

**A RESERVE STUDY UPDATE FOR**

**The Sorrento at the Colony  
Condominium Association, Inc.  
Estero, Florida  
File #22920-06000**

**FOR PERIOD: January 1, 2022 – December 31, 2022**

**PREPARED BY  
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December 4, 2021

The Sorrento at the Colony Condominium Association, Inc.  
Attn: Ms. Bonnie Schinke, Property Manager  
23650 Via Venito  
Estero, Florida 34134

Dear Ms. Schinke,

On January 6, 2012, we completed an initial on-site inspection of The Sorrento at the Colony Condominium Association, Inc.'s common area reserve items. Data gleaned from this inspection was utilized in the completion of an original reserve study report published on June 14, 2012, as well as update reserve study reports published on October 19, 2013 and October 13, 2014. A follow up on-site inspection was completed on July 16, 2015, for use in completion of update reserve study reports published on October 23, 2015, October 28, 2016, January 29, 2018 and August 2, 2018. A follow up on-site inspection was completed on April 9, 2019, for use in completion of update reserve study reports published on June 16, 2019 and September 27, 2020. This reserve study report is an update of that previous reserve study report, which was accepted as accurate and reliable by the association representatives. A Sedgwick Valuation Services representative did not re-inspect the common area reserve items for use in completion of this update reserve study report.

The intent of this report is to show cash reserves necessary for the future repair or replacement of expendable components incorporated into the subject property. The purpose of this report is to aid The Sorrento at the Colony Condominium Association, Inc. in making a determination for cash reserves that are needed to repair or replace short-lived building and/or site components.

The report identifies each component selected, it's estimated useful life, adjusted life, scheduled replacement date, and current cost to repair/replace. The useful and remaining lives of the building components in this study, as well as the current replacement costs, have been selected from market standards, cost estimating services, and consideration of actual recent costs incurred by the association for reserve upgrades. This report is classified as an update reserve study without site visit under the guidelines of the National Reserve Study Standards of the Community Associations Institute, and conforms to the Community Associations Institute Professional Reserve Specialist Code of Ethics. The reserve specialist and Sedgwick Valuation Services have no relationships with the association that would result in actual or perceived conflicts of interest.

This report is our opinion and based upon observed conditions and state of repair. Actual determinations of the current conditions and state of repair for certain items may be beyond the scope of this report. Items may not last as long as projected or may exceed their estimated lives, and actual costs may not correspond to our included estimates. Influences such as weather, catastrophe, improper maintenance, physical abuse, or abnormal use can affect these lives and/or replacement costs. When such occurrences



happen, another inspection should be made and a new revised study prepared. While we have attempted to create a useful tool for the association to plan their needs, the actual reserves set aside are solely at the association's discretion. The findings of this study are not for use in performing an audit, quality/forensic analyses, or background checks of historical records.

In completing this report, the reserve specialist utilized information taken from the prior inspections and reserve study reports. At the association's request and sole discretion, an Engineering Study reserve line item was added. Financial data, including the estimated reserve fund balance as of the analysis date, and property histories, provided by you, were utilized in the completion of this report. This data was not audited, and was assumed to be complete and correct. Unless otherwise specified, the reserve specialist estimated the repair/replacement costs and useful/remaining useful lives taking into account contingencies inherent to this type of work, and the report was prepared utilizing the information gathered in the field and the costs and useful lives estimated by the reserve specialist.

Respectfully submitted,  
Sedgwick Valuation Services

Stephen F. Brubaker, RS #65  
Reserve Specialist, Community Associations Institute

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## PROJECT OVERVIEW



The subject of this reserve study report is the common areas within The Sorrento at the Colony Condominium Association, a 21 story, 72 unit luxury high rise apartment building located with the greater The Colony Golf & Bay club properties in Estero, Florida. Originally constructed in 2001, per the property representatives, the tower building is of heavy concrete frame/superstructure construction, with painted stucco exteriors, fire alarm and sprinkler systems, garage roof mounted recreation decks, and combination flat membrane, pitched tile and pitched metal tile roof covers. The first floor supports an entry porte cochere, grand lobby, galleries/elevator lobbies, mail room, common area parking garages, and typical mechanical, electrical, trash, and storage rooms. The second floor is the amenity level, including an elevator lobby and galleries, administrative offices, social room with bar and residential grade kitchen, billiards room, exercise room, restrooms, two guest suites, a manager's apartment, one dwelling unit, and miscellaneous storage and mechanical rooms. This level also accessed the garage roof recreation decks, which feature paver decks/walkways, and landscaped lawns and planter boxes. Floors 3-21 support the remaining dwelling units, accessed via common area elevator lobbies and hallways. Access to the upper floors is via two traction elevators and two standard stairway cores. The interior finishes are representative of a high quality property, and the common rooms include good quality furnishings/finishes. The exercise room features health club grade fitness equipment. Air conditioning of the common areas is via one roof mounted package unit supporting the hallways and multiple split HVAC air handler/condenser pairs, and there is an inventory of typical exhaust fans. Major mechanical equipment includes the aforementioned elevators and fire safety systems, diesel generator, fire pump, domestic water pumps/equipment, security entry systems, automatic garage

entry/exit gates, water softener system/equipment, and fountain equipment. The building also includes two standard trash chutes and an inventory of trash chute doors.

The common areas include a ground mounted pool and spa, supported by a single story cabana/restroom building, paver decking, perimeter fencing, typical equipment, and better quality deck furniture. Site improvements include marquee signage, asphalt paved and paver parking and drives, concrete curbing/paving, landscaping and irrigation systems, site lighting, decorative entry fountain, and two heavy wood frame parking trellises.

Reserves are only calculated for the replacement of short-lived building or site components. This includes components that require replacement prior to the overall estimated end life of the buildings or structures. Florida statute requires consideration for roofs, exterior paint and/or waterproofing, pavement and all items that have an estimated repair or replacement cost above \$10,000. For the association's consideration, we have included items below the \$10,000 threshold based on their predictability of cost and useful life. This report is designed to provide reasonable, appropriate budgetary cost and useful life data based on market standards for the subject's property type and in compliance with Florida statutes. It was assumed that the unit entry doors, windows, sliding glass doors and balcony decks are the financial responsibility of the unit owners. We are unaware of any private reserve requirements.

## **RESERVE STUDY FUNDING ANALYSIS**

There are two generally accepted means of estimating reserves; the Cash Flow Analysis and the Component Funding Analysis methodologies. The **Cash Flow Analysis** (or Pooling Method) is a method of calculating reserve contributions where contributions to the reserve funds are designed to offset the variable annual expenditures from the reserve fund. This analysis recognizes interest income attributable to reserve accounts over the period of the analysis. Funds from the beginning balances are pooled together and a yearly contribution rate is calculated to arrive at a positive cash flow and reserve account balance to adequately fund the future projected expenditures throughout the period of the analysis.

Prior to December 23, 2002, Florida statute mandated that condominium associations calculate reserves via the Component Funding Analysis method, on an annual basis. Funding at less than 100% of the fully funded estimate, based on the Component Funding Analysis method, could occur only after a full vote of the association membership. As of December 23, 2002, amendments to the Florida Administrative Code recognize the Cash Flow Analysis method as an approved methodology for the calculation of reserve funding for condominium associations. The fund requirement estimated by the Cash Flow Analysis method can now be provided to the membership, on an annual basis as a fully funded figure. The analysis must be completed as a portion of the association's annual budget, include the total estimated useful lives, estimated remaining useful lives, and estimated replacement cost/deferred maintenance expenses of all assets in the reserve budget (minimum roofing, painting, paving and any other item with a replacement/repair cost over \$10,000), and the estimated fund balance of the pooled reserve account as of the beginning of the period for which the budget will be in effect.

If the association maintains a pooled account for reserves, the amount of the contribution to the pooled reserve account as disclosed on the proposed budget shall be not less than that required to ensure that the balance on hand at the beginning of the period for which the budget will go into effect plus the projected annual cash inflows over the remaining estimated useful lives of all of the assets that make up the reserve pool are equal to or greater than the projected annual cash outflows over the remaining estimated useful lives of all of the assets that make up the reserve pool, based on the current reserve analysis. The projected annual cash inflows may include estimated earnings from investment of principal; the association may include annual percentage increases in costs for the reserve components, but these increases are not mandated. Fully funded reserve contributions utilizing this methodology may not include future special assessments, and the annual funding levels cannot include percentage increases.

In our Cash Flow Analysis calculations, we do not include increases in construction costs/inflation. While future costs are expected to be higher than today's costs, which is supported by our analysis of past indexes/trends, increases in costs should be recognized as the association estimates current repair/replacement costs during their annual calculations of full reserve funding. A current cost estimate during the current fiscal year would theoretically be lower than a current cost for future fiscal years. That way the estimates of current cost moving forward will eventually represent current cost as of the date of forecast expenditure. Funding the reserves annually on that basis should ensure that adequate monies are available as of the date of expense, assuming that the current cost estimate is appropriate and that the reserve was fully funded since its last repair/replacement project was completed.

The **Component Funding Analysis** (or Straight Line Method) calculates the annual contribution amount for each individual line item component by dividing the component's unfunded balance by its

remaining useful life. A component's unfunded balance is its replacement cost less the reserve balance in the component at the beginning of the analysis period. The annual contribution rate for each individual line item component is then summed to calculate the total annual contribution rate for this analysis.



# **EXECUTIVE SUMMARY**

## **PROPERTY DATA**

**Property Name:** The Sorrento at the Colony  
**Property Location:** Estero, Florida  
**Property Type:** Condominium Association  
**Total Units:** 72

**Report Run Date:** December 4, 2021  
**Budget Year Begins:** January 1, 2022  
**Budget Year Ends:** December 31, 2022

## **PROJECTED COMPONENT CATEGORIES AND PARAMETERS**

Common Area Interiors  
Decks & Planter Boxes  
Engineering Study  
Mechanical/Electrical  
Painting & Waterproofing  
Pavement  
Pool & Spa  
Railings/Screen Enclosures  
Roofing  
Site Improvements

Total current cost of all reserve components in reserve analysis:	\$	5,487,693
Estimated beginning reserve fund balance for reserve analysis:	\$	700,000
Total number of components scheduled for replacement in the 2022 budget year:		1
Total cost of components scheduled for replacement in the 2022 budget year:	\$	20,000

## **ANALYSIS RESULTS –CASH FLOW ANALYSIS**

Our recommended annual reserve funding contribution amount:	\$	269,400
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## **ANALYSIS RESULTS – COMPONENT FUNDING ANALYSIS**

Our recommended annual reserve funding contribution amount:	\$	1,022,019
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## **CONCLUSIONS**

Based on the Cash Flow Analysis methodology, the association can fully fund the reserves as analyzed in this report at \$269,400 in fiscal year 2022. In this analysis we have utilized a 0.65% rate of return on reserve funds invested over the study period (assuming safe investment in CDs, money market accounts, etc.). The Cash Flow Analysis utilizes a pooling effect with reserve funds by pooling all funds together and distributing these funds to individual components as their replacement comes due. Funds that are pooled together in the cash flow analysis include the beginning balance, contributions to the reserve funds and interest earned on reserve funds. These pooled funds are matched against reserve expenditures throughout the period of the analysis by using our reserve analysis software program to ensure that the available funds are always greater than expenditures. Based on our Component Funding Analysis model, the reserves as analyzed in this report suggest that in order to fully fund in fiscal year 2022, the contribution should be \$1,022,019. The Component Funding Analysis is a straight-line accounting procedure that was previously mandated by the State of Florida. Until December 2002, funding at less

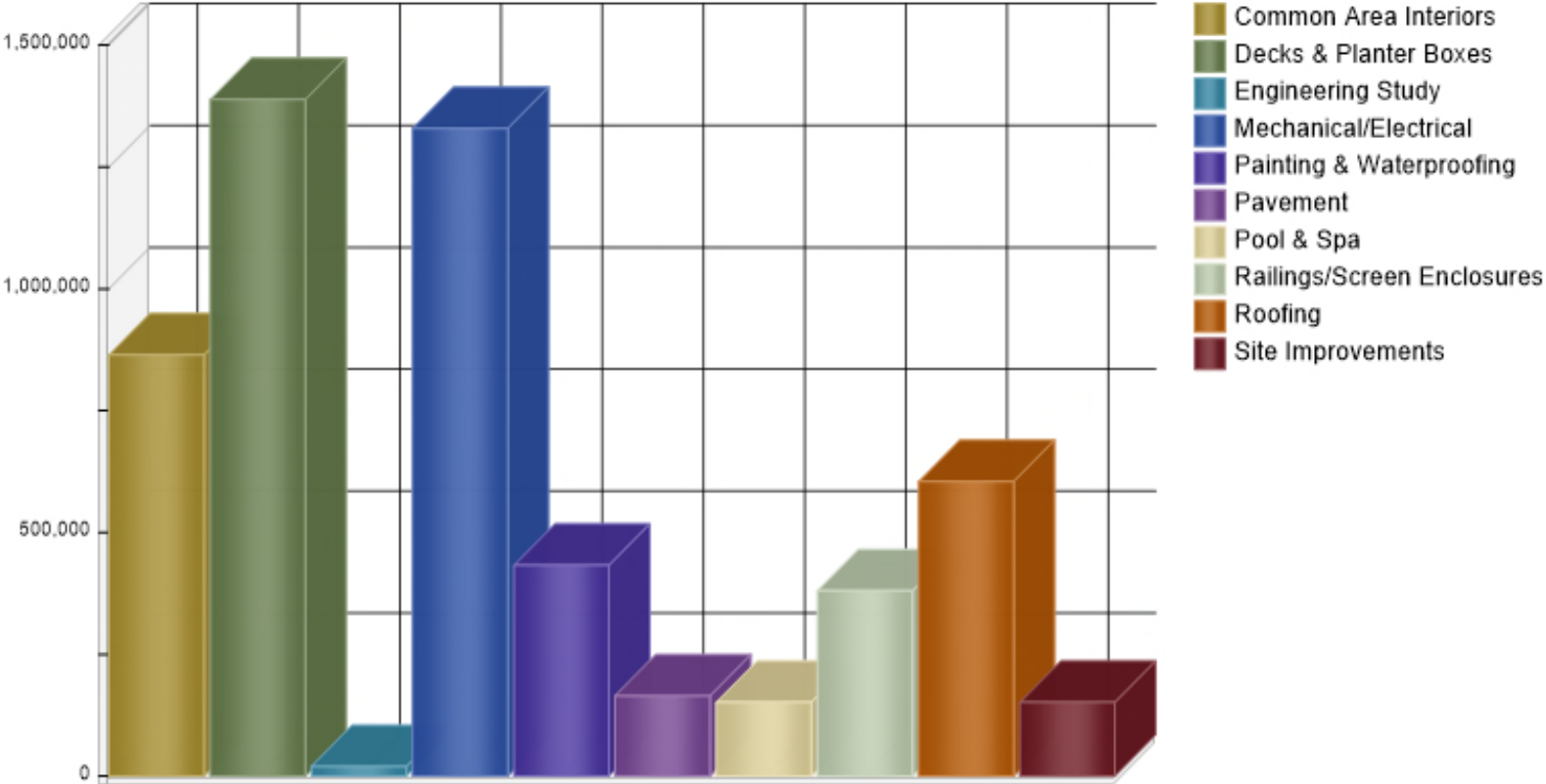
than this amount was considered partial funding by the state and required approval by the association members. As stated previously in this report, changes to the administrative code now allow the implementation/use of a pooling, or cash flow method of reserve analysis.

## **CASH FLOW ANALYSIS**

**The Sorrento at the Colony C.A., Inc.**

Analysis Date - January 1, 2022

**Item Parameter - Category - Chart**



# The Sorrento at the Colony C.A., Inc.

Analysis Date - January 1, 2022

## Item Parameters - Detail

Category Reserve Item	Service Date	Replace Date	Basis Cost	Quantity	Current Cost	Est Life	Adj Life	Rem Life	Future Cost
<b>Common Area Interiors</b>									
Admin. Offices Furnishings/Finishes	06/01/2018	06/01/2035	\$ 5,740.00	2 stations	\$ 11,480.00	17:00	17:00	13:05	\$ 11,480.00
Billiards Room Furnishings/Finishes	06/01/2001	01/01/2025	51.10	320 sq ft	16,352.00	20:00	23:07	3:00	16,352.00
Elevator Cab Interiors	07/01/2021	07/01/2041	20,750.00	2 cabs	41,500.00	20:00	20:00	19:06	41,500.00
Fitness Room Flooring	08/01/2018	08/01/2033	13.72	630 sq ft	8,643.60	15:00	15:00	11:07	8,643.60
Fitness Room Strength Stations/Equip.	06/01/2001	01/01/2025	4,188.00	7 stations	29,316.00	15:00	23:07	3:00	29,316.00
Guest Suites Furnishings/Finishes	01/01/2013	09/01/2023	18,950.00	2 suites	37,900.00	10:00	10:08	1:08	37,900.00
Guest Suites Restrooms	10/01/2019	10/01/2039	132.35	130 sq ft	17,205.50	20:00	20:00	17:09	17,205.50
Hallways Carpeting	09/01/2016	09/01/2023	88.83	1,874 sq yds	166,467.42	14:00	7:00	1:08	166,467.42
Hallways Furnishings/Finishes	09/01/2015	09/01/2029	14.00	16,700 sq ft	233,800.00	14:00	14:00	7:08	233,800.00
Lobby/Galleries Furnishings	10/01/2016	10/01/2031	20.35	4,640 sq ft	94,424.00	15:00	15:00	9:09	94,424.00
Lobby/Galleries Restrooms	05/01/2019	05/01/2039	140.25	330 sq ft	46,282.50	20:00	20:00	17:04	46,282.50
Lobby/Galleries Wall/Door Finishes	10/01/2016	10/01/2031	3.43	7,600 sq ft	26,068.00	15:00	15:00	9:09	26,068.00
Social Room Bar/Kitchen	06/01/2001	09/01/2023	295.45	220 sq ft	64,999.00	20:00	22:03	1:08	64,999.00
Social Room Carpeting	10/01/2013	09/01/2023	88.10	111 sq yds	9,779.10	10:00	9:11	1:08	9,779.10
Social Room Furnishings/Finishes	10/01/2013	10/01/2027	61.80	970 sq ft	59,946.00	14:00	14:00	5:09	59,946.00
					864,163.12				864,163.12
<b>Decks &amp; Planter Boxes</b>									
Lawns/Landscaping Waterproofing	06/01/2001	06/01/2033	\$ 44.25	19,000 sq ft	\$ 840,750.00	25:00	32:00	11:05	\$ 840,750.00
Pavers/Waterproofing	06/01/2001	06/01/2033	40.15	8,600 sq ft	345,290.00	25:00	32:00	11:05	345,290.00
Planter Boxes Waterproofing	10/01/2016	10/01/2046	106.40	1,900 sq ft	202,160.00	25:00	30:00	24:09	202,160.00
					1,388,200.00				1,388,200.00
<b>Engineering Study</b>									
Engineering Study	06/01/2015	06/01/2022	\$ 20,000.00	1 lp sm	\$ 20,000.00	7:00	7:00	0:05	\$ 20,000.00
					20,000.00				20,000.00
<b>Mechanical/Electrical</b>									
Domestic Water Pumps/Equipment	10/01/2015	10/01/2039	\$ 647.55	75 hp	\$ 48,566.25	24:00	24:00	17:09	\$ 48,566.25
Elevator Mechanical Modernization	07/01/2021	07/01/2051	292,405.00	2 cabs	584,810.00	30:00	30:00	29:06	584,810.00
Exhaust/Pressurization Fans	06/01/2001	06/01/2031	2,519.00	20 each	50,380.00	30:00	30:00	9:05	50,380.00

# The Sorrento at the Colony C.A., Inc.

Analysis Date - January 1, 2022

## Item Parameters - Detail

Category Reserve Item	Service Date	Replace Date	Basis Cost	Quantity	Current Cost	Est Life	Adj Life	Rem Life	Future Cost
<b>Mechanical/Electrical</b>									
Fire Alarm System Modernization	06/01/2020	06/01/2045	\$ 3,765.00	76 units	\$ 286,140.00	25:00	25:00	23:05	\$ 286,140.00
Fire Pump/Equipment	06/01/2001	06/01/2046	79,420.00	1 lp sm	79,420.00	45:00	45:00	24:05	79,420.00
Garage Gate/Equipment North	05/01/2016	05/01/2030	17,880.00	1 lp sm	17,880.00	14:00	14:00	8:04	17,880.00
Garage Gate/Equipment South	07/01/2021	07/01/2035	17,880.00	1 lp sm	17,880.00	14:00	14:00	13:06	17,880.00
Generator/Equipment	06/01/2001	06/01/2041	484.75	200 kW	96,950.00	40:00	40:00	19:05	96,950.00
Hallways Outside Air Unit	08/01/2016	08/01/2028	2,849.70	40 tons	113,988.00	12:00	12:00	6:07	113,988.00
Video Surveillance System	10/01/2019	10/01/2030	1,344.00	12 cameras	16,128.00	11:00	11:00	8:09	16,128.00
Water Softener System/Equipment	06/01/2021	01/01/2032	17,000.00	1 lp sm	17,000.00	10:00	10:07	10:00	17,000.00
					1,329,142.25				1,329,142.25
<b>Painting &amp; Waterproofing</b>									
Paint Garage Ceilings/Piping	06/01/2001	09/01/2027	\$ 0.83	42,000 sq ft	\$ 34,860.00	20:00	26:03	5:08	\$ 34,860.00
Paint Garage Walls/Doors	08/01/2019	08/01/2037	0.54	42,000 sq ft	22,680.00	18:00	18:00	15:07	22,680.00
Paint Stairway Interiors	06/01/2001	09/01/2023	882.25	42 flights	37,054.50	20:00	22:03	1:08	37,054.50
Paint/Waterproof Building Exteriors	07/01/2016	07/01/2023	4,697.00	72 units	338,184.00	7:00	7:00	1:06	338,184.00
					432,778.50				432,778.50
<b>Pavement</b>									
Asphalt Paving (Replacement)	06/01/2001	09/01/2027	\$ 15.59	3,760 sq yds	\$ 58,618.40	20:00	26:03	5:08	\$ 58,618.40
Asphalt Paving (Sealcoat/Rejuvenation) 2023	06/01/2001	06/01/2023	1.97	3,760 sq yds	7,407.20	3:00	3:00	1:05	7,407.20
Asphalt Paving (Sealcoat/Rejuvenation) 2030	06/01/2001	06/01/2030	1.97	3,760 sq yds	7,407.20	3:00	8:05	8:05	7,407.20
Asphalt Paving (Sealcoat/Rejuvenation) 2033	06/01/2001	06/01/2033	1.97	3,760 sq yds	7,407.20	3:00	11:05	11:05	7,407.20
Asphalt Paving (Sealcoat/Rejuvenation) 2036	06/01/2001	06/01/2036	1.97	3,760 sq yds	7,407.20	3:00	14:05	14:05	7,407.20
Asphalt Paving (Sealcoat/Rejuvenation) 2039	06/01/2001	06/01/2039	1.97	3,760 sq yds	7,407.20	3:00	17:05	17:05	7,407.20
Asphalt Paving (Sealcoat/Rejuvenation) 2042	06/01/2001	06/01/2042	1.97	3,760 sq yds	7,407.20	3:00	20:05	20:05	7,407.20
Asphalt Paving (Sealcoat/Rejuvenation) 2045	06/01/2001	06/01/2045	1.97	3,760 sq yds	7,407.20	3:00	23:05	23:05	7,407.20
Drives/Parking Pavers	06/01/2001	09/01/2027	6.66	8,200 sq ft	54,612.00	25:00	26:03	5:08	54,612.00
					165,080.80				165,080.80
<b>Pool &amp; Spa</b>									
Deck Furniture	10/01/2021	10/01/2033	\$ 415.40	65 pieces	\$ 27,001.00	12:00	12:00	11:09	\$ 27,001.00
Decking	06/01/2001	06/01/2027	6.66	5,830 sq ft	38,827.80	25:00	26:00	5:05	38,827.80
Fencing/Gates	06/01/2001	06/01/2027	59.43	348 ln ft	20,681.64	24:00	26:00	5:05	20,681.64
Heater 1	06/01/2019	06/01/2034	7,826.00	1 each	7,826.00	15:00	15:00	12:05	7,826.00

# The Sorrento at the Colony C.A., Inc.

Analysis Date - January 1, 2022

## Item Parameters - Detail

Category Reserve Item	Service Date	Replace Date	Basis Cost	Quantity	Current Cost	Est Life	Adj Life	Rem Life	Future Cost
Heater 2	06/01/2013	06/01/2028	7,826.00	1 each	7,826.00	15:00	15:00	6:05	7,826.00
Heater 3	06/01/2021	06/01/2036	7,826.00	1 each	7,826.00	15:00	15:00	14:05	7,826.00
Heater 4	06/01/2021	06/01/2036	7,826.00	1 each	7,826.00	15:00	15:00	14:05	7,826.00
Interiors Resurfacing	08/23/2012	08/01/2024	18.10	1,350 sq ft	24,435.00	10:00	12:00	2:07	24,435.00
Summer Kitchen	01/01/2015	01/01/2029	9,550.00	1 lp sm	9,550.00	14:00	14:00	7:00	9,550.00
					151,799.44				151,799.44
<b>Railings/Screen Enclosures</b>									
Decktop Railings	06/01/2001	06/01/2031	\$ 73.53	520 ln ft	\$ 38,235.60	30:00	30:00	9:05	\$ 38,235.60
Garage Screen Enclosures	06/01/2014	06/01/2039	11.13	2,560 sq ft	28,492.80	25:00	25:00	17:05	28,492.80
Units Railings/Screen Enclosures/Doors	06/01/2014	06/01/2039	242,307.00	1 lp sm	242,307.00	25:00	25:00	17:05	242,307.00
Units Screening Replacement	06/01/2014	12/01/2026	595.00	120 lanais	71,400.00	12:06	12:06	4:11	71,400.00
					380,435.40				380,435.40
<b>Roofing</b>									
Mechanical Building Roofing	06/01/2001	06/01/2027	\$ 1,528.00	10.65 sqs	\$ 16,273.20	26:00	26:00	5:05	\$ 16,273.20
Pool Pavilion Roofing	06/01/2001	06/01/2027	1,528.00	7 sqs	10,696.00	26:00	26:00	5:05	10,696.00
Porte Cochere Roofing	06/01/2001	06/01/2027	1,528.00	20.3 sqs	31,018.40	26:00	26:00	5:05	31,018.40
Tower Roofing (Flat)	06/01/2001	10/01/2024	3,281.50	88 sqs	288,772.00	20:00	23:04	2:09	288,772.00
Tower Roofing (Metal Shingle)	06/01/2001	06/01/2036	4,566.70	56.5 sqs	258,018.55	35:00	35:00	14:05	258,018.55
					604,778.15				604,778.15
<b>Site Improvements</b>									
Signage Allowance	06/01/2001	01/01/2027	10,000.00	1 lp sm	10,000.00	20:00	25:07	5:00	10,000.00
Site Lighting	06/01/2001	06/01/2025	76,685.00	1 lp sm	76,685.00	24:00	24:00	3:05	76,685.00
Trellises	10/01/2013	10/01/2027	29.32	1,800 sq ft	52,776.00	14:00	14:00	5:09	52,776.00
West/Nature Preserve Fencing	01/01/2015	01/01/2039	11,855.00	1 lp sm	11,855.00	24:00	24:00	17:00	11,855.00
					151,316.00				151,316.00
					5,487,693.66				5,487,693.66

## The Sorrento at the Colony C.A., Inc.

Analysis Date - January 1, 2022  
Item Parameters - Full Detail

### Admin. Offices Furnishings/Finishes

<b>Item Number</b>	15	<b>Measurement Basis</b>	stations
<b>Type</b>	Common Area	<b>Estimated Useful Life</b>	17 Years
<b>Category</b>	Common Area Interiors	<b>Basis Cost</b>	5,740.00
<b>Tracking</b>	Logistical	<b>Salvage Value</b>	\$ 0.00
<b>Method</b>	Fixed		

Code	Desc.	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0015		06/01/2018	06/01/2035	13:05	17:00	2	11,480.00	11,480.00
							11,480.00	11,480.00

### Comments

It is our market observation that while minor additions/replacements can be necessary from time to time, major administrative office furnishings/finishes projects (including, but not necessarily limited to, wall and door finishes, tables, chairs, desks, bookcases/shelving, window treatments, decorative lighting/lamps, wall art, plants, etc.) can be expected on a 15-20 year life cycle. Administrative offices furnishings replacement/upgrades was reportedly completed in 2018, and a 2035 expense date scheduled accordingly.



At the association's request and sole discretion, replacement of the carpeting in these common areas was excluded from this report. We estimate a current replacement cost of cost of \$3,300, based on the approximate floor area.



# The Sorrento at the Colony C.A., Inc.

Analysis Date - January 1, 2022

## Item Parameters - Full Detail

### Billiards Room Furnishings/Finishes

<b>Item Number</b>	16	<b>Measurement Basis</b>	sq ft
<b>Type</b>	Common Area	<b>Estimated Useful Life</b>	20 Years
<b>Category</b>	Common Area Interiors	<b>Basis Cost</b>	51.10
<b>Tracking</b>	Logistical	<b>Salvage Value</b>	\$ 0.00
<b>Method</b>	Adjusted		

Code	Desc.	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0016		06/01/2001	01/01/2025	3:00	23:07	320	16,352.00	16,352.00
							16,352.00	16,352.00

### Comments

Recognizing that minor additions/replacements/upgrades will be necessary from time to time, life cycles ranging from roughly 10 to 20 years have been observed for major furnishings upgrades in primary common areas (hallways, social rooms, lobbies, etc.) at properties of similar overall quality. These upgrades include, but are not necessarily limited to, wall and door finishes, sofas and chairs, tables, armoires, area rugs, window treatments, wall art/mirrors, plants, billiards tables, decorative lighting/lamps, ceiling fans, etc. At the association's prior request and sole discretion, furnishings/finishes upgrades in the billiards room was forecast in 2025; a recurring 20 year life cycle was forecast thereafter.



At the association's request and sole discretion, replacement of the billiard room carpeting was excluded from this report. We estimate a current replacement cost of cost of \$3,440, based on the approximate floor area.

# The Sorrento at the Colony C.A., Inc.

Analysis Date - January 1, 2022

## Item Parameters - Full Detail

### Elevator Cab Interiors

<b>Item Number</b>	21	<b>Measurement Basis</b>	cabs
<b>Type</b>	Common Area	<b>Estimated Useful Life</b>	20 Years
<b>Category</b>	Common Area Interiors	<b>Basis Cost</b>	20,750.00
<b>Tracking</b>	Logistical	<b>Salvage Value</b>	\$ 0.00
<b>Method</b>	Fixed		

Code	Desc.	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0021		07/01/2021	07/01/2041	19:06	20:00	2	41,500.00	41,500.00
							41,500.00	41,500.00

### Comments

A line item has also been included for eventual major interior refurbishment/renovation of the elevator cabs, including flooring systems, walls, ceilings and lighting, etc. In better quality properties like the subject, this upgrade is completed on a maximum 20 year schedule. The current per cab cost estimate is based solely on actual costs incurred during the 2021 project, as reported by the association.

# The Sorrento at the Colony C.A., Inc.

Analysis Date - January 1, 2022

## Item Parameters - Full Detail

### Fitness Room Flooring

<b>Item Number</b>	4	<b>Measurement Basis</b>	sq ft
<b>Type</b>	Common Area	<b>Estimated Useful Life</b>	15 Years
<b>Category</b>	Common Area Interiors	<b>Basis Cost</b>	13.72
<b>Tracking</b>	Logistical	<b>Salvage Value</b>	\$ 0.00
<b>Method</b>	Fixed		

Code	Desc.	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0004		08/01/2018	08/01/2033	11:07	15:00	630	8,643.60	8,643.60
							8,643.60	8,643.60

### Comments

The association expects to complete replacement of the fitness room flooring in summer 2018, installing a more durable/longer lasting rubberized flooring. This type of flooring has a market observed life cycle in the low to mid 10 year range. Based on the reported 15 year warranty purchased with the existing flooring, this replacement was scheduled again in 2033. The floor area is a rounded estimate.



# The Sorrento at the Colony C.A., Inc.

Analysis Date - January 1, 2022

## Item Parameters - Full Detail

### Fitness Room Strength Stations/Equip.

<b>Item Number</b>	12	<b>Measurement Basis</b>	stations
<b>Type</b>	Common Area	<b>Estimated Useful Life</b>	15 Years
<b>Category</b>	Common Area Interiors	<b>Basis Cost</b>	4,188.00
<b>Tracking</b>	Logistical	<b>Salvage Value</b>	\$ 0.00
<b>Method</b>	Adjusted		

Code	Desc.	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0012		06/01/2001	01/01/2025	3:00	23:07	7	29,316.00	29,316.00
							29,316.00	29,316.00

### Comments

To ensure that modern, appealing exercise equipment is in use, data gleaned from similar properties reflects a typical useful life in the mid-10 year range for replacement of strength training stations/equipment. The existing inventory is original to 2001, reflecting an actual age of +/- 20 years; as such, the market suggests that replacements should be expected in the near future. At the association's prior request and sole discretion, a 2025 inventory replacement date was scheduled. This reflects a budgetary useful life of +/- 24 years, which is well beyond observed market norms and will likely result in less desirable equipment in use.



# The Sorrento at the Colony C.A., Inc.

Analysis Date - January 1, 2022

## Item Parameters - Full Detail

### Guest Suites Furnishings/Finishes

<b>Item Number</b>	22	<b>Measurement Basis</b>	suites
<b>Type</b>	Common Area	<b>Estimated Useful Life</b>	10 Years
<b>Category</b>	Common Area Interiors	<b>Basis Cost</b>	18,950.00
<b>Tracking</b>	Logistical	<b>Salvage Value</b>	\$ 0.00
<b>Method</b>	Adjusted		

Code	Desc.	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0022		01/01/2013	09/01/2023	1:08	10:08	2	37,900.00	37,900.00
							37,900.00	37,900.00

### Comments

This category refers to costs associated with major interior renovation of the guest suites, including short lived carpet replacement, wall finishes, furnishings, etc. Due to the more transient nature of the use of guest suites, large expenses associated with interior renovation are generally incurred on a +/- 10 year basis. This expense was forecast in 2023 accordingly. The current per suite cost estimate is an average figure, based on the total square footages.



The interior furnishings/finishes within the manager's unit are reportedly the financial responsibility of the manager, and were therefore omitted from this report.

# The Sorrento at the Colony C.A., Inc.

Analysis Date - January 1, 2022

## Item Parameters - Full Detail

### Guest Suites Restrooms

<b>Item Number</b>	72	<b>Measurement Basis</b>	sq ft
<b>Type</b>	Common Area	<b>Estimated Useful Life</b>	20 Years
<b>Category</b>	Common Area Interiors	<b>Basis Cost</b>	132.35
<b>Tracking</b>	Logistical	<b>Salvage Value</b>	\$ 0.00
<b>Method</b>	Fixed		

Code	Desc.	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0072		10/01/2019	10/01/2039	17:09	20:00	130	17,205.50	17,205.50
							17,205.50	17,205.50

### Comments

The association completed renovation of the restrooms in the guest suites in 2019; at some point this expense should be expected again. Life cycles of less than 15 years, to 30+ years, have been observed in properties of similar quality. A 20 year life cycle estimate reflects a 2039 expense date. The current cost estimate does not include any unforeseen floor area reconfiguration(s) and/or expansion(s).



# The Sorrento at the Colony C.A., Inc.

Analysis Date - January 1, 2022

## Item Parameters - Full Detail

### Hallways Carpeting

<b>Item Number</b>	5	<b>Measurement Basis</b>	sq yds
<b>Type</b>	Common Area	<b>Estimated Useful Life</b>	14 Years
<b>Category</b>	Common Area Interiors	<b>Basis Cost</b>	88.83
<b>Tracking</b>	Logistical	<b>Salvage Value</b>	\$ 0.00
<b>Method</b>	Adjusted		

Code	Desc.	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0005		09/01/2016	09/01/2023	1:08	7:00	1,874	166,467.42	166,467.42
							166,467.42	166,467.42

### Comments

Replacement of the carpeting in the common area hallways was forecast on a recurring 14 year life cycle, to be completed concurrently with scheduled furnishings/finishes upgrades, suggesting this expense again in 2029. At the association's request and sole discretion, the remaining useful life was adjusted to reflect a 2023 expense date. The current cost estimate includes removal and disposal of the existing carpeting and installation with like quality. The floor area estimate includes a typical market waste allowance.



# The Sorrento at the Colony C.A., Inc.

Analysis Date - January 1, 2022

## Item Parameters - Full Detail

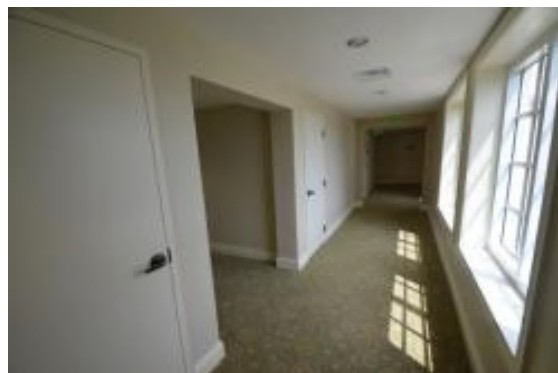
### Hallways Furnishings/Finishes

<b>Item Number</b>	73	<b>Measurement Basis</b>	sq ft
<b>Type</b>	Common Area	<b>Estimated Useful Life</b>	14 Years
<b>Category</b>	Common Area Interiors	<b>Basis Cost</b>	14.00
<b>Tracking</b>	Logistical	<b>Salvage Value</b>	\$ 0.00
<b>Method</b>	Fixed		

Code	Desc.	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0073		09/01/2015	09/01/2029	7:08	14:00	16,700	233,800.00	233,800.00
							<u>233,800.00</u>	<u>233,800.00</u>

### Comments

Recognizing that minor additions/replacements/upgrades will be necessary from time to time, life cycles ranging from roughly 10 to 20 years have been observed for major furnishings upgrades in primary common areas (hallways, social rooms, lobbies, etc.) at properties of similar overall quality. These upgrades include, but are not necessarily limited to, wall and door finishes, sofas and chairs, tables, armoires, area rugs, window treatments, wall art/mirrors, plants, billiards tables, decorative lighting/lamps, ceiling fans, etc. The 2015 hallway renovation project included furnishings/finishes upgrades, and this expense was scheduled again in 2029 accordingly.





# The Sorrento at the Colony C.A., Inc.

Analysis Date - January 1, 2022

## Item Parameters - Full Detail

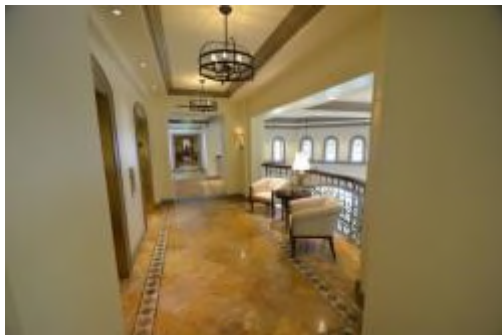
### Lobby/Galleries Furnishings

<b>Item Number</b>	17	<b>Measurement Basis</b>	sq ft
<b>Type</b>	Common Area	<b>Estimated Useful Life</b>	15 Years
<b>Category</b>	Common Area Interiors	<b>Basis Cost</b>	20.35
<b>Tracking</b>	Logistical	<b>Salvage Value</b>	\$ 0.00
<b>Method</b>	Fixed		

Code	Desc.	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0017		10/01/2016	10/01/2031	9:09	15:00	4,640	94,424.00	94,424.00
							94,424.00	94,424.00

### Comments

Recognizing that minor additions/replacements/upgrades will be necessary from time to time, life cycles ranging from roughly 10 to 20 years have been observed for major furnishings upgrades in primary common areas (hallways, social rooms, lobbies, etc.) at properties of similar overall quality. These upgrades include, but are not necessarily limited to, wall and door finishes, sofas and chairs, tables, armoires, area rugs, window treatments, wall art/mirrors, plants, billiards tables, decorative lighting/lamps, ceiling fans, etc. Based on the fall 2016 lobby/galleries furnishings project, which reflects an actual useful life of +/- 15 years, a 2031 expense date was scheduled.



# The Sorrento at the Colony C.A., Inc.

Analysis Date - January 1, 2022

## Item Parameters - Full Detail

### Lobby/Galleries Restrooms

<b>Item Number</b>	24	<b>Measurement Basis</b>	sq ft
<b>Type</b>	Common Area	<b>Estimated Useful Life</b>	20 Years
<b>Category</b>	Common Area Interiors	<b>Basis Cost</b>	140.25
<b>Tracking</b>	Logistical	<b>Salvage Value</b>	\$ 0.00
<b>Method</b>	Fixed		

Code	Desc.	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0024		05/01/2019	05/01/2039	17:04	20:00	330	46,282.50	46,282.50
							46,282.50	46,282.50

### Comments

The association completed renovation of the lobby restrooms in 2019; at some point this expense should be expected again. Life cycles of less than 15 years, to 30+ years, have been observed in properties of similar quality. A 20 year life cycle estimate reflects a 2039 expense date. The current cost estimate does not include any unforeseen floor area reconfiguration(s) and/or expansion(s).



# The Sorrento at the Colony C.A., Inc.

Analysis Date - January 1, 2022

## Item Parameters - Full Detail

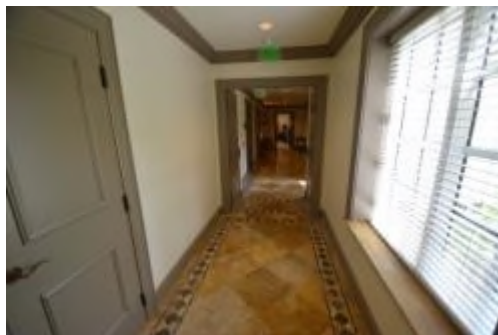
### Lobby/Galleries Wall/Door Finishes

<b>Item Number</b>	28	<b>Measurement Basis</b>	sq ft
<b>Type</b>	Common Area	<b>Estimated Useful Life</b>	15 Years
<b>Category</b>	Common Area Interiors	<b>Basis Cost</b>	3.43
<b>Tracking</b>	Logistical	<b>Salvage Value</b>	\$ 0.00
<b>Method</b>	Fixed		

Code	Desc.	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0028		10/01/2016	10/01/2031	9:09	15:00	7,600	26,068.00	26,068.00
							26,068.00	26,068.00

### Comments

Life cycles of less than 10 years, to +/- 15 years, have been observed for third party painting/wall refinishing in properties of similar overall quality; the useful life assumes a routine in house touch up and repair schedule, as a function of general maintenance. A 15 year life cycle and 2031 expense date were forecast for wall/door refinishing in the common area lobby/galleries. The wall/door area is a rounded estimate.



# The Sorrento at the Colony C.A., Inc.

Analysis Date - January 1, 2022

## Item Parameters - Full Detail

### Social Room Bar/Kitchen

<b>Item Number</b>	20	<b>Measurement Basis</b>	sq ft
<b>Type</b>	Common Area	<b>Estimated Useful Life</b>	20 Years
<b>Category</b>	Common Area Interiors	<b>Basis Cost</b>	295.45
<b>Tracking</b>	Logistical	<b>Salvage Value</b>	\$ 0.00
<b>Method</b>	Adjusted		

Code	Desc.	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0020		06/01/2001	09/01/2023	1:08	22:03	220	64,999.00	64,999.00
							64,999.00	64,999.00

### Comments

This fund is designed to provide monies for eventual major interior refurbishment of the bar and kitchen in the lobby level social room, including (but not necessarily limited to), tile/marble flooring, cabinetry and/or counters, plumbing and electrical fixtures, etc. The current cost estimate is based on our experience with interior renovation of this type and the included floor areas. At the association's request and sole discretion, this expense was forecast in 2023. The current cost estimate was included at the association's request and sole discretion (expected \$65,000, including appliances).



# The Sorrento at the Colony C.A., Inc.

Analysis Date - January 1, 2022

## Item Parameters - Full Detail

### Social Room Carpeting

<b>Item Number</b>	6	<b>Measurement Basis</b>	sq yds
<b>Type</b>	Common Area	<b>Estimated Useful Life</b>	10 Years
<b>Category</b>	Common Area Interiors	<b>Basis Cost</b>	88.10
<b>Tracking</b>	Logistical	<b>Salvage Value</b>	\$ 0.00
<b>Method</b>	Adjusted		

Code	Desc.	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0006		10/01/2013	09/01/2023	1:08	9:11	111	9,779.10	9,779.10
							9,779.10	9,779.10

### Comments

We have observed life cycles ranging from as low as 5-6 years, to 15+ years for replacement of common area carpeting in properties of similar quality. The useful life typically depends on the amount of usage, as well as level of ongoing maintenance and association cosmetic tastes; at the association's request and sole discretion, this expense was forecast again in 2023. A recurring 10 year life cycle was scheduled thereafter. The floor area estimate includes a typical market waste allowance.



# The Sorrento at the Colony C.A., Inc.

Analysis Date - January 1, 2022

## Item Parameters - Full Detail

### Social Room Furnishings/Finishes

<b>Item Number</b>	19	<b>Measurement Basis</b>	sq ft
<b>Type</b>	Common Area	<b>Estimated Useful Life</b>	14 Years
<b>Category</b>	Common Area Interiors	<b>Basis Cost</b>	61.80
<b>Tracking</b>	Logistical	<b>Salvage Value</b>	\$ 0.00
<b>Method</b>	Fixed		

Code	Desc.	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0019		10/01/2013	10/01/2027	5:09	14:00	970	59,946.00	59,946.00
							59,946.00	59,946.00

### Comments

Recognizing that minor additions/replacements/upgrades will be necessary from time to time, life cycles ranging from roughly 10 to 20 years have been observed for major furnishings upgrades in primary common areas (hallways, social rooms, lobbies, etc.) at properties of similar overall quality. These upgrades include, but are not necessarily limited to, wall and door finishes, sofas and chairs, tables, armoires, area rugs, window treatments, wall art/mirrors, plants, billiards tables, decorative lighting/lamps, ceiling fans, etc. The association expects to complete this project in 2027, which is reflective of a +/- 14 year life cycle. The current cost estimate does not reflect any unforeseen floor area reconfiguration(s) and/or expansion(s).



# The Sorrento at the Colony C.A., Inc.

Analysis Date - January 1, 2022

## Item Parameters - Full Detail

### Lawns/Landscaping Waterproofing

<b>Item Number</b>	128	<b>Measurement Basis</b>	sq ft
<b>Type</b>	Common Area	<b>Estimated Useful Life</b>	25 Years
<b>Category</b>	Decks & Planter Boxes	<b>Basis Cost</b>	44.25
<b>Tracking</b>	Logistical	<b>Salvage Value</b>	\$ 0.00
<b>Method</b>	Adjusted		

Code	Desc.	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0128		06/01/2001	06/01/2033	11:05	32:00	19,000	840,750.00	840,750.00
							840,750.00	840,750.00

### Comments

Without proper waterproofing, moisture intrusion can occur into the underlying concrete systems, which can cause premature deterioration of those systems and the need for costly concrete restoration. It has been our experience that major deck restoration is typically necessary on a +/- 25 year schedule, although we have observed life cycles of +/- 5 years higher or lower than that age. This fund is designed to provide monies for restoration of the garage roof deck mounted lawns/landscaping, including removal of all landscaping and soils, restoration/replacement of the underlying waterproofing systems/expansion joints, drainage and electrical upgrades, etc. and installation of new soils and landscaping. The total area is a rounded estimate. At the association's request and sole discretion, the remaining useful life was adjusted to reflect a 2033 expense date; this reflects an expected useful life of 32 years, which is beyond the typical life cycle observed for this project and may result in higher maintenance and/or restoration costs. As such, the funding estimates put forth in this report do not reflect our opinion of full statutory reserve funding.



Costs and time frames can vary, sometimes widely, from property to property. We recommend that prior to reserve funding decisions are made, and on a periodic and

## **The Sorrento at the Colony C.A., Inc.**

**Analysis Date - January 1, 2022**

regular basis thereafter, a qualified structural/waterproofing consultant(s) assess these systems to determine more specific cost and remaining useful life parameters. We reserve the right to modify this report upon receipt of such an assessment(s).



# The Sorrento at the Colony C.A., Inc.

Analysis Date - January 1, 2022

## Item Parameters - Full Detail

### Pavers/Waterproofing

<b>Item Number</b>	33	<b>Measurement Basis</b>	sq ft
<b>Type</b>	Common Area	<b>Estimated Useful Life</b>	25 Years
<b>Category</b>	Decks & Planter Boxes	<b>Basis Cost</b>	40.15
<b>Tracking</b>	Logistical	<b>Salvage Value</b>	\$ 0.00
<b>Method</b>	Adjusted		

Code	Desc.	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0033		06/01/2001	06/01/2031	9:05	30:00	8,600	345,290.00	345,290.00
							345,290.00	345,290.00

### Comments

Without proper waterproofing, moisture intrusion can occur into the underlying concrete systems, which can cause premature deterioration of those systems and the need for costly concrete restoration. It has been our experience that major deck restoration is typically necessary on a +/- 25 year schedule, although we have observed life cycles of +/- 5 years higher or lower than that age. This fund is designed to provide monies for restoration of the drives, parking areas, and walkways having paver decking, located over the ground level parking garage over an association requested (included at association's sole discretion) 30 year life cycle. This upgrade typically includes removal of the existing paver decking, restoration/replacement of the underlying waterproof membranes and expansion joints, some measure of incidental concrete restoration, and replacement of the paver decking. The total area is a rounded estimate.



Costs and time frames can vary, sometimes widely, from property to property. We recommend that prior to reserve funding decisions are made, and on a periodic and regular basis thereafter, a qualified structural/waterproofing consultant(s) assess these systems to determine more specific cost and remaining useful life parameters. We reserve the right to modify this report upon receipt of such an assessment(s).

# The Sorrento at the Colony C.A., Inc.

Analysis Date - January 1, 2022

## Item Parameters - Full Detail

### Planter Boxes Waterproofing

<b>Item Number</b>	127	<b>Measurement Basis</b>	sq ft
<b>Type</b>	Common Area	<b>Estimated Useful Life</b>	25 Years
<b>Category</b>	Decks & Planter Boxes	<b>Basis Cost</b>	106.40
<b>Tracking</b>	Logistical	<b>Salvage Value</b>	\$ 0.00
<b>Method</b>	Adjusted		

Code	Desc.	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0127		10/01/2016	10/01/2046	24:09	30:00	1,900	202,160.00	202,160.00
							202,160.00	202,160.00

### Comments

Without proper waterproofing, moisture intrusion can occur into the underlying concrete systems, which can cause premature deterioration of those systems and the need for costly concrete restoration. It has been our experience that major deck restoration is typically necessary on a +/- 25 year schedule, although we have observed life cycles of +/- 5 years higher or lower than that age. This fund is designed to provide monies for restoration over an association requested (included at association's sole discretion) 30 year life cycle. The current cost estimate includes removal of all landscaping and soils, restoration/replacement of the interior waterproofing systems/expansion joints, drainage and electrical upgrades, etc. and installation of new soils and landscaping. The total area is a rounded estimate.



Costs and time frames can vary, sometimes widely, from property to property. We recommend that prior to reserve funding decisions are made, and on a periodic and regular basis thereafter, a qualified structural/waterproofing consultant(s) assess these systems to determine more specific cost and remaining useful life parameters. We reserve the right to modify this report upon receipt of such an assessment(s).

# The Sorrento at the Colony C.A., Inc.

Analysis Date - January 1, 2022

## Item Parameters - Full Detail

### Engineering Study

<b>Item Number</b>	136	<b>Measurement Basis</b>	lp sm
<b>Type</b>	Common Area	<b>Estimated Useful Life</b>	7 Years
<b>Category</b>	Engineering Study	<b>Basis Cost</b>	20,000.00
<b>Tracking</b>	Logistical	<b>Salvage Value</b>	\$ 0.00
<b>Method</b>	Fixed		

<b>Code</b>	<b>Desc.</b>	<b>Service Date</b>	<b>Replace Date</b>	<b>Rem Life</b>	<b>Adj Life</b>	<b>Quantity</b>	<b>Current Cost</b>	<b>Future Cost</b>
910-000-0136		06/01/2015	06/01/2022	0:05	7:00	1	20,000.00	20,000.00
							20,000.00	20,000.00

### Comments

At the association's request and sole discretion, a \$20,000 expense was scheduled in 2022 and on a recurring 7 year life cycle for engineering analyses.

# The Sorrento at the Colony C.A., Inc.

Analysis Date - January 1, 2022

## Item Parameters - Full Detail

### Insurance Reserve

<b>Item Number</b>	129	<b>Measurement Basis</b>	
<b>Type</b>	Common Area	<b>Estimated Useful Life</b>	0 Year
<b>Category</b>	Insurance Reserve	<b>Basis Cost</b>	0.00
<b>Tracking</b>	Logistical	<b>Salvage Value</b>	\$ 0.00
<b>Method</b>	Fixed		

Code	Desc.	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0129			06/01/2001	0:00	0:00	0	0.00	0.00

### Comments

Some associations establish and fund non-statutory reserves to provide funds for the possibility of financial losses due to hurricane/storm damage and/or insurance deductibles. Unlike say painting or roof replacement, there is no market standard for this type of reserve; some associations choose to reserve very aggressively, while others more conservatively. On that basis, we include this type of reserve only when provided an association's funding goal in total dollars and time frame in which to reach that goal. At such time as the association provides a budgetary insurance reserve funding goal and time frame in which to reach that goal, this report can be amended to include this component.

# The Sorrento at the Colony C.A., Inc.

Analysis Date - January 1, 2022

## Item Parameters - Full Detail

### Domestic Water Pumps/Equipment

<b>Item Number</b>	36	<b>Measurement Basis</b>	hp
<b>Type</b>	Common Area	<b>Estimated Useful Life</b>	24 Years
<b>Category</b>	Mechanical/Electrical	<b>Basis Cost</b>	647.55
<b>Tracking</b>	Logistical	<b>Salvage Value</b>	\$ 0.00
<b>Method</b>	Fixed		

Code	Desc.	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0036		10/01/2015	10/01/2039	17:09	24:00	75	48,566.25	48,566.25
							48,566.25	48,566.25

### Comments

The common area mechanical equipment inventory includes a typical domestic water pump and controller system, with two 30 HP and one 15 HP pumps. While pump rebuilds, motor rewinds, etc. will be necessary as a portion of the typical maintenance program, the market indicates that major modernization/replacement of these systems will be necessary on a life cycle in the low to mid 20 year range. This fund is designed to provide monies for as needed repairs to and eventual modernization/replacement of this equipment over a 24 year life cycle, accordingly.



# The Sorrento at the Colony C.A., Inc.

Analysis Date - January 1, 2022

## Item Parameters - Full Detail

### Elevator Mechanical Modernization

<b>Item Number</b>	37	<b>Measurement Basis</b>	cabs
<b>Type</b>	Common Area	<b>Estimated Useful Life</b>	30 Years
<b>Category</b>	Mechanical/Electrical	<b>Basis Cost</b>	292,405.00
<b>Tracking</b>	Logistical	<b>Salvage Value</b>	\$ 0.00
<b>Method</b>	Fixed		

Code	Desc.	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0037		07/01/2021	07/01/2051	29:06	30:00	2	584,810.00	584,810.00
							584,810.00	584,810.00

### Comments

Modernization of traction elevator mechanical and electrical components, including (but not necessarily limited to), controllers, door hardware, etc. has been observed on life cycles in the 25-30 year range in properties of similar quality, assuming a typical maintenance program. This expense was forecast again in 2051, accordingly. As this project was completed since our most recent inspection, no photograph was included.

# The Sorrento at the Colony C.A., Inc.

Analysis Date - January 1, 2022

## Item Parameters - Full Detail

### Exhaust/Pressurization Fans

<b>Item Number</b>	50	<b>Measurement Basis</b>	each
<b>Type</b>	Common Area	<b>Estimated Useful Life</b>	30 Years
<b>Category</b>	Mechanical/Electrical	<b>Basis Cost</b>	2,519.00
<b>Tracking</b>	Logistical	<b>Salvage Value</b>	\$ 0.00
<b>Method</b>	Fixed		

Code	Desc.	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0050		06/01/2001	06/01/2031	9:05	30:00	20	50,380.00	50,380.00
							50,380.00	50,380.00

### Comments

None of the individual common area exhaust/pressurization fans has a current repair/replacement cost of \$10,000+, so their inclusion in the association's estimate of full statutory reserve funding for fiscal year 2022 is not mandated under current Florida Statute 718 requirements. Some associations prefer to fund as needed repair/replacement projects through their annual operating budgets, as a function of routine maintenance. Others do establish and fund reserves for repairs/replacements, given the higher aggregate inventory replacement cost. For the association's consideration, we have included a reserve for the common area exhaust/pressurization fans.

Data gleaned from properties of similar design both within and outside the local market area indicates that while some units may last longer than others, replacement of typical inventories of common area exhaust/pressurization fans is necessary on a 20-30 year life cycle (assuming non-corrosive design/construction). This fund is designed to provide monies for as needed repairs/replacements of the existing fans over a 30 year life cycle. The current unit cost estimate is an average figure, given the differing types and sizes of fans in use. The photograph is of a representative fan.



# The Sorrento at the Colony C.A., Inc.

Analysis Date - January 1, 2022

## Item Parameters - Full Detail

### Fire Alarm System Modernization

<b>Item Number</b>	38	<b>Measurement Basis</b>	units
<b>Type</b>	Common Area	<b>Estimated Useful Life</b>	25 Years
<b>Category</b>	Mechanical/Electrical	<b>Basis Cost</b>	3,765.00
<b>Tracking</b>	Logistical	<b>Salvage Value</b>	\$ 0.00
<b>Method</b>	Fixed		

Code	Desc.	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0038		06/01/2020	06/01/2045	23:05	25:00	76	286,140.00	286,140.00
							286,140.00	286,140.00

### Comments

Due to improvements in technology and/or parts obsolescence, major modernization of fire alarm system components (panels, pull stations, horns/strobes, detectors, hoses) is typically necessary on a 20-30 year schedule. Utilizing a mid-range 25 year life cycle reflects a 2045 expense date. The current average per unit cost estimate is based on actual costs incurred during the 2020 project, as reported by the association. As this project was completed since our most recent inspection, no photograph was included.



# The Sorrento at the Colony C.A., Inc.

Analysis Date - January 1, 2022

## Item Parameters - Full Detail

### Fire Pump/Equipment

<b>Item Number</b>	39	<b>Measurement Basis</b>	lp sm
<b>Type</b>	Common Area	<b>Estimated Useful Life</b>	45 Years
<b>Category</b>	Mechanical/Electrical	<b>Basis Cost</b>	79,420.00
<b>Tracking</b>	Logistical	<b>Salvage Value</b>	\$ 0.00
<b>Method</b>	Fixed		

Code	Desc.	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0039		06/01/2001	06/01/2046	24:05	45:00	1	79,420.00	79,420.00
							79,420.00	79,420.00

### Comments

The 750 gallons per minute diesel fire pump should not require total replacement for 35-50+ years, based on compilation of data from older buildings with both diesel fire pumps and diesel generators. This useful life assumes routine maintenance and the need for periodic rebuilds/rehab projects. This fund is designed to provide monies for as needed repairs to and eventual replacement over a 45 year life cycle. The current replacement cost estimate includes the controller panel, fittings, valves, etc.



Under normal operating conditions, total replacement of the fire sprinkler systems and associated plumbing should not be necessary at any one given time. It is our experience that associations typically fund sprinkler system costs through an annual service contract, and that replacements and upgrades are completed on an incidental, as needed basis through the association's operating budget. As such, no reserves for the fire sprinkler systems were included in this report.

# The Sorrento at the Colony C.A., Inc.

Analysis Date - January 1, 2022

## Item Parameters - Full Detail

### Garage Gates/Equipment

<b>Item Number</b>	40	<b>Measurement Basis</b>	lp sm
<b>Type</b>	Common Area	<b>Estimated Useful Life</b>	14 Years
<b>Category</b>	Mechanical/Electrical	<b>Basis Cost</b>	17,880.00
<b>Tracking</b>	Logistical	<b>Salvage Value</b>	\$ 0.00
<b>Method</b>	Fixed		

Code	Desc.	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
920-002-0040	South	07/01/2021	07/01/2035	13:06	14:00	1	17,880.00	17,880.00
920-001-0040	North	05/01/2016	05/01/2030	8:04	14:00	1	17,880.00	17,880.00
							35,760.00	35,760.00

### Comments

Barring any unforeseen vehicular damage, replacement of the roll up garage gates and associated motors, etc. should be expected on a market observed life cycle in the mid-10 to 20 year range. Since they may not require replacement concurrently, we have included a separate line item for each. At the association's prior request and sole discretion, replacements were forecast on recurring 14 year life cycles.



# The Sorrento at the Colony C.A., Inc.

Analysis Date - January 1, 2022

## Item Parameters - Full Detail

### Generator/Equipment

<b>Item Number</b>	41	<b>Measurement Basis</b>	kW
<b>Type</b>	Common Area	<b>Estimated Useful Life</b>	40 Years
<b>Category</b>	Mechanical/Electrical	<b>Basis Cost</b>	484.75
<b>Tracking</b>	Logistical	<b>Salvage Value</b>	\$ 0.00
<b>Method</b>	Fixed		

Code	Desc.	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0041		06/01/2001	06/01/2041	19:05	40:00	200	96,950.00	96,950.00
							96,950.00	96,950.00

### Comments

The 200 kW diesel generator has an estimated useful life of 35-40+ years. This fund is designed to provide monies for as needed repairs to and eventual replacement over a 40 year life cycle. The current replacement cost estimate includes the transfer switch, fuel tank, and other associated equipment.



# The Sorrento at the Colony C.A., Inc.

Analysis Date - January 1, 2022

## Item Parameters - Full Detail

### Hallways Outside Air Unit

<b>Item Number</b>	46	<b>Measurement Basis</b>	tons
<b>Type</b>	Common Area	<b>Estimated Useful Life</b>	12 Years
<b>Category</b>	Mechanical/Electrical	<b>Basis Cost</b>	2,849.70
<b>Tracking</b>	Logistical	<b>Salvage Value</b>	\$ 0.00
<b>Method</b>	Fixed		

Code	Desc.	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0046		08/01/2016	08/01/2028	6:07	12:00	40	113,988.00	113,988.00
							113,988.00	113,988.00

### Comments

The roof mounted 40 ton package/RTU unit supporting the common area hallway interiors was replaced in 2016. Data gleaned from similar properties reflects a probable life cycle in the 10 to low 10 year range, and a 2028 expense date scheduled accordingly. The current cost estimates includes removal and disposal of the existing unit, typical permitting and consulting fees, and installation of a unit of like size and quality.



# The Sorrento at the Colony C.A., Inc.

Analysis Date - January 1, 2022

## Item Parameters - Full Detail

### Trash Chute Doors

<b>Item Number</b>	101	<b>Measurement Basis</b>	lp sm
<b>Type</b>	Common Area	<b>Estimated Useful Life</b>	24 Years
<b>Category</b>	Mechanical/Electrical	<b>Basis Cost</b>	30,160.00
<b>Tracking</b>	Logistical	<b>Salvage Value</b>	\$ 0.00
<b>Method</b>	Fixed		

Code	Desc.	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0101			06/01/2025	3:05	24:00	0	0.00	0.00

### Comments

None of the individual trash chute doors has a current repair/replacement cost of \$10,000+, so their inclusion in the association's estimate of full statutory reserve funding for fiscal year 2022 is not mandated under current Florida Statute 718 requirements. Some associations prefer to fund as needed repair/replacement projects through their annual operating budgets, as a function of routine maintenance. Others do establish and fund reserves for repairs/replacements. At the association's request and sole discretion, no reserves were included for trash chute doors. For the association's consideration, it is our market observation that while some may require replacement sooner than others due to improper use, etc., data gleaned from both within and outside the southwest Florida marketplace reflects a probable life cycle in the low to mid 20 year range for replacement of the inventory of trash chute doors; properties with less units/usage tend towards the higher end of that range. We estimate a current inventory replacement cost of \$30,160 for the 40 doors.



# The Sorrento at the Colony C.A., Inc.

Analysis Date - January 1, 2022

## Item Parameters - Full Detail

### Trash Chutes

<b>Item Number</b>	100	<b>Measurement Basis</b>	lp sm
<b>Type</b>	Common Area	<b>Estimated Useful Life</b>	40 Years
<b>Category</b>	Mechanical/Electrical	<b>Basis Cost</b>	148,890.00
<b>Tracking</b>	Logistical	<b>Salvage Value</b>	\$ 0.00
<b>Method</b>	Fixed		

Code	Desc.	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0100			06/01/2041	19:05	40:00	0	0.00	0.00

### Comments

Data taken from older properties suggests that major trash chute restoration/replacement should be expected on a 35-40+ year basis, which assumes typical and routine maintenance. Some associations do establish and fund restoration/replacement reserves, while others prefer to fund as needed repairs through their annual operating budgets.

At the association's prior request and sole discretion, no reserves were included for eventual major restoration/replacement of the trash chutes. For the association's consideration, we estimate a current per floor cost of \$3,545, which reflects a total current cost of \$148,890 for the 42 floors of trash chutes.



# The Sorrento at the Colony C.A., Inc.

Analysis Date - January 1, 2022

## Item Parameters - Full Detail

### Video Surveillance System

<b>Item Number</b>	133	<b>Measurement Basis</b>	cameras
<b>Type</b>	Common Area	<b>Estimated Useful Life</b>	11 Years
<b>Category</b>	Mechanical/Electrical	<b>Basis Cost</b>	1,344.00
<b>Tracking</b>	Logistical	<b>Salvage Value</b>	\$ 0.00
<b>Method</b>	Fixed		

Code	Desc.	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0133		10/01/2019	10/01/2030	8:09	11:00	12	16,128.00	16,128.00
							16,128.00	16,128.00

### Comments

Data gleaned from both within and outside the local market area indicates that while minor component repairs/replacements (cameras, monitors, recording equipment, hardware/software, etc.) can be expected as a function of ongoing maintenance, total system modernization and/or replacement can be expected on a life cycle in the 10-12 year range. The current per camera cost estimate is reflective of the entire system.

# The Sorrento at the Colony C.A., Inc.

Analysis Date - January 1, 2022

## Item Parameters - Full Detail

### Water Softener System/Equipment

<b>Item Number</b>	137	<b>Measurement Basis</b>	lp sm
<b>Type</b>	Common Area	<b>Estimated Useful Life</b>	10 Years
<b>Category</b>	Mechanical/Electrical	<b>Basis Cost</b>	17,000.00
<b>Tracking</b>	Logistical	<b>Salvage Value</b>	\$ 0.00
<b>Method</b>	Adjusted		

Code	Desc.	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0137		06/01/2021	01/01/2032	10:00	10:07	1	17,000.00	17,000.00
							17,000.00	17,000.00

### Comments

At the association's request and sole discretion, reserves for modernization/replacement of the common area water softener system/equipment we included over a recurring 10 year life cycle, with the next expense forecast in 2032.



# The Sorrento at the Colony C.A., Inc.

Analysis Date - January 1, 2022

## Item Parameters - Full Detail

### Paint Garage Ceilings/Piping

<b>Item Number</b>	54	<b>Measurement Basis</b>	sq ft
<b>Type</b>	Common Area	<b>Estimated Useful Life</b>	20 Years
<b>Category</b>	Painting & Waterproofing	<b>Basis Cost</b>	0.83
<b>Tracking</b>	Logistical	<b>Salvage Value</b>	\$ 0.00
<b>Method</b>	Adjusted		

Code	Desc.	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0054		06/01/2001	09/01/2027	5:08	26:03	42,000	34,860.00	34,860.00
							34,860.00	34,860.00

### Comments

While not typically necessary on as frequent a life cycle as exterior painting, data gleaned from better quality properties both within and outside the local market area indicates that third party repainting of the garage ceilings, walls, posts, etc. should be expected in the foreseeable future. Life cycles in the 15-20 year range have been observed, which recognizes that as needed touch ups/repairs will be completed using in house labor, as a function of routine maintenance. At the association's request and sole discretion, repainting of the ceilings/piping was adjusted to reflect a 2027 expense date. A recurring 20 year life cycle was forecast thereafter. The total painted area is a rounded estimate.



Painting/refinishing of the garage floors is reportedly completed using in house labor, and was therefore excluded from this report. This report assumes that as needed interior painting of storage areas, service rooms, etc. will be completed using in house labor as well, typical of the subject's location and quality.

# The Sorrento at the Colony C.A., Inc.

Analysis Date - January 1, 2022

## Item Parameters - Full Detail

### Paint Garage Walls/Doors

<b>Item Number</b>	134	<b>Measurement Basis</b>	sq ft
<b>Type</b>	Common Area	<b>Estimated Useful Life</b>	18 Years
<b>Category</b>	Painting & Waterproofing	<b>Basis Cost</b>	0.54
<b>Tracking</b>	Logistical	<b>Salvage Value</b>	\$ 0.00
<b>Method</b>	Fixed		

Code	Desc.	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0134		08/01/2019	08/01/2037	15:07	18:00	42,000	22,680.00	22,680.00
							22,680.00	22,680.00

### Comments

While not typically necessary on as frequent a life cycle as exterior painting, data gleaned from better quality properties both within and outside the local market area indicates that third party repainting of the garage ceilings, walls, posts, etc. should be expected in the foreseeable future. Life cycles in the 15-20 year range have been observed, which recognizes that as needed touch ups/repairs will be completed using in house labor, as a function of routine maintenance. At the association's request and sole discretion, the remaining useful life for repainting of the ceilings/piping was adjusted to reflect a 2023 expense date (to be completed concurrently with the scheduled exterior painting/waterproofing project). A recurring 20 year life cycle was forecast thereafter. The total painted area is a rounded estimate.



# The Sorrento at the Colony C.A., Inc.

Analysis Date - January 1, 2022

## Item Parameters - Full Detail

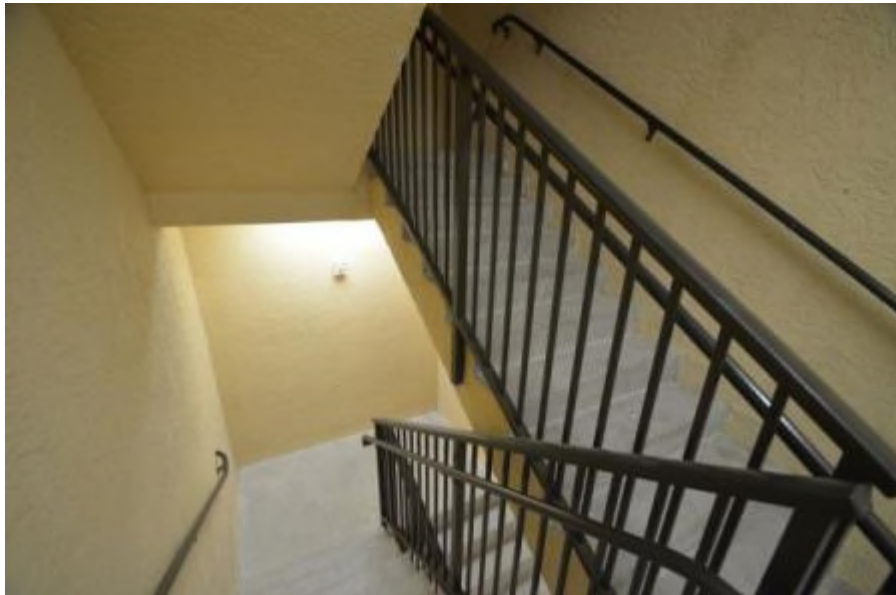
### Paint Stairways Interiors

<b>Item Number</b>	71	<b>Measurement Basis</b>	flights
<b>Type</b>	Common Area	<b>Estimated Useful Life</b>	20 Years
<b>Category</b>	Painting & Waterproofing	<b>Basis Cost</b>	882.25
<b>Tracking</b>	Logistical	<b>Salvage Value</b>	\$ 0.00
<b>Method</b>	Adjusted		

Code	Desc.	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0071		06/01/2001	09/01/2023	1:08	22:03	42	37,054.50	37,054.50
							37,054.50	37,054.50

### Comments

Given the secondary cosmetic nature of the common area interior stairways, interior painting is not typically necessary on as frequent a life cycle as exterior painting. Life cycles in the 15-25+ year range have been observed, which recognizes that as needed touch ups/repairs will be completed using in house labor, as a function of routine maintenance. At the association's prior request and sole discretion, the remaining useful life was adjusted to reflect a 2023 expense date, to be completed concurrently with the scheduled exterior painting/waterproofing project. A recurring 20 year life cycle was forecast thereafter.



# The Sorrento at the Colony C.A., Inc.

Analysis Date - January 1, 2022

## Item Parameters - Full Detail

### Paint/Waterproof Building Exteriors

<b>Item Number</b>	55	<b>Measurement Basis</b>	units
<b>Type</b>	Common Area	<b>Estimated Useful Life</b>	7 Years
<b>Category</b>	Painting & Waterproofing	<b>Basis Cost</b>	4,697.00
<b>Tracking</b>	Logistical	<b>Salvage Value</b>	\$ 0.00
<b>Method</b>	Fixed		

Code	Desc.	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0055		07/01/2016	07/01/2023	1:06	7:00	72	338,184.00	338,184.00
							<u>338,184.00</u>	<u>338,184.00</u>

### Comments

To insure proper protection of the underlying concrete, stucco, wood and metal surfaces, a maximum 7 year life cycle is the market norm we have observed for exterior painting and waterproofing (in lieu of an association purchased longer year warranty). The association purchased a 7 year warranty with its 2016 exterior painting and waterproofing project, and a 2023 expense date forecast accordingly. The current average per dwelling unit cost estimate includes typical minor concrete/stucco repairs, surface preparation, as needed window and sliding glass door caulking, and repainting/refinishing of all exterior concrete, stucco, wood and metal surfaces (including railings and window/slider frames).



# The Sorrento at the Colony C.A., Inc.

Analysis Date - January 1, 2022

## Item Parameters - Full Detail

### Structural/Concrete/Stucco

<b>Item Number</b>	132	<b>Measurement Basis</b>	
<b>Type</b>	Common Area	<b>Estimated Useful Life</b>	0 Year
<b>Category</b>	Painting & Waterproofing	<b>Basis Cost</b>	0.00
<b>Tracking</b>	Logistical	<b>Salvage Value</b>	\$ 0.00
<b>Method</b>	Fixed		

Code	Desc.	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0132			06/01/2001	0:00	0:00	0	0.00	0.00

### Comments

A determination of the condition of the exterior concrete systems is beyond the scope of this report. While it is certain that some measure of concrete restoration will be necessary in any property of the subject's design and construction with exposure to the ocean elements, it is very difficult to quantify budgetary costs and remaining useful lives. It is our market observation that very few associations establish and fund major concrete restoration reserves, given the relative uncertainty of cost and useful life; it is much more common for these upgrades to be funded (at least partially) via special assessment. No reserves for concrete restoration were included in this report. Should the association wish to include reserves for concrete restoration, a budgetary funding goal and useful life cycle would need to be provided.



# The Sorrento at the Colony C.A., Inc.

Analysis Date - January 1, 2022

## Item Parameters - Full Detail

### Asphalt Paving (Replacement)

<b>Item Number</b>	56	<b>Measurement Basis</b>	sq yds
<b>Type</b>	Common Area	<b>Estimated Useful Life</b>	20 Years
<b>Category</b>	Pavement	<b>Basis Cost</b>	15.59
<b>Tracking</b>	Logistical	<b>Salvage Value</b>	\$ 0.00
<b>Method</b>	Adjusted		

Code	Desc.	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0056		06/01/2001	09/01/2027	5:08	26:03	3,760	58,618.40	58,618.40
							58,618.40	58,618.40

### Comments

Resurfacing/overlaying of the asphalt paved parking and drives has been observed on life cycles in the mid-10 to 20 year range in better quality properties like the subject. The existing asphalt paving was observed to be deteriorating/cracking, and appears to be in need of near future replacement. At the association's prior request and sole discretion, this expense was forecast in 2027. Based on the observed condition of areas of existing paving, this adjustment will likely result in a poorer appearance and possibly higher replacement costs. The current cost estimate includes as needed milling of the asphalt at its junction with adjacent concrete/pavers, typical minor upgrades to the drainage systems and structural repairs, the installation of a standard overlay, re-striping, and curb stops replacement.



Replacement of concrete paving (curbing, sidewalks, decking, etc.) should not be necessary at any one given time under normal operating conditions. As such, reserving for total replacement is not considered practical or prudent. Associations commonly fund minor upgrades to these paving systems on an as needed, incidental basis as a function of their general operating budgets, given the unpredictability of cost and time frames. Therefore, no reserve was established for the common area concrete paving.

# The Sorrento at the Colony C.A., Inc.

Analysis Date - January 1, 2022

## Item Parameters - Full Detail

### Asphalt Paving (Sealcoat/Rejuvenation)

<b>Item Number</b>	70	<b>Measurement Basis</b>	sq yds
<b>Type</b>	Common Area	<b>Estimated Useful Life</b>	3 Years
<b>Category</b>	Pavement	<b>Basis Cost</b>	1.97
<b>Tracking</b>	Logistical	<b>Salvage Value</b>	\$ 0.00
<b>Method</b>	One Time		

Code	Desc.	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
920-005-0070			06/01/2039	17:05	17:05	3,760	7,407.20	7,407.20
920-007-0070			06/01/2045	23:05	23:05	3,760	7,407.20	7,407.20
920-006-0070			06/01/2042	20:05	20:05	3,760	7,407.20	7,407.20
920-004-0070			06/01/2036	14:05	14:05	3,760	7,407.20	7,407.20
920-001-0070			06/01/2023	1:05	3:00	3,760	7,407.20	7,407.20
920-002-0070			06/01/2030	8:05	8:05	3,760	7,407.20	7,407.20
920-003-0070			06/01/2033	11:05	11:05	3,760	7,407.20	7,407.20
							51,850.40	51,850.40

### Comments

Some associations complete sealcoating/rejuvenation of their common area asphalt paving on a periodic and regular basis, to insure a high cosmetic appeal and the maximum useful life of their asphalt paving; 3-4 year life cycles are most typically observed. Other associations are of the opinion that this project is strictly cosmetic, and do not. This project was completed in 2020 and scheduled again in 2023. Recurring 3 year life cycles were scheduled after the forecast 2027 repaving and 2047 repaving projects. The current cost estimate includes typical minor pavement repairs and re-striping.



# The Sorrento at the Colony C.A., Inc.

Analysis Date - January 1, 2022

## Item Parameters - Full Detail

### Drives/Parking Pavers

<b>Item Number</b>	57	<b>Measurement Basis</b>	sq ft
<b>Type</b>	Common Area	<b>Estimated Useful Life</b>	25 Years
<b>Category</b>	Pavement	<b>Basis Cost</b>	6.66
<b>Tracking</b>	Logistical	<b>Salvage Value</b>	\$ 0.00
<b>Method</b>	Adjusted		

Code	Desc.	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0057		06/01/2001	09/01/2027	5:08	26:03	8,200	54,612.00	54,612.00
							54,612.00	54,612.00

### Comments

Some associations consider paver parking/drives, walkways, pool and spa decks, etc. to be effectively permanent, and opt to exclude replacement from their annual reserve budgets. Others do establish and fund reserves for replacement, on observed budgetary life cycles of 20-40 years. It is our opinion that reserving for eventual replacement is prudent, if only for cosmetic purposes; we have observed older pavers that appear worn and dated, even with periodic pressure washing and/or sealing. This fund is designed to provide monies for as needed repairs to and eventual replacement of the pavers at the main entry, porte cochere and parking over a 25 year life cycle. At the association's request and sole discretion, the remaining useful life was adjusted to reflect a 2027 expense date. The total area is a rounded estimate.





# The Sorrento at the Colony C.A., Inc.

Analysis Date - January 1, 2022

## Item Parameters - Full Detail

### Common Area Plumbing

<b>Item Number</b>	131	<b>Measurement Basis</b>	
<b>Type</b>	Common Area	<b>Estimated Useful Life</b>	0 Year
<b>Category</b>	Plumbing	<b>Basis Cost</b>	0.00
<b>Tracking</b>	Logistical	<b>Salvage Value</b>	\$ 0.00
<b>Method</b>	Fixed		

Code	Desc.	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0131			06/01/2001	0:00	0:00	0	0.00	0.00

### Comments

Under normal conditions, total replacement of the common area plumbing lines/piping should not be necessary at any one given time. Therefore, it is our opinion that reserving for total replacement is not prudent or practical, which is supported by our review of reserve budgets at similar properties. While some associations do establish and fund contingency reserves for unpredictable and expected common area plumbing repairs, other associations prefer to fund unforeseen common area plumbing repairs (at least partially) via special assessment. At such time as the association can provide a budgetary funding goal and time frame in which to reach that goal, if a common area plumbing reserve is desired, this report can be amended accordingly.

# The Sorrento at the Colony C.A., Inc.

Analysis Date - January 1, 2022

## Item Parameters - Full Detail

### Deck Furniture

<b>Item Number</b>	59	<b>Measurement Basis</b>	pieces
<b>Type</b>	Common Area	<b>Estimated Useful Life</b>	12 Years
<b>Category</b>	Pool & Spa	<b>Basis Cost</b>	415.40
<b>Tracking</b>	Logistical	<b>Salvage Value</b>	\$ 0.00
<b>Method</b>	Fixed		

Code	Desc.	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0059		10/01/2021	10/01/2033	11:09	12:00	65	27,001.00	27,001.00
							27,001.00	27,001.00

### Comments

While miscellaneous replacements will be necessary on an ongoing basis, and recognizing that periodic refinishing and re-sliding will be necessary as a function of routine maintenance, the market suggests a useful life in the 10 to mid-10 year range for replacement of the deck furniture inventory. The current per piece cost estimate is an average figure, and includes chaise lounges, occasional tables, bar stools, chairs, trash receptacles, etc.).



# The Sorrento at the Colony C.A., Inc.

Analysis Date - January 1, 2022

## Item Parameters - Full Detail

### Decking

<b>Item Number</b>	58	<b>Measurement Basis</b>	sq ft
<b>Type</b>	Common Area	<b>Estimated Useful Life</b>	25 Years
<b>Category</b>	Pool & Spa	<b>Basis Cost</b>	6.66
<b>Tracking</b>	Logistical	<b>Salvage Value</b>	\$ 0.00
<b>Method</b>	Adjusted		

Code	Desc.	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0058		06/01/2001	06/01/2027	5:05	26:00	5,830	38,827.80	38,827.80
							38,827.80	38,827.80

### Comments

Some associations consider paver parking/drives, walkways, pool and spa decks, etc. to be effectively permanent, and opt to exclude replacement from their annual reserve budgets. Others do establish and fund reserves for replacement, on observed budgetary life cycles of 20-40 years. It is our opinion that reserving for eventual replacement is prudent, if only for cosmetic purposes; we have observed older pavers that appear worn and dated, even with periodic pressure washing and/or sealing. At the association's request and sole discretion, this expense was forecast in 2027. The total area is a rounded estimate.



# The Sorrento at the Colony C.A., Inc.

Analysis Date - January 1, 2022

## Item Parameters - Full Detail

### Fencing/Gates

<b>Item Number</b>	103	<b>Measurement Basis</b>	In ft
<b>Type</b>	Common Area	<b>Estimated Useful Life</b>	24 Years
<b>Category</b>	Pool & Spa	<b>Basis Cost</b>	59.43
<b>Tracking</b>	Logistical	<b>Salvage Value</b>	\$ 0.00
<b>Method</b>	Adjusted		

Code	Desc.	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0103		06/01/2001	06/01/2027	5:05	26:00	348	20,681.64	20,681.64
							20,681.64	20,681.64

### Comments

Barring any unforeseen storm damages, etc., the decorative metal fencing and gates and the pool perimeter should have a life cycle in the low to mid 20 year range. At the association's prior request and sole discretion, this expense was forecast in 2027, which is reflective of a +/- 26 year life cycle. This is longer than we have typically observed, and may result in deteriorated/unsightly fencing. The current per linear foot unit cost includes removal and disposal of the existing fencing and gates and installation of like height/quality fencing and gates.



## The Sorrento at the Colony C.A., Inc.

Analysis Date - January 1, 2022

### Item Parameters - Full Detail

#### Heaters

<b>Item Number</b>	60	<b>Measurement Basis</b>	each
<b>Type</b>	Common Area	<b>Estimated Useful Life</b>	15 Years
<b>Category</b>	Pool & Spa	<b>Basis Cost</b>	7,826.00
<b>Tracking</b>	Logistical	<b>Salvage Value</b>	\$ 0.00
<b>Method</b>	Fixed		

Code	Desc.	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
920-004-0060		06/01/2021	06/01/2036	14:05	15:00	1	7,826.00	7,826.00
920-002-0060		06/01/2013	06/01/2028	6:05	15:00	1	7,826.00	7,826.00
920-003-0060		06/01/2021	06/01/2036	14:05	15:00	1	7,826.00	7,826.00
920-001-0060		06/01/2019	06/01/2034	12:05	15:00	1	7,826.00	7,826.00
							31,304.00	31,304.00

#### Comments

The geothermal pool and spa heaters installed in 2004 should have a life cycle in the mid-10 to low 20 year range, based on our discussions with pool heater contractors and associations that have installed these systems. At the association's request, replacements were scheduled on recurring 15 year life cycles.



Under normal conditions, total pool and spa equipment inventory (pumps, filters, chlorination systems, etc.) replacement should not be necessary at any one given time. As such, it is not uncommon for associations like the subject to fund as needed repairs/replacements through their annual operating budgets, as a function of routine maintenance. No reserves for this equipment were included in this report.

# The Sorrento at the Colony C.A., Inc.

Analysis Date - January 1, 2022

## Item Parameters - Full Detail

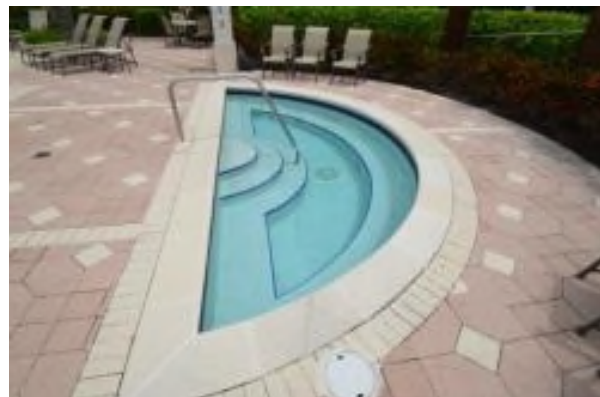
### Interiors Resurfacing

<b>Item Number</b>	61	<b>Measurement Basis</b>	sq ft
<b>Type</b>	Common Area	<b>Estimated Useful Life</b>	10 Years
<b>Category</b>	Pool & Spa	<b>Basis Cost</b>	18.10
<b>Tracking</b>	Logistical	<b>Salvage Value</b>	\$ 0.00
<b>Method</b>	Adjusted		

Code	Desc.	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0061		08/23/2012	08/01/2024	2:07	12:00	1,350	24,435.00	24,435.00
							24,435.00	24,435.00

### Comments

Assuming proper installation, chemical balancing, and routine maintenance, the typical concrete pool and spa with marcite or aggregate interiors should require resurfacing on a +/- 10 year life cycle. Based on the summer 2012 completion date of this project and the association's completion of a +/- \$7,500 expense in 2015, the remaining useful life for this project was adjusted to reflect a summer 2024 expense date. A recurring 10 year life cycle was scheduled thereafter. The current cost estimate includes typical minor tank/structural repairs, tile upgrades, and installation of new aggregate surface materials (i.e. "diamond brite", "pebble crete", etc.).



# The Sorrento at the Colony C.A., Inc.

Analysis Date - January 1, 2022

## Item Parameters - Full Detail

### Summer Kitchen

<b>Item Number</b>	123	<b>Measurement Basis</b>	lp sm
<b>Type</b>	Common Area	<b>Estimated Useful Life</b>	14 Years
<b>Category</b>	Pool & Spa	<b>Basis Cost</b>	9,550.00
<b>Tracking</b>	Logistical	<b>Salvage Value</b>	\$ 0.00
<b>Method</b>	Fixed		

Code	Desc.	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0123		01/01/2015	01/01/2029	7:00	14:00	1	9,550.00	9,550.00
							9,550.00	9,550.00

### Comments

This fund is designed to provide monies for eventual major restoration of the poolside summer kitchen (counters, etc.) over a 14 year life cycle. The current cost estimate is based on reported costs incurred during the 2015 project, and is not reflective of total replacement. Under normal conditions, we do not anticipate total replacement in the foreseeable future.



The association expects to complete as needed grills repair/replacements as a function of ongoing maintenance, funded through their annual operating budgets.

# The Sorrento at the Colony C.A., Inc.

Analysis Date - January 1, 2022

## Item Parameters - Full Detail

### Decktop Railings

<b>Item Number</b>	107	<b>Measurement Basis</b>	In ft
<b>Type</b>	Common Area	<b>Estimated Useful Life</b>	30 Years
<b>Category</b>	Railings/Screen Enclosures	<b>Basis Cost</b>	73.53
<b>Tracking</b>	Logistical	<b>Salvage Value</b>	\$ 0.00
<b>Method</b>	Fixed		

Code	Desc.	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0107		06/01/2001	06/01/2031	9:05	30:00	520	38,235.60	38,235.60
							38,235.60	38,235.60

### Comments

At some point, the association should expect to incur costs for replacement of the exterior railings and screen enclosures supporting the individual unit lanais, parking garage interiors and garage rooftop lawns/decks. We have observed life cycles of less than 20 years, while some properties of similar design and oceanfront/oceanside location of 30+ years in age have yet to complete replacement. This reserve is designed to provide monies for as needed repairs to and eventual replacement of the +/- 880 linear feet of railings at the garage rooftop lawns/decks over a 30 year life cycle. The current cost estimate includes removal and disposal of the existing railings and typical minor concrete repairs.





# The Sorrento at the Colony C.A., Inc.

Analysis Date - January 1, 2022

## Item Parameters - Full Detail

### Garage Screen Enclosures

<b>Item Number</b>	108	<b>Measurement Basis</b>	sq ft
<b>Type</b>	Common Area	<b>Estimated Useful Life</b>	25 Years
<b>Category</b>	Railings/Screen Enclosures	<b>Basis Cost</b>	11.13
<b>Tracking</b>	Logistical	<b>Salvage Value</b>	\$ 0.00
<b>Method</b>	Fixed		

Code	Desc.	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0108		06/01/2014	06/01/2039	17:05	25:00	2,560	28,492.80	28,492.80
							28,492.80	28,492.80

### Comments

At some point, the association should expect to incur costs for replacement of the screen enclosures supporting the individual unit lanais and parking garage interiors. We have observed life cycles of less than 20 years, while some properties of similar design and oceanfront/oceanside location of 30+ years in age have yet to complete replacement. This project was completed in 2014; this fund is designed to provide monies for as needed repairs to and eventual replacement over a 25 year life cycle.



This report assumes that as needed repairs/replacement of screening will be funded through the association's annual operating budget, as a function of routine maintenance, as typically observed in the market area.

# The Sorrento at the Colony C.A., Inc.

Analysis Date - January 1, 2022

## Item Parameters - Full Detail

### Units Railings/Screen Enclosures/Doors

<b>Item Number</b>	106	<b>Measurement Basis</b>	lp sm
<b>Type</b>	Common Area	<b>Estimated Useful Life</b>	25 Years
<b>Category</b>	Railings/Screen Enclosures	<b>Basis Cost</b>	242,307.00
<b>Tracking</b>	Logistical	<b>Salvage Value</b>	\$ 0.00
<b>Method</b>	Fixed		

Code	Desc.	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0106		06/01/2014	06/01/2039	17:05	25:00	1	242,307.00	242,307.00
							242,307.00	242,307.00

### Comments

At some point, the association should expect to incur costs for replacement of the exterior railings and screen enclosures/sliding screen doors supporting the individual unit lanais, parking garage interiors and garage rooftop lawns/decks. We have observed life cycles of less than 20 years, while some properties of similar design and oceanfront/oceanside location of 30+ years in age have yet to complete replacement. Replacement was completed in 2014; this fund is designed to provide monies for as needed repairs to and eventual replacement over a 25 year life cycle. The current cost estimate for the screen enclosures and railings at the unit lanais is a rounded estimate based on the total of +/- 2,285 linear feet of screen enclosures at a \$82.55/linear foot unit cost plus the total of +/- 880 linear feet of railings at a \$61.00/linear foot unit cost. This cost includes removal and disposal of the existing screen enclosures/railings and typical minor concrete repairs.



# The Sorrento at the Colony C.A., Inc.

Analysis Date - January 1, 2022

## Item Parameters - Full Detail

### Units Screening Replacement

<b>Item Number</b>	135	<b>Measurement Basis</b>	lanais
<b>Type</b>	Common Area	<b>Estimated Useful Life</b>	12 Yr 6 Mn
<b>Category</b>	Railings/Screen Enclosures	<b>Basis Cost</b>	595.00
<b>Tracking</b>	Logistical	<b>Salvage Value</b>	\$ 0.00
<b>Method</b>	Fixed		

Code	Desc.	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0135		06/01/2014	12/01/2026	4:11	12:06	120	71,400.00	71,400.00
							71,400.00	71,400.00

### Comments

The association is reportedly responsible for replacement of the fiberglass screening in the unit balcony screen enclosures, most recently completed in 2014. This fund is designed to provide monies for recurring screening replacement on a 12.5 year life cycle. This life cycle is consistent with the actual operating history and the estimated 25 year life cycle for screen enclosures replacement.. The current per lanai cost estimate is n average figure.



# The Sorrento at the Colony C.A., Inc.

Analysis Date - January 1, 2022

## Item Parameters - Full Detail

### Mechanical Building Roofing

<b>Item Number</b>	64	<b>Measurement Basis</b>	sqsq
<b>Type</b>	Common Area	<b>Estimated Useful Life</b>	26 Years
<b>Category</b>	Roofing	<b>Basis Cost</b>	1,528.00
<b>Tracking</b>	Logistical	<b>Salvage Value</b>	\$ 0.00
<b>Method</b>	Fixed		

Code	Desc.	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0064		06/01/2001	06/01/2027	5:05	26:00	10.65	16,273.20	16,273.20
							16,273.20	16,273.20

### Comments

The pitched tile roof covers on the mechanical building, pool pavilion and porte cochere have a market indicated life cycle of 25-30 years, assuming proper design, installation and maintenance; the most typical life falls in the mid-20 year range, assuming proper design, installation and routine maintenance. As no professional roofing studies were provided that would suggest that physical conditions exist at these roofs that would otherwise limit their remaining useful lives, reserves were included to provide monies for as needed repairs to and eventual replacement over 26 year life cycles. The current cost estimates include consulting/permitting removal and disposal of the existing roofing, typical minor repairs to the underlying roof structures, flashing, as needed repair/replacement of fascia, soffits, and/or gutters and downspouts, and installation of like roofing. One square = 100 square feet.



# The Sorrento at the Colony C.A., Inc.

Analysis Date - January 1, 2022

## Item Parameters - Full Detail

### Pool Pavilion Roofing

<b>Item Number</b>	65	<b>Measurement Basis</b>	sqsq
<b>Type</b>	Common Area	<b>Estimated Useful Life</b>	26 Years
<b>Category</b>	Roofing	<b>Basis Cost</b>	1,528.00
<b>Tracking</b>	Logistical	<b>Salvage Value</b>	\$ 0.00
<b>Method</b>	Fixed		

Code	Desc.	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0065		06/01/2001	06/01/2027	5:05	26:00	7	10,696.00	10,696.00
							10,696.00	10,696.00

### Comments

The pitched tile roof covers on the mechanical building, pool pavilion and porte cochere have a market indicated life cycle of 25-30 years, assuming proper design, installation and maintenance; the most typical life falls in the mid-20 year range, assuming proper design, installation and routine maintenance. As no professional roofing studies were provided that would suggest that physical conditions exist at these roofs that would otherwise limit their remaining useful lives, reserves were included to provide monies for as needed repairs to and eventual replacement over 26 year life cycles. The current cost estimates include consulting/permitting removal and disposal of the existing roofing, typical minor repairs to the underlying roof structures, flashing, as needed repair/replacement of fascia, soffits, and/or gutters and downspouts, and installation of like roofing. One square = 100 square feet.



# The Sorrento at the Colony C.A., Inc.

Analysis Date - January 1, 2022

## Item Parameters - Full Detail

### Porte Cochere Roofing

<b>Item Number</b>	66	<b>Measurement Basis</b>	sqsq
<b>Type</b>	Common Area	<b>Estimated Useful Life</b>	26 Years
<b>Category</b>	Roofing	<b>Basis Cost</b>	1,528.00
<b>Tracking</b>	Logistical	<b>Salvage Value</b>	\$ 0.00
<b>Method</b>	Fixed		

Code	Desc.	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0066		06/01/2001	06/01/2027	5:05	26:00	20.3	31,018.40	31,018.40
							31,018.40	31,018.40

### Comments

The pitched tile roof covers on the mechanical building, pool pavilion and porte cochere have a market indicated life cycle of 25-30 years, assuming proper design, installation and maintenance; the most typical life falls in the mid-20 year range, assuming proper design, installation and routine maintenance. As no professional roofing studies were provided that would suggest that physical conditions exist at these roofs that would otherwise limit their remaining useful lives, reserves were included to provide monies for as needed repairs to and eventual replacement over 26 year life cycles. The current cost estimates include consulting/permitting removal and disposal of the existing roofing, typical minor repairs to the underlying roof structures, flashing, as needed repair/replacement of fascia, soffits, and/or gutters and downspouts, and installation of like roofing. One square = 100 square feet.



# The Sorrento at the Colony C.A., Inc.

Analysis Date - January 1, 2022

## Item Parameters - Full Detail

### Tower Roofing (Flat)

<b>Item Number</b>	62	<b>Measurement Basis</b>	sqsq
<b>Type</b>	Common Area	<b>Estimated Useful Life</b>	20 Years
<b>Category</b>	Roofing	<b>Basis Cost</b>	3,281.50
<b>Tracking</b>	Logistical	<b>Salvage Value</b>	\$ 0.00
<b>Method</b>	Adjusted		

Code	Desc.	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0062		06/01/2001	10/01/2024	2:09	23:04	88	288,772.00	288,772.00
							288,772.00	288,772.00

### Comments

The flat/membrane roofing on the tower building should require replacement on an 20 year schedule under normal operating conditions; the tower flat roofing was observed to be in average to good overall condition, and appears to have been well maintained. No significant problems were reported by the property manager. As such, the indicated replacement date is at or near 2021. A roof assessment completed in spring 2019 by Crowther Roofing indicates that the existing roofing is in good condition, and that replacement does not appear likely for the next 3+ years. As such, the remaining useful life was adjusted to reflect a 2024 expense date. The current replacement cost estimate includes consulting/permitting, tear off and disposal of the existing roof covers, typical minor repairs to the underlying roof structures, flashing, etc. and installation of similar roofing. One square = 100 square feet.



# The Sorrento at the Colony C.A., Inc.

Analysis Date - January 1, 2022

## Item Parameters - Full Detail

### Tower Roofing (Metal Shingle)

<b>Item Number</b>	63	<b>Measurement Basis</b>	sqsq
<b>Type</b>	Common Area	<b>Estimated Useful Life</b>	35 Years
<b>Category</b>	Roofing	<b>Basis Cost</b>	4,566.70
<b>Tracking</b>	Logistical	<b>Salvage Value</b>	\$ 0.00
<b>Method</b>	Fixed		

Code	Desc.	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0063		06/01/2001	06/01/2036	14:05	35:00	56.5	258,018.55	258,018.55
							258,018.55	258,018.55

### Comments

The tower building features coated metal shingle roof covers. This roofing product is relatively new, compared with pitched tile, shingle, etc. roofing; as such, there is very little actual market extracted data by which a useful life can be estimated. Discussions with roofing consultants and associations that have installed this type of roofing reflects an expected life cycle of 30-40+ years. This useful life assumes proper design, installation, and routine maintenance. This fund is designed to provide monies for as needed repairs to (it appears repairs/cleaning should be completed in the near future, to insure a high cosmetic appeal) and eventual replacement of this roofing over a 35 year life cycle. The current unit cost estimate includes consulting/permitting, removal and disposal of the existing roofing, typical minor repairs to the underlying roof structures, flashing, etc. and installation of like roofing. One square = 100 square feet.





# The Sorrento at the Colony C.A., Inc.

Analysis Date - January 1, 2022

## Item Parameters - Full Detail

### Landscaping

<b>Item Number</b>	130	<b>Measurement Basis</b>	
<b>Type</b>	Common Area	<b>Estimated Useful Life</b>	0 Year
<b>Category</b>	Site Improvements	<b>Basis Cost</b>	0.00
<b>Tracking</b>	Logistical	<b>Salvage Value</b>	\$ 0.00
<b>Method</b>	Fixed		

Code	Desc.	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0130			06/01/2001	0:00	0:00	0	0.00	0.00

### Comments

In our experience, some associations do establish and fund landscaping reserves, typically on a contingency basis for unforeseen storm damage, blight, etc. Because landscaping is largely cosmetic, costs and useful lives can vary, often widely, from property to property. Given this unpredictability, we include landscaping reserves only when provided current cost and useful life/remaining useful live parameters by an association, and then include at that association's sole discretion. At such time as the association can provide a budgetary funding goal and time frame in which to reach that goal for their common area landscaping, this report can be amended accordingly.



As needed upgrades to irrigation systems is typically funded through an association's annual operating budget, as a function of routine maintenance; we have not encountered an association that has established and funded a reserve for total replacement in the absence of an engineering report demonstrating the need and/or economic feasibility of total irrigation system replacement..

# The Sorrento at the Colony C.A., Inc.

Analysis Date - January 1, 2022

## Item Parameters - Full Detail

### Signage Allowance

<b>Item Number</b>	109	<b>Measurement Basis</b>	lp sm
<b>Type</b>	Common Area	<b>Estimated Useful Life</b>	20 Years
<b>Category</b>	Site Improvements	<b>Basis Cost</b>	10,000.00
<b>Tracking</b>	Logistical	<b>Salvage Value</b>	\$ 0.00
<b>Method</b>	Adjusted		

Code	Desc.	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0109		06/01/2001	01/01/2027	5:00	25:07	1	10,000.00	10,000.00
							10,000.00	10,000.00

### Comments

Under normal conditions, total replacement of the marquee signage structures at the property entry should not be necessary at any one given time. Typically, this type of signage projects involves cosmetic restoration (new tile facades/exteriors, lettering, etc.) rather than total replacement. This fund is designed to provide monies for cosmetic restoration of the two marquee signs; at the association's request and sole discretion, a 2027 expense date was forecast.



# The Sorrento at the Colony C.A., Inc.

Analysis Date - January 1, 2022

## Item Parameters - Full Detail

### Site Lighting

<b>Item Number</b>	68	<b>Measurement Basis</b>	lp sm
<b>Type</b>	Common Area	<b>Estimated Useful Life</b>	24 Years
<b>Category</b>	Site Improvements	<b>Basis Cost</b>	76,685.00
<b>Tracking</b>	Logistical	<b>Salvage Value</b>	\$ 0.00
<b>Method</b>	Fixed		

Code	Desc.	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0068		06/01/2001	06/01/2025	3:05	24:00	1	76,685.00	76,685.00
							76,685.00	76,685.00

### Comments

While minor replacements of site lighting (street lights/posts, bollards, landscape lights, etc.) will be necessary from time to time as a function of routine maintenance, better quality properties like the subject typically have completed total inventory replacement after a life cycle in the low to mid 20 year range. This fund is designed to provide monies for as needed replacements over a 24 year life cycle. The current cost estimate is based on cost estimating indexes and our experience with exterior lighting systems in properties of similar quality.



# The Sorrento at the Colony C.A., Inc.

Analysis Date - January 1, 2022

## Item Parameters - Full Detail

### Trellises

<b>Item Number</b>	69	<b>Measurement Basis</b>	sq ft
<b>Type</b>	Common Area	<b>Estimated Useful Life</b>	14 Years
<b>Category</b>	Site Improvements	<b>Basis Cost</b>	29.32
<b>Tracking</b>	Logistical	<b>Salvage Value</b>	\$ 0.00
<b>Method</b>	Fixed		

Code	Desc.	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0069		10/01/2013	10/01/2027	5:09	14:00	1,800	52,776.00	52,776.00
							52,776.00	52,776.00

### Comments

This category is designed to provide monies for major restoration/replacement of the two wood trellises at the parking structures installed in 2013; assuming proper and routine maintenance, major restorations have been observed on life cycles in the low to mid 10 year range.



# The Sorrento at the Colony C.A., Inc.

Analysis Date - January 1, 2022

## Item Parameters - Full Detail

### West/Nature Preserve Fencing

<b>Item Number</b>	124	<b>Measurement Basis</b>	lp sm
<b>Type</b>	Common Area	<b>Estimated Useful Life</b>	24 Years
<b>Category</b>	Site Improvements	<b>Basis Cost</b>	11,855.00
<b>Tracking</b>	Logistical	<b>Salvage Value</b>	\$ 0.00
<b>Method</b>	Fixed		

Code	Desc.	Service Date	Replace Date	Rem Life	Adj Life	Quantity	Current Cost	Future Cost
910-000-0124		01/01/2015	01/01/2039	17:00	24:00	1	11,855.00	11,855.00
							11,855.00	11,855.00

### Comments

Data gleaned from both within and outside the local market area indicates that under normal conditions, replacement of typical coated chain link fencing/gates should be expected on a life cycle in the low to mid-20 year range. This fund is designed to provide monies for as needed repairs to and eventual replacement of the west/nature preserve fencing installed in 2015 over a 24 year life cycle. The current cost estimate is based on actual contract pricing, as provided by the previous property manager. We reserve the right to modify this report upon confirmation of the factual linear feet in place.



# The Sorrento at the Colony C.A., Inc.

Analysis Date - January 1, 2022

## Expenditures

Category	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
<b>Common Area Interiors</b>										
Billiards Room Furnishings/Finishes				16,352						
Fitness Room Strength Stations/Equip.				29,316						
Guest Suites Furnishings/Finishes		37,900								
Hallways Carpeting		166,467								
Hallways Furnishings/Finishes								233,800		
Lobby/Galleries Furnishings										94,424
Lobby/Galleries Wall/Door Finishes										26,068
Social Room Bar/Kitchen		64,999								
Social Room Carpeting		9,779								
Social Room Furnishings/Finishes						59,946				
	0	279,145	0	45,668	0	59,946	0	233,800	0	120,492
<b>Engineering Study</b>										
Engineering Study	20,000							20,000		
	20,000	0	0	0	0	0	0	20,000	0	0
<b>Mechanical/Electrical</b>										
Exhaust/Pressurization Fans										50,380
Garage Gate/Equipment									17,880	
Hallways Outside Air Unit							113,988			
Video Surveillance System									16,128	
	0	0	0	0	0	0	113,988	0	34,008	50,380
<b>Painting &amp; Waterproofing</b>										
Paint Garage Ceilings/Piping						34,860				
Paint Stairways Interiors		37,054								
Paint/Waterproof Building Exteriors		338,184							338,184	
	0	375,238	0	0	0	34,860	0	0	338,184	0

# The Sorrento at the Colony C.A., Inc.

Analysis Date - January 1, 2022

## Expenditures

Category	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
<b>Pavement</b>										
Asphalt Paving (Replacement)						58,618				
Asphalt Paving (Sealcoat/Rejuvenation)		7,407							7,407	
Drives/Parking Pavers						54,612				
	0	7,407	0	0	0	113,230	0	0	7,407	0
<b>Pool &amp; Spa</b>										
Decking						38,827				
Fencing/Gates						20,681				
Heaters							7,826			
Interiors Resurfacing			24,435							
Summer Kitchen								9,550		
	0	0	24,435	0	0	59,509	7,826	9,550	0	0
<b>Railings/Screen Enclosures</b>										
Decktop Railings										38,235
Units Screening Replacement					71,400					
	0	0	0	0	71,400	0	0	0	0	38,235
<b>Roofing</b>										
Mechanical Building Roofing						16,273				
Pool Pavilion Roofing						10,696				
Porte Cochere Roofing						31,018				
Tower Roofing (Flat)			288,772							
	0	0	288,772	0	0	57,987	0	0	0	0
<b>Site Improvements</b>										
Signage Allowance						10,000				
Site Lighting				76,685						
Trellises						52,776				
	0	0	0	76,685	0	62,776	0	0	0	0
	20,000	661,791	313,207	122,353	71,400	388,309	121,814	263,350	379,599	209,107

# The Sorrento at the Colony C.A., Inc.

Analysis Date - January 1, 2022

## Expenditures

Category	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041
<b>Common Area Interiors</b>										
Admin. Offices Furnishings/Finishes				11,480						
Elevator Cab Interiors										41,500
Fitness Room Flooring		8,643								
Fitness Room Strength Stations/Equip.									29,316	
Guest Suites Furnishings/Finishes		37,900								
Guest Suites Restrooms								17,205		
Hallways Carpeting						166,467				
Lobby/Galleries Restrooms								46,282		
Social Room Carpeting		9,779								
Social Room Furnishings/Finishes										59,946
	0	56,322	0	11,480	0	166,467	0	63,488	29,316	101,446
<b>Decks &amp; Planter Boxes</b>										
Lawns/Landscaping Waterproofing		840,750								
Pavers/Waterproofing		345,290								
	0	1,186,040	0	0	0	0	0	0	0	0
<b>Engineering Study</b>										
Engineering Study					20,000					
	0	0	0	0	20,000	0	0	0	0	0
<b>Mechanical/Electrical</b>										
Domestic Water Pumps/Equipment								48,566		
Garage Gates/Equipment				17,880						
Generator/Equipment										96,950
Hallways Outside Air Unit									113,988	
Video Surveillance System										16,128
Water Softener System/Equipment	17,000									
	17,000	0	0	17,880	0	0	0	48,566	113,988	113,078



# The Sorrento at the Colony C.A., Inc.

Analysis Date - January 1, 2022

## Expenditures

Category	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041
<b>Painting &amp; Waterproofing</b>										
Paint Garage Walls/Doors						22,680				
Paint/Waterproof Building Exteriors						338,184				
	0	0	0	0	0	360,864	0	0	0	0
<b>Pavement</b>										
Asphalt Paving (Sealcoat/Rejuvenation)		7,407			7,407			7,407		
	0	7,407	0	0	7,407	0	0	7,407	0	0
<b>Pool &amp; Spa</b>										
Deck Furniture		27,001								
Heater			7,826		15,652					
Interiors Resurfacing			24,435							
	0	27,001	32,261	0	15,652	0	0	0	0	0
<b>Railings/Screen Enclosures</b>										
Garage Screen Enclosures								28,492		
Units Railings/Screen Enclosures/Doors								242,307		
Units Screening Replacement								71,400		
	0	0	0	0	0	0	0	342,199	0	0
<b>Roofing</b>										
Tower Roofing (Metal Shingle)					258,018					
	0	0	0	0	258,018	0	0	0	0	0
<b>Site Improvements</b>										
Trellises										52,776
West/Nature Preserve Fencing								11,855		
	0	0	0	0	0	0	0	11,855	0	52,776
	17,000	1,276,770	32,261	29,360	301,077	527,331	0	473,516	143,304	267,300

# The Sorrento at the Colony C.A., Inc.

Analysis Date - January 1, 2022

## Expenditures

Category	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051
<b>Common Area Interiors</b>										
Billiards Room Furnishings/Finishes				16,352						
Fitness Room Flooring							8,643			
Guest Suites Furnishings/Finishes		37,900								
Hallways Carpeting										166,467
Hallways Furnishings/Finishes		233,800								
Lobby/Galleries Furnishings					94,424					
Lobby/Galleries Wall/Door Finishes					26,068					
Social Room Bar/Kitchen		64,999								
Social Room Carpeting		9,779								
	0	346,478	0	16,352	120,492	0	8,643	0	0	166,467
<b>Decks &amp; Planter Boxes</b>										
Planter Boxes Waterproofing					202,160					
	0	0	0	0	202,160	0	0	0	0	0
<b>Engineering Study</b>										
Engineering Study		20,000							20,000	
	0	20,000	0	0	0	0	0	0	20,000	0
<b>Mechanical/Electrical</b>										
Elevator Mechanical Modernization										584,810
Fire Alarm System Modernization				286,140						
Fire Pump/Equipment					79,420					
Garage Gates/Equipment			17,880					17,880		
Water Softener System/Equipment	17,000									
	17,000	0	17,880	286,140	79,420	0	0	17,880	0	584,810
<b>Painting &amp; Waterproofing</b>										
Paint Garage Ceilings/Piping						34,860				
Paint Stairways Interiors		37,054								
Paint/Waterproof Building Exteriors			338,184							338,184
	0	37,054	338,184	0	0	34,860	0	0	0	338,184

# The Sorrento at the Colony C.A., Inc.

Analysis Date - January 1, 2022

## Expenditures

Category	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051
<b>Pavement</b>										
Asphalt Paving (Replacement)						58,618				
Asphalt Paving (Sealcoat/Rejuvenation)	7,407			7,407						
	7,407	0	0	7,407	0	58,618	0	0	0	0
<b>Pool &amp; Spa</b>										
Deck Furniture				27,001						
Fencing/Gates										20,681
Heaters		7,826						7,826		15,652
Interiors Resurfacing			24,435							
Summer Kitchen		9,550								
	0	17,376	24,435	27,001	0	0	0	7,826	0	36,333
<b>Railings/Screen Enclosures</b>										
Units Screening Replacement										71,400
	0	0	0	0	0	0	0	0	0	71,400
<b>Roofing</b>										
Tower Roofing (Flat)			288,772							
	0	0	288,772	0	0	0	0	0	0	0
<b>Site Improvements</b>										
Signage Allowance						10,000				
Site Lighting								76,685		
	0	0	0	0	0	10,000	0	76,685	0	0
	24,407	420,908	669,271	336,900	402,072	103,478	8,643	102,391	20,000	1,197,195

## The Sorrento at the Colony C.A., Inc.

Analysis Date - January 1, 2022

### Cash Flow - Monthly

<b>2022</b>	<b>Begining Balance</b>	<b>Contribution</b>	<b>Interest Earned</b>	<b>Expenditures</b>	<b>Ending Balance</b>
January	\$ 700,000.00	\$ 22,450.00	\$ 385.25	\$ 0.00	\$ 722,835.25
February	722,835.25	22,450.00	397.62	0.00	745,682.87
March	745,682.87	22,450.00	409.99	0.00	768,542.86
April	768,542.86	22,450.00	422.37	0.00	791,415.23
May	791,415.23	22,450.00	434.76	0.00	814,299.99
June	814,299.99	22,450.00	441.74	20,000.00	817,191.73
July	817,191.73	22,450.00	448.73	0.00	840,090.46
August	840,090.46	22,450.00	461.13	0.00	863,001.59
September	863,001.59	22,450.00	473.54	0.00	885,925.13
October	885,925.13	22,450.00	485.96	0.00	908,861.09
November	908,861.09	22,450.00	498.38	0.00	931,809.47
December	931,809.47	22,450.00	510.81	0.00	954,770.28
	<u>700,000</u>	<u>269,400</u>	<u>5,370</u>	<u>20,000</u>	<u>954,770</u>
<b>2023</b>	<b>Begining Balance</b>	<b>Contribution</b>	<b>Interest Earned</b>	<b>Expenditures</b>	<b>Ending Balance</b>
January	\$ 954,770.28	\$ 22,450.00	\$ 523.25	\$ 0.00	\$ 977,743.53
February	977,743.53	22,450.00	535.69	0.00	1,000,729.22
March	1,000,729.22	22,450.00	548.14	0.00	1,023,727.36
April	1,023,727.36	22,450.00	560.60	0.00	1,046,737.96
May	1,046,737.96	22,450.00	573.06	0.00	1,069,761.02
June	1,069,761.02	22,450.00	583.53	7,407.20	1,085,387.35
July	1,085,387.35	22,450.00	502.41	338,184.00	770,155.76
August	770,155.76	22,450.00	423.25	0.00	793,029.01
September	793,029.01	22,450.00	350.00	316,200.02	499,628.99
October	499,628.99	22,450.00	276.71	0.00	522,355.70
November	522,355.70	22,450.00	289.02	0.00	545,094.72
December	545,094.72	22,450.00	301.34	0.00	567,846.06
	<u>954,770</u>	<u>269,400</u>	<u>5,467</u>	<u>661,791</u>	<u>567,846</u>

## The Sorrento at the Colony C.A., Inc.

Analysis Date - January 1, 2022

### Cash Flow - Monthly

<b>2024</b>	<b>Begining Balance</b>	<b>Contribution</b>	<b>Interest Earned</b>	<b>Expenditures</b>	<b>Ending Balance</b>
January	\$ 567,846.06	\$ 22,450.00	\$ 313.66	\$ 0.00	\$ 590,609.72
February	590,609.72	22,450.00	325.99	0.00	613,385.71
March	613,385.71	22,450.00	338.33	0.00	636,174.04
April	636,174.04	22,450.00	350.67	0.00	658,974.71
May	658,974.71	22,450.00	363.02	0.00	681,787.73
June	681,787.73	22,450.00	375.38	0.00	704,613.11
July	704,613.11	22,450.00	387.75	0.00	727,450.86
August	727,450.86	22,450.00	393.50	24,435.00	725,859.36
September	725,859.36	22,450.00	399.25	0.00	748,708.61
October	748,708.61	22,450.00	333.42	288,772.00	482,720.03
November	482,720.03	22,450.00	267.55	0.00	505,437.58
December	505,437.58	22,450.00	279.86	0.00	528,167.44
	<u>567,846</u>	<u>269,400</u>	<u>4,128</u>	<u>313,207</u>	<u>528,167</u>
<b>2025</b>	<b>Begining Balance</b>	<b>Contribution</b>	<b>Interest Earned</b>	<b>Expenditures</b>	<b>Ending Balance</b>
January	\$ 528,167.44	\$ 22,450.00	\$ 279.80	\$ 45,668.00	\$ 505,229.24
February	505,229.24	22,450.00	279.75	0.00	527,958.99
March	527,958.99	22,450.00	292.06	0.00	550,701.05
April	550,701.05	22,450.00	304.38	0.00	573,455.43
May	573,455.43	22,450.00	316.70	0.00	596,222.13
June	596,222.13	22,450.00	308.27	76,685.00	542,295.40
July	542,295.40	22,450.00	299.82	0.00	565,045.22
August	565,045.22	22,450.00	312.15	0.00	587,807.37
September	587,807.37	22,450.00	324.48	0.00	610,581.85
October	610,581.85	22,450.00	336.81	0.00	633,368.66
November	633,368.66	22,450.00	349.15	0.00	656,167.81
December	656,167.81	22,450.00	361.50	0.00	678,979.31
	<u>528,167</u>	<u>269,400</u>	<u>3,764</u>	<u>122,353</u>	<u>678,979</u>

## The Sorrento at the Colony C.A., Inc.

Analysis Date - January 1, 2022

### Cash Flow - Monthly

<b>2026</b>	<b>Begining Balance</b>	<b>Contribution</b>	<b>Interest Earned</b>	<b>Expenditures</b>	<b>Ending Balance</b>
January	\$ 678,979.31	\$ 22,450.00	\$ 373.86	\$ 0.00	\$ 701,803.17
February	701,803.17	22,450.00	386.22	0.00	724,639.39
March	724,639.39	22,450.00	398.59	0.00	747,487.98
April	747,487.98	22,450.00	410.97	0.00	770,348.95
May	770,348.95	22,450.00	423.35	0.00	793,222.30
June	793,222.30	22,450.00	435.74	0.00	816,108.04
July	816,108.04	22,450.00	448.14	0.00	839,006.18
August	839,006.18	22,450.00	460.54	0.00	861,916.72
September	861,916.72	22,450.00	472.95	0.00	884,839.67
October	884,839.67	22,450.00	485.37	0.00	907,775.04
November	907,775.04	22,450.00	497.79	0.00	930,722.83
December	930,722.83	22,450.00	490.88	71,400.00	882,263.71
	678,979	269,400	5,284	71,400	882,263
<b>2027</b>	<b>Begining Balance</b>	<b>Contribution</b>	<b>Interest Earned</b>	<b>Expenditures</b>	<b>Ending Balance</b>
January	\$ 882,263.71	\$ 22,450.00	\$ 481.26	\$ 10,000.00	\$ 895,194.97
February	895,194.97	22,450.00	490.98	0.00	918,135.95
March	918,135.95	22,450.00	503.40	0.00	941,089.35
April	941,089.35	22,450.00	515.84	0.00	964,055.19
May	964,055.19	22,450.00	528.28	0.00	987,033.47
June	987,033.47	22,450.00	508.90	117,497.04	892,495.33
July	892,495.33	22,450.00	489.52	0.00	915,434.85
August	915,434.85	22,450.00	501.94	0.00	938,386.79
September	938,386.79	22,450.00	474.27	148,090.40	813,220.66
October	813,220.66	22,450.00	416.05	112,722.00	723,364.71
November	723,364.71	22,450.00	397.90	0.00	746,212.61
December	746,212.61	22,450.00	410.28	0.00	769,072.89
	882,263	269,400	5,718	388,309	769,072

## The Sorrento at the Colony C.A., Inc.

Analysis Date - January 1, 2022

### Cash Flow - Monthly

<b>2028</b>	<b>Begining Balance</b>	<b>Contribution</b>	<b>Interest Earned</b>	<b>Expenditures</b>	<b>Ending Balance</b>
January	\$ 769,072.89	\$ 22,450.00	\$ 422.66	\$ 0.00	\$ 791,945.55
February	791,945.55	22,450.00	435.05	0.00	814,830.60
March	814,830.60	22,450.00	447.45	0.00	837,728.05
April	837,728.05	22,450.00	459.85	0.00	860,637.90
May	860,637.90	22,450.00	472.26	0.00	883,560.16
June	883,560.16	22,450.00	482.56	7,826.00	898,666.72
July	898,666.72	22,450.00	492.86	0.00	921,609.58
August	921,609.58	22,450.00	474.41	113,988.00	830,545.99
September	830,545.99	22,450.00	455.96	0.00	853,451.95
October	853,451.95	22,450.00	468.37	0.00	876,370.32
November	876,370.32	22,450.00	480.78	0.00	899,301.10
December	899,301.10	22,450.00	493.20	0.00	922,244.30
	<u>769,072</u>	<u>269,400</u>	<u>5,585</u>	<u>121,814</u>	<u>922,244</u>
<b>2029</b>	<b>Begining Balance</b>	<b>Contribution</b>	<b>Interest Earned</b>	<b>Expenditures</b>	<b>Ending Balance</b>
January	\$ 922,244.30	\$ 22,450.00	\$ 503.04	\$ 9,550.00	\$ 935,647.34
February	935,647.34	22,450.00	512.89	0.00	958,610.23
March	958,610.23	22,450.00	525.33	0.00	981,585.56
April	981,585.56	22,450.00	537.77	0.00	1,004,573.33
May	1,004,573.33	22,450.00	550.22	0.00	1,027,573.55
June	1,027,573.55	22,450.00	557.27	20,000.00	1,030,580.82
July	1,030,580.82	22,450.00	564.31	0.00	1,053,595.13
August	1,053,595.13	22,450.00	576.78	0.00	1,076,621.91
September	1,076,621.91	22,450.00	525.93	233,800.00	865,797.84
October	865,797.84	22,450.00	475.05	0.00	888,722.89
November	888,722.89	22,450.00	487.47	0.00	911,660.36
December	911,660.36	22,450.00	499.90	0.00	934,610.26
	<u>922,244</u>	<u>269,400</u>	<u>6,315</u>	<u>263,350</u>	<u>934,610</u>

## The Sorrento at the Colony C.A., Inc.

Analysis Date - January 1, 2022

### Cash Flow - Monthly

<b>2030</b>	<b>Begining Balance</b>	<b>Contribution</b>	<b>Interest Earned</b>	<b>Expenditures</b>	<b>Ending Balance</b>
January	\$ 934,610.26	\$ 22,450.00	\$ 512.33	\$ 0.00	\$ 957,572.59
February	957,572.59	22,450.00	524.77	0.00	980,547.36
March	980,547.36	22,450.00	537.21	0.00	1,003,534.57
April	1,003,534.57	22,450.00	549.66	0.00	1,026,534.23
May	1,026,534.23	22,450.00	557.28	17,880.00	1,031,661.51
June	1,031,661.51	22,450.00	562.89	7,407.20	1,047,267.20
July	1,047,267.20	22,450.00	481.76	338,184.00	732,014.96
August	732,014.96	22,450.00	402.59	0.00	754,867.55
September	754,867.55	22,450.00	414.97	0.00	777,732.52
October	777,732.52	22,450.00	422.98	16,128.00	784,477.50
November	784,477.50	22,450.00	431.01	0.00	807,358.51
December	807,358.51	22,450.00	443.40	0.00	830,251.91
	<u>934,610</u>	<u>269,400</u>	<u>5,840</u>	<u>379,599</u>	<u>830,251</u>
<b>2031</b>	<b>Begining Balance</b>	<b>Contribution</b>	<b>Interest Earned</b>	<b>Expenditures</b>	<b>Ending Balance</b>
January	\$ 830,251.91	\$ 22,450.00	\$ 455.80	\$ 0.00	\$ 853,157.71
February	853,157.71	22,450.00	468.21	0.00	876,075.92
March	876,075.92	22,450.00	480.62	0.00	899,006.54
April	899,006.54	22,450.00	493.04	0.00	921,949.58
May	921,949.58	22,450.00	505.47	0.00	944,905.05
June	944,905.05	22,450.00	493.90	88,615.60	879,233.35
July	879,233.35	22,450.00	482.33	0.00	902,165.68
August	902,165.68	22,450.00	494.75	0.00	925,110.43
September	925,110.43	22,450.00	507.18	0.00	948,067.61
October	948,067.61	22,450.00	486.98	120,492.00	850,512.59
November	850,512.59	22,450.00	466.77	0.00	873,429.36
December	873,429.36	22,450.00	479.19	0.00	896,358.55
	<u>830,251</u>	<u>269,400</u>	<u>5,814</u>	<u>209,107</u>	<u>896,358</u>



## The Sorrento at the Colony C.A., Inc.

Analysis Date - January 1, 2022

### Cash Flow - Monthly

<b>2032</b>	<b>Begining Balance</b>	<b>Contribution</b>	<b>Interest Earned</b>	<b>Expenditures</b>	<b>Ending Balance</b>
January	\$ 896,358.55	\$ 22,450.00	\$ 487.00	\$ 17,000.00	\$ 902,295.55
February	902,295.55	22,450.00	494.82	0.00	925,240.37
March	925,240.37	22,450.00	507.25	0.00	948,197.62
April	948,197.62	22,450.00	519.69	0.00	971,167.31
May	971,167.31	22,450.00	532.13	0.00	994,149.44
June	994,149.44	22,450.00	544.58	0.00	1,017,144.02
July	1,017,144.02	22,450.00	557.03	0.00	1,040,151.05
August	1,040,151.05	22,450.00	569.50	0.00	1,063,170.55
September	1,063,170.55	22,450.00	581.96	0.00	1,086,202.51
October	1,086,202.51	22,450.00	594.44	0.00	1,109,246.95
November	1,109,246.95	22,450.00	606.92	0.00	1,132,303.87
December	1,132,303.87	22,450.00	619.41	0.00	1,155,373.28
	<u>896,358</u>	<u>269,400</u>	<u>6,614</u>	<u>17,000</u>	<u>1,155,373</u>
<b>2033</b>	<b>Begining Balance</b>	<b>Contribution</b>	<b>Interest Earned</b>	<b>Expenditures</b>	<b>Ending Balance</b>
January	\$ 1,155,373.28	\$ 22,450.00	\$ 631.91	\$ 0.00	\$ 1,178,455.19
February	1,178,455.19	22,450.00	644.41	0.00	1,201,549.60
March	1,201,549.60	22,450.00	656.92	0.00	1,224,656.52
April	1,224,656.52	22,450.00	669.44	0.00	1,247,775.96
May	1,247,775.96	22,450.00	681.96	0.00	1,270,907.92
June	1,270,907.92	22,450.00	371.26	1,193,447.20	100,281.98
July	100,281.98	22,450.00	60.40	0.00	122,792.38
August	122,792.38	22,450.00	70.25	8,643.60	136,669.03
September	136,669.03	22,450.00	67.20	47,679.10	111,507.13
October	111,507.13	22,450.00	59.17	27,001.00	107,015.30
November	107,015.30	22,450.00	64.05	0.00	129,529.35
December	129,529.35	22,450.00	76.24	0.00	152,055.59
	<u>1,155,373</u>	<u>269,400</u>	<u>4,053</u>	<u>1,276,770</u>	<u>152,055</u>

## The Sorrento at the Colony C.A., Inc.

Analysis Date - January 1, 2022

### Cash Flow - Monthly

<b>2034</b>	<b>Begining Balance</b>	<b>Contribution</b>	<b>Interest Earned</b>	<b>Expenditures</b>	<b>Ending Balance</b>
January	\$ 152,055.59	\$ 22,450.00	\$ 88.44	\$ 0.00	\$ 174,594.03
February	174,594.03	22,450.00	100.65	0.00	197,144.68
March	197,144.68	22,450.00	112.87	0.00	219,707.55
April	219,707.55	22,450.00	125.09	0.00	242,282.64
May	242,282.64	22,450.00	137.32	0.00	264,869.96
June	264,869.96	22,450.00	147.43	7,826.00	279,641.39
July	279,641.39	22,450.00	157.55	0.00	302,248.94
August	302,248.94	22,450.00	163.18	24,435.00	300,427.12
September	300,427.12	22,450.00	168.81	0.00	323,045.93
October	323,045.93	22,450.00	181.06	0.00	345,676.99
November	345,676.99	22,450.00	193.32	0.00	368,320.31
December	368,320.31	22,450.00	205.59	0.00	390,975.90
	152,055	269,400	1,781	32,261	390,975
<b>2035</b>	<b>Begining Balance</b>	<b>Contribution</b>	<b>Interest Earned</b>	<b>Expenditures</b>	<b>Ending Balance</b>
January	\$ 390,975.90	\$ 22,450.00	\$ 217.86	\$ 0.00	\$ 413,643.76
February	413,643.76	22,450.00	230.14	0.00	436,323.90
March	436,323.90	22,450.00	242.42	0.00	459,016.32
April	459,016.32	22,450.00	254.71	0.00	481,721.03
May	481,721.03	22,450.00	267.01	0.00	504,438.04
June	504,438.04	22,450.00	276.21	11,480.00	515,684.25
July	515,684.25	22,450.00	280.57	17,880.00	520,534.82
August	520,534.82	22,450.00	288.04	0.00	543,272.86
September	543,272.86	22,450.00	300.35	0.00	566,023.21
October	566,023.21	22,450.00	312.68	0.00	588,785.89
November	588,785.89	22,450.00	325.01	0.00	611,560.90
December	611,560.90	22,450.00	337.34	0.00	634,348.24
	390,975	269,400	3,332	29,360	634,348

## The Sorrento at the Colony C.A., Inc.

Analysis Date - January 1, 2022

### Cash Flow - Monthly

<b>2036</b>	<b>Begining Balance</b>	<b>Contribution</b>	<b>Interest Earned</b>	<b>Expenditures</b>	<b>Ending Balance</b>
January	\$ 634,348.24	\$ 22,450.00	\$ 349.69	\$ 0.00	\$ 657,147.93
February	657,147.93	22,450.00	362.04	0.00	679,959.97
March	679,959.97	22,450.00	374.39	0.00	702,784.36
April	702,784.36	22,450.00	386.76	0.00	725,621.12
May	725,621.12	22,450.00	399.12	0.00	748,470.24
June	748,470.24	22,450.00	329.96	301,077.75	470,172.45
July	470,172.45	22,450.00	260.76	0.00	492,883.21
August	492,883.21	22,450.00	273.06	0.00	515,606.27
September	515,606.27	22,450.00	285.37	0.00	538,341.64
October	538,341.64	22,450.00	297.68	0.00	561,089.32
November	561,089.32	22,450.00	310.00	0.00	583,849.32
December	583,849.32	22,450.00	322.33	0.00	606,621.65
	634,348	269,400	3,951	301,077	606,621
	634,348	269,400	3,951	301,077	606,621
<b>2037</b>	<b>Begining Balance</b>	<b>Contribution</b>	<b>Interest Earned</b>	<b>Expenditures</b>	<b>Ending Balance</b>
January	\$ 606,621.65	\$ 22,450.00	\$ 334.67	\$ 0.00	\$ 629,406.32
February	629,406.32	22,450.00	347.01	0.00	652,203.33
March	652,203.33	22,450.00	359.36	0.00	675,012.69
April	675,012.69	22,450.00	371.71	0.00	697,834.40
May	697,834.40	22,450.00	384.07	0.00	720,668.47
June	720,668.47	22,450.00	396.44	0.00	743,514.91
July	743,514.91	22,450.00	317.23	338,184.00	428,098.14
August	428,098.14	22,450.00	231.82	22,680.00	428,099.96
September	428,099.96	22,450.00	192.88	166,467.42	284,275.42
October	284,275.42	22,450.00	160.06	0.00	306,885.48
November	306,885.48	22,450.00	172.31	0.00	329,507.79
December	329,507.79	22,450.00	184.56	0.00	352,142.35
	606,621	269,400	3,452	527,331	352,142
	606,621	269,400	3,452	527,331	352,142

## The Sorrento at the Colony C.A., Inc.

Analysis Date - January 1, 2022

### Cash Flow - Monthly

<b>2038</b>	<b>Begining Balance</b>	<b>Contribution</b>	<b>Interest Earned</b>	<b>Expenditures</b>	<b>Ending Balance</b>
January	\$ 352,142.35	\$ 22,450.00	\$ 196.82	\$ 0.00	\$ 374,789.17
February	374,789.17	22,450.00	209.09	0.00	397,448.26
March	397,448.26	22,450.00	221.36	0.00	420,119.62
April	420,119.62	22,450.00	233.65	0.00	442,803.27
May	442,803.27	22,450.00	245.93	0.00	465,499.20
June	465,499.20	22,450.00	258.23	0.00	488,207.43
July	488,207.43	22,450.00	270.53	0.00	510,927.96
August	510,927.96	22,450.00	282.83	0.00	533,660.79
September	533,660.79	22,450.00	295.15	0.00	556,405.94
October	556,405.94	22,450.00	307.47	0.00	579,163.41
November	579,163.41	22,450.00	319.79	0.00	601,933.20
December	601,933.20	22,450.00	332.13	0.00	624,715.33
	352,142	269,400	3,172	0	624,715
<b>2039</b>	<b>Begining Balance</b>	<b>Contribution</b>	<b>Interest Earned</b>	<b>Expenditures</b>	<b>Ending Balance</b>
January	\$ 624,715.33	\$ 22,450.00	\$ 341.26	\$ 11,855.00	\$ 635,651.59
February	635,651.59	22,450.00	350.39	0.00	658,451.98
March	658,451.98	22,450.00	362.74	0.00	681,264.72
April	681,264.72	22,450.00	375.10	0.00	704,089.82
May	704,089.82	22,450.00	374.93	46,282.50	680,632.25
June	680,632.25	22,450.00	280.07	349,607.00	353,755.32
July	353,755.32	22,450.00	197.70	0.00	376,403.02
August	376,403.02	22,450.00	209.97	0.00	399,062.99
September	399,062.99	22,450.00	222.24	0.00	421,735.23
October	421,735.23	22,450.00	216.71	65,771.75	378,630.19
November	378,630.19	22,450.00	211.17	0.00	401,291.36
December	401,291.36	22,450.00	223.45	0.00	423,964.81
	624,715	269,400	3,365	473,516	423,964

## The Sorrento at the Colony C.A., Inc.

Analysis Date - January 1, 2022

### Cash Flow - Monthly

<b>2040</b>	<b>Begining Balance</b>	<b>Contribution</b>	<b>Interest Earned</b>	<b>Expenditures</b>	<b>Ending Balance</b>
January	\$ 423,964.81	\$ 22,450.00	\$ 227.79	\$ 29,316.00	\$ 417,326.60
February	417,326.60	22,450.00	232.13	0.00	440,008.73
March	440,008.73	22,450.00	244.42	0.00	462,703.15
April	462,703.15	22,450.00	256.71	0.00	485,409.86
May	485,409.86	22,450.00	269.01	0.00	508,128.87
June	508,128.87	22,450.00	281.32	0.00	530,860.19
July	530,860.19	22,450.00	293.63	0.00	553,603.82
August	553,603.82	22,450.00	275.08	113,988.00	462,340.90
September	462,340.90	22,450.00	256.51	0.00	485,047.41
October	485,047.41	22,450.00	268.81	0.00	507,766.22
November	507,766.22	22,450.00	281.12	0.00	530,497.34
December	530,497.34	22,450.00	293.43	0.00	553,240.77
	<u>423,964</u>	<u>269,400</u>	<u>3,179</u>	<u>143,304</u>	<u>553,240</u>
<b>2041</b>	<b>Begining Balance</b>	<b>Contribution</b>	<b>Interest Earned</b>	<b>Expenditures</b>	<b>Ending Balance</b>
January	\$ 553,240.77	\$ 22,450.00	\$ 305.75	\$ 0.00	\$ 575,996.52
February	575,996.52	22,450.00	318.08	0.00	598,764.60
March	598,764.60	22,450.00	330.41	0.00	621,545.01
April	621,545.01	22,450.00	342.75	0.00	644,337.76
May	644,337.76	22,450.00	355.10	0.00	667,142.86
June	667,142.86	22,450.00	341.19	96,950.00	592,984.05
July	592,984.05	22,450.00	316.04	41,500.00	574,250.09
August	574,250.09	22,450.00	317.13	0.00	597,017.22
September	597,017.22	22,450.00	329.46	0.00	619,796.68
October	619,796.68	22,450.00	306.91	128,850.00	513,703.59
November	513,703.59	22,450.00	284.34	0.00	536,437.93
December	536,437.93	22,450.00	296.65	0.00	559,184.58
	<u>553,240</u>	<u>269,400</u>	<u>3,843</u>	<u>267,300</u>	<u>559,184</u>

## The Sorrento at the Colony C.A., Inc.

Analysis Date - January 1, 2022

### Cash Flow - Monthly

<b>2042</b>	<b>Begining Balance</b>	<b>Contribution</b>	<b>Interest Earned</b>	<b>Expenditures</b>	<b>Ending Balance</b>
January	\$ 559,184.58	\$ 22,450.00	\$ 304.37	\$ 17,000.00	\$ 564,938.95
February	564,938.95	22,450.00	312.09	0.00	587,701.04
March	587,701.04	22,450.00	324.42	0.00	610,475.46
April	610,475.46	22,450.00	336.75	0.00	633,262.21
May	633,262.21	22,450.00	349.10	0.00	656,061.31
June	656,061.31	22,450.00	359.44	7,407.20	671,463.55
July	671,463.55	22,450.00	369.79	0.00	694,283.34
August	694,283.34	22,450.00	382.15	0.00	717,115.49
September	717,115.49	22,450.00	394.52	0.00	739,960.01
October	739,960.01	22,450.00	406.89	0.00	762,816.90
November	762,816.90	22,450.00	419.27	0.00	785,686.17
December	785,686.17	22,450.00	431.66	0.00	808,567.83
	<u>559,184</u>	<u>269,400</u>	<u>4,390</u>	<u>24,407</u>	<u>808,567</u>
<b>2043</b>	<b>Begining Balance</b>	<b>Contribution</b>	<b>Interest Earned</b>	<b>Expenditures</b>	<b>Ending Balance</b>
January	\$ 808,567.83	\$ 22,450.00	\$ 441.47	\$ 9,550.00	\$ 821,909.30
February	821,909.30	22,450.00	451.28	0.00	844,810.58
March	844,810.58	22,450.00	463.69	0.00	867,724.27
April	867,724.27	22,450.00	476.10	0.00	890,650.37
May	890,650.37	22,450.00	488.52	0.00	913,588.89
June	913,588.89	22,450.00	493.40	27,826.00	908,706.29
July	908,706.29	22,450.00	498.30	0.00	931,654.59
August	931,654.59	22,450.00	510.73	0.00	954,615.32
September	954,615.32	22,450.00	419.29	383,532.60	593,952.01
October	593,952.01	22,450.00	327.80	0.00	616,729.81
November	616,729.81	22,450.00	340.14	0.00	639,519.95
December	639,519.95	22,450.00	352.49	0.00	662,322.44
	<u>808,567</u>	<u>269,400</u>	<u>5,263</u>	<u>420,908</u>	<u>662,322</u>

## The Sorrento at the Colony C.A., Inc.

Analysis Date - January 1, 2022

### Cash Flow - Monthly

<b>2044</b>	<b>Begining Balance</b>	<b>Contribution</b>	<b>Interest Earned</b>	<b>Expenditures</b>	<b>Ending Balance</b>
January	\$ 662,322.44	\$ 22,450.00	\$ 364.84	\$ 0.00	\$ 685,137.28
February	685,137.28	22,450.00	377.20	0.00	707,964.48
March	707,964.48	22,450.00	389.56	0.00	730,804.04
April	730,804.04	22,450.00	401.93	0.00	753,655.97
May	753,655.97	22,450.00	409.47	17,880.00	758,635.44
June	758,635.44	22,450.00	417.01	0.00	781,502.45
July	781,502.45	22,450.00	337.80	338,184.00	466,106.25
August	466,106.25	22,450.00	251.94	24,435.00	464,373.19
September	464,373.19	22,450.00	257.62	0.00	487,080.81
October	487,080.81	22,450.00	191.71	288,772.00	220,950.52
November	220,950.52	22,450.00	125.76	0.00	243,526.28
December	243,526.28	22,450.00	137.99	0.00	266,114.27
	<u>662,322</u>	<u>269,400</u>	<u>3,662</u>	<u>669,271</u>	<u>266,114</u>
<b>2045</b>	<b>Begining Balance</b>	<b>Contribution</b>	<b>Interest Earned</b>	<b>Expenditures</b>	<b>Ending Balance</b>
January	\$ 266,114.27	\$ 22,450.00	\$ 145.80	\$ 16,352.00	\$ 272,358.07
February	272,358.07	22,450.00	153.61	0.00	294,961.68
March	294,961.68	22,450.00	165.85	0.00	317,577.53
April	317,577.53	22,450.00	178.10	0.00	340,205.63
May	340,205.63	22,450.00	190.36	0.00	362,845.99
June	362,845.99	22,450.00	123.12	293,547.20	91,871.91
July	91,871.91	22,450.00	55.84	0.00	114,377.75
August	114,377.75	22,450.00	68.03	0.00	136,895.78
September	136,895.78	22,450.00	80.23	0.00	159,426.01
October	159,426.01	22,450.00	85.12	27,001.00	154,960.13
November	154,960.13	22,450.00	90.02	0.00	177,500.15
December	177,500.15	22,450.00	102.23	0.00	200,052.38
	<u>266,114</u>	<u>269,400</u>	<u>1,438</u>	<u>336,900</u>	<u>200,052</u>

## The Sorrento at the Colony C.A., Inc.

Analysis Date - January 1, 2022

### Cash Flow - Monthly

<b>2046</b>	<b>Begining Balance</b>	<b>Contribution</b>	<b>Interest Earned</b>	<b>Expenditures</b>	<b>Ending Balance</b>
January	\$ 200,052.38	\$ 22,450.00	\$ 114.44	\$ 0.00	\$ 222,616.82
February	222,616.82	22,450.00	126.66	0.00	245,193.48
March	245,193.48	22,450.00	138.89	0.00	267,782.37
April	267,782.37	22,450.00	151.13	0.00	290,383.50
May	290,383.50	22,450.00	163.37	0.00	312,996.87
June	312,996.87	22,450.00	154.11	79,420.00	256,180.98
July	256,180.98	22,450.00	144.84	0.00	278,775.82
August	278,775.82	22,450.00	157.08	0.00	301,382.90
September	301,382.90	22,450.00	169.33	0.00	324,002.23
October	324,002.23	22,450.00	94.20	322,652.00	23,894.43
November	23,894.43	22,450.00	19.02	0.00	46,363.45
December	46,363.45	22,450.00	31.19	0.00	68,844.64
	200,052	269,400	1,464	402,072	68,844
	200,052	269,400	1,464	402,072	68,844
<b>2047</b>	<b>Begining Balance</b>	<b>Contribution</b>	<b>Interest Earned</b>	<b>Expenditures</b>	<b>Ending Balance</b>
January	\$ 68,844.64	\$ 22,450.00	\$ 40.66	\$ 10,000.00	\$ 81,335.30
February	81,335.30	22,450.00	50.14	0.00	103,835.44
March	103,835.44	22,450.00	62.32	0.00	126,347.76
April	126,347.76	22,450.00	74.52	0.00	148,872.28
May	148,872.28	22,450.00	86.72	0.00	171,409.00
June	171,409.00	22,450.00	98.93	0.00	193,957.93
July	193,957.93	22,450.00	111.14	0.00	216,519.07
August	216,519.07	22,450.00	123.36	0.00	239,092.43
September	239,092.43	22,450.00	110.27	93,478.40	168,174.30
October	168,174.30	22,450.00	97.17	0.00	190,721.47
November	190,721.47	22,450.00	109.39	0.00	213,280.86
December	213,280.86	22,450.00	121.61	0.00	235,852.47
	68,844	269,400	1,086	103,478	235,852
	68,844	269,400	1,086	103,478	235,852



## The Sorrento at the Colony C.A., Inc.

Analysis Date - January 1, 2022

### Cash Flow - Monthly

<b>2048</b>	<b>Begining Balance</b>	<b>Contribution</b>	<b>Interest Earned</b>	<b>Expenditures</b>	<b>Ending Balance</b>
January	\$ 235,852.47	\$ 22,450.00	\$ 133.83	\$ 0.00	\$ 258,436.30
February	258,436.30	22,450.00	146.07	0.00	281,032.37
March	281,032.37	22,450.00	158.31	0.00	303,640.68
April	303,640.68	22,450.00	170.55	0.00	326,261.23
May	326,261.23	22,450.00	182.81	0.00	348,894.04
June	348,894.04	22,450.00	195.06	0.00	371,539.10
July	371,539.10	22,450.00	207.33	0.00	394,196.43
August	394,196.43	22,450.00	217.26	8,643.60	408,220.09
September	408,220.09	22,450.00	227.20	0.00	430,897.29
October	430,897.29	22,450.00	239.48	0.00	453,586.77
November	453,586.77	22,450.00	251.77	0.00	476,288.54
December	476,288.54	22,450.00	264.07	0.00	499,002.61
	<u>235,852</u>	<u>269,400</u>	<u>2,393</u>	<u>8,643</u>	<u>499,002</u>
<b>2049</b>	<b>Begining Balance</b>	<b>Contribution</b>	<b>Interest Earned</b>	<b>Expenditures</b>	<b>Ending Balance</b>
January	\$ 499,002.61	\$ 22,450.00	\$ 276.37	\$ 0.00	\$ 521,728.98
February	521,728.98	22,450.00	288.68	0.00	544,467.66
March	544,467.66	22,450.00	301.00	0.00	567,218.66
April	567,218.66	22,450.00	313.32	0.00	589,981.98
May	589,981.98	22,450.00	325.65	0.00	612,757.63
June	612,757.63	22,450.00	315.10	84,511.00	551,011.73
July	551,011.73	22,450.00	299.70	17,880.00	555,881.43
August	555,881.43	22,450.00	307.18	0.00	578,638.61
September	578,638.61	22,450.00	319.51	0.00	601,408.12
October	601,408.12	22,450.00	331.84	0.00	624,189.96
November	624,189.96	22,450.00	344.18	0.00	646,984.14
December	646,984.14	22,450.00	356.53	0.00	669,790.67
	<u>499,002</u>	<u>269,400</u>	<u>3,779</u>	<u>102,391</u>	<u>669,790</u>

## The Sorrento at the Colony C.A., Inc.

Analysis Date - January 1, 2022

### Cash Flow - Monthly

<b>2050</b>	<b>Begining Balance</b>	<b>Contribution</b>	<b>Interest Earned</b>	<b>Expenditures</b>	<b>Ending Balance</b>
January	\$ 669,790.67	\$ 22,450.00	\$ 368.88	\$ 0.00	\$ 692,609.55
February	692,609.55	22,450.00	381.24	0.00	715,440.79
March	715,440.79	22,450.00	393.61	0.00	738,284.40
April	738,284.40	22,450.00	405.98	0.00	761,140.38
May	761,140.38	22,450.00	418.36	0.00	784,008.74
June	784,008.74	22,450.00	425.33	20,000.00	786,884.07
July	786,884.07	22,450.00	432.31	0.00	809,766.38
August	809,766.38	22,450.00	444.70	0.00	832,661.08
September	832,661.08	22,450.00	457.10	0.00	855,568.18
October	855,568.18	22,450.00	469.51	0.00	878,487.69
November	878,487.69	22,450.00	481.93	0.00	901,419.62
December	901,419.62	22,450.00	494.35	0.00	924,363.97
	669,790	269,400	5,173	20,000	924,363
	669,790	269,400	5,173	20,000	924,363
<b>2051</b>	<b>Begining Balance</b>	<b>Contribution</b>	<b>Interest Earned</b>	<b>Expenditures</b>	<b>Ending Balance</b>
January	\$ 924,363.97	\$ 22,450.00	\$ 506.78	\$ 0.00	\$ 947,320.75
February	947,320.75	22,450.00	519.21	0.00	970,289.96
March	970,289.96	22,450.00	531.65	0.00	993,271.61
April	993,271.61	22,450.00	544.10	0.00	1,016,265.71
May	1,016,265.71	22,450.00	556.56	0.00	1,039,272.27
June	1,039,272.27	22,450.00	559.18	36,333.64	1,025,947.81
July	1,025,947.81	22,450.00	311.82	922,994.00	125,715.63
August	125,715.63	22,450.00	74.18	0.00	148,239.81
September	148,239.81	22,450.00	41.29	166,467.42	4,263.68
October	4,263.68	22,450.00	8.39	0.00	26,722.07
November	26,722.07	22,450.00	20.55	0.00	49,192.62
December	49,192.62	22,450.00	13.39	71,400.00	256.01
	924,363	269,400	3,687	1,197,195	256
	924,363	269,400	3,687	1,197,195	256

## The Sorrento at the Colony C.A., Inc.

Analysis Date - January 1, 2022

### Cash Flow - Annual

<b>Period</b>	<b>Beginning Balance</b>	<b>Contribution</b>	<b>Interest Earned</b>	<b>Expenditures</b>	<b>Ending Balance</b>
01/22 - 12/22	\$ 700,000.00	\$ 269,400.00	\$ 5,370.28	\$ 20,000.00	\$ 954,770.28
01/23 - 12/23	954,770.28	269,400.00	5,467.00	661,791.22	567,846.06
01/24 - 12/24	567,846.06	269,400.00	4,128.38	313,207.00	528,167.44
01/25 - 12/25	528,167.44	269,400.00	3,764.87	122,353.00	678,979.31
01/26 - 12/26	678,979.31	269,400.00	5,284.40	71,400.00	882,263.71
01/27 - 12/27	882,263.71	269,400.00	5,718.62	388,309.44	769,072.89
01/28 - 12/28	769,072.89	269,400.00	5,585.41	121,814.00	922,244.30
01/29 - 12/29	922,244.30	269,400.00	6,315.96	263,350.00	934,610.26
01/30 - 12/30	934,610.26	269,400.00	5,840.85	379,599.20	830,251.91
01/31 - 12/31	830,251.91	269,400.00	5,814.24	209,107.60	896,358.55
	<u>700,000.00</u>	<u>2,694,000.00</u>	<u>53,290.01</u>	<u>2,550,931.46</u>	<u>896,358.55</u>

<b>Period</b>	<b>Beginning Balance</b>	<b>Contribution</b>	<b>Interest Earned</b>	<b>Expenditures</b>	<b>Ending Balance</b>
01/32 - 12/32	\$ 896,358.55	\$ 269,400.00	\$ 6,614.73	\$ 17,000.00	\$ 1,155,373.28
01/33 - 12/33	1,155,373.28	269,400.00	4,053.21	1,276,770.90	152,055.59
01/34 - 12/34	152,055.59	269,400.00	1,781.31	32,261.00	390,975.90
01/35 - 12/35	390,975.90	269,400.00	3,332.34	29,360.00	634,348.24
01/36 - 12/36	634,348.24	269,400.00	3,951.16	301,077.75	606,621.65
01/37 - 12/37	606,621.65	269,400.00	3,452.12	527,331.42	352,142.35
01/38 - 12/38	352,142.35	269,400.00	3,172.98	0.00	624,715.33
01/39 - 12/39	624,715.33	269,400.00	3,365.73	473,516.25	423,964.81
01/40 - 12/40	423,964.81	269,400.00	3,179.96	143,304.00	553,240.77
01/41 - 12/41	553,240.77	269,400.00	3,843.81	267,300.00	559,184.58
	<u>896,358.55</u>	<u>2,694,000.00</u>	<u>36,747.35</u>	<u>3,067,921.32</u>	<u>559,184.58</u>

# The Sorrento at the Colony C.A., Inc.

Analysis Date - January 1, 2022

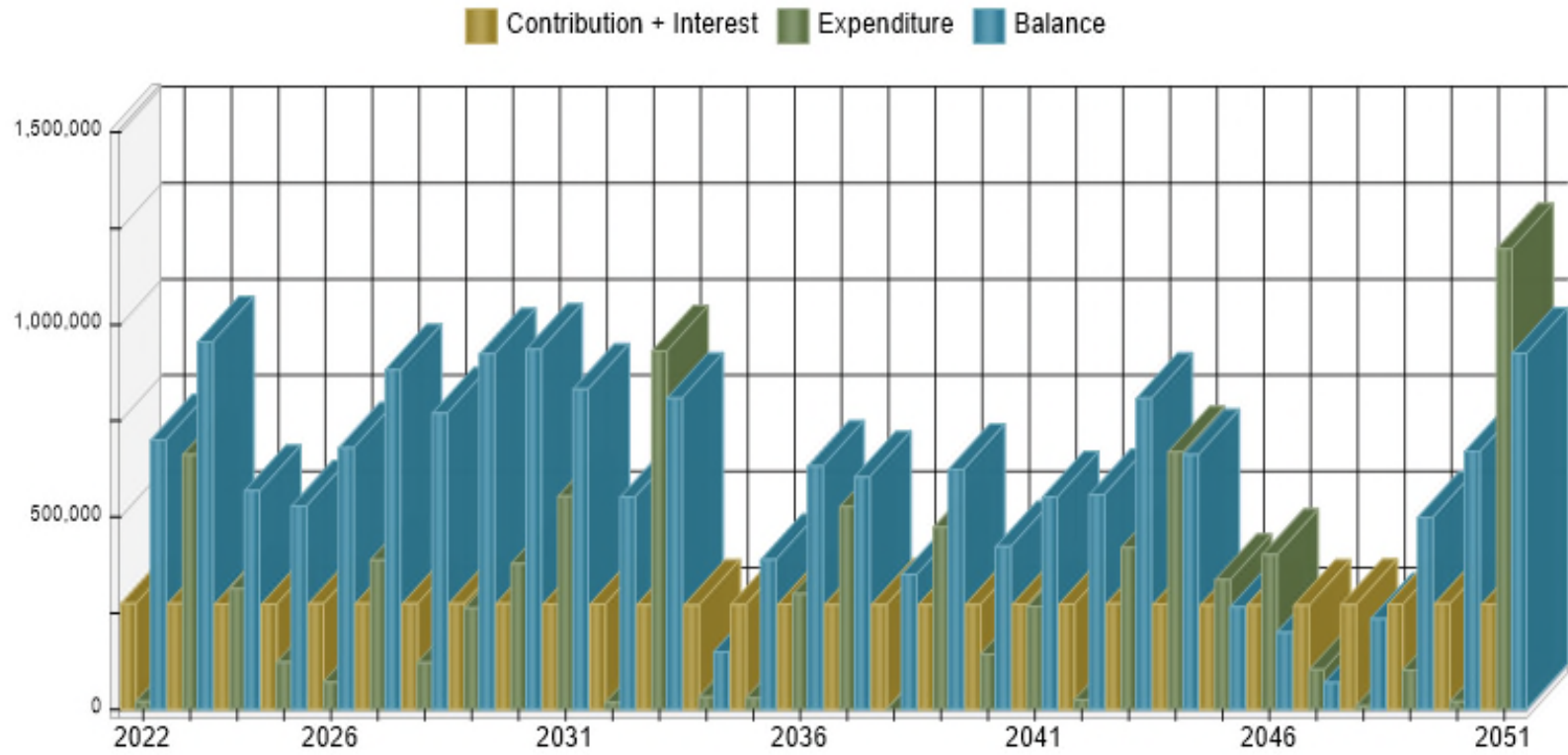
## Cash Flow - Annual

<u>Period</u>	<u>Beginning Balance</u>	<u>Contribution</u>	<u>Interest Earned</u>	<u>Expenditures</u>	<u>Ending Balance</u>
01/42 - 12/42	\$ 559,184.58	\$ 269,400.00	\$ 4,390.45	\$ 24,407.20	\$ 808,567.83
01/43 - 12/43	808,567.83	269,400.00	5,263.21	420,908.60	662,322.44
01/44 - 12/44	662,322.44	269,400.00	3,662.83	669,271.00	266,114.27
01/45 - 12/45	266,114.27	269,400.00	1,438.31	336,900.20	200,052.38
01/46 - 12/46	200,052.38	269,400.00	1,464.26	402,072.00	68,844.64
01/47 - 12/47	68,844.64	269,400.00	1,086.23	103,478.40	235,852.47
01/48 - 12/48	235,852.47	269,400.00	2,393.74	8,643.60	499,002.61
01/49 - 12/49	499,002.61	269,400.00	3,779.06	102,391.00	669,790.67
01/50 - 12/50	669,790.67	269,400.00	5,173.30	20,000.00	924,363.97
01/51 - 12/51	924,363.97	269,400.00	3,687.10	1,197,195.06	256.01
	<u>559,184.58</u>	<u>2,694,000.00</u>	<u>32,338.49</u>	<u>3,285,267.06</u>	<u>256.01</u>

# The Sorrento at the Colony C.A., Inc.

Analysis Date - January 1, 2022

## Cash Flow - Chart



**The Sorrento at the Colony C.A., Inc.**  
**Analysis Date - January 1, 2022**  
**Supplementary Information**  
**on Future Major Repairs and Replacements**

	<b>Estimated Remaining Useful Lives Life YY:MM</b>	<b>Estimated Current Replacement Cost</b>	<b>2022 Funding Requirement</b>	<b>Components of Fund Balance at 12/31/2021</b>
<b>Common Area Interiors</b>				
Admin. Offices Furnishings/Finishes	13:05	\$ 11,480	\$ 630	\$ 610
Billiards Room Furnishings/Finishes	3:00	16,352	647	3,600
Elevator Cab Interiors	19:06	41,500	1,936	262
Fitness Room Flooring	11:07	8,644	538	497
Fitness Room Strength Stations/Equip.	3:00	29,316	1,160	6,454
Guest Suites Furnishings/Finishes	1:08	37,900	3,314	8,067
Guest Suites Restrooms	17:09	17,206	802	488
Hallways Carpeting	1:08	166,467	22,184	31,994
Hallways Furnishings/Finishes	7:08	233,800	15,578	26,680
Lobby/Galleries Furnishings	9:09	94,424	5,872	8,336
Lobby/Galleries Restrooms	17:04	46,283	2,159	1,557
Lobby/Galleries Wall/Door Finishes	9:09	26,068	1,621	2,301
Social Room Bar/Kitchen	1:08	64,999	2,725	15,168
Social Room Carpeting	1:08	9,779	920	2,052
Social Room Furnishings/Finishes	5:09	59,946	3,994	8,911
		864,164	64,080	116,977
<b>Decks &amp; Planter Boxes</b>				
Lawns/Landscaping Waterproofing	11:05	\$ 840,750	\$ 24,509	\$ 136,416
Pavers/Waterproofing	11:05	345,290	10,066	56,025
Planter Boxes Waterproofing	24:09	202,160	6,286	8,924
		1,388,200	40,861	201,365

**The Sorrento at the Colony C.A., Inc.**  
**Analysis Date - January 1, 2022**  
**Supplementary Information**  
**on Future Major Repairs and Replacements**

	<b>Estimated Remaining Useful Lives Life YY:MM</b>	<b>Estimated Current Replacement Cost</b>	<b>2022 Funding Requirement</b>	<b>Components of Fund Balance at 12/31/2021</b>
<b>Engineering Study</b>				
Engineering Study	0:05	\$ 20,000	\$ 2,665	\$ 18,810
		20,000	2,665	18,810
<b>Mechanical/Electrical</b>				
Domestic Water Pumps/Equipment	17:09	\$ 48,566	\$ 1,888	\$ 3,190
Elevator Mechanical Modernization	29:06	584,810	18,184	2,459
Exhaust/Pressurization Fans	9:05	50,380	1,567	8,719
Fire Alarm System Modernization	23:05	286,140	10,677	4,571
Fire Pump/Equipment	24:05	79,420	1,646	9,164
Garage Gates/Equipment	8:04 -13:06	35,760	2,383	1,987
Generator/Equipment	19:05	96,950	2,261	12,585
Hallways Outside Air Unit	6:07	113,988	8,861	12,979
Video Surveillance System	8:09	16,128	1,368	832
Water Softener System/Equipment	10:00	17,000	1,498	236
		1,329,142	50,333	56,722
<b>Painting &amp; Waterproofing</b>				
Paint Garage Ceilings/Piping	5:08	\$ 34,860	\$ 1,239	\$ 6,895
Paint Garage Walls/Doors	15:07	22,680	1,175	768
Paint Stairway Interiors	1:08	37,055	1,554	8,647
Paint/Waterproof Building Exteriors	1:06	338,184	45,067	67,027
		432,779	49,035	83,337

**The Sorrento at the Colony C.A., Inc.**  
**Analysis Date - January 1, 2022**  
**Supplementary Information**  
**on Future Major Repairs and Replacements**

	<b>Estimated Remaining Useful Lives Life YY:MM</b>	<b>Estimated Current Replacement Cost</b>	<b>2022 Funding Requirement</b>	<b>Components of Fund Balance at 12/31/2021</b>
<b>Pavement</b>				
Asphalt Paving (Replacement)	5:08	\$ 58,618	\$ 2,083	\$ 11,595
Asphalt Paving (Sealcoat/Rejuvenation)	1:05 -23:05	51,850	5,239	986
Drives/Parking Pavers	5:08	54,612	1,941	10,802
		165,080	9,263	23,383
<b>Pool &amp; Spa</b>				
Deck Furniture	11:09	\$ 27,001	\$ 2,099	\$ 142
Decking	5:05	38,828	1,393	7,754
Fencing/Gates	5:05	20,682	742	4,130
Heaters	6:05 -14:05	31,304	1,947	1,623
Interiors Resurfacing	2:07	24,435	1,899	4,837
Summer Kitchen	7:00	9,550	636	1,204
		151,800	8,716	19,690
<b>Railings/Screen Enclosures</b>				
Decktop Railings	9:05	\$ 38,236	\$ 1,189	\$ 6,618
Garage Screen Enclosures	17:05	28,493	1,063	2,180
Units Railings/Screen Enclosures/Doors	17:05	242,307	9,041	18,540
Units Screening Replacement	4:11	71,400	5,328	10,927
		380,436	16,621	38,265



**The Sorrento at the Colony C.A., Inc.**  
**Analysis Date - January 1, 2022**  
**Supplementary Information**  
**on Future Major Repairs and Replacements**

	<b>Estimated Remaining Useful Lives Life YY:MM</b>	<b>Estimated Current Replacement Cost</b>	<b>2022 Funding Requirement</b>	<b>Components of Fund Balance at 12/31/2021</b>
<b>Roofing</b>				
Mechanical Building Roofing	5:05	\$ 16,273	\$ 584	\$ 3,250
Pool Pavilion Roofing	5:05	10,696	384	2,136
Porte Cochere Roofing	5:05	31,018	1,113	6,194
Tower Roofing (Flat)	2:09	288,772	11,545	64,258
Tower Roofing (Metal Shingle)	14:05	258,019	6,877	38,276
		604,778	20,503	114,114
<b>Site Improvements</b>				
Signage Allowance	5:00	\$ 10,000	\$ 365	\$ 2,030
Site Lighting	3:05	76,685	2,981	16,590
Trellises	5:09	52,776	3,517	7,845
West/Nature Preserve Fencing	17:00	11,855	461	872
		151,316	7,324	27,337
		5,487,695	269,401	700,000

## **COMPONENT FUNDING ANALYSIS**

**The Sorrento at the Colony C.A., Inc.**  
**Analysis Date - January 1, 2022**  
**Component Funding Analysis - Categories**

<b>Category</b>	<b>Useful Life</b>	<b>Remaining Life</b>	<b>12/31/2021 Balance</b>	<b>Estimated Replacement Cost</b>	<b>Unfunded Balance</b>	<b>Contribution</b>
Common Area Interiors	10 - 20	1 - 19	\$ 121,021	\$ 864,163	\$ 743,141	\$ 291,191
Decks & Planter Boxes	25	11 - 24	195,116	1,388,200	1,193,083	98,982
Engineering Study	7	0	20,000	20,000	0	0
Mechanical/Electrical	10 - 45	6 - 29	59,972	1,329,142	1,269,170	70,578
Painting & Waterproofing	7 - 20	1 - 15	85,116	432,778	347,661	304,814
Pavement	3 - 25	1 - 23	22,970	165,080	142,110	27,773
Pool & Spa	10 - 25	2 - 14	19,721	151,799	132,077	25,849
Railings/Screen Enclosures	12.5 - 30	4 - 17	38,371	380,435	342,064	33,268
Roofing	20 - 35	2 - 14	110,884	604,778	493,893	138,130
Site Improvements	14 - 24	3 - 17	26,824	151,316	124,491	31,434
			<u>700,000</u>	<u>5,487,693</u>	<u>4,787,693</u>	<u>1,022,019</u>

# The Sorrento at the Colony C.A., Inc.

Analysis Date - January 1, 2022

## Component Funding Analysis - Items

Category Reserve Item	Useful Life	Remaining Life	12/31/2021 Balance	Estimated Replacement Cost	Unfunded Balance	Contribution
<b>Common Area Interiors</b>						
Admin. Offices Furnishings/Finishes	17	13	\$ 644	\$ 11,480	\$ 10,835	\$ 834
Billiards Room Furnishings/Finishes	24	3	3,409	16,352	12,942	4,314
Elevator Cab Interiors	20	19	494	41,500	41,005	2,158
Fitness Room Flooring	15	11	549	8,643	8,094	736
Fitness Room Strength Stations/Equip.	24	3	6,112	29,316	23,203	7,734
Guest Suites Furnishings/Finishes	10	1	8,127	37,900	29,772	29,772
Guest Suites Restrooms	20	17	615	17,205	16,590	976
Hallways Carpeting	15	1	34,002	166,467	132,464	132,464
Hallways Furnishings/Finishes	14	7	27,857	233,800	205,942	29,420
Lobby/Galleries Furnishings	15	9	9,001	94,424	85,422	9,491
Lobby/Galleries Restrooms	20	17	1,654	46,282	44,627	2,625
Lobby/Galleries Wall/Door Finishes	15	9	2,484	26,068	23,583	2,620
Social Room Bar/Kitchen	20	1	14,786	64,999	50,212	50,213
Social Room Carpeting	10	1	2,097	9,779	7,681	7,682
Social Room Furnishings/Finishes	14	5	9,183	59,946	50,762	10,152
			121,021	864,163	743,141	291,191
<b>Decks &amp; Planter Boxes</b>						
Lawns/Landscaping Waterproofing	25	11	\$ 131,482	\$ 840,750	\$ 709,267	\$ 64,479
Pavers/Waterproofing	25	11	53,999	345,290	291,290	26,481
Planter Boxes Waterproofing	25	24	9,634	202,160	192,525	8,022
			195,116	1,388,200	1,193,083	98,982

**The Sorrento at the Colony C.A., Inc.**  
**Analysis Date - January 1, 2022**  
**Component Funding Analysis - Items**

<b>Category</b>				<b>Estimated</b>		
<b>Reserve Item</b>	<b>Useful</b>	<b>Remaining</b>	<b>12/31/2021</b>	<b>Replacement</b>	<b>Unfunded</b>	<b>Contribution</b>
	<b>Life</b>	<b>Life</b>	<b>Balance</b>	<b>Cost</b>	<b>Balance</b>	
<b>Engineering Study</b>						
Engineering Study	7	0	\$ 20,000	\$ 20,000	\$ 0	\$ 0
			20,000	20,000	0	0
<b>Mechanical/Electrical</b>						
Domestic Water Pumps/Equipment	24	17	\$ 3,375	\$ 48,566	\$ 45,191	\$ 2,658
Elevator Mechanical Modernization	30	29	4,645	584,810	580,164	20,006
Exhaust/Pressurization Fans	30	9	8,403	50,380	41,976	4,664
Fire Alarm System Modernization	25	23	5,455	286,140	280,684	12,204
Fire Pump/Equipment	45	24	8,832	79,420	70,587	2,941
Garage Gates/Equipment	14	8 - 13	2,130	35,760	33,629	3,359
Generator/Equipment	40	19	12,129	96,950	84,820	4,464
Hallways Outside Air Unit	12	6	13,581	113,988	100,406	16,734
Video Surveillance System	11	8	1,048	16,128	15,079	1,885
Water Softener System/Equipment	11	10	368	17,000	16,631	1,663
			59,972	1,329,142	1,269,170	70,578
<b>Painting &amp; Waterproofing</b>						
Paint Garage Ceilings/Piping	20	5	\$ 6,709	\$ 34,860	\$ 28,150	\$ 5,630
Paint Garage Walls/Doors	18	15	901	22,680	21,778	1,452
Paint Stairways Interiors	20	1	8,428	37,054	28,625	28,626
Paint/Waterproof Building Exteriors	7	1	69,077	338,184	269,106	269,106
			85,116	432,778	347,661	304,814

**The Sorrento at the Colony C.A., Inc.**  
**Analysis Date - January 1, 2022**  
**Component Funding Analysis - Items**

<b>Category</b>				<b>Estimated</b>		
<b>Reserve Item</b>	<b>Useful</b>	<b>Remaining</b>	<b>12/31/2021</b>	<b>Replacement</b>	<b>Unfunded</b>	<b>Contribution</b>
	<b>Life</b>	<b>Life</b>	<b>Balance</b>	<b>Cost</b>	<b>Balance</b>	
<b>Pavement</b>						
Asphalt Paving (Replacement)	20	5	\$ 11,282	\$ 58,618	\$ 47,335	\$ 9,467
Asphalt Paving (Sealcoat/Rejuvenation)	3	1 - 23	1,177	51,850	50,673	9,486
Drives/Parking Pavers	25	5	10,510	54,612	44,101	8,820
			22,970	165,080	142,110	27,773
<b>Pool &amp; Spa</b>						
Deck Furniture	12	11	\$ 536	\$ 27,001	\$ 26,464	\$ 2,406
Decking	25	5	7,473	38,827	31,354	6,271
Fencing/Gates	25	5	3,980	20,681	16,701	3,340
Heaters	15	6 - 14	1,741	31,304	29,562	2,839
Interiors Resurfacing	12	2	4,853	24,435	19,581	9,791
Summer Kitchen	14	7	1,137	9,550	8,412	1,202
			19,721	151,799	132,077	25,849
<b>Railings/Screen Enclosures</b>						
Decktop Railings	30	9	\$ 6,377	\$ 38,235	\$ 31,857	\$ 3,540
Garage Screen Enclosures	25	17	2,172	28,492	26,320	1,548
Units Railings/Screen Enclosures/Doors	25	17	18,477	242,307	223,829	13,166
Units Screening Replacement	12.5	4	11,343	71,400	60,056	15,014
			38,371	380,435	342,064	33,268
<b>Roofing</b>						
Mechanical Building Roofing	26	5	\$ 3,132	\$ 16,273	\$ 13,140	\$ 2,628
Pool Pavilion Roofing	26	5	2,059	10,696	8,636	1,727
Porte Cochere Roofing	26	5	5,970	31,018	25,048	5,010
Tower Roofing (Flat)	23	2	62,831	288,772	225,940	112,970
Tower Roofing (Metal Shingle)	35	14	36,891	258,018	221,126	15,795

**The Sorrento at the Colony C.A., Inc.**  
 Analysis Date - January 1, 2022  
**Component Funding Analysis - Items**

<b>Category</b>				<b>Estimated</b>		
<b>Reserve Item</b>	<b>Useful</b>	<b>Remaining</b>	<b>12/31/2021</b>	<b>Replacement</b>	<b>Unfunded</b>	<b>Contribution</b>
	<b>Life</b>	<b>Life</b>	<b>Balance</b>	<b>Cost</b>	<b>Balance</b>	
			110,884	604,778	493,893	138,130
<b>Site Improvements</b>						
Signage Allowance	26	5	\$ 1,925	\$ 10,000	\$ 8,074	\$ 1,615
Site Lighting	24	3	15,990	76,685	60,694	20,232
Trellises	14	5	8,084	52,776	44,691	8,938
West/Nature Preserve Fencing	24	17	824	11,855	11,030	649
			<u>26,824</u>	<u>151,316</u>	<u>124,491</u>	<u>31,434</u>
			<u>700,000</u>	<u>5,487,693</u>	<u>4,787,693</u>	<u>1,022,019</u>

## **ADDENDUM**



**Chapter 718 & 719 Florida Statutes**  
**The Condominium Act, 1995**  
**The Cooperative Act, 1997**

**CONDOMINIUMS 718.112 (2)(f) 2 & 3**  
**COOPERATIVES 719.106 (1)(j) 2 & 3**

2. In addition to annual operating expenses, the budget shall include reserve accounts for capital expenditures and deferred maintenance. These accounts shall include, but are not limited to, roof replacement, building painting, and pavement resurfacing, regardless of the amount of deferred maintenance expense or replacement cost, and for any other item for which the deferred maintenance expense or replacement cost exceeds \$10,000. The amount to be reserved shall be computed by means of a formula which is based upon estimated remaining useful life and estimated replacement cost or deferred maintenance expense of each reserve item. The association may adjust replacement reserve assessments annually to take into account any changes in estimates or extension of the useful life of a reserve item caused by deferred maintenance. This subsection does not apply to budgets in which the members of an association have, by a majority vote at a duly called meeting of the association, determined for a fiscal year to provide no reserves or reserves less adequate than required by this subsection. However, prior to turnover of control of an association by a developer to unit owners other than a developer pursuant to s. 718.301, the developer may vote to waive the reserves or reduce the funding of reserves for the first 2 years of the operation of the association, after which time reserves may only be waived or reduced upon the vote of a majority of all nondeveloper voting interests voting in person or by limited proxy at a duly called meeting of the association. If a meeting of the unit owners has been called to determine to provide no reserves or reserves less adequate than required, and such result is not attained or a quorum is not attained, the reserves as included in the budget shall go into effect.

3. Reserve funds and any interest accruing thereon shall remain in the reserve account or accounts, and shall be used only for authorized reserve expenditures unless their use for other purposes is approved in advance by a vote of the majority of the voting interests, voting in person or by limited proxy at a duly called meeting of the association. Prior to turnover of control of an association by a developer to unit owners other than the developer pursuant to s 718.301, the developer-controlled association shall not vote to use reserves for purposes other than that for which they were intended without the approval of a majority of all nondeveloper voting interests, voting in person or by limited proxy at a duly called meeting of the association.

## Florida Administrative Code Reserve Requirements

**61B-22.001 Definitions.** For the purposes of this chapter, the following definitions shall apply:

(2) “Capital expenditure” means an expenditure of funds for the purchase of an asset whose life is greater than one year in length, or the replacement of an asset whose life is greater than one year in length, or the addition to an asset which extends the life of the previously existing asset for a period greater than one year.

(3) “Deferred maintenance” means any maintenance or repair that will be performed less frequently than yearly and will result in maintaining the life of an asset; and

(4) “Reserves” means any funds which are restricted for deferred maintenance and capital expenditures, including the items required by section 718.112(2)(f)2, Florida Statutes, and any other funds restricted as to use by the condominium documents or the condominium association. “Contingency reserves” which are not restricted as to use by the condominium documents or by the association shall not be considered reserves within the meaning of this rule.

**61B-22.003 Budgets.** Required elements for estimated operating budgets. The budget for each association shall:

(d) Include all estimated common expenses or expenditures of the association including the categories set forth in section 718.504(20)(c), Florida Statutes. Reserves for capital expenditures and deferred maintenance required by section 718.112(2)(f), Florida Statutes, must be included in the proposed annual budget and shall not be waived or reduced prior to the mailing to unit owners of a proposed annual budget. If the estimated common expense for any category set forth in the statute is not applicable, the category shall be listed followed by an indication that the expense is not applicable;

(e) Include a schedule stating each reserve account for capital expenditures and deferred maintenance as a separate line item with the following minimum disclosures;

1. The total estimated useful life of the asset;
2. The estimated remaining useful life of the asset;
3. The estimated replacement cost or deferred maintenance expense of the asset;
4. The estimated fund balance as of the beginning of the period for which the budget will be in effect; and,
5. The developer’s total funding obligation, when all units are sold, for each converter reserve account established pursuant to section 718.618, Florida Statutes, if applicable.

(f) Include a separate schedule of any other reserve funds to be restricted by the association as a separate line item with the following minimum disclosures;

1. The intended use of the restricted funds; and
2. The estimated fund balance of the item as of the beginning of the period for which the budget will be in effect.

(g) “Contingency reserves” and any other categories of expense which are not restricted as to use shall be stated in the operating portion of the budget rather than the reserve portion of the budget.

**61B-22.005 Reserves.** Reserves required by statute. Reserves required by section 718.112(2)(f), Florida Statutes, for capital expenditures and deferred maintenance including roofing, painting, paving, and any other item for which the deferred maintenance expense or replacement cost of an item exceeds \$10,000 shall be included in the budget. For the purpose of determining whether the deferred maintenance expense or replacement cost of an item exceeds \$10,000, the association may consider each asset of the association separately. Alternatively, the replacement cost of an item exceeds \$10,000, the association may group similar or related assets together. For example, an association responsible for the maintenance of two swimming pools, each of which will separately require \$6,000 of total deferred maintenance, may establish a pool reserve, but is not required to do so.

**61B-22.0051 Estimating Reserve Requirements.**

- (1) Formula for calculation of reserves required by statute. Reserves for deferred maintenance and capital expenditures required by section 718.112(2)(f), Florida Statutes, shall be calculated using a formula which will provide funds equal to the total estimated deferred maintenance expense or total estimated replacement cost for an asset over the remaining useful life of the asset. The formula shall provide funds in annual increments and may be adjusted each year for changes in estimates. The formula may consider such factors as inflation and interest or other earnings rates, but must include the following:
  - (a) The estimated remaining useful life of the asset;
  - (b) The estimated deferred maintenance expense or estimated replacement cost of the asset; and,
  - (c) The estimated fund balance of the reserve account as of the beginning of the period for which the budget will be in effect.
- (2) Estimating reserves which are not required by statute. Reserves which are not required by section 718.112(2)(f), Florida Statutes, are not required to be based on any specific formula.
- (3) Estimating reserves when the developer is funding converted reserves. For the purpose of estimating non-converter reserves the estimated fund balance of the non-converter reserve account related to any asset for which the developer has established converter reserves pursuant to section 718.618, Florida Statutes, shall be the sum of:
  - (a) The developer's total funding obligation, when all units are sold, for the converter reserve account pursuant to section 718.618, Florida Statutes,; and,
  - (b) The estimated fund balance of the non-converter reserve account, excluding the developer's converter obligation, as of the beginning of the period for which the budget will be in effect.

**61B-22.0052 Funding Requirements and Restrictions on Use.**

- (1) Timely funding. Reserves included in the adopted budget are common expenses and must be fully funded unless properly waived or reduced. Reserves shall be funded in at least the same frequency that assessments are due from the unit owners (e.g., monthly or quarterly).
- (2) Restrictions on use. Reserves required by section 718.112(2)(f), Florida Statutes, and other reserves included on the adopted budget, shall only be used for the purposes for

which they were intended unless their use for other purposes is approved in advance by the unit owners according to section 718.112(2)(f)3, Florida Statutes. In a multi-condominium association, the same procedures which are specified for the waiving or reduction of reserves shall apply where an association seeks to use reserve funds for purposes other than which the funds were originally reserved. Expenditure of unallocated interest income earned on reserve funds is restricted to any of the capital expenditures, deferred maintenance or other items for which reserve accounts have been established.

**61B-22.0053 Waiver of Reserves.**

- (1) Annual vote required to waive reserves. Any vote to waive or reduce reserves for capital expenditures and deferred maintenance required by section 718.112(2)(f)2, Florida Statutes, shall be effective for only one annual budget, and the vote must be taken annually. Additionally, in a multi-condominium association, no waiver or reduction is effective as to a particular condominium unless conducted at a meeting at which a majority of the voting interests in that condominium are present, in person or by proxy, and a majority of those present in person or by limited proxy vote to waive or reduce reserves.
- (2) Developer voting restrictions. Prior to turnover, the developer may cast votes to waive or reduce reserves during the first two fiscal years only, beginning with the date of the recording of the declaration. In the case of a multi-condominium association, this restriction applies to the association's first two fiscal years beginning with the recording of the initial declaration.

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**2. 61B-22.006 Financial Reporting Requirements.**

- (3) Disclosure requirements. The financial statements required by sections 718.111(14) and 718.301(4), Florida Statutes, shall contain the following disclosures within the financial statements, notes, or supplementary information:
  - (a) The following reserve disclosures shall be made regardless of whether reserves have been waived for the fiscal period covered by the financial statements:
    1. The beginning balance in each reserve account as of the beginning of the fiscal period covered by the financial statements;
    2. The amount of assessments and other additions to each reserve account, including authorized transfers from other reserve accounts;
    3. The amount expended or removed from each reserve account, including authorized transfers to other reserve accounts;
    4. The ending balance in each reserve account as of the end of the fiscal period covered by the financial statements;
    5. The manner by which reserve items were estimated, the date the estimates were last made, the association's policies for allocating reserve fund interest, and whether reserves have been waived during the period covered by the financial statements; and,
    6. If the developer has established converter reserves pursuant to section 718.618(1), Florida Statutes, each converter reserve account shall be identified and include the disclosures required by this rule.

**Chapter 61B – 22, Florida Administrative Code**  
**Summary of Rule Amendments**

**61B-22.003 Budgets**

- Recognizes the use of a pooled account for reserves and provides that a schedule showing each reserve account is not necessary if a pooled account for reserves is used.
- Provides an alternate disclosure method for the use of a pooled account for reserves.

**61B-22.005 Reserves**

- Recognizes the concept of funding a group of assets using a pooled analysis of two or more required assets and provides requirements and direction related to the pooled account method.
- Clarifies that the chosen reserve funding formula shall not include any type of balloon payment.

**Amended Rule Text**

**61B – 22.003 Budgets**

(e) Unless the association maintains a pooled account for reserves required by Section 718.112(2)(f)2., Florida Statutes, the association shall include a schedule stating each reserve account for capital expenditures and deferred maintenance as a separate line item with the following minimum disclosures:

(f) If the association maintains a pooled account for reserves required by Section 718.112(2)(f)2., Florida Statutes, the association shall include a separate schedule of any pooled reserves with the following minimum disclosures:

1. The total estimated useful life of each asset within the pooled analysis;
2. The estimated remaining useful life of each asset within the pooled analysis;
3. The estimated replacement cost or deferred maintenance expense of each asset within the pooled analysis; and
4. The estimated fund balance of the pooled reserve account as of the beginning of the period for which the budget will be in effect.

(g) Include a separate schedule of any other reserve funds to be restricted by the association as a separate line item with the following minimum disclosures:

1. The intended use of the restricted funds; and
2. The estimated fund balance of the item as of the beginning of the period for which the budget will be in effect.

**61B – 22.005 Reserves**

- 1) Reserves required by statute. Reserves required by Section 718.112(2)(f), Florida Statutes, for capital expenditures and deferred maintenance including roofing, painting, paving, and any other item for which the deferred maintenance expense or replacement cost exceeds \$10,000 shall be included in the budget. For the purpose of determining whether the deferred maintenance expense or replacement cost of an item exceeds \$10,000, the association may consider each asset of the association separately. Alternatively, the association may group similar or related assets together. For example, an association responsible for the maintenance of two swimming pools,

each of which will separately require \$6,000 of total deferred maintenance, may establish a pool reserve, but it is not required to do so.

- 2) Commingling operating and reserve funds. Associations that collect operating and reserve assessments as a single payment shall not be considered to have commingled the funds provided the reserve portion of the payment is transferred to a separate reserve account, or accounts, within 30 calendar days from the date such funds were deposited.
- 3) Calculating reserves required by statute. Reserves for deferred maintenance and capital expenditures required by Section 718.112(2)(f), Florida Statutes, shall be calculated using a formula that will provide funds equal to the total estimated deferred maintenance expense or total estimated replacement cost of an asset or group of assets over the remaining useful life of the asset or group of assets. Funding formulas for reserves required by Section 718.112(2)(f), Florida Statutes, shall be based on either a separate analysis of each of the required assets or a pooled analysis of two or more of the required assets.
  - (a) If the association maintains separate reserve accounts for each of the required assets, the amount of the current year contribution to each reserve account shall be the sum of the following two calculations:
    1. The total amount necessary, if any, to bring a negative account balance to \$0; and
    2. The total estimated deferred maintenance expense or estimated replacement cost of the reserve asset less the estimated balance of the reserve account as of the beginning of the period for which the budget will be in effect. The remainder, if greater than zero, shall be divided by the estimated remaining useful life of the asset. The formula may be adjusted each year for changes in estimates and deferred maintenance performed during the year and may consider factors such as inflation and earnings on invested funds.
  - (b) If the association maintains a pooled account of two or more of the required reserve assets, the amount of contribution to the pooled reserve account as disclosed on the proposed budget shall be not less than that required to ensure that the balance on hand at the beginning of the period for which the budget will go into effect plus the projected annual cash inflows over the remaining estimated useful lives of all of the assets that make up the reserve pool are equal to or greater than the projected annual cash outflows over the remaining estimated useful lives of all of the assets that make up the reserve pool, based on the current reserve analysis. The projected annual cash inflows may include estimated earnings from investment of principal. The reserve funding formula shall not include any type of balloon payment.

## TERMS AND DEFINITIONS

**ACCRUED FUND BALANCE (AFB):** Total Accrued Depreciation. An indicator against which Actual (or projected) Reserve balance can be compared. The Reserve balance that is in direct proportion to the fraction of life “used up” of the current Repair or Replacement cost. This number is calculated for each component, then summed together for an association tool. Two formulae can be utilized, depending on the provider’s sensitivity to interest and inflation effects. Note: both yield identical results when interest and inflation are equivalent.

$$\text{AFB} = \text{Current Cost} \times \text{Effective Age/Useful Life}$$

**or**

$$\text{AFB} = (\text{Current Cost} \times \text{Effective Age/Useful Life}) + [(\text{Current Cost} \times \text{Effective Age/Useful Life}) / (1 + \text{Interest Rate})^{\text{Remaining Life}}] - [(\text{Current Cost} \times \text{Effective Age/Useful Life}) / (1 + \text{Inflation Rate})^{\text{Remaining Life}}]$$

**CASH FLOW METHOD:** A method of calculating Reserve Funding Plan where contributions to the Reserve fund are designed to offset the variable annual expenditures from the Reserve fund. Different Reserve Funding Plans are tested against the anticipated schedule of Reserve expenses until the desired Funding Goal is achieved. “Because we use the cash flow method, we compute individual line item contributions after the total contribution rate has been established.” See “Component Method”.

**CAPITAL EXPENDITURES:** A capital expenditure means any expenditure of funds for: (1) the purchase or replacement of an asset whose useful life is greater than one year, or (2) the addition to an asset that extends the useful life of the previously existing asset for a period greater than one year.

**COMPONENT:** The individual line items in the Reserve Study, developed or updated in the Physical Analysis. These elements form the building blocks for the Reserve Study. Components typically are: 1) Association responsibility, 2) with limited Useful Life expectancies, 3) predictable Remaining Useful Life expectancies, and 4) above a minimum threshold cost, and 5) as required by local codes. “We have 17 components in our reserve Study.”

**COMPONENT ASSESSMENT AND VALUATION:** The task of estimating Useful Life, Remaining Useful Life, and Repair or Replacement Costs for the Reserve components. This task is accomplished either with or without an on-site inspection, based on Level or Service selected by the client.

**COMPONENT FULL FUNDING:** When the actual (or projected) cumulative Reserve balance for all components is equal to the Fully Funded Balance.

**COMPONENT INVENTORY:** The task of selecting and quantifying Reserve Components. This task is accomplished through an on-site inspection, review of association design and organizational documents, and a review of established association precedents, and discussion with appropriate association representative(s).

**COMPONENT METHOD:** A method of developing a Reserve Funding Plan where the total contribution is based on the sum of contributions for individual components. “Since we calculate a Reserve contribution rate for each component and then sum them all together, we are using the component method to calculate our Reserve contributions.” See “Cash Flow Method”.

**CONDITION ASSESSMENT:** The task of evaluating the current condition of the component based on observed and reported characteristics.

**CURRENT REPLACEMENT COST:** See “Replacement Cost”.

**DEFERRED MAINTENANCE:** Deferred maintenance means any maintenance or repair that: (1) will be performed less frequently than yearly, and (2) will result in maintaining the useful life of an asset.

**DEFICIT:** An actual (or projected) Reserve Balance less than the Fully Funded Balance. The opposite would be a Surplus.

**EFFECTIVE AGE:** The difference between Useful Life and Remaining Useful Life. Not always equivalent to chronological age, since some components age irregularly. Used primarily in computations.

**FINANCIAL ANALYSIS:** The portion of a Reserve Study where current status of the Reserves (measured as cash or Percent Funded) and a recommended Reserve contribution rate (Reserve Funding Plan) are derived, and the projected Reserve income and expense over time is presented. The Financial Analysis is one of the two parts of a Reserve Study.

**FULLY FUNDED:** When the budget is provided to the owners, it will show the amount of money that must be deposited that year for each reserve item to ensure that, when the time comes, sufficient funds will be available for deferred maintenance or a capital expenditure. (Definition published in “Budgets & Reserve Schedules Made Easy” training manual by the State of Florida Department of Business and Professional Regulations in January 1997).

**FUND STATUS:** The status of the reserve fund as compared to an established benchmark such as percent funding.

**FUNDING PLAN:** An association’s plan to provide income to a Reserve fund to offset anticipated expenditures from that fund.

**FUNDING PRINCIPLES:**

- Sufficient Funds When Required
- Stable Contribution Rate over the Years
- Evenly Distributed Contributions over the Years
- Fiscally Responsible

**FUNDING GOALS:** Independent of methodology utilized, the following represent the basic categories of Funding Plan goals:

- **Baseline Funding** – Establishing a Reserve funding goal of keeping the Reserve cash balance above zero.
- **Component Full Funding** – Setting a Reserve funding goal of attaining and maintaining cumulative Reserves at or near 100%.



- **Statutory Funding** – Establishing a Reserve funding goal of setting aside the specific minimum amount of Reserves of component required by local statutes.
- **Threshold Funding** – Establishing a Reserve funding goal of keeping the Reserve balance above a specified dollar or Percent Funded amount. Depending on the threshold, this may be more or less conservative than “Component Full Funding.”

**LIFE AND VALUATION ESTIMATES:** The task of estimating Useful Life, Remaining Useful Life, and Repair or Replacement Costs for the Reserve Components.

**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 accrued *Fund Balance*, expressed as a percentage. “With \$76,000 in Reserves, and since our 100% Funded Balance is \$100,000, our association is 76% Funded”.

Editor’s Note: since funds can typically be allocated from one component to another with ease, this parameter has no real meaning on an individual Component basis. The purpose of this parameter is to identify the relative strength or weakness of the entire Reserve fund as of a particular point in time. The value of this parameter is in providing a more stable measure of Reserve Fund strength, since cash in Reserves may mean very different things to different associations.

**PHYSICAL ANALYSIS:** The portion of the Reserve Study where the Component Inventory, Condition Assessment, and Life and Valuation Estimate tasks are performed. This represents one of the two parts of the Reserve Study.

**REMAINING USEFUL LIFE (RUL):** Also referred to as “Remaining Life” (RL). The estimated time, in years, that a reserve component can be expected to *continue* to serve its intended function. Projects anticipated to occur in the initial year have “zero” Remaining Useful Life.

**REPLACEMENT COST:** The cost of replacing, repairing, or restoring a Reserve Component to its original functional condition. The Current Replacement Cost would be the cost to replace, repair, or restore the component during that particular year.

**RESERVE BALANCE:** Actual or projected funds as of a particular point in time that the association has identified for use to defray to the future repair or replacement of those major components which the association is obligated to maintain. Also known as Reserves, Reserve Accounts, Cash Reserves. Based on information provided and not audited

**RESERVE PROVIDER:** An individual that prepares Reserve Studies.

**RESERVE STUDY:** A budget planning tool which identifies the current status of the Reserve fund and a stable and equitable Funding Plan to offset the anticipated future major common area expenditures.” The Reserve Study consists of two parts: the Physical Analysis and the Financial Analysis. “Our budget and finance committee is soliciting proposals to update our Reserve Study for the next year’s budget.”

**RESPONSIBLE CHARGE:** A reserve specialist in responsible charge of a reserve study shall render regular and effective supervision to those individuals performing services which directly and materially affect the quality and competence rendered by the reserve specialist. A reserve specialist shall maintain

such records as are reasonably necessary to establish that the reserve specialist exercised regular and effective supervision of a reserve duty of which he was in responsible charge. A reserve specialist engaged in any of the following acts or practices shall be deemed not to have rendered the regular and effective supervision required herein:

1. The regular and continuous absence from principal office premises from which professional services are rendered; except for performance of field work or presence in a field office maintained exclusively for a specific project;
2. The failure to personally inspect or review the work of subordinates where necessary and appropriate;
3. The rendering of a limited, cursory or perfunctory review of plans or projects in lieu of an appropriate detailed review;
4. The failure to personally be available on a reasonable basis or with adequate advanced notice for consultation and inspection where circumstances require personal availability.

**SPECIAL ASSESSMENT:** An assessment levied on the members of an association in addition to regular assessments. Special Assessments are often regulated by Governing Documents or local statutes. “Since we need a new roof and there wasn’t enough money in the Reserve fund, we had to pass a special assessment.”

**SURPLUS:** An actual (or projected) Reserve Balance greater than the Fully Funded Balances. See Deficit”.

**USEFUL LIFE (UL):** Total Useful Life or Depreciable Life. The estimated time, in years, that a reserve component can be expected to serve its intended function if properly constructed in its present application or installation.