depending upon their building location and usage. It is uncommon to replace all exterior building service doors at one time. For that reason, a periodic allowance is typically used to cover the replacement of exterior service doors, on an as-needed basis.

Dreux Isaac & Associates (DIA) relied on the Board (or management acting on the Board's behalf) to provide the determination of unit windows and unit exterior door responsibility and recommended the association get a legal opinion on this matter. DIA did not make any determination of responsibility or interpret the association's declaration.

Other SIRS Components

This Structural Integrity Reserve Study (SIRS) may include components that fall into the category "Other SIRS Components." Included in this category would be components, as determined by the SIRS visual inspection, that have either a deferred maintenance expense or replacement cost that exceeds $10,000 and the failure to replace or maintain them negatively affects any of the other SIRS components.

Florida Statute Chapter 718 Reserve Excerpts

718.103 Definitions
(1) “Alternative funding method” means a method approved by the division for funding the capital expenditures and deferred maintenance obligations for a multicondominium association which may reasonably be expected to fully satisfy the association’s reserve funding obligations by the allocation of funds in the annual operating budget.

(26) “Structural integrity reserve study” means a study of the reserve funds required for future major repairs and replacement of the condominium property performed as required under s. 718.112(2)(g).

718.111(16) Investment of Association Funds
(a) A board shall, in fulfilling its duty to manage operating and reserve funds of its association, use best efforts to make prudent investment decisions that carefully consider risk and return in an effort to maximize returns on invested funds.

(b) An association, including a multicondominium association, may invest reserve funds in one or any combination of certificates of deposit or in depository accounts at a community bank, savings bank, commercial bank, savings and loan association, or credit union without a vote of the unit owners.

718.112(2)(e) Budget meeting
2.b. Any determination of whether assessments exceed 115 percent of assessments for the prior fiscal year shall exclude any authorized provision for required reserves for repair or replacement of the condominium property, anticipated expenses of the association which the board does not expect to be incurred on a regular or annual basis for the repair, maintenance, or replacement of the items listed in paragraph (g), and insurance premiums, or assessments for betterments to the condominium property.

718.112(2)(f) Annual budget
2.a. In addition to annual operating expenses, the budget must include reserve accounts for capital expenditures and deferred maintenance. These accounts must include, but are not limited to, roof replacement, building painting, and pavement resurfacing, regardless of the amount of deferred maintenance expense or replacement cost, and any other item that has a deferred maintenance expense or replacement cost that exceeds $25,000 or the inflation-adjusted amount determined by the division under subparagraph 6., whichever is greater. The amount to be reserved must be computed using a formula based upon estimated remaining useful life and estimated replacement cost or deferred maintenance expense of the reserve item. In a budget adopted by an association that is required to obtain a structural integrity reserve study, reserves must be maintained for the items identified in paragraph (g) for which the association is responsible pursuant to the declaration of condominium, and the reserve amount for such items must be based on the findings and recommendations of the association’s most recent structural integrity reserve study. If an association votes to terminate the condominium in accordance with s. 718.117, the members may vote to waive the maintenance of reserves recommended by the association's most recent structural integrity reserve study. With respect to items for which an estimate of useful life is not readily ascertainable or with an estimated remaining useful life of greater than 25 years, an association is not required to reserve replacement costs for such items, but an association must reserve the amount of deferred maintenance expense, if any, which is recommended by the structural integrity reserve study for such items. The association may adjust replacement reserve assessments annually to take into account an inflation adjustment and any changes in estimates or extension of the useful life of a reserve item caused by deferred maintenance.

Florida Statute Chapter 718 Reserve Excerpts

2.b. The members of a unit-owner-controlled association may determine, by a majority vote of the total voting interests of the association, to provide no reserves or less reserves than required by this subsection. For a budget adopted on or after December 31, 2024, the members of a unit-owner-controlled association that must obtain a structural integrity reserve study may not determine to provide no reserves or less reserves than required by this subsection for items listed in paragraph (g), except that members of an association operating a multicondominium may determine to provide no reserves or less reserves than required by this subsection if an alternative funding method has been approved by the division.

c.(I) Reserves for the items listed in paragraph (g) may be funded by regular assessments, special assessments, lines of credit, or loans. A special assessment, a line of credit, or a loan under this sub-subparagraph requires the approval of a majority vote of the total voting interests of the association.

c.(II) A unit-owner-controlled association that must have a structural integrity reserve study may secure a line of credit or a loan to fund capital expenses required by a milestone inspection under s. 553.899 or a structural integrity reserve study. The line of credit or loan must be sufficient to fund the cumulative amount of any previously waived or unfunded portions of the reserve funding amount required by this paragraph and the most recent structural integrity reserve study. Funding from the line of credit or loan must be immediately available for access by the board to fund required repair, maintenance, or replacement expenses without further approval by the members of the association. A special assessment, a line of credit, or a loan secured under this sub-subparagraph and related details must be included in the annual financial statement that is required under s. 718.111(13) to be delivered to unit owners and required under s. 718.503 to be provided to prospective purchasers of a unit.

c.(III) This sub-subparagraph does not apply to associations controlled by a developer as defined in s. 718.103, an association in which the nondeveloper unit owners have been in control for less than 1 year, or an association controlled by one or more bulk assignees or bulk buyers as those terms are defined in s. 718.703.

d. If the local building official, as defined in s. 468.603, determines that the entire condominium building is uninhabitable due to a natural emergency, as defined in s. 252.34, the board, upon the approval of a majority of its members, may pause the contribution to its reserves or reduce reserve funding until the local building official determines that the condominium building is habitable. Any reserve account funds held by the association may be expended, pursuant to the board's determination, to make the condominium building and its structures habitable. Upon the determination by the local building official that the condominium building is habitable, the association must immediately resume contributing funds to its reserves.

e. For a budget adopted on or before December 31, 2028, if the association has completed a milestone inspection pursuant to s. 553.899 within the previous 2 calendar years, the board, upon the approval of a majority of the total voting interests of the association, may temporarily pause, for a period of no more than two consecutive annual budgets, reserve fund contributions or reduce the amount of reserve funding for the purpose of funding repairs recommended by the milestone inspection. This sub-subparagraph does not apply to an association controlled by a developer as defined in s. 718.103, an association in which the nondeveloper unit owners have been in control for less than 1 year, or an association controlled by one or more bulk assignees or bulk buyers as those terms are defined in s. 718.703. An association that has paused reserve contributions under this subparagraph must have a structural integrity reserve study performed before the continuation of reserve contributions in order to determine the association's reserve funding needs and to recommend a reserve funding plan.

f. Before turnover of control of an association by a developer to unit owners other than a developer under s. 718.301, the developer-controlled association may not vote to waive the reserves or reduce funding of the reserves. If a meeting of the unit owners has been called to determine whether to waive or reduce the funding of reserves and no such result is achieved or a quorum is not attained, the reserves included in the budget shall go into effect. After the turnover, the developer may vote its voting interest to waive or reduce the funding of reserves.

3. Reserve funds and any interest accruing thereon shall remain in the reserve account or accounts and may be used only for authorized reserve expenditures unless their use for other purposes is approved in advance by a majority vote of all the total voting interests of the association. Before turnover of control of an association by a developer to unit owners other than the developer pursuant to s. 718.301, the developer-controlled association may not vote to use reserves for purposes other than those for which they were intended. For a budget adopted on or after December 31, 2024, members of a unit-owner-controlled association that must obtain a structural integrity reserve study may not vote to use reserve funds, or any interest accruing thereon, for any other purpose other than the replacement or deferred maintenance costs of the components listed in paragraph (g).

4. An association's reserve accounts may be pooled for two or more required components. Reserve funding for components listed in paragraph (g) may only be pooled with other components listed in paragraph (g). The reserve funding indicated in the proposed annual budget must be sufficient to ensure that available funds meet or exceed projected expenses for all components in the reserve pool based on the reserve funding plan or schedule of the most recent structural integrity reserve study. A vote of the members is not required for the board to change the accounting method for reserves to a pooling accounting method or a straight-line accounting method.

5. The only voting interests that are eligible to vote on questions that involve waiving or reducing the funding of reserves, or using existing reserve funds for purposes other than purposes for which the reserves were intended, are the voting interests of the units subject to assessment to fund the reserves in question. Proxy questions relating to waiving or reducing the funding of reserves or using existing reserve funds for purposes other than purposes for which the reserves were intended must contain the following statement in capitalized, bold letters in a font size larger than any other used on the face of the proxy ballot: WAIVING OF RESERVES, IN WHOLE OR IN PART, OR ALLOWING ALTERNATIVE USES OF EXISTING RESERVES MAY RESULT IN UNIT OWNER LIABILITY FOR PAYMENT OF UNANTICIPATED SPECIAL ASSESSMENTS REGARDING THOSE ITEMS.

Florida Statute Chapter 718 Reserve Excerpts

6. The division shall annually adjust for inflation, based on the Consumer Price Index for All Urban Consumers released in January of each year, the minimum $25,000 threshold amount for required reserves. By February 1, 2026, and annually thereafter, the division must conspicuously post on its website the inflation-adjusted minimum threshold amount for required reserves.

718.112(2)(g) Structural integrity reserve study
1. A residential condominium association must have a structural integrity reserve study completed at least every 10 years after the condominium's creation for each building on the condominium property that is three habitable stories or higher in height, as determined by the Florida Building Code, which includes, at a minimum, a study of the following items as related to the structural integrity and safety of the building:

a. Roof.
b. Structure, including load-bearing walls and other primary structural members and primary structural systems as those terms are defined in s. 627.706.
c. Fireproofing and fire protection systems.
d. Plumbing.
e. Electrical systems.
f. Waterproofing and exterior painting.
g. Windows and exterior doors.
h. Any other item that has a deferred maintenance expense or replacement cost that exceeds $25,000 or the inflation-adjusted amount determined by the division under subparagraph (f)6., whichever is greater, and the failure to replace or maintain such item negatively affects the items listed in sub-subparagraphs a.-g., as determined by the visual inspection portion of the structural integrity reserve study.

2. A structural integrity reserve study is based on a visual inspection of the condominium property.

3.a. A structural integrity reserve study including 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 certified as a reserve specialist or professional reserve analyst by the Community Associations Institute or the Association of Professional Reserve Analysts.

3.b. Any design professional as defined in s. 558.002 or any contractor licensed under chapter 489 who bids to perform a structural integrity reserve study must disclose in writing to the association his or her intent to bid on any services related to any maintenance, repair, or replacement that may be recommended by the structural integrity reserve study. Any design professional as defined in s. 558.002 or contractor licensed under chapter 489 who submits a bid to the association for performing any services recommended by the structural integrity reserve study may not have an interest, directly or indirectly, in the firm or entity providing the association's structural integrity reserve study or be a relative of any person having a direct or indirect interest in such firm, unless such relationship is disclosed to the association in writing. As used in this section, the term "relative" means a relative within the third degree of consanguinity by blood or marriage. A contract for services is voidable and terminates upon the association filing a written notice terminating the contract if the design professional or licensed contractor failed to provide the written disclosure of the interests or relationships required under this paragraph. A design professional or licensed contractor may be subject to discipline under the applicable practice act for his or her profession for failure to provide the written disclosure of the interests or relationships required under this paragraph.

Florida Statute Chapter 718 Reserve Excerpts

4.a. At a minimum, a structural integrity reserve study must identify each item of the condominium property being visually inspected, state the estimated remaining useful life and the estimated replacement cost or deferred maintenance expense of each item of the condominium property being visually inspected, and provide a reserve funding plan or schedule with a recommended annual reserve amount that achieves the estimated replacement cost or deferred maintenance expense of each item of condominium property being visually inspected by the end of the estimated remaining useful life of the item. At a minimum, the structural integrity reserve study must include a recommendation for a reserve funding schedule based on a baseline funding plan that provides a reserve funding goal in which the reserve funding for each budget year is sufficient to maintain the reserve cash balance above zero. The study may recommend other types of reserve funding schedules, provided that each recommended schedule is sufficient to meet the association's maintenance obligation.

4.b. The structural integrity reserve study may recommend that reserves do not need to be maintained for any item for which an estimate of useful life and an estimate of replacement cost cannot be determined, or the study may recommend a deferred maintenance expense amount for such item. The structural integrity reserve study may recommend that reserves for replacement costs do not need to be maintained for any item with an estimated remaining useful life of greater than 25 years, but the study may recommend a deferred maintenance expense amount for such item. If the structural integrity reserve study recommends reserves for any item for which reserves are not required under this paragraph, the amount of the recommended reserves for such item must be separately identified in the structural integrity reserve study as an item for which reserves are not required under this paragraph.

4.c. The structural integrity reserve study must take into consideration the funding method or methods used by the association to fund its maintenance and reserve funding obligations through regular assessments, special assessments, lines of credit, or loans. If the structural integrity reserve study is performed before the association has approved a special assessment or secured a line of credit or a loan, the structural integrity reserve study must be updated to reflect the funding method selected by the association and its effect on the reserve funding schedule, including any anticipated change in the amount of regular assessments. The structural integrity reserve study may be updated to reflect any changes to the useful life of the reserve items after such items are repaired or replaced, and the effect such repair or replacement will have on the reserve funding schedule. The association must obtain an updated structural integrity reserve study before adopting any budget in which the reserve funding from regular assessments, special assessments, lines of credit, or loans do not align with the funding plan from the most recent version of the structural integrity reserve study.

5. This paragraph does not apply to buildings less than three stories in height; single-family, two-family, three-family, or four-family dwellings with three or fewer habitable stories above ground; any portion or component of a building that has not been submitted to the condominium form of ownership; or any portion or component of a building that is maintained by a party other than the association.

6. Before a developer turns over control of an association to unit owners other than the developer, the developer must have a turnover inspection report in compliance with s. 718.301(4)(p) and (q) for each building on the condominium property that is three stories or higher in height.

Florida Statute Chapter 718 Reserve Excerpts

7. Associations existing on or before July 1, 2022, which are controlled by unit owners other than the developer, must have a structural integrity reserve study completed by December 31, 2025, for each building on the condominium property that is three stories or higher in height. An association that is required to complete a milestone inspection in accordance with s. 553.899 on or before December 31, 2026, may complete the structural integrity reserve study simultaneously with the milestone inspection. In no event may the structural integrity reserve study be completed after December 31, 2026.

8. If the milestone inspection required by s. 553.899, or an inspection completed for a similar local requirement, was performed within the past 5 years and meets the requirements of this paragraph, such inspection may be used in place of the visual inspection portion of the structural integrity reserve study.

9. If the association completes a milestone inspection required by s. 553.899, or an inspection completed for a similar local requirement, the association may delay performance of a required structural integrity reserve study for no more than the 2 consecutive budget years immediately following the milestone inspection in order to allow the association to focus its financial resources on completing the repair and maintenance recommendations of the milestone inspection.

10. If the officers or directors of an association willfully and knowingly fail to complete a structural integrity reserve study pursuant to this paragraph, such failure is a breach of an officer’s or a director’s fiduciary relationship to the unit owners under s. 718.111(1). An officer or a director of an association must sign an affidavit acknowledging receipt of the completed structural integrity reserve study.

11. Within 45 days after receiving the structural integrity reserve study, the association must distribute a copy of the study to each unit owner or deliver to each unit owner a notice that the completed study is available for inspection and copying upon a written request. Distribution of a copy of the study or notice must be made by United States mail or personal delivery to the mailing address, property address, or any other address of the owner provided to fulfill the association's notice requirements under this chapter, or by electronic transmission to the e-mail address or facsimile number provided to fulfill the association's notice requirements to unit owners who previously consented to receive notice by electronic transmission.

12. Within 45 days after receiving the structural integrity reserve study, the association must provide the division with a statement indicating that the study was completed, and that the association provided or made available such study to each unit owner in accordance with this section. The statement must be provided to the division in the manner established by the division using a form posted on the division's website.

13. The division shall adopt by rule the form for the structural integrity reserve study in coordination with the Florida Building Commission.

Florida Administrative Code Reserve Excerpts

61B-22.005 Reserves

(1) Reserves required by statute. Reserves required by Section 718.112(2)(f), Florida Statutes, for capital expenditures and deferred maintenance including roofing, painting, paving, and any other item for which the deferred maintenance expense or replacement cost exceeds $10,000 shall be included in the budget. For the purpose of determining whether the deferred maintenance expense or replacement cost of an item exceeds $10,000, the association may consider each asset of the association separately. Alternatively, the association may group similar or related assets together. For example, an association responsible for the maintenance of two swimming pools, each of which will separately require $6,000 of total deferred maintenance, may establish a pool reserve, but is not required to do so.

(2) Commingling operating and reserve funds. Associations that collect operating and reserve assessments as a single payment shall not be considered to have commingled the funds provided the reserve portion of the payment is transferred to a separate reserve account, or accounts, within 30 calendar days from the date such funds were deposited.

(3) Calculating reserves required by statute. Reserves for deferred maintenance and capital expenditures required by Section 718.112(2)(f), Florida Statutes, shall be calculated using a formula that will provide funds equal to the total estimated deferred maintenance expense or total estimated replacement cost for an asset or group of assets over the remaining useful life of the asset or group of assets. Funding formulas for reserves required by Section 718.112(2)(f), Florida Statutes, shall be based on either a separate analysis of each of the required assets or a pooled analysis of two or more of the required assets.

(a) If the association maintains separate reserve accounts for each of the required assets, the amount of the current year contribution to each reserve account shall be the sum of the following two calculations:

1. The total amount necessary, if any, to bring a negative account balance to zero; and

2. The total estimated deferred maintenance expense or estimated replacement cost of the reserve asset less the estimated balance of the reserve account as of the beginning of the period for which the budget will be in effect. The remainder, if greater than zero, shall be divided by the estimated remaining useful life of the asset. The formula may be adjusted each year for changes in estimates and deferred maintenance performed during the year and may consider factors such as inflation and earnings on invested funds.

(b) If the association maintains a pooled account of two or more of the required reserve assets, the amount of the contribution to the pooled reserve account as disclosed on the proposed budget shall be not less than that required to ensure that the balance on hand at the beginning of the period for which the budget will go into effect plus the projected annual cash inflows over the remaining estimated useful lives of all of the assets that make up the reserve pool are equal to or greater than the projected annual cash outflows over the remaining estimated useful lives of all of the assets that make up the reserve pool, based on the current reserve analysis. The projected annual cash inflows may include estimated earnings from investment of principal. The reserve funding formula shall not include any type of balloon payments.

Florida Administrative Code Reserve Excerpts

61B-22.005 Reserves

(4) Estimating reserves that are not required by statute. Reserves that are not required by Section 718.112(2)(f), Florida Statutes, are not required to be based on any specific formula.

(5) Estimating non-converter reserves when the developer is funding converter reserves. For the purpose of estimating non-converter reserves, the estimated fund balance of the non-converter reserve account related to any asset for which the developer has established converter reserves pursuant to Section 718.618, Florida Statutes, shall be the sum of:

(a) The developer's total funding obligation, when all units are sold, for the converter reserve account pursuant to Section 718.618, Florida Statutes; and

(b) The estimated fund balance of the non-converter reserve account, excluding the developer's converter obligation, as of the beginning of the period for which the budget will be in effect.

(6) Timely funding. Reserves included in the adopted budget are common expenses and must be fully funded unless properly waived or reduced. Reserves shall be funded in at least the same frequency that assessments are due from the unit owners (e.g., monthly or quarterly).

(7) Restrictions on use. In a multicondominium association, no vote to allow an association to use reserve funds for purposes other than that for which the funds were originally reserved shall be effective as to a particular condominium unless conducted at a meeting at which the same percentage of voting interests in that condominium that would otherwise be required for a quorum of the association is present in person or by proxy, and a majority of those present in person or by limited proxy, vote to use reserve funds for another purpose. Expenditure of unallocated interest income earned on reserve funds is restricted to any of the capital expenditures, deferred maintenance or other items for which reserve accounts have been established.

(8) Annual vote required to waive reserves. Any vote to waive or reduce reserves for capital expenditures and deferred maintenance required by Section 718.112(2)(f)2., Florida Statutes, shall be effective for only one annual budget. Additionally, in a multicondominium association, no waiver or reduction is effective as to a particular condominium unless conducted at a meeting at which the same percentage of voting interests in that condominium that would otherside be required for a quorum of the association is present, in person or by proxy, and a majority of those present in person or by limited proxy vote to waive or reduce reserves. For multicondominium associations in which the developer is precluded from casting its votes to waive or reduce the funding of reserves, no waiver or reduction is effective as to a particular condominium unless conducted at a meeting at which the same percentage of non-developer voting interests in that condominium that would otherwise be required for a quorum of the association is present, in person or by proxy, and a majority of those present in person or by limited proxy vote to waive or reduce reserves.

Specific Authority 718.501(1)(f) FS. Law Implemented 718.112(2)(f), 718.501, 718.618 FS. History–New 7-11-93, Formerly 7D-22.005, Amended 12-20-95, 1-19-97, 12-18-01, 12-23-02.

Florida Administrative Code Reserve Excerpts

61B-22.006 Financial Reporting Requirements.

(3) (a) The following reserve disclosures shall be made regardless of whether reserves have been waived for the fiscal period covered by the financial statements:

1. The beginning balance in each reserve account as of the beginning of the fiscal period covered by the financial statements;

2. The amount of assessments and other additions to each reserve account including authorized transfers from other reserve accounts;

3. The amount expended or removed from each reserve account, including authorized transfers to other reserve accounts;

4. The ending balance in each reserve account as of the end of the fiscal period covered by the financial statements;

5. The amount of annual funding required to fully fund each reserve account, or pool of accounts, over the remaining useful life of the applicable asset or group of assets;

6. The manner by which reserve items were estimated, the date the estimates were last made, the association's policies for allocating reserve fund interest, and whether reserves have been waived during the period covered by the financial statements; and

7. If the developer has established converter reserves pursuant to Section 718.618(1), F.S., each converter reserve account shall be identified and include the disclosures required by this rule.

Specific Authority 718.111(13), 718.501(1)(f) FS. Law Implemented 718.111(12)(a)11., (13), 718.301(4) FS. History–New 7-11-93, Formerly 7D-22.006, Amended 12-20-95, 2-13-97, 12-18-01, 6-24-04, 3-26-09.

Funding Plans

Pooled Cash Flow Funding Plan

This plan takes the total beginning year reserve balance along with the projected annual reserve expenditures over a 30-year period and arrives at a stable and equitable funding contribution amount over the plan years so as to provide a positive cash flow and sufficient funds when required.

The pooled cash flow method allows for different funding goals. **Baseline** funding is a goal of allowing the reserve cash balance to approach but never fall below zero during the cash flow projection. This is the riskiest goal that could lead to project delays, a special assessment, and/or financing. Baseline funding is not recommended. **Full Funding** is setting a reserve funding goal to attain and maintain reserves at or near 100% funded, which is when the actual or projected reserve balance is equal to the fully funded balance. **Threshold** funding is a goal of keeping the reserve balance above a specified minimum balance (could be $100,000 or $1 million). This “threshold” amount is the lowest the reserve fund balance will be at any given point.

Straight-Line (Component) Funding Plan

The straight-line funding method, also referred to as the component method, utilizes basic mathematic formulas and current costs to determine the individual funding requirement of each component. Only the current year’s reserve funding contribution is calculated, and neither interest nor inflation are factored into the calculations.

This funding method begins with allocating or assigning existing reserve funds to the individual reserve components. This allocation may be restricted depending on your governing regulations and/or the way these funds were accumulated. Ideally the existing reserve funds are not restricted and can be allocated in the most efficient and effective manner possible. Allocation of existing reserve funds can have a significant impact on the reserve contribution amount.

Once the reserve funds have been allocated, this funding plan takes each reserve component and computes its annual contribution amount by taking its unfunded balance (current cost minus allocated reserve funds) and divides it by the component's remaining life. This will give you the current budget year’s funding contribution amount for each component.

Why do these two funding plans sometimes provide such different funding contribution recommendations?

The straight-line (component) funding plan formulas are based on a single goal which is to rapidly achieve a fully funded plan balance. Fully funded is when the actual reserve balance equals the calculated fully funded balance. Straight-line plans often have segregated balance restrictions which typically creates inefficient fund allocations that can also increase funding.

Pooled cash flow funding allows choices. Funding goals can be baseline, full funding, or threshold. These goals play a large factor in the funding contribution amount. There are also no segregated balance restrictions and therefore no inefficient allocations. It is a much more flexible funding plan.

Definitions

Capital Improvements: Additions to the association's common area that previously did not exist. While these components should be added to the reserve study for future replacement, the cost of construction or installation cannot be taken from the reserve fund.

Cash Flow Method (also known as pooling): A method of developing a reserve funding plan where funding of reserves is designed to offset the annual expenditures from the reserve fund.

Common Area: The areas identified in the community association's master deed or declarations of covenant easements and restrictions that the association is obligated to maintain and replace or based on a well-established association precedent.

Community Association: A nonprofit entity that exists to preserve the nature of the community and protect the value of the property owned by members. Membership in the community association is mandatory and automatic for all owners. All owners pay mandatory lien-based assessments that fund the operation of the association and maintain the common area or elements, as defined in the governing documents. The community association is served and lead by an elected board of trustees or directors.

Component Inventory: The task of selecting and quantifying reserve components. This task can be accomplished through on-site visual observations, review of association design and organizational documents, review of association precedents, and discussion with appropriate representative(s) of the association.

Cost Per Unit: The cost to replace a reserve component per unit of measurement.

Straight Line Method (also known as Component): A method of developing a reserve funding plan where the total funding is based on the sum of funding for the individual components.

Condition Assessment: The task of evaluating the current condition of the component based on observed or reported characteristics. The assessment is limited to a visual, non-invasive evaluation.

Current Cost: The estimated current year cost to repair or replace a reserve component.

Effective Age: The difference between useful life and estimated remaining useful life. Not always equivalent to chronological age since some components age irregularly. Used primarily in computations.

Financial Analysis: The portion of a reserve study in which the current status of the reserves (measured as cash or percent funded) and a recommended reserve funding plan are derived, and the projected reserve income and expense over a period of time are presented. The financial analysis is one of the two parts of a reserve study. A minimum of 30 years of income and expense are to be considered.

Funding Contribution: This is the annual funding contribution amount for the budget year.

Fully Funded: 100% funded. When the actual (or projected) reserve balance is equal to the fully funded balance.

Fully Funded Balance (FFB): An indicator against which the actual (or projected) reserve balance can be compared. The reserve balance that is in direct proportion to the fraction of life "used up" of the current repair or replacement cost. This number is calculated for each component, and then summed for an association total.

FFB = Current Cost X Effective Age/Useful Life

Fund Status: The status of the reserve fund reported in terms of cash or percent funded.

Funding Plan: An association's plan to provide income to a reserve fund to offset anticipated expenditures from that fund. The plan must be a minimum of 30 years of projected income and expenses.

Definitions

Funding Principles: A funding plan addressing these principles. These funding principles are the basis for the recommendations included within the reserve study:

Sufficient funds when required.
Stable funding rate over the years.
Equitable funding rate over the years.
Fiscally responsible.

Initial Year: The first fiscal year in the financial analysis or funding plan.

Life Estimates: The task of estimating useful life and remaining useful life of the reserve components.

Life Cycle Cost: The ongoing cost of deterioration which must be offset in order to maintain and replace common area components at the end of their useful life. Note that the cost of preventive maintenance and corrective maintenance determined through periodic structural inspections (if required) are included in the calculation of life cycle costs and often result in overall net lower life cycle costs.

Maintenance: Maintenance is the process of maintaining or preserving something, or the state of being maintained. Maintenance is often defined in three ways: preventive maintenance, corrective maintenance, and deferred maintenance. Maintenance projects commonly fall short of “replacement” but may pass the defining test of a reserve component and be appropriate for reserve funding.

Percent Funded: The ratio, at a particular point in time clearly identified as either the beginning or end of the association’s fiscal year, of the actual (or projected) reserve balance to the fully funded balance.

Physical Evaluation: The portion of the reserve study where the component inventory, condition assessment, and life and valuation estimate tasks are performed.

Quantity: The quantity or amount of each reserve component element.

Remaining Life (RL): Also referred to as “remaining useful life” (RUL). The estimated time, in years, that a component can be expected to serve its intended function, presuming timely preventive maintenance. Projects expected to occur in the initial year have zero remaining useful life.

Replacement Cost: The cost to replace, repair, or restore the component to its original functional condition during that particular year, including all related expenses (including but not limited to shipping, engineering, design, permits, installation, disposal, etc.).

Reserve Balance: Actual or projected funds, clearly identified as existing either at the beginning or end of the association’s fiscal year, which will be used to fund reserve component expenditures. The source of this information should be disclosed within the reserve study.

Reserve Study: A reserve study is a budget planning tool which identifies the components that a community association is responsible to maintain or replace, the current status of the reserve fund, and a stable and equitable funding plan to offset the anticipated future major common area expenditures. This limited evaluation is conducted for budget and cash flow purposes. Tasks outside the scope of a reserve study include, but are not limited to, design review, construction evaluation, intrusive or destructive testing, preventive maintenance plans, and structural or safety evaluations.

Site Visit: A visual assessment of the accessible areas of the components included within the reserve study.

Special Assessment: A temporary assessment levied on the members of an association in addition to regular assessments. Special assessments are often regulated by governing documents or local statutes.

Units: The unit of measurement for each quantity.

Unit Abbreviations

Allow - Allowance

Court - Court

Cu Ft - Cubic Feet

Cu Yds - Cubic Yards

Dbl Ct - Double Tennis Court

Each - Each

Hp - Horsepower

Kw - Kilowatts

Ln Ft - Linear Feet

Lp Sm - Lump Sum

Pair - Pair

Sq Ft - Square Feet

Sq Yds - Square Yards

Squares - Squares (roofing)

Total - Total

Units - Units

Company Information

Dreux Isaac & Associates is a Florida-based consulting firm that specializes in performing reserve studies, insurance value appraisals, and structural integrity reserve studies (SIRS) for condominiums, homeowners associations, golf and country clubs, timeshares, resorts, churches, schools, and civic organizations.

Through our process of property inspections, cost estimating, condition assessment, life cycle forecasting, and financial analysis we are able to provide our clients with critical cost data and long-range capital budget plans.

Since 1989 we have had the opportunity to serve and build long-term relationships with thousands of clients in Florida and the United States. Each day, as we continue to grow and strive for improvement, we remain committed to serving each client with the same professional dedication and commitment. Combined with experience and knowledge, we remain committed to helping each client. Our unrelenting focus will always be to provide our services with the most accurate information.

30+ Years in Business

2,000+ Properties Inspected

15,000+ Reports Completed

500,000+ Condominium Owners and Homeowners Serviced

Terms and Conditions

Dreux Isaac & Associates, Inc. (“DIA”) has no present or contemplated future interest in the property that is the subject of this report and no personal interest or bias with respect to the subject matter of this report or the parties involved. Neither the employment to prepare this study, nor the compensation, is contingent upon the findings and conclusions contained herein.

Information provided to DIA by the Client or their representative(s), such as but not limited to, historical records, financial documents, proposals, contracts, correspondence, and construction plans will be deemed reliable and will not be independently verified or audited.

DIA has not investigated, nor assumes any responsibility for the existence of hazardous materials, latent or hidden defects or hidden conditions. Unless expressly stated in our report disclosures, there are no material issues that that would cause a distortion of the Client’s situation.

No testing, invasive or non-invasive, has been performed by DIA. No warranty is made and no liability is assumed for the soundness of the structure or its components. DIA has made no investigation of, offers no opinion of, and assumes no responsibility for the structural integrity of the property, code compliance requirements, or any physical defects, regardless of cause.

DIA uses various sources to arrive at its opinion of estimated cost. The information obtained from these sources is considered to be accurate and reasonable but is not guaranteed. Factors such as inflation, availability of materials and qualified personnel and/or acts of nature as well as catastrophic conditions, could significantly affect current prices. No consideration has been given to labor bonuses; material premiums; additional costs to conform property replaced to building codes, ordinances, or other legal restrictions; or the cost of demolition in connection with replacement or the removal of destroyed property. No value of land has been included. For update studies (Level II or III) prior quantities assumed to be accurate.

If complete construction plans/blueprints were not available for use in the completion of this report, assumptions were made regarding unseen construction components, based on our experience with properties similar to the subject. If these assumptions are in error, we reserve the right to modify this report, including value conclusions.

Estimates of useful life and remaining useful life used in this report assume proper installation and construction, adherence to recommended preventive maintenance guidelines and best practices. Natural disasters, catastrophic or severe condition changes could significantly affect the lives of any component. DIA does not warranty or guarantee the useful lives of any components.

Where feasible DIA may inspect and use a representative sampling of the Client’s property to accurately replicate an entire group of similar components at the same property. This report data is not applicable to any other property regardless of similarity.

Client agrees to indemnify and hold harmless DIA, its officers, employees, affiliates, agents and independent contractors from any and all liabilities or claims made in connection with the preparation of this report. The liability of DIA its officers, employees, affiliates, agents and independent for errors and omissions, is limited in total to the amount collected for preparation of this report.

According to the best of our knowledge and belief, the statements of fact contained in this report which are used as the basis of the analysis, opinions and conclusions stated herein, are true and correct. Acceptance of, and/or use of, this report constitutes acceptance of the above conditions. Use of this report is limited to only the purpose stated herein.

Report Notes

1. On the component schedule summary page the range of useful life and remaining life numbers shown on this page reflect the minimum and maximum life expectancies of the individual items within each category.

2. Based on information from the State of Florida's Compliance Office for the Division of Florida Condominiums, Timeshares, and Mobile Homes, the maximum annual funding increase in the pooled cash flow plan, except for year one, has been set to not exceed the plan's inflation rate. Otherwise it may be considered a balloon payment, which is prohibited under Florida Administrative Codes 61B-22.005(3)(b).

3. To comply with Florida Administrative Code 61B-22.005(3)(b) for pooled cash flow plan funding calculations, any components whose remaining lives are currently greater than 30 years have been shortened to 30 years and their cost proportionally reduced. This provides for full funding of these components, over their remaining lives, within a 30 year pooled cash flow plan.

4. Allowances established in the current reserve schedule are based on what is typically observed at other similar properties. These allowance lives and costs are subjective in nature and can be adjusted in a future update report to better reflect this particular property once a documented history and frequency of spending is better known for each of the asset allowances as currently shown in this reserve schedule.

Recommendations and Findings

1. General Information

Property Name:	**Ultimar Three Condominium Association, Inc.**		
Property Location:	**Clearwater, Florida**		
Property Number:	**1935**	Report Run Date:	**07/22/2025**
Property Type:	**Condominium**	Report No:	**9886 Version 2**
Total Units:	**100**	Budget Year Begins:	**01/01/2026**
Phase:	**SIRS (1 of 2)**	Budget Year Ends:	**12/31/2026**

2. Report Findings

Total number of categories set up in reserve schedule:	**8**
Total number of components scheduled for reserve funding:	**39**
Total current cost of all scheduled reserve components:	**$5,249,348**
Estimated Beginning Year Reserve Balance:	**$1,095,663**
Total number of components scheduled for replacement in the 2026 Budget Year:	**16**
Total cost of components scheduled for replacement in the 2026 Budget Year:	**$1,348,320**

3. 30 Year Pooled Cash Flow Funding Plan Analysis

Current Annual Reserve Funding Contribution Amount:	**$315,491**
Recommended 2026 Reserve Funding Contribution Amount:	**$350,932**
Recommended 2026 Planned Special Assessment Amount:	**$0**
Total 2026 Reserve Funding and Planned Special Assessment Amount:	**$350,932**
Increase (decrease) between Current & Recommended Contribution Amounts:	**$35,441**
Increase (decrease) between Current & Recommended Contribution Amounts:	**11.23%**

Chart A

2026 Current Reserve Component Costs

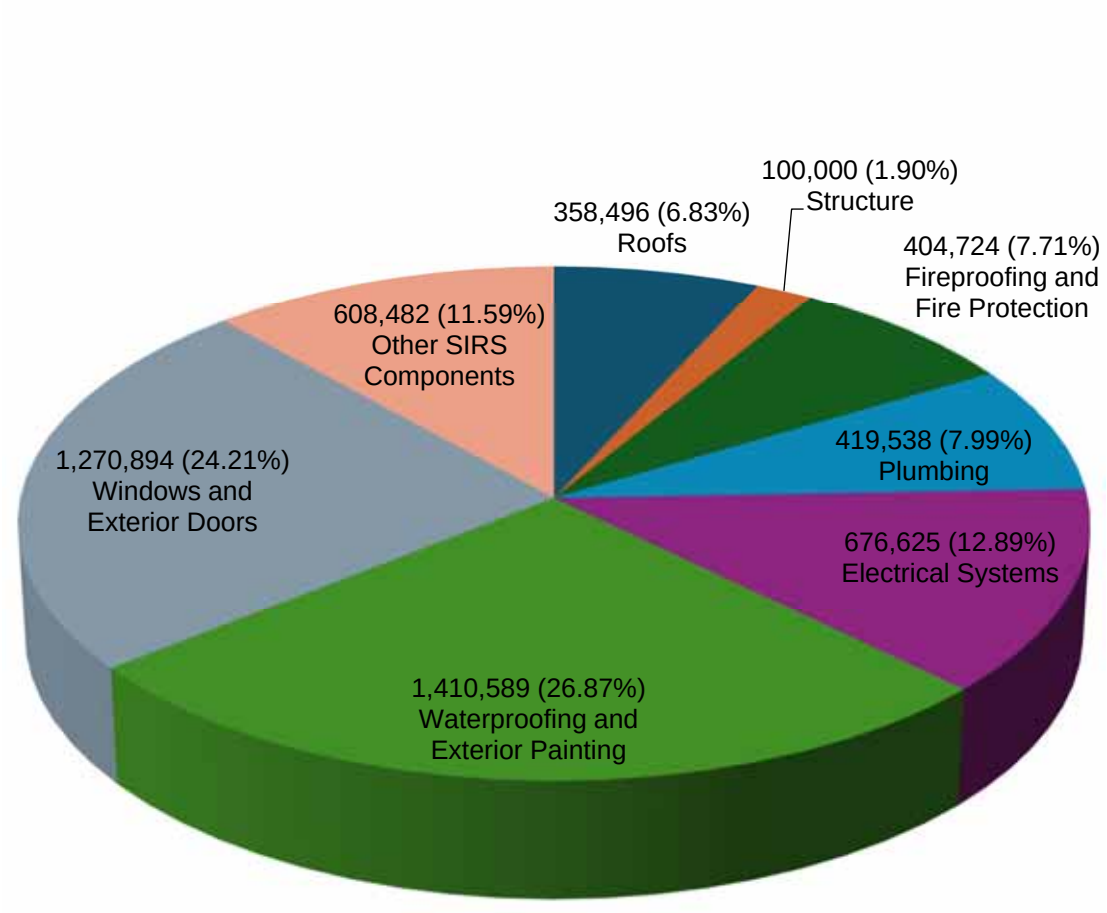


Chart B

2026 Actual vs. 100% Funded Reserve Balances

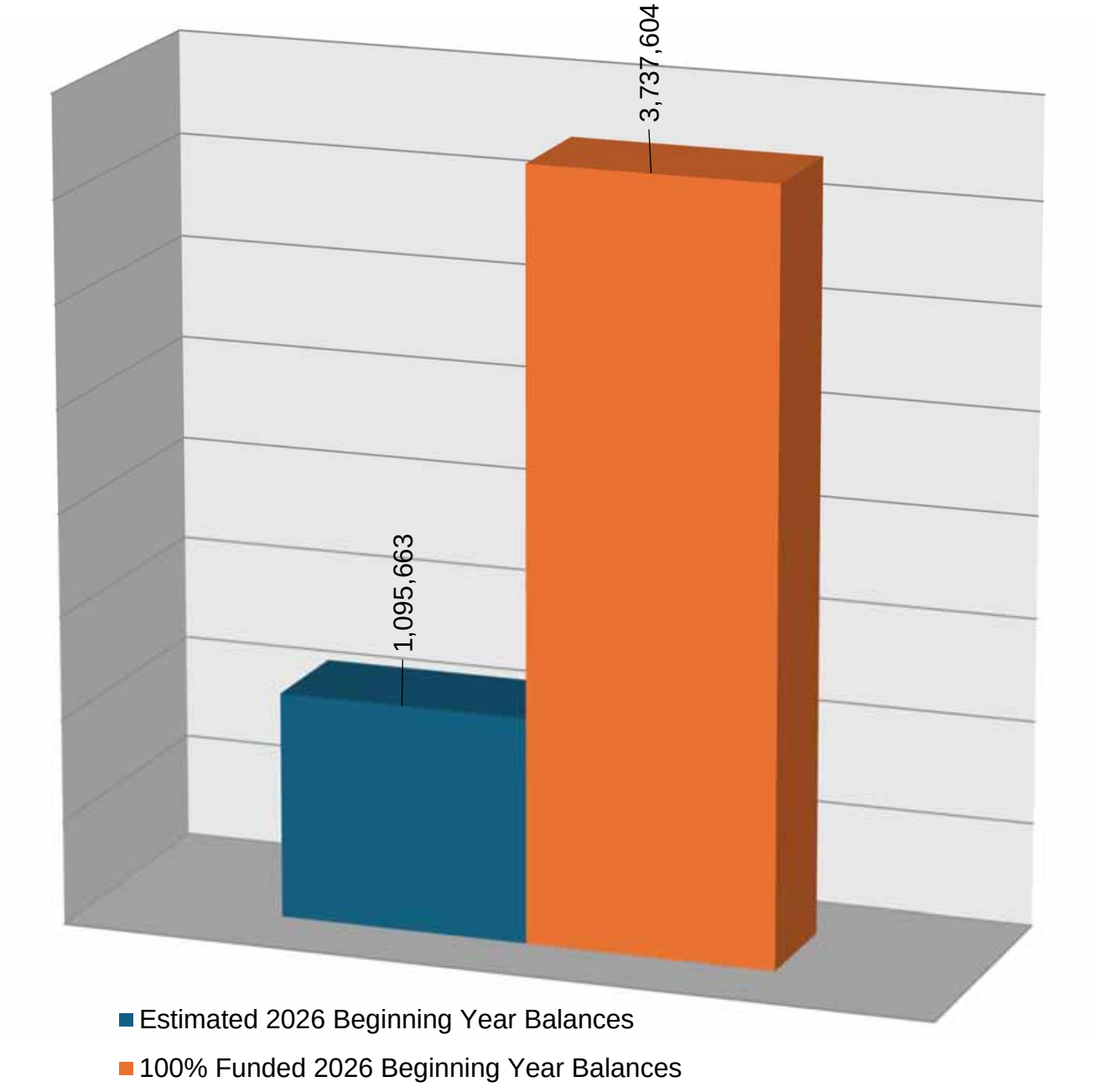


Chart C

2026 Funding Contribution Comparisons

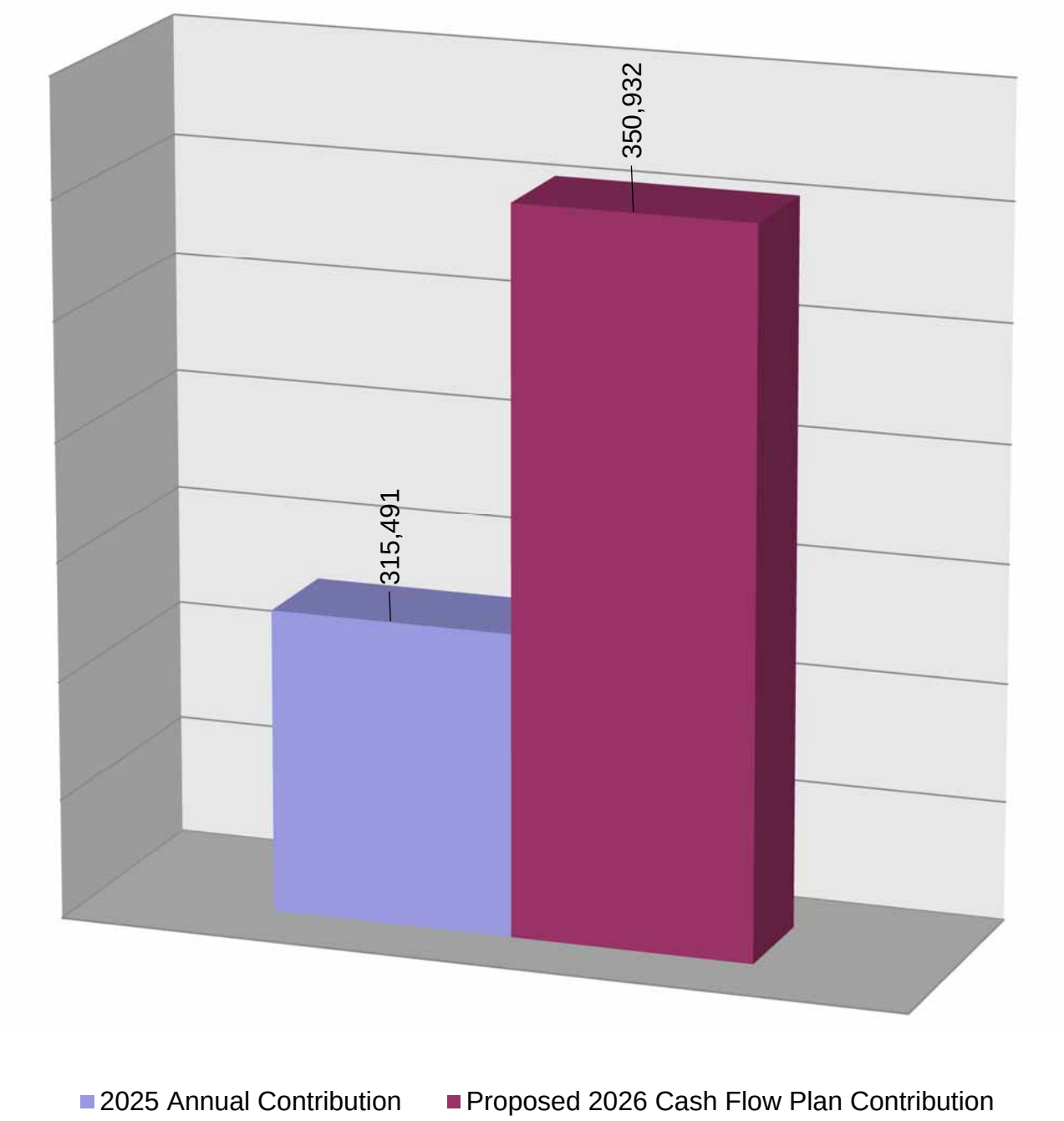
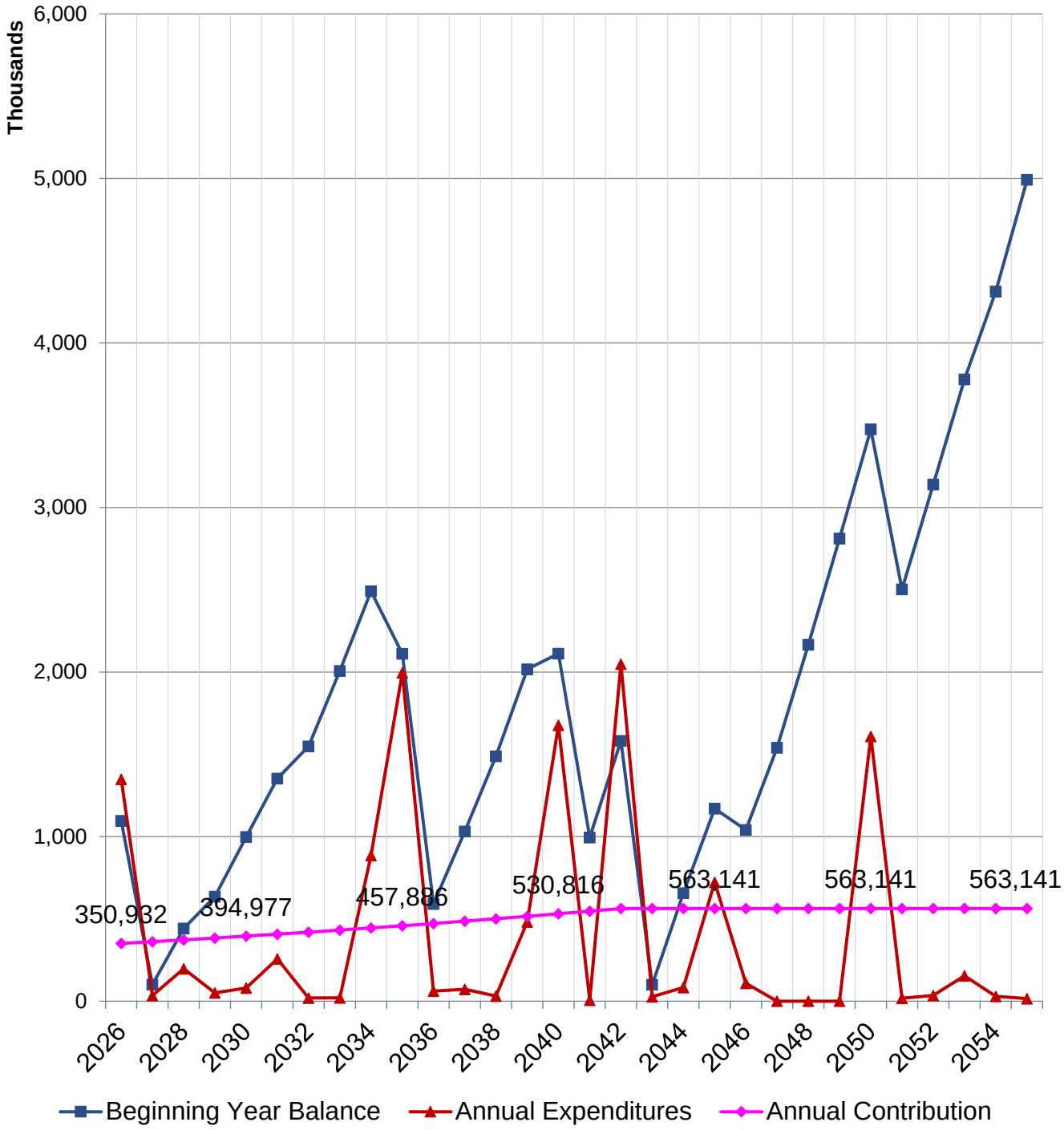


Chart D

30 Year Pooled Cash Flow Plan



Component Schedule Summary

Description	Current Cost	Useful Life	Remg Life
Roofs	358,496	25	1-20
Structure	100,000	8	1
Fireproofing and Fire Protection	404,724	9-30	1-29
Plumbing	419,538	5-40	1-10
Electrical Systems	676,625	35-45	6-15
Waterproofing and Exterior Painting	1,410,589	8-30	1-5
Windows and Exterior Doors	1,270,894	8-40	2-11
Other SIRS Components	608,482	45	15
Grand Total	**5,249,348**		

Component Schedule Detail

Description	Quantity	Units	Cost Per Unit	Current Cost	Useful Life	Remg Life
Roofs						
Roof, Single Ply	175	Squares	2,021.00	353,675	25	20
Skylight, 4' x 4' Pyramid - Exercise Room/Spa	3	Each	1,607.00	4,821	25	1
Roofs Total	2	Components		358,496	25	1-20
Structure						
Building Restoration/Structural/Engineering Allowance	100	Units	1,000.00	100,000	8	1
Structure Total	1	Components		100,000	8	1
Fireproofing and Fire Protection						
Fire Alarm System Allowance	100	Units	3,281.00	328,100	22	14
Fire Jockey Sprinkler Sub Pump/Motor	1	Each	7,762.00	7,762	9	1
Fire Pump Repair/Replacement	1	Each	7,316.00	7,316	10	1
Fire Pump w/Controller, 125 Hp - Life > 25yrs, add to SIRS by 2029	1	Each	0.00	0	30	29
Fire Sprinkler System Capital Repair Allowance - Phase 1	1	Total	16,000.00	16,000	10	7
Fire Sprinkler System Capital Repair Allowance - Phase 2	1	Total	16,000.00	16,000	10	8
Fire Sprinkler System Capital Repair Allowance - Phase 3	1	Total	17,546.00	17,546	10	1
Plumbing, Backflow Preventer - Fire	1	Each	12,000.00	12,000	30	2
Fireproofing and Fire Protection Total	8	Components		404,724	9-30	1-29
Plumbing						
Domestic Water Booster Pump Control	1	Total	25,235.00	25,235	20	1
Domestic Water Booster Pump/Motor, 3 Hp Jockey	1	Each	3,579.00	3,579	5	1
Domestic Water Booster Pump/Motor, 10 Hp	1	Each	10,848.00	10,848	12	1
Domestic Water Booster Pump/Motor, 10 Hp	1	Each	10,848.00	10,848	12	1
Plumbing Capital Allowance	100	Units	3,200.00	320,000	40	10
Plumbing, Backflow Preventer - Domestic	1	Each	8,000.00	8,000	30	2
Water Softening System	1	Total	41,028.00	41,028	13	6
Plumbing Total	7	Components		419,538	5-40	1-10
Electrical Systems						
Electrical Capital Allowance	100	Units	5,000.00	500,000	45	15
Generator, Diesel, 300 kW + Fuel Tank - Loading Dock	1	Each	176,625.00	176,625	35	6
Electrical Systems Total	2	Components		676,625	35-45	6-15

Description	Quantity	Units	Cost Per Unit	Current Cost	Useful Life	Remg Life
Waterproofing and Exterior Painting						
Caulk - Unit Owner Balcony Railing Posts	1	Total	28,199.00	28,199	8	1
Exterior Window and Door Re-caulking	1	Total	54,857.00	54,857	8	1
Paint Exterior - Building	1	Total	440,499.00	440,499	8	1
Paint Exterior - Metal Railings	1	Total	158,345.00	158,345	16	1
Paint Exterior - Metal Window/Slider Frames	1	Total	403,060.00	403,060	16	1
Seal - Unit Owner Balcony Tile Grout	38,046	Sq Ft	0.97	36,905	8	1
Stucco Restoration Repair	100	Units	385.00	38,500	8	1
Waterproof Planters - Level 4	854	Sq Ft	83.00	70,882	20	5
Waterproofing - Private Decks	6,662	Sq Ft	26.92	179,342	30	3
Waterproofing and Exterior Painting Total	9	Components		1,410,589	8-30	1-5
Windows and Exterior Doors						
Door & Frame, Hollow Metal - Common Areas (+/- 159 Doors)	40	Total	1,142.00	45,680	8	4
Door, Automatic Entry - Lobby Level 1	1	Each	6,422.00	6,422	9	3
Door, Automatic Entry - Lobby Level 2	2	Each	6,422.00	12,844	9	2
Louver, 6' x 6' Alum Wall - Generator Room	1	Total	4,035.00	4,035	20	11
Window & Door, Glass - Common Areas (Garage)	304	Sq Ft	187.74	57,073	40	10
Window & Door, Glass - Common Areas (Level 3)	535	Sq Ft	187.74	100,441	40	10
Window & Door, Glass - Common Areas (Lobby Level)	2,503	Sq Ft	187.74	469,914	40	10
Window & Door, Glass - Common Areas (Unit Walkways)	3,060	Sq Ft	187.74	574,485	40	10
Windows and Exterior Doors Total	8	Components		1,270,894	8-40	2-11
Other SIRS Components						
Railing, Alum Picket - Balconies	1	Total	500,927.00	500,927	45	15
Railing, Alum Picket - Walkways	1	Total	107,555.00	107,555	45	15
Other SIRS Components Total	2	Components		608,482	45	15
Grand Total	39	Components		5,249,348		

Cash Flow Plan Summary

No	Year	Beginning Year Balance	Annual Reserve Contribution	Annual Increase	Planned Special Assessments	Expenses	Inflation Rate	Earned Interest	Interest Rate	Ending Year Balance
1	2026	1,095,663	350,932	11.23%	0	1,348,320	3.00%	2,948	3.00%	101,223
2	2027	101,223	361,460	3.00%	0	33,829	3.00%	12,866	3.00%	441,720
3	2028	441,720	372,304	3.00%	0	197,077	3.00%	18,508	3.00%	635,455
4	2029	635,455	383,473	3.00%	0	49,916	3.00%	29,070	3.00%	998,082
5	2030	998,082	394,977	3.00%	0	79,778	3.00%	39,398	3.00%	1,352,679
6	2031	1,352,679	406,826	3.00%	0	256,469	3.00%	45,091	3.00%	1,548,127
7	2032	1,548,127	419,031	3.00%	0	19,105	3.00%	58,442	3.00%	2,006,495
8	2033	2,006,495	431,602	3.00%	0	19,678	3.00%	72,553	3.00%	2,490,972
9	2034	2,490,972	444,550	3.00%	0	885,422	3.00%	61,503	3.00%	2,111,603
10	2035	2,111,603	457,886	3.00%	0	1,995,878	3.00%	17,208	3.00%	590,819
11	2036	590,819	471,623	3.00%	0	60,906	3.00%	30,046	3.00%	1,031,582
12	2037	1,031,582	485,772	3.00%	0	72,122	3.00%	43,357	3.00%	1,488,589
13	2038	1,488,589	500,345	3.00%	0	30,934	3.00%	58,740	3.00%	2,016,740
14	2039	2,016,740	515,355	3.00%	0	481,826	3.00%	61,508	3.00%	2,111,777
15	2040	2,111,777	530,816	3.00%	0	1,676,679	3.00%	28,977	3.00%	994,891
16	2041	994,891	546,739	3.00%	0	5,576	3.00%	46,082	3.00%	1,582,136
17	2042	1,582,136	563,141	3.00%	0	2,048,190	3.00%	2,913	3.00%	100,000
18	2043	100,000	563,141	0.00%	0	26,446	3.00%	19,101	3.00%	655,796
19	2044	655,796	563,141	0.00%	0	83,061	3.00%	34,076	3.00%	1,169,952
20	2045	1,169,952	563,141	0.00%	0	722,793	3.00%	30,309	3.00%	1,040,609
21	2046	1,040,609	563,141	0.00%	0	108,544	3.00%	44,856	3.00%	1,540,062
22	2047	1,540,062	563,141	0.00%	0	0	3.00%	63,096	3.00%	2,166,299
23	2048	2,166,299	563,141	0.00%	0	0	3.00%	81,883	3.00%	2,811,323
24	2049	2,811,323	563,141	0.00%	0	0	3.00%	101,234	3.00%	3,475,698
25	2050	3,475,698	563,141	0.00%	0	1,609,033	3.00%	72,894	3.00%	2,502,700
26	2051	2,502,700	563,141	0.00%	0	17,588	3.00%	91,448	3.00%	3,139,701
27	2052	3,139,701	563,141	0.00%	0	34,505	3.00%	110,050	3.00%	3,778,387
28	2053	3,778,387	563,141	0.00%	0	154,251	3.00%	125,618	3.00%	4,312,895
29	2054	4,312,895	563,141	0.00%	0	29,386	3.00%	145,400	3.00%	4,992,050
30	2055	4,992,050	563,141	0.00%	0	15,134	3.00%	166,202	3.00%	5,706,259
Grand Total			**14,957,665**		**0**	**12,062,446**		**1,715,377**		

Cash Flow Plan Details

Category	Description	Cost
Year 1: 2026		
Roofs	Skylight, 4' x 4' Pyramid - Exercise Room/Spa	4,821
Structure	Building Restoration/Structural/Engineering Allowance	100,000
Fireproofing and Fire Protection	Fire Jockey Sprinkler Sub Pump/Motor	7,762
Fireproofing and Fire Protection	Fire Pump Repair/Replacement	7,316
Fireproofing and Fire Protection	Fire Sprinkler System Capital Repair Allowance - Phase 3	17,546
Plumbing	Domestic Water Booster Pump Control	25,235
Plumbing	Domestic Water Booster Pump/Motor, 3 Hp Jockey	3,579
Plumbing	Domestic Water Booster Pump/Motor, 10 Hp	10,848
Plumbing	Domestic Water Booster Pump/Motor, 10 Hp	10,848
Waterproofing and Exterior Painting	Caulk - Unit Owner Balcony Railing Posts	28,199
Waterproofing and Exterior Painting	Exterior Window and Door Re-caulking	54,857
Waterproofing and Exterior Painting	Paint Exterior - Building	440,499
Waterproofing and Exterior Painting	Paint Exterior - Metal Railings	158,345
Waterproofing and Exterior Painting	Paint Exterior - Metal Window/Slider Frames	403,060
Waterproofing and Exterior Painting	Seal - Unit Owner Balcony Tile Grout	36,905
Waterproofing and Exterior Painting	Stucco Restoration Repair	38,500
Year 1 Total		**1,348,320**
Year 2: 2027		
Fireproofing and Fire Protection	Plumbing, Backflow Preventer - Fire	12,360
Plumbing	Plumbing, Backflow Preventer - Domestic	8,240
Windows and Exterior Doors	Door, Automatic Entry - Lobby Level 2	13,229
Year 2 Total		**33,829**
Year 3: 2028		
Waterproofing and Exterior Painting	Waterproofing - Private Decks	190,264
Windows and Exterior Doors	Door, Automatic Entry - Lobby Level 1	6,813
Year 3 Total		**197,077**
Year 4: 2029		
Windows and Exterior Doors	Door & Frame, Hollow Metal - Common Areas (+/- 159 Doors)	49,916
Year 4 Total		**49,916**
Year 5: 2030		
Waterproofing and Exterior Painting	Waterproof Planters - Level 4	79,778
Year 5 Total		**79,778**

Category	Description	Cost
Year 6: 2031		
Plumbing	Domestic Water Booster Pump/Motor, 3 Hp Jockey	4,149
Plumbing	Water Softening System	47,563
Electrical Systems	Generator, Diesel, 300 kW + Fuel Tank - Loading Dock	204,757
Year 6 Total		**256,469**
Year 7: 2032		
Fireproofing and Fire Protection	Fire Sprinkler System Capital Repair Allowance - Phase 1	19,105
Year 7 Total		**19,105**
Year 8: 2033		
Fireproofing and Fire Protection	Fire Sprinkler System Capital Repair Allowance - Phase 2	19,678
Year 8 Total		**19,678**
Year 9: 2034		
Structure	Building Restoration/Structural/Engineering Allowance	126,677
Waterproofing and Exterior Painting	Caulk - Unit Owner Balcony Railing Posts	35,722
Waterproofing and Exterior Painting	Exterior Window and Door Re-caulking	69,491
Waterproofing and Exterior Painting	Paint Exterior - Building	558,011
Waterproofing and Exterior Painting	Seal - Unit Owner Balcony Tile Grout	46,750
Waterproofing and Exterior Painting	Stucco Restoration Repair	48,771
Year 9 Total		**885,422**
Year 10: 2035		
Fireproofing and Fire Protection	Fire Jockey Sprinkler Sub Pump/Motor	10,128
Plumbing	Plumbing Capital Allowance	417,527
Windows and Exterior Doors	Window & Door, Glass - Common Areas (Garage)	74,467
Windows and Exterior Doors	Window & Door, Glass - Common Areas (Level 3)	131,053
Windows and Exterior Doors	Window & Door, Glass - Common Areas (Lobby Level)	613,131
Windows and Exterior Doors	Window & Door, Glass - Common Areas (Unit Walkways)	749,572
Year 10 Total		**1,995,878**
Year 11: 2036		
Fireproofing and Fire Protection	Fire Pump Repair/Replacement	9,832
Fireproofing and Fire Protection	Fire Sprinkler System Capital Repair Allowance - Phase 3	23,580
Plumbing	Domestic Water Booster Pump/Motor, 3 Hp Jockey	4,810
Windows and Exterior Doors	Door, Automatic Entry - Lobby Level 2	17,261
Windows and Exterior Doors	Louver, 6' x 6' Alum Wall - Generator Room	5,423
Year 11 Total		**60,906**

Category	Description	Cost
Year 12: 2037		
Windows and Exterior Doors	Door & Frame, Hollow Metal - Common Areas (+/- 159 Doors)	63,232
Windows and Exterior Doors	Door, Automatic Entry - Lobby Level 1	8,890
Year 12 Total		**72,122**
Year 13: 2038		
Plumbing	Domestic Water Booster Pump/Motor, 10 Hp	15,467
Plumbing	Domestic Water Booster Pump/Motor, 10 Hp	15,467
Year 13 Total		**30,934**
Year 14: 2039		
Fireproofing and Fire Protection	Fire Alarm System Allowance	481,826
Year 14 Total		**481,826**
Year 15: 2040		
Electrical Systems	Electrical Capital Allowance	756,295
Other SIRS Components	Railing, Alum Picket - Balconies	757,697
Other SIRS Components	Railing, Alum Picket - Walkways	162,687
Year 15 Total		**1,676,679**
Year 16: 2041		
Plumbing	Domestic Water Booster Pump/Motor, 3 Hp Jockey	5,576
Year 16 Total		**5,576**
Year 17: 2042		
Structure	Building Restoration/Structural/Engineering Allowance	160,471
Fireproofing and Fire Protection	Fire Sprinkler System Capital Repair Allowance - Phase 1	25,675
Waterproofing and Exterior Painting	Caulk - Unit Owner Balcony Railing Posts	45,251
Waterproofing and Exterior Painting	Exterior Window and Door Re-caulking	88,029
Waterproofing and Exterior Painting	Paint Exterior - Building	706,871
Waterproofing and Exterior Painting	Paint Exterior - Metal Railings	254,097
Waterproofing and Exterior Painting	Paint Exterior - Metal Window/Slider Frames	646,793
Waterproofing and Exterior Painting	Seal - Unit Owner Balcony Tile Grout	59,222
Waterproofing and Exterior Painting	Stucco Restoration Repair	61,781
Year 17 Total		**2,048,190**
Year 18: 2043		
Fireproofing and Fire Protection	Fire Sprinkler System Capital Repair Allowance - Phase 2	26,446
Year 18 Total		**26,446**

Category	Description	Cost
Year 19: 2044		
Fireproofing and Fire Protection	Fire Jockey Sprinkler Sub Pump/Motor	13,214
Plumbing	Water Softening System	69,847
Year 19 Total		**83,061**
Year 20: 2045		
Roofs	Roof, Single Ply	620,171
Windows and Exterior Doors	Door & Frame, Hollow Metal - Common Areas (+/- 159 Doors)	80,100
Windows and Exterior Doors	Door, Automatic Entry - Lobby Level 2	22,522
Year 20 Total		**722,793**
Year 21: 2046		
Fireproofing and Fire Protection	Fire Pump Repair/Replacement	13,214
Fireproofing and Fire Protection	Fire Sprinkler System Capital Repair Allowance - Phase 3	31,690
Plumbing	Domestic Water Booster Pump Control	45,577
Plumbing	Domestic Water Booster Pump/Motor, 3 Hp Jockey	6,464
Windows and Exterior Doors	Door, Automatic Entry - Lobby Level 1	11,599
Year 21 Total		**108,544**
Year 22: 2047	No Expenses	
Year 23: 2048	No Expenses	
Year 24: 2049	No Expenses	
Year 25: 2050		
Structure	Building Restoration/Structural/Engineering Allowance	203,279
Plumbing	Domestic Water Booster Pump/Motor, 10 Hp	22,052
Plumbing	Domestic Water Booster Pump/Motor, 10 Hp	22,052
Waterproofing and Exterior Painting	Caulk - Unit Owner Balcony Railing Posts	57,323
Waterproofing and Exterior Painting	Exterior Window and Door Re-caulking	111,513
Waterproofing and Exterior Painting	Paint Exterior - Building	895,443
Waterproofing and Exterior Painting	Seal - Unit Owner Balcony Tile Grout	75,020
Waterproofing and Exterior Painting	Stucco Restoration Repair	78,263
Waterproofing and Exterior Painting	Waterproof Planters - Level 4	144,088
Year 25 Total		**1,609,033**
Year 26: 2051		
Roofs	Skylight, 4' x 4' Pyramid - Exercise Room/Spa	10,094
Plumbing	Domestic Water Booster Pump/Motor, 3 Hp Jockey	7,494
Year 26 Total		**17,588**

Category	Description	Cost
Year 27: 2052		
Fireproofing and Fire Protection	Fire Sprinkler System Capital Repair Allowance - Phase 1	34,505
Year 27 Total		**34,505**
Year 28: 2053		
Fireproofing and Fire Protection	Fire Jockey Sprinkler Sub Pump/Motor	17,242
Fireproofing and Fire Protection	Fire Sprinkler System Capital Repair Allowance - Phase 2	35,541
Windows and Exterior Doors	Door & Frame, Hollow Metal - Common Areas (+/- 159 Doors)	101,468
Year 28 Total		**154,251**
Year 29: 2054		
Fireproofing and Fire Protection	Fire Pump w/Controller, 125 Hp - Life > 25yrs, add to SIRS by 2029	0
Windows and Exterior Doors	Door, Automatic Entry - Lobby Level 2	29,386
Year 29 Total		**29,386**
Year 30: 2055		
Windows and Exterior Doors	Door, Automatic Entry - Lobby Level 1	15,134
Year 30 Total		**15,134**

Recommendations and Findings

1. General Information

Property Name:	**Ultimar Three Condominium Association, Inc.**		
Property Location:	**Clearwater, Florida**		
Property Number:	**1935**	Report Run Date:	**07/22/2025**
Property Type:	**Condominium**	Report No:	**9886 Version 2**
Total Units:	**100**	Budget Year Begins:	**01/01/2026**
Phase:	**Non-SIRS (2 of 2)**	Budget Year Ends:	**12/31/2026**

2. Report Findings

Total number of categories set up in reserve schedule:	**6**
Total number of components scheduled for reserve funding:	**48**
Total current cost of all scheduled reserve components:	**$2,410,848**
Estimated Beginning Year Reserve Balance:	**$1,007,337**
Total number of components scheduled for replacement in the 2026 Budget Year:	**6**
Total cost of components scheduled for replacement in the 2026 Budget Year:	**$927,695**

3. 30 Year Pooled Cash Flow Funding Plan Analysis

Current Annual Reserve Funding Contribution Amount:	**$170,703**
Recommended 2026 Reserve Funding Contribution Amount:	**$189,879**
Recommended 2026 Planned Special Assessment Amount:	**$0**
Total 2026 Reserve Funding and Planned Special Assessment Amount:	**$189,879**
Increase (decrease) between Current & Recommended Contribution Amounts:	**$19,176**
Increase (decrease) between Current & Recommended Contribution Amounts:	**11.23%**

Chart A

2026 Current Reserve Component Costs

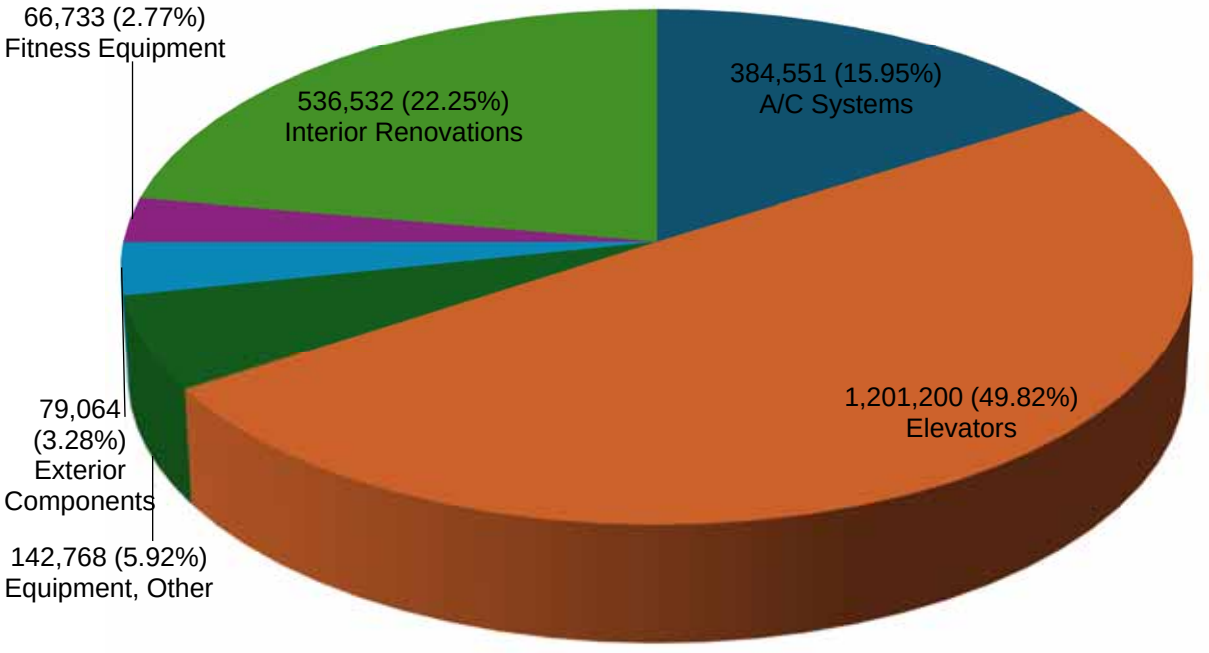


Chart B

2026 Actual vs. 100% Funded Reserve Balances

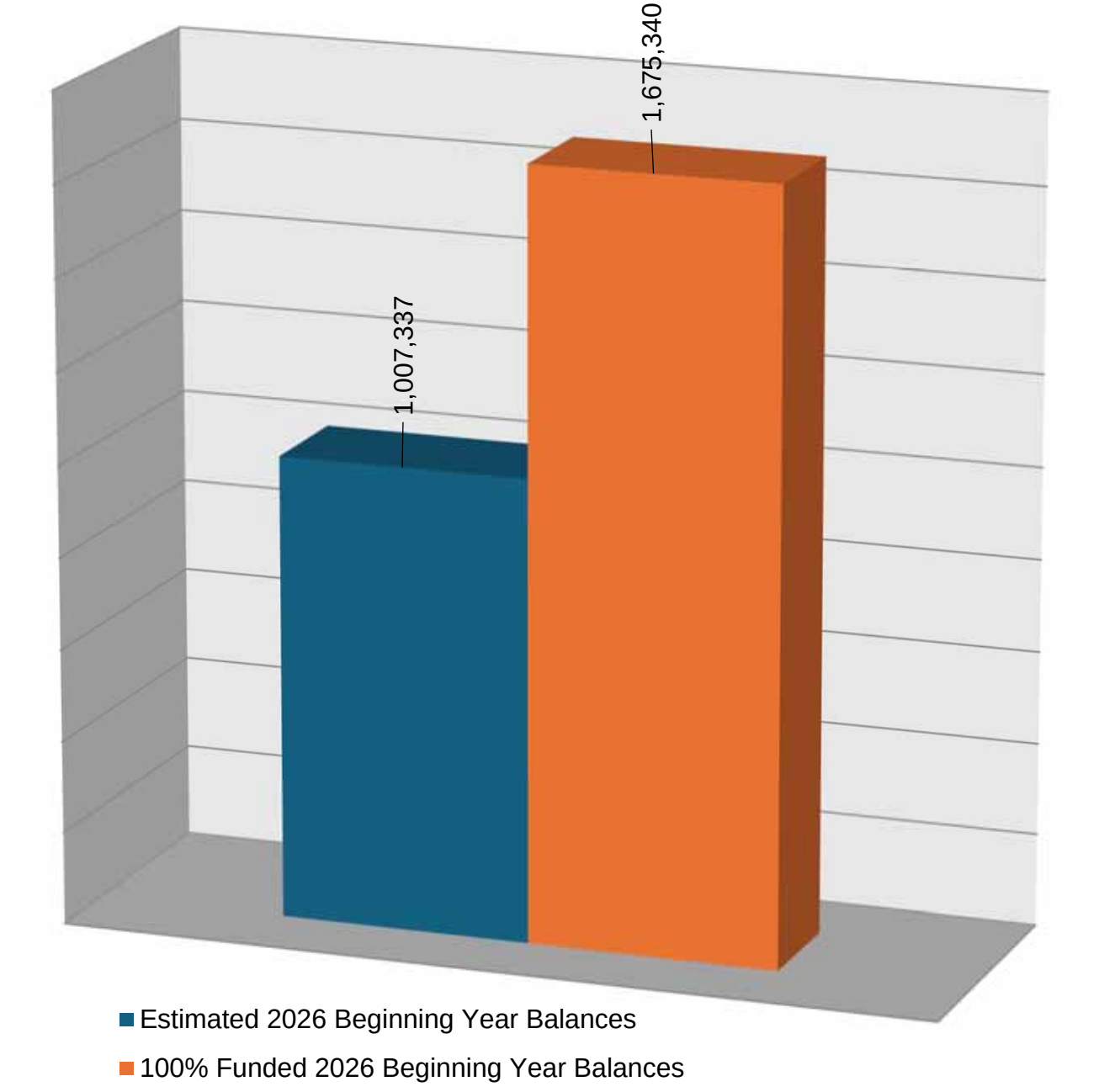


Chart C

2026 Funding Contribution Comparisons

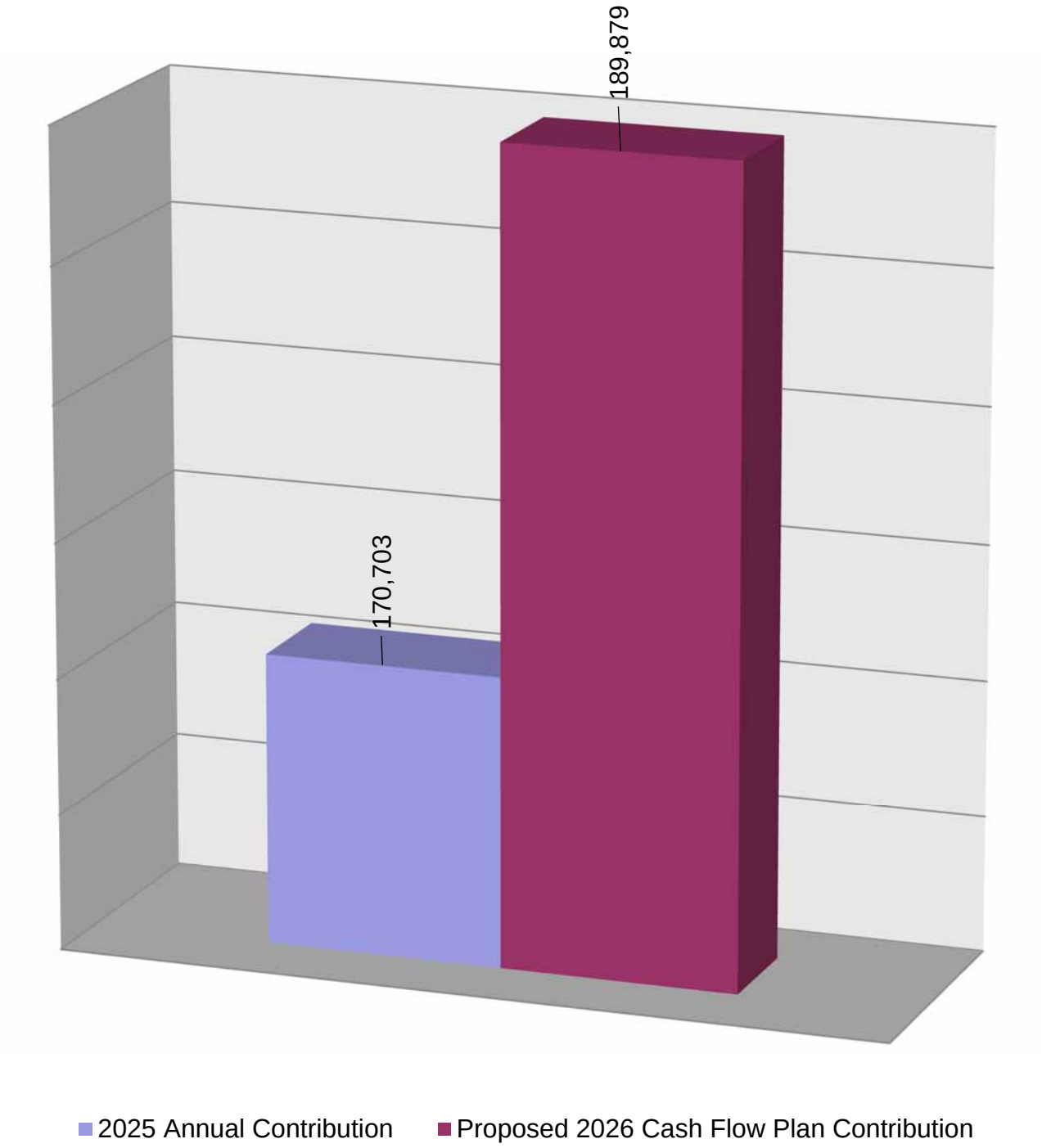
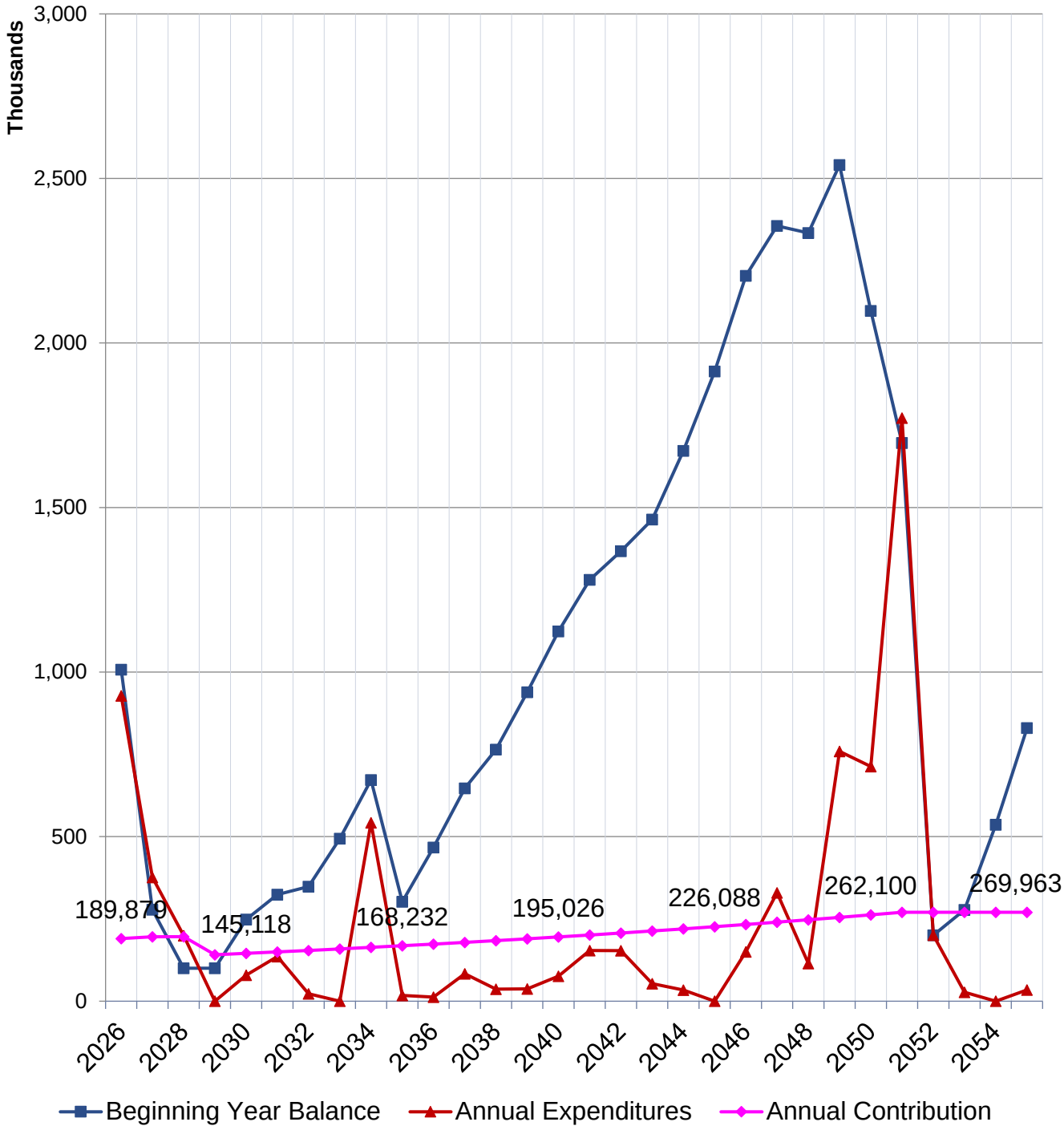


Chart D

30 Year Pooled Cash Flow Plan



Component Schedule Summary

Description	Current Cost	Useful Life	Remg Life
A/C Systems	384,551	15	9
Elevators	1,201,200	15-25	1-25
Equipment, Other	142,768	5-33	1-23
Exterior Components	79,064	5-12	1-3
Fitness Equipment	66,733	10-18	2-5
Interior Renovations	536,532	8-30	2-19
Grand Total	**2,410,848**		

Component Schedule Detail

Description	Quantity	Units	Cost Per Unit	Current Cost	Useful Life	Remg Life
A/C Systems						
A/C Condensing Unit, 6 Ton - Daikin Units	3	Each	30,019.00	90,057	15	9
A/C Condensing Unit, 10 Ton - Daikin Units	3	Each	49,133.00	147,399	15	9
A/C Fan Coil Units - Common Areas	13	Each	11,315.00	147,095	15	9
A/C Systems Total	3	Components		384,551	15	9
Elevators						
Elevator Cab Refurbishment	4	Each	20,300.00	81,200	15	1
Elevator Modernization (Mechanical/Computer) - Completion	4	Each	205,000.00	820,000	25	1
Elevator Modernization (Mechanical/Computer) - Deposit	4	Each	75,000.00	300,000	25	25
Elevators Total	3	Components		1,201,200	15-25	1-25
Equipment, Other						
Callbox - Entrances	4	Each	6,413.00	25,652	10	3
Operations, Shopping Carts	10	Each	353.00	3,530	5	2
Sauna Control Equipment - Electric Room	1	Each	2,850.00	2,850	15	1
Steam Bath Generator, 17 kW - Men's	1	Each	7,429.00	7,429	24	1
Steam Bath Generator, 17 kW - Women's	1	Each	7,429.00	7,429	24	23
Trash Chute Guillotine - Main Unit	2	Each	1,741.00	3,482	20	3
Trash Chute Intake Door - Every Floor	32	Each	1,361.00	43,552	30	2
Trash Chute Throat Plates - at Intake Door	32	Each	1,464.00	46,848	33	5
Water Heater, 80 Gal Electric - Electric Room	1	Each	1,996.00	1,996	14	14
Equipment, Other Total	9	Components		142,768	5-33	1-23
Exterior Components						
Access Control, Card Reader System	1	Total	5,975.00	5,975	10	1
Carpet - Upper Walkways	3,500	Sq Yds	14.29	50,015	12	3
Door, Automatic Entry - Beach	1	Each	10,241.00	10,241	9	1
Window Tinting - 20%	1	Total	12,833.00	12,833	5	2
Exterior Components Total	4	Components		79,064	5-12	1-3
Fitness Equipment						
Cardio Fitness Equipment (9 pieces)	1	Total	43,633.00	43,633	10	2
Strength Training Equipment (9 pieces)	1	Total	23,100.00	23,100	18	5
Fitness Equipment Total	2	Components		66,733	10-18	2-5

Description	Quantity	Units	Cost Per Unit	Current Cost	Useful Life	Remg Life
Interior Renovations						
Carpet - Billiards Room	90	Sq Yds	45.64	4,108	16	2
Carpet - Club Room	230	Sq Yds	53.01	12,193	14	2
Carpet - Conference Room	57	Sq Yds	40.53	2,311	15	2
Carpet - Level 2 Lobby Sitting Room	47	Sq Yds	81.91	3,850	16	2
Carpet - Level 3 Lobby	256	Sq Yds	40.11	10,269	16	2
Carpet - TV/Game Room	90	Sq Yds	44.20	3,979	16	2
Finish, Floor Covering - Common Areas Levels 1, 2, 3	1	Total	116,970.00	116,970	30	6
Finish, Floor Covering - Exercise Room/Lounge	1,377	Sq Ft	18.64	25,668	15	2
Finish, Floor Covering - Management Office	648	Sq Ft	5.91	3,830	20	19
Finish, Tile - Locker Rms	1	Total	76,998.00	76,998	18	3
Ice Maker	1	Each	2,883.00	2,883	8	2
Office Equipment	1	Total	3,209.00	3,209	8	3
Office Furniture and Fixtures	1	Total	2,500.00	2,500	12	7
Paint Interior - Billiards Rm	1	Total	1,284.00	1,284	16	2
Paint Interior - Common Areas Levels 1, 2, 3	1	Total	23,394.00	23,394	12	2
Paint Interior - Exercise Room/Spa	1	Total	3,510.00	3,510	15	2
Paint Interior - Locker Rooms	1	Total	3,510.00	3,510	16	2
Paint Interior - Office/Conference Room	1	Total	2,340.00	2,340	14	2
Paint Interior - Stairwells	1	Total	43,279.00	43,279	16	9
Paint Interior - TV/Game Room	1	Total	2,340.00	2,340	16	2
Redecorating - Common Areas Levels 1, 2, 3 (Phase 1)	1	Total	70,182.00	70,182	20	2
Redecorating - Common Areas Levels 1, 2, 3 (Phase 2)	1	Total	46,788.00	46,788	20	2
Redecorating - Level 2, Exercise Area	1	Total	19,885.00	19,885	15	2
Renovation Allowance - Health Club (incl Fixture)	1	Total	23,394.00	23,394	24	3
Spa Finish, "Ultra Plus"	1	Total	2,897.00	2,897	14	3
Spa Finish, Tile Trim	1	Total	1,861.00	1,861	14	3
Window Treatments - Club Room & Sitting Room	1	Total	23,100.00	23,100	15	2
Interior Renovations Total	27	Components		536,532	8-30	2-19
Grand Total	48	Components		2,410,848		

Cash Flow Plan Summary

No	Year	Beginning Year Balance	Annual Reserve Contribution	Annual Increase	Planned Special Assessments	Expenses	Inflation Rate	Earned Interest	Interest Rate	Ending Year Balance
1	2026	1,007,337	189,879	11.23%	0	927,695	3.00%	8,086	3.00%	277,607
2	2027	277,607	195,574	3.00%	0	376,094	3.00%	2,913	3.00%	100,000
3	2028	100,000	196,013	0.22%	0	198,926	3.00%	2,913	3.00%	100,000
4	2029	100,000	140,891	-28.12%	0	0	3.00%	7,227	3.00%	248,118
5	2030	248,118	145,118	3.00%	0	78,727	3.00%	9,435	3.00%	323,944
6	2031	323,944	149,472	3.00%	0	135,600	3.00%	10,134	3.00%	347,950
7	2032	347,950	153,956	3.00%	0	22,523	3.00%	14,381	3.00%	493,764
8	2033	493,764	158,575	3.00%	0	0	3.00%	19,570	3.00%	671,909
9	2034	671,909	163,332	3.00%	0	541,963	3.00%	8,798	3.00%	302,076
10	2035	302,076	168,232	3.00%	0	17,124	3.00%	13,596	3.00%	466,780
11	2036	466,780	173,279	3.00%	0	12,343	3.00%	18,831	3.00%	646,547
12	2037	646,547	178,477	3.00%	0	83,048	3.00%	22,259	3.00%	764,235
13	2038	764,235	183,831	3.00%	0	36,574	3.00%	27,345	3.00%	938,837
14	2039	938,837	189,346	3.00%	0	37,286	3.00%	32,727	3.00%	1,123,624
15	2040	1,123,624	195,026	3.00%	0	75,652	3.00%	37,290	3.00%	1,280,288
16	2041	1,280,288	200,877	3.00%	0	153,589	3.00%	39,827	3.00%	1,367,403
17	2042	1,367,403	206,903	3.00%	0	153,403	3.00%	42,627	3.00%	1,463,530
18	2043	1,463,530	213,110	3.00%	0	53,257	3.00%	48,701	3.00%	1,672,084
19	2044	1,672,084	219,503	3.00%	0	33,674	3.00%	55,737	3.00%	1,913,650
20	2045	1,913,650	226,088	3.00%	0	0	3.00%	64,192	3.00%	2,203,930
21	2046	2,203,930	232,871	3.00%	0	149,859	3.00%	68,608	3.00%	2,355,550
22	2047	2,355,550	239,858	3.00%	0	329,208	3.00%	67,986	3.00%	2,334,186
23	2048	2,334,186	247,054	3.00%	0	114,321	3.00%	74,008	3.00%	2,540,927
24	2049	2,540,927	254,466	3.00%	0	758,944	3.00%	61,093	3.00%	2,097,542
25	2050	2,097,542	262,100	3.00%	0	712,917	3.00%	49,402	3.00%	1,696,127
26	2051	1,696,127	269,963	3.00%	0	1,771,915	3.00%	5,825	3.00%	200,000
27	2052	200,000	269,963	0.00%	0	200,522	3.00%	8,083	3.00%	277,524
28	2053	277,524	269,963	0.00%	0	27,182	3.00%	15,609	3.00%	535,914
29	2054	535,914	269,963	0.00%	0	0	3.00%	24,176	3.00%	830,053
30	2055	830,053	269,963	0.00%	0	34,248	3.00%	31,973	3.00%	1,097,741
Grand Total			**6,233,646**		**0**	**7,036,594**		**893,352**		

Cash Flow Plan Details

Category	Description	Cost
Year 1: 2026		
Elevators	Elevator Cab Refurbishment	81,200
Elevators	Elevator Modernization (Mechanical/Computer) - Completion	820,000
Equipment, Other	Sauna Control Equipment - Electric Room	2,850
Equipment, Other	Steam Bath Generator, 17 kW - Men's	7,429
Exterior Components	Access Control, Card Reader System	5,975
Exterior Components	Door, Automatic Entry - Beach	10,241
Year 1 Total		**927,695**
Year 2: 2027		
Equipment, Other	Operations, Shopping Carts	3,636
Equipment, Other	Trash Chute Intake Door - Every Floor	44,859
Exterior Components	Window Tinting - 20%	13,218
Fitness Equipment	Cardio Fitness Equipment (9 pieces)	44,942
Interior Renovations	Carpet - Billiards Room	4,231
Interior Renovations	Carpet - Club Room	12,559
Interior Renovations	Carpet - Conference Room	2,380
Interior Renovations	Carpet - Level 2 Lobby Sitting Room	3,965
Interior Renovations	Carpet - Level 3 Lobby	10,577
Interior Renovations	Carpet - TV/Game Room	4,097
Interior Renovations	Finish, Floor Covering - Exercise Room/Lounge	26,438
Interior Renovations	Ice Maker	2,969
Interior Renovations	Paint Interior - Billiards Rm	1,323
Interior Renovations	Paint Interior - Common Areas Levels 1, 2, 3	24,096
Interior Renovations	Paint Interior - Exercise Room/Spa	3,615
Interior Renovations	Paint Interior - Locker Rooms	3,615
Interior Renovations	Paint Interior - Office/Conference Room	2,410
Interior Renovations	Paint Interior - TV/Game Room	2,410
Interior Renovations	Redecorating - Common Areas Levels 1, 2, 3 (Phase 1)	72,287
Interior Renovations	Redecorating - Common Areas Levels 1, 2, 3 (Phase 2)	48,192
Interior Renovations	Redecorating - Level 2, Exercise Area	20,482
Interior Renovations	Window Treatments - Club Room & Sitting Room	23,793
Year 2 Total		**376,094**
Year 3: 2028		
Equipment, Other	Callbox - Entrances	27,214
Equipment, Other	Trash Chute Guillotine - Main Unit	3,694
Exterior Components	Carpet - Upper Walkways	53,061
Interior Renovations	Finish, Tile - Locker Rms	81,687
Interior Renovations	Office Equipment	3,404
Interior Renovations	Renovation Allowance - Health Club (incl Fixture)	24,819

Category	Description	Cost
Interior Renovations	Spa Finish, "Ultra Plus"	3,073
Interior Renovations	Spa Finish, Tile Trim	1,974
Year 3 Total		**198,926**
Year 4: 2029	No Expenses	
Year 5: 2030		
Equipment, Other	Trash Chute Throat Plates - at Intake Door	52,728
Fitness Equipment	Strength Training Equipment (9 pieces)	25,999
Year 5 Total		**78,727**
Year 6: 2031		
Interior Renovations	Finish, Floor Covering - Common Areas Levels 1, 2, 3	135,600
Year 6 Total		**135,600**
Year 7: 2032		
Equipment, Other	Operations, Shopping Carts	4,215
Exterior Components	Window Tinting - 20%	15,323
Interior Renovations	Office Furniture and Fixtures	2,985
Year 7 Total		**22,523**
Year 8: 2033	No Expenses	
Year 9: 2034		
A/C Systems	A/C Condensing Unit, 6 Ton - Daikin Units	114,081
A/C Systems	A/C Condensing Unit, 10 Ton - Daikin Units	186,721
A/C Systems	A/C Fan Coil Units - Common Areas	186,336
Interior Renovations	Paint Interior - Stairwells	54,825
Year 9 Total		**541,963**
Year 10: 2035		
Exterior Components	Door, Automatic Entry - Beach	13,362
Interior Renovations	Ice Maker	3,762
Year 10 Total		**17,124**
Year 11: 2036		
Exterior Components	Access Control, Card Reader System	8,030
Interior Renovations	Office Equipment	4,313
Year 11 Total		**12,343**

Category	Description	Cost
Year 12: 2037		
Equipment, Other	Operations, Shopping Carts	4,886
Exterior Components	Window Tinting - 20%	17,764
Fitness Equipment	Cardio Fitness Equipment (9 pieces)	60,398
Year 12 Total		**83,048**
Year 13: 2038		
Equipment, Other	Callbox - Entrances	36,574
Year 13 Total		**36,574**
Year 14: 2039		
Equipment, Other	Water Heater, 80 Gal Electric - Electric Room	2,931
Interior Renovations	Paint Interior - Common Areas Levels 1, 2, 3	34,355
Year 14 Total		**37,286**
Year 15: 2040		
Exterior Components	Carpet - Upper Walkways	75,652
Year 15 Total		**75,652**
Year 16: 2041		
Elevators	Elevator Cab Refurbishment	126,507
Equipment, Other	Sauna Control Equipment - Electric Room	4,440
Interior Renovations	Carpet - Club Room	18,996
Interior Renovations	Paint Interior - Office/Conference Room	3,646
Year 16 Total		**153,589**
Year 17: 2042		
Equipment, Other	Operations, Shopping Carts	5,665
Exterior Components	Window Tinting - 20%	20,593
Interior Renovations	Carpet - Conference Room	3,708
Interior Renovations	Finish, Floor Covering - Exercise Room/Lounge	41,190
Interior Renovations	Paint Interior - Exercise Room/Spa	5,633
Interior Renovations	Redecorating - Level 2, Exercise Area	31,910
Interior Renovations	Spa Finish, "Ultra Plus"	4,649
Interior Renovations	Spa Finish, Tile Trim	2,986
Interior Renovations	Window Treatments - Club Room & Sitting Room	37,069
Year 17 Total		**153,403**

Category	Description	Cost
Year 18: 2043		
Interior Renovations	Carpet - Billiards Room	6,790
Interior Renovations	Carpet - Level 2 Lobby Sitting Room	6,363
Interior Renovations	Carpet - Level 3 Lobby	16,973
Interior Renovations	Carpet - TV/Game Room	6,575
Interior Renovations	Ice Maker	4,765
Interior Renovations	Paint Interior - Billiards Rm	2,122
Interior Renovations	Paint Interior - Locker Rooms	5,801
Interior Renovations	Paint Interior - TV/Game Room	3,868
Year 18 Total		**53,257**
Year 19: 2044		
Exterior Components	Door, Automatic Entry - Beach	17,435
Interior Renovations	Finish, Floor Covering - Management Office	6,520
Interior Renovations	Office Equipment	5,463
Interior Renovations	Office Furniture and Fixtures	4,256
Year 19 Total		**33,674**
Year 20: 2045	No Expenses	
Year 21: 2046		
Exterior Components	Access Control, Card Reader System	10,792
Interior Renovations	Finish, Tile - Locker Rms	139,067
Year 21 Total		**149,859**
Year 22: 2047		
Equipment, Other	Operations, Shopping Carts	6,567
Exterior Components	Window Tinting - 20%	23,873
Fitness Equipment	Cardio Fitness Equipment (9 pieces)	81,170
Interior Renovations	Redecorating - Common Areas Levels 1, 2, 3 (Phase 1)	130,559
Interior Renovations	Redecorating - Common Areas Levels 1, 2, 3 (Phase 2)	87,039
Year 22 Total		**329,208**
Year 23: 2048		
Equipment, Other	Callbox - Entrances	49,152
Equipment, Other	Steam Bath Generator, 17 kW - Women's	14,235
Equipment, Other	Trash Chute Guillotine - Main Unit	6,672
Fitness Equipment	Strength Training Equipment (9 pieces)	44,262
Year 23 Total		**114,321**

Category	Description	Cost
Year 24: 2049		
A/C Systems	A/C Condensing Unit, 6 Ton - Daikin Units	177,735
A/C Systems	A/C Condensing Unit, 10 Ton - Daikin Units	290,904
A/C Systems	A/C Fan Coil Units - Common Areas	290,305
Year 24 Total		**758,944**
Year 25: 2050		
Elevators	Elevator Modernization (Mechanical/Computer) - Deposit	609,838
Equipment, Other	Steam Bath Generator, 17 kW - Men's	15,102
Interior Renovations	Paint Interior - Stairwells	87,977
Year 25 Total		**712,917**
Year 26: 2051		
Elevators	Elevator Modernization (Mechanical/Computer) - Completion	1,716,897
Interior Renovations	Ice Maker	6,036
Interior Renovations	Paint Interior - Common Areas Levels 1, 2, 3	48,982
Year 26 Total		**1,771,915**
Year 27: 2052		
Equipment, Other	Operations, Shopping Carts	7,613
Exterior Components	Carpet - Upper Walkways	107,862
Exterior Components	Window Tinting - 20%	27,676
Interior Renovations	Office Equipment	6,920
Interior Renovations	Renovation Allowance - Health Club (incl Fixture)	50,451
Year 27 Total		**200,522**
Year 28: 2053		
Equipment, Other	Water Heater, 80 Gal Electric - Electric Room	4,434
Exterior Components	Door, Automatic Entry - Beach	22,748
Year 28 Total		**27,182**
Year 29: 2054	No Expenses	
Year 30: 2055		
Interior Renovations	Carpet - Club Room	28,734
Interior Renovations	Paint Interior - Office/Conference Room	5,514
Year 30 Total		**34,248**



Condo Bldg



Balcony Slabs



Balcony Slabs



Walkway Slabs



Walkway Slabs



Walkway Slabs



Walkway Slabs



Condo Bldg



Balcony Slabs



Balcony Slabs



Balcony Slabs



Balcony Slabs



Balcony Slabs



Balcony Slabs



Condo Bldg



Domestic Water Pump



Plumbing - Domestic



Water Softener



Water Heater



Fire Pump



Fire Pump



Fire Pump Controller



Fire Jockey Pump



Fire Jockey Pump Controller



Plumbing - Fire Sprinklers



Steam Bath Generators



Plumbing - Waste Line



Generator Transfer Switch



Electrical Panel HA



Electrical Panel HB



Electrical Switch Board



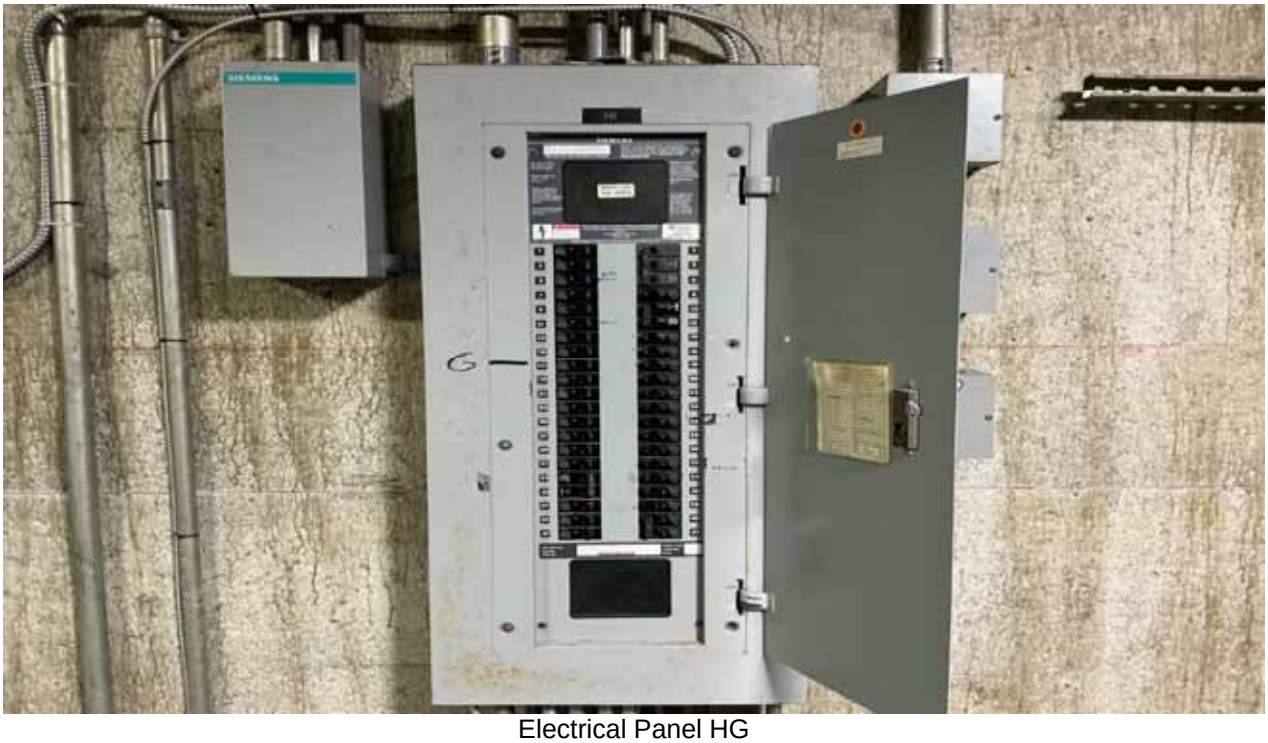
Electrical Switch Board



Electrical Switch Board



Electrical Switch Board



Electrical Panel HG



Electrical Panel XA & Sub A



Electrical Conduit



Fire Alarm Control Panel



Fire Alarm Control Panel



Roof



Roof



Roof A/C Stand



Roof A/C Chaise



Balcony Slabs



Glass Tower Project (2025)



Glass Tower Project (2025)



Elevator #1 Equipment



Elevator #1 Equipment



Elevator #1 Equipment



Elevator #2 Equipment



Elevator #2 Equipment



Elevator Switch & Cab Lights



Elevator #3 Equipment



Elevator #3 Equipment



Elevator #4 Equipment



Elevator #4 Equipment



Elevator #4 Equipment



Elevator Switch & Cab Lights



Electrical Panel HR



Electrical Panel XR



Generator



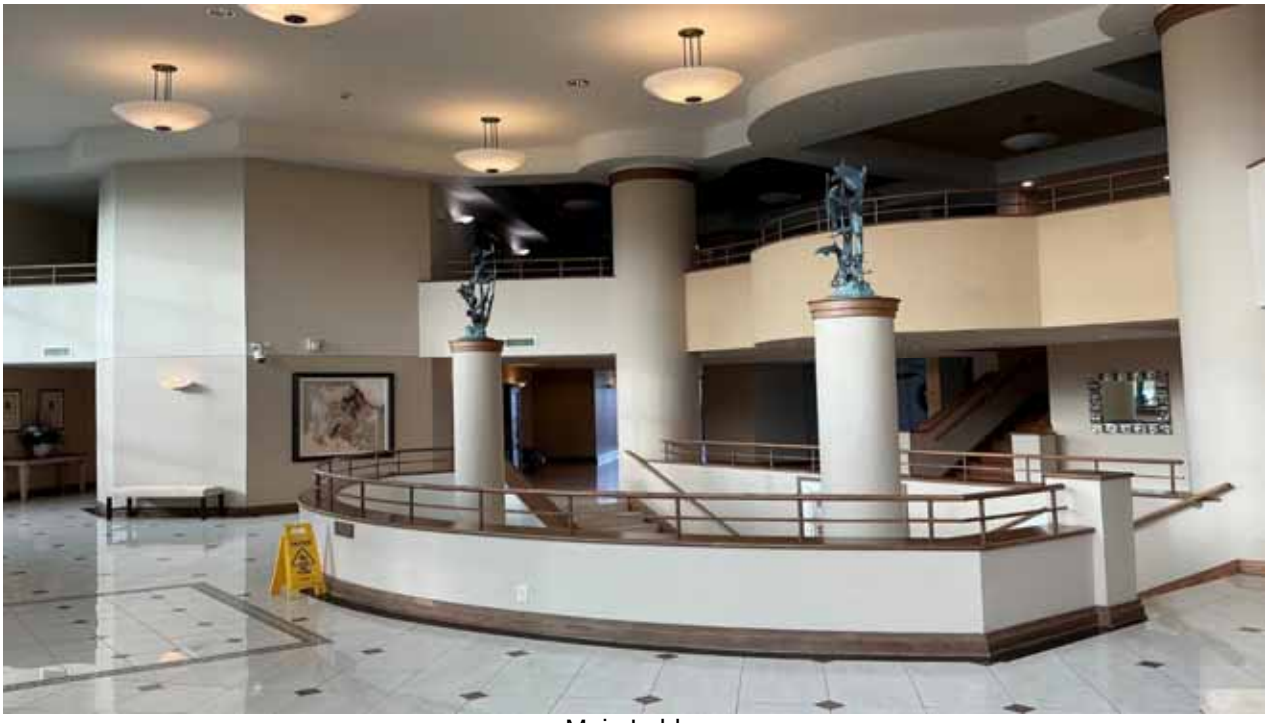
Louver - Generator Room



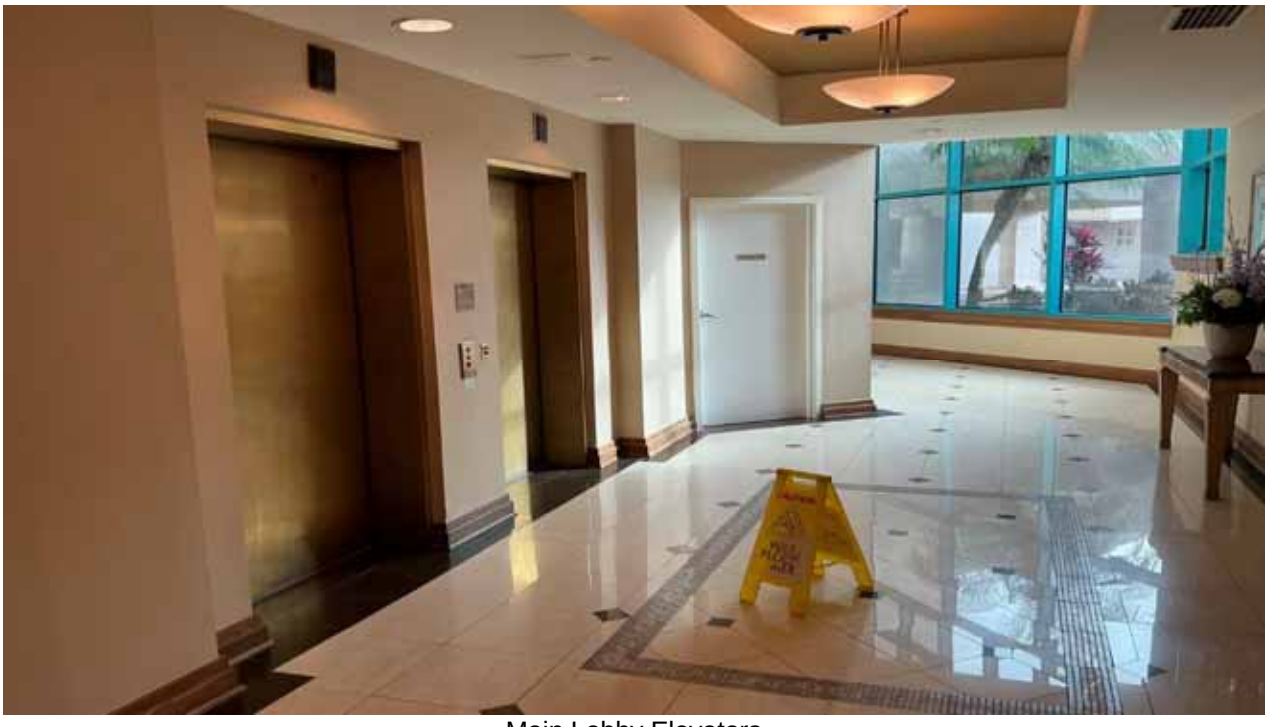
Trash Chute



Electrical Meter Room - Typical



Main Lobby



Main Lobby Elevators



Main Lobby Pool/Beach Exit



Conference Room



Main Lobby Lounge Area



Club Room



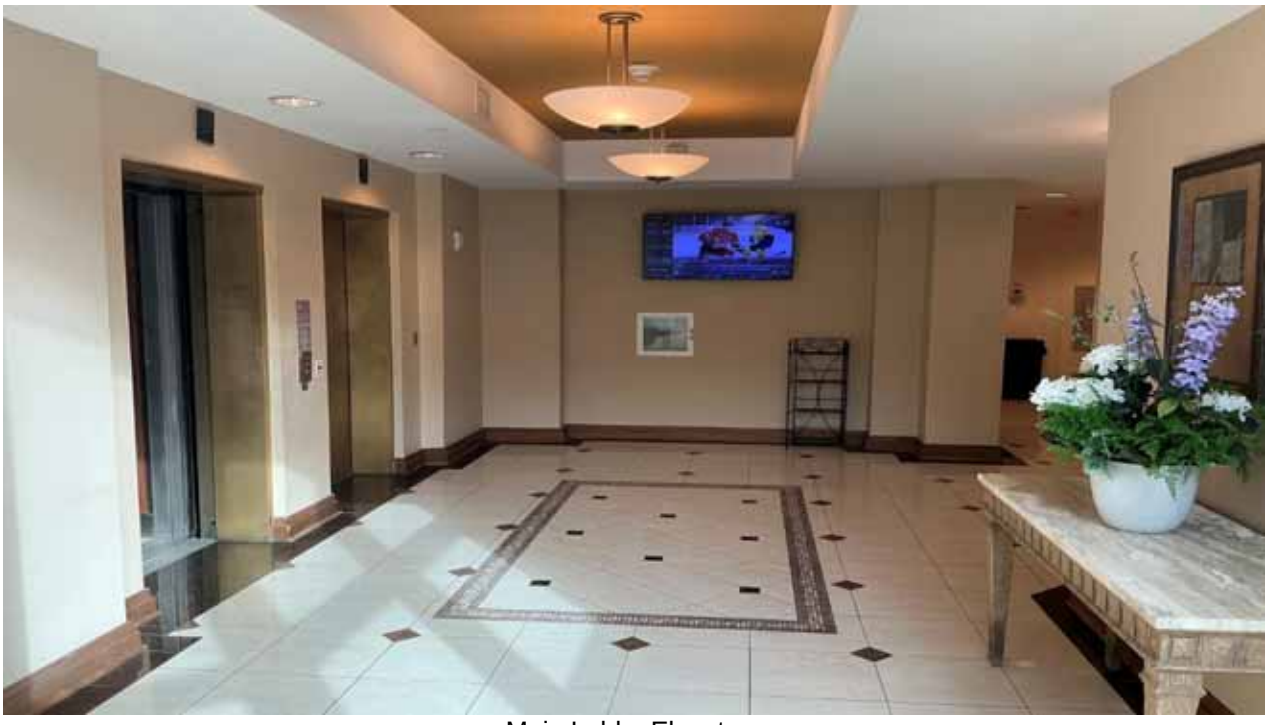
Club Room



Club Room Kitchen



A/C Air Handlers



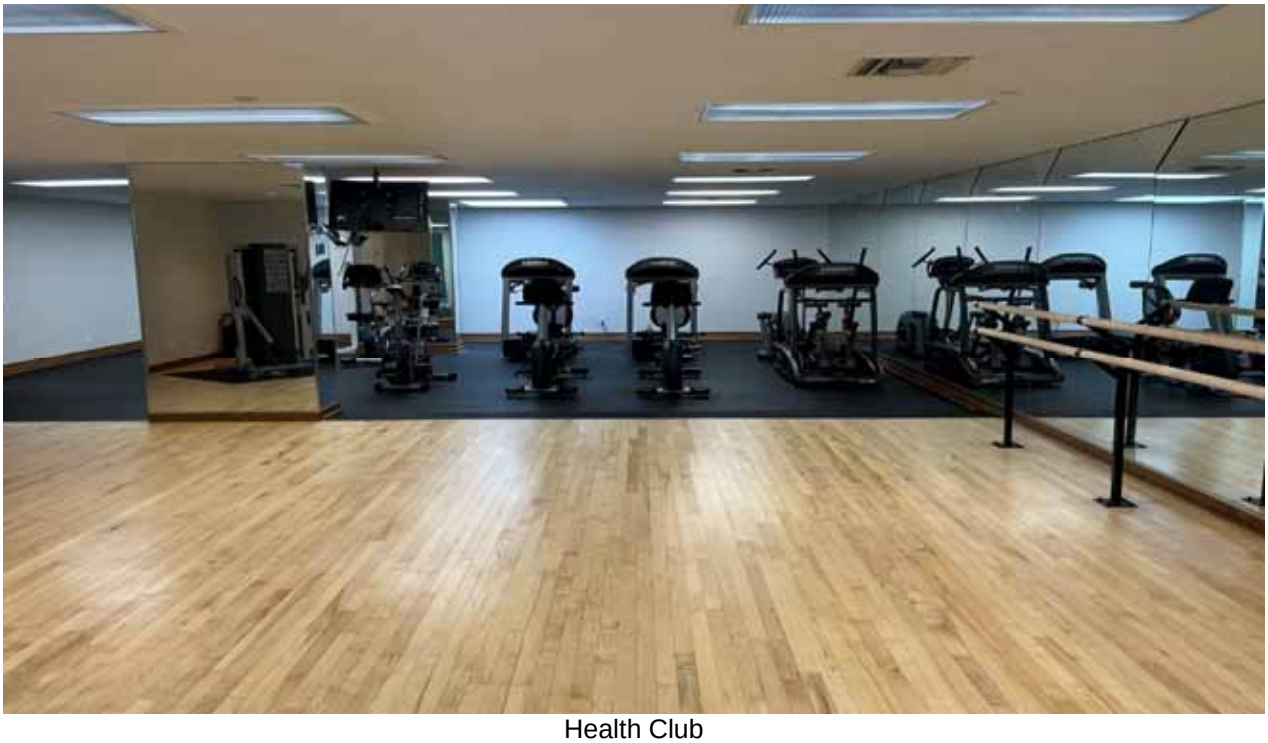
Main Lobby Elevators



Health Club Lounge



Health Club



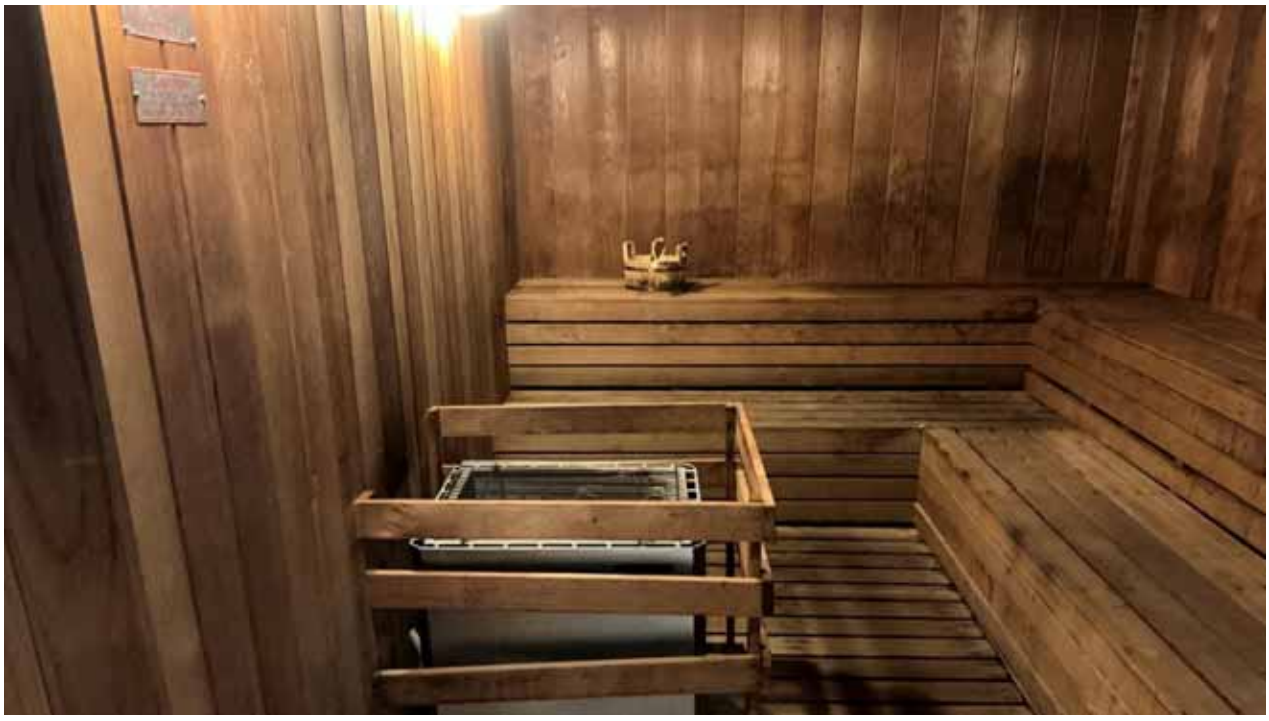
Health Club



Indoor Spa



Indoor Spa



Sauna



Locker Room



Locker Room



Management Office



A/C Daikin Units



Electrical Panel - A/C



Garage Lobby



Garage Lobby Doors



Garage Lobby Elevators



Access Control System



Common Doors



Plumbing - Waste Line



Plumbing - Waste Line



Plumbing - Fire Sprinklers



Backflow Preventer - Domestic



Backflow Preventer - Fire



Private Lobby Doors



Common Glass



Main Lobby Doors



Level 3 Common Hallway



Billiard Room



TV/Game Room



Stairwell



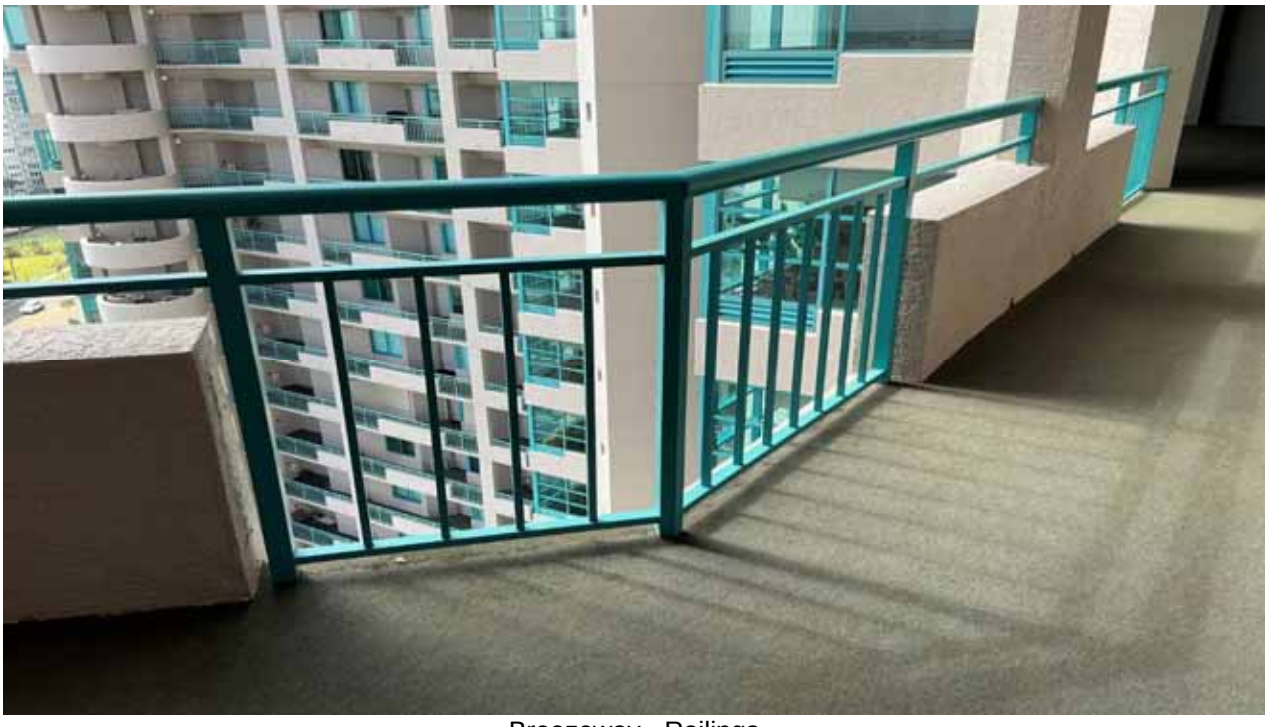
Fire Standpipe



Trash Chute



Breezeway Carpet



Breezeway - Railings



Common Glass



Breezeway Lobby - Typical



Breezeway - Typical



Common Doors



Fire System Components



Level 4 Planters



Breezeway Lobby - Typical



Breezeway - Typical



Breezeway - Repair



Stucco Delamination



Stucco Delamination



Stucco Delamination



Level 4 Walkway



Level 4 Planters