

LEVEL 1 REPLACEMENT RESERVE REPORT FY 2026 QUEENS LANDING COMMUNITY MARINA



Community Management by:

QUEENS LANDING COMMUNITY MARINA

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REPLACEMENT RESERVE REPORT

QUEENS LANDING COMMUNITY MARINA

CHESTER, MARYLAND
On-Site Observation: October 10, 2025
Report Date: March 30, 2026



Description. Queens Landing Community Marina is located in the Queen's Landing community in Chester, Maryland. Constructed in or around 1983, the marina has 61 slips. The survey examined the common elements of the property, including:

- Marina Bulkhead
- Docks/Piers
- Marina Water and Electrical Services

EXECUTIVE SUMMARY

This Reserve Study has been prepared for the Queens Landing Community Marina for the Fiscal Year 2026 covering the period from January 1, 2026 to December 31, 2026. The Replacement Reserves Starting Balance as of January 1, 2026 are reported to be \$89,802. The reported Current Annual Funding for Reserves is \$111,000. The Recommended Annual Reserve Funding level for 2026 is \$182,196.

The significant increase in the Recommended Annual Reserve Funding shown above is not unusual for community associations for whom this is their first professional Replacement Reserve Study. In addition, the high initial Recommended Annual Reserve Funding level is the result of a significant number of replacements being scheduled in the FY 2035 of the report.

We recommend that the Association increase its Reserve Funding level as soon as possible. Given the high rates of inflation in today's construction industry, the longer that the Association delays in adequately funding its Reserves, the harder it will become to make up for the underfunding.

Please see Table #5 on page A.4 for a year-by-year breakdown of Recommended Funding and the reduction after Peak Years. Also, see Section C for the Calendar of Annual Projected Replacements.

Section A

Replacement Reserve Analysis

Strategic Funding Plan – A.1
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Section B

Replacement Reserve Inventory

Replacement Reserve Inventory
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Section C

Projected Annual Replacements

Projected Annual Replacements
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Condition Assessment

Section E

Disclosures

Appendix

Overview, Standard Terms, and Definitions
Video Answers to Frequently Asked Questions

To mitigate the potential detrimental effects that a single large increase to the budget might have on the community and its property owners, a Strategic Funding Plan has been developed that will ramp up this funding over several years. This Strategic Funding Plan is shown on the A.1 and A.2 Pages of the Report. MillerDodson welcomes the opportunity to answer questions or to discuss this Reserve Study in more detail should the Board so desire.

Current Funding. The Starting Balance and Current Annual Reserve Funding figures have been supplied by the Managing Agent and/or Board of Directors. Confirmation or audit of these figures is beyond the scope of the study. For the purposes of this study, it is assumed that the annual contribution will be deposited at the end of each month.

Level of Service. This study has been performed as a Level 1 Full-Service Reserve Study with Site Visit/On-Site Review as defined by the Community Associations Institute's, National Reserve Study Standards. As such, a complete inventory of components, including their condition and cost for major repair or replacement, was established by the Analyst for the common and limited common elements of this facility based on information provided by the Community Manager and/or Board of Directors, or by those developed from visual assessments, field measurements, takeoffs from to-scale drawings, or review of provided historical data. The analysis, including fund status and funding plan, is developed from the inventory.

To aid in the understanding of this report and its concepts and practices, on our website, we have developed videos addressing frequently asked topics. In addition, there are posted links covering a variety of subjects under the resources page of our website at millerdodson.com.

Purpose. The purpose of this Replacement Reserve Study is to provide Queens Landing Community Marina (hereinafter called the Marina) with an inventory of the common community facilities and infrastructure components that require periodic replacement. The Study includes a general view of the condition of these items and an effective financial plan to fund projected periodic replacements.

- **Inventory of Items Owned by the Marina.** Section B lists the Projected Replacements of the commonly owned items that require periodic replacement using funding from Replacement Reserves. The Replacement Reserve Inventory also provides information about excluded items, which are items whose replacements are not scheduled for funding from Replacement Reserves.
- **Condition of Items Owned by the Marina.** Section B includes our estimates of the normal economic life and the remaining economic life for the projected replacements. Section C provides a year-by-year listing of the projected replacements. Section D provides additional detail for items that are unique or deserving of attention because of their condition or the manner in which they have been treated in this study.
- **Financial Plan.** The Marina has a fiduciary responsibility to protect the appearance, value, and safety of the property and it is therefore essential the Marina have a financial plan that provides funding for the projected replacements. In conformance with American Institute of Certified Public Accountant guidelines, Section A, Replacement Reserve Analysis evaluates the current funding of Replacement Reserves as reported by the Marina and recommends annual funding of Replacement Reserves by the Cash Flow Method. Section A, Replacement Reserve Analysis includes graphic and tabular presentations of the reported current funding and the recommended funding based on the Cash Flow Method. An Executive Summary of these calculations is provided on Page A1.

Basis. The data contained in this Replacement Reserve Study is based upon the following:

- The Request for Proposal submitted and executed by the Marina.
- MillerDodson performed a visual evaluation commencing on October 10, 2025 to determine a remaining useful life and replacement cost for the commonly owned elements of this facility.

To-Scale Drawings. Site and building plans were not used in the development of this study. We recommend the Marina assemble and maintain a library of site and building plans of the entire facility. Record drawings

should be scanned into an electronic format for safe storage and ease of distribution. Upon request for a nominal fee, MillerDodson can provide scanning services.

Acknowledgment. MillerDodson Associates would like to acknowledge the assistance and input of Clark French, Board Vice President who provided very helpful insight into the current operations of the property.

Analyst's Credentials. Brian J. Oates graduated from the University of Maryland with a degree in Urban Planning and studied the Principles and Practices of appraisal at the American University. Brian has owned and operated management companies and developed single and multifamily properties in the Washington metropolitan area. As a reserve analyst, Mr. Oates has performed reserve studies for Miller+Dodson Associates since 2009.

Respectfully Submitted,



Brian J. Oates
Brian J. Oates

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SECTION A - EXECUTIVE SUMMARY

STRATEGIC FUNDING PLAN - CONCEPT

This Strategic Funding Plan has been developed based on the fundamental concept that the Replacement Reserve Account is solvent if cumulative receipts always meet or exceed cumulative expenses.

STRATEGIC FUNDING PLAN - GOAL

The goal of a Strategic Funding Plan is to provide alternative reserve funding that responds to immediate financial requirements of Queens Landing Community Marina, and models an alternative increase in funding needed to move Replacement Reserve Funding from the Current Annual Funding level to the level recommended by the Cash Flow Method as noted on Page A.3 of the Queens Landing Community Marina Replacement Reserve Study (Queens Landing Community Marina v5 03-30-2026).

STRATEGIC FUNDING PLAN TABLE

The highlighted and labeled rows provided in the table shown on Page A.2 show the alternate reserve funding being considered by Queens Landing Community Marina for a period of 40 years.

This Strategic Funding Plan assumes the same reported Current Annual Funding (Page A.3), the same \$89,802 Starting Balance, and the same Replacement Reserve Inventory with 16 Projected Replacements requiring \$1,767,032 of expenditures over the 40-year Study Period.

It should be noted that for every year that the Reserves are funded at less than the Cash Flow Recommended Funding level, there will be a year or more that the Reserves must be funded above the Cash Flow Recommended Funding level. Unlike the Cash Flow Method, this Strategic Funding Plan may not assume the Minimum Balance.

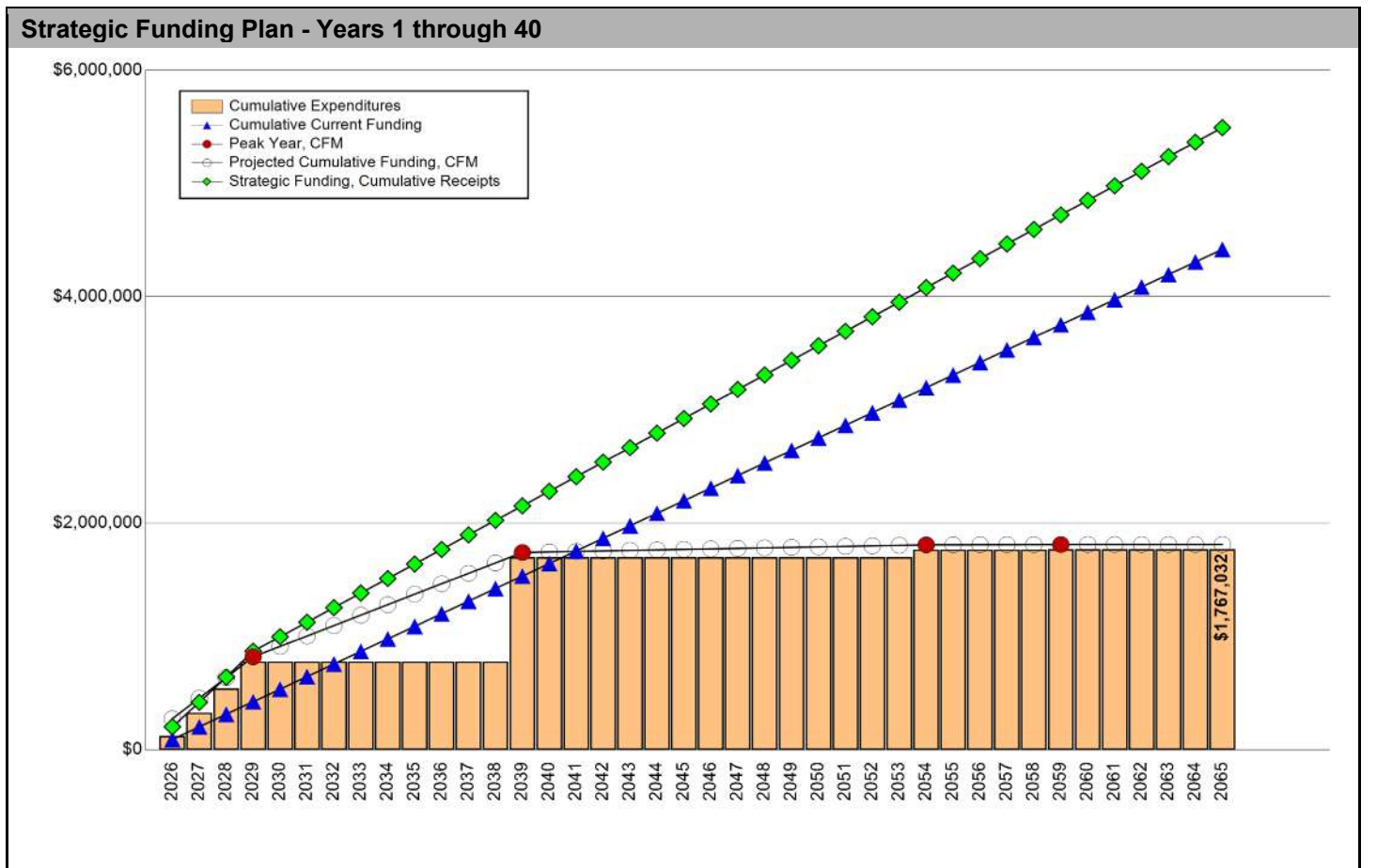
STRATEGIC FUNDING PLAN GRAPH

The graph on Page A.2 shows the Cumulative Expenditures in gold bars over the Study Period, which is the minimum that any funding plan must achieve. The blue triangled line represents the reported Current Annual Funding to reserves, and the circled line represents the recommended Cash Flow Method for annual reserve funding. Graphed in green diamonds, the alternative reserve funding being considered in this Strategic Funding Plan is shown for 2026 through 2065.

STRATEGIC FUNDING PLAN EXPLAINED

An examination of the Strategic Funding Plan Graph on Page A.2 clearly shows that the Current Funding of \$111,000 is insufficient to fund the "near-term" expenditures. Once those expenditures have been funded, future expenditures require a lower Reserve Funding level.

The Strategic Funding Plan proposes to ramp up the Reserve Funding over a short period as shown in the Strategic Funding Plan Table.



Strategic Funding Plan - Table of Annual Funding and Expenditures

Year	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Starting Balance	\$89,802									
Projected Replacements	(\$119,384)	(\$202,800)	(\$218,400)	(\$234,000)						
Adjusted Annual Deposit	\$111,000	\$111,000	\$116,550	\$122,378	\$128,497	\$128,497	\$128,497	\$128,497	\$128,497	\$128,497
5% Increase		\$5,550	\$5,828	\$6,119						
Total Annual Deposit	\$111,000	\$216,550	\$222,378	\$228,497	\$128,497	\$128,497	\$128,497	\$128,497	\$128,497	\$128,497
End of Year Balance	\$81,418	\$95,168	\$99,146	\$93,642	\$222,139	\$350,636	\$479,133	\$607,630	\$733,527	\$862,024
Cumulative Expenditures	(\$119,384)	(\$322,184)	(\$540,584)	(\$774,584)	(\$774,584)	(\$774,584)	(\$774,584)	(\$774,584)	(\$777,184)	(\$777,184)
Cumulative Receipts	\$200,802	\$417,352	\$639,730	\$868,226	\$996,723	\$1,125,220	\$1,253,717	\$1,382,214	\$1,510,711	\$1,639,208

Year	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045
Projected Replacements				(\$920,198)						
AFP - Annual Funding	\$128,497	\$128,497	\$128,497	\$128,497	\$128,497	\$128,497	\$128,497	\$128,497	\$128,497	\$128,497
5% Increase										
Total Annual Deposit	\$128,497	\$128,497	\$128,497	\$128,497	\$128,497	\$128,497	\$128,497	\$128,497	\$128,497	\$128,497
End of Year Balance	\$990,521	\$1,119,018	\$1,247,515	\$455,814	\$584,311	\$712,808	\$841,305	\$969,802	\$1,098,299	\$1,226,796
Cumulative Expenditures	(\$777,184)	(\$777,184)	(\$777,184)	(\$1,697,382)	(\$1,697,382)	(\$1,697,382)	(\$1,697,382)	(\$1,697,382)	(\$1,697,382)	(\$1,697,382)
Cumulative Receipts	\$1,767,705	\$1,896,202	\$2,024,699	\$2,153,196	\$2,281,693	\$2,410,190	\$2,538,687	\$2,667,184	\$2,795,681	\$2,924,178

Year	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055
Projected Replacements									(\$67,050)	
AFP - Annual Funding	\$128,497	\$128,497	\$128,497	\$128,497	\$128,497	\$128,497	\$128,497	\$128,497	\$128,497	\$128,497
5% Increase										
Total Annual Deposit	\$128,497	\$128,497	\$128,497	\$128,497	\$128,497	\$128,497	\$128,497	\$128,497	\$128,497	\$128,497
End of Year Balance	\$1,355,293	\$1,483,790	\$1,612,287	\$1,740,784	\$1,869,281	\$1,997,778	\$2,126,275	\$2,254,772	\$2,316,219	\$2,444,716
Cumulative Expenditures	(\$1,697,382)	(\$1,697,382)	(\$1,697,382)	(\$1,697,382)	(\$1,697,382)	(\$1,697,382)	(\$1,697,382)	(\$1,697,382)	(\$1,697,382)	(\$1,697,382)
Cumulative Receipts	\$3,052,675	\$3,181,172	\$3,309,669	\$3,438,166	\$3,566,663	\$3,695,160	\$3,823,657	\$3,952,154	\$4,080,651	\$4,209,148

Year	2056	2057	2058	2059	2060	2061	2062	2063	2064	2065
Projected Replacements				(\$2,600)						
AFP - Annual Funding	\$128,497	\$128,497	\$128,497	\$128,497	\$128,497	\$128,497	\$128,497	\$128,497	\$128,497	\$128,497
5% Increase										
Total Annual Deposit	\$128,497	\$128,497	\$128,497	\$128,497	\$128,497	\$128,497	\$128,497	\$128,497	\$128,497	\$128,497
End of Year Balance	\$2,573,213	\$2,701,710	\$2,830,207	\$2,958,704	\$3,087,201	\$3,215,698	\$3,344,195	\$3,472,692	\$3,598,589	\$3,727,086
Cumulative Expenditures	(\$1,764,432)	(\$1,764,432)	(\$1,764,432)	(\$1,767,032)	(\$1,767,032)	(\$1,767,032)	(\$1,767,032)	(\$1,767,032)	(\$1,767,032)	(\$1,767,032)
Cumulative Receipts	\$4,337,645	\$4,466,142	\$4,594,639	\$4,723,136	\$4,851,633	\$4,980,130	\$5,108,627	\$5,237,124	\$5,365,621	\$5,494,118

NOTES: Please note inflation is not included in the Strategic Funding Plan. The Association should use a 6.00% inflation rate to increase Annual Funding per year.

The Board has stated they are going to change the current funding starting in 2026:

1. Starting in 2026, the slip holders will contribute \$111,000 per year. This will increase every year thereafter by 5% per year.
2. There will be funding from a 3rd party source and a loan for a total of \$100,000 per year starting in 2027 and continuing to 2029, for a total of \$300,000. That fund ceases after the peak year in 2029.

REPLACEMENT RESERVE ANALYSIS - GENERAL INFORMATION

The Queens Landing Community Marina Replacement Reserve Analysis calculations of recommended funding of Replacement Reserves by the Cash Flow Method (CFM) and the evaluation of the Current Funding are based upon the same Study Year, Study Period, Beginning Balance, Replacement Reserve Inventory and Level of Service.

2026 | STUDY YEAR

The Marina reports that their accounting year begins on January 1, and the Study Year, the first year evaluated by the Replacement Reserve Analysis, begins on January 1, 2026.

40 Years | STUDY PERIOD

The Replacement Reserve Analysis evaluates the funding of Replacement Reserves over a 40-year Study Period

\$89,802 | STARTING BALANCE

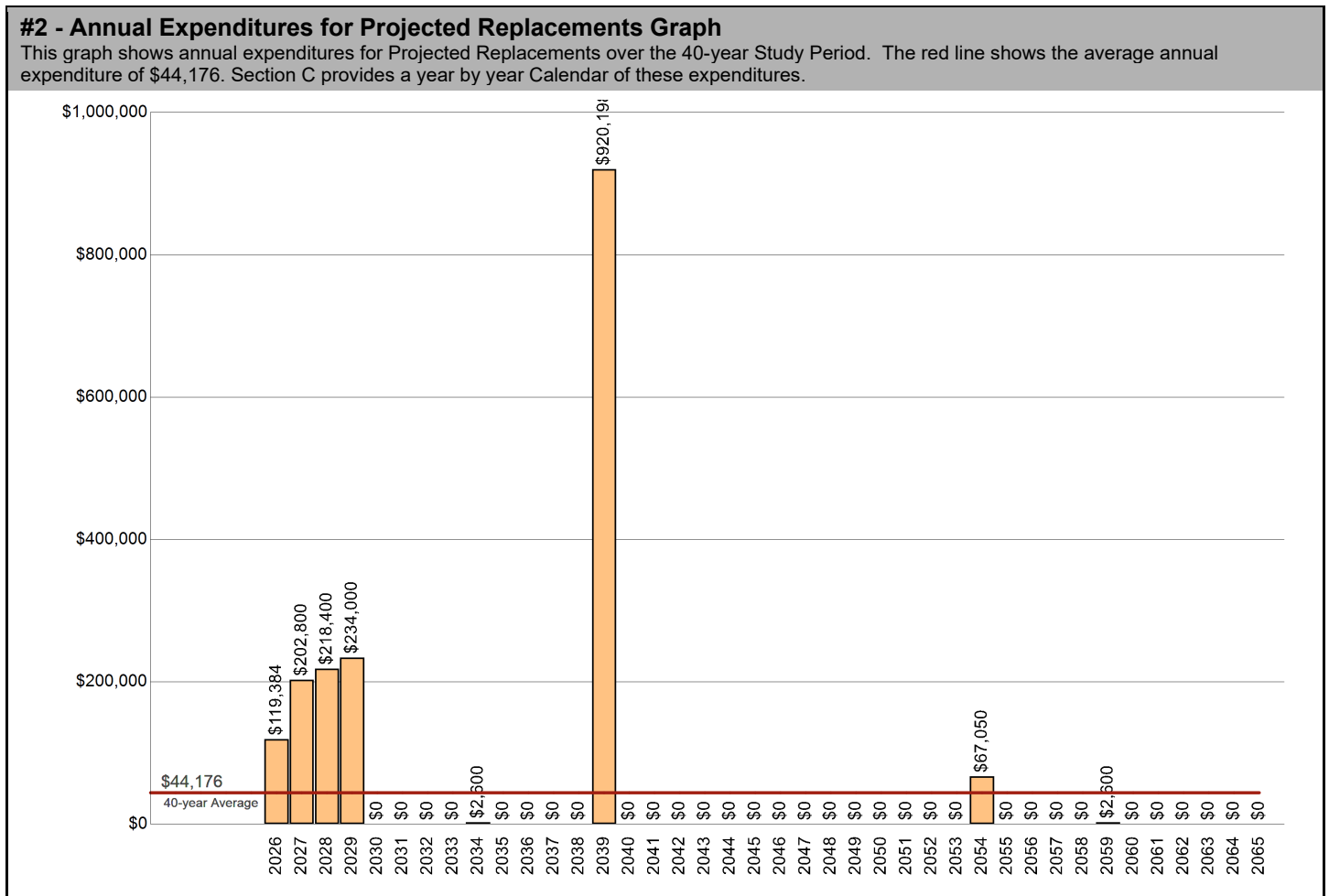
The Marina reports Replacement Reserves on Deposit totaling \$89,802 at the start of the Study Year.

Level One | LEVEL OF SERVICE

The Replacement Reserve Inventory has been developed in compliance with the National Reserve Study Standards for a Level One Study, as defined by the Community Associations Institute (CAI).

\$1,767,032 | REPLACEMENT RESERVE INVENTORY - PROJECTED REPLACEMENTS

The Queens Landing Community Marina Replacement Reserve Inventory identifies 16 items that will require periodic replacement, that are to be funded from Replacement Reserves. We estimate the cost of these replacements will be \$1,767,032 over the 40-year Study Period. The Projected Replacements are divided into 1 major categories starting on Page B.3. Pages B.1-B.2 provide detailed information on the Replacement Reserve Inventory.



UPDATING

EVALUATION OF CURRENT FUNDING

The evaluation of Current Funding (Starting Balance of \$89,802 & annual funding of \$111,000), is done in today's dollars with no adjustments for inflation or interest earned on Replacement Reserves. The evaluation assumes Replacement Reserves will only be used for the 16 Projected Replacements identified in the Replacement Reserve Inventory and that the Marina will continue Annual Funding of \$111,000 throughout the 40-year Study Period.

Annual Funding of \$111,000 is approximately 61 percent of the \$182,196 recommended Annual Funding calculated by the Cash Flow Method for 2026, the Study Year.

The progression and effect of continued Current Annual Funding coupled with this studies Projected Replacements over the Study Period are evaluated in Table 3 above. Maintaining Current Annual Funding may result in inadequate End of Year Balances, noted in red.

See the Executive Summary for the Current Funding Statement.

ANNUAL EXPENDITURES AND CURRENT FUNDING

The annual expenditures that comprise the \$1,767,032 of Projected Expenditures over the 40-year Study Period and the impact of the Marina continuing to fund Replacement Reserves at the current level are detailed in Table 3.

#3 - Table of Annual Expenditures and Current Funding Data - Years 1 through 40										
Year	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Starting Balance	\$89,802									
Projected Replacements	(\$119,384)	(\$202,800)	(\$218,400)	(\$234,000)					(\$2,600)	
Annual Deposit	\$111,000	\$111,000	\$111,000	\$111,000	\$111,000	\$111,000	\$111,000	\$111,000	\$111,000	\$111,000
End of Year Balance	\$81,418	(\$10,382)	(\$117,782)	(\$240,782)	(\$129,782)	(\$18,782)	\$92,218	\$203,218	\$311,618	\$422,618
Cumulative Expenditures	(\$119,384)	(\$322,184)	(\$540,584)	(\$774,584)	(\$774,584)	(\$774,584)	(\$774,584)	(\$774,584)	(\$777,184)	(\$777,184)
Cumulative Receipts	\$200,802	\$311,802	\$422,802	\$533,802	\$644,802	\$755,802	\$866,802	\$977,802	\$1,088,802	\$1,199,802
Year	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045
Projected Replacements				(\$920,198)						
Annual Deposit	\$111,000	\$111,000	\$111,000	\$111,000	\$111,000	\$111,000	\$111,000	\$111,000	\$111,000	\$111,000
End of Year Balance	\$533,618	\$644,618	\$755,618	(\$53,580)	\$57,420	\$168,420	\$279,420	\$390,420	\$501,420	\$612,420
Cumulative Expenditures	(\$777,184)	(\$777,184)	(\$777,184)	(\$1,697,382)	(\$1,697,382)	(\$1,697,382)	(\$1,697,382)	(\$1,697,382)	(\$1,697,382)	(\$1,697,382)
Cumulative Receipts	\$1,310,802	\$1,421,802	\$1,532,802	\$1,643,802	\$1,754,802	\$1,865,802	\$1,976,802	\$2,087,802	\$2,198,802	\$2,309,802
Year	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055
Projected Replacements									(\$67,050)	
Annual Deposit	\$111,000	\$111,000	\$111,000	\$111,000	\$111,000	\$111,000	\$111,000	\$111,000	\$111,000	\$111,000
End of Year Balance	\$723,420	\$834,420	\$945,420	\$1,056,420	\$1,167,420	\$1,278,420	\$1,389,420	\$1,500,420	\$1,544,370	\$1,655,370
Cumulative Expenditures	(\$1,697,382)	(\$1,697,382)	(\$1,697,382)	(\$1,697,382)	(\$1,697,382)	(\$1,697,382)	(\$1,697,382)	(\$1,697,382)	(\$1,764,432)	(\$1,764,432)
Cumulative Receipts	\$2,420,802	\$2,531,802	\$2,642,802	\$2,753,802	\$2,864,802	\$2,975,802	\$3,086,802	\$3,197,802	\$3,308,802	\$3,419,802
Year	2056	2057	2058	2059	2060	2061	2062	2063	2064	2065
Projected Replacements				(\$2,600)						
Annual Deposit	\$111,000	\$111,000	\$111,000	\$111,000	\$111,000	\$111,000	\$111,000	\$111,000	\$111,000	\$111,000
End of Year Balance	\$1,766,370	\$1,877,370	\$1,988,370	\$2,099,770	\$2,207,770	\$2,318,770	\$2,429,770	\$2,540,770	\$2,651,770	\$2,762,770
Cumulative Expenditures	(\$1,764,432)	(\$1,764,432)	(\$1,764,432)	(\$1,767,032)	(\$1,767,032)	(\$1,767,032)	(\$1,767,032)	(\$1,767,032)	(\$1,767,032)	(\$1,767,032)
Cumulative Receipts	\$3,530,802	\$3,641,802	\$3,752,802	\$3,863,802	\$3,974,802	\$4,085,802	\$4,196,802	\$4,307,802	\$4,418,802	\$4,529,802

UPDATING OF THE FUNDING PLAN

The Association has a responsibility to review the Funding Plan annually. The Projected Replacements listed on Page C.2 should be compared with any replacements accomplished and funded from Replacement Reserves. Discrepancies should be evaluated and if necessary, the Reserve Study should be updated or a new study commissioned. We recommend annual increases in replacement reserve funding to account for the impact of inflation.

UPDATING OF THE REPLACEMENT RESERVE STUDY

At a minimum, the Replacement Reserve Study should be professionally updated every three to five years or after completion of a major replacement project. Updating should also be considered if during the annual review of the Funding Plan, discrepancies are noted between projected and actual reserve funding or replacement costs.

REPLACEMENT RESERVE STUDY - SUPPLEMENTAL COMMENTS

Maryland's new Reserves and Reserve Study Law, HB-107, is intended to ensure that adequate Reserve Funding is available for capital repair and replacement projects when it is needed. This is done by funding the Reserve Fund annually. The law requires that the Recommended Annual Reserve Funding amount in the most recent Reserve Study be included in the Association's annual budgets.

SECTION B - REPLACEMENT RESERVE INVENTORY

- **PROJECTED REPLACEMENTS.** 16 of the items are Projected Replacements and the periodic replacements of these items are scheduled for funding from Replacement Reserves. The Projected Replacements have an estimated one-time replacement cost of \$1,697,382. Cumulative Replacements totaling \$1,767,032 are scheduled in the Replacement Reserve Inventory over the 40-year Study Period.

Projected Replacements are the replacement of commonly-owned physical assets that require periodic replacement and whose replacement is to be funded from Replacement Reserves.

- **EXCLUDED ITEMS.** None of the items included in the Replacement Reserve Inventory are 'Excluded Items'. Multiple categories of items are typically excluded from funding by Replacement Reserves, including but not limited to:

Tax Code. The United States Tax Code grants very favorable tax status to Replacement Reserves, conditioned on expenditures being made within certain guidelines. These guidelines typically exclude maintenance activities, minor repairs, and capital improvements.

Value. Items with a replacement cost of less than \$1,000 and/or a normal economic life of less than 3 years are typically excluded from funding from Replacement Reserves. This exclusion should reflect the Marina policy on the administration of Replacement Reserves. If the Marina has selected an alternative level, it will be noted in the Replacement Reserve Inventory - General Comments on Page B.2.

Long-lived Items. Items are excluded from the Replacement Reserve Inventory when items are properly maintained and are assumed to have a life equal to the property.

Unit improvements. Items owned by a single unit and where the items serve a single unit are generally assumed to be the responsibility of that unit, not the Marina.

Other non-common improvements. Items owned by the local government, public and private utility companies, the United States Postal Service, Master Associations, state and local highway authorities, etc., may be installed on property that is owned by the Marina. These types of items are generally not the responsibility of the Marina and are excluded from the Replacement Reserve Inventory.

- **CATEGORIES.** The 16 items included in the Queens Landing Community Marina Replacement Reserve Inventory are divided into 1 major categories. Each category is printed on a separate page, beginning on page B.3
- **LEVEL OF SERVICE.** This Replacement Reserve Inventory has been developed in compliance with the standards established for a Level One Study - Full Service, as defined by the National Reserve Study Standards, established in 1998 by Community Associations Institute, which states:

A Level I - Full-Service Reserve Study includes the computation of complete component inventory information regarding commonly owned components provided by the Association, quantities derived from field measurements, and/or quantity takeoffs from to-scale engineering drawings that may be made available. The condition of all components is ascertained from a visual inspection of each component by the analyst. The remaining economic life and the value of the components are provided based on these observations and the funding status and funding plan are then derived from the analysis of this data.

REPLACEMENT RESERVE INVENTORY - GENERAL INFORMATION (CONT'D)

- **INVENTORY DATA.** Each of the 16 Projected Replacements listed in the Replacement Reserve Inventory includes the following data:
 - Item Number.** The Item Number is assigned sequentially and is intended for identification purposes only.
 - Item Description.** We have identified each item included in the Inventory. Additional information may be included in the Comments section at the bottom of each page of the Inventory.
 - Units.** We have used standard abbreviations to identify the number of units including SF-square feet, LF-lineal feet, SY-square yard, LS-lump sum, EA-each, and PR-pair. Non-standard abbreviations are noted in the Comments section at the bottom of the page.
 - Number of Units.** The methods used to develop the quantities are discussed in "Level of Service" above.
 - Unit Replacement Cost.** We use four sources to develop the unit cost data shown in the Inventory; actual replacement cost data provided by the client, information provided by local contractors and suppliers, industry standard estimating manuals, and a cost database we have developed based upon our detailed interviews with contractors and service providers who are specialists in their respective lines of work.
 - Normal Economic Life (Years).** The number of years that a new and properly installed item should be expected to remain in service.
 - Remaining Economic Life (Years).** The estimated number of years before an item will need to be replaced. In "normal" conditions, this could be calculated by subtracting the age of the item from the Normal Economic Life of the item, but only rarely do physical assets age "normally". Some items may have longer or shorter lives depending on many factors such as environment, initial quality of the item, maintenance, etc.
 - Total Replacement Cost.** This is calculated by multiplying the Unit Replacement Cost by the Number of Units.
- **PARTIAL FUNDING.** Items may have been included in the Replacement Reserve Inventory at less than 100 percent of their full quantity and/or replacement cost. This is done on items that will never be replaced in their entirety, but which may require periodic replacements over an extended period of time. The assumptions that provide the basis for any partial funding are noted in the Comments section.
- **REMAINING ECONOMIC LIFE GREATER THAN 40 YEARS.** The calculations do not include funding for initial replacements beyond 40 years. These replacements are included in this Study for tracking and evaluation. They should be included for funding in future Studies when they enter the 40-year window.
- **ACCURACY OF THE ANALYSIS.** The accuracy of the Replacement Reserve Analysis is dependent upon expenditures from Replacement Reserves being made ONLY for the 16 Projected Replacements specifically listed in the Replacement Reserve Inventory. The inclusion/exclusion of items from the Replacement Reserve Inventory is discussed on Page B.1.

SITE ITEMS PROJECTED REPLACEMENTS					NEL- Normal Economic Life (yrs) REL- Remaining Economic Life (yrs)		
ITEM #	ITEM DESCRIPTION	UNIT	NUMBER OF UNITS	UNIT REPLACEMENT COST (\$)	NEL	REL	REPLACEMENT COST (\$)
1	Bulkhead, replace, ESP 4.1, vinyl sheet pile	ea	400	\$298.46	50	none	\$119,384
2	Bulkhead, replace, ESP 4.1, vinyl sheet pile	ft	390	\$520.00	50	1	\$202,800
3	Bulkhead, replace, ESP 4.1, vinyl sheet pile	ft	420	\$520.00	50	2	\$218,400
4	Bulkhead, replace, ESP 4.1, vinyl sheet pile	ft	450	\$520.00	50	3	\$234,000
5	Piling, dock/pier (12" diameter) 10' on center	ea	178	\$1,480.00	30	13	\$263,440
6	Dock/pier structure, PTL	sf	3,960	\$32.86	30	13	\$130,126
7	Dock/pier decking, composite	sf	3,960	\$24.38	30	13	\$96,545
8	Mooring pilings, 12" diameter, 30' length	ea	146	\$1,600.00	30	13	\$233,600
9	Pier, electrical, water & lighting pedestals	ea	31	\$1,650.00	15	13	\$51,150
10	Pier, water service, PVC piping (allowance)	ft	1,750	\$40.28	30	13	\$70,490
11	Pier, fire system (standpipes allowance)	ls	6	\$2,650.00	15	13	\$15,900
12	Electric, pier wiring (allowance)	ft	1,750	\$12.00	60	13	\$21,000
13	Electrical panels at piers/docks	ea	5	\$3,392.00	60	13	\$16,960
14	Electric, panel and breakers, 200 amp 120/240 volt	ea	2	\$9,010.00	60	13	\$18,020
15	Electric, safety switches, 100 amp	ea	2	\$1,484.00	60	13	\$2,968
16	Door, double metal door, flush (6'2" x 6'8")	ea	1	\$2,600.00	25	8	\$2,600
Replacement Costs - Page Subtotal							\$1,697,382

COMMENTS
<ul style="list-style-type: none"> [11/24/2025] Per request, changed RELs for items 2-4 and 6-16. Item #1: Bulkhead, replace, ESP 4.1, vinyl sheet pile - 2 sections replaced in 2025, piling & bulkhead-vinyl sheets, 16' height, .30" thick. Item #2: Bulkhead, replace, ESP 4.1, vinyl sheet pile - The 3rd section is anticipated for replacement in 2026. Item #3: Bulkhead, replace, ESP 4.1, vinyl sheet pile - The fifth section is anticipated for replacement in 2028. Item #4: Bulkhead, replace, ESP 4.1, vinyl sheet pile - The fourth section is anticipated for replacement in 2027. Item #5: Piling, dock/pier (12" diameter) 10' on center - Dock/pier. Item #6: Dock/pier structure, PTL - Docks and finger piers. Item #10: Pier, water service, PVC piping (allowance) - Along the bulkhead and piers. Item #14: Electric, panel and breakers, 200 amp 120/240 volt - Located in the shore building.

VALUATION EXCLUSIONS							
Excluded Items							
ITEM #	ITEM DESCRIPTION	UNIT	NUMBER OF UNITS	UNIT REPLACEMENT COST (\$)	NEL	REL	REPLACEMENT COST (\$)
	Utility shed shingle roof						EXCLUDED
	Utility shed exterior cladding						EXCLUDED
	Miscellaneous signage						EXCLUDED
	Walkway & border						EXCLUDED
	Fire extinguisher cabinet						EXCLUDED

VALUATION EXCLUSIONS
Comments
<ul style="list-style-type: none"> Valuation Exclusions. For ease of administration of the Replacement Reserves and to reflect accurately how Replacement Reserves are administered, items with a dollar value less than \$1000 have not been scheduled for funding from Replacement Reserve. Examples of items excluded by Replacement Reserves by this standard are listed above. The list above exemplifies exclusions by the cited standard(s) and is not intended to be comprehensive.

UNIT IMPROVEMENTS EXCLUSIONS							
Excluded Items							
ITEM #	ITEM DESCRIPTION	UNIT	NUMBER OF UNITS	UNIT REPLACEMENT COST (\$)	NEL	REL	REPLACEMENT COST (\$)
	Domestic water pipes serving one unit						EXCLUDED
	Sanitary sewers serving one unit						EXCLUDED
	Electrical wiring serving one unit						EXCLUDED
	Cable TV service serving one unit						EXCLUDED
	Telephone service serving one unit						EXCLUDED
	Gas service serving one unit						EXCLUDED
	Sidewalk on an individual lot						EXCLUDED
	Stairs on an individual lot						EXCLUDED
	Curb and gutter on an individual lot						EXCLUDED
	Retaining wall on an individual lot						EXCLUDED
	Fence on an individual lot						EXCLUDED
	Lift on docks						EXCLUDED
	Unit exterior						EXCLUDED

UNIT IMPROVEMENTS EXCLUSIONS
Comments

- Unit improvement Exclusions. We understand that the elements of the project that relate to a single unit are the responsibility of that unit owner. Examples of items excluded from funding by Replacement Reserves by this standard are listed above.
- The list above exemplifies exclusions by the cited standard(s) and is not intended to be comprehensive.

UTILITY EXCLUSIONS							
Excluded Items							
ITEM #	ITEM DESCRIPTION	UNIT	NUMBER OF UNITS	REPLACEMENT COST (\$)	UNIT REL	REL	REPLACEMENT COST (\$)
	Primary electric feeds						EXCLUDED
	Electric transformers						EXCLUDED
	Site lighting						EXCLUDED

UTILITY EXCLUSIONS
Comments

- Utility Exclusions. Many improvements owned by utility companies are on property owned by the Association. We have assumed that repair, maintenance, and replacements of these components will be done at the expense of the appropriate utility company. Examples of items excluded from funding Replacement Reserves by this standard are listed above.
- The list above exemplifies exclusions by the cited standard(s) and is not intended to be comprehensive.

MAINTENANCE AND REPAIR EXCLUSIONS							
Excluded Items							
ITEM #	ITEM DESCRIPTION	UNIT	NUMBER OF UNITS	REPLACEMENT COST (\$)	UNIT REL	REL	REPLACEMENT COST (\$)
	Repair services						EXCLUDED
	Partial replacements						EXCLUDED

MAINTENANCE AND REPAIR EXCLUSIONS
 Comments

- Maintenance activities, one-time-only repairs, and capital improvements. These activities are NOT appropriately funded from Replacement Reserves. The inclusion of such component in the Replacement Reserve Inventory could jeopardize the special tax status of ALL Replacement Reserves, exposing the Association to significant tax liabilities. We recommend that the Board of Directors discuss these exclusions and Revenue Ruling 75-370 with a Certified Public Accountant.
- Examples of items excluded from funding by Replacement Reserves are listed above. The list above exemplifies exclusions by the cited standard(s) and is not intended to be comprehensive.

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SECTION C - CALENDAR OF PROJECTED ANNUAL REPLACEMENTS

GENERAL STATEMENT. The 16 Projected Replacements in the Queens Landing Community Marina Replacement Reserve Inventory whose replacement is scheduled to be funded from Replacement Reserves are broken down on a year-by-year basis, beginning on Page C.2.

REPLACEMENT RESERVE ANALYSIS AND INVENTORY POLICIES, PROCEDURES, AND ADMINISTRATION

- **REVISIONS.** Revisions will be made to the Replacement Reserve Analysis and Replacement Reserve Inventory in accordance with the written instructions of the Board of Directors. No additional charge is incurred for the first revision, if requested in writing within three months of the date of the Replacement Reserve Study. It is our policy to provide revisions in electronic (Adobe PDF) format only.
- **TAX CODE.** The United States Tax Code grants favorable tax status to a common interest development (CID) meeting certain guidelines for their Replacement Reserve. If a CID files their taxes as a 'Corporation' on Form 1120 (IRC Section 277), these guidelines typically require maintenance activities, partial replacements, minor replacements, capital improvements, and one-time only replacements to be excluded from Reserves. A CID cannot co-mingle planning for maintenance activities with capital replacement activities in the Reserves (Revenue Ruling 75-370). Funds for maintenance activities and capital replacement activities must be held in separate accounts. If a CID files taxes as an "Exempt Homeowners Association" using Form 1120H (IRC Section 528), the CID does not have to segregate these activities. However, because the CID may elect to change their method of filing from year to year within the Study Period, we advise using the more restrictive approach. We further recommend that the CID consult with their Accountant and consider creating separate and independent accounts and reserves for large maintenance items, such as painting.
- **CONFLICT OF INTEREST.** Neither Miller - Dodson Associates nor the Reserve Analyst has any prior or existing relationship with this Marina which would represent a real or perceived conflict of interest.
- **RELIANCE ON DATA PROVIDED BY THE CLIENT.** Information provided by an official representative of the Marina regarding financial, physical conditions, quality, or historical issues is deemed reliable.
- **INTENT.** This Replacement Reserve Study is a reflection of the information provided by the Marina and the visual evaluations of the Analyst. It has been prepared for the sole use of the Marina and is not for the purpose of performing an audit, quality/forensic analyses, or background checks of historical records.
- **PREVIOUS REPLACEMENTS.** Information provided to Miller - Dodson Associates regarding prior replacements is considered to be accurate and reliable. Our visual evaluation is not a project audit or quality inspection.
- **EXPERIENCE WITH FUTURE REPLACEMENTS.** The Calendar of Annual Projected Replacements, lists replacements we have projected to occur over the Study Period, and begins on Page C2. Actual experience in replacing the items may differ significantly from the cost estimates and time frames shown because of conditions beyond our control. These differences may be caused by maintenance practices, inflation, variations in pricing and market conditions, future technological developments, regulatory actions, acts of God, and luck. Some items may function normally during our visual evaluation and then fail without notice.

PROJECTED REPLACEMENTS

Item	2026 - Study Year	\$	Item	2027 - YEAR 1	\$
1	Bulkhead, replace, ESP 4.1, vinyl sheet pile	\$119,384	2	Bulkhead, replace, ESP 4.1, vinyl sheet pile	\$202,800
Total Scheduled Replacements		\$119,384	Total Scheduled Replacements		\$202,800

Item	2028 - YEAR 2	\$	Item	2029 - YEAR 3	\$
3	Bulkhead, replace, ESP 4.1, vinyl sheet pile	\$218,400	4	Bulkhead, replace, ESP 4.1, vinyl sheet pile	\$234,000
Total Scheduled Replacements		\$218,400	Total Scheduled Replacements		\$234,000

Item	2030 - YEAR 4	\$	Item	2031 - YEAR 5	\$
No Scheduled Replacements			No Scheduled Replacements		

Item	2032 - YEAR 6	\$	Item	2033 - YEAR 7	\$
No Scheduled Replacements			No Scheduled Replacements		

PROJECTED REPLACEMENTS

Item	2034 - YEAR 8	\$	Item	2035 - YEAR 9	\$
16	Door, double metal door, flush (6'2" x 6'8")	\$2,600			
Total Scheduled Replacements			No Scheduled Replacements		

Item	2036 - YEAR 10	\$	Item	2037 - YEAR 11	\$
No Scheduled Replacements			No Scheduled Replacements		

Item	2038 - YEAR 12	\$	Item	2039 - YEAR 13	\$
No Scheduled Replacements			5	Piling, dock/pier (12" diameter) 10' on center	\$263,440
			6	Dock/pier structure, PTL	\$130,126
			7	Dock/pier decking, composite	\$96,545
			8	Mooring pilings, 12" diameter, 30' length	\$233,600
			9	Pier, electrical, water & lighting pedestals	\$51,150
			10	Pier, water service, PVC piping (allowance)	\$70,490
			11	Pier, fire system (standpipes allowance)	\$15,900
			12	Electric, pier wiring (allowance)	\$21,000
			13	Electrical panels at piers/docks	\$16,960
			14	Electric, panel and breakers, 200 amp 120/240 volt	\$18,020
			15	Electric, safety switches, 100 amp	\$2,968
No Scheduled Replacements			Total Scheduled Replacements		
					\$920,198

Item	2040 - YEAR 14	\$	Item	2041 - YEAR 15	\$
No Scheduled Replacements			No Scheduled Replacements		

PROJECTED REPLACEMENTS

2042 - YEAR 16			2043 - YEAR 17		
Item		\$	Item		\$
No Scheduled Replacements			No Scheduled Replacements		
2044 - YEAR 18			2045 - YEAR 19		
Item		\$	Item		\$
No Scheduled Replacements			No Scheduled Replacements		
2046 - YEAR 20			2047 - YEAR 21		
Item		\$	Item		\$
No Scheduled Replacements			No Scheduled Replacements		
2048 - YEAR 22			2049 - YEAR 23		
Item		\$	Item		\$
No Scheduled Replacements			No Scheduled Replacements		

PROJECTED REPLACEMENTS

2050 - YEAR 24			2051 - YEAR 25		
Item		\$	Item		\$
No Scheduled Replacements			No Scheduled Replacements		
2052 - YEAR 26			2053 - YEAR 27		
No Scheduled Replacements			No Scheduled Replacements		
2054 - YEAR 28			2055 - YEAR 29		
9	Pier, electrical, water & lighting pedestals	\$51,150	No Scheduled Replacements		
11	Pier, fire system (standpipes allowance)	\$15,900			
Total Scheduled Replacements		\$67,050	No Scheduled Replacements		
2056 - YEAR 30			2057 - YEAR 31		
No Scheduled Replacements			No Scheduled Replacements		

PROJECTED REPLACEMENTS

Item	2058 - YEAR 32	\$	Item	2059 - YEAR 33	\$
			16	Door, double metal door, flush (6'2" x 6'8")	\$2,600
No Scheduled Replacements			Total Scheduled Replacements		
			\$2,600		

Item	2060 - YEAR 34	\$
No Scheduled Replacements		

Item	2061 - YEAR 35	\$
No Scheduled Replacements		

Item	2062 - YEAR 36	\$
No Scheduled Replacements		

Item	2063 - YEAR 37	\$
No Scheduled Replacements		

Item	2064 - YEAR 38	\$
No Scheduled Replacements		

Item	2065 - YEAR 39	\$
No Scheduled Replacements		

SECTION D - CONDITION ASSESSMENT

General Comments. Miller+Dodson Associates conducted a Reserve Study at Queens Landing Community Marina in October 2025. Queens Landing Community Marina is in generally fair condition for a marina constructed in 1980. A review of the Replacement Reserve Inventory will show that we are anticipating most of the components achieving their normal economic lives.

The following comments pertain to the larger, more significant components in the Replacement Reserve Inventory and to those items that are unique or deserving of attention because of their condition or the manner in which they have been treated in the Replacement Reserve Analysis or Inventory.

IMPORTANT NOTE: This Condition Assessment is based upon visual and apparent conditions of the common elements of the community which were observed by the Reserve Analyst at the time of the site visit. This Condition Assessment does not constitute, nor is it a substitute for, a professional Structural Evaluation of the buildings, amenities, or systems. Miller Dodson strongly recommends that the Association retain the services of a Structural Engineer to conduct thorough and periodic evaluations of the buildings, balconies, and any other structural components of the buildings and amenities of the Association.

General Condition Statements.

Excellent. 100% to 90% of Normal Economic Life expected, with no appreciable wear or defects.

Good. 90% to 60% of Normal Economic Life expected, minor wear or cosmetic defects found. Normal maintenance should be expected. If performed properly, normal maintenance may increase the useful life of a component. Otherwise, the component is wearing normally.

Fair. 60% to 30% of Normal Economic Life expected, moderate wear with defects found. Repair actions should be taken to extend the life of the component or to correct repairable defects and distress. Otherwise, the component is wearing normally.

Marginal. 30% to 10% of Normal Economic Life expected, with moderate to significant wear or distress found. Repair actions are expected to be cost-effective for localized issues, but normal wear and use are evident. The component is reaching the end of the Normal Economic Life.

Poor. 10% to 0% of Normal Economic Life expected, with significant distress and wear. Left unattended, additional damage to underlying structures is likely to occur. Further maintenance is unlikely to be cost-effective.

(Continued on next page)

SITE ITEMS

Bulkhead. The community marina has approximately 1,660 feet of bulkhead that extends from the north at the channel to the southwestern property line. The bulkhead was installed in or around 1983. The original bulkhead was built with pressure-treated lumber walls and secured by pressure-treated lumber pilings. The bulkhead is being replaced.

Approximately 200 feet of bulkhead was replaced at the time of the site inspection in October. Another 200 feet will be replaced in 2025. The new bulkhead consists of 16' vinyl sheets supported by new pressure-treated lumber pilings, whaler board, and helical piling anchors.

Future funding for the replacement of the remaining 1,260 feet of bulkhead in three phases has been programmed in the analysis. These replacements have been programmed to occur in 2026, 2027, and 2028. This scheduling may change depending on the Association.



Wood Piers. The Association operates five wood piers. The piers are constructed from pressure-treated lumber supported by wood pilings. The piers are approximately 42 years old.

Future funding for the replacement of all piers' and docks' components in 2039 has been programmed in the analysis. The timing for the complete replacement of the marina components was determined by the Association. The piers are currently being repaired by community volunteers. These repairs include the replacement of structural bolts, damaged stringers, lateral support lumber, and decking boards.



Wood Pier Decking. The wood decking on the piers, finger piers, and wood walk is exposed to harsh sun and weather extremes. Wood decking typically requires replacement before the heavier members of the underlying structure. This decking will also be removed and replaced when the underlying structure is replaced. The current analysis has included funding for the installation of composite decking with new piers. The cost of composite decking is approximately 10-15% higher than pressure-treated lumber, but it has a significantly higher service life.

The wood pier decking appears in poor to fair condition.



Pier Structure. The structure consists of pressure-treated woodpiles on 10-foot centers with stringers spanning the distance between piles. We have assumed that all pilings will be replaced when the pier structure requires replacement. The pier structure appears in fair condition with damaged areas.



Freestanding Pilings. Freestanding pilings are those pilings that are installed at the outside limit of each slip. These pilings provide mooring points to secure the stern of the boat within the slip. The freestanding pilings appear in fair condition.



Pier Utility Systems. The pier includes lighting, electrical outlets, and water supply systems. We have assumed that the utility systems will be removed and replaced when the pier structure is replaced. We have also assumed that the systems will be replaced at the midpoint of the service life of the pier structure. Future funding for pedestal units with electrical outlets, water hose connections, and lights has been programmed in the analysis. The pier utility systems appear in poor to fair condition. The PVC piping supplying water to the slips is exposed to sunlight and has become brittle. It is recommended that all piers be inspected at least once each year to identify damage to pilings, structural members, surface boards, and railings.





Marina Electrical Service. The marina's electrical systems are assumed to be operating normally. There were no reported issues.

Electrical Switchgear. The marina electrical switch gear includes the facility's primary distribution equipment, disconnects, relays, fuses, and circuit breakers. These components are located inside a shed located between B and C docks. The electrical switchgear dates to the original construction of the marina. Electrical switchgear has a rated service life of 50 years or more.

In addition, there are circuit breaker panels at each of the five docks. It is assumed the panels and electrical wiring will be replaced with the dock/piers.





Utility Shed. The Association maintains a utility shed located between B and C docks. The shed is 5' x 10' with stucco EIFS-coated exterior and shingle roof. The siding and roof are in good condition and should be replaced and repaired in conjunction with the residential units.

The shed has a set of double metal doors that are in good condition. Future funding for replacement has been programmed in the analysis.



This Condition Assessment is based upon our visual survey of the property. The sole purpose of the visual survey was an evaluation of the common and limited common elements of the property to ascertain their remaining useful life and replacement cost. Our evaluation assumed that all components met building code requirements in force at the time of construction. Our visual survey was conducted with care by experienced persons, but no warranty or guarantee is expressed or implied.

End of Condition Assessment

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DISCLOSURES

1. General: Conflict of Interest

The reserve study provider, Capital Reserve Consultants, has no other involvement with the Association that could result in actual or perceived conflicts of interest. The provider is an independent consultant retained solely for the preparation of this reserve study.

2. Financial Analysis: Description of Assumptions

The funding plan uses the Threshold Cash Flow Method. The calculations assume a Minimum Balance of \$44,000 will always be held in reserve, which is calculated by rounding the 12-month 40-year average annual expenditure of \$44,176 as shown on Graph #2 (rounded from the 40-year average annual expenditure of \$44,176). Assumptions include: no adjustment for interest earned on reserves (estimated at 1.00% but not credited to reduce funding); inflation adjusted using the Producer Price Index (PPI) for construction at 6.00% for initial years; no taxes on reserve funds; and projected replacements totaling \$24,267,984 over the 40 -year study period (2026 – 2065). Current funding is based on unaudited balances provided by the association (\$89,802 starting balance and \$111,000 annual funding). These assumptions are subject to change based on actual economic conditions.

3. Physical Analysis: Description of On-Site Observations

This reserve study was performed as a Level II Update with Site Visit/On-Site Review. The on-site observations were a non-invasive assessment only and is not a project audit, quality inspection, or engineering analysis. The on-site observation was conducted on October 10, 2025 and included a visual assessment of accessible common areas. Component quantities were based on the prior reserve study, adjusted for changes noted during the site visit, field measurements where necessary, and information provided by the association's management. No representative sampling was used for inaccessible areas, and no intrusive or destructive testing was performed.

4. Recommended Subject Matter Experts

For issues outside the scope of this reserve study, such as detailed structural integrity evaluations, preventive maintenance plan development, or specialized inspections (e.g., for elevators, HVAC systems, or roofing), the association is recommended to consult qualified professionals, including structural engineers, licensed contractors, or certified inspectors. Specifically, per CAI standards and condominium safety guidelines, periodic structural inspections by a licensed structural engineer are advised every 5 years to assess building safety.

5. Personnel Credentials

This reserve study was prepared under the oversight who holds credentials as a Reserve Specialist (RS) designated by CAI. The provider complies with state licensing requirements where applicable and adheres to CAI's professional standards for reserve study preparation.

6. Update Reports: Reliance on Prior Reserve Studies

As a Level II Update, this study relies on the validity and accuracy of the prior reserve study. Component inventory, quantities, and historical data from the prior study were deemed reliable and were adjusted based on the current site visit and association-provided updates. Any inaccuracies in prior data could affect projections; the association confirms the prior study's reliability.

7. Completeness: Material Issues

No known material issues (e.g., pending litigation, environmental hazards, or undisclosed structural defects) were disclosed by the association that could distort the financial or physical situation. If such issues exist or arise, the study should be updated immediately.

8. Reliance on Client Data

Information provided by the official representative of the association regarding financial balances, maintenance records, physical conditions, component details, including quantities, and other issues is deemed reliable. This data was assembled for the association's use and not for performing an audit, quality/forensic analysis, or background checks of historical records.

9. Reserve Balance

The actual or projected reserve balance (\$89,802 at the start of fiscal year 2026) presented in this study is based upon unaudited information provided by the association and was not independently verified or audited.

10. Component Quantities

For Level II Updates with Site Visit, the association is considered to have deemed the component quantities from the prior reserve study as accurate and reliable. Adjustments were made based on the site visit, but no full independent quantity survey was performed.

11. Reserve Projects

Information provided about ongoing or planned reserve projects is considered reliable. The site visit and visual assessment should not be considered a project audit, quality inspection, or engineering analysis.

12. Periodic Building Inspections: Structural Integrity

Structural integrity evaluations are not included in this reserve study. Per CAI Condominium Safety Policy, the association is recommended to commission independent structural engineer inspections (estimated cost: \$5,000–\$20,000) to identify any corrective maintenance needs. If a report is available, it should be incorporated to adjust component lives and costs.

13. Maintenance

A. Preventive maintenance is a critical aspect affecting the community's life cycle costs and structural safety. It is encouraged that every association have a preventive maintenance plan prepared in conjunction with the reserve study. A formal Preventive Maintenance Manual was not provided at the time of this study, but one is recommended for enhanced longevity. Discussions with the board and management confirmed that a preventive maintenance schedule is in place and actively used for items like asphalt cleaning, crack repair, and seal coating, which has extended component lives as reflected in remaining economic life (REL) estimates. The preventive maintenance plan should incorporate all applicable common elements, not just those in the reserve study.

B. Any information provided by the client regarding ongoing maintenance or repair (e.g., recent replacements of trash compactors, gatehouse components, and kitchen renovations) has been included in the notes for those components.

C. The reserve study provider can only be aware of preventive maintenance plans or programs that have been disclosed by the client. Note that an audit or evaluation of any maintenance plans or contracts is outside the scope of this reserve study.

14. Dollar Value Below Which Projects Are Handled Through the Operational Budget

Projects with a replacement cost of less than \$1,000 are typically handled through the operational budget and excluded from reserves, per association policy. Exceptions may be made for projects falling below this threshold that materially extend the useful life or remaining useful life of a component.

15. Long-Life but Unfunded Components

Unless specifically noted, the components included in this study have an anticipated remaining useful life within 30 years from the time of the on-site observations. Long-life components (e.g., trash chutes, structural foundations, or plumbing systems lasting over 30 years) are identified in the inventory but not fully funded until their remaining useful life drops to 30 years. Partial funding for such items is recommended to avoid future underfunding.

16. Liability

The reserve study provider shall incur no civil liability for performing the physical or financial portions of this reserve study, as it was conducted in accordance with CAI National Reserve Study Standards.

17. Scope Limitation

Clear recommendations appear within this reserve study where the association has been advised to retain outside expertise (e.g., structural engineers for inspections, as noted in disclosures 3 and 12) to supplement the evaluation.

18. Independence

The reserve study provider for this project has no familial or marital relationship with the client, no ownership interest in the client, and no ongoing business relationship with the client beyond this reserve study.

19. Dates of On-Site (Field) Observations

Field observations for use in preparing this study were performed on October 10, 2025.

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1. Executive Summary and Scope

This Replacement Reserve Study is a long-term financial plan. It helps the Association set aside money for major repairs and replacements of shared property. By planning, the Association can protect property values and avoid sudden, large "special assessments" for owners.

Basis of the Study

- Visual Assessment: This is a non-invasive assessment only and is not a project audit, quality inspection, or engineering analysis.
- Data Sources: Calculations are based on information from the Board and Community Manager, including bank balances and past repair history.
- Professional Accuracy: We used building plans and on-site measurements to ensure all quantities are accurate.

2. Updated 2023 Compliance Standards

This report follows the 2023 CAI National Reserve Study Standards. These updated rules focus on community safety and long-term structural health.

Critical New Requirements

- Long-Life Components: Unlike older standards, we now include "long-lived" assets (like plumbing pipes or electrical systems) that last more than 30 years. Even if they don't need replacement soon, we must plan for their eventual cost so future owners aren't hit with a massive bill.
- Structural Inspections: For mid-rise and high-rise buildings, the 2023 standards require that periodic professional structural evaluations be included as a reserve expense.
- 30-Year Minimum Window: The financial plan must now cover a minimum of 30 years.
- Technology & Efficiency: When a component wears out, we no longer assume a "like-kind" replacement. We now account for modern, energy-efficient, or more durable alternatives that may save the Association money over time.

3. Financial Methodology

We use the Threshold Cash Flow Method (also called the "Pooling Method") to calculate your funding needs.
 The Threshold: We calculate the lowest amount of money your reserve account should ever hold (the "Minimum Balance") to act as a safety net for emergencies.
 Inflation Adjustments: To ensure your savings keep up with rising prices, we use the Producer Price Index (PPI) for Final Construction to adjust future costs.
 Interest & Growth: Our model assumes your annual reserve contributions will grow at the rate of inflation to maintain purchasing power.

4. Important Terms to Know

- Normal Economic Life (NEL): The average number of years a new item is expected to last.
- Remaining Economic Life (REL): The estimated years left before an item needs replacement, based on its current condition and local environment.
- Cyclic Replacement: Items replaced in stages over several years (like sections of a sidewalk) rather than all at once.
- Peak Year: The year when your reserve balance is projected to be at its lowest point due to major scheduled projects.
- Unit (of Measure). Non-standard abbreviations are defined on the page of the Replacement Reserve Inventory where the item appears. The following standard abbreviations are used in this report:

ea each	ls lump sum	sy square yard
ft or lf linear foot	pr pair	cy cubic yard
sf square foot		

Note: The first revision to this study is complimentary if requested in writing within three months of the study date. Subsequent revisions may involve additional fees.

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What is a Reserve Study?
Who are we?



<https://youtu.be/m4BcOE6q3Aw>

What kind of property uses a Reserve Study?
Who are our clients?



<https://youtu.be/40SodajTW1g>

Who conducts a Reserve Study?
Reserve Specialist (RS) what does this mean?



<https://youtu.be/pYSMZ013VjQ>

When should a Reserve Study be updated?
What are the different types of Reserve Studies?



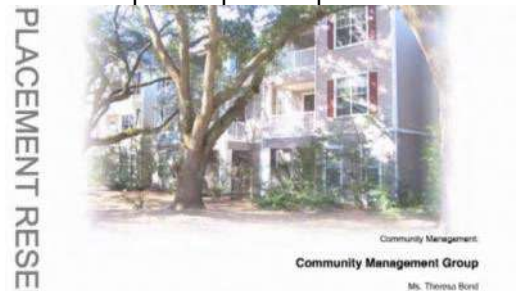
<https://youtu.be/Qx8WHB9Cgnc>

What's in a Reserve Study and what's out?
Improvement/Component, what's the difference?



<https://youtu.be/ZfBoAEhtf3E>

What is my role as a Community Manager?
Will the report help me explain Reserves?



<https://youtu.be/1J2h7FIU3qw>

What is my role as a community Board Member?
Will a Reserve Study meet my needs?



<https://youtu.be/aARD1B1Oa3o>

Community dues, how can a Reserve Study help?
Will a study keep my property competitive?



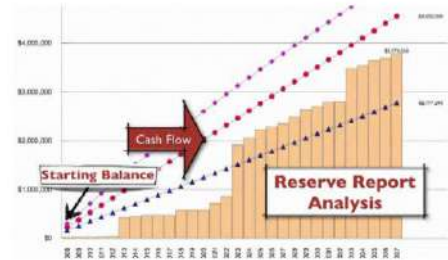
<https://youtu.be/diZfM1IyJYU>

How do I read the report?
Will I have a say in what the report contains?



<https://youtu.be/qCeVJhF9ag>

Where do the numbers come from?
Cumulative expenditures and funding, what?



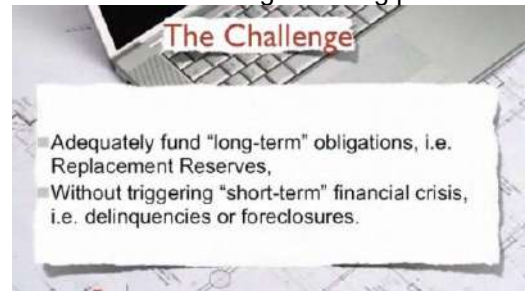
<https://youtu.be/SePdWVDvHWI>

How are interest and inflation addressed?
Inflation, what should we consider?



<https://youtu.be/W8CDLwRlv68>

A community needs more help, where do we go?
What is a strategic funding plan?



<https://youtu.be/hIxV9X1tlcA>