

*Xanadu by the Sea Property Owners Association*

*Professional Reserve Study  
2013*

**Funding Reserve Analysis**  
*for*  
**Xanadu by the Sea**  
**Property Owners Association**  
**Jupiter, FL**

October 1, 2013



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*for*  
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October 1, 2013

Ms. Patti Padron  
Xanadu by the Sea Property Owners Association  
Xandu Place  
Jupiter, FL 33458

Subject: Reserve Study for Xanadu by the Sea Property Owners Association - UP10903D

Ms. Padron,

USI Commercial is pleased to present to Patti Padron and the Xanadu by the Sea Property Owners Association the requested reserve funding study. We believe that you will find the attached study to be thorough and complete. After you have had an opportunity to review the report you may have questions. Please do not hesitate to contact us - we would be pleased to answer any questions you may have.

**Project Description**

Xanadu by the Sea is a upscale single family home community located along A1A in Jupiter, FL. The community, which was constructed between 1984 and 2003, has one access controlled gated entrance and one main asphalt road with nine cul-de-sacs, eight of which are made of stamped concrete and one is asphalt. There is a canal that crosses the property. At the time of the site visit, 61 of the 65 lots contained single family homes and four lots were undeveloped. USI Commercial has factored in 64 dues paying members per the directive of the client. The assumption is that the developer will contribute towards the balance of the one remaining unsold or undeveloped lot.

**Site Visit**

The site visit for Xanadu by the Sea was conducted by Reserve Analyst Anthony Gregory of USI Commercial on February 15, 2013.

**Depth of Study**

A field inspection was made to verify the existing condition of the various reserve study components and to verify component quantities. In place testing, laboratory testing, and non-destructive testing of the reserve study components were not performed. Field measurements of component quantities were made to either verify improvement plan take offs or determine directly the quantities of various components. Photographs were taken of the site improvements.

**Summary of Financial Assumptions**

The below table contains a partial summary of information provided to USI Commercial for the Xanadu by the Sea Property Owners Association funding study.

<i>Reserve Study by Calendar Year Starting</i>	<i>January 1, 2013</i>
<i>Funding Study Length</i>	<i>30 Years</i>
<i>Number of Dues Paying Members</i>	<i>64</i>
<i>Reserve Balance as of January 1, 2013<sup>1</sup></i>	<i>\$41,800</i>
<i>Annual Inflation Rate</i>	<i>2.50%</i>
<i>Tax Rate on Reserve Interest <sup>2</sup></i>	<i>30.00%</i>
<i>Minimum Reserve Account Balance</i>	<i>\$0</i>
<i>Dues Change Period</i>	<i>8 Years</i>
<i>Annual Operating Budget</i>	<i>\$0</i>

<sup>1</sup> See "Financial Condition of Association" in this report.

<sup>2</sup> Taxed as an IRS exempt association

### **Reserve Study Assumptions**

The below listed assumptions are implicit in this reserve study.

- Cost estimates and financial information provided to USI Commercial are accurate and current.
- No unforeseen circumstances will cause a significant reduction of reserves.
- Sufficient comprehensive property insurance exists to protect from insurable risks.
- The association plans to continue to maintain the existing common areas and amenities.
- Reserve payments occur at the end of every calendar month.
- Expenses occur at the end of the expense year.

### **Governing Documents**

The Conditions, Covenants, and Restrictions governing documents for Xanadu by the Sea Property Owners Association were provided to USI Commercial for the production of this reserve study report. The CCRs were recorded in the State of FL and the County of Palm Beach. This reserve study report was prepared in accordance with the CCRs.

### **Impact of Component Life**

The projected life expectancy of the major components and the reserve funding needs of the association are closely tied. Performing the appropriate routine maintenance for each major component generally increases the component useful life, effectively moving the component expense into the future which reduces the reserve funding payments of the association. Failure to perform such maintenance can shorten the remaining useful life of the major components, bringing the replacement expense closer to the present which increases the reserve funding payments of the association.

### **Inflation Estimate**

Inflation for the last year has been reviewed and a best fit regression analysis for the last 12 months is 2.50 percent. An inflation multiplier of 2.50 percent per annum has been applied to all future expenses.

### **Initial Reserves**

Initial reserves for this reserve study were known to be \$41,800 on January 1, 2013. Per client directive, interest has not been factored into this reserve study report.

The implicit assumption has been made that the reserve accounts were not drawn down between the date of the known reserve balance and the study start date.

### **Financial Condition of Association**

The capital expenditures for this study period are projected to be \$690,148.00. The annual reserve fund contribution has been set to \$50,000.00, which calculates to \$65.10 per month, per member. This will allow the association to acquire funds to remove all stamped concrete from the cul-de-sacs and replace with clay pavers. If the association contributes \$50,000.00 annually, the clay paver project will be fully funded in 2019 without the need to levy a special assessment upon the members.

USI Commercial recommends reducing the annual reserve fund contribution to \$15,000.00 annually, or \$19.53 per month, per member in 2021 through the remainder of the study period. The recommended reduction in reserve contributions will still keep the association adequately funded for future cycles of repairs and replacements including the asphalt mill and overlay project scheduled for 2025.

Theoretically, a perfect funding plan achieves 100 percent funding; however this does not mean that anything less than 100 percent renders the association fiscally unhealthy. A percent funding level of 70 percent or greater is considered to be a "healthy" reserve fund. Additionally, it is quite normal for the percent funded to vary from year to year over the study period as the association realizes capital expenditures. Please see the Cash Flow Analysis and the Dues Summary reports for details.

### **Special Assessments**

Special Assessments are not required for this reserve study.

### **Reserve Funding Goal**

The reserve fund is set to be as close to Fully Funded as possible on an annual basis.

### **Study Method**

Reserve studies may be done in several ways, but we believe that the value of a reserve study lies in the details. In this study, we have used the "Component" method because it is the only method which allows scrutiny of the funding details. The method is pragmatic, and allows human judgement and experience to enter into the equation.

Whenever possible, the known costs of reserve items have been factored into this report. Known costs are provided to USI Commercial in the form of invoices, qualified contractor proposals, or directly from the client. If exact known costs are not available, present costs have been estimated by the Reserve Analyst's observations and experience; USI Commercial's proprietary internal database of costs; and industry recognized cost reference guides such as the National Construction Estimator, RS Means, and the Engineering New-Record Cost Book. In addition, every reserve item has been given an estimated remaining useful life, an estimated useful life when new, and has been cast into the future to determine future costs.

Equal annual payments are calculated for each reserve item based upon a payment starting year and a payment ending year using the end of period payment method. If applicable, interest earned on accumulated reserve funds and taxes on the reserve interest are also calculated. Initial reserve funds are consumed as expenses occur until fully depleted, reducing annual reserve payments to a minimum. As you review this report, we are certain that you will appreciate the level of detail provided, allowing you to review each reserve item in detail.

### **Summary of Findings**

USI Commercial has estimated future projected expenses for Xanadu by the Sea Property Owners Association based upon preservation of existing improvements. The attached funding study is limited in scope to those expense items listed in the attached "Xanadu by the Sea Property Owners Association Reserve Study Expense Items". Expense items which have an expected life of more than 30 Years are not included in this reserve study unless payment for these long lived items overlaps the 30 Years reserve study envelope. The primary concern is the preservation of a positive funding balance with funds sufficient to meet projected expenses throughout the study life. Based upon the attached funding study, it is our professional opinion that recommended annual reserve fund contribution will realize this goal.

It is implied that the information provided to USI Commercial by the client, including but not limited to that information contained in the attached Reserve Study Information Summary, and the maintenance records, are complete and accurate, and that USI Commercial may rely upon such information and documents without further verification or corroboration. Where the age of a particular reserve item (as listed in the reserve study) is unknown, the best-estimated age of that item has been used. If the association is unable to provide and estimate of a reserve item's age, USI Commercial shall make its own estimate of age of the reserve item. The reserve study is created for the association's use, and is a reflection of information provided to USI Commercial. This information is not for the purpose of performing an audit, historical records, quality or forensic analyses. The on-site reserve study inspection is not considered to be a project audit, quality inspection, or property condition assessment.

### **Percent Funded**

Many reserve studies use the concept of "Percent Funded" to measure the reserve account balance against a theoretically perfect value. Percent Funded is often used as a measure of the "Financial Health" of an association. The assumption is, the higher the percentage, the greater the "Financial Health". The question of substance is simply: "How much is enough?"

To answer the question, some understanding of Percent Funded is required. Percent Funded is the ratio of current cash reserves divided by the depreciated value of the association improvements. Percent Funded is then, the current reserve balance divided by the Fully Funded value multiplied by 100 (to give a percentage). The concept is useful when the reserve study is comprehensive, but misleading when the reserve study is superficial or constrained. As a result, we recommend that the statement "Percent Funded" be used with caution.

### **Keeping Your Reserve Study Current**

USI Commercial believes that funding studies are an essential part of property management. People and property are constantly changing and evolving. As a result, the useful life of a funding study is not more than five years.

It is recommended that this reserve study should be updated on an annual basis or when one of the following events occur: changes in interest rates, changes in inflation rates, changes in the number of dues paying members, before starting new improvements, before making changes to the property, after a flood or fire, after the change of ownership or management, or after Annexation or Incorporation.



### Items Beyond the Scope of this Report

- Building or land appraisals for any purpose.
- State or local zoning ordinance violations.
- Building code violations.
- Soils conditions, soils contamination or geological stability of site.
- Engineering analysis or structural stability of site.
- Air quality, asbestos, electromagnetic radiation, formaldehyde, lead, mercury, or radon.
- Water quality or other environmental hazards.
- Invasions by termites and any or all other destroying organisms or insects.
- Damage or destruction due to birds, bats or animals to buildings or site.
- This study is not a pest inspection.
- Adequacy or efficiency of any system or component on site.
- Specifically excluded reserve items.
- Septic systems and septic tanks.
- Buried or concealed portions of swimming pools, pool liners, Jacuzzis and spas or similar items.
- Items concealed by signs, carpets or other things.
- Missing or omitted information supplied by Xanadu by the Sea Property Owners Association.
- Hidden improvements such as sewer lines, water lines, or other buried or concealed items.

### Items Maintained by Others

Items Maintained by Others are those items that are not maintained by the specific association for which the study is conducted. These items are not included in the reserve study. The "Other" responsible parties may include the county, the utility company, the homeowner, or a separate association.

For the purposes of this study, examples of Items Maintained by Others are: the homesites, the exterior light posts along the main road, and the sewage system.

### Long Lived Items

Long Lived Items are considered to be those items that have remaining life expectancies that are unpredictable and/or beyond the study period. These items are not included in the reserve study. These items may require periodic maintenance or repairs which would typically be funded from the operating budget.

In this study, examples of Long Lived Items are: the storm water management system and the water supply piping.

Although concrete is considered to be a Long Lived Item, a repair and replacement allowance has been factored into this analysis. Routine maintenance of the concrete flatwork will not only enhance the look of the community, it may extend the design life of the concrete.

### Operating Budget Items

Operating Budget Items are those items that have a relatively low cost - typically less than \$1,000 - and/or are considered to be short-term maintenance. These items are not included in the reserve study.

For the purposes of this study, examples of Operating Budget Items are: the general landscaping.

### Tax Considerations

Certain items that may be included in this reserve study, such as painting and reserve study fees, may not be tax deductible per IRS guidelines. Consultation with a tax advisor is recommended.

### Statement of Qualifications

David Rothbart, Director of Reserve Study Services for USI Commercial, is also a CAI designated Reserve Specialist. Mr. Rothbart has been a professional in the inspection industry for over 13 years, performing over 5,000 commercial and residential building inspections, as well as completing numerous Reserve Studies. Mr. Rothbart earned a BA from Fairleigh Dickinson University, and is a Certified Environmental Professional, completing his studies through the Lincoln Graduate Center. Having successfully owned and sold several businesses, Mr. Rothbart is familiar with construction practices, construction costs, and contracting practices. Currently he is a NAHI Certified Home Inspector, a Radon Technician certified with the National Environmental Health Association, and a licensed WDI Inspector. Mr. Rothbart, who was formerly an EMT

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*Xanadu by the Sea Property Owners Association Funding Study Summary - Continued*

in a trauma center in New Jersey, is currently a Reserve Specialist and Field Manager in Northern Virginia for USI Commercial.

**Conflict of Interest**

As the preparer of this reserve study report, USI Commercial certifies that we do not have any vested interests, financial interests, or other interests that would cause a conflict of interest in the preparation of this reserve study report.

USI Commercial would like to thank Xanadu by the Sea Property Owners Association for the opportunity to be of service in the preparation of the attached reserve study report. Again, please feel free to contact us if you have any questions.

This report was prepared by:

Anthony Gregory  
Reserve Analyst

David Rothbart, RS  
Director of Reserve Study Operations

Cheryl Rorrer  
Technical Report Writer

**Enclosures:**

4 Pages of Photographs Attached





Main Entrance Gate



Main Road, Concrete Curbing, & Mailbox Kiosk





Main Road Ending in Cul-de-Sac



Stamped Concrete Cul-de-Sac





Mailbox Kiosk



Access Control Entrance Keypad





View of Beach Access



View of Beach



## Xanadu by the Sea Property Owners Association Reserve Study Expense Item Listing

Reserve Items	Unit Cost	No Units	Current Cost When New	Estimated Remaining Life	Expected Life When New	Calendar Year	Estimated Future Cost	Raw Annual Payment
<b>Asphalt</b>								
Asphalt Sealcoat - First Application	\$5,200 / lump sum	1 lump sum	\$5,200	2 Years	5 Years	2015	\$5,605	\$1,868.19
Asphalt Sealcoat - 2nd Application	\$5,200 / lump sum	1 lump sum	\$5,200	7 Years	5 Years	2020	\$6,350	\$793.75
Asphalt Mill & Overlay	\$2.00 / sqft	37386 sqft	\$74,772	12 Years	30 Years	2025	\$103,452	\$7,957.83
Asphalt Sealcoat - 3rd and Subsequent Applications	\$5,200 / lump sum	1 lump sum	\$5,200	17 Years	5 Years	2030	\$8,151	\$452.86
				5 Years		2035	\$9,236	\$1,847.11
						2040	\$10,464	\$2,092.78
						2045	\$11,856	\$2,371.12
<b>Concrete</b>								
Concrete Sidewalk Repair Allowance - 10% Repair or Replacement Allowance	\$11.00 / sqft	904 sqft	\$9,944	5 Years	10 Years	2018	\$11,551	\$1,925.25
				10 Years		2028	\$14,829	\$1,482.85
						2038	\$19,035	\$1,903.53
						2048	\$24,435	\$2,443.54
Concrete Curbing Repair Allowance - 10% Repair or Replacement Allowance	\$20.00 / lnft	217 lnft	\$4,340	10 Years	10 Years	2023	\$5,712	\$519.28
						2033	\$7,333	\$733.26
						2043	\$9,413	\$941.28
Clay Pavers at Cul-de-Sacs	\$8.00 / sqft	36000 sqft	\$288,000	6 Years	50 Years	2019	\$343,016	\$49,002.35
<b>Site</b>								
Mailbox Kiosk Maintenance Allowance	\$10,000 ea	2	\$20,000	23 Years	25 Years	2036	\$36,420	\$1,517.49
Mailbox Cluster Units - with Pedestals & Caps	\$1,500 ea	4	\$6,000	23 Years	25 Years	2036	\$10,926	\$455.25
Metal Entry Gates	\$3,500 ea	2	\$7,000	18 Years	30 Years	2031	\$11,251	\$592.13
Motorized Gate Openers - Swing Style	\$1,500 ea	4	\$6,000	5 Years	7 Years	2018	\$6,970	\$1,161.65
				7 Years		2025	\$8,301	\$1,185.91
						2032	\$9,887	\$1,412.46
						2039	\$11,776	\$1,682.28
						2046	\$14,025	\$2,003.64

Xanadu by the Sea Property Owners Association Reserve Study Expense Item Listing - Continued

Reserve Items	Unit Cost	No Units	Current Cost When New	Estimated Remaining Life	Expected Life When New	Calendar Year	Estimated Future Cost	Raw Annual Payment
Access Control Call Box with Key Pad	\$7,000 ea	1	\$7,000	4 Years	15 Years	2017	\$7,931	\$1,586.20
				15 Years		2032	\$11,535	\$769.00
						2047	\$16,777	\$1,118.46
Metal Fence at Front Entrance	\$30.00 / Inft	90 Inft	\$2,700	18 Years	30 Years	2031	\$4,339	\$228.39
Entry Signage	\$2,500 / lump sum	1 lump sum	\$2,500	10 Years	12 Years	2023	\$3,290	\$299.13
				12 Years		2035	\$4,440	\$370.01
						2047	\$5,992	\$499.31
Drainage Repairs for Cul-de-Sacs	\$8,500 / Lump Sum	1 Lump Sum	\$8,500	1 Year	50 Years	2014	\$8,935	\$4,467.67

Raw Annual Payments do not include earned interest, tax adjustments or payments made with initial reserves.

Months Remaining in Calendar Year 2013: 12

Expected annual inflation: 2.50% Interest earned on reserve funds: 0.00% Initial Reserve: \$41,800



**Xanadu by the Sea Property Owners Association Funding Study Modified Cash Flow Analysis**

Calendar Year	Annual Payment	Annual Expenses	Net Reserve Funds	% Funded
2013	\$50,000		\$91,800	21.8 %
2014	\$50,000	\$8,935	\$132,865	30.3 %
2015	\$50,000	\$5,605	\$177,260	39.8 %
2016	\$50,000		\$227,260	49.9 %
2017	\$50,000	\$7,931	\$269,329	57.2 %
2018	\$50,000	\$18,521	\$300,808	62.8 %
2019	\$50,000	\$343,016	\$7,791	1.6 %
2020	\$50,000	\$6,350	\$51,441	35.8 %
2021	\$15,000		\$66,441	45.1 %
2022	\$15,000		\$81,441	51.8 %
2023	\$15,000	\$9,002	\$87,439	52.3 %
2024	\$15,000		\$102,439	60.9 %
2025	\$15,000	\$111,753	\$5,686	3.2 %
2026	\$15,000		\$20,686	28.0 %
2027	\$15,000		\$35,686	44.1 %
2028	\$15,000	\$14,829	\$35,857	40.7 %
2029	\$15,000		\$50,857	63.0 %
2030	\$15,000	\$8,151	\$57,706	65.4 %
2031	\$15,000	\$15,590	\$57,116	63.8 %
2032	\$15,000	\$21,422	\$50,693	61.3 %
2033	\$15,000	\$7,333	\$58,361	82.5 %
2034	\$15,000		\$73,361	100.3 %
2035	\$15,000	\$13,676	\$74,685	90.2 %
2036	\$15,000	\$47,346	\$42,340	53.5 %
2037	\$15,000		\$57,340	143.0 %
2038	\$15,000	\$19,035	\$53,304	110.3 %
2039	\$15,000	\$11,776	\$56,528	148.5 %
2040	\$15,000	\$10,464	\$61,065	172.6 %
2041	\$15,000		\$76,065	221.8 %
2042	\$15,000		\$91,065	208.5 %
2043	\$15,000	\$9,413	\$96,652	182.2 %
<b>Totals :</b>	<b>\$745,000</b>	<b>\$690,148</b>		

The cash distribution shown in this table applies to repair and replacement cash reserves only.

Basis of Funding Study - Modified Cash Flow

Cash reserves have been set to a minimum of \$0

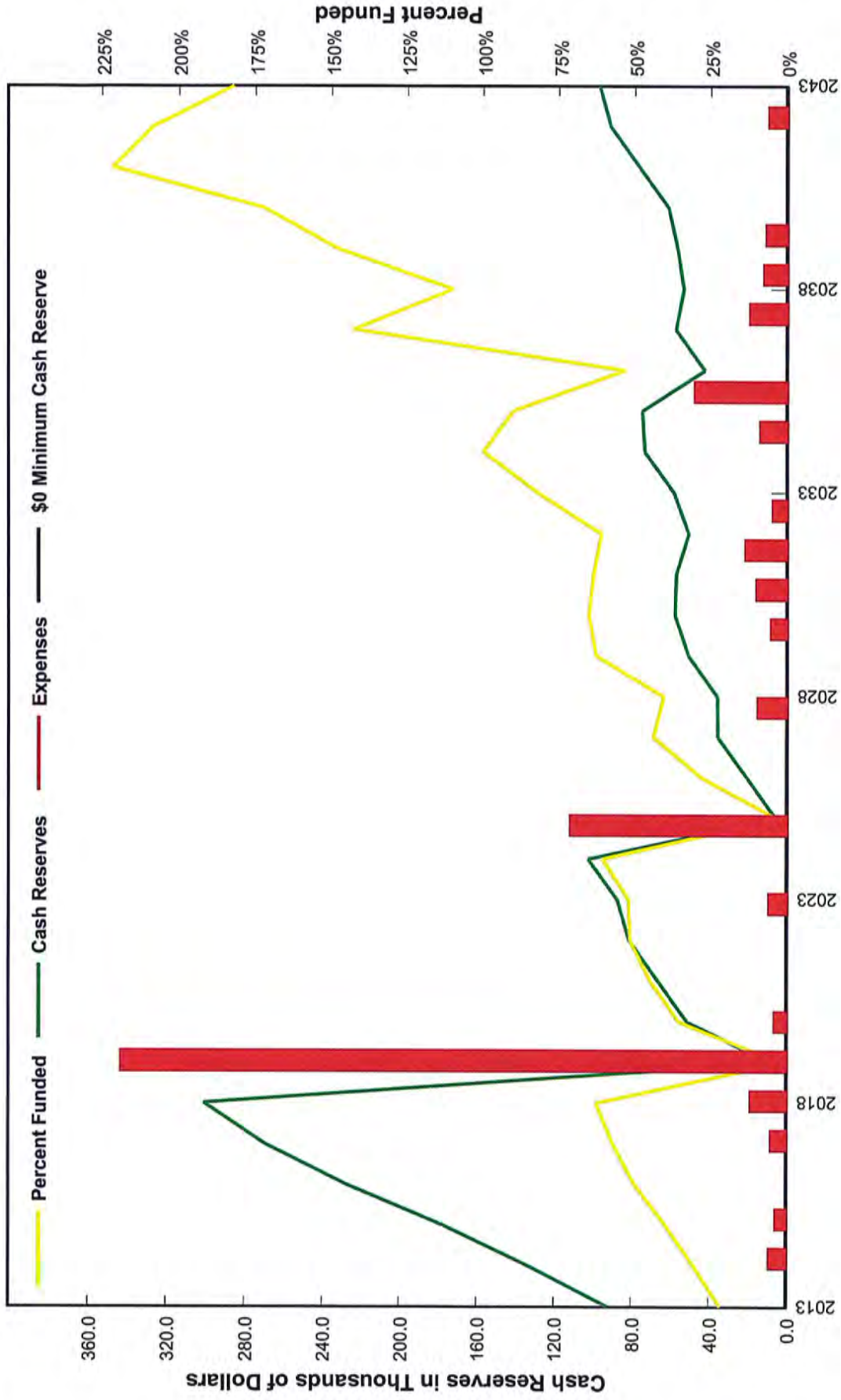
Cash Flow has been modified with the forced Fixed Payments.

Months Remaining in Calendar Year 2013: 12      Inflation = 2.50 %      Interest = 0.00 %

Study Life = 30 years      Initial Reserve Funds = \$41,800.00      Final Reserve Value = \$96,651.73

Annual Payments Held Constant for 8 years

Xanadu by the Sea Property Owners Association Funding Study Cash Flow by Calendar Year - Continued





**Xanadu by the Sea Property Owners Association Modified Reserve Dues Summary**

**Projected Dues by Month and by Calendar Year**

Calendar Year	Member Monthly Operations Payment	Member Monthly Reserve Payment	Member Total Monthly Payment	Member Total Annual Payment	Monthly Reserve Payment	Annual Reserve Payment
2013	NA	\$65.10	\$65.10	\$781.25	\$4,167	\$50,000
2014	NA	\$65.10	\$65.10	\$781.25	\$4,167	\$50,000
2015	NA	\$65.10	\$65.10	\$781.25	\$4,167	\$50,000
2016	NA	\$65.10	\$65.10	\$781.25	\$4,167	\$50,000
2017	NA	\$65.10	\$65.10	\$781.25	\$4,167	\$50,000
2018	NA	\$65.10	\$65.10	\$781.25	\$4,167	\$50,000
2019	NA	\$65.10	\$65.10	\$781.25	\$4,167	\$50,000
2020	NA	\$65.10	\$65.10	\$781.25	\$4,167	\$50,000
2021	NA	\$19.53	\$19.53	\$234.38	\$1,250	\$15,000
2022	NA	\$19.53	\$19.53	\$234.38	\$1,250	\$15,000
2023	NA	\$19.53	\$19.53	\$234.38	\$1,250	\$15,000
2024	NA	\$19.53	\$19.53	\$234.38	\$1,250	\$15,000
2025	NA	\$19.53	\$19.53	\$234.38	\$1,250	\$15,000
2026	NA	\$19.53	\$19.53	\$234.38	\$1,250	\$15,000
2027	NA	\$19.53	\$19.53	\$234.38	\$1,250	\$15,000
2028	NA	\$19.53	\$19.53	\$234.38	\$1,250	\$15,000
2029	NA	\$19.53	\$19.53	\$234.38	\$1,250	\$15,000
2030	NA	\$19.53	\$19.53	\$234.38	\$1,250	\$15,000
2031	NA	\$19.53	\$19.53	\$234.38	\$1,250	\$15,000
2032	NA	\$19.53	\$19.53	\$234.38	\$1,250	\$15,000
2033	NA	\$19.53	\$19.53	\$234.38	\$1,250	\$15,000
2034	NA	\$19.53	\$19.53	\$234.38	\$1,250	\$15,000
2035	NA	\$19.53	\$19.53	\$234.38	\$1,250	\$15,000
2036	NA	\$19.53	\$19.53	\$234.38	\$1,250	\$15,000
2037	NA	\$19.53	\$19.53	\$234.38	\$1,250	\$15,000
2038	NA	\$19.53	\$19.53	\$234.38	\$1,250	\$15,000
2039	NA	\$19.53	\$19.53	\$234.38	\$1,250	\$15,000
2040	NA	\$19.53	\$19.53	\$234.38	\$1,250	\$15,000
2041	NA	\$19.53	\$19.53	\$234.38	\$1,250	\$15,000
2042	NA	\$19.53	\$19.53	\$234.38	\$1,250	\$15,000
2043	NA	\$19.53	\$19.53	\$234.38	\$1,250	\$15,000

*Dues Summary has been modified with forced Fixed Payments.*

*In the context of the Reserve Payment Summary, the "Annual Reserve Payment" corresponds with the "Annual Revenue" in the Cash Flow report.*

*Number of Payment Months in Calendar Year 2013: 12*

*Number of Years of Constant Payments: 8*

*No of Dues Paying Members: 64*



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**Annual Expense Summary Report**

Year	Category	Item Name	Expense
2014	Site	Drainage Repairs for Cul-de-Sacs	\$8,935
2014 Annual Expense Total = \$8,935			
2015	Asphalt	Asphalt Sealcoat - First Application	\$5,605
2015 Annual Expense Total = \$5,605			
2017	Site	Access Control Call Box with Key Pad	\$7,931
2017 Annual Expense Total = \$7,931			
2018	Concrete	Concrete Sidewalk Repair Allowance - 10% Repair or Replacement Allowance	\$11,551
	Site	Motorized Gate Openers - Swing Style	\$6,970
2018 Annual Expense Total = \$18,521			
2019	Concrete	Clay Pavers at Cul-de-Sacs	\$343,016
2019 Annual Expense Total = \$343,016			
2020	Asphalt	Asphalt Sealcoat - 2nd Application	\$6,350
2020 Annual Expense Total = \$6,350			
2023	Concrete	Concrete Curbing Repair Allowance - 10% Repair or Replacement Allowance	\$5,712
	Site	Entry Signage	\$3,290
2023 Annual Expense Total = \$9,002			
2025	Asphalt	Asphalt Mill & Overlay	\$103,452
	Site	Motorized Gate Openers - Swing Style	\$8,301
2025 Annual Expense Total = \$111,753			
2028	Concrete	Concrete Sidewalk Repair Allowance - 10% Repair or Replacement Allowance	\$14,829
2028 Annual Expense Total = \$14,829			
2030	Asphalt	Asphalt Sealcoat - 3rd and Subsequent Applications	\$8,151
2030 Annual Expense Total = \$8,151			
2031	Site	Metal Entry Gates	\$11,251
		Metal Fence at Front Entrance	\$4,339



Year	Category	Item Name	Expense
Site Subtotal = \$15,590.00			
2031 Annual Expense Total = \$15,590			
2032	Site	Motorized Gate Openers - Swing Style	\$9,887
		Access Control Call Box with Key Pad	\$11,535
	Site Subtotal = \$21,422.00		
2032 Annual Expense Total = \$21,422			
2033	Concrete	Concrete Curbing Repair Allowance - 10% Repair or Replacement Allowance	\$7,333
2033 Annual Expense Total = \$7,333			
2035	Asphalt	Asphalt Sealcoat - 3rd and Subsequent Applications	\$9,236
	Site	Entry Signage	\$4,440
2035 Annual Expense Total = \$13,676			
2036	Site	Mailbox Kiosk Maintenance Allowance	\$36,420
		Mailbox Cluster Units - with Pedestals & Caps	\$10,926
	Site Subtotal = \$47,346.00		
2036 Annual Expense Total = \$47,346			
2038	Concrete	Concrete Sidewalk Repair Allowance - 10% Repair or Replacement Allowance	\$19,035
2038 Annual Expense Total = \$19,035			
2039	Site	Motorized Gate Openers - Swing Style	\$11,776
2039 Annual Expense Total = \$11,776			
2040	Asphalt	Asphalt Sealcoat - 3rd and Subsequent Applications	\$10,464
2040 Annual Expense Total = \$10,464			
2043	Concrete	Concrete Curbing Repair Allowance - 10% Repair or Replacement Allowance	\$9,413
2043 Annual Expense Total = \$9,413			

**Funding Reserve Analysis**  
*for*  
**Xanadu by the Sea**  
**Property Owners Association**  
**Jupiter, FL**

October 1, 2013





**Funding Reserve Analysis**  
*for*  
**Xanadu by the Sea**  
**Property Owners Association**  
**Jupiter, FL**

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October 1, 2013

Ms. Patti Padron
Xanadu by the Sea Property Owners Association
Xandu Place
Jupiter, FL 33458

Subject: Reserve Study for Xanadu by the Sea Property Owners Association - UP10903D

Ms. Padron,

USI Commercial is pleased to present to Patti Padron and the Xanadu by the Sea Property Owners Association the requested reserve funding study. We believe that you will find the attached study to be thorough and complete. After you have had an opportunity to review the report you may have questions. Please do not hesitate to contact us - we would be pleased to answer any questions you may have.

Project Description

Xanadu by the Sea is a upscale single family home community located along A1A in Jupiter, FL. The community, which was constructed between 1984 and 2003, has one access controlled gated entrance and one main asphalt road with nine cul-de-sacs, eight of which are made of stamped concrete and one is asphalt. There is a canal that crosses the property. At the time of the site visit, 61 of the 65 lots contained single family homes and four lots were undeveloped. USI Commercial has factored in 64 dues paying members per the directive of the client. The assumption is that the developer will contribute towards the balance of the one remaining unsold or undeveloped lot.

Site Visit

The site visit for Xanadu by the Sea was conducted by Reserve Analyst Anthony Gregory of USI Commercial on February 15, 2013.

Depth of Study

A field inspection was made to verify the existing condition of the various reserve study components and to verify component quantities. In place testing, laboratory testing, and non-destructive testing of the reserve study components were not performed. Field measurements of component quantities were made to either verify improvement plan take offs or determine directly the quantities of various components. Photographs were taken of the site improvements.

Summary of Financial Assumptions

The below table contains a partial summary of information provided to USI Commercial for the Xanadu by the Sea Property Owners Association funding study.

Table with 2 columns: Reserve Study by Calendar Year Starting, January 1, 2013. Rows include: Funding Study Length (30 Years), Number of Dues Paying Members (64), Reserve Balance as of January 1, 2013 (\$41,800), Annual Inflation Rate (2.50%), Tax Rate on Reserve Interest (30.00%), Minimum Reserve Account Balance (\$0), Dues Change Period (8 Years), Annual Operating Budget (\$0).

1 See "Financial Condition of Association" in this report.

2 Taxed as an IRS exempt association

### **Reserve Study Assumptions**

The below listed assumptions are implicit in this reserve study.

- Cost estimates and financial information provided to USI Commercial are accurate and current.
- No unforeseen circumstances will cause a significant reduction of reserves.
- Sufficient comprehensive property insurance exists to protect from insurable risks.
- The association plans to continue to maintain the existing common areas and amenities.
- Reserve payments occur at the end of every calendar month.
- Expenses occur at the end of the expense year.

### **Governing Documents**

The Conditions, Covenants, and Restrictions governing documents for Xanadu by the Sea Property Owners Association were provided to USI Commercial for the production of this reserve study report. The CCRs were recorded in the State of FL and the County of Palm Beach. This reserve study report was prepared in accordance with the CCRs.

### **Impact of Component Life**

The projected life expectancy of the major components and the reserve funding needs of the association are closely tied. Performing the appropriate routine maintenance for each major component generally increases the component useful life, effectively moving the component expense into the future which reduces the reserve funding payments of the association. Failure to perform such maintenance can shorten the remaining useful life of the major components, bringing the replacement expense closer to the present which increases the reserve funding payments of the association.

### **Inflation Estimate**

Inflation for the last year has been reviewed and a best fit regression analysis for the last 12 months is 2.50 percent. An inflation multiplier of 2.50 percent per annum has been applied to all future expenses.

### **Initial Reserves**

Initial reserves for this reserve study were known to be \$41,800 on January 1, 2013. Per client directive, interest has not been factored into this reserve study report.

The implicit assumption has been made that the reserve accounts were not drawn down between the date of the known reserve balance and the study start date.

### **Financial Condition of Association**

The capital expenditures for this study period are projected to be \$690,148.00. The annual reserve fund contribution has been set to \$50,000.00, which calculates to \$65.10 per month, per member. This will allow the association to acquire funds to remove all stamped concrete from the cul-de-sacs and replace with clay pavers. If the association contributes \$50,000.00 annually, the clay paver project will be fully funded in 2019 without the need to levy a special assessment upon the members.

USI Commercial recommends reducing the annual reserve fund contribution to \$15,000.00 annually, or \$19.53 per month, per member in 2021 through the remainder of the study period. The recommended reduction in reserve contributions will still keep the association adequately funded for future cycles of repairs and replacements including the asphalt mill and overlay project scheduled for 2025.

Theoretically, a perfect funding plan achieves 100 percent funding; however this does not mean that anything less than 100 percent renders the association fiscally unhealthy. A percent funding level of 70 percent or greater is considered to be a "healthy" reserve fund. Additionally, it is quite normal for the percent funded to vary from year to year over the study period as the association realizes capital expenditures. Please see the Cash Flow Analysis and the Dues Summary reports for details.

### **Special Assessments**

Special Assessments are not required for this reserve study.

### **Reserve Funding Goal**

The reserve fund is set to be as close to Fully Funded as possible on an annual basis.



### **Study Method**

Reserve studies may be done in several ways, but we believe that the value of a reserve study lies in the details. In this study, we have used the "Component" method because it is the only method which allows scrutiny of the funding details. The method is pragmatic, and allows human judgement and experience to enter into the equation.

Whenever possible, the known costs of reserve items have been factored into this report. Known costs are provided to USI Commercial in the form of invoices, qualified contractor proposals, or directly from the client. If exact known costs are not available, present costs have been estimated by the Reserve Analyst's observations and experience; USI Commercial's proprietary internal database of costs; and industry recognized cost reference guides such as the National Construction Estimator, RS Means, and the Engineering New-Record Cost Book. In addition, every reserve item has been given an estimated remaining useful life, an estimated useful life when new, and has been cast into the future to determine future costs.

Equal annual payments are calculated for each reserve item based upon a payment starting year and a payment ending year using the end of period payment method. If applicable, interest earned on accumulated reserve funds and taxes on the reserve interest are also calculated. Initial reserve funds are consumed as expenses occur until fully depleted, reducing annual reserve payments to a minimum. As you review this report, we are certain that you will appreciate the level of detail provided, allowing you to review each reserve item in detail.

### **Summary of Findings**

USI Commercial has estimated future projected expenses for Xanadu by the Sea Property Owners Association based upon preservation of existing improvements. The attached funding study is limited in scope to those expense items listed in the attached "Xanadu by the Sea Property Owners Association Reserve Study Expense Items". Expense items which have an expected life of more than 30 Years are not included in this reserve study unless payment for these long lived items overlaps the 30 Years reserve study envelope. The primary concern is the preservation of a positive funding balance with funds sufficient to meet projected expenses throughout the study life. Based upon the attached funding study, it is our professional opinion that recommended annual reserve fund contribution will realize this goal.

It is implied that the information provided to USI Commercial by the client, including but not limited to that information contained in the attached Reserve Study Information Summary, and the maintenance records, are complete and accurate, and that USI Commercial may rely upon such information and documents without further verification or corroboration. Where the age of a particular reserve item (as listed in the reserve study) is unknown, the best-estimated age of that item has been used. If the association is unable to provide and estimate of a reserve item's age, USI Commercial shall make its own estimate of age of the reserve item. The reserve study is created for the association's use, and is a reflection of information provided to USI Commercial. This information is not for the purpose of performing an audit, historical records, quality or forensic analyses. The on-site reserve study inspection is not considered to be a project audit, quality inspection, or property condition assessment.

### **Percent Funded**

Many reserve studies use the concept of "Percent Funded" to measure the reserve account balance against a theoretically perfect value. Percent Funded is often used as a measure of the "Financial Health" of an association. The assumption is, the higher the percentage, the greater the "Financial Health". The question of substance is simply: "How much is enough?"

To answer the question, some understanding of Percent Funded is required. Percent Funded is the ratio of current cash reserves divided by the depreciated value of the association improvements. Percent Funded is then, the current reserve balance divided by the Fully Funded value multiplied by 100 (to give a percentage). The concept is useful when the reserve study is comprehensive, but misleading when the reserve study is superficial or constrained. As a result, we recommend that the statement "Percent Funded" be used with caution.

### **Keeping Your Reserve Study Current**

USI Commercial believes that funding studies are an essential part of property management. People and property are constantly changing and evolving. As a result, the useful life of a funding study is not more than five years.

It is recommended that this reserve study should be updated on an annual basis or when one of the following events occur: changes in interest rates, changes in inflation rates, changes in the number of dues paying members, before starting new improvements, before making changes to the property, after a flood or fire, after the change of ownership or management, or after Annexation or Incorporation.



### Items Beyond the Scope of this Report

- Building or land appraisals for any purpose.
- State or local zoning ordinance violations.
- Building code violations.
- Soils conditions, soils contamination or geological stability of site.
- Engineering analysis or structural stability of site.
- Air quality, asbestos, electromagnetic radiation, formaldehyde, lead, mercury, or radon.
- Water quality or other environmental hazards.
- Invasions by termites and any or all other destroying organisms or insects.
- Damage or destruction due to birds, bats or animals to buildings or site.
- This study is not a pest inspection.
- Adequacy or efficiency of any system or component on site.
- Specifically excluded reserve items.
- Septic systems and septic tanks.
- Buried or concealed portions of swimming pools, pool liners, Jacuzzis and spas or similar items.
- Items concealed by signs, carpets or other things.
- Missing or omitted information supplied by Xanadu by the Sea Property Owners Association.
- Hidden improvements such as sewer lines, water lines, or other buried or concealed items.

### Items Maintained by Others

Items Maintained by Others are those items that are not maintained by the specific association for which the study is conducted. These items are not included in the reserve study. The "Other" responsible parties may include the county, the utility company, the homeowner, or a separate association.

For the purposes of this study, examples of Items Maintained by Others are: the homesites, the exterior light posts along the main road, and the sewage system.

### Long Lived Items

Long Lived Items are considered to be those items that have remaining life expectancies that are unpredictable and/or beyond the study period. These items are not included in the reserve study. These items may require periodic maintenance or repairs which would typically be funded from the operating budget.

In this study, examples of Long Lived Items are: the storm water management system and the water supply piping.

Although concrete is considered to be a Long Lived Item, a repair and replacement allowance has been factored into this analysis. Routine maintenance of the concrete flatwork will not only enhance the look of the community, it may extend the design life of the concrete.

### Operating Budget Items

Operating Budget Items are those items that have a relatively low cost - typically less than \$1,000 - and/or are considered to be short-term maintenance. These items are not included in the reserve study.

For the purposes of this study, examples of Operating Budget Items are: the general landscaping.

### Tax Considerations

Certain items that may be included in this reserve study, such as painting and reserve study fees, may not be tax deductible per IRS guidelines. Consultation with a tax advisor is recommended.

### Statement of Qualifications

David Rothbart, Director of Reserve Study Services for USI Commercial, is also a CAI designated Reserve Specialist. Mr. Rothbart has been a professional in the inspection industry for over 13 years, performing over 5,000 commercial and residential building inspections, as well as completing numerous Reserve Studies. Mr. Rothbart earned a BA from Fairleigh Dickinson University, and is a Certified Environmental Professional, completing his studies through the Lincoln Graduate Center. Having successfully owned and sold several businesses, Mr. Rothbart is familiar with construction practices, construction costs, and contracting practices. Currently he is a NAHI Certified Home Inspector, a Radon Technician certified with the National Environmental Health Association, and a licensed WDI Inspector. Mr. Rothbart, who was formerly an EMT

*Prepared by USI Commercial*

*Xanadu by the Sea Property Owners Association Funding Study Summary - Continued*

in a trauma center in New Jersey, is currently a Reserve Specialist and Field Manager in Northern Virginia for USI Commercial.

**Conflict of Interest**

As the preparer of this reserve study report, USI Commercial certifies that we do not have any vested interests, financial interests, or other interests that would cause a conflict of interest in the preparation of this reserve study report.

USI Commercial would like to thank Xanadu by the Sea Property Owners Association for the opportunity to be of service in the preparation of the attached reserve study report. Again, please feel free to contact us if you have any questions.

This report was prepared by:

Anthony Gregory  
Reserve Analyst

David Rothbart, RS  
Director of Reserve Study Operations

Cheryl Rorrer  
Technical Report Writer

Enclosures:

4 Pages of Photographs Attached





Main Entrance Gate



Main Road, Concrete Curbing, & Mailbox Kiosk





Main Road Ending in Cul-de-Sac



Stamped Concrete Cul-de-Sac





Mailbox Kiosk



Access Control Entrance Keypad





View of Beach Access



View of Beach



## Xanadu by the Sea Property Owners Association Reserve Study Expense Item Listing

Reserve Items	Unit Cost	No Units	Current Cost When New	Estimated Remaining Life	Expected Life When New	Calendar Year	Estimated Future Cost	Raw Annual Payment
<b>Asphalt</b>								
Asphalt Sealcoat - First Application	\$5,200 / lump sum	1 lump sum	\$5,200	2 Years	5 Years	2015	\$5,605	\$1,868.19
Asphalt Sealcoat - 2nd Application	\$5,200 / lump sum	1 lump sum	\$5,200	7 Years	5 Years	2020	\$6,350	\$793.75
Asphalt Mill & Overlay	\$2.00 / sqft	37386 sqft	\$74,772	12 Years	30 Years	2025	\$103,452	\$7,957.83
Asphalt Sealcoat - 3rd and Subsequent Applications	\$5,200 / lump sum	1 lump sum	\$5,200	17 Years	5 Years	2030	\$8,151	\$452.86
				5 Years		2035	\$9,236	\$1,847.11
				5 Years		2040	\$10,464	\$2,092.78
				5 Years		2045	\$11,856	\$2,371.12
<b>Concrete</b>								
Concrete Sidewalk Repair Allowance - 10% Repair or Replacement Allowance	\$11.00 / sqft	904 sqft	\$9,944	5 Years	10 Years	2018	\$11,551	\$1,925.25
				10 Years		2028	\$14,829	\$1,482.85
				10 Years		2038	\$19,035	\$1,903.53
				10 Years		2048	\$24,435	\$2,443.54
Concrete Curbing Repair Allowance - 10% Repair or Replacement Allowance	\$20.00 / Inft	217 Inft	\$4,340	10 Years	10 Years	2023	\$5,712	\$519.28
						2033	\$7,333	\$733.26
						2043	\$9,413	\$941.28
Clay Pavers at Cul-de-Sacs	\$8.00 / sqft	36000 sqft	\$288,000	6 Years	50 Years	2019	\$343,016	\$49,002.35
<b>Site</b>								
Mailbox Kiosk Maintenance Allowance	\$10,000 ea	2	\$20,000	23 Years	25 Years	2036	\$36,420	\$1,517.49
Mailbox Cluster Units - with Pedestals & Caps	\$1,500 ea	4	\$6,000	23 Years	25 Years	2036	\$10,926	\$455.25
Metal Entry Gates	\$3,500 ea	2	\$7,000	18 Years	30 Years	2031	\$11,251	\$592.13
Motorized Gate Openers - Swing Style	\$1,500 ea	4	\$6,000	5 Years	7 Years	2018	\$6,970	\$1,161.65
				5 Years		2025	\$8,301	\$1,185.91
				7 Years		2032	\$9,887	\$1,412.46
				7 Years		2039	\$11,776	\$1,682.28
				7 Years		2046	\$14,025	\$2,003.64

Xanadu by the Sea Property Owners Association Reserve Study Expense Item Listing - Continued

Reserve Items	Unit Cost	No Units	Current Cost When New	Estimated Remaining Life	Expected Life When New	Calendar Year	Estimated Future Cost	Raw Annual Payment
Access Control Call Box with Key Pad	\$7,000 ea	1	\$7,000	4 Years	15 Years	2017	\$7,931	\$1,586.20
				15 Years		2032	\$11,535	\$769.00
						2047	\$16,777	\$1,118.46
Metal Fence at Front Entrance	\$30.00 / Inft	90 Inft	\$2,700	18 Years	30 Years	2031	\$4,339	\$228.39
Entry Signage	\$2,500 / lump sum	1 lump sum	\$2,500	10 Years	12 Years	2023	\$3,290	\$299.13
				12 Years		2035	\$4,440	\$370.01
						2047	\$5,992	\$499.31
Drainage Repairs for Cul-de-Sacs	\$8,500 / Lump Sum	1 Lump Sum	\$8,500	1 Year	50 Years	2014	\$8,935	\$4,467.67

Raw Annual Payments do not include earned interest, tax adjustments or payments made with initial reserves.

Months Remaining in Calendar Year 2013: 12

Expected annual inflation: 2.50% Interest earned on reserve funds: 0.00% Initial Reserve: \$41,800



Xanadu by the Sea Property Owners Association Funding Study Modified Cash Flow Analysis

Calendar Year	Annual Payment	Annual Expenses	Net Reserve Funds	% Funded
2013	\$50,000		\$91,800	21.8 %
2014	\$50,000	\$8,935	\$132,865	30.3 %
2015	\$50,000	\$5,605	\$177,260	39.8 %
2016	\$50,000		\$227,260	49.9 %
2017	\$50,000	\$7,931	\$269,329	57.2 %
2018	\$50,000	\$18,521	\$300,808	62.8 %
2019	\$50,000	\$343,016	\$7,791	1.6 %
2020	\$50,000	\$6,350	\$51,441	35.8 %
2021	\$15,000		\$66,441	45.1 %
2022	\$15,000		\$81,441	51.8 %
2023	\$15,000	\$9,002	\$87,439	52.3 %
2024	\$15,000		\$102,439	60.9 %
2025	\$15,000	\$111,753	\$5,686	3.2 %
2026	\$15,000		\$20,686	28.0 %
2027	\$15,000		\$35,686	44.1 %
2028	\$15,000	\$14,829	\$35,857	40.7 %
2029	\$15,000		\$50,857	63.0 %
2030	\$15,000	\$8,151	\$57,706	65.4 %
2031	\$15,000	\$15,590	\$57,116	63.8 %
2032	\$15,000	\$21,422	\$50,693	61.3 %
2033	\$15,000	\$7,333	\$58,361	82.5 %
2034	\$15,000		\$73,361	100.3 %
2035	\$15,000	\$13,676	\$74,685	90.2 %
2036	\$15,000	\$47,346	\$42,340	53.5 %
2037	\$15,000		\$57,340	143.0 %
2038	\$15,000	\$19,035	\$53,304	110.3 %
2039	\$15,000	\$11,776	\$56,528	148.5 %
2040	\$15,000	\$10,464	\$61,065	172.6 %
2041	\$15,000		\$76,065	221.8 %
2042	\$15,000		\$91,065	208.5 %
2043	\$15,000	\$9,413	\$96,652	182.2 %
<b>Totals :</b>	<b>\$745,000</b>	<b>\$690,148</b>		

The cash distribution shown in this table applies to repair and replacement cash reserves only.

Basis of Funding Study - Modified Cash Flow

Cash reserves have been set to a minimum of \$0

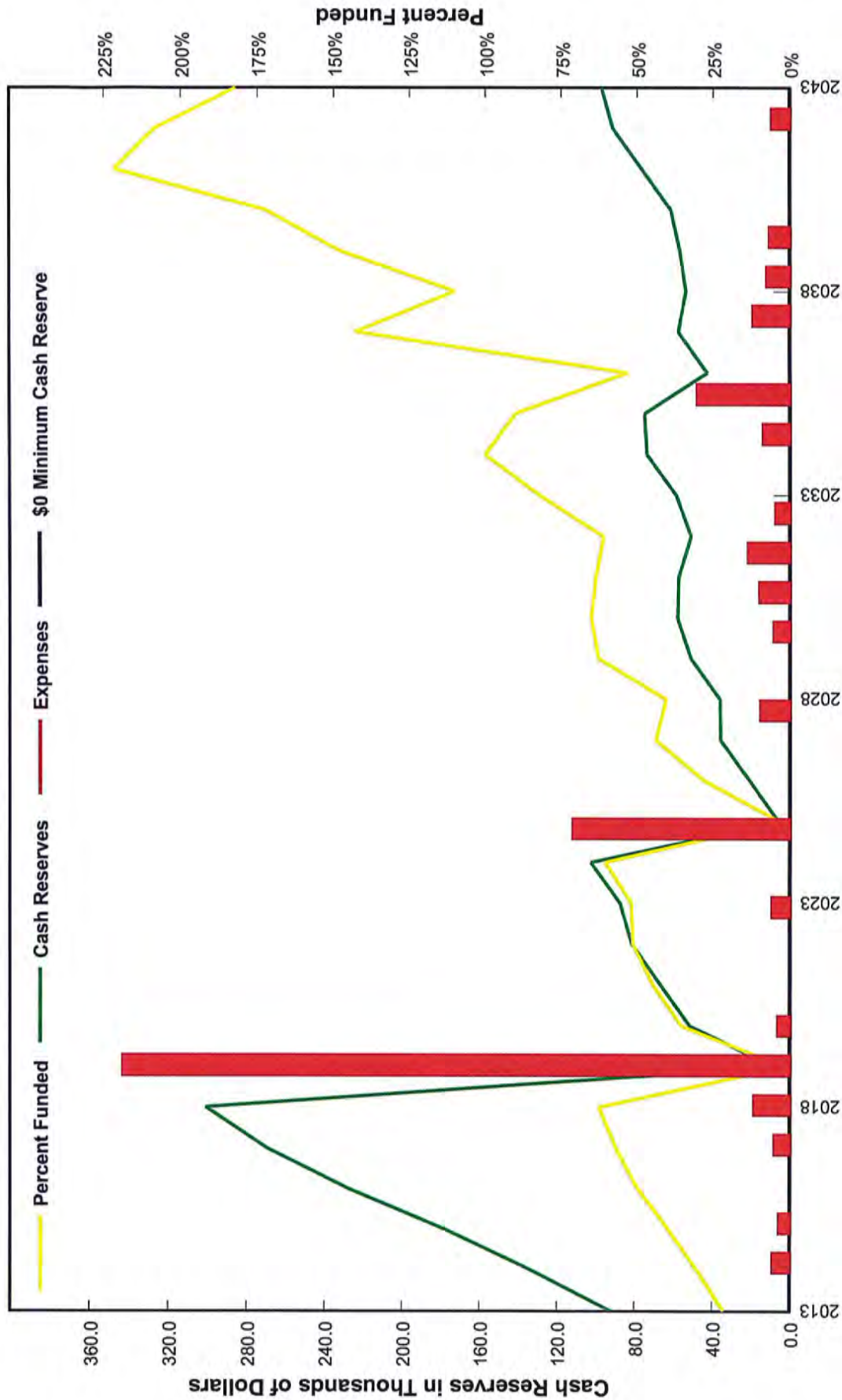
Cash Flow has been modified with the forced Fixed Payments.

Months Remaining in Calendar Year 2013: 12      Inflation = 2.50 %      Interest = 0.00 %

Study Life = 30 years      Initial Reserve Funds = \$41,800.00      Final Reserve Value = \$96,651.73

Annual Payments Held Constant for 8 years

Xanadu by the Sea Property Owners Association Funding Study Cash Flow by Calendar Year - Continued





**Xanadu by the Sea Property Owners Association Modified Reserve Dues Summary**

**Projected Dues by Month and by Calendar Year**

Calendar Year	Member Monthly Operations Payment	Member Monthly Reserve Payment	Member Total Monthly Payment	Member Total Annual Payment	Monthly Reserve Payment	Annual Reserve Payment
2013	NA	\$65.10	\$65.10	\$781.25	\$4,167	\$50,000
2014	NA	\$65.10	\$65.10	\$781.25	\$4,167	\$50,000
2015	NA	\$65.10	\$65.10	\$781.25	\$4,167	\$50,000
2016	NA	\$65.10	\$65.10	\$781.25	\$4,167	\$50,000
2017	NA	\$65.10	\$65.10	\$781.25	\$4,167	\$50,000
2018	NA	\$65.10	\$65.10	\$781.25	\$4,167	\$50,000
2019	NA	\$65.10	\$65.10	\$781.25	\$4,167	\$50,000
2020	NA	\$65.10	\$65.10	\$781.25	\$4,167	\$50,000
2021	NA	\$19.53	\$19.53	\$234.38	\$1,250	\$15,000
2022	NA	\$19.53	\$19.53	\$234.38	\$1,250	\$15,000
2023	NA	\$19.53	\$19.53	\$234.38	\$1,250	\$15,000
2024	NA	\$19.53	\$19.53	\$234.38	\$1,250	\$15,000
2025	NA	\$19.53	\$19.53	\$234.38	\$1,250	\$15,000
2026	NA	\$19.53	\$19.53	\$234.38	\$1,250	\$15,000
2027	NA	\$19.53	\$19.53	\$234.38	\$1,250	\$15,000
2028	NA	\$19.53	\$19.53	\$234.38	\$1,250	\$15,000
2029	NA	\$19.53	\$19.53	\$234.38	\$1,250	\$15,000
2030	NA	\$19.53	\$19.53	\$234.38	\$1,250	\$15,000
2031	NA	\$19.53	\$19.53	\$234.38	\$1,250	\$15,000
2032	NA	\$19.53	\$19.53	\$234.38	\$1,250	\$15,000
2033	NA	\$19.53	\$19.53	\$234.38	\$1,250	\$15,000
2034	NA	\$19.53	\$19.53	\$234.38	\$1,250	\$15,000
2035	NA	\$19.53	\$19.53	\$234.38	\$1,250	\$15,000
2036	NA	\$19.53	\$19.53	\$234.38	\$1,250	\$15,000
2037	NA	\$19.53	\$19.53	\$234.38	\$1,250	\$15,000
2038	NA	\$19.53	\$19.53	\$234.38	\$1,250	\$15,000
2039	NA	\$19.53	\$19.53	\$234.38	\$1,250	\$15,000
2040	NA	\$19.53	\$19.53	\$234.38	\$1,250	\$15,000
2041	NA	\$19.53	\$19.53	\$234.38	\$1,250	\$15,000
2042	NA	\$19.53	\$19.53	\$234.38	\$1,250	\$15,000
2043	NA	\$19.53	\$19.53	\$234.38	\$1,250	\$15,000

*Dues Summary has been modified with forced Fixed Payments.*

*In the context of the Reserve Payment Summary, the "Annual Reserve Payment" corresponds with the "Annual Revenue" in the Cash Flow report.*

*Number of Payment Months in Calendar Year 2013: 12*

*Number of Years of Constant Payments: 8*

*No of Dues Paying Members: 64*



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**Annual Expense Summary Report**

Year	Category	Item Name	Expense
2014	Site	Drainage Repairs for Cul-de-Sacs	\$8,935
2014 Annual Expense Total = \$8,935			
2015	Asphalt	Asphalt Sealcoat - First Application	\$5,605
2015 Annual Expense Total = \$5,605			
2017	Site	Access Control Call Box with Key Pad	\$7,931
2017 Annual Expense Total = \$7,931			
2018	Concrete	Concrete Sidewalk Repair Allowance - 10% Repair or Replacement Allowance	\$11,551
	Site	Motorized Gate Openers - Swing Style	\$6,970
2018 Annual Expense Total = \$18,521			
2019	Concrete	Clay Pavers at Cul-de-Sacs	\$343,016
2019 Annual Expense Total = \$343,016			
2020	Asphalt	Asphalt Sealcoat - 2nd Application	\$6,350
2020 Annual Expense Total = \$6,350			
2023	Concrete	Concrete Curbing Repair Allowance - 10% Repair or Replacement Allowance	\$5,712
	Site	Entry Signage	\$3,290
2023 Annual Expense Total = \$9,002			
2025	Asphalt	Asphalt Mill & Overlay	\$103,452
	Site	Motorized Gate Openers - Swing Style	\$8,301
2025 Annual Expense Total = \$111,753			
2028	Concrete	Concrete Sidewalk Repair Allowance - 10% Repair or Replacement Allowance	\$14,829
2028 Annual Expense Total = \$14,829			
2030	Asphalt	Asphalt Sealcoat - 3rd and Subsequent Applications	\$8,151
2030 Annual Expense Total = \$8,151			
2031	Site	Metal Entry Gates	\$11,251
		Metal Fence at Front Entrance	\$4,339



Year	Category	Item Name	Expense
			Site Subtotal = \$15,590.00
2031 Annual Expense Total = \$15,590			
2032	Site	Motorized Gate Openers - Swing Style	\$9,887
		Access Control Call Box with Key Pad	\$11,535
			Site Subtotal = \$21,422.00
2032 Annual Expense Total = \$21,422			
2033	Concrete	Concrete Curbing Repair Allowance - 10% Repair or Replacement Allowance	\$7,333
2033 Annual Expense Total = \$7,333			
2035	Asphalt	Asphalt Sealcoat - 3rd and Subsequent Applications	\$9,236
	Site	Entry Signage	\$4,440
2035 Annual Expense Total = \$13,676			
2036	Site	Mailbox Kiosk Maintenance Allowance	\$36,420
		Mailbox Cluster Units - with Pedestals & Caps	\$10,926
			Site Subtotal = \$47,346.00
2036 Annual Expense Total = \$47,346			
2038	Concrete	Concrete Sidewalk Repair Allowance - 10% Repair or Replacement Allowance	\$19,035
2038 Annual Expense Total = \$19,035			
2039	Site	Motorized Gate Openers - Swing Style	\$11,776
2039 Annual Expense Total = \$11,776			
2040	Asphalt	Asphalt Sealcoat - 3rd and Subsequent Applications	\$10,464
2040 Annual Expense Total = \$10,464			
2043	Concrete	Concrete Curbing Repair Allowance - 10% Repair or Replacement Allowance	\$9,413
2043 Annual Expense Total = \$9,413			