

# GB Resort Condominium Hotel Association, Inc.

Inspected: August 15, 2024 • Revised on: October 10, 2024  
Key Biscayne, FL

**STRUCTURAL INTEGRITY  
RESERVE STUDY**



GB Resort Condominium Hotel Association, Inc.  
Key Biscayne, Florida

Dear Board of Directors of GB Resort Condominium Hotel Association, Inc.:

At the direction of the Board that recognizes the need for proper reserve planning, we have conducted a *Structural Integrity Reserve Study* of GB Resort Condominium Hotel Association, Inc. in Key Biscayne, Florida and submit our findings in this report. The effective date of this study is the date of our visual, noninvasive inspection, August 15, 2024.

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

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

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

Respectfully submitted on October 10, 2024 by

*Reserve Advisors, LLC*

Visual Inspection and Report by: Taylor J. Bleistein, RS<sup>1</sup>  
Review by: Tamara S. Samhouri, RS, Quality Assurance Engineer  
Alan M. Ebert, RS, PRA<sup>2</sup>, Director of Quality Assurance



1 RS (Reserve Specialist) is the reserve provider professional designation of the Community Associations Institute (CAI) representing America's more than 300,000 condominium, cooperative and homeowners associations.

2 PRA (Professional Reserve Analyst) is the professional designation of the Association of Professional Reserve Analysts. Learn more about APRA at <http://www.apra-usa.com>.



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# 1. RESERVE STUDY EXECUTIVE SUMMARY

**Client:** GB Resort Condominium Hotel Association, Inc. (GB Resort Condominium Hotel)

**Location:** Key Biscayne, Florida

**Reference:** 130738

**Property Basics:** GB Resort Condominium Hotel Association, Inc. is a high-rise style development of 188 condominium and 302 hotel units in one 14-story building. GB Condominium is responsible for approximately thirty-four percent (33.7%) of all components shared by the hotel and condominium entities. GB Condominium does not have responsibility for any non-shared components. The exterior of the building comprises concrete tile roofs, modified bitumen roofs, and painted stucco finishes. The building was built in 2001. The development contains asphalt pavement, masonry pavers, pool plaza decks, a parking garage, tennis courts and a pro shop.

**Reserve Components Identified:**

- 20 Structural Integrity Reserve Components.
- 54 Non-Structural Reserve Components.

**Inspection Date:** August 15, 2024. We conducted previous inspections in 2013, 2018 and 2021.

**Methodology:** We use the Cash Flow Method to compute the Reserve Funding Plan. This method offsets future variable Reserve Expenditures with existing and future stable levels of reserve funding. Our application of this method also considers:

- Current and future local costs of replacement
- 2.7% anticipated annual rate of return on invested reserves
- 3.7% future Inflation Rate for estimating Future Replacement Costs

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

**Project Prioritization:** We note anticipated Reserve Expenditures for the next 30 years in the **Reserve Expenditures** tables and include a **Five-Year Outlook** table following the **Reserve Funding Plan** in Section 3. We recommend the Association prioritize the following projects in the next five years based on the conditions identified:

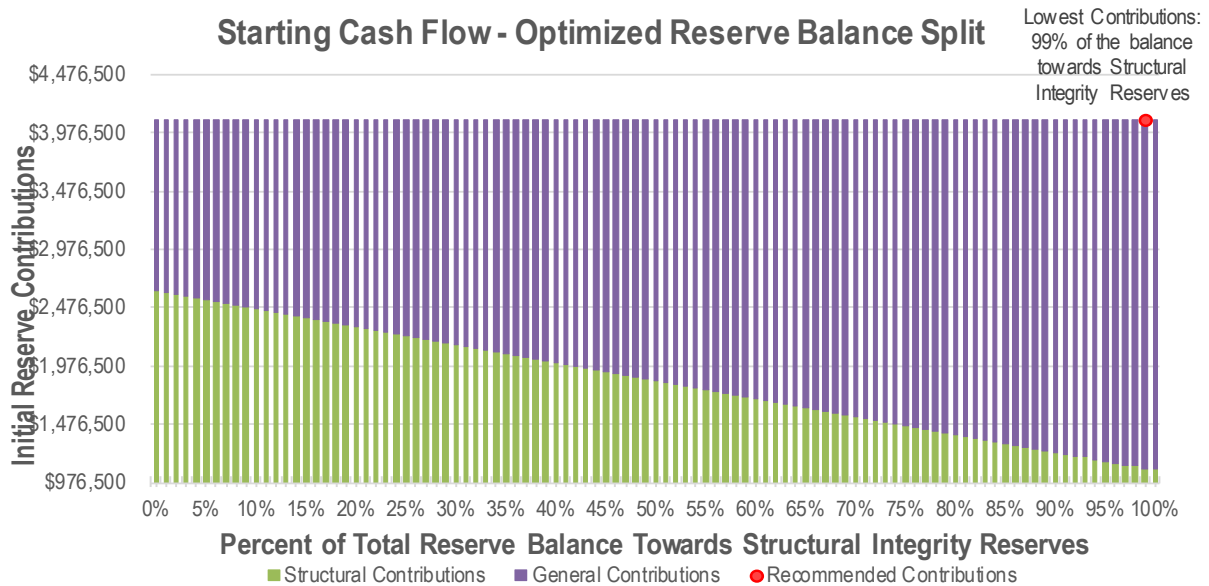
- Structural Integrity - Roofs, Concrete Tiles
- Structural Integrity - Waterproof Membrane, Inspection and Capital Repairs, Plaza Deck
- Structural Integrity - Balconies, Concrete, Repairs and Waterproof Coating Applications
- Structural Integrity - Walls, Stucco, Paint Finishes and Capital Repairs
- Structural Integrity - Concrete, Elevated Floor, Inspections and Capital Repairs
- Non-Structural - Elevators, Traction, Controls and Call Buttons, Passenger and Service
- Non-Structural - Spa, Renovation, Complete (Incl. Reception Lobby and Hallway)
- Non-Structural - Lobby, Renovation, Complete
- Non-Structural - Porte Cochere, Tile, Marble
- Non-Structural - Light Fixtures, Bollard



**Unaudited Cash Status of Reserve Fund:**

- \$1,502,331 as of August 31, 2024
- \$579,700 in budgeted 2024 reserve contributions (\$193,233 remaining)
- \$189,855 in estimated remaining 2024 reserve expenses
- We project a 2024 Reserve End Balance of \$1,519,809.

As part of our Cash Flow method we analyzed future expenditures and identified the reserve balance split to produce the lowest overall required contributions. Due to the statutory restrictions on structural integrity reserve funds, we recommend the Association maintain separate funds for Structural Integrity reserves and Non-Structural reserves. However, the existing reserve funds are not split. We, therefore, analyzed future expenditures and identified the starting reserve balance split that produces the lowest overall reserve contributions. We recommend the Association allocate \$1,504,611, or 99% of the 2024 Projected Reserve End Balance to the Structural Integrity Reserve Fund and \$15,198, or 1% to the Non-Structural Fund to minimize the total combined contributions to the statutory Structural Integrity Fund and the recommended Non-Structural Fund. A vote of the membership may be required to allocate funds in this manner. The following chart depicts the analysis of future expenditures and the reserve balance split to produce the lowest overall required contributions.



<u>Cash Flow - Existing Reserve Balance and Contribution Split</u>	<u>FY2024</u>	<u>Structural Integrity</u>	<u>Non-Structural</u>
		2025	2025
Beginning Reserve Balance as of August 31, 2024	1,502,331	1,504,611	15,198
<b>Remaining Budgeted Reserve Contributions:</b>	<b>193,233</b>	<b>1,100,000</b>	<b>2,985,000</b>
Estimated Remaining Interest Earned:	14,100	99%	
Anticipated Remaining Structural Expenditures:	(117,400)	1%	
Anticipated Remaining Non-Structural Expenditu	(72,455)		
<b>Anticipated Reserves at Year End:</b>	<b><u>\$1,519,809</u></b>		





**Structural Integrity**

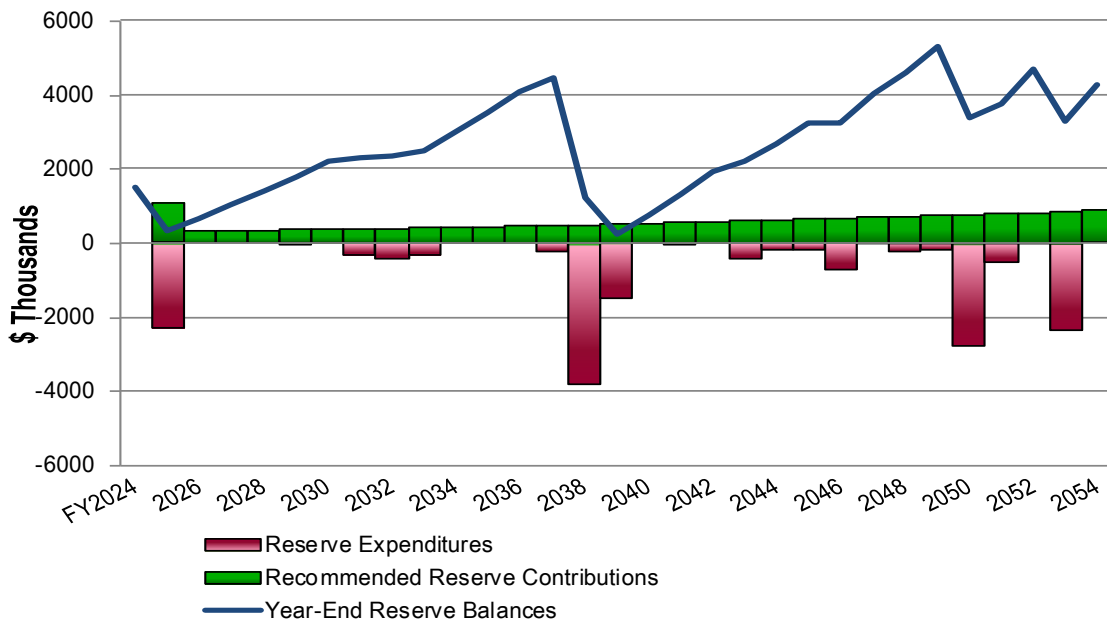
**Funding Goal:** The Funding Goal of this Reserve Study is to maintain reserves above an adequate, not excessive threshold during one or more years of significant expenditures. Our recommended Funding Plan recognizes these threshold funding years in 2025 due to the replacement of the concrete tile roof, in 2039 due to the replacement of the waterproof membrane, and in 2053 due to the replacement of the balcony waterproof coatings.

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

- Allocate \$1,504,611 of the Anticipated 2024 Year End Reserve balance to the Structural Integrity Reserve Fund.
- Increase Reserve Contributions to \$1,099,700 in 2025
- Decrease to \$318,700 by 2026 due to fully funding for replacement of the waterproof membrane
- Inflationary increases thereafter through 2054, the limit of this study's Cash Flow Analysis
- 2025 Reserve Contribution of \$1,099,700 is equivalent to an average monthly contribution of \$487.46 per owner.
- Florida Statute 718.112 prohibits waiving or reducing reserves for Structural Integrity items for budgets adopted after December 31, 2024.

**Recommended Reserve Funding Table and Graph**

Year	Reserve Contributions (\$)	Reserve Balances (\$)	Year	Reserve Contributions (\$)	Reserve Balances (\$)	Year	Reserve Contributions (\$)	Reserve Balances (\$)
2025	1,099,700	342,914	2035	441,900	3,527,334	2045	635,600	3,220,593
2026	318,700	675,175	2036	458,300	4,087,059	2046	659,100	3,245,440
2027	330,500	1,028,366	2037	475,300	4,460,028	2047	683,500	4,025,794
2028	342,700	1,403,458	2038	492,900	1,203,333	2048	708,800	4,622,507
2029	355,400	1,775,008	2039	511,100	226,788	2049	735,000	5,288,938
2030	368,500	2,196,408	2040	530,000	770,066	2050	762,200	3,393,291
2031	382,100	2,288,400	2041	549,600	1,332,041	2051	790,400	3,754,003
2032	396,200	2,330,986	2042	569,900	1,945,600	2052	819,600	4,686,026
2033	410,900	2,499,179	2043	591,000	2,188,235	2053	849,900	3,303,186
2034	426,100	2,998,509	2044	612,900	2,689,457	2054	881,300	4,285,570





**Non-Structural**

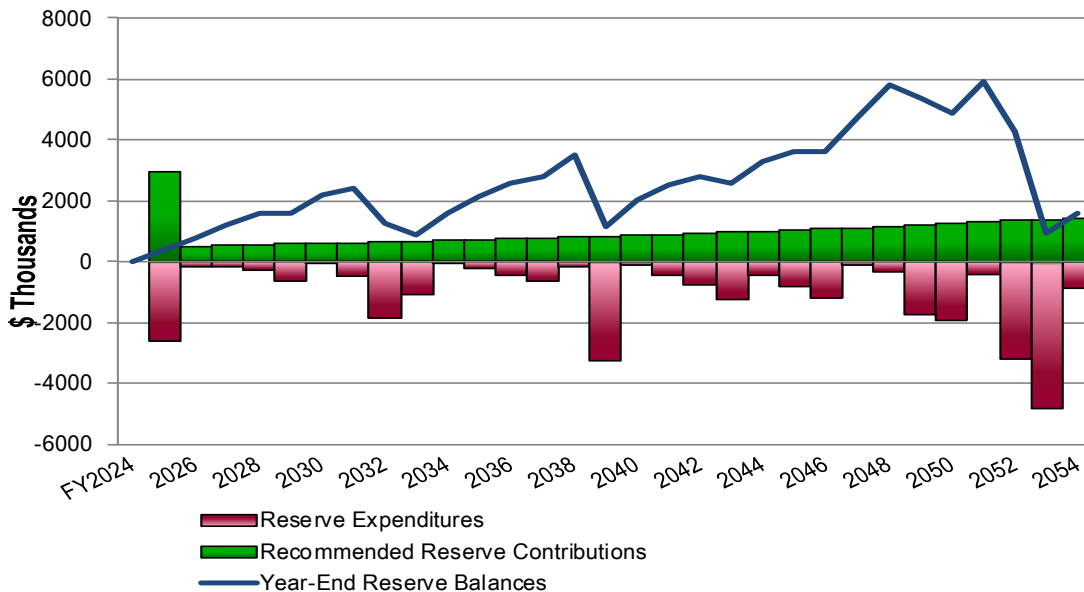
**Funding Goal:** The Funding Goal of this Reserve Study is to maintain reserves above an adequate, not excessive threshold during one or more years of significant expenditures. Our recommended Funding Plan recognizes this threshold funding year in 2025 due to the modernization of the elevators.

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

- Allocate \$15,198 of the Anticipated 2024 Year End Reserve balance to the Non-Structural Reserve Fund.
- Increase Reserve Contributions to \$2,984,800 in 2025
- Decrease to \$528,600 by 2026 due to fully funding for modernization of the elevators
- Inflationary increases thereafter through 2054, the limit of this study's Cash Flow Analysis
- 2025 Reserve Contribution of \$2,984,800 is equivalent to an average monthly contribution of \$1,323.05 per owner.
- Florida Statute 718.112 provides for a majority of the voting interest to waive or reduce reserve for Non-Structural items. Consult legal counsel or your property management company for further guidance.

**Recommended Reserve Funding Table and Graph**

Year	Reserve Contributions (\$)	Reserve Balances (\$)	Year	Reserve Contributions (\$)	Reserve Balances (\$)	Year	Reserve Contributions (\$)	Reserve Balances (\$)
2025	2,984,800	392,013	2035	733,100	2,174,401	2045	1,054,200	3,624,150
2026	528,600	792,477	2036	760,200	2,584,498	2046	1,093,200	3,648,779
2027	548,200	1,214,304	2037	788,300	2,785,209	2047	1,133,600	4,778,043
2028	568,500	1,579,566	2038	817,500	3,515,135	2048	1,175,500	5,804,026
2029	589,500	1,577,848	2039	847,700	1,182,065	2049	1,219,000	5,410,834
2030	611,300	2,186,229	2040	879,100	2,035,805	2050	1,264,100	4,896,612
2031	633,900	2,399,172	2041	911,600	2,558,614	2051	1,310,900	5,926,189
2032	657,400	1,278,081	2042	945,300	2,804,492	2052	1,359,400	4,275,843
2033	681,700	903,949	2043	980,300	2,609,396	2053	1,409,700	961,330
2034	706,900	1,590,769	2044	1,016,600	3,300,483	2054	1,461,900	1,602,022





## 2. RESERVE STUDY REPORT

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

**GB Resort Condominium Hotel Association, Inc.**

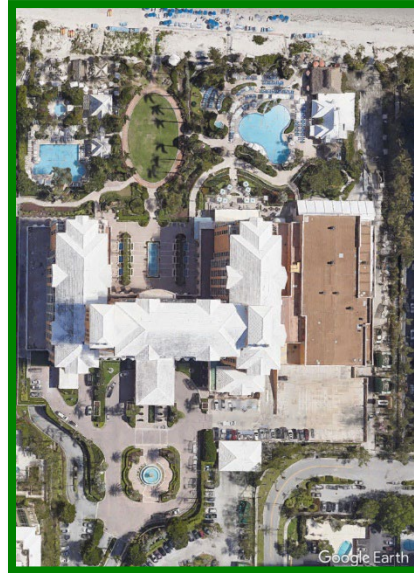
**Key Biscayne, Florida**

and submit our findings in this report. The effective date of this study is the date of our visual, noninvasive inspection, August 15, 2024. We conducted previous inspections in 2013, 2018 and 2021.

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

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

## IDENTIFICATION OF PROPERTY



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

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

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

We advise the Board to conduct an annual review of these classes of property to confirm its policy concerning the manner of funding, i.e., from reserves or the operating budget. Reserve Components are defined by CAI as property elements with:

- GB Resort Condominium Hotel responsibility
- Limited useful life expectancies
- Predictable remaining useful life expectancies
- Replacement cost above a minimum threshold



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

- Roof
- Load Bearing Walls or Other Primary Structural Members
- Exterior Doors
- Fireproofing and Fire Protection Elements
- Plumbing
- Electrical Systems
- Structure
- Waterproofing and Exterior Painting
- Windows
- Any other item that has a deferred maintenance expense or replacement cost that exceeds \$10,000 and the failure to replace or maintain such item negatively affects the items listed above

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

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

We discuss specific exclusions for the following elements:

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

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

- Electrical Systems - We anticipate a useful life of up to and beyond 70 years. Our inspection is visual, non-invasive and excludes thermoscans. Based on the current condition, we do not anticipate the need for replacement, repair or maintenance expenditures through reserves within the 30-year scope of this study.
- Windows and Doors – Maintained and replaced by the owners

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

## Excluded Components

for  
**GB Resort Condominium Hotel**  
**Association, Inc.**  
Key Biscayne, Florida

### Operating Budget Components

Repairs normally funded through the Operating Budget and Expenditures less than \$5,000 (These relatively minor expenditures have a limited effect on the recommended Reserve Contributions.)

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

- Awnings, Canvas, Interim
- Catch Basins
- Computers
- Concrete Flatwork, Repairs
- Doors, Interior
- Duct Cleaning
- Exhaust Fans
- Expansion Joints, Interim
- Expansion Tanks
- Fire Extinguishers
- Gates, Swing Arms, Valet and Garage
- HVAC Equipment Less Than 10-tons of Capacity
- Intercom Panels
- Irrigation System, Controls, Pump and Maintenance
- Landscape
- Light Fixtures, Recessed
- Light Fixtures, Stairwells
- Motors
- Paint Finishes and Repairs, Stairwells (Per Management)
- Paint Finishes, Touch Up
- Pipes, Common, Interim Repairs and Waste Rodding
- Plumbing Fixtures
- Pools, ADA Lifts
- Pump, Gas
- Pumps Less Than Five-HP (horsepower)
- Retaining Walls, Masonry, Pool Area and Tennis Pro Shop
- Roofs, Thatch, Pool Area
- Signage
- Split System Air Conditioners
- Staff, Storage and Service Areas
- Tennis Courts, Awnings
- Tennis Courts, Fence Netting and Wind Screens
- Tennis Courts, Fences, Interim Replacements

## Excluded Components

for  
**GB Resort Condominium Hotel**  
**Association, Inc.**  
Key Biscayne, Florida

<b>Operating Budget Components (Continued)</b>
• Valves, Small Diameter (We assume replacement as needed in lieu of an aggregate replacement of all small diameter valves as a single event.)

<b>Long-Lived Components</b>		
	Useful Life	Estimated Cost
These elements may not have predictable Remaining Useful Lives or their replacement may occur beyond the scope of this study. The operating budget should fund infrequent repairs. Funding untimely or unexpected replacements from reserves will necessitate increases to Reserve Contributions. Periodic updates of this Reserve Study will help determine the merits of adjusting the Reserve Funding Plan.		
• Electrical Systems, Common	to 70+	N/A
• Foundation	Indeterminate	N/A
• Pipes, Interior Building, Domestic Water, Waste and Vent	to 80+	N/A
• Pipes, Subsurface Utilities	to 85+	N/A
• Structural Frame	Indeterminate	N/A
• Structures and Decks, Total Replacement	to 60+	\$450,232
• Trash Chute and Doors	to 65	N/A
• Valves, Large Diameter	Indeterminate	N/A

<b>Owners Responsibility Components</b>
Certain items have been designated as the responsibility of the Owners to repair or replace at their cost, including items billed back.
• Balcony Furniture and Finishes
• Electrical Systems (Including Circuit Protection Panels)
• Heating, Ventilating and Air Conditioning (HVAC) Units
• Interiors
• Pipes (Within Units)
• Windows and Doors, Units



## **Excluded Components**

for  
GB Resort Condominium Hotel  
Association, Inc.  
Key Biscayne, Florida

### **Others Responsibility Components**

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

- Concrete Driveway and Sealants, Loading Dock <sup>1</sup>
- Kitchen Equipment and Associated Boilers <sup>1</sup>
- Lobby Rooms (Including Drawing Room, Board Rooms, Meeting Rooms, Retail Spaces, Kitchen, Service Corridors, and Commercial Laundry Room)<sup>1</sup>
- Pool Cabanas <sup>1</sup>
- Restaurants, Bars and Lounges <sup>1</sup>
- Revenue-Generating Components<sup>1</sup>
- Salon<sup>1</sup>
- Spa Treatment Rooms<sup>1</sup>
- Tennis Pro Shop<sup>1</sup>

<sup>1</sup> Hotel

### **3. RESERVE EXPENDITURES and FUNDING PLAN**

The tables following this introduction present:

#### **Reserve Expenditures**

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

#### **Reserve Funding Plan**

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

#### **Five-Year Outlook**

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

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

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

**Structural Integrity  
RESERVE EXPENDITURES**

**GB Resort Condominium Hotel  
Association, Inc.  
Key Biscayne, Florida**

**Explanatory Notes:**

- 1) **3.7%** is the estimated Inflation Rate for estimating Future Replacement Costs.
- 2) **FY2024** is Fiscal Year beginning January 1, 2024 and ending December 31, 2024.

Line Item	Total Quantity	Per Phase Quantity	Units	Reserve Component Inventory	Estimated 1st Year of Event	Life Analysis, Years		Costs, \$			Percentage of Future Expenditures	RUL = 0 FY2024	1 2025	2 2026	3 2027	4 2028	5 2029	6 2030	7 2031	8 2032	9 2033	10 2034	11 2035	12 2036	13 2037	14 2038	15 2039	
						Useful	Remaining	Unit (2024)	Per Phase (2024)	Total (2024)																		
<u>Exterior Building Elements</u>																												
1.060	36,000	36,000	Square Feet	Balconies, Concrete, Repairs and Waterproof Coating Applications	2025	10 to 15	1	22.00	266,904	266,904	9.0%	276,779															460,295	
1.100	5,900	5,900	Linear Feet	Balconies, Railings, Paint Finishes and Capital Repairs	2025	6 to 8	1	23.00	45,731	45,731	2.1%	47,423						61,156										
1.105	5,900	5,900	Linear Feet	Balconies, Railings, Replacement	2039	to 40	15	100.00	198,830	198,830	2.1%																342,897	
1.360	640	640	Squares	Roofs, Concrete Tiles	2025	to 25	1	5,000.00	1,078,400	1,078,400	23.4%	1,118,301																
1.400	15,000	15,000	Square Feet	Roofs, Flat (Excludes South Side Hotel Roof Sections)	2033	15 to 20	9	25.00	126,375	126,375	3.1%										175,255							
1.605	1	1	Allowance	Structural Members, Inspections, Milestone	2031	to 10	7	25,000.00	8,425	8,425	0.3%								10,865									
1.880	160,300	160,300	Square Feet	Walls, Stucco, Paint Finishes and Capital Repairs	2025	5 to 7	1	4.90	264,703	264,703	14.6%	274,497								353,989							456,500	
1.980	4,370	1,457	Square Feet	Windows and Doors, Aluminum Frames, Phased	2043	40 to 50	19 to 21	174.00	85,416	256,248	3.2%																	
<u>Building Services Elements</u>																												
3.440	1	1	Each	Generator, Emergency, 1,800-kW	2031	to 30	7	740,000.00	249,380	249,380	1.9%								321,598									
3.555	1	1	Each	Life Safety System, Control Panel	2031	to 15	7	40,000.00	13,480	13,480	0.3%								17,384									
3.560	1	1	Allowance	Life Safety System, Emergency Devices (2024 is Budgeted)	2024	to 25	0	200,000.00	67,400	67,400	1.4%	67,400																
3.561	188	38	Units	Pipes, Interior Building, Partial Replacements and Relining	2033	to 70+	9 to 29	7,500.00	95,034	475,170	5.9%									131,792						158,045		
3.770	1	1	Each	Pump, Fire Suppression, 200-HP (2024 is Budgeted)	2024	to 50	0	184,000.00	62,008	62,008	1.3%	50,000																
<u>Property Site Elements</u>																												
4.048	1	1	Allowance	Fountain, Renovations	2025	10 to 15	1	40,000.00	13,480	13,480	0.4%	13,979													21,618			
4.955	72,700	72,700	Square Feet	Waterproof Membrane, Inspection and Capital Repairs, Plaza Deck	2025	15 to 20	1	16.00	391,998	391,998	2.4%	406,502																
4.960	72,700	72,700	Square Feet	Waterproof Membrane and Concrete Capital Repairs, Plaza Deck	2038	25 to 35	14	90.00	2,204,991	2,204,991	22.1%															3,666,987		
<u>Garage Elements</u>																												
7.300	25,000	25,000	Square Feet	Concrete, Elevated Floor, Inspections and Capital Repairs	2025	10 to 15	1	10.00	84,250	84,250	2.9%	87,367															145,295	
7.360	180,000	5,400	Square Feet	Concrete, On-grade, Partial	2029	to 90	5 to 30+	12.00	21,838	727,920	0.4%						26,188											
7.500	180,000	180,000	Square Feet	Fire Suppression System	2037	to 40	13	2.00	121,320	121,320	1.2%													194,561				
7.800	25,000	25,000	Square Feet	Traffic Coating, Valet Parking	2025	10 to 15	1	7.00	58,975	58,975	2.0%	61,157															101,707	
<b>Anticipated Expenditures, By Year (\$16,614,229 over 30 years)</b>												117,400	2,286,006	0	0	0	26,188	0	349,846	415,145	307,046	0	0	0	216,179	3,825,033	1,506,694	

**Structural Integrity**  
**RESERVE EXPENDITURES**

**GB Resort Condominium Hotel**  
**Association, Inc.**  
Key Biscayne, Florida

Line Item	Total Quantity	Per Phase Quantity	Units	Reserve Component Inventory	Estimated 1st Year of Event	Life Analysis, Years		Costs, \$			Percentage of Future Expenditures	16 2040	17 2041	18 2042	19 2043	20 2044	21 2045	22 2046	23 2047	24 2048	25 2049	26 2050	27 2051	28 2052	29 2053	30 2054
						Useful	Remaining	Unit (2024)	Per Phase (2024)	Total (2024)																
<u>Exterior Building Elements</u>																										
1.060	36,000	36,000	Square Feet	Balconies, Concrete, Repairs and Waterproof Coating Applications	2025	10 to 15	1	22.00	266,904	266,904	9.0%														765,489	
1.100	5,900	5,900	Linear Feet	Balconies, Railings, Paint Finishes and Capital Repairs	2025	6 to 8	1	23.00	45,731	45,731	2.1%							101,705								131,158
1.105	5,900	5,900	Linear Feet	Balconies, Railings, Replacement	2039	to 40	15	100.00	198,830	198,830	2.1%															
1.360	640	640	Squares	Roofs, Concrete Tiles	2025	to 25	1	5,000.00	1,078,400	1,078,400	23.4%														2,773,496	
1.400	15,000	15,000	Square Feet	Roofs, Flat (Excludes South Side Hotel Roof Sections)	2033	15 to 20	9	25.00	126,375	126,375	3.1%														337,045	
1.605	1	1	Allowance	Structural Members, Inspections, Milestone	2031	to 10	7	25,000.00	8,425	8,425	0.3%		15,625												22,470	
1.880	160,300	160,300	Square Feet	Walls, Stucco, Paint Finishes and Capital Repairs	2025	5 to 7	1	4.90	264,703	264,703	14.6%							588,697							759,178	
1.980	4,370	1,457	Square Feet	Windows and Doors, Aluminum Frames, Phased	2043	40 to 50	19 to 21	174.00	85,416	256,248	3.2%				170,348	176,651	183,187									
<u>Building Services Elements</u>																										
3.440	1	1	Each	Generator, Emergency, 1,800-kW	2031	to 30	7	740,000.00	249,380	249,380	1.9%															
3.555	1	1	Each	Life Safety System, Control Panel	2031	to 15	7	40,000.00	13,480	13,480	0.3%							29,979								
3.560	1	1	Allowance	Life Safety System, Emergency Devices (2024 is Budgeted)	2024	to 25	0	200,000.00	67,400	67,400	1.4%													167,159		
3.561	188	38	Units	Pipes, Interior Building, Partial Replacements and Relining	2033	to 70+	9 to 29	7,500.00	95,034	475,170	5.9%				189,529				227,284						272,561	
3.770	1	1	Each	Pump, Fire Suppression, 200-HP (2024 is Budgeted)	2024	to 50	0	184,000.00	62,008	62,008	1.3%														165,377	
<u>Property Site Elements</u>																										
4.048	1	1	Allowance	Fountain, Renovations	2025	10 to 15	1	40,000.00	13,480	13,480	0.4%														33,432	
4.955	72,700	72,700	Square Feet	Waterproof Membrane, Inspection and Capital Repairs, Plaza Deck	2025	15 to 20	1	16.00	391,998	391,998	2.4%															
4.960	72,700	72,700	Square Feet	Waterproof Membrane and Concrete Capital Repairs, Plaza Deck	2038	25 to 35	14	90.00	2,204,991	2,204,991	22.1%															
<u>Garage Elements</u>																										
7.300	25,000	25,000	Square Feet	Concrete, Elevated Floor, Inspections and Capital Repairs	2025	10 to 15	1	10.00	84,250	84,250	2.9%															241,632
7.360	180,000	5,400	Square Feet	Concrete, On-grade, Partial	2029	to 90	5 to 30+	12.00	21,838	727,920	0.4%				43,551											
7.500	180,000	180,000	Square Feet	Fire Suppression System	2037	to 40	13	2.00	121,320	121,320	1.2%															
7.800	25,000	25,000	Square Feet	Traffic Coating, Valet Parking	2025	10 to 15	1	7.00	58,975	58,975	2.0%															169,142
<b>Anticipated Expenditures, By Year (\$16,614,229 over 30 years)</b>												0	15,625	0	403,428	176,651	183,187	720,382	0	227,284	200,590	2,773,496	524,891	0	2,339,159	0

# RESERVE FUNDING PLAN

## Structural Integrity

### CASH FLOW ANALYSIS

#### GB Resort Condominium Hotel

#### Association, Inc.

#### Key Biscayne, Florida

		Individual Reserve Budgets & Cash Flows for the Next 30 Years															
		FY2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039
Reserves at Beginning of Year	(Note 1)	N/A	1,504,611	342,914	675,175	1,028,366	1,403,458	1,775,008	2,196,408	2,288,400	2,330,986	2,499,179	2,998,509	3,527,334	4,087,059	4,460,028	1,203,333
Total Recommended Reserve Contributions	(Note 2)	N/A	1,099,700	318,700	330,500	342,700	355,400	368,500	382,100	396,200	410,900	426,100	441,900	458,300	475,300	492,900	511,100
Estimated Interest Earned, During Year	(Note 3)	N/A	24,609	13,561	22,691	32,392	42,338	52,900	59,738	61,531	64,339	73,230	86,925	101,425	113,849	75,437	19,049
Anticipated Expenditures, By Year		N/A	(2,286,006)	0	0	0	(26,188)	0	(349,846)	(415,145)	(307,046)	0	0	0	(216,179)	(3,825,033)	(1,506,694)
Anticipated Reserves at Year End		<u>\$1,504,611</u>	<u>\$342,914</u>	<u>\$675,175</u>	<u>\$1,028,366</u>	<u>\$1,403,458</u>	<u>\$1,775,008</u>	<u>\$2,196,408</u>	<u>\$2,288,400</u>	<u>\$2,330,986</u>	<u>\$2,499,179</u>	<u>\$2,998,509</u>	<u>\$3,527,334</u>	<u>\$4,087,059</u>	<u>\$4,460,028</u>	<u>\$1,203,333</u>	<u>\$226,788</u>
			(NOTE 5)														(NOTE 5)

(continued)

		Individual Reserve Budgets & Cash Flows for the Next 30 Years, Continued														
		2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054
Reserves at Beginning of Year		226,788	770,066	1,332,041	1,945,600	2,188,235	2,689,457	3,220,593	3,245,440	4,025,794	4,622,507	5,288,938	3,393,291	3,754,003	4,686,026	3,303,186
Total Recommended Reserve Contributions		530,000	549,600	569,900	591,000	612,900	635,600	659,100	683,500	708,800	735,000	762,200	790,400	819,600	849,900	881,300
Estimated Interest Earned, During Year		13,278	28,000	43,659	55,063	64,972	78,723	86,129	96,854	115,197	132,022	115,649	95,203	112,423	106,418	101,084
Anticipated Expenditures, By Year		0	(15,625)	0	(403,428)	(176,651)	(183,187)	(720,382)	0	(227,284)	(200,590)	(2,773,496)	(524,891)	0	(2,339,159)	0
Anticipated Reserves at Year End		<u>\$770,066</u>	<u>\$1,332,041</u>	<u>\$1,945,600</u>	<u>\$2,188,235</u>	<u>\$2,689,457</u>	<u>\$3,220,593</u>	<u>\$3,245,440</u>	<u>\$4,025,794</u>	<u>\$4,622,507</u>	<u>\$5,288,938</u>	<u>\$3,393,291</u>	<u>\$3,754,003</u>	<u>\$4,686,026</u>	<u>\$3,303,186</u>	<u>\$4,285,570</u>
															(NOTE 5)	(NOTE 4)

#### Explanatory Notes:

- 1) Year 2024 ending reserves are projected as of December 31, 2024 and exclude funds in the Non-Structural Reserve Funding Plan; FY2024 starts January 1, 2024 and ends December 31, 2024.
- 2) Reserve Contributions are budgeted through 2024. Anticipated Reserves at Year End include these budgeted contributions and anticipated Reserve Expenditures. 2025 is the first year of recommended contributions.
- 3) 2.7% is the estimated annual rate of return on invested reserves; 2024 is a partial year of interest earned.
- 4) Accumulated year 2054 ending reserves consider the age, size, overall condition and complexity of the property.
- 5) Threshold Funding Years (reserve balance at critical point).

## Structural Integrity **FIVE-YEAR OUTLOOK**

### GB Resort Condominium Hotel Association, Inc. Key Biscayne, Florida

Line Item	Reserve Component Inventory	Percentage Ownership	RUL = 0 FY2024	1 2025	2 2026	3 2027	4 2028	5 2029
<u>Exterior Building Elements</u>								
1.060	Balconies, Concrete, Repairs and Waterproof Coating Applications	33.7%		276,779				
1.100	Balconies, Railings, Paint Finishes and Capital Repairs	33.7%		47,423				
1.360	Roofs, Concrete Tiles	33.7%		1,118,301				
1.880	Walls, Stucco, Paint Finishes and Capital Repairs	33.7%		274,497				
<u>Building Services Elements</u>								
3.560	Life Safety System, Emergency Devices (2024 is Budgeted)	33.7%	67,400					
3.770	Pump, Fire Suppression, 200-HP (2024 is Budgeted)	33.7%	50,000					
<u>Property Site Elements</u>								
4.048	Fountain, Renovations	33.7%		13,979				
4.955	Waterproof Membrane, Inspection and Capital Repairs, Plaza Deck	33.7%		406,502				
<u>Garage Elements</u>								
7.300	Concrete, Elevated Floor, Inspections and Capital Repairs	33.7%		87,367				
7.360	Concrete, On-grade, Partial	33.7%						26,188
7.800	Traffic Coating, Valet Parking	33.7%		61,157				
<b>Anticipated Expenditures, By Year (\$16,614,229 over 30 years)</b>			117,400	2,286,006	0	0	0	26,188

**Non-Structural  
RESERVE EXPENDITURES**

**GB Resort Condominium Hotel  
Association, Inc.**  
Key Biscayne, Florida

**Explanatory Notes:**

- 1) **3.7%** is the estimated Inflation Rate for estimating Future Replacement Costs.
- 2) **FY2024** is Fiscal Year beginning January 1, 2024 and ending December 31, 2024.
- 3) **2055+** indicates a component which is considered long-lived

Line Item	Total Quantity	Per Phase Quantity	Units	Reserve Component Inventory	Estimated 1st Year of Event	Life Analysis, Years		Costs, \$			Percentage of Future Expenditures	RUL = 0 FY2024	1 2025	2 2026	3 2027	4 2028	5 2029	6 2030	7 2031	8 2032	9 2033	10 2034	11 2035	12 2036	13 2037	14 2038	15 2039
						Useful	Remaining	Unit (2024)	Per Phase (2024)	Total (2024)																	
<u>Exterior Building Elements</u>																											
1.020	1	1 Each		Awning, Canvas, Large, Spa	2029	10 to 15	5	25,000.00	8,425	8,425	0.1%						10,103										
1.022	30	30 Each		Awnings, Canvas, Small, Courtyard and West Elevation	2029	10 to 15	5	1,000.00	10,110	10,110	0.1%						12,124										
1.260	20	20 Each		Light Fixtures	2025	to 20	1	2,500.00	16,850	16,850	0.2%	17,473															
<u>Interior Building Elements</u>																											
2.100	5	5 Each		Elevator Cab Finishes	2025	10 to 15	1	28,300.00	47,686	47,686	0.8%	49,450													76,473		
2.160	1	1 Allowance		Exercise Room, Equipment	2025	5 to 10	1	120,000.00	40,440	40,440	0.9%	41,936								56,082							
2.180	1	1 Allowance		Exercise Room, Renovation, Complete	2025	to 10	1	329,000.00	110,873	110,873	1.7%	114,975												165,345			
2.200	4,180	4,180 Square Yards		Floor Coverings, Carpet, Hallways and Lobby Lounge	2025	5 to 7	1	139.00	195,804	195,804	5.4%	203,048							252,506						314,011		
2.240	640	640 Square Yards		Floor Coverings, Marble Tile	2025	to 40	1	554.00	119,487	119,487	0.4%	123,908															
2.560	580	580 Each		Light Fixtures, Hallways and Lobby	2025	to 20	1	400.00	78,184	78,184	0.8%	81,077															
2.600	1	1 Allowance		Lobby, Renovation, Complete	2025	to 20	1	1,400,000.00	471,800	471,800	8.8%	489,257															813,653
2.605	1	1 Allowance		Lobby, Renovation, Partial	2032	to 10	8	850,000.00	286,450	286,450	3.4%									383,071							
2.800	152,100	152,100 Square Feet		Paint Finishes, Hallways and Lobby (Incl. Areas Formerly Wall Coverings)	2025	5 to 7	1	1.50	76,887	76,887	2.1%	79,731							99,152						123,303		
2.822	1	1 Allowance		Spa, Renovation, Complete (Incl. Reception Lobby and Hallway)	2025	10 to 15	1	1,700,000.00	572,900	572,900	10.7%	594,097															988,007
2.824	1	1 Allowance		Spa, Renovation, Partial (Incl. Reception Lobby and Hallway)	2032	5 to 7	8	330,000.00	111,210	111,210	1.3%									148,722							
<u>Building Services Elements</u>																											
3.020	35	5 Each		Air Handling Units, Common, Phased (Excl. Guest Rooms) (2026 is Remaining)	2026	20 to 25	2 to 20	23,000.00	38,755	271,285	2.1%		41,676											59,934			66,836
3.050	6	2 Each		Air Handling Units, Make-up Air, Hallways, Phased	2041	15 to 20	17 to 19	150,000.00	101,100	303,300	1.9%																
3.160	6	2 Each		Boilers, Domestic Hot Water, 682-MBH, Phased	2032	15 to 20	8 to 10	30,000.00	20,220	60,660	0.9%								27,040	28,041	29,078						
3.170	1	1 Allowance		Building Automation System, Upgrades	2024	to 1	0	50,000.00	16,850	16,850	3.1%	16,850	17,473	18,120	18,790	19,486	20,207	20,954	21,730	22,534	23,367	24,232	25,128	26,058	27,022	28,022	29,059
3.200	2	1 Each		Chillers, 910-tons, Capital Repairs, Phased (Incl. VFD's)	2026	10 to 15	2 to 3	199,000.00	67,063	134,126	1.5%		72,117	74,786													
3.205	2	1 Each		Chillers, 910-tons, Replacement, Phased (Incl. VFD's)	2032	20 to 25	8 to 9	993,000.00	334,641	669,282	9.2%									447,517	464,075						
3.260	2	1 Each		Cooling Towers, 910-tons, Capital Repairs, Phased (Incl. VFD's)	2042	10 to 15	18 to 19	350,000.00	117,950	235,900	1.5%																
3.265	2	1 Each		Cooling Towers, 910-tons, Replacement, Phased (Incl. VFD's)	2032	20 to 25	8 to 9	690,000.00	232,530	465,060	6.4%									310,963	322,469						
3.320	2	2 Each		Elevators, Hydraulic, Controls and Equipment	2025	to 25	1	87,000.00	58,638	58,638	0.7%	60,808															
3.360	8	8 Each		Elevators, Traction, Controls and Call Buttons, Passenger and Service	2025	to 25	1	246,000.00	663,216	663,216	7.9%	687,755															
3.365	8	8 Each		Elevators, Traction, Hoists and Motors, Passenger and Service	2039	to 40	15	65,000.00	175,240	175,240	1.0%																302,214
3.442	1	1 Allowance		Internet System (HSIC)	2028	to 10	4	500,000.00	168,500	168,500	4.2%					194,857								260,582			
3.562	1	1 Allowance		Property Management System (Opera)	2027	5 to 7	3	100,000.00	33,700	33,700	1.2%				37,581					45,067						54,045	
3.700	3	3 Each		Pumps, Domestic Water, 25-HP	2029	to 20	5	20,000.00	20,220	20,220	0.2%						24,248										
3.701	4	4 Each		Pumps, HVAC, 100-HP	2032	to 20	8	43,000.00	57,964	57,964	0.8%									77,515							
3.702	2	2 Each		Pumps, HVAC, 40-HP	2044	to 20	20	15,000.00	10,110	10,110	0.1%																
3.820	1	1 Allowance		Security System (2024 is Budgeted)	2024	to 15	0	70,000.00	23,590	23,590	0.4%	23,590												36,482			
3.860	5	5 Each		Storage Tanks, Domestic Hot Water	2025	to 15	1	9,000.00	15,165	15,165	0.1%	15,726															
3.897	1	1 Allowance		Telephone System	2031	to 10	7	250,000.00	84,250	84,250	1.6%									108,648							
<u>Property Site Elements</u>																											
4.020	7,000	7,000 Square Yards		Asphalt Pavement, Patch and Seal Coat	2030	3 to 5	6	2.60	6,133	6,133	0.1%								7,627					9,147			
4.040	7,000	7,000 Square Yards		Asphalt Pavement, Mill and Overlay	2025	15 to 20	1	15.00	35,385	35,385	0.4%	36,694															
4.420	32	32 Zones		Irrigation System	2038	to 35	14	4,500.00	48,528	48,528	0.3%																80,704

## Non-Structural RESERVE EXPENDITURES

**GB Resort Condominium Hotel  
Association, Inc.**  
Key Biscayne, Florida

Line Item	Total Quantity	Per Phase Quantity	Units	Reserve Component Inventory	Estimated 1st Year of Event	Life Analysis, Years		Costs, \$			Percentage of Future Expenditures	16 2040	17 2041	18 2042	19 2043	20 2044	21 2045	22 2046	23 2047	24 2048	25 2049	26 2050	27 2051	28 2052	29 2053	30 2054						
						Useful	Remaining	Unit (2024)	Per Phase (2024)	Total (2024)																						
<u>Exterior Building Elements</u>																																
1.020	1	1 Each		Awning, Canvas, Large, Spa	2029	10 to 15	5	25,000.00	8,425	8,425	0.1%																					
1.022	30	30 Each		Awnings, Canvas, Small, Courtyard and West Elevation	2029	10 to 15	5	1,000.00	10,110	10,110	0.1%																					
1.260	20	20 Each		Light Fixtures	2025	to 20	1	2,500.00	16,850	16,850	0.2%																					
<u>Interior Building Elements</u>																																
2.100	5	5 Each		Elevator Cab Finishes	2025	10 to 15	1	28,300.00	47,686	47,686	0.8%																					
2.160	1	1 Allowance		Exercise Room, Equipment	2025	5 to 10	1	120,000.00	40,440	40,440	0.9%		74,998																			
2.180	1	1 Allowance		Exercise Room, Renovation, Complete	2025	to 10	1	329,000.00	110,873	110,873	1.7%																					
2.200	4,180	4,180 Square Yards		Floor Coverings, Carpet, Hallways and Lobby Lounge	2025	5 to 7	1	139.00	195,804	195,804	5.4%																					
2.240	640	640 Square Yards		Floor Coverings, Marble Tile	2025	to 40	1	554.00	119,487	119,487	0.4%																					
2.560	580	580 Each		Light Fixtures, Hallways and Lobby	2025	to 20	1	400.00	78,184	78,184	0.8%																					
2.600	1	1 Allowance		Lobby, Renovation, Complete	2025	to 20	1	1,400,000.00	471,800	471,800	8.8%																					
2.605	1	1 Allowance		Lobby, Renovation, Partial	2032	to 10	8	850,000.00	286,450	286,450	3.4%																					
2.800	152,100	152,100 Square Feet		Paint Finishes, Hallways and Lobby (Incl. Areas Formerly Wall Coverings)	2025	5 to 7	1	1.50	76,887	76,887	2.1%																					
2.822	1	1 Allowance		Spa, Renovation, Complete (Incl. Reception Lobby and Hallway)	2025	10 to 15	1	1,700,000.00	572,900	572,900	10.7%																					
2.824	1	1 Allowance		Spa, Renovation, Partial (Incl. Reception Lobby and Hallway)	2032	5 to 7	8	330,000.00	111,210	111,210	1.3%																					
<u>Building Services Elements</u>																																
3.020	35	5 Each		Air Handling Units, Common, Phased (Excl. Guest Rooms) (2026 is Remaining)	2026	20 to 25	2 to 20	23,000.00	38,755	271,285	2.1%																					
3.050	6	2 Each		Air Handling Units, Make-up Air, Hallways, Phased	2041	15 to 20	17 to 19	150,000.00	101,100	303,300	1.9%																					
3.160	6	2 Each		Boilers, Domestic Hot Water, 682-MBH, Phased	2032	15 to 20	8 to 10	30,000.00	20,220	60,660	0.9%																					
3.170	1	1 Allowance		Building Automation System, Upgrades	2024	to 1	0	50,000.00	16,850	16,850	3.1%																					
3.200	2	1 Each		Chillers, 910-tons, Capital Repairs, Phased (Incl. VFD's)	2026	10 to 15	2 to 3	199,000.00	67,063	134,126	1.5%																					
3.205	2	1 Each		Chillers, 910-tons, Replacement, Phased (Incl. VFD's)	2032	20 to 25	8 to 9	993,000.00	334,641	669,282	9.2%																					
3.260	2	1 Each		Cooling Towers, 910-tons, Capital Repairs, Phased (Incl. VFD's)	2042	10 to 15	18 to 19	350,000.00	117,950	235,900	1.5%																					
3.265	2	1 Each		Cooling Towers, 910-tons, Replacement, Phased (Incl. VFD's)	2032	20 to 25	8 to 9	690,000.00	232,530	465,060	6.4%																					
3.320	2	2 Each		Elevators, Hydraulic, Controls and Equipment	2025	to 25	1	87,000.00	58,638	58,638	0.7%																					
3.360	8	8 Each		Elevators, Traction, Controls and Call Buttons, Passenger and Service	2025	to 25	1	246,000.00	663,216	663,216	7.9%																					
3.365	8	8 Each		Elevators, Traction, Hoists and Motors, Passenger and Service	2039	to 40	15	65,000.00	175,240	175,240	1.0%																					
3.442	1	1 Allowance		Internet System (HSIC)	2028	to 10	4	500,000.00	168,500	168,500	4.2%																					
3.562	1	1 Allowance		Property Management System (Opera)	2027	5 to 7	3	100,000.00	33,700	33,700	1.2%																					
3.700	3	3 Each		Pumps, Domestic Water, 25-HP	2029	to 20	5	20,000.00	20,220	20,220	0.2%																					
3.701	4	4 Each		Pumps, HVAC, 100-HP	2032	to 20	8	43,000.00	57,964	57,964	0.8%																					
3.702	2	2 Each		Pumps, HVAC, 40-HP	2044	to 20	20	15,000.00	10,110	10,110	0.1%																					
3.820	1	1 Allowance		Security System (2024 is Budgeted)	2024	to 15	0	70,000.00	23,590	23,590	0.4%																					
3.860	5	5 Each		Storage Tanks, Domestic Hot Water	2025	to 15	1	9,000.00	15,165	15,165	0.1%																					
3.897	1	1 Allowance		Telephone System	2031	to 10	7	250,000.00	84,250	84,250	1.6%																					
<u>Property Site Elements</u>																																
4.020	7,000	7,000 Square Yards		Asphalt Pavement, Patch and Seal Coat	2030	3 to 5	6	2.60	6,133	6,133	0.1%																					
4.040	7,000	7,000 Square Yards		Asphalt Pavement, Mill and Overlay	2025	15 to 20	1	15.00	35,385	35,385	0.4%																					
4.420	32	32 Zones		Irrigation System	2038	to 35	14	4,500.00	48,528	48,528	0.3%																					







# RESERVE FUNDING PLAN

## Non-Structural

### CASH FLOW ANALYSIS

#### GB Resort Condominium Hotel

#### Association, Inc.

#### Key Biscayne, Florida

		Individual Reserve Budgets & Cash Flows for the Next 30 Years															
		FY2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039
Reserves at Beginning of Year	(Note 1)	N/A	15,198	392,013	792,477	1,214,304	1,579,566	1,577,848	2,186,229	2,399,172	1,278,081	903,949	1,590,769	2,174,401	2,584,498	2,785,209	3,515,135
Total Recommended Reserve Contributions	(Note 2)	N/A	2,984,800	528,600	548,200	568,500	589,500	611,300	633,900	657,400	681,700	706,900	733,100	760,200	788,300	817,500	847,700
Estimated Interest Earned, During Year	(Note 3)	N/A	5,424	15,778	26,731	37,215	42,057	50,138	61,078	48,982	29,065	33,230	50,153	63,389	71,525	83,922	62,568
Anticipated Expenditures, By Year		N/A	(2,613,410)	(143,913)	(153,104)	(240,453)	(633,275)	(53,056)	(482,036)	(1,827,472)	(1,084,897)	(53,310)	(199,621)	(413,492)	(659,114)	(171,496)	(3,243,337)
Anticipated Reserves at Year End		\$15,198	\$392,013	\$792,477	\$1,214,304	\$1,579,566	\$1,577,848	\$2,186,229	\$2,399,172	\$1,278,081	\$903,949	\$1,590,769	\$2,174,401	\$2,584,498	\$2,785,209	\$3,515,135	\$1,182,065

(NOTE 5)

(continued)

		Individual Reserve Budgets & Cash Flows for the Next 30 Years, Continued														
		2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054
Reserves at Beginning of Year		1,182,065	2,035,805	2,558,614	2,804,492	2,609,396	3,300,483	3,624,150	3,648,779	4,778,043	5,804,026	5,410,834	4,896,612	5,926,189	4,275,843	961,330
Total Recommended Reserve Contributions		879,100	911,600	945,300	980,300	1,016,600	1,054,200	1,093,200	1,133,600	1,175,500	1,219,000	1,264,100	1,310,900	1,359,400	1,409,700	1,461,900
Estimated Interest Earned, During Year		42,863	61,198	71,438	72,114	78,721	92,237	96,877	112,247	140,955	149,384	137,297	144,162	135,893	69,760	34,144
Anticipated Expenditures, By Year		(68,224)	(449,988)	(770,860)	(1,247,510)	(404,234)	(822,770)	(1,165,448)	(116,582)	(290,472)	(1,761,576)	(1,915,619)	(425,485)	(3,145,639)	(4,793,972)	(855,353)
Anticipated Reserves at Year End		\$2,035,805	\$2,558,614	\$2,804,492	\$2,609,396	\$3,300,483	\$3,624,150	\$3,648,779	\$4,778,043	\$5,804,026	\$5,410,834	\$4,896,612	\$5,926,189	\$4,275,843	\$961,330	\$1,602,022

(NOTE 4)

#### Explanatory Notes:

- 1) Year 2024 ending reserves are projected as of December 31, 2024 and exclude funds in the Structural Integrity Reserve Funding Plan; FY2024 starts January 1, 2024 and ends December 31, 2024.
- 2) Reserve Contributions are budgeted through 2024. Anticipated Reserves at Year End include these budgeted contributions and anticipated Reserve Expenditures. 2025 is the first year of recommended contributions.
- 3) 2.7% is the estimated annual rate of return on invested reserves; 2024 is a partial year of interest earned.
- 4) Accumulated year 2054 ending reserves consider the age, size, overall condition and complexity of the property.
- 5) Threshold Funding Year (reserve balance at critical point).

## Non-Structural FIVE-YEAR OUTLOOK

### GB Resort Condominium Hotel Association, Inc. Key Biscayne, Florida

Line Item	Reserve Component Inventory	Percentage Ownership	RUL = 0 FY2024	1 2025	2 2026	3 2027	4 2028	5 2029
<u>Exterior Building Elements</u>								
1.020	Awning, Canvas, Large, Spa	33.7%						10,103
1.022	Awnings, Canvas, Small, Courtyard and West Elevation	33.7%						12,124
1.260	Light Fixtures	33.7%		17,473				
<u>Interior Building Elements</u>								
2.100	Elevator Cab Finishes	33.7%		49,450				
2.160	Exercise Room, Equipment	33.7%		41,936				
2.180	Exercise Room, Renovation, Complete	33.7%		114,975				
2.200	Floor Coverings, Carpet, Hallways and Lobby Lounge	33.7%		203,048				
2.240	Floor Coverings, Marble Tile	33.7%		123,908				
2.560	Light Fixtures, Hallways and Lobby	33.7%		81,077				
2.600	Lobby, Renovation, Complete	33.7%		489,257				
2.800	Paint Finishes, Hallways and Lobby (Incl. Areas Formerly Wall Coverings)	33.7%		79,731				
2.822	Spa, Renovation, Complete (Incl. Reception Lobby and Hallway)	33.7%		594,097				
<u>Building Services Elements</u>								
3.020	Air Handling Units, Common, Phased (Excl. Guest Rooms) (2026 is Remaining)	33.7%			41,676			
3.170	Building Automation System, Upgrades	33.7%	16,850	17,473	18,120	18,790	19,486	20,207
3.200	Chillers, 910-tons, Capital Repairs, Phased (Incl. VFD's)	33.7%			72,117	74,786		
3.320	Elevators, Hydraulic, Controls and Equipment	33.7%		60,808				
3.360	Elevators, Traction, Controls and Call Buttons, Passenger and Service	33.7%		687,755				
3.442	Internet System (HSIC)	33.7%					194,857	
3.562	Property Management System (Opera)	33.7%				37,581		
3.700	Pumps, Domestic Water, 25-HP	33.7%						24,248
3.820	Security System (2024 is Budgeted)	33.7%	23,590					
3.860	Storage Tanks, Domestic Hot Water	33.7%		15,726				
<u>Property Site Elements</u>								
4.040	Asphalt Pavement, Mill and Overlay	33.7%		36,694				
4.560	Light Poles and Fixtures, Entrance Drive	33.7%	32,015					
4.622	Porte Cochere, Tile, Marble	33.7%						230,355
4.855	Tennis Courts, Clay, Scarify, Replenish and Laser Grade	33.7%					26,111	
<u>Pool Elements</u>								
6.500	Furniture	33.7%						182,668
6.600	Mechanical Equipment (Incl. Fountains and Spa Hot Tubs), Phased	33.7%				21,947		
6.800	Pool Finishes, Plaster	33.7%						129,322
6.802	Pool Houses, Rest Rooms, Renovation	33.7%						24,248
	Structural Integrity Reserve Study Update with Site Visit	100%			12,000			
<b>Anticipated Expenditures, By Year (\$30,278,176 over 30 years)</b>			72,455	2,613,410	143,913	153,104	240,453	633,275

## 4. RESERVE COMPONENT DETAIL

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

### STRUCTURAL INTEGRITY - Exterior Building Elements



West building elevation



East building elevation



Courtyard (east elevation)

## Balconies, Concrete

---

**Line Item:** 1.060

**Quantity:** Approximately 36,000 square feet of horizontal surface area. The balconies comprise reinforced concrete with a waterproof coating.

**History:** Original; Management and the Board inform us the Association plans to repair and waterproof the balconies in the near term

**Condition:** Fair to poor overall. We note the following:

- Sealants are in good to fair condition
- The coatings are in good condition
- Isolated concrete cracks are evident
- Minor concrete surface spalls are evident



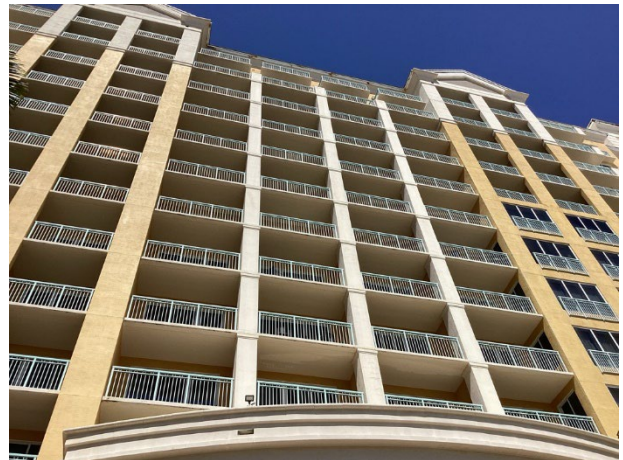
Balcony overview



Edge sealant deterioration



Balcony overview



Balcony overview



**Exposed reinforcements**



**Concrete spall at balcony underside**



**Concrete cracks at balcony underside**



**Water stains at balcony underside**

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

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

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

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

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

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

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

## Balconies, Railings

---

**Line Items:** 1.100 and 1.105

**Quantity:** Approximately 5,900 linear feet of aluminum railings at the balconies which are embedded in the concrete. This construction may result in accelerated corrosion and concrete damage.

**History:**

- Railings: Original
- Paint finishes: The railings were last painted in 2007. Management informs us the Association plans to paint and repair the railings in the near term

**Conditions:** The railings are in good overall condition and the railing finishes are in good condition



**Aluminum railings**



**Railing post embedded in concrete**

**Useful Life:** Railings of this type have a useful life of up to 40 years with the benefit of periodic maintenance. Periodic maintenance should include applications of a protective paint finish and partial replacement of deteriorated aluminum every six- to eight-years.

**Component Detail Notes:** Preparation of the aluminum before application of the paint finish is critical to maximize the useful life of the finish. The painting contractor should remove all soil, dirt, oil, grease and other foreign materials before application of the paint



finish to maximize its useful life. The contractor should also remove paint blisters and rust prior to the paint finish application. We recommend the use of a power wire brush, scraper and/or sander as effective means of removal. The Association should require the application of a primer on bare material. The primer for material surfaces should include a rust inhibitor for added protection.

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

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

## Roofs, Concrete Tiles

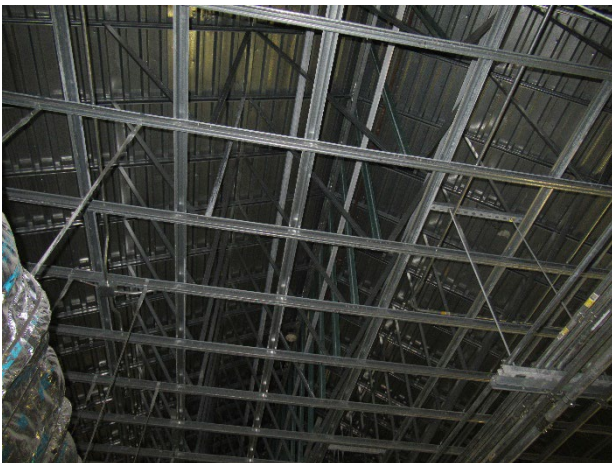
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**Line Item:** 1.360

**Quantity:** Approximately 640 squares<sup>1</sup>

**History:** Original. We are informed the Association plans to replace the concrete tile roofs in 2025 as part of the restoration project. We recommend the Association should conduct inspections of the roofs semiannually and fund these inspections through the operating budget.

**Condition:** Good overall with no significant deterioration evident from our visual inspection from the ground.



**Concrete tile roof metal superstructure**



**Concrete tile roof overview**

<sup>1</sup> We quantify the roof area in squares where one square is equal to 100 square feet of surface area.



**Concrete tile roof overview**



**Concrete tile roof overview**

**Useful Life:** Up to 25 years

**Component Detail Notes:** A tile roof rarely fails at all points of application simultaneously. Rather, occurrences of roof leaks will increase as more concrete tiles crack, break and dislodge. This deterioration will result in increased maintenance costs such that replacement becomes the least costly long-term alternative as compared to ongoing repairs.

A concrete tile roof system comprises sheathing, underlayments, battens and the tiles themselves. Replacement standards should conform to the local building code and manufacturer's specifications at the time of actual replacement. The manner of construction is such that the underlayment is the primary line of defense from water infiltration. The tiles act to shade the underlayment from harmful sunlight and to protect the roof from heavy winds. Most storm water is shed from the roof tiles into the gutters or over the edge of the roof. However, this tile style is meant to allow water to pass between the tiles onto the underlayment. The underlayment thus sheds any remaining water into the gutters. In fact, horizontal driving rains will force their way up and under the tile only to be shed at some other point.

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

- Annually:
  - Record any areas of water infiltration, flashing deterioration, damage or loose tiles
  - Implement repairs as needed if issues are reoccurring
  - Ensure proper ventilation and verify vents are clear of debris and not blocked from attic insulation
  - Trim tree branches that are near or in contact with roof

- Periodic cleaning at areas with organic growth (We do not recommend pressure washing as it may cause further damage to tiles.)

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

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

## Roofs, Flat

---

**Line Item:** 1.400

**Quantity:** Flat roof sections in addition to the main sloped roofs consist of a total of approximately 47,000 square feet. Approximately 32,000 square feet of the flat roofs are located at the hotel conference rooms at the south end of the building and the Hotel is solely responsible for replacement of these roof sections. GB Condominium maintains the lower flat roof sections at the spa, courtyard and front entrance. These flat roof sections consist of approximately 15,000 square feet and are pictured below.

**History:** Replaced in 2019. We recommend the Association should conduct inspections of the roofs semiannually and fund these inspections through the operating budget.

**Condition:** Good overall. Management and the Board report a limited history of leaks.



**Flat roof overview**



**Flat roof overview**

**Useful Life:** 15- to 20-years

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

- Semi-annually:

- Note drainage issues with water ponding after 48 hours of rainfall event. Verify scuppers and drains are free of debris. Replace damaged or missing drain covers.
- Inspect perimeter flashing for loose fasteners, deflections, and sealant damage
- Verify membrane surface is free of ruptures or damage, and areas of extensive blistering or bubbling
- Remove oil spills or contaminants from mechanical equipment
- In areas of possible foot traffic, remove any sharp debris or trash and note areas of crushed insulation
- If frequency of leaks increases or location of water infiltration is unknown, we recommend the consideration of a thermal image inspection

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

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

## **Structural Members, Inspections**

---

**Line Item:** 1.605

**Quantity:** The primary structural members of the building comprise:

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

**Condition:** GB Resort Condominium Hotel reports a limited history of water infiltration at the stucco walls. At time of our inspection, we note active leaks underneath the men's spa showers and jacuzzi. We recommend the Association remediate any active leaks in the near term as part of the restoration project. Settlement or structural concerns with the primary structural members. Our visual, non-invasive inspection is limited to visually apparent components of the structural members.

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

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

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

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

## Walls, Stucco

---

**Line Item:** 1.880

**Quantity:** Approximately 160,300 square feet of the building exteriors

**History:** Paint finishes reportedly date to 2005. We are informed the Association plans to paint the building exteriors in the near term as part of the restoration project

**Condition:** Fair overall. We note the following:

- Minor cracks are evident
- Isolated damage or missing is evident
- Sealants are in fair condition



**Stucco wall finishes**



**Stucco damage**



**Stucco wall finishes**



**Finish deterioration**

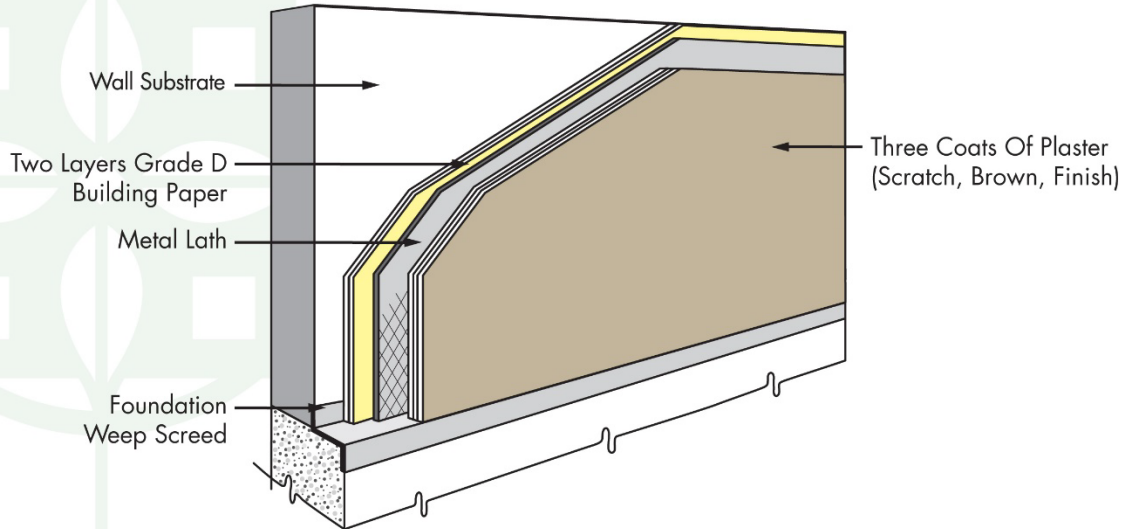


**Stucco wall finishes**

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

**Component Detail Notes:** The following graphic details the typical components of a stucco wall system on frame construction although it may not reflect the actual configuration at GB Resort Condominium Hotel:

## STUCCO DETAIL



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

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

**Expenditure Detail Notes:** Expenditure timing and costs are depicted in the **Reserve Expenditures** table in Section 3. Our estimate of cost anticipates the following in coordination with each paint finish application:

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

## Windows and Doors

---

**Line Item:** 1.980

**Quantity:** Approximately 4,370 square feet of common area windows and doors

**History:** Original

**Condition:** Good overall. We note the following:

- No reported history of operational issues.
- A history of water infiltration is reported. However, no report of active issues.



**Common windows**

**Useful Life:** 40- to 50-years

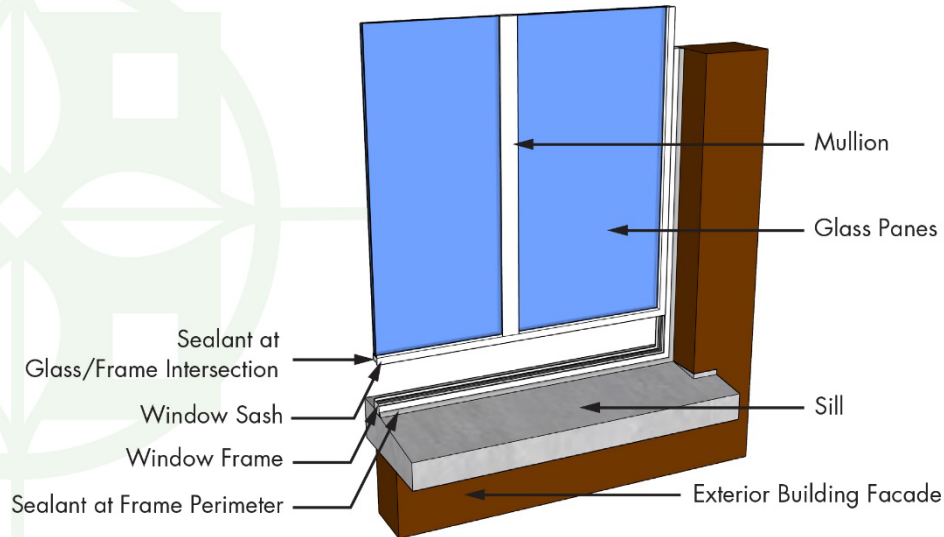
**Component Detail Notes:** Construction includes the following:

- Aluminum frames
- Dual pane glass

The following schematic depicts the typical components of a window system although it may not reflect the actual configuration at GB Resort Condominium Hotel:



## WINDOW DETAIL



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Properly designed window assemblies anticipate the penetration of some storm water beyond the gaskets. This infiltrated storm water collects in an internal drainage system and drains, or exits, the frames through weep holes. These weep holes can become clogged with dirt or if a sealant is applied, resulting in trapped storm water. However, as window frames, gaskets and sealants deteriorate, leaks into the interior can result. The windows will eventually need replacement or major capital repairs to prevent water infiltration and damage from wind driven rain.

The thermal efficiencies of the window assemblies are affected by their design and construction components. These components include glazings, thickness of air space between glazings, low-conductivity gas, tinted coatings, low-e coatings and thermal barriers. The Association should thoroughly investigate these component options at the time of replacement. Some manufacturers may include these components as part of the standard product and other manufacturers may consider these components as options for an additional cost. GB Resort Condominium Hotel should review the specifications provided by the manufacturers to understand the thermal design and construction components of the proposed assemblies.

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

- Annually:
  - Inspect and repair loose weather stripping and/or lock damage
  - Inspect for broken glass and damaged screens
  - Record instances of water infiltration, trapped moisture or leaks

- As-needed:
  - Verify weep holes are unobstructed and not blocked with dirt or sealant, if applicable
  - Replace damaged or deteriorated sliding glass rollers, if applicable

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

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

## STRUCTURAL INTEGRITY - Building Services Elements

### Generator, Emergency

---

**Line Item:** 3.440

**Quantity:** One 1,800-kW (kilowatt) diesel generator

**History:** Original

**Condition:** Reported satisfactory without operational deficiencies



**Generator**

**Useful Life:** Up to 30 years

**Preventative Maintenance Notes:** We recommend the Association obtain and adhere to the manufacturer's recommended maintenance plan. The Association conducts weekly load tests. We also recommend the Association maintain a maintenance contract with a qualified professional. As a reference, the Association may consult the following document: *NFPA 110, Standard for Emergency and Standby Power Systems*. The required preventative maintenance may vary in frequency and scope based on the unit's age, operational condition, or changes in technology. We note the following select recommended preventative maintenance activities to maximize the remaining useful life:

- Weekly:
  - Check fuel and oil levels
  - Inspect cooling and exhaust systems
  - Check battery, electrical components and transfer switches
  - Run generator without load and look for unusual conditions such as leaks
- Monthly:
  - Exercise generator under load test for minimum of 30 minutes
  - Check oil levels before running and after 10 minutes of run time
- Annually:
  - Complete full inspection and necessary repairs
  - Change fuel and air filters
  - Change oil and replace oil filter
  - Change spark plugs
  - Flush cooling system

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

**Expenditure Detail Notes:** Expenditure timing and costs are depicted in the **Reserve Expenditures** table in Section 3. Our estimate of cost includes replacement of the transfer switch. We recognize that the transfer switch may require replacement prior to the replacement of the generator. For purposes of this Reserve Study, we assume coordination of replacement with the generator.

## **Life Safety System**

---

**Line Items:** 3.555 and 3.560

**Quantity:** The life safety system at GB Resort Condominium Hotel includes the following components:

- Audio/visual fixtures
- Control panel
- Detectors
- Emergency light fixtures
- Exit light fixtures
- Pull stations
- Wiring

**History:** The control panel was replaced in 2016. Management informs us the Association has budgeted to replace the emergency devices in 2024

**Conditions:** Reported satisfactory without operational deficiencies. The date of the last annual inspection was unavailable at the time of our inspection. The life safety system was tagged acceptable during the most recent inspection.



**Emergency devices**



**Control panel**

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

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

- Semi-annually:
  - Inspect and test all components and devices, including, but not limited to, control panels, annunciators, detectors, audio/visual fixtures, signal transmitters and magnetic door holders
  - Test backup batteries
- As-needed:
  - Ensure clear line of access to components such as pull stations
  - Ensure detectors are properly positioned and clean of debris

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

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

## Pipes

---

**Line Items:** 3.561

**Quantity:** 188 units. We estimate that each unit shares domestic water and plumbing pipes for both the kitchen and bathroom with the adjacent unit.

**History and Condition:**

- Building Heating and Cooling – Original and reported in satisfactory condition
- Domestic Water, Supply and Return – Original and reported in satisfactory condition
- Sanitary Waste Disposal and Vent – Original and reported in satisfactory condition

**Component Detail Notes:** The Association is responsible for maintenance and replacement of the piping systems arranged in vertical and horizontal segments. These pipes comprise the following:

- Building heating, cooling and condensate
- Domestic cold water
- Domestic hot water supply and return
- Vent plumbing fixtures
- Sanitary waste disposal

The exact locations and conditions of the pipes were not ascertained due to the nature of their location and the non-invasive nature of our inspection. We comment on the respective quantities and conditions of the piping systems in the following sections of this narrative.

**Building Heating and Cooling** - The building heating, cooling and condensate system at GB Resort Condominium Hotel utilizes an insulated pipe system. The steel pipes have a useful life of up to and sometimes beyond 70 years.

**Domestic Water** - Copper piping is the predominant type of pipe used in new construction for domestic water piping. With low mineral content in the water, the useful life of copper domestic water pipes is up to and sometimes beyond 80 years. However, there is recent evidence that copper piping prematurely develops pinhole leaks. Studies have shown that changes in water treatment practices, recently required in response to U.S. Environmental Protection Agency regulations, are dramatically increasing the risk of pitting corrosion in many geographic locations. Utility companies are implementing higher chloride levels to prevent outbreaks of waterborne disease. These higher chloride levels can accelerate corrosion of copper pipes and indeterminately reduce their useful life.

In the event that numerous pinhole leaks develop or occur throughout the system of pipes, GB Resort Condominium Hotel should also consider “in-place” pipe restoration technology. This process includes drying, sandblasting away interior

pipe occlusions and applying an epoxy lining to the interior surfaces of the pipes. Future updates of this study will consider the possibility of the pipe restoration process in lieu of pipe replacement at GB Resort Condominium Hotel. Restoration technology can extend the useful life of a pipe system thus avoiding a system pipe replacement.

**Sanitary Waste Disposal and Vent** - The cast iron and PVC pipes typically deteriorate from the inside out as a result of sewer gases, condensation and rust.

**Valves** - The piping systems include various valves. Identification of a typical useful life and remaining useful life for individual valves is difficult. Associations typically replace valves on an as needed basis in our experience.

**Pipes, Remaining** – We anticipate a useful life of up to and sometimes beyond 100 years for the fire standpipes, gas supply lines and interior sprinkler pipes. Therefore, we do not foresee the need to budget for replacement of these pipes within the 30-year scope of this study. Future updates of this study will revisit the need to include partial replacement of these pipes.

**Preventative Maintenance Notes:** The required preventative maintenance may vary in frequency and scope based on the building's age and demands of the piping systems. We note the following select recommended preventative maintenance activities to maximize the remaining useful life:

- Quarterly:
  - Inspect all visible piping for corrosion and leaks, including common areas or areas immediately surrounding pipes such as insulation, ceiling tiles or the floor for moisture, water accumulation, mold or mildew
- Annually:
  - Verify system pressure is sufficient
  - Check accessible valves for proper operation
  - Test backflow prevention devices
  - Inspect and obtain certification for pressure relief valves
  - Test drain line flow rates
  - Mechanically or chemically clean sewer lines as needed

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

**Expenditure Detail Notes:** Expenditure timing and costs are depicted in the **Reserve Expenditures** table in Section 3. Our cost assumes replacement of all pipes located within each wall opening, associated branch piping, fittings and minimal interior finishes. However, the cost does not include temporary housing for affected residents, pipes within the units or significant interior finishes.

The Association budgets an amount in the annual operating budget for minor pipe repairs and replacements. We recommend the Association continue to fund interim pipe replacements, prior to more aggregate replacements identified in the following paragraphs, from the operating budget. We also recommend the Association contract for

an invasive investigation of the condition of the piping system prior to beginning more aggregate replacements, funded through the operating budget.

We recommend the Association budget an allowance of \$7,500 per unit for partial replacement and/or relining of the pipes every five years beginning by 2033.

An invasive analysis of the piping systems will provide various replacement options. Replacement of the systems as an aggregate event will likely require the use of special assessments or loans to fund the replacements.

Although it is likely that the times of replacement and extent of repair costs may vary from the budgetary allowance, GB Resort Condominium Hotel could budget sufficient reserves for the beginning of these pipe replacements and can adjust its future reserves up or down to meet any changes to these budgetary estimates. Updates of this Reserve Study would incorporate changes to budgetary costs through a continued historical analysis of the rate of deterioration and actual pipe replacements to budget sufficient reserves.

We recommend the Association budget for replacement of the following items through the operating budget:

- Replacement of valves on an as-needed basis
- Minor pipe repairs and replacements
- invasive investigation of the condition of the piping system prior to beginning more aggregate replacements
- Rodding of waste pipes

## **Pump, Fire Suppression**

---

**Line Item:** 3.770

**Quantity:** One 200-HP electric fire suppression pump

**History:** Original. Management informs us the Association has budgeted to replace the controller in 2024

**Condition:** Reported satisfactory without operational deficiencies. We note the following:

- The inspection tag color is acceptable
- The Association does not report a history of leaks.



**Fire suppression pump**

**Useful Life:** Up to 50 years

**Component Detail Notes:** Prior to replacement, the Association should schedule periodic inspections to maintain its correct operation in the event of an emergency. GB Resort Condominium Hotel should also anticipate, as normal maintenance, interim repairs and component replacements to maximize its remaining useful life.

**Preventative Maintenance Notes:** We recommend the Association obtain and adhere to the manufacturer's recommended maintenance plan. The Association conducts weekly churn tests. In accordance with *NFPA 25* (National Fire Protection Systems Code), we also recommend the Association maintain a maintenance contract with a qualified professional. The required preventative maintenance may vary in frequency and scope based on the unit's age, operational condition, or changes in technology. Valuable motor information to note in a preventative maintenance plan or schedule includes age of unit and last time of repair, horsepower and rpm (revolutions per minute), bearing type and conditions surrounding motor/pump. We note the following select recommended preventative maintenance activities to maximize the remaining useful life:

- Weekly:
  - Check/adjust controls
  - Check/adjust pressure levels
  - Check for leaks
  - Conduct churn tests
- Quarterly:
  - Inspect/clean motors
  - Inspect mountings and connections for proper alignment, torque and condition
  - Inspect/replace pump packing as needed, consider replacement with mechanical seals
  - Check for appropriate oil levels
- Semi-annually:
  - Lubricate pumps, motors and motor bearings
- Annually:
  - Inspect belts for wear and/or replace belts



- Clean filters if present
- Assess proper internal component performance and replace damaged or malfunction components as necessary, and tighten fittings
- Access temperature and vibration performance of motors in accordance with the intended design

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

**Expenditure Detail Notes:** Expenditure timing and costs are depicted in the **Reserve Expenditures** table in Section 3. Our estimate of cost includes replacement of the pump, jockey pump, motor, and motor controller.

## STRUCTURAL INTEGRITY - Property Site Elements

### Fountain

---

**Line Item:** 4.048

**Quantity:** The Association maintains decorative fountains near the traffic circle and courtyard at the east elevation of the building.

**History:** Primarily original components. The Association removed the fountain at the pool area as part of the 2018 pool renovation project. Management informs us the Association plans to renovate fountain areas as part of the near-term restoration project.

**Condition:** Fair overall



Fountain at traffic circle



Fountain at courtyard

**Useful Life:** 10- to 15-years for renovations

**Component Detail Notes:** Renovations should include replacement of the plaster finish and tile, fountain nozzles and mechanical equipment as needed.

**Priority/Criticality:** Per Management discretion

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

## Waterproof Membrane, Plaza Deck

---

**Line Items:** 4.955 and 4.960

**Quantity:** The plaza deck at GB Condominium is a pedestrian and vehicular area atop an underlying concrete structure. This elevated area comprises approximately 72,700 square feet.

**History:** Original

**Condition:** Good to fair overall condition and Management and the Board report recent water infiltration issues.



**Plaza deck overview**



**Plaza deck overview**



**Planter overview**



**Planter overview**



**Planter overview**



**Area with underlying membrane overview**

**Useful Life:** 25- to 35-years for the membrane with interim repairs every 15- to 20-years. The interim repairs will likely include:

- Complete inspection
- Partial replacement of up to twenty percent (20%) of the paver decking
- Replacement of the planter areas
- Repairs to the lighting systems
- Replacement of the expansion joints and/or sealants if applicable
- Replacement of a limited amount of membrane (leak remediation)

**Component Detail Notes:** Due to the non-invasive nature of our inspection, we are unable to determine the exact composition of the . Based on our visual inspection, experience with similar construction and knowledge of replacement/capital repair projects of this type, we surmise the comprises the following elements:

- Concrete flatwork, pavers, planters, landscaping, lighting and irrigation system
- Perimeter flashing
- Underlying waterproof membrane atop the structure
- Elevated structural concrete

A waterproof membrane separates and protects the structure from the migration of storm water through the masonry pavers. Masonry pavers atop a pedestal system allow storm water to pass between the masonry units allowing storm water to come in contact with and wear the waterproof membrane. As the membrane ages and deteriorates, water infiltration through the structure and leaks into the space beneath will become more frequent and widespread. Deterioration of the concrete structure beneath the membrane is also probable due to membrane leaks and normal aging of the concrete. We recommend isolated membrane repairs are funded through the operating budget to maximize the useful life of the membrane.

**Preventative Maintenance Notes:** We recommend the Association maintain a service and inspection contract with a qualified professional and record all documentation of

repairs conducted. We note the following select recommended preventative maintenance activities to maximize the remaining useful life:

- Annually:
  - Note drainage issues with water ponding after 48 hours of rainfall event. Verify drains are free of debris and irrigation system is working properly if applicable.
  - Inspect perimeter flashing and/or sealant damage
  - In accessible areas under the elevated membrane, inspect for areas of water infiltration and concrete deterioration. If frequency of leaks increases or location of water infiltration is unknown, we recommend the consideration of a thermal image inspection.

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

**Expenditure Detail Notes:** Expenditure timing and costs are depicted in the **Reserve Expenditures** table in Section 3. Our cost includes a limited amount for capital repairs to the underlying concrete structure. The exact amount of concrete structure repairs and thus the exact cost will vary based on the engineering analysis at the time of the project.

## **STRUCTURAL INTEGRITY - Garage Elements**

### **Concrete, Elevated Floors**

---

**Line Item:** 7.300

**Quantity:** Approximately 25,000 square feet of elevated cast in place concrete floor structures

**History and Condition:** Fair to poor overall. We note active leaks underneath the spa jacuzzi and showers. We strongly recommend the Association budget for concrete repairs and leak remediation for the spa underside in the near term. We note the following:

- The elevated structural concrete utilizes a protective traffic coating. We include for this cost on Line Item 7.800
- The primary construction method of the walls is cast-in-place concrete
- The elevated floors are subject to a salt-air environment, which can accelerate deterioration
- The elevated floors are not regularly power washed. The Association should consider conducting regular power washing, and during these activities, inspections should occur below the deck being washed to observe any potential areas of water infiltration/seepage.
- We note isolated areas of water infiltration between levels
- **Concrete observations**
  - We note no significant crack repairs
  - We note isolated unrepaired cracks

- Isolated areas of concrete spall were noted
- Exposed reinforcing steel was observed at isolated locations
- No areas of ponding water or evidence of poor drainage was observed
- No areas of vehicular damage were observed at the columns
- **Drain observations**
  - The drain pipes are primarily PVC
  - No significant pipe or drain replacements were observed
  - No areas of drain pipe cracks were observed at the garage



**Efflorescence at spa jacuzzi underside**



**Concrete cracks with active leaks and stalactites at spa jacuzzi underside**



**Elevated garage floor overview**



**Elevated garage floor overview**



**Active leaks underneath men's spa showers**

**Useful Life:** Repairs to the various concrete surfaces every 10- to 15-years

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

- Semi-annually:
  - Clean floors and remove vehicular oil stains
- Annually:
  - Inspect for large cracks, concrete spalls and vehicular damage at walls and columns
  - Verify drains are working properly and check for areas of extensive water ponding
  - Check for any signs of exposed rebar

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

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

- Complete inspection of the garage concrete
- Partial depth concrete replacement of a limited amount of the surface area of the concrete floors
- Partial depth concrete replacement of a limited amount of the surface area of the elevated structural concrete ceilings
- Remediation of structural concrete columns and beams as needed
- Crack repairs on all surfaces as needed

## **Concrete, On-grade**

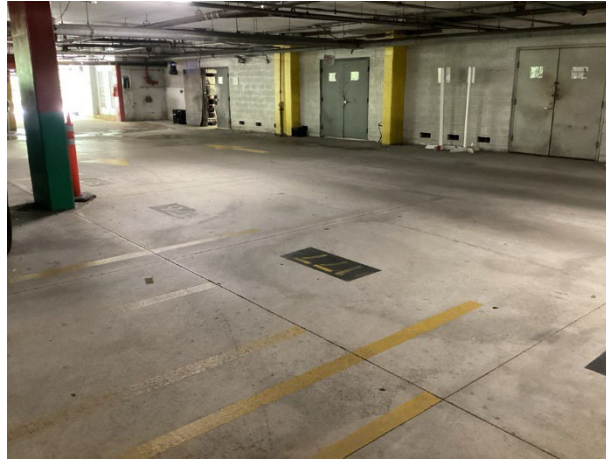
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**Line Item:** 7.360

**Quantity:** Approximately 180,000 square feet of on-grade concrete

**Condition:** Good overall. We note the following:

- We note no significant cracks
- No significant spall was observed
- No areas of exposed reinforcing steel were observed
- The overall condition of the floor drains is satisfactory
- No areas of ponding water or evidence of poor drainage was observed
- No areas of vehicular damage were observed at the columns



**On-grade garage floor overview**

**Useful Life:** Up to 90 years

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

- Semi-annually:
  - Clean floors and remove vehicular oil stains
- Annually:
  - Inspect for large cracks, concrete spalls and vehicular damage at walls and columns
  - Verify drains are working properly and check for areas of extensive water ponding

**Priority/Criticality:** Per Board discretion

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

- Complete inspection of the floor
- Selective cut out and replacement of up to three percent (3%), or 5,400 square feet, of the on-grade concrete
- Crack repairs as needed

## Fire Suppression System

---

**Line Item:** 7.500

**Quantity:** Approximately 180,000 square feet of garage area

**History:** Original

**Condition:** Good overall. We note the following:

- Paint finishes are not present at the fire suppression system piping. We recommend the Association consider painting the system components to help achieve a longer useful life as they partially exhibit rust and deterioration.
- No significant history of pipe replacement was reported
- We note isolated areas of sprinkler head replacement
- No areas of pipe leaks or failures were observed
- No significant hanger rust was observed



**Fire suppression system**

**Useful Life:** Up to 40 years for open air parking garages

**Preventative Maintenance Notes:** We recommend the Association obtain and adhere to the manufacturer's recommended maintenance plan. In accordance with *NFPA 25* and local guidelines, we also recommend the Association maintain a maintenance contract with a qualified professional. The required preventative maintenance may vary in frequency and scope based on the age of the components, operational condition, or changes in technology. We note the following select recommended preventative maintenance activities to maximize the remaining useful life:

- Annually:
  - Complete full inspection of valves, hangars, pipes, fittings and heads
  - Ensure sprinkler heads and pipes are free of ornamentations and coverings



- Check for pipe corrosion and water leakage
- Test system operation and water for proper concentration of antifreeze
- Conduct paint finish applications to the pipes as needed as these protective finishes may extend the overall useful life in highly corrosive environments

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

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

## Traffic Coating

---

**Line Item:** 7.800

**Quantity:** Approximately 25,000 square feet

**History:** Original; Management informs us the Association plans to replace the traffic coating in the near term

**Condition:** Fair to poor overall with periodic delamination and peeling evident.



**Traffic coating overview**



**Traffic coating delamination**

**Useful Life:** Every 10- to 15-years

**Component Detail Notes:** In our experience, active periodic maintenance and protection with a traffic coating on elevated concrete structures results in a longer useful life, safer operation and a lower overall life cycle costs. Failure to maintain a traffic coating on elevated floors will result in accelerated concrete deterioration at concrete ceilings below the elevated floors and a higher overall capital investment in the parking structure over time. The most recent coating application was overlaid atop an existing coating. This installation does not provide the opportunity for the underlying concrete structure to

be inspected. We recommend the Association plan future coating applications to include complete removal of the existing coating(s).

Moisture-driven chemical reactions are detrimental to the integrity of an elevated structural concrete garage floor. Once it reaches the steel, moisture causes expansive corrosion, ultimately causing the concrete to expand and “pop” or spall. Left unrepaired, additional moisture will continue to infiltrate the concrete, eventually causing structural failure. This type of deterioration is progressive and costly to repair. The utilization of a traffic coating atop the concrete minimizes the infiltration of moisture into the concrete thereby minimizing future capital repairs.

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

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

- Complete inspection of the garage concrete and concrete repairs as described in the previous narratives “Concrete, On-grade” and “Concrete, Elevated Floors”
- Removal of the existing coating and preparation of the concrete surface
- Application of a urethane base coat, intermediate aggregate coating and top coat to the elevated floors
- Parking and directional line striping as needed

## NON-STRUCTURAL - Exterior Building Elements

### Awnings

---

**Line Items:** 1.020 and 1.022

**Quantity:** The exterior facade of the building utilize canvas awnings with metal frames to protect the entries from weather. One large awning is located at the spa entrance. Thirty small awnings line the courtyard and west elevation.

**History:** Replaced in 2016

**Condition:** Good overall



**Awnings overview**

**Useful Life:** 10- to 15-years

**Priority/Criticality:** Per Board discretion

**Expenditure Detail Notes:** Expenditure timing and costs are depicted in the **Reserve Expenditures** table in Section 3. The Association should coordinate replacement of the awnings in conjunction with façade restorations and paint finishes to maintain a uniformly clean and consistent appearance.

## Light Fixtures

---

**Line Item:** 1.260

**Quantity:** Approximately 20 exterior metal light fixtures accent the building facade

**History:** Original

**Condition:** Fair overall with finish deterioration evident.



Exterior light fixture



Finish deterioration

**Useful Life:** Up to 20 years

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

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

**Priority/Criticality:** Per Board discretion

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

## NON-STRUCTURAL - Interior Building Elements

### Elevator Cab Finishes

---

**Line Item:** 2.100

**Quantity:** Five elevators; the cab finishes consist of:

- Tile floor coverings
- Wood wall coverings
- Metal ceiling finishes

**History:** Replaced in 2014. Management informs us the Association plans to renovate the elevator cab finishes in the near term

**Condition:** Good overall



Elevator cab finishes

**Useful Life:** 10- to 15-years

**Priority/Criticality:** Per Board discretion

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

### Exercise Room, Equipment

---

**Line Item:** 2.160

**Quantity:** The exercise room contains the following types of cardiovascular aerobic training equipment:

- Ellipticals (6)
- Stationary cycles (6)
- Stepper

- Treadmills (4)

The exercise room contains the following types of strength training equipment:

- Benches
- Dumbbells
- Weight training machines (16)

**History:** Replaced in 2009. Management informs us the Association plans to replace the exercise equipment in the near term

**Conditions:** Good overall



**Cardiovascular exercise equipment**

**Useful Life:** The useful life of the exercise equipment is 5- to 10-years.

**Priority/Criticality:** Per Board discretion

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

## **Exercise Room**

---

**Line Item:** 2.180

**Quantity:** The exercise room components include:

- Rubber and tile floor coverings
- Paint finishes at the walls
- Paint finishes at the ceilings
- Light fixtures
- Furnishings

**History:** Renovated in 2021. Management informs us the Association plans to renovate the exercise room as part of the near-term renovation project

**Condition:** Good overall



**Exercise room overview**

**Useful Life:** Renovation up to every 10 years

**Priority/Criticality:** Per Board discretion

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

## **Floor Coverings, Carpet, Hallways and Lobby Lounge**

---

**Line Item:** 2.200

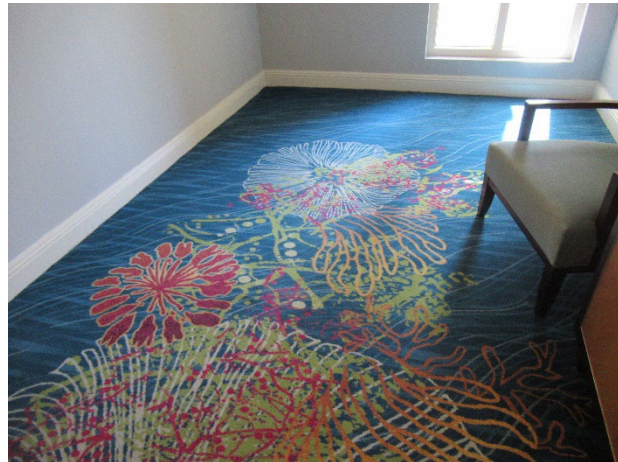
**Quantity:** Approximately 4,180 square yards at the hallways and lobby lounge (Contractor measurements will vary from the actual floor area due to standard roll lengths, patterns and installation waste.)

**History:** Original. Management informs us the Association plans to replace the hallway and lobby lounge carpet floor coverings in the near term

**Condition:** Good overall



**Hallway carpet floor coverings**



**Hallway carpet floor coverings**



**Useful Life:** Five- to seven-years

**Priority/Criticality:** Per Board discretion

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

## **Floor Coverings, Marble Tile**

---

**Line Item:** 2.240

**Quantity:** The lobby level floor comprises approximately 640 square yards of marble tile. This quantity includes the tile from the spa entrance through the hotel elevator lobby and up to the westward turn in the hallway.

**History:** Original. Management informs us the Association plans to replace the marble tile floor coverings in the near term

**Condition:** Good overall

**Useful Life:** Up to 40 years although replacement of tile is often based on discretionary redecorating prior to the tile reaching the end of its useful life.

**Priority/Criticality:** Per Board discretion

**Expenditure Detail Notes:** Expenditure timing and costs are depicted in the **Reserve Expenditures** table in Section 3. The Association should fund regrouting of the tiles through the operating budget if necessary.

## **Light Fixtures, Hallways and Lobby**

---

**Line Item:** 2.560

**Quantity:** Approximately 580 interior wall and ceiling mounted light fixtures located throughout the hallways and lobby

**History:** Replaced in 2013. Management informs us the Association plans to replace the hallway and lobby light fixtures in the near term

**Condition:** Reported satisfactory overall



**Hallway light fixture**

**Useful Life:** Up to 20 years

**Priority/Criticality:** Per Board discretion

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

## **Lobby**

---

**Line Items:** 2.600 and 2.605

**Quantity:** The lobby components include:

- Area rugs
- Artwork
- Decorative fixtures
- Furnishings
- Painted walls and ceilings
- Valet station
- Window treatments
- Furnishings
- Light fixtures

**History:** Varying ages. Management informs us the Association plans to renovate the lobby in the near term

**Condition:** Good overall





**Lobby overview**



**Lobby furnishings**



**Lobby overview**



**Lobby overview**

**Useful Life:** Complete renovation up to every 20 years and partial renovation up to every 10 years, however, the scope and cost of lobby renovations may vary greatly based on the direction of the Board.

**Priority/Criticality:** Per Board discretion

**Expenditure Detail Notes:** Expenditure timing and costs are depicted in the **Reserve Expenditures** table in Section 3. The complete renovation should include replacement of all components listed above and the partial renovations should include the following:

- Replacement of up to fifty percent (50%) of the furnishings

## Paint Finishes, Hallways and Lobby

---

**Line Item:** 2.800

**Quantity:** The common area hallways and lobby have approximately 152,100 square feet of paint finishes on the walls and ceilings.

**History:** The hallways and lobby were last painted in 2016. Management informs us the Association plans to paint the hallways and lobby in the near term

**Condition:** Good overall



Hallway paint finishes

**Useful Life:** Five- to seven-years

**Priority/Criticality:** Per Board discretion

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

## Spa

---

**Line Items:** 2.822 and 2.824

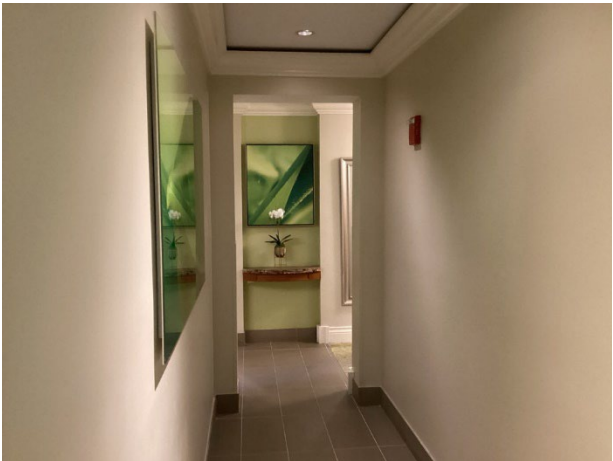
**Quantity:** The spa components include:

- Carpet floor coverings at the hallways, locker rooms and lounges
- Tile floor and wall coverings at the rest rooms, shower rooms and spas
- Paint finishes
- Light fixtures
- Steam room
- Sauna
- Hot tub
- Plumbing fixtures

- Lounge furnishings
- Cabinetry and countertops
- Lockers

**History:** Management informs us that the Association completed a comprehensive spa renovation in approximately 2013, including but not limited to, floor, wall and ceiling finishes, moveable and fixed furniture, lighting and plumbing fixtures, spa equipment, countertops and lockers.

**Condition:** Good overall. The exception is the carpet floor coverings that are in fair condition. Management informs us that the Association anticipated near term replacement of the floor coverings.



**Hallway**



**Rest room**



**Shower room**



**Spa**



Massage room hallway



Massage room



Spa concierge lobby

**Useful Life:** Complete renovation 10- to 15-years and partial renovation 5- to 7-years

**Priority/Criticality:** Per Management discretion

**Expenditure Detail Notes:** Expenditure timing and costs are depicted in the **Reserve Expenditures** table in Section 3. The complete renovation should include replacement of all components listed above and the partial renovations should include the following:

- Application of paint finish to all surfaces
- Replacement of the carpet
- Replacement of the furnishings

## NON-STRUCTURAL - Building Services Elements

### Air Handling Units

---

**Line Item:** 3.020

**Quantity:** The Association reportedly utilizes 35 air handling units of capacity greater than 10 tons, located throughout the common areas to provide heated or cooled air, depending on the season, to the building.

**History:** Varying ages

**Conditions:** Reported satisfactory without operational deficiencies



Air handling unit

**Useful Life:** 20- to 25- years

**Component Detail Notes:** The Association may choose to rebuild an air handling unit prior to complete replacement. However, this activity becomes less desirable as air handling units age due to the scarcity of parts. We regard interim replacement of belts, motors and filters as normal maintenance and base our estimates on complete replacements.

**Preventative Maintenance Notes:** The Association informs us preventative maintenance is conducted on a regular basis. We recommend the Association obtain and adhere to the manufacturer's recommended maintenance plan. The required preventative maintenance may vary in frequency and scope based on the unit's age, operational condition, or changes in technology. We note the following select recommended preventative maintenance activities to maximize the remaining useful life:

- Semi-annually:
  - Lubricate motors and bearings
  - Change or clean air filters as needed
  - Inspect base pan, cabinet and clear obstructions as necessary
- Annually:

- Clean drain pans, clean fan assembly, inspect fan drive system and controls
- Inspect and clean accessible ductwork as needed
- Check fan belt alignment and tension

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

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

## **Air Handling Units, Make-up Air**

---

**Line Item:** 3.050

**Quantity:** The Association utilizes six make-up air units of 40-ton capacity to provide outdoor air to the residential hallways.

**History:** Replaced in 2023.

**Condition:** Reported satisfactory without operational deficiencies



**Make-up air unit**

**Useful Life:** 15- to 20-years

**Preventative Maintenance Notes:** The Association informs us preventative maintenance is conducted on a regular basis. We recommend the Association obtain and adhere to the manufacturer's recommended maintenance plan. The required preventative maintenance may vary in frequency and scope based on the unit's age, operational condition, or changes in technology. We note the following select recommended preventative maintenance activities to maximize the remaining useful life:

- Monthly:
  - Change or clean air filters as needed
- Semi-annually:
  - Lubricate motors and bearings

- Inspect base pan, cabinet and clear obstructions as necessary
- Check belt tension and alignment
- Annually:
  - Clean drain pans, clean fan assembly, inspect fan drive system and controls
  - Inspect and clean accessible ductwork as needed
  - Replace belts
  - Clear burners of debris if applicable

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

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

## Boilers, Domestic Hot Water

---

**Line Item:** 3.160

**Quantity:** Six RBI gas-fired boilers

**History:** Original

**Condition:** Reported satisfactory without operational deficiencies



**Gas-fired domestic water boiler**

**Useful Life:** 15- to 20-years

**Component Detail Notes:** The boilers have an input capacity of 682-MBH (thousand British Thermal Units per hour) each to generate domestic hot water.

**Preventative Maintenance Notes:** The status of preventative maintenance was unavailable to us during our inspection. We recommend the Association obtain and adhere to the manufacturer's recommended maintenance plan. We also recommend the Association maintain a maintenance contract with a qualified professional. The required preventative maintenance may vary in frequency and scope based on the unit's age,

operational condition, or changes in technology. We note the following select recommended preventative maintenance activities to maximize the remaining useful life:

- Weekly:
  - Inspect for leaking water around boilers
  - Check temperature readings
  - Verify vent is unobstructed
  - Conduct boiler blowdown to minimize corrosion and remove suspended solids in system
  - Clean pilot and burner assemblies
- Monthly:
  - Check water and pressure levels
  - Check controls and switches for proper operating
  - Check and inspect condensate drain
  - Check all gaskets for tight sealing
- Annually:
  - Conduct full inspection of burners and flues
  - Clean and inspect tubes to reduce scaling
  - Inspect any pressure relief valves
  - Inspect electrical terminals and controls

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

**Expenditure Detail Notes:** Expenditure timing and costs are depicted in the **Reserve Expenditures** table in Section 3. Our estimate of cost includes an allowance for replacement of controls.

## **Building Automation System**

---

**Line Item:** 3.170

**History:** Varying ages

**Condition:** Reported satisfactory without operational deficiencies

**Useful Life:** Management requests an allowance of \$50,000 per year on maintenance and partial replacements of the system beginning by 2024.

**Component Detail Notes:** The building includes a building automation system to monitor and control the HVAC (heating, ventilating and air conditioning) systems. Building automation systems are also often referred to as energy management systems.

**Preventative Maintenance Notes:** We recommend the Association obtain and adhere to the manufacturer's recommended maintenance plan and maintain a maintenance contract with a qualified professional. We recommend the Association periodically inspect for loose wiring and verify controls and sensors are operational to maximize the remaining useful life.



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

**Expenditure Detail Notes:** Expenditure timing and costs are depicted in the **Reserve Expenditures** table in Section 3. Our cost is based on information provided by the Association.

## Chillers

---

**Line Items:** 3.200 and 3.205

**Quantity:** The building utilizes two *Trane* 910-ton capacity chillers to provide chilled water for air conditioning the building.

**History:** Original; However, Management informs us that the Association completed a chiller tear-down in 2014, and plans to budget for another significant near term capital repair event.

**Condition:** Reported satisfactory without operational deficiencies



**Chiller**

**Useful Life:** Replacement every 20- to 25-years with capital repairs every 10- to 15-years

**Component Detail Notes:** The chillers provide chilled water for air conditioning the building and have the following characteristics:

- Chiller type: centrifugal
- Refrigerant: R-507

Proper maintenance includes interim component replacements, including replacement of compressors, to maximize the remaining useful life. We recommend the Association budget for interim component replacements up to every 10 years.

**Preventative Maintenance Notes:** The Association informs us preventative maintenance is conducted on a regular basis. We recommend the Association obtain and adhere to the manufacturer's recommended maintenance plan. The required preventative maintenance may vary in frequency and scope based on the unit's age, operational condition, or changes in technology. We note the following select recommended preventative maintenance activities to maximize the remaining useful life:

- Daily:
  - Routine visual and audial assessments to determine if any unusual noises or vibrations are coming from the unit
- Weekly:
  - Verify compressor oil sump heater connections
  - Check operating pressures and temperatures
- Monthly:
  - Measure and record evaporator superheat and system subcooling
- Annually:
  - Check oil level and replace oil if needed (oil useful life of one- to five-years)
  - Check refrigerant charge
  - Conduct leak test
  - Inspect electrical components
  - Inspect piping for leaks
  - Clean areas of corrosion
  - Clean condenser coils and fans
  - Check fan assemblies for proper clearance and balance

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

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

## Cooling Towers

---

**Line Items:** 3.260 and 3.265

**Quantity:** Two BAC cooling towers with capacities of 910-tons work in conjunction with the chillers to provide air conditioning to the building.

**History:** Original. Management informs us that a major repair and rebuild of the cooling towers occurred in 2022.

**Condition:** Reported satisfactory without operational deficiencies



**Cooling towers**

**Useful Life:** Replacement every 20- to 25-years with capital repairs every 10- to 15-years

**Component Detail Notes:** The cooling towers have capacities of 910-tons each. Proper maintenance includes the following:

- Keeping all areas free of debris and build-up
- Effective water treatment program
- Seasonal testing of valves and controls for proper operation
- Inspection, adjustment and repairs of mechanical components as recommended by the manufacturer
- Annual inspection of components for corrosion or decay
- Capital repairs every 10- to 15-years

Capital repairs include a complete inspection of the cooling tower, pumps, motor drives and controls, replacement of the fill media, spray nozzles and any corroded areas, application of an internal protective coating and structural repairs. In addition, capital repairs may include partial or complete replacement of the motors, pumps, controls and valves.

**Preventative Maintenance Notes:** The Association informs us preventative maintenance is conducted on a regular basis. We recommend the Association obtain and adhere to the manufacturer's recommended maintenance plan. The required preventative maintenance may vary in frequency and scope based on the unit's age, operational condition, or changes in technology. We note the following select recommended preventative maintenance activities to maximize the remaining useful life:

- Daily:
  - Routine visual and audial assessments to determine if any unusual noises or vibrations are coming from the unit
  - Check basin water and operating oil levels and adjust as needed
  - Check surroundings and ensure paths to the cooling tower are clear of obstructions and trip hazards
- Weekly:

- Inspect air inlet louvers/shields for blockages
- Check for water leakage
- Monthly:
  - Inspect for fill media for displacement, damage, dry spots and obstructions. Dry spots may indicate cracks or clogs with the spray nozzles.
  - Check oil seals and oil static levels
  - Check make-up valve, bleed rate and belt condition
  - Conduct water treatment analysis
- Quarterly:
  - Inspect cold water basin and spray nozzles
  - Inspect the fill media for scale buildups. Descaling will increase energy conservations.
  - Flush water distribution system, drain basin and piping
  - Adjust belt tension
  - Lubricate fan shaft bearings and motor base
  - Check motor voltage and current
  - Clean fan motor exterior
  - Check fan drain holes for obstructions
  - Check fan clearance and balance
- Annually:
  - Complete inspection of components for corrosion or decay
  - Check drive alignment
  - Coat steel shafts with corrosion inhibitor as needed
  - Pressure wash components including fill and basin
- Seasonal
  - Drain and sanitize

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

**Expenditure Detail Notes:** Expenditure timing and costs are depicted in the **Reserve Expenditures** table in Section 3. Our estimate of cost for repairs is based on information provided by the Association

## **Elevators, Hydraulic**

---

**Line Item:** 3.320

**Quantity:** Two Otis hydraulic passenger elevators that serve two and three floors of the building

**History:** Original; Management informs us the Association plans to renovate the elevators in the near term

**Condition:** Reported satisfactory and service interruptions are reportedly infrequent

**Useful Life:** Up to 25 years

**Component Detail Notes:** Major components in a hydraulic elevator system include the pump, controls, cylinder, fluid reservoir and a valve between the cylinder and reservoir. Once activated by the elevator controls, the pump forces hydraulic fluid from the reservoir into the cylinder. The piston within the cylinder rises lifting the elevator cab. The elevator cab lowers at a controlled rate when the controls open the valve.

**Preventative Maintenance Notes:** The Association informs us preventative maintenance is conducted on a regular basis. We recommend the Association obtain and adhere to the manufacturer's recommended maintenance plan. The required preventative maintenance may vary in frequency and scope based on the unit's age, operational condition, or changes in technology. We note the following select recommended preventative maintenance activities to maximize the remaining useful life:

- Ongoing:
  - Maintain a maintenance contract with a qualified professional for the elevator(s) and follow the manufacturer's specific recommended maintenance plan adhering to local, state, and/or federal inspection guidelines
- As-needed:
  - Keep an accurate log of all repairs and inspection dates
  - Inspect and adjust misaligned door operators
  - Check for oil leaks or stains near the pump housing and confirm oil levels are adequate
  - Clear and remove any items located in the elevator machine room(s) not associated with the elevator components (These rooms should never be used for storage)
  - Lubricate the hydraulic cylinders
  - Inspect electrical components for signs of overheating or failure
  - Inspect spring buffers in elevator pit for signs of corrosion or loose attachments
  - Ensure air temperature and humidity of machine/pump housing room meets the designated specified range for proper operation
  - Ensure all call buttons are in working condition
  - Check elevator cabs for leveling accuracy to prevent tripping hazards

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

**Expenditure Detail Notes:** Expenditure timing and costs are depicted in the **Reserve Expenditures** table in Section 3. Our estimate of cost includes replacement of the cylinder and the pumps and controls. We anticipate the following hydraulic elevator system components will require replacement:

- Cab control panels
- Door operators
- Hallway panels/buttons
- Microprocessor based controllers

These costs may vary based on the desired scope of the actual replacements, changes in technology and requirements of local codes or ordinances at the actual times of replacements. However, we judge our estimated costs sufficient to budget appropriate reserves at this time. The Association should require the contractor to verify that elevator component replacements include all of the necessary features for the latest in elevator code compliance.

## **Elevators, Traction**

---

**Line Items:** 3.360 and 3.365

**Quantity:** Eight *Kone* traction elevators

**History:**

- Controls and call buttons: Original; Management informs us the Association plans to renovate the elevators in the near term
- Hoists and motors: Original

**Condition:** The controls and call buttons are reported in satisfactory condition and the hoists and motors are reported in satisfactory condition. Service interruptions are reportedly infrequent.



**Traction elevator hoists and motors**



**Traction elevator controls**

**Useful Life:** Up to 25 years for the controls and call buttons and up to 40 years for the hoists and motors. However, the scarcity of parts, and the potential frequency and duration of service interruption makes controls replacement more desirable as the components age.

**Component Detail Notes:** The elevators utilize programmable logic computer controls

**Preventative Maintenance Notes:** The Association informs us preventative maintenance is conducted on a regular basis. We recommend the Association obtain and adhere to the manufacturer's recommended maintenance plan. The required preventative maintenance may vary in frequency and scope based on the unit's age,



operational condition, or changes in technology. We note the following select recommended preventative maintenance activities to maximize the remaining useful life:

- Ongoing:
  - Maintain a maintenance contract with a qualified professional for the elevator(s) and follow the manufacturer's specific recommended maintenance plan adhering to local, state, and/or federal inspection guidelines
- As-needed:
  - Keep an accurate log of all repairs and inspection dates
  - Inspect and adjust misaligned door operators
  - Clear and remove any items located in the elevator machine room(s) not associated with the elevator components (These rooms should never be used for storage)
  - Inspect electrical components for signs of overheating or failure
  - Inspect controls
  - Lubricate the hoist cables
  - Inspect hoist cables and motors for signs of wear or deterioration
  - Ensure air temperature and humidity of machine/pump housing room meets the designated specified range for proper operation
  - Ensure all call buttons are in working condition

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

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

## Internet System

---

**Line Item:** 3.442

**History:** Replaced in 2023

**Condition:** Reported satisfactory

**Useful Life:** Up to 10 years per Management

**Priority/Criticality:** Per Management discretion

**Expenditure Detail Notes:** Expenditure timing and costs are depicted in the **Reserve Expenditures** table in Section 3. Our estimate of cost is based on information provided by the Association

## Property Management System

---

**Line Item:** 3.562

**History:** Replaced in 2022

**Condition:** Reported satisfactory

**Useful Life:** Five- to seven-years

**Priority/Criticality:** Per Management discretion

**Expenditure Detail Notes:** Expenditure timing and costs are depicted in the **Reserve Expenditures** table in Section 3. Our estimate of cost is based on information provided by the Association

## Pumps

---

**Line Items:** 3.700 through 3.702

**Quantity, History and Conditions:**

- Domestic Cold Water - 25-HP, three each, reported satisfactory; Original
- HVAC - 100-HP, four each, reported satisfactory; Original
- HVAC - 40-HP, two each, reported satisfactory; rebuilt in 2024



HVAC pumps



HVAC pumps





**Domestic water pumps**

***Useful Lives:***

- Domestic Cold Water, useful life of up to 20 years
- HVAC, useful life of up to 20 years
- HVAC, useful life of up to 20 years

***Component Detail Notes:*** Major pumps included in this Reserve Study are those with a motor drive of at least five-HP. The Association should replace or repair all pumps with motor drives less than five-HP as needed and fund this ongoing maintenance activity through the operating budget. The Association may choose to rebuild pumps prior to complete replacement. However, this activity becomes less desirable as pumps age due to the scarcity of parts. We regard interim replacements of motors and component parts as normal maintenance and base our estimates on complete replacements. An exact replacement time for each individual pump is difficult, if not impossible, to estimate.

***Preventative Maintenance Notes:*** The Association informs us preventative maintenance is conducted on a regular basis. We recommend the Association obtain and adhere to the manufacturer's recommended maintenance plan. The required preventative maintenance may vary in frequency and scope based on the unit's age, operational condition, or changes in technology. Valuable motor information to note in a preventative maintenance plan or schedule includes age of unit and last time of repair, horsepower and rpm (revolutions per minute), bearing type and conditions surrounding motor/pump. We note the following select recommended preventative maintenance activities to maximize the remaining useful life:

- Weekly:
  - Check/adjust controls
  - Check/adjust pressure levels
  - Check for leaks
  - Conduct churn tests
- Quarterly:
  - Inspect/clean motors
  - Inspect mountings and connections for proper alignment, torque and condition

- Inspect/replace pump packing as needed, consider replacement with mechanical seals
- Check for appropriate oil levels
- Semi-annually:
  - Lubricate pumps, motors and motor bearings
- Annually:
  - Clean filters if present
  - Assess proper internal component performance and replace damaged or malfunction components as necessary, and tighten fittings
  - Access temperature and vibration performance of motors in accordance with the intended design

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

**Expenditure Detail Notes:** Expenditure timing and costs are depicted in the **Reserve Expenditures** table in Section 3. Our estimate of cost for the 40-hp HVAC pumps is based on information provided by the Association. Our costs include an allowance for replacement of the variable frequency drives (VFD) and controls.

## Security System

---

**Line Item:** 3.820

**Quantity:** GB Resort Condominium Hotel utilizes the following security system components:

- Automated card reading system (approximately 40 access points)
- Cameras (75)
- Monitors (3)
- Recorders (5)

**History:** Original; Management informs us the Association has budgeted to upgrade the security system in 2024

**Condition:** Reported satisfactory without operational deficiencies



**Security system camera**



**Useful Life:** Up to 15 years

**Preventative Maintenance Notes:** We recommend the Association obtain and adhere to the manufacturer's recommended maintenance plan. The required preventative maintenance may vary in frequency and scope based on the unit's age, operational condition, or changes in technology. We note the following select recommended preventative maintenance activities to maximize the remaining useful life:

- Monthly:
  - Check cameras for proper focus, fields of view are unobstructed and camera and lenses are clean and dust-free
  - Check recording equipment for proper operation
  - Verify monitors are free from distortion with correct brightness and contrast
- Annually:
  - Check exposed wiring and cables for wear, proper connections and signal transmission
  - Check power connections, and if applicable, functionality of battery power supply systems

**Priority/Criticality:** Per Board discretion

**Expenditure Detail Notes:** Expenditure timing and costs are depicted in the **Reserve Expenditures** table in Section 3. Our cost is based on information provided by the Association. The Association should anticipate replacement of all of the security system components per event.

## **Storage Tanks, Domestic Hot Water**

---

**Line Item:** 3.860

**Quantity:** Five metal storage tanks

**History:** Replaced in 2010.

**Condition:** Reported satisfactory without operational deficiencies. We note isolated rust at the tanks bases



**Hot water storage tank**



**Rust at tank base**

**Useful Life:** Up to 15 years

**Preventative Maintenance Notes:** The status of preventative maintenance was unavailable to us during our inspection. We recommend the Association obtain and adhere to the manufacturer's recommended maintenance plan. We also recommend the Association maintain a maintenance contract with a qualified professional. The required preventative maintenance may vary in frequency and scope based on the unit's age, operational condition, or changes in technology. We note the following select recommended preventative maintenance activities to conduct on an annual basis to maximize the remaining useful life:

- Inspect for leakage and corrosion
- Inspect and repair/replace valves including any pressure relief valves

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

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

## Telephone System

---

**Line Item:** 3.897

**History:** Last upgraded in 2021

**Condition:** Reported satisfactory



**Recently installed telephone system controls**

**Useful Life:** Up to 10 years

**Priority/Criticality:** Per Management discretion

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

## **NON-STRUCTURAL - Property Site Elements**

### **Asphalt Pavement, Repaving**

---

**Line Items:** 4.020 and 4.040

**Quantity:** Approximately 7,000 square yards at the parking areas

**History:**

- Repaving: Original. Management informs us the Association plans to repave the asphalt pavement in the near term
- Repairs: The asphalt pavement was last seal coated in 2018

**Condition:** Good to fair overall with isolated cracks and edge deterioration evident



**Asphalt pavement overview**



**Asphalt pavement overview**



**Asphalt pavement cracks**



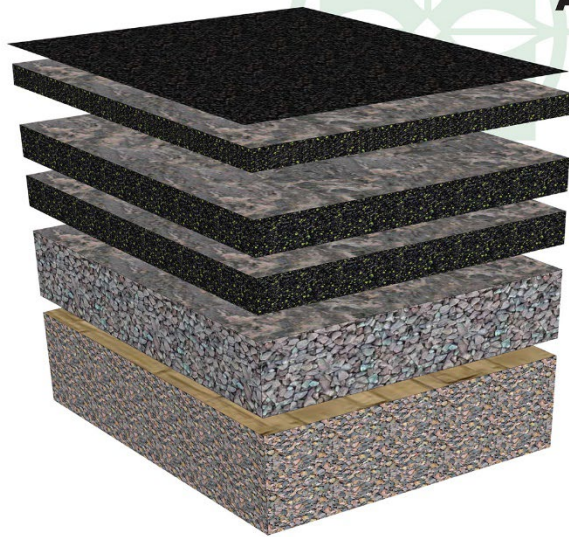
**Asphalt pavement edge deterioration**

**Useful Life:** 15- to 20-years with the benefit of crack repairs events every three- to five-years

**Component Detail Notes:** Proposals should include mechanically routing and filling all cracks with hot emulsion. Crack repair minimizes the chance of the cracks transmitting through the pavement.

The initial installation of asphalt uses at least two lifts, or two separate applications of asphalt, over the base course. The first lift is the binder course. The second lift is the wearing course. The wearing course comprises a finer aggregate for a smoother more watertight finish.

The following diagram depicts the typical components although it may not reflect the actual configuration at GB Resort Condominium Hotel:



## ASPHALT DIAGRAM

**Sealcoat or Wearing Surface**

**Asphalt Overlay** Not to Exceed 1.5 inch Thickness per Lift or Layer

**Original Pavement** Inspected and milled until sound pavement is found, usually comprised of two layers

**Compacted Crushed Stone or Aggregate Base**

**Subbase of Undisturbed Native Soils** Compacted to 95% dry density

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The manner of repaving is either a mill and overlay or total replacement. A mill and overlay is a method of repaving where cracked, worn and failed pavement is mechanically removed or milled until sound pavement is found. A new layer of asphalt is overlaid atop the remaining base course of pavement. Total replacement includes the removal of all existing asphalt down to the base course of aggregate and native soil followed by the application of two or more new lifts of asphalt. We recommend mill and overlayment on asphalt pavement that exhibits normal deterioration and wear. We recommend total replacement of asphalt pavement that exhibits severe deterioration, inadequate drainage, pavement that has been overlaid multiple times in the past or where the configuration makes overlayment not possible. Based on the apparent visual condition and configuration of the asphalt pavement, we recommend the mill and overlay method of repaving at GB Resort Condominium Hotel.

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

- Annually:
  - Inspect for settlement, large cracks and trip hazards, and ensure proper drainage
  - Repair areas which could cause vehicular damage such as potholes
- As needed:
  - Perform crack repairs and patching

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

**Expenditure Detail Notes:** Expenditure timing and costs are depicted in the **Reserve Expenditures** table in Section 3. Our cost includes an allowance for patching of up to



two percent (2%) of the pavement. Our cost for milling and overlayment includes area patching of up to ten percent (10%).

## **Irrigation System**

---

**Line Item:** 4.420

**Quantity:** 32 zones

**History:** Original

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

**Useful Life:** Up to 35 years

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

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

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

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

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

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

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



## Light Poles and Fixtures

---

**Line Item:** 4.560

**Quantity:** 19 aluminum poles with LED light fixtures

**History:** Original; Management informs us the Association plans to replace the light poles and fixtures in the near term

**Condition:** Good overall



**Light pole and fixture**

**Useful Life:** Up to 25 years

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

- As-needed:
  - Inspect and repair broken or dislodged fixtures, and leaning or damaged poles
  - Replaced burned out bulbs as needed

**Priority/Criticality:** Per Board discretion

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

## Pavers, Masonry

**Line Items:** 4.620 and 4.621

**Quantity:** The drives, plaza decks and walkways throughout the property utilize approximately 54,000 square feet of masonry pavers.

**History:** Varies in age. Management informs us that the Association cleaned and repaired the pavers in 2022

**Condition:** Fair overall



**Masonry pavers at main entrance**

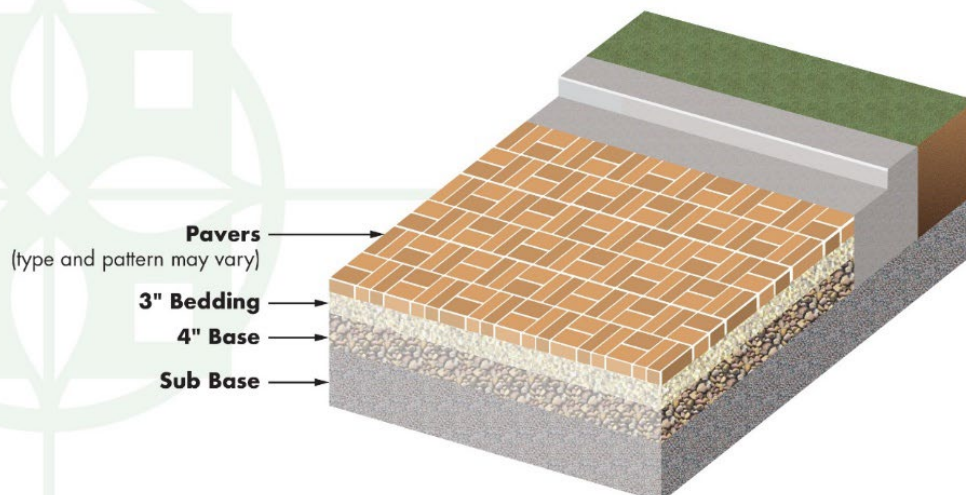


**Masonry pavers at east elevation of building**

**Useful Life:** Up to 20 years with interim cleaning and repairs every 10 years

**Component Detail Notes:** The following diagram depicts the typical components of a masonry paver system although it may not reflect the actual configuration at GB Resort Condominium Hotel:

### MASONRY PAVER DIAGRAM



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

- Annually:
  - Inspect and repair settlement, trip hazards and paver spalls at heavy traffic areas
  - Re-set and/or reseat damaged pavers as necessary
  - Periodically clean and remove overgrown vegetation as needed

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

**Expenditure Detail Notes:** Expenditure timing and costs are depicted in the **Reserve Expenditures** table in Section 3. We suggest the Association conduct interim resetting and replacement of minor areas of pavers as normal maintenance, funded from the operating budget.

## Porte Cochere, Tile

---

**Line Item:** 4.622

**Quantity:** The Association maintains 190 square yards of decorative marble tile at the west elevation porte cochere.

**History:** Unknown age

**Condition:** Good overall



Tile at porte cochere

**Useful Life:** Up to 25 years

**Priority/Criticality:** Per Management discretion

**Expenditure Detail Notes:** Expenditure timing and costs are depicted in the **Reserve Expenditures** table in Section 3. Our estimate of cost is based on information provided by the Association

## **Sport Courts, Padel, Surface Replacement**

---

**Line Item:** 4.625

**Quantity:** GB Condominium maintains approximately 1,200 square yards comprising three padel courts. The courts have an artificial turf playing surface atop a concrete pad, glass fencing and light fixtures.

**History:** Replaced in 2019.

**Condition:** Good overall



**Padel court with light poles and fixtures**



**Padel court glass enclosure**

**Useful Life:** Up to 25 years

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

**Expenditure Detail Notes:** Expenditure timing and costs are depicted in the **Reserve Expenditures** table in Section 3. The Association should fund interim replacement of the artificial turf through the operating budget. Our cost for replacement includes an allowance for replacement of the glass enclosures and light fixtures.

## Tennis Courts, Clay

---

**Line Items:** 4.855 and 4.865

**Quantity:** GB Condominium maintains approximately 8,000 square yards of clay material comprising 10 tennis courts.

**History:** The fences were replaced in 2018. The courts were replenished, and laser graded in 2023. The clay court surfaces are still original.

**Condition:** Good overall



**Clay tennis court**



**Court fences**

**Useful Life:** Up to five years for clay resurfacing and up to 25 years for replacement of the entire structure including the irrigation systems and fencing.

**Component Detail Notes:** Clay tennis courts require scarifying, removal of compacted material, clay replenishments and laser regrading in order to maintain a safe playing surface.

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

**Expenditure Detail Notes:** Expenditure timing and costs are depicted in the **Reserve Expenditures** table in Section 3. Our cost for replenishing and laser grading is based on information provided by the Association. Our cost for replacement includes an allowance for replacement of the subsurface irrigation system and fencing.

## **Tennis Courts, Light Poles and Fixtures**

---

**Line Item:** 4.870

**Quantity:** 28 metal light poles and fixtures at the tennis courts

**History:** Replaced in 2021.

**Condition:** Good overall



**Sport court light poles and fixtures**

**Useful Life:** Up to 25 years

**Priority/Criticality:** Per Board discretion

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

## **NON-STRUCTURAL - Pool Elements**

### **Decks, Pavers**

---

**Line Item:** 6.200

**Quantity:** Approximately 30,000 square feet

**History:** Replaced in 2018

**Condition:** Good overall



**Paver pool deck overview**



**Paver pool deck overview**



**Paver pool deck overview**



**Paver pool deck overview**

**Useful Life:** Up to 20 years

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

- Annually:
  - Inspect and repair settlement, trip hazards and significant paver spall
  - Reset and/or reseal damaged pavers as necessary
  - Periodically clean and remove overgrown vegetation as needed

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

**Expenditure Detail Notes:** Expenditure timing and costs are depicted in the **Reserve Expenditures** table in Section 3. We recommend the Association fund interim inspections, partial replacements and repairs through the operating budget.

## Fences, Aluminum

---

**Line Item:** 6.400

**Quantity:** Approximately 1,200 linear feet

**History:** Replaced in 2018.

**Condition:** Good overall



**Pool fence**

**Useful Life:** Up to 20 years

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

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

**Priority/Criticality:** Not recommended to defer

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



## Furniture

---

**Line Item:** 6.500

**Quantity:** The pool furniture includes the following:

- Chairs (4)
- Lounges (470)
- Tables (155)
- Ladders and life safety equipment

**History:** Replaced in 2018.

**Condition:** Good overall



**Pool furniture overview**

**Useful Life:** Up to 10 years

**Priority/Criticality:** Per Board discretion

**Expenditure Detail Notes:** Expenditure timing and costs are depicted in the **Reserve Expenditures** table in Section 3. We recommend interim re-strapping, refinishing, cushion replacements, reupholstering and other repairs to the furniture as normal maintenance to maximize its useful life.

## Light Fixtures, Bollard

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**Line Item:** 6.502

**Quantity:** The Association maintains approximately 30 bollard light fixtures at the pool areas.

**History:** Replaced in 2018

**Condition:** Fair overall.



**Bollard light fixture**

**Useful Life:** Up to 20 years

**Priority/Criticality:** Per Management discretion

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

## **Mechanical Equipment**

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**Line Item:** 6.600

**Quantity:** The major mechanical equipment includes the following:

- Family Pool, Main Pool
  - Heaters, 600 and 900-MBH (2)
  - Sand Filters (3)
  - Pumps, Less Than 3-HP (1)
  - Pumps, 7.5-HP (1)
  - Controls
  - Interconnected pipe, fittings and valves
  - Electrical panels
- Family Pool, Splash Pad
  - Cartridge Filter (1)
  - UV Filtration System
  - Pumps, Less Than 3-HP (1)
  - Pumps, 5-HP (1)
  - Controls
  - Interconnected pipe, fittings and valves
  - Electrical panel
- Adult Pool, Main Pool and Hot Tub
  - Heaters (2)
  - Sand Filters (3)

- Cartridge Filters (1)
- Pumps, Less Than 3-HP (2)
- Pumps, 7.5-HP (1)
- Controls
- Interconnected pipe, fittings and valves
- Electrical panel
- Fountains
  - Sand Filters (2)
  - Pumps, Less Than 3-HP (7)
  - Pumps, 7.5-HP (2)
  - Controls
  - Interconnected pipe, fittings and valves
  - Electrical panels
- Spas, Hot Tubs
  - Cartridge Filters (3)
  - Heaters (3)
  - Pumps, Less Than 3-HP (4)
  - Controls
  - Interconnected pipe, fittings and valves
  - Electrical panel

**History:** Replaced in 2021.

**Condition:** Reported satisfactory without operational deficiencies



**Pool mechanical equipment**



**Pool heater**

**Useful Life:** Up to 15 years

**Preventative Maintenance Notes:** The informs us preventative maintenance is conducted on a regular basis. We recommend the Association maintain a maintenance contract with a qualified professional and follow the manufacturer's specific recommended maintenance and local, state and/or federal inspection guidelines.

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

**Expenditure Detail Notes:** Expenditure timing and costs are depicted in the *Reserve Expenditures* table in Section 3. Failure of the pool mechanical equipment as a single event is unlikely. Therefore, we include replacement of up to twenty percent (20%) of the equipment per event. We consider interim replacement of motors and minor repairs as normal maintenance.

## **Pool Finishes, Plaster and Tile**

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**Line Items:** 6.800 and 6.801

**Quantity:** Approximately 8,000 square feet of plaster based on the horizontal surface area and approximately 1,100 linear feet of tile. These quantities include the Family and Adult pools, and the Adult hot tub.

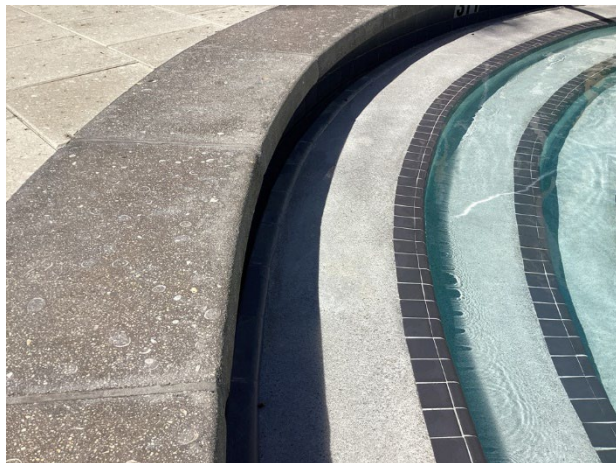
**History:**

- Plaster finish: Replaced in 2019.
- Tile: Replaced in 2019

**Condition:** Good overall



**Pool plaster finish**



**Pool plaster finish with tile perimeter**

**Useful Life:** 8- to 12-years for the plaster and up to 25 years for the tile

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

- Semi-annually:
  - Inspect and patch areas of significant plaster delamination, coping damage and structure cracks
  - Inspect main drain connection and anti-entrapment covers, pressure test circulation piping and valves
  - Test handrails and safety features for proper operation

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

**Expenditure Detail Notes:** Expenditure timing and costs are depicted in the **Reserve Expenditures** table in Section 3. We recommend the Association budget for full tile replacement every other plaster replacement event. Removal and replacement of the finish provides the opportunity to inspect the pool structure and to allow for partial repairs of the underlying concrete surfaces as needed. To maintain the integrity of the pool structure, we recommend the Association budget for the following:

- Removal and replacement of the plaster finish
- Partial replacements of the scuppers and coping as needed
- Replacement of tiles as needed
- Replacement of joint sealants as needed
- Concrete structure repairs as needed

## **Pool Houses**

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**Line Item:** 6.802

**Quantity:** The Association maintains partial responsibility for four rest rooms located at the pool houses.

**History:** Partial renovation in conjunction with the 2019 to 2020 pool renovation

**Condition:** Good overall

**Useful Life:** The need to renovate rest room finishes and fixtures is discretionary. However, based on the heavy usage at the pools, we suggest the Association budget to renovate the rest rooms every 10- to 15-years.

**Component Detail Notes:** Renovation should include replacement of the finishes and fixtures.

**Priority/Criticality:** Per Management discretion

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

## **Water Features, Splash Pad**

---

**Line Item:** 6.950

**Quantity:** Approximately 2,200 square feet of rubber surface with aqua dome, dump bucket and sprayers water features with associated piping

**History:** Installed in 2018

**Conditions:** Good overall



**Splash pad overview**

**Useful Life:** 15- to 20-years

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

- Annually:
  - Drain all lines if applicable
  - Inspect and repair loose connections and fasteners or damaged elements. Check feature accessories for excessive wear.
  - Clean periodically
  - Verify drains are working properly

**Priority/Criticality:** Not recommended to defer

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

## **NON-STRUCTURAL - Garage Elements**

### **Light Fixtures**

---

**Line Item:** 7.600

**Quantity:** Approximately 290 light fixtures with LED lamps

**History:** Replaced in 2012.

**Condition:** Reported satisfactory



**Garage light fixture**

**Useful Life:** Up to 25 years

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

- As-needed:
  - Inspect and replace/repair broken or dislodged fixtures
  - Replace burned out bulbs

**Priority/Criticality:** Per Board discretion

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

## **Reserve Study Update**

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

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

Periodic updates incorporate these variable changes since the last Reserve Study or Update. The Association can expense the fee for an Update with site visit from the reserve account. This fee is included in the Reserve Funding Plan. We base this budgetary amount on updating the same property components and quantities of this



Reserve Study report. We recommend the Board budget for an Update to this Reserve Study every three years. Budgeting for an Update demonstrates the Board's objective to continue fulfilling its fiduciary responsibility to maintain the commonly owned property and to fund reserves appropriately.



## 5. METHODOLOGY

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

GB Resort Condominium Hotel can fund capital repairs and replacements in any combination of the following:

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

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

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

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

<sup>1</sup> Identified in the APRA "Standards - Terms and Definitions" and the CAI "Terms and Definitions".

<sup>2</sup> See Credentials for additional information on our use of published sources of cost data.

<sup>3</sup> Derived from Marshall & Swift, historical costs and the Bureau of Labor Statistics.

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

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

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



## 6. CREDENTIALS

### HISTORY AND DEPTH OF SERVICE

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

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

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

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

### TOTAL STAFF INVOLVEMENT

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

### OUR GOAL

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

### VAST EXPERIENCE WITH A VARIETY OF BUILDINGS

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

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

### OLD TO NEW

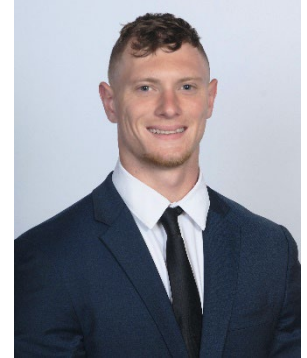
Reserve Advisors' experience includes ornate and vintage buildings as well as modern structures. Our specialists are no strangers to older buildings. We're accustomed to addressing the unique challenges posed by buildings that date to the 1800's. We recognize and consider the methods of construction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



**TAYLOR J. BLEISTEIN, RS**  
**Responsible Advisor**

**CURRENT CLIENT SERVICES**

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



The following is a partial list of clients served by Taylor Bleistein demonstrating his breadth of experiential knowledge of community associations in construction and related buildings systems.

**Skypoint Condominium Association** This 32 story high-rise in Tampa, Florida was constructed in 2007 and contains 404 units. The condominium maintains four traction elevators, a generator, domestic water and fire pumps, and a fire suppression system, as well as an elevated pool structure which sits atop a seven story garage. The condominium also maintains the curtain wall façade and waterproofing of cantilevered concrete balconies

**The Bellamy on Bayshore Owners Association** This 20 story high-rise in Tampa, Florida was constructed in 2006 and contains 64 units. The condominium maintains domestic water and fire pumps, traction elevators, a generator and curtain wall sealants and gaskets. The condominium also maintains an extensive elevated pool and plaza deck structure with planters, courtyards with an underlying waterproof membrane protecting the three story garage below

**Bayway Isles Point Brittany Four Condominium Corporation** A 19 story coastal high-rise located in St. Petersburg, Florida. This 178 unit condominium was constructed in 1970 and consists of traction elevators, domestic water and fire pumps, concrete aggregate panels and retaining brackets, and gemstone water proof coatings on the concrete breezeways

**Bayshore Regency Condominium Association** Located in Tampa, Florida, this 21 story high-rise constructed in 1988 contains 33 units. The condominium maintains central HVAC cooling and heating system which contains two boilers and a cooling tower. The condominium also maintains an elevated pool and plaza deck structure which contains, planters, a clubhouse and a tennis court which sit atop the multi-story garage.

**Orange Acres Ranch Homeowners Association** Located in Lake Wales, Florida; this 114 unit co-operative was built in 1985 and converted to a co-operative in 2007. The co-operative maintains a domestic water treatment system which includes water softeners, hydropneumatics storage tanks, valves, and well pumps. The co-operative also maintains a wastewater treatment plant with drainage fields, as well as a clubhouse and pool area.

**PRIOR RELEVANT EXPERIENCE**

Before joining **Reserve Advisors**, Mr. Bleistein successfully completed the bachelors program in Mechanical Engineering from Hanover College

**EDUCATION**

Hanover College - B.S. Mechanical Engineering

**PROFESSIONAL AFFILIATIONS/DESIGNATIONS**

*Reserve Specialist (RS)* - Community Associations Institute



**TAMARA S. SAMHOURI, E.I., RS**  
**Southeast Quality Assurance Engineer**



**CURRENT CLIENT SERVICES**

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

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

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

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

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

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

**PRIOR RELEVANT EXPERIENCE**

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

**EDUCATION**

University of South Florida - B.S. Civil Engineering

**PROFESSIONAL AFFILIATIONS / DESIGNATIONS**

*Engineering Intern (E.I.)* – Florida, 2021-present

*American Society of Civil Engineers (A.S.C.E.)* – Florida, 2015-present

*Institute of Transportation Engineers (I.T.E.)* – Florida, 2015-present

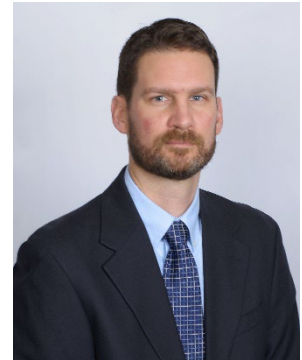
*Reserve Specialist (RS)* - Community Association Institute (CAI)

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

**CURRENT CLIENT SERVICES**

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

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



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

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

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

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

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

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

**PRIOR RELEVANT EXPERIENCE**

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

**EDUCATION**

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

**PROFESSIONAL AFFILIATIONS/DESIGNATIONS**

*Professional Engineering License* – Wisconsin, North Carolina, Illinois, Colorado

*Reserve Specialist (RS)* - Community Associations Institute

*Professional Reserve Analyst (PRA)* - Association of Professional Reserve Analysts



## RESOURCES

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

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

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

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

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

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

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

## 7. DEFINITIONS

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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





## 8. PROFESSIONAL SERVICE CONDITIONS

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

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

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

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

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



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

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

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

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

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

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