Wyndham Palms Condominium Association, Inc.

Inspected on: January 18, 2023 • Revised on: June 19, 2024
Kissimmee, FL

STRUCTURAL INTEGRITY RESERVE STUDY



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Corporate Office
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Wyndham Palms Condominium Association, Inc.
Kissimmee, Florida

Dear Board of Directors of Wyndham Palms Condominium Association, Inc.:

At the direction of the Board that recognizes the need for proper reserve planning, we have conducted a *Structural Integrity Reserve Study* of Wyndham Palms Condominium Association, Inc. in Kissimmee, Florida and submit our findings in this report. The effective date of this study is the date of our visual, noninvasive inspection, January 18, 2024.

This *Structural Integrity Reserve Study* meets or exceeds all requirements set forth in Florida Statute 718.112 and the Association of Professional Reserve Analysts (APRA) standards fulfilling the requirements of a "Level I Full Reserve Study."

An ongoing review by the Board and an Update of this Reserve Study are necessary to ensure an equitable funding plan since a Reserve Study is a snapshot in time. We recommend the Board budget for an Update to this Reserve Study in two- to three-years. We look forward to continuing to help Wyndham Palms Condominium Association, Inc. plan for a successful future.

As part of our long-term thinking and everyday commitment to our clients, we are available to answer any questions you may have regarding this study.

Respectfully submitted on June 19, 2024 by

Reserve Advisors, LLC

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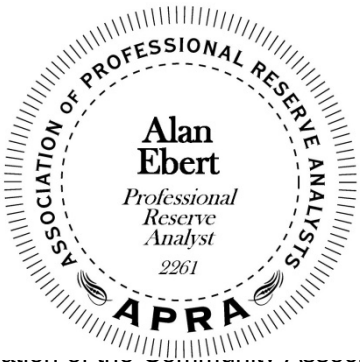

[1] RS (Reserve Specialist) is the reserve provider professional designation of the Community Associations Institute (CAI) representing America's more than 300,000 condominium, cooperative and homeowners associations.
[2] PRA (Professional Reserve Analyst) is the professional designation of the Association of Professional Reserve Analysts. Learn more about APRA at http://www.apra-usa.com.

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1. RESERVE STUDY EXECUTIVE SUMMARY

Client: Wyndham Palms Condominium Association, Inc. (Wyndham Palms)
Location: Kissimmee, Florida
Reference: 130933

Property Basics: Wyndham Palms Condominium Association, Inc. is a condominium style development which consists of 300 units in 10 buildings. The buildings were built in 2000.

Reserve Components Identified:
- 16 Structural Integrity Reserve Components.
- Nine General Reserve Components.

Inspection Date: January 18, 2024. We conducted the original inspection on September 8, 2021.

Methodology:
Cash Flow Method - We use the Cash Flow Method to compute the Reserve Funding Plan. This method offsets future variable Reserve Expenditures with existing and future stable levels of reserve funding. Our application of this method also considers:
- Current and future local costs of replacement
- 2.0% anticipated annual rate of return on invested reserves
- 3.5% future Inflation Rate for estimating Future Replacement Costs

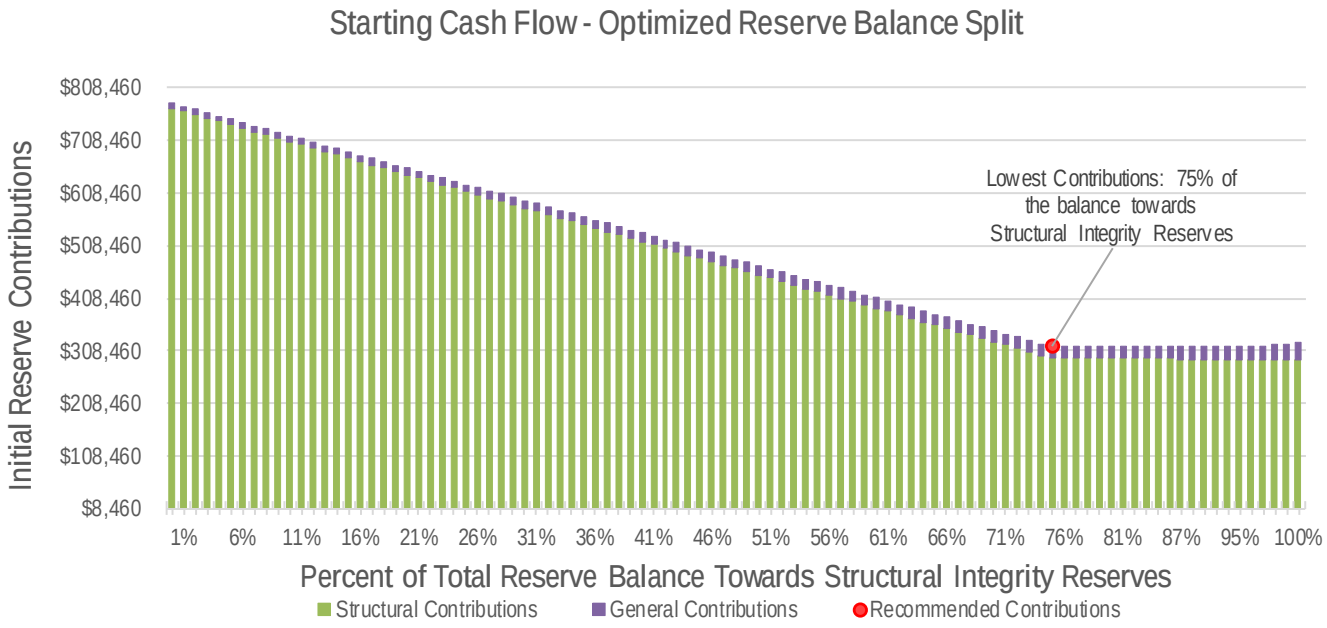
Sources for *Local* Costs of Replacement: Our proprietary database, historical costs and published sources, i.e., R.S. Means, Incorporated.

Project Prioritization: We note anticipated Reserve Expenditures for the next 30 years in the ***Reserve Expenditures*** tables and include a ***Five-Year Outlook*** table following the ***Reserve Funding Plan*** in Section 3. We recommend the Association prioritize the following projects in the next five years based on the conditions identified:
- Structural Integrity - Exterior walls repainting and capital repairs due to noted deterioration
- Structural Integrity - Recoating the breezeways due to noted deterioration
- General – Replacement of chain link fence

Unaudited Cash Status of Reserve Fund:
- $378,963 as of April 30, 2024
- $405,000 in budgeted 2024 reserve contributions ($270,000 remaining)
- $21,000 in estimated remaining 2024 reserve expenses
- We project a 2024 Reserve End Balance of $627,963.

Cash Flow Method Funding

Due to the statutory restrictions on structural integrity reserve funds, we recommend the Association maintain separate funds for Structural Integrity reserves and General (non-structural) reserves. However, the existing reserve funds are not split. We, therefore, analyzed future expenditures and identified the starting reserve balance split that produces the lowest overall reserve contributions. We recommend the Association allocate $470,972, or 75% of the 2024 Projected Reserve End Balance to the Structural Integrity Reserve Fund to minimize the total combined contributions to the statutory Structural Integrity Fund and the recommended General (non-structural) Fund. A vote of the membership may be required to allocate funds in this manner. The following chart depicts the analysis of future expenditures and the reserve balance split to produce the lowest overall required contributions.



Cash Flow - Existing Reserve Balance and Contribution Split	FY2024		Structural Integrity 2025	General 2025
Beginning Reserve Balance as of April 30, 2024	378,963		470,972	156,991
Remaining Budgeted Reserve Contributions:	270,000		295,200	22,500
Estimated Remaining Interest Earned:	0	75%		
Anticipated Remaining Structural Expenditures:	(6,000)	25%		
Anticipated Remaining General Expenditures:	(15,000)			
Anticipated Reserves at Year End:	$627,963			

Cash Flow Method - Structural Integrity

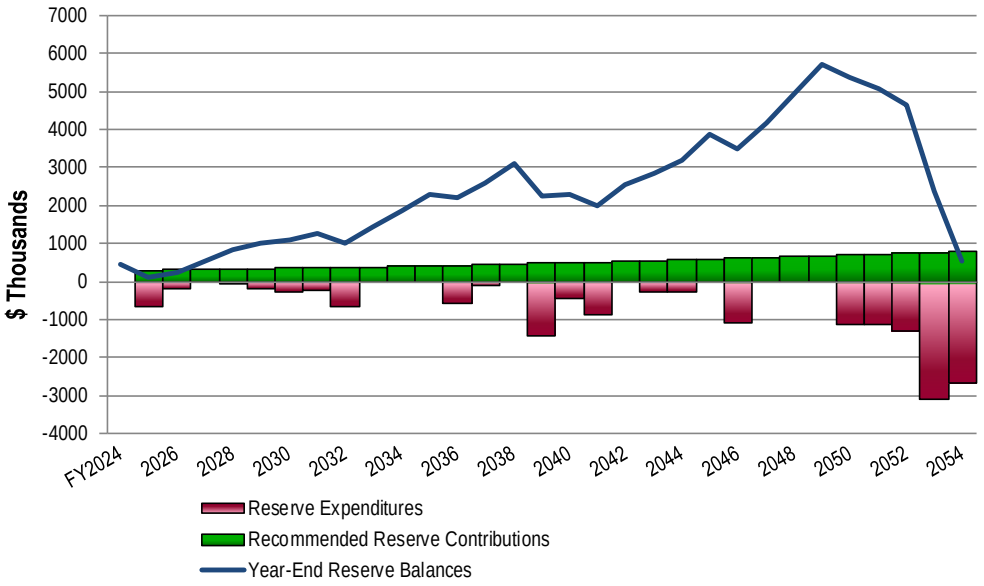
Funding Goal: The Funding Goal of this Reserve Study is to maintain reserves above an adequate, not excessive threshold during one or more years of significant expenditures. Our recommended Funding Plan recognizes these threshold funding years in 2025 due to the application of paint finishes and repairs of the stucco exterior walls and in 2054 due to the replacement of the roofs and staircases.

Recommended Reserve Funding: We recommend the following in order to achieve a stable and equitable Cash Flow Methodology Funding Plan:

- Allocate $470,972 of the Anticipated 2024 Year End Reserve balance to the Structural Integrity Reserve Fund.
- Increase to $295,200 in 2025
- Inflationary increases thereafter through 2054, the limit of this study's Cash Flow Analysis
- Florida Statute 718.112 prohibits waiving or reducing reserves for Structural Integrity items for budgets adopted after December 31, 2024.

Recommended Reserve Funding Table and Graph

Year	Reserve Contributions ($)	Reserve Balances ($)	Year	Reserve Contributions ($)	Reserve Balances ($)	Year	Reserve Contributions ($)	Reserve Balances ($)
2025	295,200	101,375	2035	416,500	2,309,743	2045	587,500	3,865,721
2026	305,500	233,762	2036	431,100	2,223,794	2046	608,100	3,479,419
2027	316,200	557,799	2037	446,200	2,608,360	2047	629,400	4,184,701
2028	327,300	840,419	2038	461,800	3,126,945	2048	651,400	4,926,309
2029	338,800	1,016,913	2039	478,000	2,231,806	2049	674,200	5,705,777
2030	350,700	1,108,075	2040	494,700	2,309,360	2050	697,800	5,369,750
2031	363,000	1,265,565	2041	512,000	1,981,075	2051	722,200	5,075,147
2032	375,700	1,004,490	2042	529,900	2,555,896	2052	747,500	4,634,902
2033	388,800	1,417,268	2043	548,400	2,865,484	2053	773,700	2,396,597
2034	402,400	1,852,037	2044	567,600	3,208,182	2054	800,800	541,566



Cash Flow Method - General

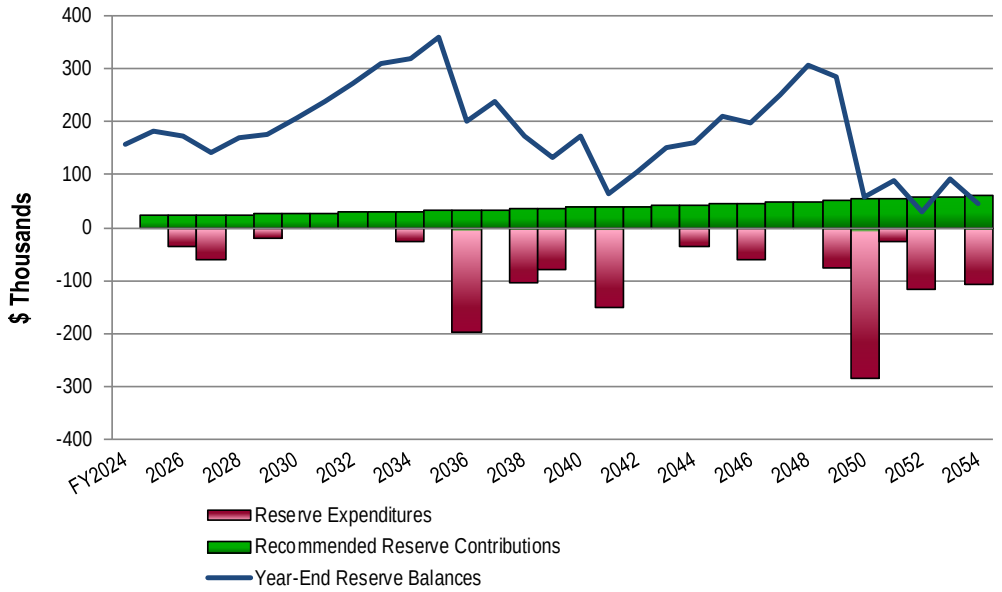
Funding Goal: The Funding Goal of this Reserve Study is to maintain reserves above an adequate, not excessive threshold during one or more years of significant expenditures. Our recommended Funding Plan recognizes these threshold funding years in 2050 due to the replacement of the fire sprinkler backflow valve assemblies and in 2052 due to the replacement of the aluminum fence.

Recommended Reserve Funding: We recommend the following in order to achieve a stable and equitable Cash Flow Methodology Funding Plan:

- Allocate $156,991 of the Anticipated 2024 Year End Reserve balance to the General Reserve Fund.
- Increase to $22,500 in 2025
- Inflationary increases thereafter through 2054, the limit of this study's Cash Flow Analysis
- Florida Statute 718.112 provides for a majority of the voting interest to waive or reduce reserve for General (non-structural) items. Consult legal counsel or your property management company for further guidance.

Recommended Reserve Funding Table and Graph

Year	Reserve Contributions ($)	Reserve Balances ($)	Year	Reserve Contributions ($)	Reserve Balances ($)	Year	Reserve Contributions ($)	Reserve Balances ($)
2025	22,500	182,856	2035	31,700	358,654	2045	44,700	208,830
2026	23,300	173,736	2036	32,800	199,880	2046	46,300	197,768
2027	24,100	140,769	2037	33,900	238,117	2047	47,900	250,102
2028	24,900	168,733	2038	35,100	174,025	2048	49,600	305,200
2029	25,800	176,879	2039	36,300	132,635	2049	51,300	285,102
2030	26,700	207,384	2040	37,600	173,264	2050	53,100	57,373
2031	27,600	239,408	2041	38,900	63,323	2051	55,000	88,501
2032	28,600	273,082	2042	40,300	105,292	2052	56,900	30,559
2033	29,600	308,440	2043	41,700	149,515	2053	58,900	90,659
2034	30,600	320,232	2044	43,200	160,474	2054	61,000	45,831



2. RESERVE STUDY REPORT

At the direction of the Board that recognizes the need for proper reserve planning, we have conducted a *Structural Integrity Reserve* Study of

Wyndham Palms Condominium Association, Inc.

Kissimmee, Florida

and submit our findings in this report. The effective date of this study is the date of our visual, noninvasive inspection, January 18, 2024. We conducted the original inspection on September 8, 2021.

We present our findings and recommendations in the following report sections and spreadsheets:

- **Identification of Property -** Segregates all property into several areas of responsibility for repair or replacement
- **Reserve Expenditures -** Identifies reserve components and related quantities, useful lives, remaining useful lives and future reserve expenditures during the next 30 years
- **Reserve Funding Plan -** Presents the recommended Reserve Contributions and year-end Reserve Balances for the next 30 years
- **Five-Year Outlook -** Identifies reserve components and anticipated reserve expenditures during the first five years
- **Reserve Component Detail -** Describes the reserve components, includes photographic documentation of the condition of various property elements, describes our recommendations for repairs or replacement, and includes detailed solutions and procedures for replacements for the benefit of current and future board members
- **Methodology -** Lists the national standards, methods and procedures used to develop the Reserve Study
- **Definitions -** Contains definitions of terms used in the Reserve Study, consistent with national standards
- **Professional Service Conditions -** Describes Assumptions and Professional Service Conditions
- **Credentials and Resources**

IDENTIFICATION OF PROPERTY



Our investigation includes Reserve Components or property elements as set forth in your Declaration. The Expenditure tables in Section 3 list the elements contained in this study. Our analysis begins by segregating the property elements into several areas of responsibility for repair and replacement.

Our process of identification helps assure that future boards and the management team understand whether reserves, the operating budget or Owners fund certain replacements and assists in preparation of the annual budget. We derive these segregated classes of property from our review of the information provided by the Association and through conversations with Management and the Board. These classes of property include:

- Reserve Components (Structural and General)
- Long-Lived Property Elements
- Operating Budget Funded Repairs and Replacements
- Property Maintained by Owners
- Property Maintained by Others

We advise the Board conduct an annual review of these classes of property to confirm its policy concerning the manner of funding, i.e., from reserves or the operating budget. The Reserve Study identifies Reserve Components as set forth in your Declaration or which were identified as part of your request for proposed services. Reserve Components are defined by CAI as property elements with:

- Wyndham Palms responsibility
- Limited useful life expectancies
- Predictable remaining useful life expectancies
- Replacement cost above a minimum threshold

The following tables depict the items excluded from the Reserve Expenditure plan:

Structural Integrity Reserve Expenditures - At the direction of the Board that recognizes their fiduciary responsibility and as required by Florida Statute 718.103 (25), we have conducted a *Structural Integrity Reserve Study* of Wyndham Palms Condominium Association, Inc.. A *Structural Integrity Reserve Study* states the estimated remaining useful life, the estimated replacement cost or deferred maintenance expense of the common areas being visually inspected and provides a recommended annual reserve amount that achieves the estimated replacement cost or deferred maintenance expense of each common area being visually inspected by the end of the estimated remaining useful life of each common area. Specifically, as per Florida Statute 718.112(2)(g), we have investigated the structural integrity and safety of common elements within the following:

- Roof
- Load Bearing Walls or Other Primary Structural Members
- Exterior Doors
- Fireproofing and Fire Protection Elements
- Plumbing
- Electrical Systems
- Structure
- Waterproofing and Exterior Painting
- Windows
- 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 the items listed above

Items Excluded from Structural Integrity Reserve Expenditures - We exclude expenditures for the elements below for one or more of the following categories of reasons:

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

We discuss specific exclusions for the following elements:

- Structure and Primary Structural Members - We anticipate a useful life of up to and beyond 100 years and consider full replacement unlikely and cost prohibitive. Management and the Board report no history of water infiltration or repairs to the foundations. Based on the current condition, we do not anticipate the need for replacement, repair or maintenance expenditures through reserves within the 30-year scope of this study. Future updates of this Reserve Study may incorporate costs for remediation based on historical data if they become significant enough to require reserve funding.
- Fire Protection and Plumbing Pipes - We anticipate a useful life of up to and beyond 80 years. Our inspection is visual, non-invasive and excludes camera inspections. Based on the current condition, we do not

anticipate the need for replacement, repair or maintenance expenditures through reserves within the 30-year scope of this study. Future updates of this Reserve Study may incorporate costs for remediation based on historical data if they become significant enough to require reserve funding.

- Electrical Systems - We anticipate a useful life of up to and beyond 80 years. Our inspection is visual, non-invasive and excludes thermo-scans. Based on the current condition, we do not anticipate the need for replacement, repair or maintenance expenditures through reserves within the 30-year scope of this study.
- Windows and Doors – Maintained and replaced by the owners

Excluded Components

for
Wyndham Palms
Condominium Association, Inc.
Kissimmee, Florida

Operating Budget Components

Repairs normally funded through the Operating Budget and Expenditures less than $8,000 (These relatively minor expenditures have a limited effect on the recommended Reserve Contributions.)

The operating budget provides money for the repair and replacement of certain Reserve Components. The Association may develop independent criteria for use of operating and reserve funds.

- Fire Sprinkler System, Controls and Maintenance
- Irrigation System, Controls and Maintenance
- Landscape
- Light Fixtures, Exit
- Paint Finishes, Building Exteriors, Touch Up
- Paint Finishes, Unit Entrances Doors, Touch Up
- Pipes, Common, Interim Repairs and Waste Rodding

Long-Lived Components

These elements may not have predictable Remaining Useful Lives or their replacement may occur beyond the scope of this study. The operating budget should fund infrequent repairs. Funding untimely or unexpected replacements from reserves will necessitate increases to Reserve Contributions. Periodic updates of this Reserve Study will help determine the merits of adjusting the Reserve Funding Plan.	Useful Life	Estimated Cost
• Electrical Systems	Up to 70+ years	N/A
• Foundations	Indeterminate	N/A
• Pipes, Interior Building, Domestic Water, Sanitary Waste, Vent and Sprinkler	Up to 80+ years	N/A
• Retaining Walls, Masonry, Taller Than Four Feet, Total Replacement	Indeterminate	N/A
• Structural Frames	Indeterminate	N/A

Owners Responsibility Components

Certain items have been designated as the responsibility of the Owners to repair or replace at their cost, including items billed back.

- Balconies, Concrete, Tiles
- Balconies, Railings, Screens and Frames
- Heating, Ventilating and Air Conditioning
- Interiors
- Life Safety, Smoke Detectors, Units (Local Operation Only)

Excluded Components

for
Wyndham Palms
Condominium Association, Inc.
Kissimmee, Florida

Others Responsibility Components

Certain items have been designated as the responsibility of Others to repair or replace.

- Lift Station (Windsor Palms Resort Master Association)[1]
- Asphalt Pavement Street Systems[1]
- Basketball Courts[1]
- Clubhouse[1]
- Gates[1]
- Internet Routers[1]
- Light Poles and Fixtures[1]
- Mailbox Kiosks[1]
- Pipes, Backflow Preventers, Irrigation[1]
- Pipes, SubsurfaceUtilities, Mains and Laterals[1]
- Playground[1]
- Pool[1]
- Retaining Walls, Clubhouse[1]
- Retaining Walls, Near Homesowners Association (Including Fence)[1]
- Retaining Wall, Retaining Pond Perimeter, Behind Clubhouse[1]
- Signage, Entrance Monuments[1]
- Signage, Street and Traffic[1]
- Tennis Courts[1]
- Trash Compactor[1]

[1] Windsor Palms Resort Master Association

3. RESERVE EXPENDITURES and FUNDING PLAN

The tables following this introduction present:

Reserve Expenditures

- Line item numbers
- Total quantities
- Quantities replaced per phase (in a single year)
- Reserve component inventory
- Estimated first year of event (i.e., replacement, application, etc.)
- Life analysis showing
  - useful life
  - remaining useful life
- 2024 local cost of replacement
  - Per unit
  - Per phase
  - Replacement of total quantity
- Percentage of future expenditures anticipated during the next 30 years
- Schedule of estimated future costs for each reserve component including inflation

Reserve Funding Plan

- Reserves at the beginning of each year
- Total recommended reserve contributions
- Estimated interest earned from invested reserves
- Anticipated expenditures by year
- Anticipated reserves at year end

Five-Year Outlook

- Line item numbers
- Reserve component inventory of only the expenditures anticipated to occur within the first five years
- Schedule of estimated future costs for each reserve component anticipated to occur within the first five years

The purpose of a Reserve Study is to provide an opinion of reasonable annual Reserve Contributions. Prediction of exact timing and costs of minor Reserve Expenditures typically will not significantly affect the 30-year cash flow analysis. Adjustments to the times and/or costs of expenditures may not always result in an adjustment in the recommended Reserve Contributions.

Financial statements prepared by your association, by you or others might rely in part on information contained in this section. For your convenience, we have provided an electronic data file containing the tables of ***Reserve Expenditures*** and ***Reserve Funding Plan***.

Structural Integrity

RESERVE EXPENDITURES

Wyndham Palms
Condominium Association, Inc.
Kissimmee, Florida

Years 2024 to 2039

Explanatory Notes:

1) 3.5% is the estimated Inflation Rate for estimating Future Replacement Costs.

2) FY2024 is Fiscal Year beginning January 1, 2024 and ending December 31, 2024.

Line Item	Total Quantity	Per Phase Quantity	Units	Reserve Component Inventory	Estimated 1st Year of Event	Life Analysis, Years Useful	Remaining	Unit Costs, $ (2024)	Per Phase (2024)	Total (2024)	Percentage of Future Expenditures	RUL = 0 FY2024	1 2025	2 2026	3 2027	4 2028	5 2029	6 2030	7 2031	8 2032	9 2033	10 2034	11 2035	12 2036	13 2037	14 2038	15 2039
				Exterior Building Elements																							
1.060	19,100	9,550	Square Feet	Balconies, Concrete, Inspections, Repairs and Waterproof Coating Applications, Phased	2029	10 to 15	5 to 6	15.00	143,250	286,500	5.4%						170,136	176,091									
1.110	36,600	18,300	Square Feet	Breezeways, Concrete, Inspections, Repairs and Waterproof Coating Applications, Phased	2025	10 to 15	1 to 2	9.00	164,700	329,400	10.9%		170,464	176,431													275,930
1.180	30	15	Each	Doors, Utility Rooms	2050	to 30	26 to 27	1,500.00	22,500	45,000	0.7%																
1.280	4	4	Buildings	Roof Assemblies, Asphalt Shingles, Replaced in 2018	2036	12 to 18	12	92,970.00	371,880	371,880	9.6%													561,936			
1.281	2	2	Buildings	Roof Assemblies, Asphalt Shingles, Replaced in 2021	2039	12 to 18	15	92,970.00	185,940	185,940	1.9%																311,514
1.283	4	4	Buildings	Roof Assemblies, Asphalt Shingles, Replaced in 2023	2041	12 to 18	17	92,970.00	371,880	371,880	4.0%																
1.284	1	1	Allowance	Roof Assemblies, Roof Vents, Installation, Remaining (2024 is Budgeted)	2024	N/A	0	6,000.00	6,000	6,000	0.0%	6,000															
1.599	120	120	Each	Staircases, Paint Finishes and Capital Repairs	2031	8 to 10	7	1,000.00	120,000	120,000	2.2%								152,674								
1.600	120	24	Each	Staircases, Replacement, Phased	2050	to 35	26 to 30	17,500.00	420,000	2,100,000	33.1%																
1.605	1	1	Allowance	Structural Members, Inspection	2030	to 10	6	25,000.00	25,000	25,000	0.8%							30,731									
1.880	427,900	427,900	Square Feet	Walls, Stucco, Paint Finishes and Capital Repairs (2025 is Budgeted)	2025	5 to 7	1	1.17	500,643	500,643	26.5%		500,000							659,251							838,752
				Building Services Elements																							
3.553	300	300	Each	Fire Suppression System, Sprinkler Heads, Breezeways	2028	to 25	4	170.00	51,000	51,000	1.2%					58,524											
3.555	10	10	Each	Life Safety Systems, Control Panels	2037	to 15	13	7,000.00	70,000	70,000	1.8%														109,477		
3.560	10	5	Buildings	Life Safety Systems, Emergency Devices, Phased	2030	to 25	6 to 7	12,000.00	60,000	120,000	0.9%							73,755	76,337								
				Property Site Elements																							
4.740	8,890	8,890	Square Feet	Retaining Walls, Masonry, Higher than Four Feet, Inspections and Capital Repairs	2029	10 to 15	5	1.00	8,890	8,890	0.2%						10,559										
4.745	2,560	2,560	Square Feet	Retaining Walls, Masonry, Shorter than Four Feet, Replacement	2040	35 to 40	16	30.00	76,800	76,800	0.8%																
				Anticipated Expenditures, By Year ($16,662,221 over 30 years)								6,000	670,464	176,431	0	58,524	180,695	280,577	229,011	659,251	0	0	0	561,936	109,477	0	1,426,196

Structural Integrity

RESERVE EXPENDITURES

Wyndham Palms
Condominium Association, Inc.
Kissimmee, Florida

Line Item	Total Quantity	Per Phase Quantity	Units	Reserve Component Inventory	Estimated 1st Year of Event	Life Analysis, Years Useful	Remaining	Costs, $ Unit (2024)	Per Phase (2024)	Total (2024)	Percentage of Future Expenditures	16 2040	17 2041	18 2042	19 2043	20 2044	21 2045	22 2046	23 2047	24 2048	25 2049	26 2050	27 2051	28 2052	29 2053	30 2054
				Exterior Building Elements																						
1.060	19,100	9,550	Square Feet	Balconies, Concrete, Inspections, Repairs and Waterproof Coating Applications, Phased	2029	10 to 15	5 to 6	15.00	143,250	286,500	5.4%				275,398	285,037										
1.110	36,600	18,300	Square Feet	Breezeways, Concrete, Inspections, Repairs and Waterproof Coating Applications, Phased	2025	10 to 15	1 to 2	9.00	164,700	329,400	10.9%	285,588													446,646	462,279
1.180	30	15	Each	Doors, Utility Rooms	2050	to 30	26 to 27	1,500.00	22,500	45,000	0.7%											55,034	56,960			
1.280	4	4	Buildings	Roof Assemblies, Asphalt Shingles, Replaced in 2018	2036	12 to 18	12	92,970.00	371,880	371,880	9.6%															1,043,790
1.281	2	2	Buildings	Roof Assemblies, Asphalt Shingles, Replaced in 2021	2039	12 to 18	15	92,970.00	185,940	185,940	1.9%															
1.283	4	4	Buildings	Roof Assemblies, Asphalt Shingles, Replaced in 2023	2041	12 to 18	17	92,970.00	371,880	371,880	4.0%		667,404													
1.284	1	1	Allowance	Roof Assemblies, Roof Vents, Installation, Remaining (2024 is Budgeted)	2024	N/A	0	6,000.00	6,000	6,000	0.0%															
1.599	120	120	Each	Staircases, Paint Finishes and Capital Repairs	2031	8 to 10	7	1,000.00	120,000	120,000	2.2%		215,361													
1.600	120	24	Each	Staircases, Replacement, Phased	2050	to 35	26 to 30	17,500.00	420,000	2,100,000	33.1%											1,027,303	1,063,258	1,100,472	1,138,989	1,178,853
1.605	1	1	Allowance	Structural Members, Inspection	2030	to 10	6	25,000.00	25,000	25,000	0.8%	43,350										61,149				
1.880	427,900	427,900	Square Feet	Walls, Stucco, Paint Finishes and Capital Repairs (2025 is Budgeted)	2025	5 to 7	1	1.17	500,643	500,643	26.5%							1,067,126						1,357,683	
				Building Services Elements																						
3.553	300	300	Each	Fire Suppression System, Sprinkler Heads, Breezeways	2028	to 25	4	170.00	51,000	51,000	1.2%														138,306	
3.555	10	10	Each	Life Safety Systems, Control Panels	2037	to 15	13	7,000.00	70,000	70,000	1.8%													183,412		
3.560	10	5	Buildings	Life Safety Systems, Emergency Devices, Phased	2030	to 25	6 to 7	12,000.00	60,000	120,000	0.9%															
				Property Site Elements																						
4.740	8,890	8,890	Square Feet	Retaining Walls, Masonry, Higher than Four Feet, Inspections and Capital Repairs	2029	10 to 15	5	1.00	8,890	8,890	0.2%				17,091											
4.745	2,560	2,560	Square Feet	Retaining Walls, Masonry, Shorter than Four Feet, Replacement	2040	35 to 40	16	30.00	76,800	76,800	0.8%	133,170														
				Anticipated Expenditures, By Year ($16,662,221 over 30 years)								462,108	882,765	0	292,489	285,037	0	1,067,126	0	0	0	1,143,486	1,120,218	1,283,884	3,081,624	2,684,922

RESERVE FUNDING PLAN

Structural Integrity

CASH FLOW ANALYSIS

Wyndham Palms

Condominium Association, Inc.

Kissimmee, Florida

Individual Reserve Budgets & Cash Flows for the Next 30 Years

		FY2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039
Reserves at Beginning of Year	*(Note 1)*	N/A	470,972	101,375	233,762	557,799	840,419	1,016,913	1,108,075	1,265,565	1,004,490	1,417,268	1,852,037	2,309,743	2,223,794	2,608,360	3,126,945
Total Recommended Reserve Contributions	*(Note 2)*	N/A	295,200	305,500	316,200	327,300	338,800	350,700	363,000	375,700	388,800	402,400	416,500	431,100	446,200	461,800	478,000
Estimated Interest Earned, During Year	*(Note 3)*	N/A	5,667	3,318	7,837	13,844	18,389	21,039	23,501	22,476	23,978	32,369	41,206	44,887	47,843	56,785	53,057
Anticipated Expenditures, By Year		N/A	(670,464)	(176,431)	0	(58,524)	(180,695)	(280,577)	(229,011)	(659,251)	0	0	0	(561,936)	(109,477)	0	(1,426,196)
Anticipated Reserves at Year End		$470,972	$101,375 *(NOTE 5)*	$233,762	$557,799	$840,419	$1,016,913	$1,108,075	$1,265,565	$1,004,490	$1,417,268	$1,852,037	$2,309,743	$2,223,794	$2,608,360	$3,126,945	$2,231,806

(continued)

Individual Reserve Budgets & Cash Flows for the Next 30 Years, Continued

	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054
Reserves at Beginning of Year	2,231,806	2,309,360	1,981,075	2,555,896	2,865,484	3,208,182	3,865,721	3,479,419	4,184,701	4,926,309	5,705,777	5,369,750	5,075,147	4,634,902	2,396,597
Total Recommended Reserve Contributions	494,700	512,000	529,900	548,400	567,600	587,500	608,100	629,400	651,400	674,200	697,800	722,200	747,500	773,700	800,800
Estimated Interest Earned, During Year	44,962	42,480	44,921	53,677	60,135	70,039	72,724	75,882	90,208	105,268	109,659	103,415	96,139	69,619	29,091
Anticipated Expenditures, By Year	(462,108)	(882,765)	0	(292,489)	(285,037)	0	(1,067,126)	0	0	0	(1,143,486)	(1,120,218)	(1,283,884)	(3,081,624)	(2,684,922)
Anticipated Reserves at Year End	$2,309,360	$1,981,075	$2,555,896	$2,865,484	$3,208,182	$3,865,721	$3,479,419	$4,184,701	$4,926,309	$5,705,777	$5,369,750	$5,075,147	$4,634,902	$2,396,597	$541,566 *(NOTES 4&5)*

Explanatory Notes:

1) Year 2024 ending reserves are projected as of December 31, 2024 and exclude funds in the General Reserve Funding Plan; FY2024 starts January 1, 2024 and ends December 31, 2024.
2) Reserve Contributions are budgeted through 2024. Anticipated Reserves at Year End include these budgeted contributions and anticipated Reserve Expenditures. 2025 is the first year of recommended contributions.
3) 2.0% is the estimated annual rate of return on invested reserves; 2024 is a partial year of interest earned.
4) Accumulated year 2054 ending reserves consider the age, size, overall condition and complexity of the property.
5) Threshold Funding Years (reserve balance at critical point).

*Refer to the Reserve Expenditures pages for the full list of reserve elements

Structural Integrity

FIVE-YEAR OUTLOOK

Wyndham Palms
Condominium Association, Inc.
Kissimmee, Florida

Line Item	Reserve Component Inventory	RUL = 0 FY2024	1 2025	2 2026	3 2027	4 2028	5 2029
	Exterior Building Elements						
1.060	Balconies, Concrete, Inspections, Repairs and Waterproof Coating Applications, Phased						170,136
1.110	Breezeways, Concrete, Inspections, Repairs and Waterproof Coating Applications, Phased		170,464	176,431			
1.284	Roof Assemblies, Roof Vents, Installation, Remaining (2024 is Budgeted)	6,000					
1.880	Walls, Stucco, Paint Finishes and Capital Repairs (2025 is Budgeted)		500,000				
	Building Services Elements						
3.553	Fire Suppression System, Sprinkler Heads, Breezeways					58,524	
	Property Site Elements						
4.740	Retaining Walls, Masonry, Higher than Four Feet, Inspections and Capital Repairs						10,559
	Anticipated Expenditures, By Year ($16,662,221 over 30 years)	6,000	670,464	176,431	0	58,524	180,695

General

RESERVE EXPENDITURES

Wyndham Palms
Condominium Association, Inc.
Kissimmee, Florida

Years 2024 to 2039

Explanatory Notes:

1) 3.5% is the estimated Inflation Rate for estimating Future Replacement Costs.

2) FY2024 is Fiscal Year beginning January 1, 2024 and ending December 31, 2024.

Line Item	Total Quantity	Per Phase Quantity	Units	Reserve Component Inventory	Estimated 1st Year of Event	Life Analysis, Years Useful	Remaining	Costs, $ Unit (2024)	Per Phase (2024)	Total (2024)	Percentage of Future Expenditures	RUL = 0 FY2024	1 2025	2 2026	3 2027	4 2028	5 2029	6 2030	7 2031	8 2032	9 2033	10 2034	11 2035	12 2036	13 2037	14 2038	15 2039
				Exterior Building Elements																							
1.240	7,300	2,433	Linear Feet	Gutters and Downspouts, Aluminum, Phased (Coordinate with Roofs)	2036	12 to 18	12 to 18	8.40	20,440	61,320	11.4%													30,886			34,244
1.260	320	320	Each	Light Fixtures, Breezeways	2026	to 20	2	90.00	28,800	28,800	6.6%			30,851													
				Building Services Elements																							
3.920	7	7	Each	Valves, Backflow Prevention, Fire Sprinkler	2050	to 50	26	16,600.00	116,200	116,200	20.4%																
3.930	10	10	Each	Valves, Backflow Prevention, Domestic Water	2036	to 35	12	11,000.00	110,000	110,000	11.9%													166,218			
				Property Site Elements																							
4.140	33,100	1,660	Square Feet	Concrete Sidewalks (Incl. Walkways), Partial	2029	to 65	5 to 30+	10.69	17,745	353,839	14.5%						21,076					25,032					29,730
4.200	1,230	1,230	Linear Feet	Fence, Aluminum	2027	to 25	3	36.00	44,280	44,280	11.8%				49,094												
4.220	830	830	Linear Feet	Fence, Chain Link (2024 is Budgeted)	2024	to 25	0	18.00	14,940	14,940	3.6%	15,000															
4.420	44	22	Zones	Irrigation System, Phased	2038	to 40+	14 to 17	2,900.00	63,800	127,600	15.6%															103,273	
4.500	1	1	Allowance	Landscape, Partial Replacements	2027	10 to 15	3	10,000.00	10,000	10,000	3.8%				11,087												16,753
	1	1	Allowance	Reserve Study Update with Site Visit	2026	2	2	5,100.00	5,100	5,100	0.4%			5,100													
				Anticipated Expenditures, By Year ($1,396,203 over 30 years)								15,000	0	35,951	60,181	0	21,076	0	0	0	0	25,032	0	197,104	0	103,273	80,727

General

RESERVE EXPENDITURES

Wyndham Palms
Condominium Association, Inc.
Kissimmee, Florida

Line Item	Total Quantity	Per Phase Quantity	Units	Reserve Component Inventory	Estimated 1st Year of Event	Life Analysis, Years Useful	Remaining	Costs, $ Unit (2024)	Per Phase (2024)	Total (2024)	Percentage of Future Expenditures	16 2040	17 2041	18 2042	19 2043	20 2044	21 2045	22 2046	23 2047	24 2048	25 2049	26 2050	27 2051	28 2052	29 2053	30 2054
				Exterior Building Elements																						
1.240	7,300	2,433	Linear Feet	Gutters and Downspouts, Aluminum, Phased (Coordinate with Roofs)	2036	12 to 18	12 to 18	8.40	20,440	61,320	11.4%		36,683													57,371
1.260	320	320	Each	Light Fixtures, Breezeways	2026	to 20	2	90.00	28,800	28,800	6.6%							61,388								
				Building Services Elements																						
3.920	7	7	Each	Valves, Backflow Prevention, Fire Sprinkler	2050	to 50	26	16,600.00	116,200	116,200	20.4%											284,220				
3.930	10	10	Each	Valves, Backflow Prevention, Domestic Water	2036	to 35	12	11,000.00	110,000	110,000	11.9%															
				Property Site Elements																						
4.140	33,100	1,660	Square Feet	Concrete Sidewalks (Incl. Walkways), Partial	2029	to 65	5 to 30+	10.69	17,745	353,839	14.5%					35,310					41,937					49,808
4.200	1,230	1,230	Linear Feet	Fence, Aluminum	2027	to 25	3	36.00	44,280	44,280	11.8%													116,021		
4.220	830	830	Linear Feet	Fence, Chain Link (2024 is Budgeted)	2024	to 25	0	18.00	14,940	14,940	3.6%										35,307					
4.420	44	22	Zones	Irrigation System, Phased	2038	to 40+	14 to 17	2,900.00	63,800	127,600	15.6%		114,500													
4.500	1	1	Allowance	Landscape, Partial Replacements	2027	10 to 15	3	10,000.00	10,000	10,000	3.8%												25,316			
	1	1	Allowance	Reserve Study Update with Site Visit	2026	2	2	5,100.00	5,100	5,100	0.4%															
				Anticipated Expenditures, By Year ($1,396,203 over 30 years)								0	151,183	0	0	35,310	0	61,388	0	0	77,244	284,220	25,316	116,021	0	107,179

RESERVE FUNDING PLAN

General

CASH FLOW ANALYSIS

Wyndham Palms

Condominium Association, Inc.

Kissimmee, Florida

Individual Reserve Budgets & Cash Flows for the Next 30 Years

		FY2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039
Reserves at Beginning of Year	*(Note 1)*	N/A	156,991	182,856	173,736	140,769	168,733	176,879	207,384	239,408	273,082	308,440	320,232	358,654	199,880	238,117	174,025
Total Recommended Reserve Contributions	*(Note 2)*	N/A	22,500	23,300	24,100	24,900	25,800	26,700	27,600	28,600	29,600	30,600	31,700	32,800	33,900	35,100	36,300
Estimated Interest Earned, During Year	*(Note 3)*	N/A	3,365	3,531	3,114	3,064	3,422	3,805	4,424	5,074	5,758	6,224	6,722	5,530	4,337	4,081	3,036
Anticipated Expenditures, By Year		N/A	0	(35,951)	(60,181)	0	(21,076)	0	0	0	0	(25,032)	0	(197,104)	0	(103,273)	(80,727)
Anticipated Reserves at Year End		$156,991	$182,856	$173,736	$140,769	$168,733	$176,879	$207,384	$239,408	$273,082	$308,440	$320,232	$358,654	$199,880	$238,117	$174,025	$132,635

(continued)

Individual Reserve Budgets & Cash Flows for the Next 30 Years, Continued

	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054
Reserves at Beginning of Year	132,635	173,264	63,323	105,292	149,515	160,474	208,830	197,768	250,102	305,200	285,102	57,373	88,501	30,559	90,659
Total Recommended Reserve Contributions	37,600	38,900	40,300	41,700	43,200	44,700	46,300	47,900	49,600	51,300	53,100	55,000	56,900	58,900	61,000
Estimated Interest Earned, During Year	3,029	2,342	1,669	2,523	3,069	3,656	4,026	4,434	5,498	5,845	3,391	1,444	1,179	1,200	1,351
Anticipated Expenditures, By Year	0	(151,183)	0	0	(35,310)	0	(61,388)	0	0	(77,244)	(284,220)	(25,316)	(116,021)	0	(107,179)
Anticipated Reserves at Year End	$173,264	$63,323	$105,292	$149,515	$160,474	$208,830	$197,768	$250,102	$305,200	$285,102	$57,373 *(NOTE 5)*	$88,501	$30,559 *(NOTE 5)*	$90,659	$45,831 *(NOTE 4)*

Explanatory Notes:

1) Year 2024 ending reserves are projected as of December 31, 2024 and exclude funds in the Structural Integrity Reserve Funding Plan; FY2024 starts January 1, 2024 and ends December 31, 2024.
2) Reserve Contributions are budgeted through 2024. Anticipated Reserves at Year End include these budgeted contributions and anticipated Reserve Expenditures. 2025 is the first year of recommended contributions.
3) 2.0% is the estimated annual rate of return on invested reserves; 2024 is a partial year of interest earned.
4) Accumulated year 2054 ending reserves consider the age, size, overall condition and complexity of the property.
5) Threshold Funding Years (reserve balance at critical point).

*Refer to the Reserve Expenditures pages for the full list of reserve elements

General

FIVE-YEAR OUTLOOK

Wyndham Palms
Condominium Association, Inc.
Kissimmee, Florida

Line Item	Reserve Component Inventory	RUL = 0 FY2024	1 2025	2 2026	3 2027	4 2028	5 2029
	Exterior Building Elements						
1.260	Light Fixtures, Breezeways			30,851			
	Property Site Elements						
4.140	Concrete Sidewalks (Incl. Walkways), Partial						21,076
4.200	Fence, Aluminum				49,094		
4.220	Fence, Chain Link (2024 is Budgeted)	15,000					
4.500	Landscape, Partial Replacements				11,087		
	Reserve Study Update with Site Visit			5,100			
	Anticipated Expenditures, By Year ($1,396,203 over 30 years)	15,000	0	35,951	60,181	0	21,076

4. RESERVE COMPONENT DETAIL

The Reserve Component Detail of this *Structural Integrity Reserve* Study includes enhanced solutions and procedures for select significant components. This section describes the Reserve Components, documents specific problems and condition assessments, and may include detailed solutions and procedures for necessary capital repairs and replacements for the benefit of current and future board members. We advise the Board use this information to help define the scope and procedures for repair or replacement when soliciting bids or proposals from contractors. *However, the Report in whole or part is not and should not be used as a design specification or design engineering service*.

STRUCTURAL INTEGRITY - Exterior Building Elements



Front elevation



Side elevation



Side elevation

Balconies, Concrete

Line Item: 1.060

Quantity: 300 concrete balconies comprising approximately 19,100 square feet of horizontal surface area. The balconies comprise reinforced concrete with a waterproof coating.

History: Original

Condition: Good to fair overall with no significant deterioration evident. We did notice isolated cracks at the first floor balcony entrances.



Concrete cracks



3rd floor balcony overview



3rd floor balcony overview



1st floor balcony overview



1st floor balcony overview



2nd floor balcony overview



2nd floor balcony overview



Concrete cracks

Useful Life: Capital repairs including a close-up visual inspection, patching of delaminated concrete, routing and filling of cracked concrete, and waterproof coating applications every 10- to 15-years.

Component Detail Notes: A waterproof coating application minimizes storm water penetration into the concrete and therefore minimizes future concrete deterioration. *Failure to maintain a waterproof coating on the balconies will result in increased concrete repairs and replacements as the balconies age*. Capital repairs may also include replacement of the caulked joint between the *balconies* and the building, and repair or replacement of the metal railings and railing fastener attachments as needed.

Priority/Criticality: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. Our cost includes the following activities per event:

- Partial depth replacement of up to one-half percent (0.5%) of the concrete topsides, edges and undersides
- Removal of the tile floor coverings as necessary (unit owners are responsible tiled flooring)

- Crack repairs as necessary
- Repairs to the railings as necessary
- Replacement of perimeter sealants as needed
- Application of a waterproof coating (Acrylic) at the elevated balconies
- Application of vapor permeable coating to the on-grade balconies

The Association should coordinate both balcony and facade capital repairs and maintenance to allow for the possible use of a single contractor and combine any applicable staging or mobilization costs. Also, coordinated repairs will reduce disruption to owners.

Breezeways, Concrete

Line Item: 1.110

Quantity: 60 concrete breezeways comprising approximately 36,600 square feet of horizontal surface area. The breezeways comprise reinforced concrete with a waterproof coating application.

History: Original; The Association plans to apply a waterproof coating in the near future

Condition: Fair overall with coating deterioration. We note the following:

- Sealants are in fair condition
- The coatings are in fair condition
- Systemic concrete coating deterioration is evident



Breezeway overview



Breezeway overview



Coating deterioration



Coating deterioration



Water stains and peeling paint

Useful Life: Capital repairs including a close-up visual inspection, patching of delaminated concrete, routing and filling of cracked concrete, and waterproof coating applications every 10- to 15-years.

Component Detail Notes: A waterproof coating application minimizes storm water penetration into the concrete and therefore minimizes future concrete deterioration. *Failure to maintain a waterproof coating on the balconies will result in increased concrete repairs and replacements as the balconies age*. Capital repairs may also include replacement of the caulked joint between the balcony and the building, and repair or replacement of the metal railings and railing fastener attachments as needed.

Priority/Criticality: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. Our cost includes the following activities per event:

- Partial depth replacement of up to one percent (1%) of the concrete topsides, edges and undersides
- Crack repairs as necessary

- Repairs to the railings as necessary
- Replacement of perimeter sealants as needed
- Application of a waterproof coating (Urethane based elastomeric)
- Paint application to the undersides

The Association should coordinate both balcony and facade capital repairs and maintenance to allow for the possible use of a single contractor and combine any applicable staging or mobilization costs. Also, coordinated repairs will reduce disruption to homeowners.

Doors, Utility Rooms

Line Item: 1.180

Quantity: 30 metal doors at the utility room

History: Replaced in 2020

Condition: Good to fair overall with no significant deterioration evident.



Typical doors seen at the utility rooms

Useful Life: Up to 30 years

Preventative Maintenance Notes: We note the following select recommended preventative maintenance activities to maximize the remaining useful life:

- Annually:
    - Inspect and repair any damage, base corrosion or alignment issues
    - Replace deteriorated hardware and loose weather stripping
    - Periodic touch-up paint finish applications as needed

Priority/Criticality: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Roof Assemblies, Asphalt Shingles

Line Item: 1.280 through 1.284

Quantity: Ten buildings comprised of approximately 1,740 *squares*[1] , approximately 4,300 linear feet of gutters and downspouts, and approximately 10,500 square feet of soffit and fascia

History: The Association replaced four building roofs in 2018, two building roofs were replaced in 2021, the remaining four building roofs were replaced in 2023. We are informed the Association has budgeted $6,000 in 2024 for the installation of the remaining roof vents.

Condition: Good to fair overall with no significant deterioration evident from our visual inspection from the ground. Management and the Board do not report a history of leaks.



Roof overview



Soffit and fascia

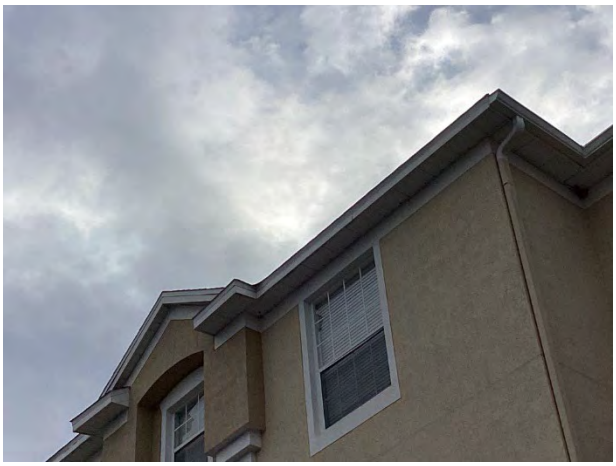


Roof details



Roof overview

[1] We quantify the roof area in squares where one square is equal to 100 square feet of surface area.



Gutters and downspout



Half weaved valleys



Roof overview

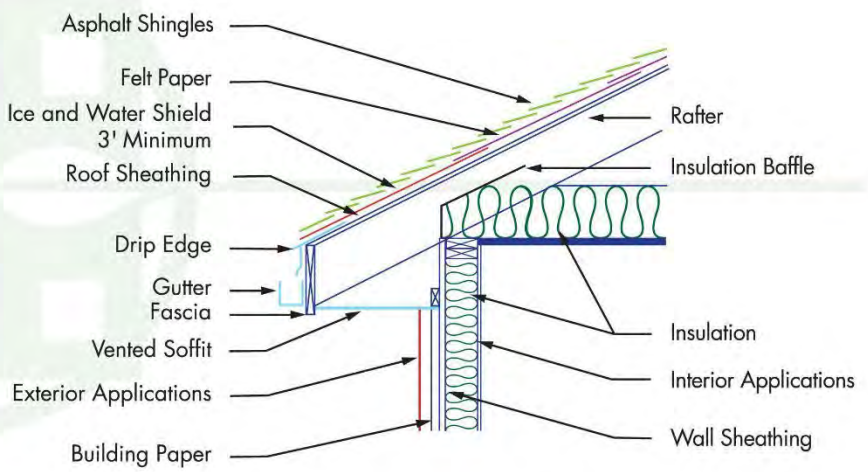
Useful Life: 12- to 18-years

Component Detail Notes: The existing roof assembly comprises the following:

- Laminate architectural shingles
- Boston style ridge caps
- Lead boot flashing at waste pipes
- Soffit and square hood box vents
- Metal drip edge
- Enclosed half weaved valleys

The following cross-sectional schematic illustrates a typical asphalt shingle roof system although it may not reflect the actual configuration at Wyndham Palms:

ROOF SCHEMATIC



Contractors use one of two methods for replacement of sloped roofs, either an overlayment or a tear-off. Overlayment is the application of new shingles over an existing roof. However, there are many disadvantages to overlayment including hidden defects of the underlying roof system, absorption of more heat resulting in accelerated deterioration of the new and old shingles, and an uneven visual appearance. Therefore, we recommend only the tear-off method of replacement. The tear-off method of replacement includes removal of the existing shingles, flashings if required and underlayments.

The Association should plan to coordinate the replacement of gutters and downspouts with the adjacent roofs. This will result in the most economical unit price and minimize the possibility of damage to other roof components as compared to separate replacements.

Preventative Maintenance Notes: We recommend the Association maintain a service and inspection contract with a qualified professional and record all documentation of repairs conducted. We note the following select recommended preventative maintenance activities to maximize the remaining useful life:

- Annually:
    - Record any areas of water infiltration, flashing deterioration, damage or loose shingles
    - Implement repairs as needed if issues are reoccurring
    - Trim tree branches that are near or in contact with roof

- As-needed:
    - Ensure proper ventilation and verify vents are clear of debris and not blocked from attic insulation

Priority/Criticality: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section. Our estimated costs are based on information provide to us by the Management and the Board.

Staircases

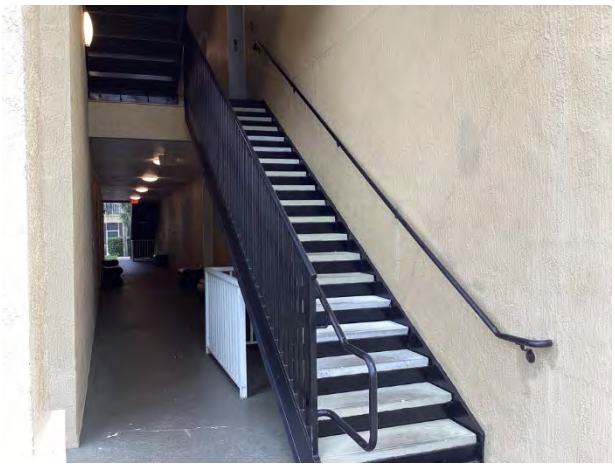
Line Item: 1.599 and 1.600

Quantity: 120 sets of steel frame with metal pan and concrete staircases located at the breezeways

History: Original; the Association performs regular preventative maintenance, and utilizes in house maintenance staff, including replacement of stair treads on an as-needed basis. Additionally, we are informed the Association performed a staircase restoration project beginning in 2021 and concluding by 2022. The staircase restoration project included the following:

- Removal of the existing paint
- Sandblasted and ground all components and handrails to remove all rust
- Replaced various risers as directed by the contractor
- Removed and replaced welds as needed
- Removed the existing fasteners (nuts and washers) and replaced with stainless steel
- Removed and replaced damaged stair treads
- Primed and painted steel components

Condition: Good to fair overall with isolated rust formation and concrete cracks evident.



Staircase overview



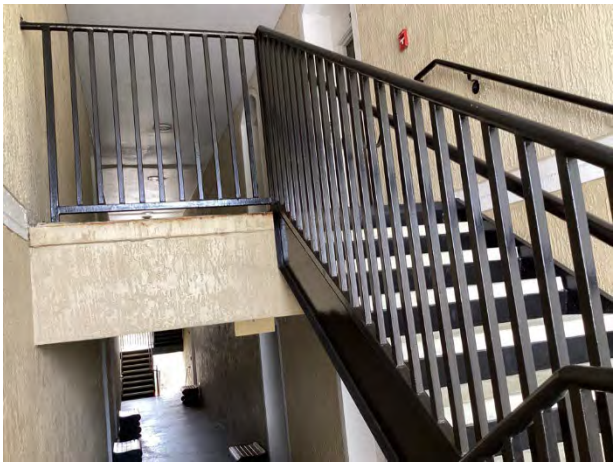
Staircase underside



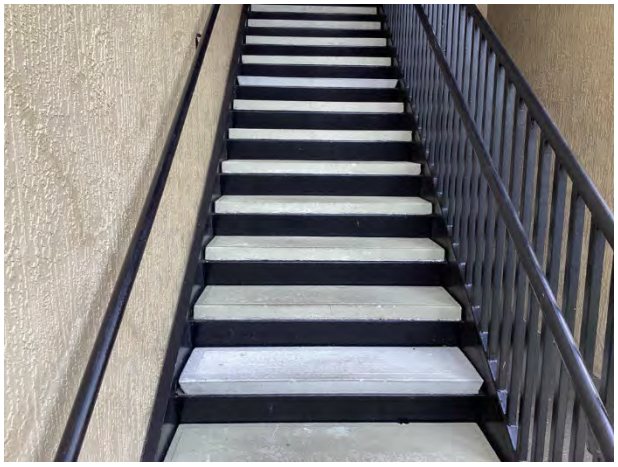
Railing



Rust under landing strip



Railing



Metal staircase with concrete treads



Landing pad



Rust near fastener



Tread cracks



Tread cracks

Useful Life: With the benefit of periodic maintenance, staircases can have a useful life of up to 35 years for replacement. This useful life is also dependent upon paint applications and capital repairs up to every 8- to 10-years.

Preventative Maintenance Notes: We note the following select recommended preventative maintenance activities to maximize the remaining useful life:

- Semi-annually:
  - Check railing stability and fasteners.
  - Apply finish applications at areas with excessive finish deterioration, if applicable
  - Replace damage or broken stair treads and ensure proper attachment to the building

- Every three years:
  - Perform touch up paint finish applications

Priority/Criticality: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. Our estimate of costs for application of paint finishes and capital repairs is based on information provided by the Association. Based on the recent staircase renovation project and ongoing preventative maintenance, we delay the staircase replacement event to 2050. Updates of this Reserve Study will consider possible changes in the scope and times of component replacements.

Structural Members, Inspections

Line Item: 1.605

Quantity: The primary structural members of the building comprise:

- Foundation
- Floors
- Load-bearing walls
- Structural frame

Condition: Wyndham Palms does not report a history of water infiltration, settlement or structural concerns with the primary structural members. Our visual, non-invasive inspection is limited to visually apparent components of the structural members.

Useful Life: Up to and likely beyond 100 years; however, we consider full replacement unlikely and cost prohibitive. Per Florida Bill SB 4-D, condominium and cooperative buildings three stories or more in height require milestone inspections 30 years after initial occupancy. Subsequent milestone inspections are required every 10 years thereafter.

Component Details: Per the Bill (553.899(2-7)), a milestone inspection consists of two phases. The initial milestone inspection (Phase 1), conducted by a licensed engineer or architect, includes a visual examination "including the major structural components of a building, and provide a qualitative assessment of the structural conditions of the building". Phase 2 is only required if "substantial structural deterioration is identified".

Priority/Criticality: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. At this time we do not anticipate capital repairs related to the structural members. Rather we include an expenditure for required inspections discussed above. Updates of this Reserve Study would incorporate significant repair costs deemed necessary following necessary inspections.

Walls, Stucco

Line Item: 1.880

Quantity: Approximately 427,900 square feet of the building exteriors

History: The buildings were painted in 2013. The Association is aware of the current condition of the stucco and plans for the application of paint finishes and capital repairs in 2025.

Condition: Fair to poor overall with frequent cracks, previous repairs, coating deterioration, finish fade, finish stains, rust stains (lath set too close to surface) and spalls evident. We note the following:

- Frequent cracks are evident
- Minor damage or missing is evident
- Sealants are in good to fair condition
- Kickout/diverter flashing is evident



Peeling paint



Water infiltration at the breezeway underside



Finish deterioration



Previous repair evident



Stucco rust



Stucco stains



Stucco cracks and rust



Stucco cracks and rust



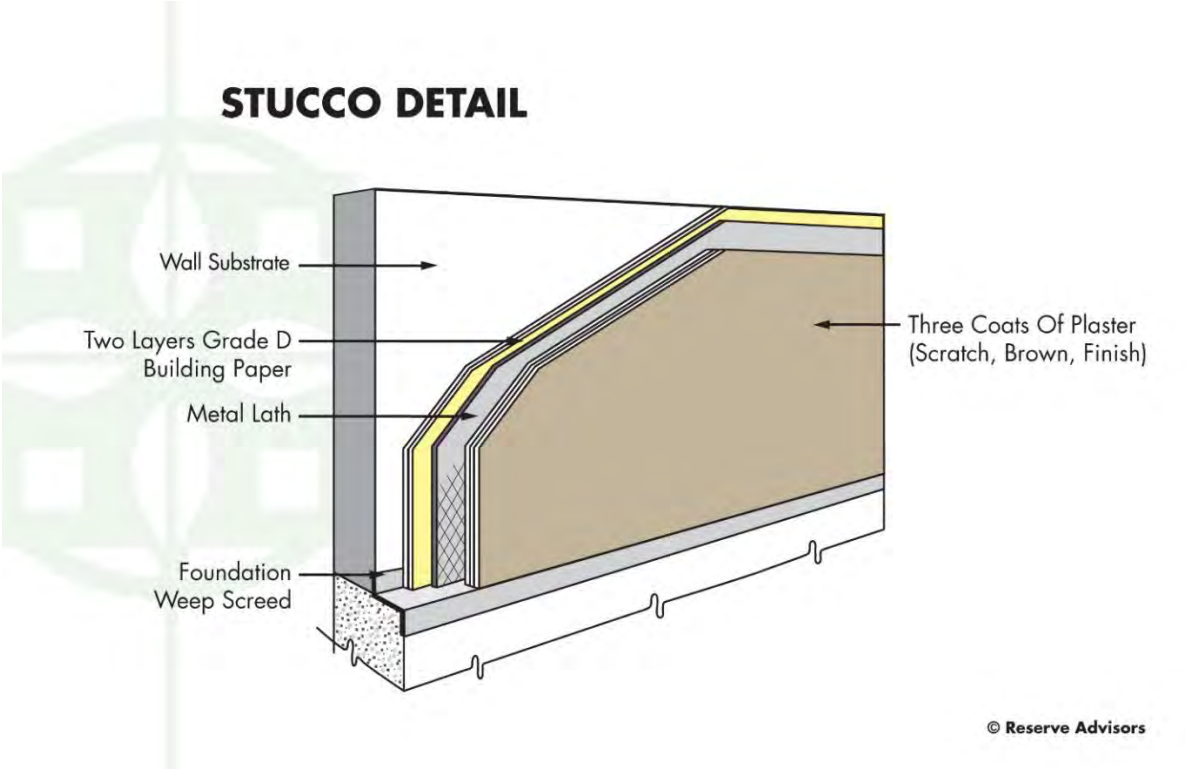
Stucco cracks at the joints



Stucco damage

Useful Life: We recommend inspections, repairs and paint finish applications every five- to seven-years.

Component Detail Notes: The following graphic details the typical components of a stucco wall system on frame construction although it may not reflect the actual configuration at Wyndham Palms:



Correct and complete preparation of the surface before application of the paint finish maximizes the useful life of the paint finish and surface. The contractor should remove all loose, peeled or blistered paint before application of the new paint finish. The contractor should then power wash the surface to remove all dirt and biological growth. Water-soluble cleaners that will not attack Portland cement are acceptable for removing stains.

Priority/Criticality: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. Our 2025 estimate of cost is based on information provided by the Association. Our estimate of cost for future applications anticipates the following in coordination with each paint finish application:

- Complete inspection of the stucco
- Crack repairs as needed (Each paint product has the limited ability to cover and seal cracks but we recommend repair of all cracks which exceed the ability of the paint product to bridge.)
- Replacement of up to one percent (1%), of the stucco walls (The exact amount of area in need of replacement will be discretionary based on the actual future conditions and the desired appearance.)
- Replacement of up to thirty-three percent (33%) of the sealants in coordination with each paint finish application.

STRUCTURAL INTEGRITY - Building Services Elements

Fire Suppression System, Sprinkler Heads

Line Item: 3.553

Quantity: Approximately 300 sprinkler heads at the breezeways

History: Mostly original with replacements as needed

Condition: Reported satisfactory without operational deficiencies.



Sprinkler heads

Useful Life: Up to 25 years

Priority/Criticality: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section.

Life Safety System

Line Items: 3.555 and 3.560

Quantity: The life safety system at Wyndham Palms includes the following components:

- Audio/visual fixtures
- Silent Knight (Honeywell) control panels
- Detectors
- Pull stations
- Wiring

History: Mostly original; the control panels were upgraded to digital control panels. We are informed that pull stations are replaced on as needed basis as part of the annual life

safety inspection. Additionally, we are informed the Association uses in house staff for the replacement of the exit light fixtures on an as needed basis.

Conditions: Reported satisfactory without operational deficiencies. The life safety system was last inspected on May 1, 2022. The life safety system was tagged acceptable during the most recent inspection.



Control panel



Emergency devices



Emergency devices

Useful Life: Up to 25 years for the devices and up to 15 years for the control panels

Preventative Maintenance Notes: We recommend the Association obtain and adhere to the manufacturer's recommended maintenance plan. In accordance with *NFPA 72* (National Fire Alarm and Signaling Code) we also recommend the Association maintain a maintenance contract with a qualified professional. The display panel read 'System Normal' at the time of our inspection. The required preventative maintenance may vary in frequency and scope based on the age of the components, operational condition, or changes in technology. We note the following select recommended preventative maintenance activities to maximize the remaining useful life:

- Semi-annually:

- Inspect and test all components and devices, including, but not limited to, control panels, annunciators, detectors, audio/visual fixtures, signal transmitters and magnetic door holders
- Test backup batteries

- As-needed:
  - Ensure clear line of access to components such as pull stations
  - Ensure detectors are properly positioned and clean of debris

Priority/Criticality: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. Changes in technology or building codes may make a replacement desirable prior to the end of the functional life. Our estimate of future cost considers only that amount necessary to duplicate the same functionality. Local codes or ordinances at the actual time of replacement may require a betterment as compared to the existing system. A betterment could result in a higher, but at this time unknown, cost of replacement.

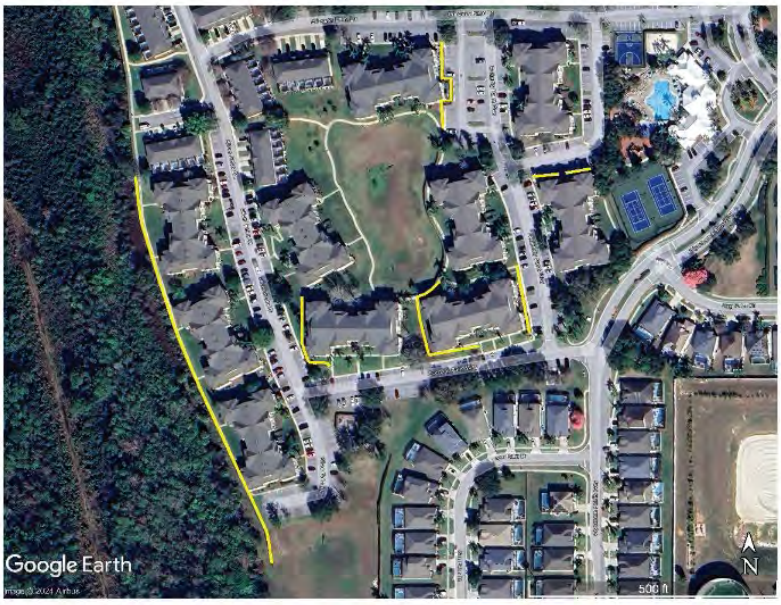
STRUCTURAL INTEGRITY - Property Site Elements

Retaining Walls, Masonry

Line Item: 4.740 and 4.745

Quantity: Approximately 11,450 square feet of masonry retaining walls comprised of approximately 2,560 square feet of retaining walls shorter than four feet and approximately 8,890 square feet of retaining walls taller than four feet.

The following image represent the retaining wall locations which are the responsibility of the Association:



Location of masonry retaining walls which are the Association's responsibility

History: Original

Condition: Good overall with no significant deterioration evident. We note the following:

- We do not note added loads since construction
- The walls utilize geogrid and fabric for tieback support.
- The walls do not utilize through-wall drainage.
- Corrosion stains are evident
- The wall primarily retains ground loads.



Masonry retaining wall



Masonry retaining wall



Masonry retaining wall



Retaining wall backside with water stains



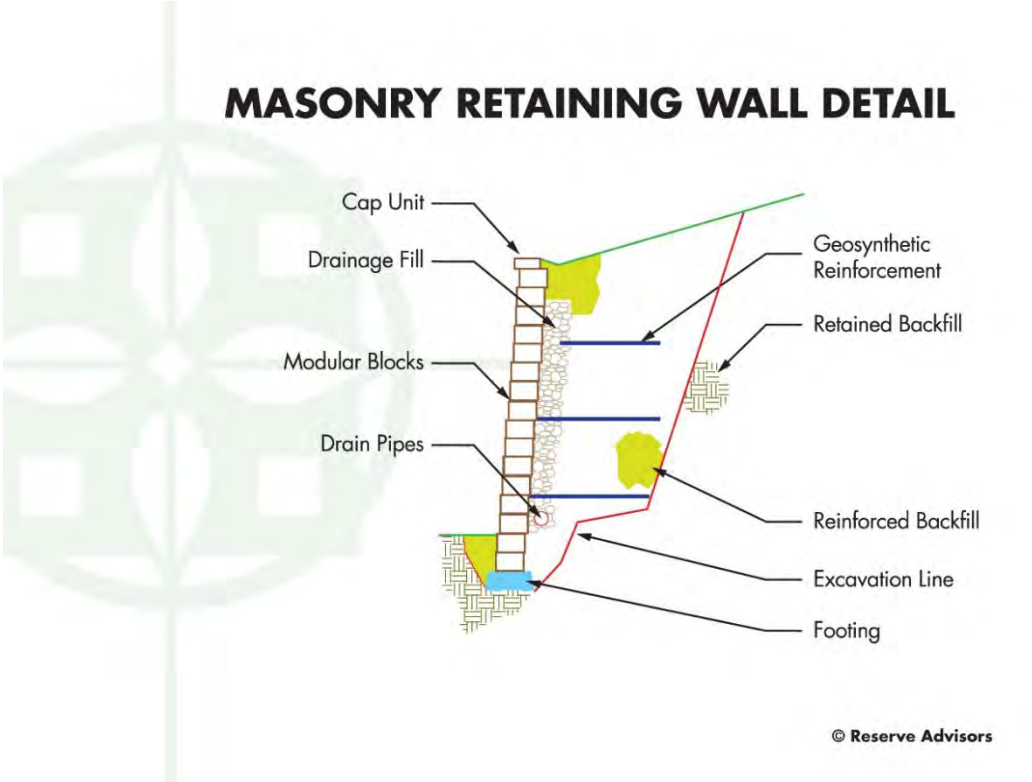
Water stains



Wall block displaced

Useful Life: Masonry retaining walls have indeterminate useful lives. However, we recommend the Association plan for inspections and capital repairs every 10- to 15-years to forestall deterioration and replacement of retaining walls shorter than four feet every 35- to 40-years

Component Detail Notes: Properly constructed interlocking masonry retaining walls utilize geosynthetic reinforcement and a drainage system to stabilize the wall and prevent the buildup of hydrostatic pressure behind the wall. Water stains may indicate inadequate drainage or blocked drainage from behind the wall. The following schematic depicts the typical components of a retaining wall system although it may not reflect the actual configuration at Wyndham Palms:



Preventative Maintenance Notes: We note the following select recommended preventative maintenance activities to maximize the remaining useful life:

- Annually:
  - Inspect and repair leaning sections or damaged areas
  - Water stains which may indicate possible blocked drainage should be investigated further
  - Inspect and repair erosion at the wall base and backside

Priority/Criticality: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

GENERAL - Exterior Building Elements

Gutters and Downspouts, Aluminum

Line Item: 1.240

Quantity: The Board would like to install approximately 7,300 linear feet of aluminum two-inch by three-inch gutters at the full perimeter of the roofs in the near future.

Useful Life: Up to 12- to 18-years

Component Detail Notes: The size of the gutter is determined by the roof's watershed area, a roof pitch factor and the rainfall intensity number of the Association's region. We recommend sloping gutters 1/16 inch per linear foot and providing fasteners a maximum of every three feet.

Downspouts can drain 100 square feet of roof area per one square inch of downspout cross sectional area. We recommend the use of downspout extensions and splash blocks at the downspout discharge to direct storm water away from the foundations. The useful life of gutters and downspouts coincides with that of the sloped roofs. Coordinated replacement will result in the most economical unit price and minimize the possibility of damage to other roof components as compared to separate replacements.

Preventative Maintenance Notes: We note the following select recommended preventative maintenance activities to maximize the remaining useful life:

- Semi-annually:
  - Clean out debris and leaves that collect in the gutters
  - Repair and refasten any loose gutter fasteners
  - Repair and seal any leaking seams or end caps
  - Verify downspouts discharge away from foundations

Priority/Criticality: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Light Fixtures

Line Item: 1.260

Quantity: Approximately 320 ceiling and wall mounted plastic exterior light fixtures located at the breezeways leading up to the front entrances.

History: Mostly original, the Association replaced approximately twenty-four due to inclement weather.

Condition: Fair overall with damaged fixtures evident.



Wall mounted light fixture



Ceiling mounted light fixtures



Missing lighting covers

Useful Life: Up to 20 years

Preventative Maintenance Notes: We note the following select recommended preventative maintenance activities to maximize the remaining useful life:

- As-needed:
    - Replace burned out bulbs at common fixtures as needed
    - Inspect and repair broken or dislodged fixtures
    - Ensure a waterproof seal between the fixture and building exists

Priority/Criticality: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

GENERAL - Building Services Elements

Valves, Backflow Preventers

Line Item: 3.920 and 3.930

Quantity: Seven fire sprinkler backflow preventers located at the side elevation of the buildings and ten domestic water backflow preventers located at the front elevation of the buildings

History: Mostly original; 2303 Butterfly Palm Way was completely replaced and 2300 Butterfly Palm Way was rebuilt in 2024

Condition: Reported satisfactory without operational deficiencies



Large diameter valve on Lady Palm



Large diameter valves on Butterfly Palm



Large diameter valve backflow preventer



Large diameter valve on Silver Palm



Large diameter valve backflow preventer

Useful Life: Up to 50 years for the fire sprinkler backflow preventers and up to 35 years for the domestic water backflow preventers

Preventative Maintenance Notes: We recommend the Association obtain and adhere to the manufacturer's recommended maintenance plan. We note the following select recommended preventative maintenance activities to maximize the remaining useful life:

- Monthly:
  - Inspect the valves (if valve is readily accessible)
    - Confirm tightness of connections/fasteners
    - Confirm lack of leaks
- Semi-annually:
  - Clean the valves (including the valve stem) (if valve is readily accessible)
  - Open/close the valves to ensure operation (if valve is readily accessible)

- Annually:
  - Remove, clean and repair select valves as needed (including replacement of components as needed) (frequency and feasibility of rebuilds will vary greatly) (if valve is readily accessible)

Priority/Criticality: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

GENERAL - Property Site Elements

Concrete Sidewalks

Line Item: 4.140

Quantity: Approximately 33,100 square feet of sidewalk and walkways at the buildings

History and Condition: Fair overall with periodic cracks, settlement, spalled concrete, trip hazards and undermining evident. We are informed the Association has completed and paid for the 2024 sidewalk repairs as of April 30, 2024.



Sidewalk cracks



Concrete sidewalk



Sidewalk trip hazard and settlement



Concrete sidewalk



Concrete sidewalk



Sidewalk spalls



Sidewalk cracks



Sidewalk cracks



Sidewalk cracks



Sidewalk cracks



Sidewalk spalls

Useful Life: Up to 65 years although interim deterioration of areas is common

Preventative Maintenance Notes: We note the following select recommended preventative maintenance activities to maximize the remaining useful life:

- Annually:
  - Inspect and repair major cracks, spalls and trip hazards
  - Mark with orange safety paint prior to replacement or repair
  - Repair or perform concrete leveling in areas in immediate need of repair or possible safety hazard

Priority/Criticality: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. We estimate that up to 9,960 square feet of concrete sidewalks, or thirty percent (30%) of the total, will require replacement during the next 30 years. Our cost is based on information provide to us by the Management and the Board.

Fence, Aluminum

Line Item: 4.200

Quantity: 1,230 linear feet located above the retaining walls

History: Mostly original with minor replacements as needed.

Condition: Good to fair overall with systemic finish deterioration evident.



Aluminum fence



Fence finish deterioration



Aluminum fence



Aluminum fence



Fence finish deterioration

Useful Life: Up to 25 years (The useful life of the finish is indeterminate. Future updates of this Reserve Study will again consider the need to refinish the railings based on condition.)

Preventative Maintenance Notes: We note the following select recommended preventative maintenance activities to maximize the remaining useful life:

- Annually:
  - Inspect and repair loose fasteners or sections, and damage
  - Repair leaning sections and clear vegetation from fence areas which could cause damage

Priority/Criticality: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Fence, Chain Link

Line Item: 4.220

Quantity: 830 linear feet located at the Silver Palm Drive retaining wall

History: Original. We are informed the Association has budgeted $15,000 in 2024 for replacement of the chain link fence.

Condition: Good to fair overall with isolated leaning sections, loose pickets and warped webbing evident.



Chain link fence



Fence warped webbing



Finish deterioration



Fence warped webbing



Fence leaning section

Useful Life: Up to 25 years

Preventative Maintenance Notes: We note the following select recommended preventative maintenance activities to maximize the remaining useful life:

- Annually:
  - Inspect and repair loose sections, and damage
  - Repair leaning sections and clear vegetation from fence areas which could cause damage

Priority/Criticality: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. Our estimate of costs is based on information provided by the Association. Updates of this Reserve Study will consider possible changes in the scope and times of component replacements.

Irrigation System

Line Item: 4.420

Quantity: Approximately 44 zones

History: Original; with minor repairs as needed

Condition: Satisfactory operational condition and Management and the Board do not report any deficiencies

Useful Life: Up to and sometimes beyond 40 years

Component Detail Notes: Irrigation systems typically include the following components:

- Electronic controls (timer)
- Impact rotors
- Network of supply pipes
- Pop-up heads
- Valves

Wyndham Palms should anticipate interim and partial replacements of the system network supply pipes and other components as normal maintenance to maximize the useful life of the irrigation system. The Association should fund these ongoing seasonal repairs through the operating budget.

Preventative Maintenance Notes: We note the following select recommended preventative maintenance activities to maximize the remaining useful life:

- Semi-annually:
    - Conduct seasonal repairs which includes valve repairs, controller repairs, partial head replacements and pipe repairs
    - Blow out irrigation water lines and drain building exterior faucets each fall if applicable

Priority/Criticality: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Landscape

Line Item: 4.500

Component Detail Notes: The Association contains a large quantity of trees, shrubbery and other landscape elements. Replacement of these elements is an ongoing need. Many associations budget for these replacements as normal maintenance. Other associations fund ongoing replacements from reserves. Large amounts of landscape may need replacement due to disease, drought or other forces of nature. If the cost of removal and replacement is substantial, funding from reserves is logical. The Association may also desire to periodically update the appearance of the community through major improvements to the landscape.



Landscape overview



Landscape overview



Landscape overview

Useful Life: At the request of Management and the Board, we include a landscape allowance for tree removal, tree replacement and tree trimming every 10- to 15-years.

Priority/Criticality: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Reserve Study Update

An ongoing review by the Board and an Update of this Reserve Study are necessary to ensure an equitable funding plan since a Reserve Study is a snapshot in time. Many variables change after the study is conducted that may result in significant overfunding or underfunding the reserve account. Variables that may affect the Reserve Funding Plan include, but are not limited to:

- Deferred or accelerated capital projects based on Board discretion
- Changes in the interest rates on reserve investments
- Changes in the *local* construction inflation rate
- Additions and deletions to the Reserve Component Inventory
- The presence or absence of maintenance programs
- Unusually mild or extreme weather conditions
- Technological advancements

Periodic updates incorporate these variable changes since the last Reserve Study or Update. The Association can expense the fee for an Update with site visit from the reserve account. This fee is included in the Reserve Funding Plan. We base this budgetary amount on updating the same property components and quantities of this Reserve Study report. We recommend the Board budget for an Update to this Reserve Study every three years. Budgeting for an Update demonstrates the Board's objective to continue fulfilling its fiduciary responsibility to maintain the commonly owned property and to fund reserves appropriately.

5. METHODOLOGY

Reserves for replacement are the amounts of money required for future expenditures to repair or replace Reserve Components that wear out before the entire facility or project wears out. Reserving funds for future repair or replacement of the Reserve Components is also one of the most reliable ways of protecting the value of the property's infrastructure and marketability.

Wyndham Palms can fund capital repairs and replacements in any combination of the following:

1. Increases in the operating budget during years when the shortages occur
2. Loans using borrowed capital for major replacement projects
3. Level monthly reserve assessments annually adjusted upward for inflation to increase reserves to fund the expected major future expenditures
4. Special assessments

We do not advocate special assessments or loans unless near term circumstances dictate otherwise. Although loans provide a gradual method of funding a replacement, the costs are higher than if the Association were to accumulate reserves ahead of the actual replacement. Interest earnings on reserves also accumulate in this process of saving or reserving for future replacements, thereby defraying the amount of gradual reserve collections. We advocate the third method of *Level Monthly Reserve Assessments* with relatively minor annual adjustments. The method ensures that Owners pay their "fair share" of the weathering and aging of the commonly owned property each year. Level reserve assessments preserve the property and enhance the resale value of the homes.

This Reserve Study is in compliance with Florida Statute 718.112 and exceeds the National standards[1] set forth by the Association of Professional Reserve Analysts (APRA) fulfilling the requirements of a "Level I Full Reserve Study." These standards require a Reserve Component to have a "predictable remaining Useful Life." Estimating Remaining Useful Lives and Reserve Expenditures beyond 30 years is often indeterminate. Long-Lived Property Elements are necessarily excluded from this analysis. We considered the following factors in our analysis:

- The Cash Flow Method to compute, project and illustrate the 30-year Reserve Funding Plan
- Local[2] costs of material, equipment and labor
- Current and future costs of replacement for the Reserve Components
- Costs of demolition as part of the cost of replacement
- Local economic conditions and a historical perspective to arrive at our estimate of long-term future inflation for construction costs in Kissimmee, Florida at an annual inflation rate[3]. Isolated or regional markets of greater

[1] Identified in the APRA "Standards - Terms and Definitions" and the CAI "Terms and Definitions".
[2] See Credentials for additional information on our use of published sources of cost data.
[3] Derived from Marshall & Swift, historical costs and the Bureau of Labor Statistics.

construction (development) activity may experience slightly greater rates of inflation for both construction materials and labor.

- The past and current maintenance practices of Wyndham Palms and their effects on remaining useful lives
- Financial information provided by the Association pertaining to the cash status of the reserve fund and budgeted reserve contribution
- The anticipated effects of appreciation of the reserves over time in accord with a return or yield on investment of your cash equivalent assets. (We did not consider the costs, if any, of Federal and State Taxes on income derived from interest and/or dividend income).
- The Funding Plan excludes necessary operating budget expenditures. It is our understanding that future operating budgets will provide for the ongoing normal maintenance of Reserve Components.

Updates to this Reserve Study will continue to monitor historical facts and trends concerning the external market conditions.

6. CREDENTIALS

HISTORY AND DEPTH OF SERVICE

Founded in 1991, Reserve Advisors is the leading provider of reserve studies, insurance appraisals, developer turnover transition studies, expert witness services, and other engineering consulting services. Clients include community associations, resort properties, hotels, clubs, non-profit organizations, apartment building owners, religious and educational institutions, and office/commercial building owners in 48 states, Canada and throughout the world.

The **architectural engineering consulting firm** was formed to take a leadership role in helping fiduciaries, boards, and property managers manage their property like a business with a long-range master plan known as a Reserve Study.

Reserve Advisors employs the **largest staff of Reserve Specialists** with bachelor's degrees in engineering dedicated to Reserve Study services. Our founders are also foundering of Community Associations Institute's (CAI) Reserve Committee that developed national standards for reserve study providers. One of our founders is a Past President of the Association of Professional Reserve Analysts (APRA). Our vast experience with a variety of building types and ages, on-site examination and historical analyses are keys to determining accurate remaining useful life estimates of building components.

No Conflict of Interest - As consulting specialists, our **independent opinion** eliminates any real or perceived conflict of interest because we do not conduct or manage capital projects.

TOTAL STAFF INVOLVEMENT

Several staff members participate in each assignment. The responsible advisor involves the staff through a Team Review, exclusive to Reserve Advisors, and by utilizing the experience of other staff members, each of whom has served hundreds of clients. We conduct Team Reviews, an internal quality assurance review of each assignment, including: the inspection; building component costing; living; and technical report phases of the assignment. Due to our extensive experience with building components, we do not have a need to utilize subcontractors.

OUR GOAL

To help our clients fulfill their fiduciary responsibilities to maintain property in good condition.

VAST EXPERIENCE WITH A VARIETY OF BUILDINGS

Reserve Advisors has conducted reserve studies for a multitude of different communities and building types. We've analyzed thousands of buildings, from as small as a 3,500-square foot day care center to a 2,600,000-square foot 98-story highrise. We also routinely inspect buildings with various types of mechanical systems such as simple electric heat, to complex systems with air handlers, chillers, boilers, elevators, and life safety and security systems.

We're familiar with all types of building exteriors as well. Our well-versed staff regularly identifies optimal repair and replacement solutions for such building exterior surfaces such as adobe, brick, stone, concrete, stucco, EIFS, wood products, stained glass and aluminum siding, and window wall systems.

OLD TO NEW

Reserve Advisors' experience includes ornate and vintage buildings as well as modern structures. Our specialists are no strangers to older buildings. We're accustomed to addressing the unique challenges posed by buildings that date to the 1800's. We recognize and consider the methods of construction employed into our analysis. We recommend appropriate replacement programs that apply cost effective technologies while maintaining a building's character and appeal.

MARQUESHEA D. BROWN
Responsible Advisor

CURRENT CLIENT SERVICES



Marqueshea Brown, a Civil Engineer, is an Engineer for Reserve Advisors. Ms. Brown is responsible for the inspection and analysis of the condition of clients' properties, and recommending engineering solutions to prolong the lives of the components. She also forecasts capital expenditures for the repair and/or replacement of the property components and prepares technical reports on assignments. She is responsible for conducting Life Cycle Cost Analyses and Capital Replacement Forecast services and the preparation of Reserve Study Reports for condominiums, townhomes and homeowner associations.

The following is a partial list of clients served by Marqueshea Brown demonstrating her breadth of experiential knowledge of community associations in construction and related buildings systems.

Preston Park Owners Association, Inc. - This single family homes community containing 290 plus residential homes and is located in Pineville, North Carolina. The Association maintains the shared common elements including a pool house, a pool, as well as multiple alleys.

Mint Hill Village Homeowners Association, Inc. - This single family homes community containing 70 plus residential homes and is located in Mint Hill, North Carolina. The Association maintains the shared common elements including asphalt pavement alleys, retaining walls and walking paths.

The Enclave at City Park Homeowners Association - This townhome and single family home community in Charlotte, North Carolina comprises 77 townhome units in 15 buildings. Expenditures of this property include asphalt alleys, retaining walls, and a detention pond. The townhomes comprise of fiber cement siding construction, with different styles. Several of the townhomes feature attached garages.

One River Place Master Community Association, Inc. This townhome, condominium and single family home community in Atlanta, Georgia comprises 432 units. Features of this property include a clubhouse, two pools, a spa, and a fitness rooms. This property includes both an outdoor sitting area and dog park.

Crest Mountain Homeowners Association, Inc. - This townhome and single family home community was built in 2004 and is located in Asheville, North Carolina. The property contains 150 units nestled in the side of a mountain. The Association maintains the guard house along with a waterfall.

Cottages Condominium I Association, Inc. - Located forty minutes outside of Raleigh, North Carolina, this condominium contains 30 residential cottages. The cottages are comprised of fiber cement siding, asphalt shingle roofs and wood balconies at the unit entrances. The community includes a pavilion, electric charging stations and a masonry retaining walls.

PRIOR RELEVANT EXPERIENCE

Before joining Reserve Advisors, Ms. Brown successfully completed the bachelors program in Civil Engineering Technology at Savannah State University. In the past, she has worked for multiple engineering companies covering a variety of roles with a concentration in construction. She has also spent time working as a traffic engineering for Georgia Department of Transportation.

EDUCATION

Savannah State University - B.S. in Civil Engineering Technology

NANCY S. DANIEL, P.E., RS
Regional Engineering Manager and Responsible Advisor



CURRENT CLIENT SERVICES

Nancy S. Daniel, a Mechanical Engineer, is an Advisor for *Reserve Advisors.* Ms. Daniel is responsible for the inspection and analysis of the condition of clients' properties, and for recommending engineering solutions to prolong the lives of the components. She forecasts capital expenditures for the repair and/or replacement of the property components and prepares technical reports on assignments. She is also responsible for conducting Life Cycle Cost Analyses and Capital Replacement Forecast services and the preparation of Reserve Study Reports for apartments, condominiums, townhomes and homeowner associations.

The following is a partial list of clients served by Nancy Daniel demonstrating her breadth of experiential knowledge of community associations in construction and related buildings systems.

Queen's Harbour Yacht and Country Club Owners Association, Inc. – An exclusive Master planned community for the common elements shared by 1,000 single-family homes. Located in Jacksonville, Florida, the Queen's Harbour Yacht and Country Club Owners Association contains a marina, a lock and dam, sea walls, as well as community center, fitness center and maintenance facility.

Riviera Dunes Marina – A premier marina with 219 wet slips with slip sizes up to 100 feet located near Bradenton, Florida. The community contains floating docks, utility and pump out services, marina fuel station, floating pools, a dock master office, and restaurant.

PGA Village Property Owners' Association – A 3,000-acre Master planned community located in Port St. Lucie, Florida. The exclusive community consists of 2,500 single-family homes, townhomes and condominiums. The PGA Village contains a clubhouse and pool area, approximately 33 miles of paved streets, irrigation distribution systems, and 46 lakes.

YC Coconut Grove Hotel and Condominium - A 24-story high-rise condominium community with 211 units, located in Miami, Florida. This all-inclusive condominium includes a commercial hotel, restaurants, fitness center, pool, parking garage, and building services equipment.

Jade Signature Condominium – A 57-story high-rise condominium community with 193 units, located in Sunny Isles Beach, Florida. This exclusive condominium contains a spa and wellness center, restaurants, pools and spas, parking garage, and building services equipment.

Vero Beach Museum of Art – A nonprofit art museum for the appreciation and teaching of the arts and humanities, located in Vero Beach, Florida. The museum contains art galleries, sculpture gardens, performance halls, art studios, children's art zone, and building services equipment.

PRIOR RELEVANT EXPERIENCE

Before joining *Reserve Advisors*, Ms. Daniel was a licensed Community Association Manager for Condominium Associates in Tampa, Florida. Ms. Daniel also was employed as a Process Engineer for Anheuser Busch and Lockwood Greene Engineering. She was responsible for process engineering design, construction and process start-up for beverage manufacturing facilities across the United States. She has served as a Board Member and Treasurer for her condominium association.

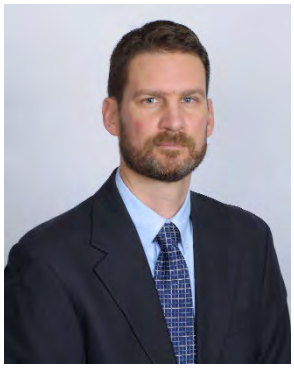
EDUCATION

University of Illinois – B.S. Mechanical Engineering
North Carolina State University – M.A. Humanities and Social Sciences

PROFESSIONAL AFFILIATIONS

Professional Engineer (P.E.) – State of Texas
Reserve Specialist (RS) - Community Associations Institute
Licensed Community Association Manager (LCAM) – State of Florida

ALAN M. EBERT, P.E., PRA, RS
Director of Quality Assurance



CURRENT CLIENT SERVICES

Alan M. Ebert, a Professional Engineer, is the Director of Quality Assurance for Reserve Advisors. Mr. Ebert is responsible for the management, review and quality assurance of reserve studies. In this role, he assumes the responsibility of stringent report review analysis to assure report accuracy and the best solution for Reserve Advisors' clients.

Mr. Ebert has been involved with thousands of Reserve Study assignments. The following is a partial list of clients served by Alan Ebert demonstrating his breadth of experiential knowledge of community associations in construction and related buildings systems.

Brownsville Winter Haven Located in Brownsville, Texas, this unique homeowners association contains 525 units. The Association maintains three pools and pool houses, a community and management office, landscape and maintenance equipment, and nine irrigation canals with associated infrastructure.

Rosemont Condominiums This unique condominium is located in Alexandria, Virginia and dates to the 1940's. The two mid-rise buildings utilize decorative stone and brick masonry. The development features common interior spaces, multi-level wood balconies and common asphalt parking areas.

Stillwater Homeowners Association Located in Naperville, Illinois, Stillwater Homeowners Association maintains four tennis courts, an Olympic sized pool and an upscale ballroom with commercial-grade kitchen. The community also maintains three storm water retention ponds and a detention basin.

Birchfield Community Services Association This extensive Association comprises seven separate parcels which include 505 townhome and single family homes. This Community Services Association is located in Mt. Laurel, New Jersey. Three lakes, a pool, a clubhouse and management office, wood carports, aluminum siding, and asphalt shingle roofs are a few of the elements maintained by the Association.

Oakridge Manor Condominium Association Located in Londonderry, New Hampshire, this Association includes 104 units at 13 buildings. In addition to extensive roads and parking areas, the Association maintains a large septic system and significant concrete retaining walls.

Memorial Lofts Homeowners Association This upscale high rise is located in Houston, Texas. The 20 luxury units include large balconies and decorative interior hallways. The 10-story building utilizes a painted stucco facade and TPO roof, while an on-grade garage serves residents and guests.

PRIOR RELEVANT EXPERIENCE

Mr. Ebert earned his Bachelor of Science degree in Geological Engineering from the University of Wisconsin-Madison. His relevant course work includes foundations, retaining walls, and slope stability. Before joining Reserve Advisors, Mr. Ebert was an oilfield engineer and tested and evaluated hundreds of oil and gas wells throughout North America.

EDUCATION

University of Wisconsin-Madison - B.S. Geological Engineering

PROFESSIONAL AFFILIATIONS/DESIGNATIONS

Professional Engineering License – Wisconsin, North Carolina, Illinois, Colorado
Reserve Specialist (RS) **-** Community Associations Institute
Professional Reserve Analyst (PRA) **-** Association of Professional Reserve Analysts

TAMARA S. SAMHOURI, E.I., RS
Responsible Reviewer



CURRENT CLIENT SERVICES

Tamara Samhouri, a Civil Engineer, is an Advisor for ***Reserve Advisors.*** Mrs. Samhouri is responsible for the inspection and analysis of the condition of clients' properties, and recommending engineering solutions to prolong the lives of the components. She also forecasts capital expenditures for the repair and/or replacement of the property components and prepares technical reports on assignments. She is responsible for conducting Life Cycle Cost Analyses and Capital Replacement Forecast services and the preparation of Reserve Study Reports for condominiums, townhomes and homeowner associations.

The following is a partial list of clients served by Tamara Samhouri demonstrating her breadth of experiential knowledge of community associations in construction and related buildings systems.

North Lake at Tarpon Springs Homeowners Association Located in Tarpon Springs, Florida, this single family development consists of 122 homes built in 1999. The Association maintains the asphalt pavement street systems, ponds, gates, signage, & a boardwalk and dock assembly.

Talon Bay Property Owners Association This Homeowners Association located in North Port, Florida is comprised of 233 single unit homes. The clubhouse in this community includes a fitness center, kitchen, rest rooms, and a patio leading to a pool deck. The clubhouse and gate house were constructed with stucco façade and a metal roof assembly. The Association maintains asphalt pavement street systems, tennis and shuffleboard courts, and gates.

Lake Highlander Resident Owned Association This Cooperative style development located in Dunedin, Florida is comprised of 293 homes built in the 1960s. The community maintains amenities, such as a laundry room, pool hall, library, office, and clubhouse. The Cooperative maintains the subsurface pipes, electric meter panels, and bridges throughout the community.

Royal Pointe at Majestic Palms Recreation Association and Condominium Associations The Recreation Association is responsible for the elements shared by five condominium buildings. The Recreation Association maintains the pool amenities & asphalt pavement street systems. The Condominium Associations are responsible for their building exteriors comprised of concrete tile roofs, balconies, breezeways, & staircases. The Condominium Associations maintain the building service elements, including life safety systems, & domestic water pumps.

Hudson Crossing Condominium Association This condominium style development, located in Sarasota, Florida consists of 12 units. This building was constructed with fiber cement siding, asphalt shingle & flat roofs, & terraces. The Association also maintains the irrigation system, lift stations, windows & doors, hydraulic elevators, life safety system, backflow preventers, on-grade concrete garage, exhaust system, docks & seawall located on the property.

PRIOR RELEVANT EXPERIENCE

Before joining ***Reserve Advisors,*** Mrs. Samhouri successfully completed the bachelors program in Civil Engineering from The University of South Florida. She has experience as a Transportation Planning Intern at AECOM, the world's premier infrastructure consulting firm, where she gained knowledge on the safety and design of specialized roadway networks. Mrs. Samhouri has an expertise in transportation and geotechnical engineering infrastructure.

EDUCATION

University of South Florida - B.S. Civil Engineering

PROFESSIONAL AFFILIATIONS / DESIGNATIONS

Engineering Intern (E.I.) – Florida, 2021-present
American Society of Civil Engineers (A.S.C.E.) – Florida, 2015-present
Institute of Transportation Engineers (I.T.E.) – Florida, 2015-present
Reserve Specialist (RS) - Community Association Institute (CAI)

RESOURCES

Reserve Advisors utilizes numerous resources of national and local data to conduct its Professional Services. A concise list of several of these resources follows:

Association of Construction Inspectors, (ACI) the largest professional organization for those involved in construction inspection and construction project management. ACI is also the leading association providing standards, guidelines, regulations, education, training, and professional recognition in a field that has quickly become important procedure for both residential and commercial construction, found on the web at www.iami.org.

American Society of Heating, Refrigerating and Air-Conditioning Engineers, Inc., (ASHRAE) the American Society of Heating, Refrigerating and Air-Conditioning Engineers, Inc., devoted to the arts and sciences of heating, ventilation, air conditioning and refrigeration; recognized as the foremost, authoritative, timely and responsive source of technical and educational information, standards and guidelines, found on the web at www.ashrae.org. Reserve Advisors actively participates in its local chapter and holds individual memberships.

Community Associations Institute, (CAI) America's leading advocate for responsible communities noted as the only national organization dedicated to fostering vibrant, responsive, competent community associations. Their mission is to assist community associations in promoting harmony, community, and responsible leadership.

Marshall & Swift / Boeckh, (MS/B) the worldwide provider of building cost data, co-sourcing solutions, and estimating technology for the property and casualty insurance industry found on the web at www.marshallswift.com.

R.S. Means CostWorks, North America's leading supplier of construction cost information. As a member of the Construction Market Data Group, Means provides accurate and up-to-date cost information that helps owners, developers, architects, engineers, contractors and others to carefully and precisely project and control the cost of both new building construction and renovation projects found on the web at www.rsmeans.com.

Reserve Advisors' library of numerous periodicals relating to reserve studies, condition analyses, chapter community associations, and historical costs from thousands of capital repair and replacement projects, and product literature from manufacturers of building products and building systems.

7. DEFINITIONS

Definitions are derived from the standards set forth by the Community Associations Institute (CAI) representing America's 305,000 condominium and homeowners associations and cooperatives, and the Association of Professional Reserve Analysts, setting the standards of care for reserve study practitioners.

Cash Flow Method - A method of calculating Reserve Contributions where contributions to the reserve fund are designed to offset the variable annual expenditures from the reserve fund. Different Reserve Funding Plans are tested against the anticipated schedule of reserve expenses until the desired funding goal is achieved.

Component Method - A method of developing a Reserve Funding Plan with the total contribution is based on the sum of the contributions for individual components.

Current Cost of Replacement - That amount required today derived from the quantity of a *Reserve Component* and its unit cost to replace or repair a Reserve Component using the most current technology and construction materials, duplicating the productive utility of the existing property at current *local* market prices for *materials*, *labor* and manufactured equipment, contractors' overhead, profit and fees, but without provisions for building permits, overtime, bonuses for labor or premiums for material and equipment. We include removal and disposal costs where applicable.

Fully Funded Balance - The Reserve balance that is in direct proportion to the fraction of life "used up" of the current Repair or Replacement cost similar to Total Accrued Depreciation.

Funding Goal (Threshold) - The stated purpose of this Reserve Study is to determine the adequate, not excessive, minimal threshold reserve balances.

Future Cost of Replacement - *Reserve Expenditure* derived from the inflated current cost of replacement or current cost of replacement as defined above, with consideration given to the effects of inflation on local market rates for materials, labor and equipment.

Long-Lived Property Component - Property component of Wyndham Palms responsibility not likely to require capital repair or replacement during the next 30 years with an unpredictable remaining Useful Life beyond the next 30 years.

Percent Funded - The ratio, at a particular point of time (typically the beginning of the Fiscal Year), of the actual (or projected) Reserve Balance to the Fully Funded Balance, expressed as a percentage.

Remaining Useful Life - The estimated remaining functional or useful time in years of a *Reserve Component* based on its age, condition and maintenance.

Reserve Component - Property elements with: 1) Wyndham Palms responsibility; 2) limited Useful Life expectancies; 3) predictable Remaining Useful Life expectancies; and 4) a replacement cost above a minimum threshold.

Reserve Component Inventory - Line Items in ***Reserve Expenditures*** that identify a *Reserve Component*.

Reserve Contribution - An amount of money set aside or *Reserve Assessment* contributed to a *Reserve Fund* for future *Reserve Expenditures* to repair or replace *Reserve Components*.

Reserve Expenditure - Future Cost of Replacement of a Reserve Component.

Reserve Fund Status - The accumulated amount of reserves in dollars at a given point in time, i.e., at year end.

Reserve Funding Plan - The portion of the Reserve Study identifying the *Cash Flow Analysis* and containing the recommended Reserve Contributions and projected annual expenditures, interest earned and reserve balances.

Reserve Study - A budget planning tool that identifies the current status of the reserve fund and a stable and equitable Funding Plan to offset the anticipated future major common area expenditures.

Useful Life - The anticipated total time in years that a *Reserve Component* is expected to serve its intended function in its present application or installation.

Structural Integrity Reserve Study - A budget planning tool that separates items depicted in Florida Statute 718.112(2)(g), identifies the current status of the reserve fund and a stable and equitable Funding Plan to offset the anticipated future major common area expenditures

8. PROFESSIONAL SERVICE CONDITIONS

Our Services - Reserve Advisors, LLC ("RA") performs its services as an independent contractor in accordance with our professional practice standards and its compensation is not contingent upon our conclusions. The purpose of our structural integrity reserve study ("SIRS") is to provide a budget planning tool that identifies the current status of the reserve fund, and an opinion recommending an annual funding plan, to create reserves for anticipated future replacement expenditures of the subject property. The purpose of our energy benchmarking services is to track, collect and summarize the subject property's energy consumption over time for your use in comparison with other buildings of similar size and establishing a performance baseline for your planning of long-term energy efficiency goals.

Our inspection and analysis of the subject property is limited to visual observations, is noninvasive and is not meant to nor does it include investigation into statutory, regulatory or code compliance. RA inspects sloped roofs from the ground and inspects flat roofs where safe access (stairs or ladder permanently attached to the structure) is available. Our energy benchmarking services with respect to the subject property is limited to collecting energy and utility data and summarizing such data in the form of an Energy Star Portfolio Manager Report or any other similar report, and hereby expressly excludes any recommendations with respect to the results of such energy benchmarking services or the accuracy of the energy information obtained from utility companies and other third-party sources with respect to the subject property. SIRS and any energy benchmarking report (i.e., any Energy Star Portfolio Manager Report) (including any subsequent revisions thereto pursuant to the terms hereof, collectively, the "Report") are based upon a "snapshot in time" at the moment of inspection. RA may note visible physical defects in the Report. Other than the visual inspection conducted in connection with the SIRS (which visual inspection shall be conducted by a licensed architect or engineer (in RA's sole discretion)) (the "SIRS Visual Inspection"), the study will be performed by employees generally familiar with real estate and building construction. Except to the extent readily apparent to RA during the SIRS Visual Inspection, RA cannot and shall not opine on the structural integrity of or other physical defects in the property under any circumstances. Without limitation to the foregoing, RA cannot and shall not opine on, nor is RA responsible for, the property's conformity to specific governmental code requirements for fire, building, earthquake, occupancy or otherwise.

RA is not responsible for conditions that have changed between the time of inspection and the issuance of the Report. RA does not provide invasive testing on any mechanical systems that provide energy to the property, nor can RA opine on any system components that are not easily accessible during the inspection. RA does not investigate, nor assume any responsibility for any existence or impact of any hazardous materials, such as asbestos, urea-formaldehyde foam insulation, other chemicals, toxic wastes, environmental mold or other potentially hazardous materials or structural defects that are latent or hidden defects which may or may not be present on or within the property. RA does not make any soil analysis or geological study as part of its services, nor does RA investigate vapor, water, oil, gas, coal, or other subsurface mineral and use rights or such hidden conditions, and RA assumes no responsibility for any such conditions. The Report contains opinions of estimated replacement costs or deferred maintenance expenses and remaining useful lives, which are neither a guarantee of the actual costs or expenses of replacement or deferred maintenance nor a guarantee of remaining useful lives of any property element.

RA assumes, without independent verification, the accuracy of all data provided to it. Except to the extent resulting from RA's willful misconduct in connection with the performance of its obligations under this agreement, you agree to indemnify, defend, and hold RA and its affiliates, officers, managers, employees, agents, successors and assigns (each, an "RA Party") harmless from and against (and promptly reimburse each RA Party for) any and all losses, claims, actions, demands, judgments, orders, damages, expenses or liabilities, including, without limitation, reasonable attorneys' fees, asserted against or to which any RA Party may become subject in connection with this engagement, including, without limitation, as a result of any false, misleading or incomplete information which RA relied upon that was supplied by you or others under your direction, or which may result from any improper use or reliance on the Report by you or third parties under your control or direction or to whom you provided the Report. NOTWITHSTANDING ANY OTHER PROVISION HEREIN TO THE CONTRARY, THE AGGREGATE LIABILITY (IF ANY) OF RA WITH RESPECT TO THIS AGREEMENT AND RA'S OBLIGATIONS HEREUNDER IS LIMITED TO THE AMOUNT OF THE FEES ACTUALLY RECEIVED BY RA FROM YOU FOR THE SERVICES AND REPORT PERFORMED BY RA UNDER THIS AGREEMENT, WHETHER ARISING IN CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY OR OTHERWISE. YOUR REMEDIES SET FORTH HEREIN ARE EXCLUSIVE AND ARE YOUR SOLE REMEDIES FOR ANY FAILURE OF RA TO COMPLY WITH ITS OBLIGATIONS HEREUNDER OR OTHERWISE. RA SHALL NOT BE LIABLE FOR ANY SPECIAL, INDIRECT, INCIDENTAL, CONSEQUENTIAL, PUNITIVE OR EXEMPLARY DAMAGES OF ANY KIND, INCLUDING, BUT NOT LIMITED TO, ANY LOST PROFITS AND LOST SAVINGS, LOSS OF USE OR INTERRUPTION OF BUSINESS, HOWEVER CAUSED, WHETHER ARISING IN CONTRACT, TORT (INCLUDING NEGLIGENCE), BREACH OF WARRANTY, STRICT LIABILITY OR OTHERWISE, EVEN IF RA HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. IN NO EVENT WILL RA BE LIABLE FOR THE COST OF PROCUREMENT OF SUBSTITUTE GOODS OR SERVICES. RA DISCLAIMS ALL REPRESENTATIONS AND WARRANTIES WHATSOEVER, EXPRESS OR IMPLIED OR OF ANY NATURE, WITH REGARD TO THE SERVICES AND THE REPORT, INCLUDING, WITHOUT LIMITATION, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

Report - RA will complete the services in accordance with the Proposal. The Report represents a valid opinion of RA's findings and recommendations with respect to the reserve study and is deemed complete. RA will consider any additional information made available to RA within 6 months of issuing the Report and issue a revised Report based on such additional information if a timely request for a revised Report is made by you. RA retains the right to withhold

a revised Report if payment for services was not tendered in a timely manner. All information received by RA and all files, work papers or documents developed by RA during the course of the engagement shall remain the property of RA and may be used for whatever purpose it sees fit. RA reserves the right to, and you acknowledge and agree that RA may, use any data provided by you in connection with the services, or gathered as a result of providing such services, including in connection with creating and issuing any Report, in a de-identified and aggregated form for RA's business purposes.

Your Obligations - You agree to provide us access to the subject property for an inspection. You agree to provide RA all available, historical and budgetary information, the governing documents, and other information that we request and deem necessary to complete the Report. Additionally, you agree to provide historical replacement schedules, utility bills and historical energy usage files that RA requests and deems necessary to complete the energy benchmarking services, and you agree to provide any utility release(s) reasonably requested by RA permitting RA to obtain any such data and/or information from any utility representative or other third party. You agree to pay actual attorneys' fees and any other costs incurred to collect on any unpaid balance for RA's services.

Use of Our Report and Your Name - Use of the Report is limited to only the purpose stated herein. You acknowledge that RA is the exclusive owner of all intellectual property rights in and relating to the Report. You hereby acknowledge that any use or reliance by you on the Report for any unauthorized purpose is at your own risk and that you will be liable for the consequences of any unauthorized use or distribution of the Report. Use or possession of the Report by any unauthorized third party is prohibited. The Report in whole or in part ***is not and cannot be*** *used as a design specification for design engineering purposes or as an appraisal*. You may show the Report in its entirety to the following third parties: members of your organization (including your directors, officers, tenants and prospective purchasers), your accountants, attorneys, financial institutions and property managers who need to review the information contained herein, and any other third party who has a right to inspect the Report under applicable law including, but not limited, to any government entity or agency, or any utility companies. Without the written consent of RA, you shall not disclose the Report to any other third party. By engaging our services, you agree that the Report contains intellectual property developed (and owned solely) by RA and agree that you will not reproduce or distribute the Report ***to any party that conducts reserve studies without the written consent of RA***.

RA will include (and you hereby agree that RA may include) your name in our client lists. RA reserves the right to use (and you hereby agree that RA may use) property information to obtain estimates of replacement costs, useful life of property elements or otherwise as RA, in its sole discretion, deems appropriate.

Payment Terms, Due Dates and Interest Charges - If reserve study and energy benchmarking services are performed by RA, then the retainer payment is due upon execution of this agreement and prior to the inspection by RA, and any balance is due net 30 days from the Report shipment date. If only energy benchmarking services are performed by RA, then the retainer payment is due upon execution of this agreement and any balance is due net 30 days from the Report shipment date. In any case, any balance remaining 30 days after delivery of the Report shall accrue an interest charge of 1.5% per month. Unless this agreement is earlier terminated by RA in the event you breach or otherwise fail to comply with your obligations under this agreement, RA's obligations under this agreement shall commence on the date you execute and deliver this agreement and terminate on the date that is 6 months from the date of delivery of the Report by RA. Notwithstanding anything herein to the contrary, each provision that by its context and nature should survive the expiration or early termination of this agreement shall so survive, including, without limitation, any provisions with respect to payment, intellectual property rights, limitations of liability and governing law.

Miscellaneous – Neither party shall be liable for any failures or delays in performance due to fire, flood, strike or other labor difficulty, act of God, act of any governmental authority, riot, embargo, fuel or energy shortage, pandemic, wrecks or delays in transportation, or due to any other cause beyond such party's reasonable control; provided, however, that you shall not be relieved from your obligations to make any payment(s) to RA as and when due hereunder. In the event of a delay in performance due to any such cause, the time for completion or date of delivery will be extended by a period of time reasonably necessary to overcome the effect of such delay. You may not assign or otherwise transfer this agreement, in whole or in part, without the prior written consent of RA. RA may freely assign or otherwise transfer this agreement, in whole or in part, without your prior consent. This agreement shall be governed by the laws of the State of Wisconsin without regard to any principles of conflicts of law that would apply the laws of another jurisdiction. Any dispute with respect to this agreement shall be exclusively venue in Milwaukee County Circuit Court or in the United States District Court for the Eastern District of Wisconsin. Each party hereto agrees and hereby waives the right to a trial by jury in any action, proceeding or claim brought by or on behalf of the parties hereto with respect to any matter related to this agreement.