

# **RESERVE STUDY**

## **Kingston Plantation Master Association, Inc.**



**Myrtle Beach, South Carolina  
February 28, 2020**



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Kingston Plantation Master Association, Inc.  
Myrtle Beach, South Carolina

Dear Board of Directors of Kingston Plantation Master Association, Inc.:

At the direction of the Board that recognizes the need for proper reserve planning, we have conducted a *Reserve Study* of Kingston Plantation Master Association, Inc. in Myrtle Beach, South Carolina and submit our findings in this report. The effective date of this study is the date of our visual, noninvasive inspection, February 28, 2020.

This *Reserve Study* exceeds the Association of Professional Reserve Analysts (APRA) standards fulfilling the requirements of a “Level II 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. We recommend the Board budget for an Update to this Reserve Study in two- to three-years. We look forward to continuing to help Kingston Plantation Master 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 April 24, 2020 by

*Reserve Advisors, LLC*

Visual Inspection and Report by: Jeffrey B. Dow, RS<sup>1</sup>  
Review by: Alan M. Ebert, RS, PRA<sup>2</sup>, Director of Quality Assurance



<sup>1</sup> 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.

<sup>2</sup> 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>.



Long-term thinking. Everyday commitment.

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## 1. RESERVE STUDY EXECUTIVE SUMMARY

**Client:** Kingston Plantation Master Association, Inc. (Kingston Plantation)

**Location:** Myrtle Beach, South Carolina

**Reference:** 171942

**Property Basics:** Kingston Plantation Master Association, Inc. is a master association which is responsible for the common elements shared by 1,386 units. The community was built in 1985.

**Reserve Components Identified:** 95 Reserve Components.

**Inspection Date:** February 28, 2020. We conducted the original inspection on March 9, 2018.

**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 critical year in 2050 due to total replacement of the asphalt pavement.

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

- Current and future local costs of replacement
- 2.0% anticipated annual rate of return on invested reserves
- 2.0% 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.

**Cash Status of Reserve Fund:**

- \$2,192,000 projected by Management as of December 31, 2020
- 2020 budgeted Reserve Contributions of \$393,000

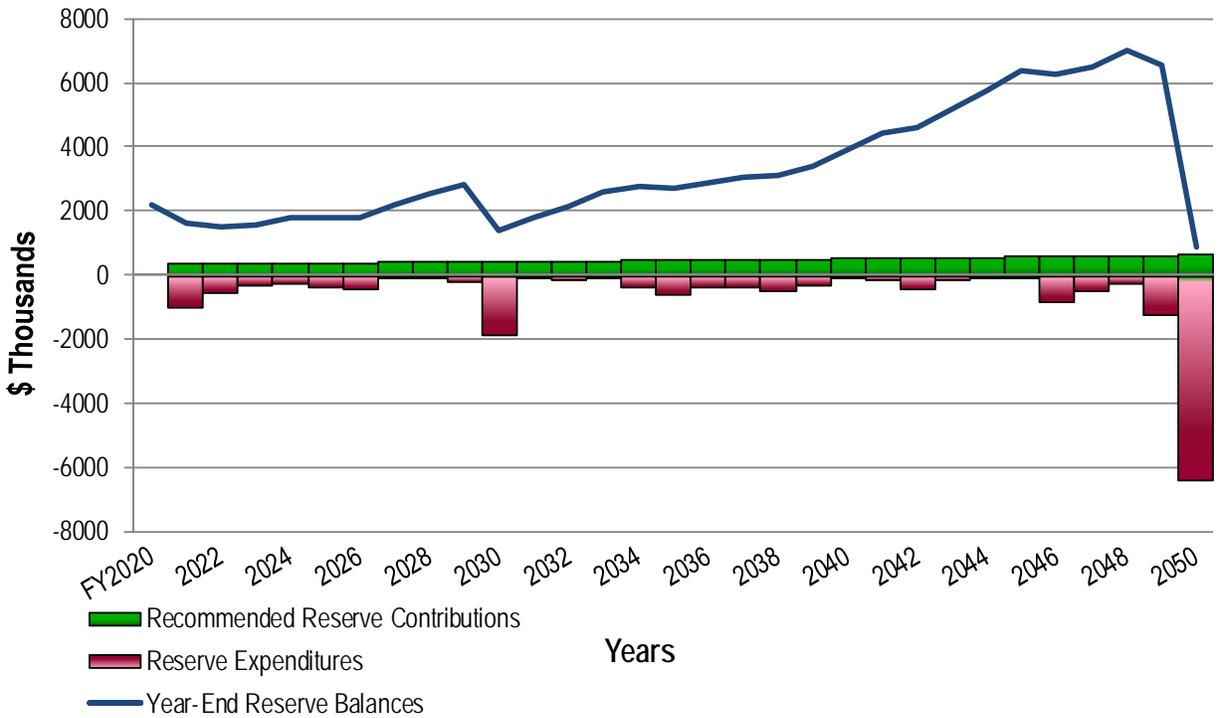
**Recommended Reserve Funding:** We recommend the following in order to achieve a stable and equitable Funding Plan:

- Stable contributions of \$393,000 from 2021 through 2025
- Inflationary increases from 2026 through 2050, the limit of this study's Cash Flow Analysis
- 2021 Reserve Contribution of \$393,000 is equivalent to an average monthly contribution of \$23.63 per homeowner.



### Kingston Plantation Recommended Reserve Funding Table and Graph

Year	Reserve Contributions (\$)	Reserve Balances (\$)	Year	Reserve Contributions (\$)	Reserve Balances (\$)	Year	Reserve Contributions (\$)	Reserve Balances (\$)
2021	393,000	1,605,862	2031	442,600	1,782,823	2041	539,700	4,400,319
2022	393,000	1,471,041	2032	451,500	2,157,745	2042	550,500	4,609,925
2023	393,000	1,582,216	2033	460,500	2,593,818	2043	561,500	5,151,701
2024	393,000	1,757,794	2034	469,700	2,751,941	2044	572,700	5,771,836
2025	393,000	1,813,523	2035	479,100	2,695,818	2045	584,200	6,383,785
2026	400,900	1,797,691	2036	488,700	2,867,299	2046	595,900	6,260,564
2027	408,900	2,170,932	2037	498,500	3,032,370	2047	607,800	6,484,504
2028	417,100	2,528,171	2038	508,500	3,127,395	2048	620,000	6,981,703
2029	425,400	2,824,115	2039	518,700	3,383,261	2049	632,400	6,540,574
2030	433,900	1,409,562	2040	529,100	3,928,190	2050	645,000	848,341





## 2. RESERVE STUDY REPORT

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

**Kingston Plantation Master Association, Inc.**

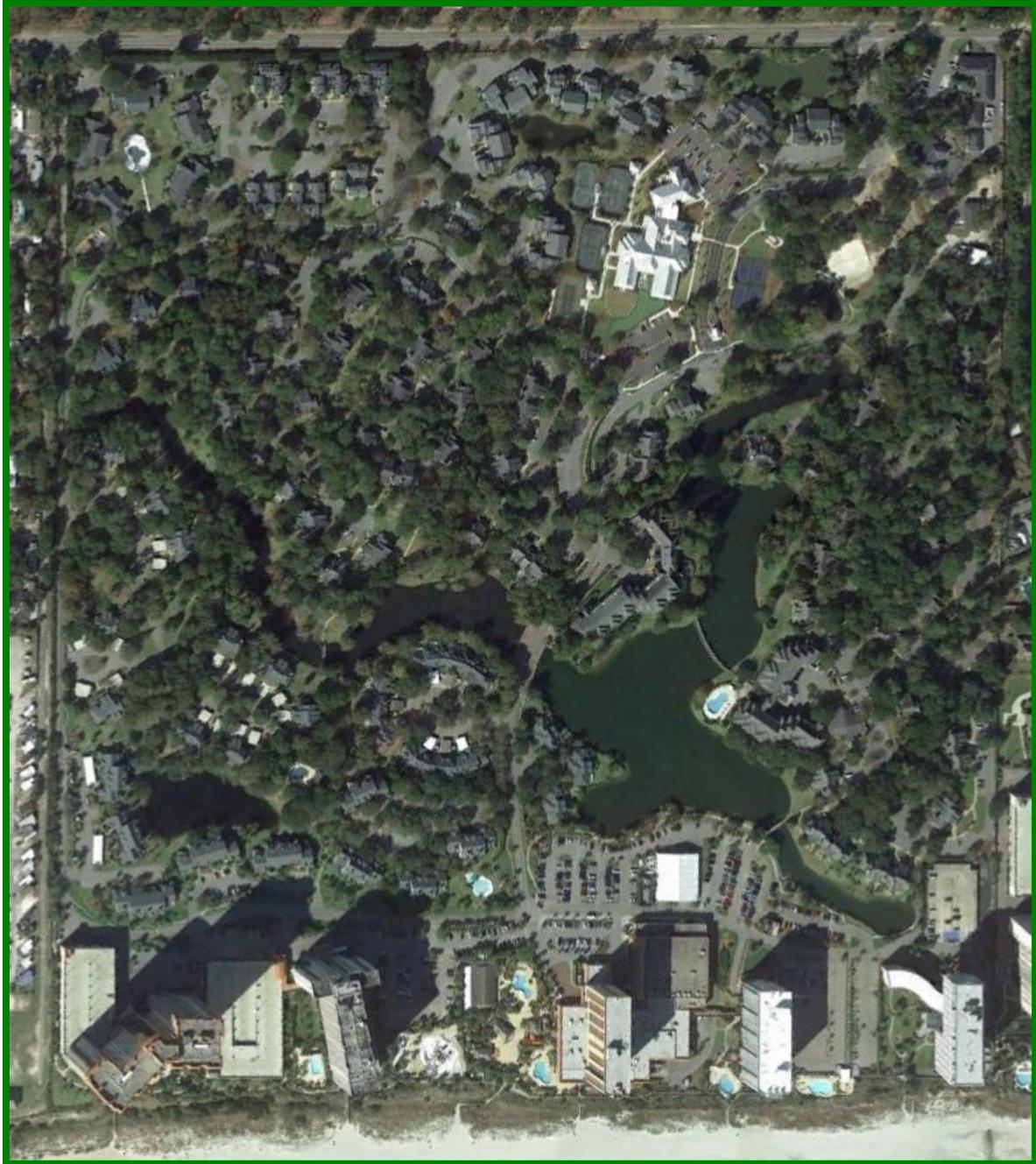
**Myrtle Beach, South Carolina**

and submit our findings in this report. The effective date of this study is the date of our visual, noninvasive inspection, February 28, 2020. We conducted the original inspection on March 9, 2018.

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

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

## IDENTIFICATION OF PROPERTY



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

Our process of identification helps assure that future boards and the management team understand whether reserves, the operating budget or Homeowners 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. These classes of property include:

- Reserve Components
- Long-Lived Property Elements
- Operating Budget Funded Repairs and Replacements
- Property Maintained by Others

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

- Kingston Plantation responsibility
- Limited useful life expectancies
- Predictable remaining useful life expectancies
- Replacement cost above a minimum threshold

Long-Lived Property Elements may not have predictable Remaining Useful Lives or their replacement may occur beyond the 30-year scope of the 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. We identify the following Long-Lived Property Elements as excluded from reserve funding at this time.

- Electrical Systems, Common
- Foundations, Gate House, Meeting House and Pump Houses
- Pipes, Interior Building, Domestic Water, Sanitary Waste and Vent, Gate House (Constructed 2017)
- Pipes, Subsurface Utilities
- Structural Frames, Gate House, Meeting House and Pump Houses
- Walls, Fiber Cement Siding, Gate House (Constructed 2017)
- Windows and Doors, Gate House (Constructed 2017)

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. For purposes of calculating appropriate Reserve Contributions, we identify the following list of Operating Budget Funded Repairs and Replacements:

- General Maintenance to the Common Elements
- Expenditures less than \$5,000 (These relatively minor expenditures have a limited effect on the recommended Reserve Contributions.)
- Bus Shelters (Management informs us that there is no longer a bus route through the property and the shelters are no longer in use.)

- Doors, Metal, Laurel Court Meeting Building, Interim Replacements
- Fences, Wood, Gloucester on the Point, Paint Finish Applications
- Fences, Wood, Split-Rail
- Flagpoles
- Irrigation System (Per Management)
- Landscape (Includes Landscape Light Fixtures)
- Light Fixtures, Exterior, Laurel Court Meeting Building and Pool Houses
- Mail Stations, Interim Paint Finish Applications and Repairs
- Paint Finishes, Touch-Up
- Pipes, Interior Building, Domestic Water, Sanitary Waste and Vent, Meeting House
- Pool Houses, Interim Roof Replacements
- Pump Houses, Exterior Renovations
- Pumps Less Than Five-HP (horsepower)
- Signage, Street, Traffic and Miscellaneous
- Valves (We assume replacement as needed in lieu of an aggregate replacement of all valves as a single event.)
- Water Heaters, Common
- Other Repairs normally funded through the Operating Budget

Certain items have been designated as the responsibility of others to repair or replace. Property Maintained by Others relates to:

- Asphalt Pavement, Parking Areas at Embassy Suites, Conference Center and Splash Park (Developer)
- Asphalt Pavement, Queensway Boulevard from Wetherby Way to Plantation Lakes Drive (Developer)
- Fence, Wood, South Perimeter (Developer)
- Gate Elements, South Entrance (Developer)
- Intercom Panel (Developer)
- Lift Station (Municipality)
- Light Poles and Fixtures with Serial Numbers (Santee Cooper)
- Parking Garages, Margate (Developer)
- Ponds, Maintenance and Sediment Removal (Developer)
- Pump House #5 (Developer)
- Residence Buildings and Townhomes (Separate Associations)
- The Landing Sport and Health Center and Associated Elements (Including Sport Courts) (Developer)
- Vehicles, Maintenance Carts (Leased)

### 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
- 2020 local cost of replacement
  - Per unit
  - Per phase
  - Replacement of total quantity
- Total future costs of replacement 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***.

## RESERVE EXPENDITURES

**Kingston Plantation  
Master Association, Inc.**  
Myrtle Beach, South Carolina

**Explanatory Notes:**

- 1) **2.0%** is the estimated Inflation Rate for estimating Future Replacement Costs.
- 2) FY2020 is Fiscal Year beginning January 1, 2020 and ending December 31, 2020.

Line Item	Total Quantity	Per Phase Quantity	Units	Reserve Component Inventory	Estimated 1st Year of Event	Life Analysis, Years		Costs, \$				RUL = 0 FY2020	1 2021	2 2022	3 2023	4 2024	5 2025	6 2026	7 2027	8 2028	9 2029	10 2030	11 2031	12 2032	13 2033	14 2034	15 2035		
						Useful	Remaining	Unit (2020)	Per Phase (2020)	Total (2020)	30-Year Total (Inflated)																		
<b>Laurel Court Meeting Building Exterior Elements</b>																													
1.015	1	1	Allowance	Awning, Canvas	2032	5 to 10	12	3,900.00	3,900	3,900	17,154																	4,946	
1.020	1	1	Allowance	Awning, Canvas and Frame (Includes Light Fixtures)	2025	to 30	5	9,500.00	9,500	9,500	10,489						10,489												
1.151	1	1	Allowance	Fences, Trash Enclosure, Wood with Chain Link Gates	2021	15 to 20	1	5,800.00	5,800	5,800	15,622	5,916																	
1.261	1	1	Each	Pergola, Wood, Front Elevation	2025	25 to 30	5	12,600.00	12,600	12,600	13,911						13,911												
1.280	48	48	Squares	Roof, Asphalt Shingles (Includes Gutters and Downspouts)	2032	15 to 20	12	385.00	18,480	18,480	23,437																	23,437	
1.660	2,300	2,300	Square Feet	Walls and Trim, Paint Finishes	2024	6 to 8	4	3.05	7,015	7,015	39,127					7,593												8,897	
1.980	560	560	Square Feet	Windows and Doors, Wood Frames	2048	to 40	28	60.00	33,600	33,600	58,498																		
<b>Laurel Court Meeting Building Interior Elements</b>																													
2.061	1	1	Each	Air Handling Unit, Heating and Cooling Unit, Carrier, 7.5-ton, 2017	2037	15 to 20	17	12,500.00	12,500	12,500	17,503																		
2.062	1	1	Each	Air Handling Unit, Heating and Cooling Unit, ICP, 7.5-ton, 2014	2034	15 to 20	14	12,500.00	12,500	12,500	16,493																		16,493
2.071	1	1	Each	Air Handling and Condensing Units, Split System, 4-ton	2023	15 to 20	3	7,500.00	7,500	7,500	19,326				7,959														
2.200	280	280	Square Yards	Floor Coverings, Carpet (Includes Paint Finishes and Vinyl Tile)	2026	8 to 12	6	65.00	18,200	18,200	75,937																	20,496	
2.450	1	1	Allowance	Furnishings	2026	to 10	6	10,500.00	10,500	10,500	43,810																		11,825
2.560	1	1	Allowance	Light Fixtures	2046	to 30	26	13,300.00	13,300	13,300	22,256																		
2.900	2	2	Each	Rest Rooms, Renovation	2021	to 25	1	14,000.00	28,000	28,000	75,416	28,560																	
2.921	260	260	Square Feet	Room Divider, Acoustical	2026	to 35	6	40.00	10,400	10,400	11,712																	11,712	
2.980	2,350	2,350	Square Feet	Wall Coverings	2026	to 20	6	4.25	9,988	9,988	27,961																	11,248	
<b>Property Site Elements</b>																													
4.020	89,980	89,980	Square Yards	Asphalt Pavement, Crack Repair, Patch, Seal Coat and Striping	2022	3 to 5	2	2.15	193,457	193,457	1,573,518			201,273															255,262
4.040	89,980	89,980	Square Yards	Asphalt Pavement, Mill and Overlay	2030	15 to 20	10	15.10	1,358,698	1,358,698	1,656,245																		1,656,245
4.045	89,980	89,980	Square Yards	Asphalt Pavement, Total Replacement	2050	15 to 20	30	38.00	3,419,240	3,419,240	6,193,480																		
4.051	9,000	3,000	Square Feet	Boardwalks, Wood, Complete Replacement, Phased	2035	to 35	15 to 17	47.00	141,000	423,000	580,764																		189,767
4.052	9,000	9,000	Square Feet	Boardwalks, Wood, Decking, Railings and Light Fixtures, Phased (2021 and 2022 are Partial)	2021	15 to 20	1 to 3	22.00	198,000	198,000	170,000	85,000	85,000																
4.053	550	550	Square Feet	Boardwalk Beach Access, Wood, Brighton, Complete Replacement	2035	to 35	15	76.00	41,800	41,800	56,257																		56,257
4.054	550	550	Square Feet	Boardwalk Beach Access, Wood, Brighton, Decking, Railings and Light Fixtures	2021	15 to 20	1	28.75	15,813	15,813	16,129	16,129																	
4.055	340	340	Square Feet	Boardwalk Beach Access, Wood, Embassy Suites North, Complete Replacement	2035	to 35	15	66.50	22,610	22,610	30,430																		30,430
4.056	340	340	Square Feet	Boardwalk Beach Access, Wood, Embassy Suites North, Decking, Railings and Light Fixtures	2021	15 to 20	1	27.00	9,180	9,180	3,500	3,500																	
4.057	625	625	Square Feet	Boardwalk Beach Access, Wood, Embassy Suites South, Complete Replacement	2035	to 35	15	73.50	45,938	45,938	61,826																		61,826
4.058	625	625	Square Feet	Boardwalk Beach Access, Wood, Embassy Suites South, Decking, Railings and Light Fixtures	2021	15 to 20	1	29.25	18,281	18,281	9,500	9,500																	
4.059	725	725	Square Feet	Boardwalk Beach Access, Wood, Margate, Complete Replacement	2035	to 35	15	77.00	55,825	55,825	75,133																		75,133
4.060	725	725	Square Feet	Boardwalk Beach Access, Wood, Margate, Decking, Railings and Light Fixtures	2021	15 to 20	1	27.50	19,938	19,938	8,800	8,800																	
4.061	700	700	Square Feet	Boardwalk Beach Access, Wood, North Hampton, Complete Replacement	2035	to 35	15	76.00	53,200	53,200	71,600																		71,600
4.062	700	700	Square Feet	Boardwalk Beach Access, Wood, North Hampton, Decking, Railings and Light Fixtures	2021	15 to 20	1	25.50	17,850	17,850	18,207	18,207																	
4.063	275	275	Square Feet	Boardwalk Beach Access, Wood, South Hampton, Complete Replacement	2035	to 35	15	72.50	19,938	19,938	26,833																		26,833
4.064	275	275	Square Feet	Boardwalk Beach Access, Wood, South Hampton, Decking, Railings and Light Fixtures	2021	15 to 20	1	29.25	8,044	8,044	3,500	3,500																	
4.068	1	1	Allowance	Bridge, Concrete, South Hampton to Embassy Suites, Inspections and Capital Repairs	2047	to 30	27	48,500.00	48,500	48,500	82,784																		
4.071	540	540	Square Feet	Bridge, Wood, Laurel Court East, Complete Replacement	2021	to 35	1	51.00	27,540	27,540	28,091	28,091																	
4.072	540	540	Square Feet	Bridge, Wood, Laurel Court East, Decking and Railings	2038	15 to 20	18	19.75	10,665	10,665	15,232																		

## RESERVE EXPENDITURES

**Kingston Plantation  
Master Association, Inc.**  
Myrtle Beach, South Carolina

Line Item	Total Quantity	Per Phase Quantity	Units	Reserve Component Inventory	Estimated 1st Year of Event	Life Analysis, Years		Costs, \$				16 2036	17 2037	18 2038	19 2039	20 2040	21 2041	22 2042	23 2043	24 2044	25 2045	26 2046	27 2047	28 2048	29 2049	30 2050
						Useful	Remaining	Unit (2020)	Per Phase (2020)	Total (2020)	30-Year Total (Inflated)															
<b>Laurel Court Meeting Building Exterior Elements</b>																										
1.015	1	1	Allowance	Awning, Canvas	2032	5 to 10	12	3,900.00	3,900	3,900	17,154				5,682							6,526				
1.020	1	1	Allowance	Awning, Canvas and Frame (Includes Light Fixtures)	2025	to 30	5	9,500.00	9,500	9,500	10,489															
1.151	1	1	Allowance	Fences, Trash Enclosure, Wood with Chain Link Gates	2021	15 to 20	1	5,800.00	5,800	5,800	15,622											9,706				
1.261	1	1	Each	Pergola, Wood, Front Elevation	2025	25 to 30	5	12,600.00	12,600	12,600	13,911															
1.280	48	48	Squares	Roof, Asphalt Shingles (Includes Gutters and Downspouts)	2032	15 to 20	12	385.00	18,480	18,480	23,437															
1.660	2,300	2,300	Square Feet	Walls and Trim, Paint Finishes	2024	6 to 8	4	3.05	7,015	7,015	39,127				10,424								12,213			
1.980	560	560	Square Feet	Windows and Doors, Wood Frames	2048	to 40	28	60.00	33,600	33,600	58,498												58,498			
<b>Laurel Court Meeting Building Interior Elements</b>																										
2.061	1	1	Each	Air Handling Unit, Heating and Cooling Unit, Carrier, 7.5-ton, 2017	2037	15 to 20	17	12,500.00	12,500	12,500	17,503	17,503														
2.062	1	1	Each	Air Handling Unit, Heating and Cooling Unit, ICP, 7.5-ton, 2014	2034	15 to 20	14	12,500.00	12,500	12,500	16,493															
2.071	1	1	Each	Air Handling and Condensing Units, Split System, 4-ton	2023	15 to 20	3	7,500.00	7,500	7,500	19,326					11,367										
2.200	280	280	Square Yards	Floor Coverings, Carpet (Includes Paint Finishes and Vinyl Tile)	2026	8 to 12	6	65.00	18,200	18,200	75,937	24,985											30,456			
2.450	1	1	Allowance	Furnishings	2026	to 10	6	10,500.00	10,500	10,500	43,810	14,414											17,571			
2.560	1	1	Allowance	Light Fixtures	2046	to 30	26	13,300.00	13,300	13,300	22,256												22,256			
2.900	2	2	Each	Rest Rooms, Renovation	2021	to 25	1	14,000.00	28,000	28,000	75,416												46,856			
2.921	260	260	Square Feet	Room Divider, Acoustical	2026	to 35	6	40.00	10,400	10,400	11,712															
2.980	2,350	2,350	Square Feet	Wall Coverings	2026	to 20	6	4.25	9,988	9,988	27,961												16,713			
<b>Property Site Elements</b>																										
4.020	89,980	89,980	Square Yards	Asphalt Pavement, Crack Repair, Patch, Seal Coat and Striping	2022	3 to 5	2	2.15	193,457	193,457	1,573,518			276,304		299,081						323,734				
4.040	89,980	89,980	Square Yards	Asphalt Pavement, Mill and Overlay	2030	15 to 20	10	15.10	1,358,698	1,358,698	1,656,245															
4.045	89,980	89,980	Square Yards	Asphalt Pavement, Total Replacement	2050	15 to 20	30	38.00	3,419,240	3,419,240	6,193,480															6,193,480
4.051	9,000	3,000	Square Feet	Boardwalks, Wood, Complete Replacement, Phased	2035	to 35	15 to 17	47.00	141,000	423,000	580,764	193,563	197,434													
4.052	9,000	9,000	Square Feet	Boardwalks, Wood, Decking, Railings and Light Fixtures, Phased (2021 and 2022 are Partial)	2021	15 to 20	1 to 3	22.00	198,000	198,000	170,000															
4.053	550	550	Square Feet	Boardwalk Beach Access, Wood, Brighton, Complete Replacement	2035	to 35	15	76.00	41,800	41,800	56,257															
4.054	550	550	Square Feet	Boardwalk Beach Access, Wood, Brighton, Decking, Railings and Light Fixtures	2021	15 to 20	1	28.75	15,813	15,813	16,129															
4.055	340	340	Square Feet	Boardwalk Beach Access, Wood, Embassy Suites North, Complete Replacement	2035	to 35	15	66.50	22,610	22,610	30,430															
4.056	340	340	Square Feet	Boardwalk Beach Access, Wood, Embassy Suites North, Decking, Railings and Light Fixtures	2021	15 to 20	1	27.00	9,180	9,180	3,500															
4.057	625	625	Square Feet	Boardwalk Beach Access, Wood, Embassy Suites South, Complete Replacement	2035	to 35	15	73.50	45,938	45,938	61,826															
4.058	625	625	Square Feet	Boardwalk Beach Access, Wood, Embassy Suites South, Decking, Railings and Light Fixtures	2021	15 to 20	1	29.25	18,281	18,281	9,500															
4.059	725	725	Square Feet	Boardwalk Beach Access, Wood, Margate, Complete Replacement	2035	to 35	15	77.00	55,825	55,825	75,133															
4.060	725	725	Square Feet	Boardwalk Beach Access, Wood, Margate, Decking, Railings and Light Fixtures	2021	15 to 20	1	27.50	19,938	19,938	8,800															
4.061	700	700	Square Feet	Boardwalk Beach Access, Wood, North Hampton, Complete Replacement	2035	to 35	15	76.00	53,200	53,200	71,600															
4.062	700	700	Square Feet	Boardwalk Beach Access, Wood, North Hampton, Decking, Railings and Light Fixtures	2021	15 to 20	1	25.50	17,850	17,850	18,207															
4.063	275	275	Square Feet	Boardwalk Beach Access, Wood, South Hampton, Complete Replacement	2035	to 35	15	72.50	19,938	19,938	26,833															
4.064	275	275	Square Feet	Boardwalk Beach Access, Wood, South Hampton, Decking, Railings and Light Fixtures	2021	15 to 20	1	29.25	8,044	8,044	3,500															
4.068	1	1	Allowance	Bridge, Concrete, South Hampton to Embassy Suites, Inspections and Capital Repairs	2047	to 30	27	48,500.00	48,500	48,500	82,784												82,784			
4.071	540	540	Square Feet	Bridge, Wood, Laurel Court East, Complete Replacement	2021	to 35	1	51.00	27,540	27,540	28,091															
4.072	540	540	Square Feet	Bridge, Wood, Laurel Court East, Decking and Railings	2038	15 to 20	18	19.75	10,665	10,665	15,232			15,232												

## RESERVE EXPENDITURES

**Kingston Plantation  
Master Association, Inc.**  
Myrtle Beach, South Carolina

**Explanatory Notes:**

- 1) **2.0%** is the estimated Inflation Rate for estimating Future Replacement Costs.
- 2) FY2020 is Fiscal Year beginning January 1, 2020 and ending December 31, 2020.

Line Item	Total Quantity	Per Phase Quantity	Units	Reserve Component Inventory	Estimated 1st Year of Event	Life Analysis, Years		Costs, \$				RUL = 0 FY2020	1 2021	2 2022	3 2023	4 2024	5 2025	6 2026	7 2027	8 2028	9 2029	10 2030	11 2031	12 2032	13 2033	14 2034	15 2035		
						Useful	Remaining	Unit (2020)	Per Phase (2020)	Total (2020)	30-Year Total (Inflated)																		
4.073	2,275	2,275	Square Feet	Bridge, Wood, Laurel Court West, Complete Replacement	2030	to 35	10	59.00	134,225	134,225	163,620																	163,620	
4.074	2,275	2,275	Square Feet	Bridge, Wood, Laurel Court West, Decking, Railings and Light Fixtures	2047	15 to 20	27	20.25	46,069	46,069	78,634																		
4.075	1,250	1,250	Square Feet	Bridge, Wood, North Hampton, Complete Replacement	2021	to 35	1	40.00	50,000	50,000	51,000	51,000																	
4.076	1,250	1,250	Square Feet	Bridge, Wood, North Hampton, Decking, Railings and Light Fixtures	2038	15 to 20	18	16.25	20,313	20,313	29,011																		
4.078	1,725	1,725	Square Feet	Bridges, Wood, Plantation Lakes Drive, Decking and Railings	2034	15 to 20	14	22.75	39,244	39,244	51,781																51,781		
4.079	850	850	Square Feet	Bridges, Wood, Sidewalks, Complete Replacement	2021	to 35	1	42.00	35,700	35,700	36,414	36,414																	
4.080	850	850	Square Feet	Bridges, Wood, Sidewalks, Decking and Railings	2038	15 to 20	18	18.00	15,300	15,300	21,852																		
4.081	560	560	Square Feet	Bridge, Wood, St. James Park, Complete Replacement	2021	to 35	1	57.00	31,920	31,920	32,558	32,558																	
4.082	560	560	Square Feet	Bridge, Wood, St. James Park, Decking and Railings	2038	15 to 20	18	19.75	11,060	11,060	15,796																		
4.083	275	275	Square Feet	Bridge, Wood, West Hyde Park Mailbox Station, Complete Replacement	2021	to 35	1	50.00	13,750	13,750	14,025	14,025																	
4.084	275	275	Square Feet	Bridge, Wood, West Hyde Park Mailbox Station, Decking and Railings	2038	15 to 20	18	18.75	5,156	5,156	7,364																		
4.140	125,600	2,025	Square Feet	Concrete Sidewalks, Partial	2021	to 65	1 to 30+	10.00	20,250	1,256,000	837,933		20,655	21,068	21,489	21,919	22,358	22,805	23,261	23,726	24,201	24,685	25,178	25,682	26,196	26,719	27,254		
4.200	100	100	Linear Feet	Fence, Aluminum, Margate	2048	to 30	28	50.00	5,000	5,000	8,705																		
4.201	855	855	Linear Feet	Fence, Aluminum, West Perimeter, Installed 2013	2043	to 30	23	50.00	42,750	42,750	67,412																		
4.202	1,000	1,000	Linear Feet	Fence, Aluminum, West Perimeter, Installed 2019	2049	to 30	29	50.00	50,000	50,000	88,792																		
4.285	400	400	Linear Feet	Fences, Wood, Gloucester (Replacement with Aluminum)	2021	to 30	1	90.00	36,000	36,000	36,720	36,720																	
4.286	2,050	1,025	Linear Feet	Fence, Wood, North Perimeter, Phased	2021	to 15	1 to 2	50.00	51,250	102,500	247,712		52,275	53,320															
4.291	2,625	2,625	Square Feet	Fountain, Finish Applications and Concrete Repairs	2021	8 to 12	1	19.10	50,138	50,138	189,472		51,140														62,340		
4.310	2	2	Each	Gate Entry System, Barcode Readers	2028	to 10	8	8,000.00	16,000	16,000	69,455								18,747										
4.311	1	1	Allowance	Gate Entry System, Canterbury III	2033	to 15	13	5,000.00	5,000	5,000	15,173																6,468		
4.315	1	1	Allowance	Gate House, Complete Renovation	2047	to 30	27	25,000.00	25,000	25,000	42,672																		
4.316	1	1	Allowance	Gate House, Partial Renovation	2027	to 10	7	5,000.00	5,000	5,000	21,278								5,743										
4.320	6	6	Each	Gate Operators, Swing-Arms	2028	8 to 12	8	3,750.00	22,500	22,500	97,671																		
4.360	1	1	Each	Gazebo, Richmond Park, Renovations	2022	to 3	2	5,000.00	5,000	5,000	68,955			5,202			5,520									6,217		6,597	
4.371	230	230	Linear Feet	Guardrail, Wood, Plantation Lakes Drive	2030	to 30	10	33.00	7,590	7,590	9,252																9,252		
4.410	1	1	Allowance	Irrigation System, Pumps and Controls, Phased	2023	to 20	3 to 18	17,500.00	17,500	17,500	246,176								19,708										23,553
4.541	200	50	Each	Light Fixtures, Bollards, Phased	2021	to 25	1 to 4	500.00	25,000	100,000	105,101		25,500	26,010	26,530	27,061													
4.551	316	79	Each	Light Fixtures, Mushroom, Phased	2021	to 25	1 to 4	350.00	27,650	110,600	116,241		28,203	28,767	29,342	29,929													
4.560	214	71	Each	Light Poles and Fixtures, Phased	2021	to 30	1 to 5	2,750.00	196,158	588,500	624,819		200,081																
4.600	13	13	Each	Mail Station, Richmond Park, Mailbox Stations	2025	to 25	5	2,200.00	28,600	28,600	83,382																		
4.601	24	24	Each	Mail Station, West Hyde Park, Mailbox Stations	2025	to 25	5	2,225.00	53,400	53,400	155,685																		
4.605	1	1	Allowance	Mail Station, Richmond Park, Renovation	2042	to 25	22	9,500.00	9,500	9,500	14,687																		
4.606	1	1	Allowance	Mail Station, West Hyde Park, Renovation	2042	to 25	22	11,500.00	11,500	11,500	17,779																		
4.611	1	1	Allowance	Maintenance Building, Partial Renovation	2032	to 20	12	24,000.00	24,000	24,000	30,438																	30,438	
4.620	1,760	1,760	Square Feet	Pavers, Masonry	2037	15 to 20	17	16.50	29,040	29,040	40,663																		
4.700	8	4	Each	Ponds, Aerators, Bubblers, Phased	2021	10 to 15	1 to 8	2,500.00	10,000	20,000	68,594		10,200																13,459
4.701	2	1	Each	Ponds, Aerators, Fountains, Phased	2021	10 to 15	1 to 8	3,500.00	3,500	7,000	24,008		3,570																4,711
4.711	3,050	900	Square Feet	Ponds, Bulkheads, Timber, Remaining, Phased	2022	to 25	2 to 6	135.00	121,500	411,750	817,906																		
4.761	1	1	Allowance	Security System, Cameras	2027	to 10	7	10,000.00	10,000	10,000	42,558																		
4.800	1	1	Allowance	Signage, Monuments, Sub-Associations	2021	to 25	1	180,000.00	180,000	180,000	484,815		183,600																

## RESERVE EXPENDITURES

**Kingston Plantation  
Master Association, Inc.**  
Myrtle Beach, South Carolina

Line Item	Total Quantity	Per Phase Quantity	Units	Reserve Component Inventory	Estimated 1st Year of Event	Life Analysis, Years		Costs, \$				16 2036	17 2037	18 2038	19 2039	20 2040	21 2041	22 2042	23 2043	24 2044	25 2045	26 2046	27 2047	28 2048	29 2049	30 2050	
						Useful	Remaining	Unit (2020)	Per Phase (2020)	Total (2020)	30-Year Total (Inflated)																
4.073	2,275	2,275	Square Feet	Bridge, Wood, Laurel Court West, Complete Replacement	2030	to 35	10	59.00	134,225	134,225	163,620																
4.074	2,275	2,275	Square Feet	Bridge, Wood, Laurel Court West, Decking, Railings and Light Fixtures	2047	15 to 20	27	20.25	46,069	46,069	78,634												78,634				
4.075	1,250	1,250	Square Feet	Bridge, Wood, North Hampton, Complete Replacement	2021	to 35	1	40.00	50,000	50,000	51,000																
4.076	1,250	1,250	Square Feet	Bridge, Wood, North Hampton, Decking, Railings and Light Fixtures	2038	15 to 20	18	16.25	20,313	20,313	29,011			29,011													
4.078	1,725	1,725	Square Feet	Bridges, Wood, Plantation Lakes Drive, Decking and Railings	2034	15 to 20	14	22.75	39,244	39,244	51,781																
4.079	850	850	Square Feet	Bridges, Wood, Sidewalks, Complete Replacement	2021	to 35	1	42.00	35,700	35,700	36,414																
4.080	850	850	Square Feet	Bridges, Wood, Sidewalks, Decking and Railings	2038	15 to 20	18	18.00	15,300	15,300	21,852			21,852													
4.081	560	560	Square Feet	Bridge, Wood, St. James Park, Complete Replacement	2021	to 35	1	57.00	31,920	31,920	32,558																
4.082	560	560	Square Feet	Bridge, Wood, St. James Park, Decking and Railings	2038	15 to 20	18	19.75	11,060	11,060	15,796			15,796													
4.083	275	275	Square Feet	Bridge, Wood, West Hyde Park Mailbox Station, Complete Replacement	2021	to 35	1	50.00	13,750	13,750	14,025																
4.084	275	275	Square Feet	Bridge, Wood, West Hyde Park Mailbox Station, Decking and Railings	2038	15 to 20	18	18.75	5,156	5,156	7,364			7,364													
4.140	125,600	2,025	Square Feet	Concrete Sidewalks, Partial	2021	to 65	1 to 30+	10.00	20,250	1,256,000	837,933	27,799	28,355	28,922	29,500	30,090	30,692	31,306	31,932	32,571	33,222	33,887	34,564	35,256	35,961	36,680	
4.200	100	100	Linear Feet	Fence, Aluminum, Margate	2048	to 30	28	50.00	5,000	5,000	8,705													8,705			
4.201	855	855	Linear Feet	Fence, Aluminum, West Perimeter, Installed 2013	2043	to 30	23	50.00	42,750	42,750	67,412							67,412									
4.202	1,000	1,000	Linear Feet	Fence, Aluminum, West Perimeter, Installed 2019	2049	to 30	29	50.00	50,000	50,000	88,792															88,792	
4.285	400	400	Linear Feet	Fences, Wood, Gloucester (Replacement with Aluminum)	2021	to 30	1	90.00	36,000	36,000	36,720																
4.286	2,050	1,025	Linear Feet	Fence, Wood, North Perimeter, Phased	2021	to 15	1 to 2	50.00	51,250	102,500	247,712	70,355	71,762														
4.291	2,625	2,625	Square Feet	Fountain, Finish Applications and Concrete Repairs	2021	8 to 12	1	19.10	50,138	50,138	189,472					75,992											
4.310	2	2	Each	Gate Entry System, Barcode Readers	2028	to 10	8	8,000.00	16,000	16,000	69,455			22,852											27,856		
4.311	1	1	Allowance	Gate Entry System, Canterbury III	2033	to 15	13	5,000.00	5,000	5,000	15,173																
4.315	1	1	Allowance	Gate House, Complete Renovation	2047	to 30	27	25,000.00	25,000	25,000	42,672															42,672	
4.316	1	1	Allowance	Gate House, Partial Renovation	2027	to 10	7	5,000.00	5,000	5,000	21,278		7,001														
4.320	6	6	Each	Gate Operators, Swing-Arms	2028	8 to 12	8	3,750.00	22,500	22,500	97,671			32,136													
4.360	1	1	Each	Gazebo, Richmond Park, Renovations	2022	to 3	2	5,000.00	5,000	5,000	68,955		7,001		7,430			7,884			8,367					8,879	
4.371	230	230	Linear Feet	Guardrail, Wood, Plantation Lakes Drive	2030	to 30	10	33.00	7,590	7,590	9,252																
4.410	1	1	Allowance	Irrigation System, Pumps and Controls, Phased	2023	to 20	3 to 18	17,500.00	17,500	17,500	246,176			24,994		26,524			28,148			29,871				31,699	
4.541	200	50	Each	Light Fixtures, Bollards, Phased	2021	to 25	1 to 4	500.00	25,000	100,000	105,101																
4.551	316	79	Each	Light Fixtures, Mushroom, Phased	2021	to 25	1 to 4	350.00	27,650	110,600	116,241																
4.560	214	71	Each	Light Poles and Fixtures, Phased	2021	to 30	1 to 5	2,750.00	196,158	588,500	624,819																
4.600	13	13	Each	Mail Station, Richmond Park, Mailbox Stations	2025	to 25	5	2,200.00	28,600	28,600	83,382																51,805
4.601	24	24	Each	Mail Station, West Hyde Park, Mailbox Stations	2025	to 25	5	2,225.00	53,400	53,400	155,685																96,727
4.605	1	1	Allowance	Mail Station, Richmond Park, Renovation	2042	to 25	22	9,500.00	9,500	9,500	14,687							14,687									
4.606	1	1	Allowance	Mail Station, West Hyde Park, Renovation	2042	to 25	22	11,500.00	11,500	11,500	17,779							17,779									
4.611	1	1	Allowance	Maintenance Building, Partial Renovation	2032	to 20	12	24,000.00	24,000	24,000	30,438																
4.620	1,760	1,760	Square Feet	Pavers, Masonry	2037	15 to 20	17	16.50	29,040	29,040	40,663		40,663														
4.700	8	4	Each	Ponds, Aerators, Bubblers, Phased	2021	10 to 15	1 to 8	2,500.00	10,000	20,000	68,594						15,460									17,758	
4.701	2	1	Each	Ponds, Aerators, Fountains, Phased	2021	10 to 15	1 to 8	3,500.00	3,500	7,000	24,008						5,411									6,215	
4.711	3,050	900	Square Feet	Ponds, Bulkheads, Timber, Remaining, Phased	2022	to 25	2 to 6	135.00	121,500	411,750	817,906														207,387	215,765	
4.761	1	1	Allowance	Security System, Cameras	2027	to 10	7	10,000.00	10,000	10,000	42,558		14,002													17,069	
4.800	1	1	Allowance	Signage, Monuments, Sub-Associations	2021	to 25	1	180,000.00	180,000	180,000	484,815															301,215	

## RESERVE EXPENDITURES

**Kingston Plantation  
Master Association, Inc.**  
Myrtle Beach, South Carolina

**Explanatory Notes:**

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- 2) FY2020 is Fiscal Year beginning January 1, 2020 and ending December 31, 2020.

Line Item	Total Quantity	Per Phase Quantity	Units	Reserve Component Inventory	Estimated 1st Year of Event	Life Analysis, Years		Costs, \$				RUL = 0 FY2020	1 2021	2 2022	3 2023	4 2024	5 2025	6 2026	7 2027	8 2028	9 2029	10 2030	11 2031	12 2032	13 2033	14 2034	15 2035		
						Useful	Remaining	Unit (2020)	Per Phase (2020)	Total (2020)	30-Year Total (Inflated)																		
<b>Beach Pool Elements</b>																													
6.200	5,200	5,200	Square Feet	Concrete Deck, Waterproof Coating, Partial Replacements and Repairs	2029	8 to 12	9	4.40	22,880	22,880	60,676																	27,344	
6.500	1	1	Allowance	Furniture	2021	to 3	1	14,500.00	14,500	14,500	196,053	14,790			15,695			16,656			17,675							18,757	
6.600	5	1	Allowance	Mechanical Equipment, Both Pools, Phased (Includes Fountain Equipment)	2022	to 15	2 to 14	5,800.00	5,800	29,000	79,990		6,034		6,404			6,796			7,212							7,653	
6.601	1	1	Each	Mechanical Equipment, Enclosure	2022	to 25	2	5,000.00	5,000	5,000	13,736		5,202																
6.751	2	2	Each	Rest Rooms, Renovation (Includes Doors)	2039	to 20	19	10,700.00	21,400	21,400	31,176																		
6.761	775	775	Square Feet	Pool House, Roofs, Thermoplastic	2028	15 to 20	8	10.00	7,750	7,750	22,573							9,080											
6.771	4,600	4,600	Square Feet	Pool House, Walls, EIFS, Paint Finishes and Capital Repairs (Includes Stand-Alone Walls)	2029	8 to 10	9	4.10	18,860	18,860	83,506																	22,539	
6.800	1,600	1,600	Square Feet	Pool Finish, Plaster and Tile	2029	8 to 12	9	18.50	29,600	29,600	78,497																	35,375	
6.900	1,600	1,600	Square Feet	Structure and Deck, Total Replacement	2049	to 60	29	175.00	280,000	280,000	497,237																		
<b>St. James Pool Elements</b>																													
7.200	2,650	2,650	Square Feet	Concrete Deck, Waterproof Coating, Partial Replacements and Repairs	2029	8 to 12	9	5.50	14,575	14,575	38,651																	17,418	
7.300	1,770	1,770	Square Feet	Cover, Vinyl	2025	to 10	5	3.50	6,195	6,195	25,342				6,840														8,338
7.400	230	230	Linear Feet	Fence, Wood	2021	20 to 25	1	45.00	10,350	10,350	27,877	10,557																	
7.500	1	1	Allowance	Furniture	2021	to 3	1	15,500.00	15,500	15,500	209,575	15,810			16,778			17,805			18,894							20,051	
7.561	4	4	Each	Light Poles and Fixtures	2039	to 25	19	3,300.00	13,200	13,200	19,230																		
7.751	2	2	Each	Rest Rooms, Renovation (Includes Doors)	2039	to 25	19	10,500.00	21,000	21,000	30,593																		
7.761	9	9	Squares	Pool House, Roof, Asphalt Shingles	2021	15 to 20	1	400.00	3,600	3,600	9,128	3,672																	
7.771	1,600	1,600	Square Feet	Pool House, Walls, Wood Siding, Replacement (Replace with Fiber Cement)	2021	to 40	1	11.50	18,400	18,400	18,768	18,768																	
7.800	1,000	1,000	Square Feet	Pool Finish, Plaster and Tile	2029	8 to 12	9	29.00	29,000	29,000	76,906																	34,658	
7.900	1,000	1,000	Square Feet	Structure and Deck, Total Replacement	2049	to 60	29	165.00	165,000	165,000	293,014																		
<b>Anticipated Expenditures, By Year</b>											<b>\$18,159,118</b>	<b>0</b>	<b>1,016,741</b>	<b>558,285</b>	<b>312,055</b>	<b>250,491</b>	<b>372,631</b>	<b>452,487</b>	<b>74,952</b>	<b>106,387</b>	<b>182,449</b>	<b>1,890,371</b>	<b>100,947</b>	<b>115,594</b>	<b>71,472</b>	<b>364,505</b>	<b>589,161</b>		

## RESERVE EXPENDITURES

**Kingston Plantation  
Master Association, Inc.**  
Myrtle Beach, South Carolina

Line Item	Total Quantity	Per Phase Quantity	Units	Reserve Component Inventory	Estimated 1st Year of Event	Life Analysis, Years		Costs, \$				16 2036	17 2037	18 2038	19 2039	20 2040	21 2041	22 2042	23 2043	24 2044	25 2045	26 2046	27 2047	28 2048	29 2049	30 2050	
						Useful	Remaining	Unit (2020)	Per Phase (2020)	Total (2020)	30-Year Total (Inflated)																
<b>Beach Pool Elements</b>																											
6.200	5,200	5,200	Square Feet	Concrete Deck, Waterproof Coating, Partial Replacements and Repairs	2029	8 to 12	9	4.40	22,880	22,880	60,676																
6.500	1	1	Allowance	Furniture	2021	to 3	1	14,500.00	14,500	14,500	196,053	19,905			21,124		22,417				23,789			25,245			
6.600	5	1	Allowance	Mechanical Equipment, Both Pools, Phased (Includes Fountain Equipment)	2022	to 15	2 to 14	5,800.00	5,800	29,000	79,990	8,121			8,618		9,146				9,706			10,300			
6.601	1	1	Each	Mechanical Equipment, Enclosure	2022	to 25	2	5,000.00	5,000	5,000	13,736												8,534				
6.751	2	2	Each	Rest Rooms, Renovation (Includes Doors)	2039	to 20	19	10,700.00	21,400	21,400	31,176				31,176												
6.761	775	775	Square Feet	Pool House, Roofs, Thermoplastic	2028	15 to 20	8	10.00	7,750	7,750	22,573													13,493			
6.771	4,600	4,600	Square Feet	Pool House, Walls, EIFS, Paint Finishes and Capital Repairs (Includes Stand-Alone Walls)	2029	8 to 10	9	4.10	18,860	18,860	83,506				27,475										33,492		
6.800	1,600	1,600	Square Feet	Pool Finish, Plaster and Tile	2029	8 to 12	9	18.50	29,600	29,600	78,497				43,122												
6.900	1,600	1,600	Square Feet	Structure and Deck, Total Replacement	2049	to 60	29	175.00	280,000	280,000	497,237														497,237		
<b>St. James Pool Elements</b>																											
7.200	2,650	2,650	Square Feet	Concrete Deck, Waterproof Coating, Partial Replacements and Repairs	2029	8 to 12	9	5.50	14,575	14,575	38,651				21,233												
7.300	1,770	1,770	Square Feet	Cover, Vinyl	2025	to 10	5	3.50	6,195	6,195	25,342										10,164						
7.400	230	230	Linear Feet	Fence, Wood	2021	20 to 25	1	45.00	10,350	10,350	27,877													17,320			
7.500	1	1	Allowance	Furniture	2021	to 3	1	15,500.00	15,500	15,500	209,575	21,278			22,581		23,963				25,429			26,986			
7.561	4	4	Each	Light Poles and Fixtures	2039	to 25	19	3,300.00	13,200	13,200	19,230				19,230												
7.751	2	2	Each	Rest Rooms, Renovation (Includes Doors)	2039	to 25	19	10,500.00	21,000	21,000	30,593				30,593												
7.761	9	9	Squares	Pool House, Roof, Asphalt Shingles	2021	15 to 20	1	400.00	3,600	3,600	9,128				5,456												
7.771	1,600	1,600	Square Feet	Pool House, Walls, Wood Siding, Replacement (Replace with Fiber Cement)	2021	to 40	1	11.50	18,400	18,400	18,768																
7.800	1,000	1,000	Square Feet	Pool Finish, Plaster and Tile	2029	8 to 12	9	29.00	29,000	29,000	76,906				42,248												
7.900	1,000	1,000	Square Feet	Structure and Deck, Total Replacement	2049	to 60	29	165.00	165,000	165,000	293,014														293,014		
<b>Anticipated Expenditures, By Year</b>											<b>\$18,159,118</b>	372,299	391,842	474,463	327,296	56,562	150,031	430,104	116,374	60,719	92,604	844,313	510,049	256,130	1,207,413	6,410,391	

## RESERVE FUNDING PLAN

### CASH FLOW ANALYSIS

Kingston Plantation

Master Association, Inc.

Myrtle Beach, South Carolina

Individual Reserve Budgets & Cash Flows for the Next 30 Years

	FY2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
<b>Reserves at Beginning of Year (Note 1)</b>	N/A	2,192,000	1,605,862	1,471,041	1,582,216	1,757,794	1,813,523	1,797,691	2,170,932	2,528,171	2,824,115	1,409,562	1,782,823	2,157,745	2,593,818	2,751,941
<b>Total Recommended Reserve Contributions (Note 2)</b>	N/A	393,000	393,000	393,000	393,000	393,000	400,900	408,900	417,100	425,400	433,900	442,600	451,500	460,500	469,700	479,100
Plus <b>Estimated Interest Earned, During Year (Note 3)</b>	N/A	37,603	30,464	30,230	33,069	35,360	35,755	39,293	46,526	52,993	41,918	31,608	39,016	47,045	52,928	53,938
Less <b>Anticipated Expenditures, By Year</b>	N/A	(1,016,741)	(558,285)	(312,055)	(250,491)	(372,631)	(452,487)	(74,952)	(106,387)	(182,449)	(1,890,371)	(100,947)	(115,594)	(71,472)	(364,505)	(589,161)
<b>Anticipated Reserves at Year End</b>	<u>\$2,192,000</u>	<u>\$1,605,862</u>	<u>\$1,471,041</u>	<u>\$1,582,216</u>	<u>\$1,757,794</u>	<u>\$1,813,523</u>	<u>\$1,797,691</u>	<u>\$2,170,932</u>	<u>\$2,528,171</u>	<u>\$2,824,115</u>	<u>\$1,409,562</u>	<u>\$1,782,823</u>	<u>\$2,157,745</u>	<u>\$2,593,818</u>	<u>\$2,751,941</u>	<u>\$2,695,818</u>

(continued)

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

	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050
<b>Reserves at Beginning of Year</b>	2,695,818	2,867,299	3,032,370	3,127,395	3,383,261	3,928,190	4,400,319	4,609,925	5,151,701	5,771,836	6,383,785	6,260,564	6,484,504	6,981,703	6,540,574
<b>Total Recommended Reserve Contributions</b>	488,700	498,500	508,500	518,700	529,100	539,700	550,500	561,500	572,700	584,200	595,900	607,800	620,000	632,400	645,000
Plus <b>Estimated Interest Earned, During Year</b>	55,080	58,413	60,988	64,462	72,391	82,460	89,210	96,650	108,154	120,353	125,192	126,189	133,329	133,884	73,158
Less <b>Anticipated Expenditures, By Year</b>	(372,299)	(391,842)	(474,463)	(327,296)	(56,562)	(150,031)	(430,104)	(116,374)	(60,719)	(92,604)	(844,313)	(510,049)	(256,130)	(1,207,413)	(6,410,391)
<b>Anticipated Reserves at Year End</b>	<u>\$2,867,299</u>	<u>\$3,032,370</u>	<u>\$3,127,395</u>	<u>\$3,383,261</u>	<u>\$3,928,190</u>	<u>\$4,400,319</u>	<u>\$4,609,925</u>	<u>\$5,151,701</u>	<u>\$5,771,836</u>	<u>\$6,383,785</u>	<u>\$6,260,564</u>	<u>\$6,484,504</u>	<u>\$6,981,703</u>	<u>\$6,540,574</u>	<u>\$848,341</u>

(NOTES 4&5)

**Explanatory Notes:**

- 1) Year 2020 ending reserves are projected by Management as of December 31, 2020; FY2020 starts January 1, 2020 and ends December 31, 2020.
- 2) 2021 is the first year of recommended contributions.
- 3) 2.0% is the estimated annual rate of return on invested reserves
- 4) Accumulated year 2050 ending reserves consider the age, size, overall condition and complexity of the property.
- 5) Threshold Funding Year (reserve balance at critical point).

**FIVE-YEAR OUTLOOK**

**Kingston Plantation  
Master Association, Inc.**  
Myrtle Beach, South Carolina

---

Line Item	Reserve Component Inventory	RUL = 0 FY2020	1 2021	2 2022	3 2023	4 2024	5 2025
<b><u>Laurel Court Meeting Building Exterior Elements</u></b>							
1.020	Awning, Canvas and Frame (Includes Light Fixtures)						10,489
1.151	Fences, Trash Enclosure, Wood with Chain Link Gates		5,916				
1.261	Pergola, Wood, Front Elevation						13,911
1.660	Walls and Trim, Paint Finishes					7,593	
<b><u>Laurel Court Meeting Building Interior Elements</u></b>							
2.071	Air Handling and Condensing Units, Split System, 4-ton				7,959		
2.900	Rest Rooms, Renovation		28,560				
<b><u>Property Site Elements</u></b>							
4.020	Asphalt Pavement, Crack Repair, Patch, Seal Coat and Striping			201,273			
4.052	Boardwalks, Wood, Decking, Railings and Light Fixtures, Phased (2021 and 2022 are Partial)		85,000	85,000			
4.054	Boardwalk Beach Access, Wood, Brighton, Decking, Railings and Light Fixtures		16,129				
4.056	Boardwalk Beach Access, Wood, Embassy Suites North, Decking, Railings and Light Fixtures		3,500				
4.058	Boardwalk Beach Access, Wood, Embassy Suites South, Decking, Railings and Light Fixtures		9,500				
4.060	Boardwalk Beach Access, Wood, Margate, Decking, Railings and Light Fixtures		8,800				
4.062	Boardwalk Beach Access, Wood, North Hampton, Decking, Railings and Light Fixtures		18,207				
4.064	Boardwalk Beach Access, Wood, South Hampton, Decking, Railings and Light Fixtures		3,500				
4.071	Bridge, Wood, Laurel Court East, Complete Replacement		28,091				
4.075	Bridge, Wood, North Hampton, Complete Replacement		51,000				
4.079	Bridges, Wood, Sidewalks, Complete Replacement		36,414				
4.081	Bridge, Wood, St. James Park, Complete Replacement		32,558				
4.083	Bridge, Wood, West Hyde Park Mailbox Station, Complete Replacement		14,025				
4.140	Concrete Sidewalks, Partial		20,655	21,068	21,489	21,919	22,358
4.285	Fences, Wood, Gloucester (Replacement with Aluminum)		36,720				
4.286	Fence, Wood, North Perimeter, Phased		52,275	53,320			
4.291	Fountain, Finish Applications and Concrete Repairs		51,140				
4.360	Gazebo, Richmond Park, Renovations			5,202			5,520
4.410	Irrigation System, Pumps and Controls, Phased				18,571		
4.541	Light Fixtures, Bollards, Phased		25,500	26,010	26,530	27,061	
4.551	Light Fixtures, Mushroom, Phased		28,203	28,767	29,342	29,929	

**FIVE-YEAR OUTLOOK**

**Kingston Plantation  
Master Association, Inc.  
Myrtle Beach, South Carolina**

---

Line Item	Reserve Component Inventory	RUL = 0 FY2020	1 2021	2 2022	3 2023	4 2024	5 2025
4.560	Light Poles and Fixtures, Phased		200,081		208,164		216,574
4.600	Mail Station, Richmond Park, Mailbox Stations						31,577
4.601	Mail Station, West Hyde Park, Mailbox Stations						58,958
4.700	Ponds, Aerators, Bubblers, Phased		10,200				
4.701	Ponds, Aerators, Fountains, Phased		3,570				
4.711	Ponds, Bulkheads, Timber, Remaining, Phased			126,409		131,516	
4.800	Signage, Monuments, Sub-Associations		183,600				
<b><u>Beach Pool Elements</u></b>							
6.500	Furniture		14,790			15,695	
6.600	Mechanical Equipment, Both Pools, Phased (Includes Fountain Equipment)			6,034			6,404
6.601	Mechanical Equipment, Enclosure			5,202			
<b><u>St. James Pool Elements</u></b>							
7.300	Cover, Vinyl						6,840
7.400	Fence, Wood		10,557				
7.500	Furniture		15,810			16,778	
7.761	Pool House, Roof, Asphalt Shingles		3,672				
7.771	Pool House, Walls, Wood Siding, Replacement (Replace with Fiber Cement)		18,768				
<b>Anticipated Expenditures, By Year</b>		0	1,016,741	558,285	312,055	250,491	372,631

## 4. RESERVE COMPONENT DETAIL

The Reserve Component Detail of this *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.*

### Laurel Court Meeting Building Exterior Elements



Exterior view of Laurel Court Meeting Building



Exterior view of Laurel Court Meeting Building

### Awning, Canvas and Frame

---

**Line Items:** 1.015 and 1.020

**Quantity:** One canvas awning with a metal frame and light fixtures at the entrance to the Laurel Court Meeting Building

**History:** The Association replaced the canvas in 2017.

**Condition:** Good overall



Canvas awning and wood pergola at front entrance



Canvas awning and wood pergola at front entrance

**Useful Life:** We include replacement of the canvas awning every 5- to 10-years and complete replacement of the frame and light fixtures every 30 years.

**Priority/Criticality:** Per Management discretion

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

## **Fences, Trash Enclosure, Wood with Chain Link Gates**

---

**Line Item:** 1.151

**Quantity:** Approximately 70 linear feet of shadowbox wood fences. The enclosure utilizes four chain link gates and approximately 730 square feet of concrete flatwork.

**History:** The ages of the elements are unknown. We assume them to be original.

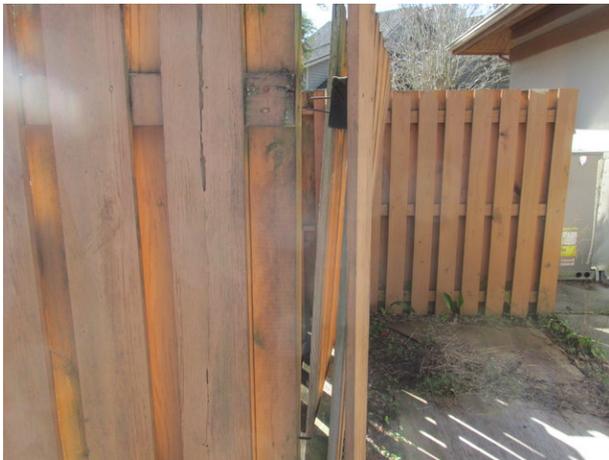
**Condition:** Fair to poor overall condition. We note damaged and detached wood members at the wood fence and damage to the chain link gates.



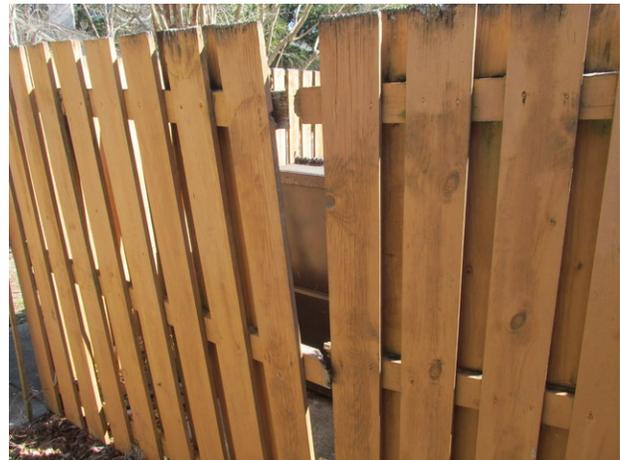
**Damaged sections of wood fence at trash enclosure**



**Damaged chain link gates at trash enclosure**



**Detached section of wood fence at trash enclosure**



**Damaged section of wood fence at trash enclosure**

**Useful Life:** 15- 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. The Association should anticipate periodic partial replacements due to the non-uniform nature of wood deterioration. Along with these partial replacements, the Association should apply periodic paint applications as needed and fund these activities through the operating budget. Our estimate of cost includes repairs to the concrete pad at the trash enclosure.

## **Pergola, Wood, Front Elevation**

---

**Line Item:** 1.261

**Quantity:** One wood pergola at the front entrance of the building that comprises approximately 420 square feet

**History:** Assumed original

**Condition:** Good to fair overall. We note displaced, deteriorated and deflected wood members. Management informs us that the Association plans to make repairs to the damaged wood components in 2020.



**Deflected wood member at pergola**



**Displaced wood member at pergola**



**Displaced wood member at pergola**



**Deteriorated wood member at pergola**

**Useful Life:** 25- to 30-years with periodic maintenance

**Priority/Criticality:** Per Board discretion

**Expenditure Detail Notes:** Expenditure timing and costs are depicted in the **Reserve Expenditures** table in Section 3. We recommend the Association budget for paint applications and repairs through the operating budget. We include an allowance in 2020 for budgeted repairs to the pergola.

## Roof, Asphalt Shingles

---

**Line Item:** 1.280

**Quantity:** 48 squares<sup>1</sup> of asphalt shingles. The roof utilizes aluminum gutters and downspouts that total approximately 315 linear feet.

**History:** Replaced in 2013

**Condition:** Good overall condition



Asphalt shingle roof



Asphalt shingle roof

**Useful Life:** 15- to 20-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. Our estimate of unit cost includes an allowance for replacement of the gutters and downspouts.

## Walls and Trim, Paint Finishes

---

**Line Item:** 1.660

**Quantity:** Approximately 2,300 square feet of paint finishes at the exterior walls, trim, and soffit and fascia. This quantity includes the adjacent stand-alone walls.

**History:** The Association applied finishes in 2016.

**Condition:** Good overall with the exception of the adjacent stand-alone walls, which are in poor overall condition. We note multiple areas of cracks and poor finishes.

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



**Paint finishes at exterior wall**



**Paint finishes at exterior wall**



**Paint finishes at exterior wall and trim**



**Isolated stains at exterior door and wall**



**Cracks at adjacent wall**



**Stained paint finishes at adjacent wall**



**Cracks and stained paint finishes at adjacent wall**



**Cracks and poor finishes at adjacent wall**



**Cracks and poor finishes at adjacent wall**

**Useful Life:** Six- to eight-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. We assume the following activities per event:

- Paint finish applications
- Replacement of deteriorated areas of concrete and wood trim (The exact amount of material in need of replacement will depend on the actual future conditions and desired appearance. We recommend replacement wherever holes, cracks and deterioration impair the ability of the material to prevent water infiltration.)
- Replacement of sealants as needed

The Association should fund interim finishes and repairs of the stand-alone walls through the operating budget.

## Windows and Doors

---

**Line Item:** 1.980

**Quantity:** 560 square feet

**History:** The Association replaced the majority of the windows and doors in 2014.

**Condition:** Good overall condition

**Useful Life:** Up to 40 years

**Component Detail Notes:** Construction of the windows and doors at the meeting building includes the following:

- Wood frames
- Dual pane glass
- Fixed windows
- Hinged doors

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

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

## Laurel Court Meeting Building Interior Elements



Interior finishes and fixtures at Laurel Court Meeting Building



Interior finishes and fixtures at Laurel Court Meeting Building

## Air Handling Units, Heating and Cooling Units

---

**Line Items:** 2.061 and 2.062

**Quantity:** One 7.5-ton *Carrier* air handling unit and one 7.5-ton *International Comfort Productions* air handling unit

**History:** The Association replaced the *Carrier* unit in 2017 and the *International Comfort Productions* in 2014.

**Condition:** Reported in good operational condition



Heating and cooling unit at Laurel Court Meeting Building



Heating and cooling unit at Laurel Court Meeting Building

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

**Component Detail Notes:** The units have the following characteristics:

- Cooling capacities of 7.5-tons
- R-410A refrigerant

**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 and Condensing Units, Split System**

**Line Item:** 2.071

**Quantity:** One split system at the meeting building

**History:** The Association replaced the system in 2012.

**Condition:** The Association recently replaced the compressor in the condensing unit. The system is reported in satisfactory operational condition.



**Split system condenser**

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

**Component Detail Notes:** A split system air conditioner consists of an outside condensing unit, an interior evaporator coil, refrigerant lines and an interior electric air handling unit. The split system uses R-410A refrigerant.

**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 condensing unit may require replacement prior to replacement of the related interior forced air unit. For purposes of this Reserve Study, we assume coordination of replacement of the interior forced air unit, evaporator coil, refrigerant lines and exterior condensing unit.

## **Floor Coverings, Carpet**

---

**Line Item:** 2.200

**Quantity:** 280 square yards (Contractor measurements will vary from the actual floor area due to standard roll lengths, patterns and installation waste)

**History:** Replaced in 2016

**Condition:** Good to fair overall



**Carpet floor coverings**



**Carpet floor coverings**



**Stained carpet floor coverings**



**Stained carpet floor coverings**

**Useful Life:** 8- to 12-years

**Priority/Criticality:** Per Board discretion

**Expenditure Detail Notes:** Expenditure timing and costs are depicted in the **Reserve Expenditures** table in Section 3. Our estimate of unit cost includes an allowance for interior paint finishes and replacement of the vinyl floor coverings.

## **Furnishings**

---

**Line Item:** 2.450

**History:** The Association made furnishing replacements in 2016.

**Condition:** Good overall

**Useful Life:** Up to 10 years

**Component Detail Notes:** Furnishings in the meeting building include:

- Folding chairs
- Folding tables
- Pictures/decorations

**Priority/Criticality:** Per Board discretion

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

## Light Fixtures

---

**Line Item:** 2.560

**Quantity:** Approximately 80 interior wall and ceiling mounted light fixtures

**History:** The Association made partial replacements of the light fixtures in 2016.

**Condition:** Reported satisfactory



Wall-mounted light fixtures



Wall-mounted light fixture

**Useful Life:** Up to 30 years

**Priority/Criticality:** Per Board discretion

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

## Rest Rooms

---

**Line Item:** 2.900

**Quantity:** Two common area rest rooms located at the meeting building

**History:** The Association partially renovated the rest rooms in 2016.

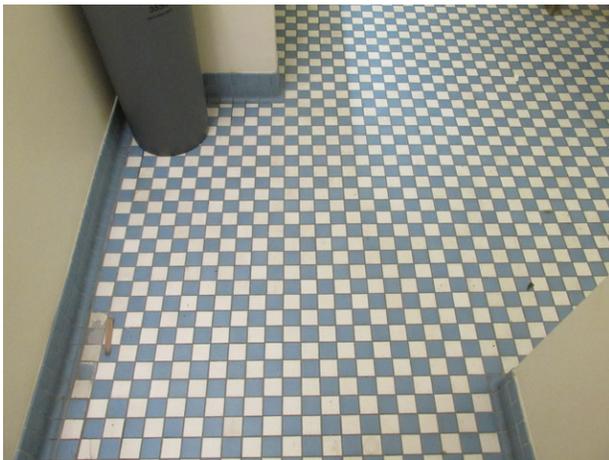
**Condition:** Fair overall. We note damage to the tile floor coverings.



**Rest room finishes and fixtures**



**Rest room finishes and fixtures**



**Tile floor coverings at rest rooms**



**Damaged tile floor coverings at rest rooms**

**Useful Life:** Renovations up to every 25 years

**Component Detail Notes:** Components include:

- Tile floor coverings
- Paint finishes
- Light fixtures
- Plumbing fixtures
- Countertops
- Rest room partitions
- Drinking fountains

**Priority/Criticality:** Per Board discretion

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

## Room Divider

---

**Line Item:** 2.921

**Quantity:** One acoustical room divider that comprises approximately 260 square feet

**History:** Assumed original

**Condition:** Fair overall. We note stains at the divider.



Stains at acoustical room divider

**Useful Life:** Up to 35 years

**Priority/Criticality:** Per Board discretion

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

## Wall Coverings

---

**Line Item:** 2.980

**Quantity:** Approximately 2,350 square feet (Contractor measurements will vary from the actual area due to standard roll lengths, patterns and installation waste)

**History:** Replaced in 2016

**Condition:** Good to fair overall. We note peeled and rippled areas.



**Stains and ripple at wall coverings**



**Ripples at wall coverings**



**Ripple at wall coverings**

**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.

## **Property Site Elements**

### **Asphalt Pavement, Crack Repair, Patch, Seal Coat and Striping**

---

**Line Item:** 4.020

**Quantity:** Approximately 89,980 square yards of asphalt pavement throughout the community

**History:** The asphalt pavement was seal coated and repaired from 2010 to 2013.

**Condition:** Good to fair overall. We note surface cracks, transverse cracks, isolated alligator cracks and isolated areas of pavement deterioration.

**Useful Life:** Three- to five-years

**Component Detail Notes:** Proposals for seal coat applications should include crack repairs and patching. The contractor should only apply seal coat applications after repairs are completed. A seal coat does not bridge or close cracks, therefore, unrepaired cracks render the seal coat applications useless.

**Priority/Criticality:** Per Board discretion

**Expenditure Detail Notes:** Expenditure timing and costs are depicted in the **Reserve Expenditures** table in Section 3. We base our estimate of unit cost on information provided by Management.

## **Asphalt Pavement, Repaving**

---

**Line Item:** 4.045

**Quantity:** Approximately 89,980 square yards of asphalt pavement throughout the community

**History:** The asphalt pavement was seal coated and repaired from 2010 to 2013.

**Condition:** Good to fair overall. We note surface cracks, transverse cracks, isolated alligator cracks and isolated areas of pavement deterioration.



**Typical condition of asphalt pavement**



**Typical condition of asphalt pavement**



**Typical condition of asphalt pavement**



**Typical condition of asphalt pavement**



**Typical condition of asphalt pavement**



**Typical condition of asphalt pavement**



**Typical condition of asphalt pavement**



**Typical condition of asphalt pavement**



**Typical condition of asphalt pavement**



**Typical condition of asphalt pavement**



**Typical condition of asphalt pavement**



**Typical condition of asphalt pavement**



**Typical condition of asphalt pavement**



**Typical condition of asphalt pavement**



**Typical condition of asphalt pavement**



**Typical condition of asphalt pavement**



**Typical condition of asphalt pavement**



**Typical condition of asphalt pavement**



**Typical condition of asphalt pavement**



**Typical condition of asphalt pavement**



**Typical condition of asphalt pavement**



**Crack at centerline of asphalt pavement**



**Example of transverse crack at asphalt pavement**



**Isolated example of pavement deterioration at asphalt pavement**



**Example of transverse cracks at asphalt pavement**



**Example of transverse crack at asphalt pavement**



**Isolated example of alligator cracks and pavement deterioration at speedbump**



**Previous patch and alligator cracks at asphalt pavement**



**Example of transverse crack at asphalt pavement**



**Isolated example of pavement deterioration at asphalt pavement**



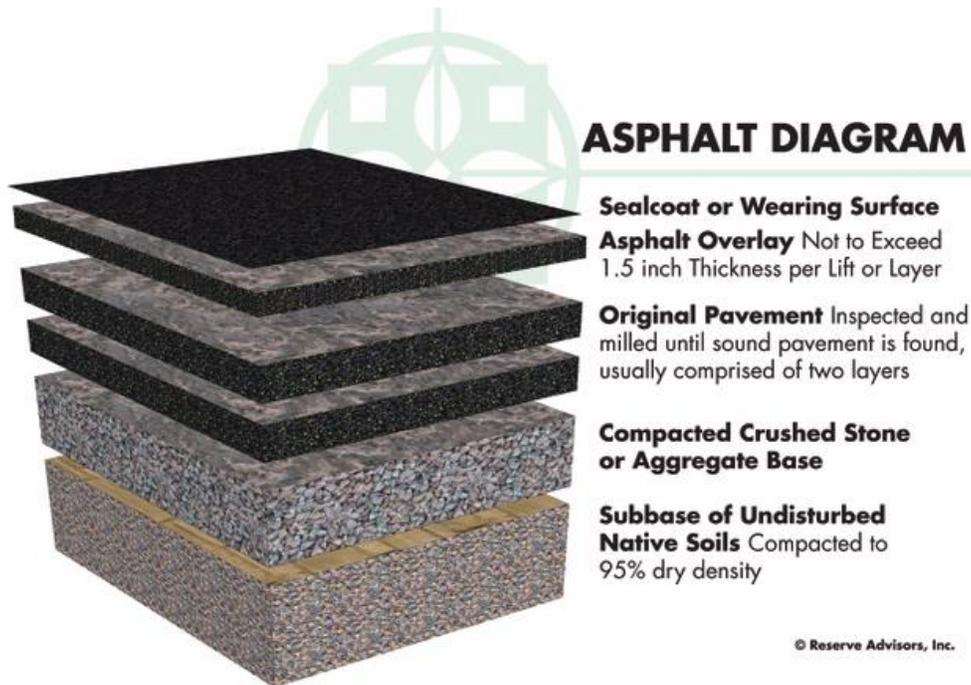
**Edge cracking at asphalt pavement**



**Example of transverse crack at asphalt pavement**

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

**Component Detail Notes:** 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 Kingston Plantation:



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. We recommend the mill and overlay method for initial repaving followed by the total replacement method for subsequent repaving at Kingston Plantation.

**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 milling and overlayment includes area patching of up to ten percent (10%).

## Boardwalks, Wood

---

**Line Items:** 4.051 and 4.052

**Quantity:** Wood boardwalks at the southeast section of the property which comprise a total of approximately 9,000 square feet, including 2,450 linear feet of wood railings and approximately 65 light fixtures.

**History:** The Association has recently replaced the decking at sections of the boardwalks and conducted repairs as needed. The Association has replaced the light fixtures at the railings since our last Reserve Study in 2018.

**Condition:** Fair overall condition. We note warped and split wood members, deteriorated wood members, detached wood members and exposed nails.



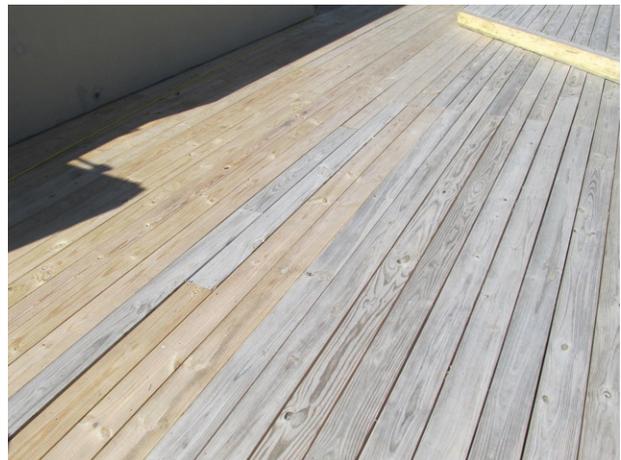
Wood decking and railings at main boardwalk



Wood decking at main boardwalk



Replaced wood decking at main boardwalk



Replaced wood decking at main boardwalk



**Warped wood members at railing at main boardwalk**



**Warped wood members at railing at main boardwalk**



**Warped, cracked and detached wood members at railing at main boardwalk**



**Deteriorated and separated wood members at railings at main boardwalk**



**Deteriorated wood decking at main boardwalk**



**Deteriorated wood decking at main boardwalk**



**Deteriorated wood decking at main boardwalk**



**Deteriorated wood decking at main boardwalk**



**Deteriorated wood decking at main boardwalk**



**Newly installed light fixture at railing at main boardwalk**

**Useful Life:** We include replacement of the decking, railings and light fixtures every 15- to 20-years with complete replacement of the boardwalks every 35 years.

**Component Detail Notes:** Boardwalk construction includes the following:

- Toe-nailed connections (Nails driven at an angle into the weakest part of the wood result in an increased potential for failed connections)
- Deck boards fastened with screws and nails. Nail fasteners have a tendency to pull out as the wood warps.
- Wood railings with vertical pickets
- Wood column supported frames
- Wood frames fastened with bolts

**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. Proper maintenance should include the following activities funded through the operating budget:

- Annual inspections to identify and correct any unsafe conditions
- Securing of loose fasteners and replacement of deteriorated fasteners
- Replacement of deteriorated wood components
- Power washing with an algaecide and application of a sealer/stain

Our estimates of unit cost include replacement of the light fixtures and showers.

### **Boardwalk Beach Accesses, Wood**

---

**Line Item:** 4.053 through 4.064

**Quantity:** Six wood boardwalk beach accesses that provide access to the beach from the boardwalks. The locations and quantities are listed in the following table:

<b>Location</b>	<b>Square Feet</b>	<b>Linear Feet of Railing</b>
Brighton	550	195
Embassy Suites North	340	95
Embassy Suites South	625	265
Margate	725	225
North Hampton	700	215
South Hampton	275	90

**History:** The Association has replaced the decking and railings at sections of the beach accesses in the past, and conducted repairs as needed.

**Condition:** Fair overall condition. We note warped and split wood members, deteriorated wood members, detached wood members, exposed nails and poor finishes at the light fixtures.



**Wood decking at Brighton beach access**



**Replaced sections of wood decking at Brighton beach access**



**Example of deteriorated wood decking at Brighton beach access**



**Example of deteriorated wood decking at Brighton beach access**



**Example of deteriorated wood railing at Brighton beach access**



**Separated wood members and toe-nailed connection at railing at Brighton beach access**



**Wood decking and railings at Embassy Suites South beach access**



**Warped wood members at railing at Embassy Suites South beach access**



**Damaged and missing wood members at railing at Embassy Suites South beach access**



**Deteriorated wood members at railing at Embassy Suites South beach access**



**Separated wood members at railing at Embassy Suites South beach access with toe-nailed connection**



**Wood decking and railings at Embassy Suites South beach access**



**Overview of Margate beach access**



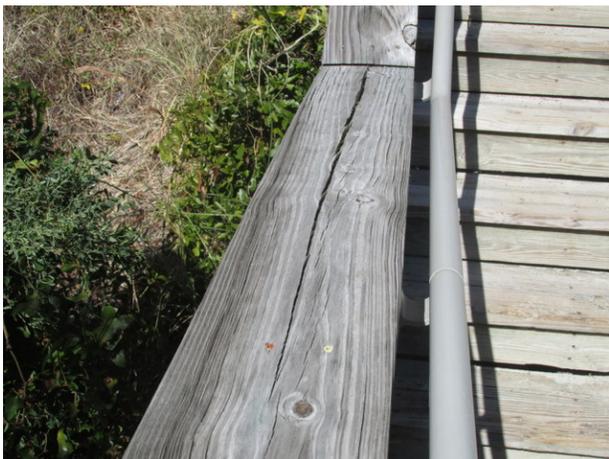
**Wood decking and railings at Margate beach access**



**Deteriorated decking at Margate beach access**



**Warped decking at Margate beach access**



**Split wood railing at Margate beach access**



**Replaced wood decking at North Hampton beach access**



**Original wood decking at North Hampton beach access**



**Deteriorated original wood decking at North Hampton beach access**



**Wood railing at North Hampton beach access**



**Deteriorated wood railing at North Hampton beach access**



**Wood decking at South Hampton beach access**



**Wood railing at South Hampton beach access**



**Detached wood railing at South Hampton beach access**



**Detached wood railing at South Hampton beach access**

**Useful Life:** We include replacement of the decking, railings and light fixtures every 15- to 20-years with complete replacement of the beach accesses every 35 years.

**Component Detail Notes:** Beach access construction includes the following:

- Toe-nailed connections (Nails driven at an angle into the weakest part of the wood result in an increased potential for failed connections)
- Deck boards fastened with screws and nails. Nail fasteners have a tendency to pull out as the wood warps.
- Wood railings with vertical pickets
- Wood column supported frames
- Wood frames fastened with bolts

**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. Proper maintenance should include the following activities funded through the operating budget:

- Annual inspections to identify and correct any unsafe conditions
- Securing of loose fasteners and replacement of deteriorated fasteners
- Replacement of deteriorated wood components
- Power washing with an algaecide and application of a sealer/stain

Our estimates of unit cost include replacement of the light fixtures and showers. For near-term 2021 replacements, we include the replacement of the decking and railing at Brighton; replacement of the railing only at Embassy Suites North and South; replacement of the decking only at Margate; and replacement of the railings only at North Hampton and South Hampton.

## Bridge, Concrete, South Hampton to Embassy Suites

---

**Line Item:** 4.068

**Quantity:** One concrete pedestrian bridge that connects the South Hampton building to the Embassy Suites building.

**History:** Constructed in 2017

**Condition:** The bridge is reported to be in good overall condition.



Overview of concrete bridge



Overview of concrete bridge



Rust formation and cracked concrete at underside of bridge



Rust formation and cracked concrete at underside of bridge

**Useful Life:** We estimate a useful life of up to 30 years with the benefit of capital repairs including a close-up visual inspection, patching of delaminated concrete, and routing and filling of cracked concrete. The Association should fund these interim repairs through the operating budget.

**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 base our estimate of cost on information provided by Management.

## Bridges, Wood

**Line Item:** 4.071 through 4.084

**Quantity:** The Association maintains multiple wood bridges located throughout the property. The locations and quantities are listed in the following table:

Location	Square Feet	Linear Feet of Railing
Laurel Court East	540	135
Laurel Court West	2,275	530
North Hampton	1,250	175
Plantation Lakes Drive	1,725	575
Sidewalks	850	170
St. James Park	560	140
West Hyde Park Mailbox Station	275	60

**History:** The Association has replaced the decking at sections of the bridges in the past and conducted repairs as needed. The Association replaced the bridges at Plantation Lakes Drive in 2018.

**Condition:** The conditions of the bridges range from good to poor. We note warped and split wood members, deteriorated wood members, detached wood members, exposed nails and poor finishes at the light fixtures.



Overview of bridge at Laurel Court East



Wood decking at bridge at Laurel Court East



**Wood decking and railings at bridge at Laurel Court West**



**Overview of bridge at Laurel Court West**



**Wood decking and railings at bridge at Laurel Court West**



**Wood decking and railings at bridge at Laurel Court West**



**Wood decking and railings at bridge at Laurel Court West**



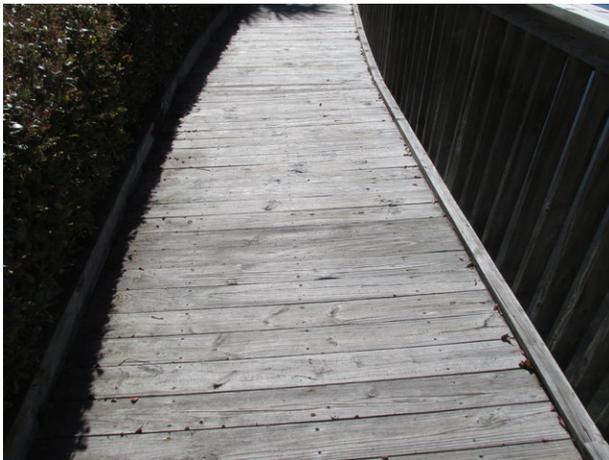
**Overview of bridge at North Hampton**



**Leaning railing at bridge at North Hampton**



**Leaning railing at bridge at North Hampton**



**Wood decking at bridge at North Hampton**



**Replaced wood decking at bridge at North Hampton**



**Replaced wood decking at bridge at North Hampton**



**Overview of sidewalk bridge**



**Overview of sidewalk bridge**



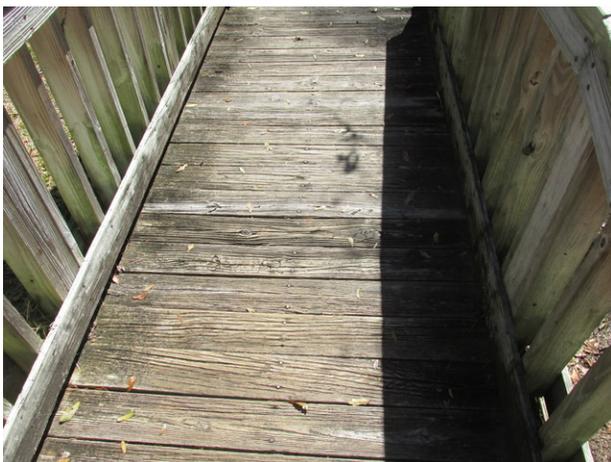
**Overview of sidewalk bridge**



**Deteriorated wood member at sidewalk bridge**



**Deteriorated wood member at sidewalk bridge**



**Deteriorated wood decking at sidewalk bridge**



**Overview of bridge at St. James**



**Detached wood members at St. James bridge frame/foundation**



**Detached wood members at St. James bridge frame/foundation**



**Wood decking and railings at St. James bridge**



**Deteriorated wood decking at St. James bridge**



**Deteriorated wood decking at St. James bridge**



**Wood railing at St. James bridge**



**Wood decking and railings at West Hyde Park mail station bridge**



**Deteriorated wood decking at West Hyde Park mail station bridge**



**Deteriorated wood decking at West Hyde Park mail station bridge**



**Separated wood railing at West Hyde Park mail station bridge**

**Useful Life:** We include replacement of the decking, railings and light fixtures every 15- to 20-years with complete replacement of the bridges every 35 years.

**Component Detail Notes:** Bridge construction includes the following:

- Toe-nailed connections (Nails driven at an angle into the weakest part of the wood result in an increased potential for failed connections)
- Deck boards fastened with screws and nails. Nail fasteners have a tendency to pull out as the wood warps.
- Wood railings with vertical pickets and horizontal pickets (at Laurel Court East). Horizontal pickets promote climbing and are potentially dangerous.
- Wood column supported frames
- Wood frames fastened with bolts

**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. Proper maintenance should include the following activities funded through the operating budget:

- Annual inspections to identify and correct any unsafe conditions
- Securing of loose fasteners and replacement of deteriorated fasteners
- Replacement of deteriorated wood components
- Power washing with an algaecide and application of a sealer/stain

Our estimates of unit cost include replacement of the light fixtures.

## Concrete Sidewalks

---

**Line Item:** 4.140

**Quantity:** Approximately 125,600 square feet throughout the property

**Condition:** The condition of the sidewalks ranges from good to poor condition. We note multiple areas of trip hazards and cracked concrete sections.



**Loss of pebbles at sidewalk**



**Example of trip hazard at sidewalk**



**Cracked section of sidewalk**



**Cracked section of sidewalk**



**Cracked and deteriorated section of sidewalk**



**Cracked and deteriorated sections of sidewalk**



**Example of trip hazard at sidewalk**



**Cracked sections of sidewalk**



**Cracked and deteriorated section of sidewalk**



**Example of trip hazard at sidewalk**

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

**Priority/Criticality:** Per Board discretion

**Expenditure Detail Notes:** Expenditure timing and costs are depicted in the **Reserve Expenditures** table in Section 3. We estimate that up to 60,750 square feet of concrete sidewalks, or fifty percent (50%) of the total, will require replacement during the next 30 years. At the request of Management, we include replacement of the sidewalks with concrete with a “salt finish”. We base our estimate of unit cost on information provided by Management.

## **Fences, Aluminum**

---

**Line Items:** 4.200, 4.201 and 4.202

**Quantity:** 100 linear feet at the Margate, 855 linear feet at the west perimeter of the property (installed in 2013), and 1,000 linear feet at the west perimeter of the property (installed in 2019).

**History:** The Association installed the fence at the Margate in 2018, and the fences at the west perimeter in 2013 and 2019.

**Condition:** Good overall



**Aluminum fence adjacent to The Margate**



**Aluminum fence at west perimeter installed in 2013 – Note close vegetation growth to fence**



**Aluminum fence at west perimeter installed in 2013 – Note close vegetation growth to fence**



**Aluminum fence at west perimeter installed in 2013 – Note close vegetation growth to fence**



**Aluminum fence at west perimeter installed in 2019**



**Aluminum fence at west perimeter installed in 2019**

**Useful Life:** Up to 30 years

**Priority/Criticality:** Per Board discretion

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

## Fences, Wood, Gloucester

---

**Line Item:** 4.285

**Quantity:** 400 linear feet of wood siding fence at Gloucester on the Point

**History:** Original

**Condition:** Fair to poor overall condition with areas of deteriorated wood siding



Wood fence and columns



Wood fence and columns



Deteriorated wood siding



Warped wood siding



**Deteriorated wood siding**



**Deteriorated wood siding**

**Useful Life:** Up to 30 years

**Priority/Criticality:** Per Board discretion

**Expenditure Detail Notes:** Expenditure timing and costs are depicted in the **Reserve Expenditures** table in Section 3. Management informs us that the Association plans to replace the fences with aluminum fencing at the time of replacement.

## **Fence, Wood, North Perimeter**

---

**Line Item:** 4.286

**Quantity:** 2,050 linear feet

**History:** Constructed in 2011

**Condition:** Fair to poor overall condition with multiple leaning sections and warped wood members



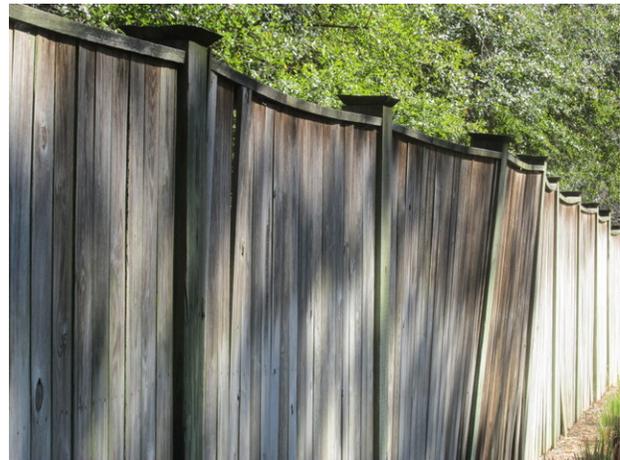
**Wood fence at north perimeter**



**Leaning section of wood fence at north perimeter**



**Deflected members at wood fence at north perimeter**



**Leaning section of wood fence at north perimeter**



**Leaning sections of wood fence at north perimeter**



**Detached wood member at fence at north perimeter**

**Useful Life:** Up 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 anticipate periodic partial replacements due to the non-uniform nature of wood deterioration. Along with these partial replacements, the Association should apply periodic paint applications as needed and fund these activities through the operating budget.

## Fountain

---

**Line Item:** 4.291

**Quantity:** 2,625 square feet of finish at the concrete fountain structure

**History:** Representatives of the Association inform us that the Association applies a paint finish to the fountain on an as-needed basis. We recommend the Association install a plaster finish at the fountain.

**Condition:** Fair to poor overall condition. We note multiple cracks at the concrete structure. Representatives of the Association inform us of leaks.



Overview of fountain



Cracked concrete at edge of fountain



**Cracked concrete at edge of fountain**



**Cracked concrete at edge of fountain**



**Deteriorated finish at fountain**



**Deteriorated finish at fountain**



**Deteriorated finish at fountain**

**Useful Life:** 8- to 12-years for the finish and capital repairs to the fountain components

**Component Detail Notes:** Finish replacement provides the opportunity to inspect the fountain structure and to allow for partial repairs of the underlying concrete surfaces as needed. To maintain the integrity of the fountain structure, we recommend the Association budget for the following:

- Removal and replacement of the finish
- Replacement of fountains as needed
- Concrete structure repairs 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.

## **Gate Entry System, Barcode Readers**

---

**Line Item:** 4.310

**Quantity:** Two barcode readers

**History:** Installed in 2018

**Condition:** Good operational condition



**Barcode reader at property entrance**

**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.

## **Gate Entry System, Canterbury III**

---

**Line Item:** 4.311

**Quantity:** A gate entry system at the entrance to Canterbury III

**History:** Installed in 2018

**Condition:** Reported good



**Gate entry system at Canterbury III entrance**

**Useful Life:** Up 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.

## **Gate House**

---

**Line Items:** 4.315 and 4.316

**History:** The gate house was constructed in 2017.

**Condition:** The gate house elements are in good overall condition.



**Gate house exterior**



**Gate house exterior**



**Fiber cement siding and light fixtures at gate house exterior**



**Gate house interior**

**Useful Life:** Complete renovations every 25 years and partial renovations every 10- to 15-years

**Component Detail Notes:** The gate house includes the following components:

- Metal roof
- Fiber cement siding at the exterior walls
- Aluminum gutters and downspouts
- Windows and doors
- Interior and exterior light fixtures
- Paint finishes at the interior walls and ceiling
- Floor coverings at the interior
- Plumbing fixtures
- Countertops
- Furnishings

**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 the components listed above.

The partial renovations should include the following:

- Application of paint finish to all surfaces
- Replacement of the interior floor coverings
- Replacement of the furnishings

## Gate Operators, Swing-Arms

---

**Line Item:** 4.320

**Quantity:** Six swing-arm gate operators

**History:** Installed in 2017 and 2018

**Condition:** Good operational condition



Swing-arm gate operators at property entrance



Swing-arm gate operators at entrance to Canterbury III

**Useful Life:** 8- to 12-years for the operators

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

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

## Gazebo, Richmond Park, Renovation

---

**Line Item:** 4.360

**Quantity:** One wood framed gazebo at Richmond Park with a wood shake roof and mortared pavers

**History:** Renovated in 2019

**Condition:** Good overall condition



**Overview of gazebo**



**Overview of gazebo**



**Wood benches and railings, and mortared brick pavers**



**Wood ceiling at roof**



**Mortared brick pavers**



**Asphalt shingle roof**

**Useful Life:** At the direction of Management we include an allowance of \$5,000 every three years for renovations of the gazebo

**Priority/Criticality:** Per Board discretion

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

- Replacement of the wood shake roof
- Replacement of the wood railings and benches
- Replacement of the mortared pavers
- Partial replacement of deteriorated wood components

## **Guardrail, Wood, Plantation Lakes Drive**

---

**Line Item:** 4.371

**Quantity:** 230 linear feet

**History:** Assumed original

**Condition:** Good to fair overall



Wood guardrail at Plantation Lakes Drive



Wood guardrail at Plantation Lakes Drive

**Useful Life:** Up to 30 years

**Priority/Criticality:** Per Board discretion

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

## **Irrigation System, Pumps and Controls**

---

**Line Item:** 4.410

**Quantity:** Six pumps ranging from 7.5-HP to 25-HP with associated control panels, valves and variable frequency drives (VFDs)

**History:** The ages of these elements vary

**Condition:** Reported in good operational condition

**Useful Life:** Varies up to 20 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. We include an allowance for the replacement of up to seventeen percent (16.7%) of the pumps and associated elements with each replacement cycle. The times and costs of these replacements may vary.

Management informs us that the Association plans to spend approximately \$40,000 in 2020 for replacement of the equipment at pump station #3.

## Light Fixtures, Bollards

---

**Line Item:** 4.541

**Quantity:** 200 bollard-type light fixtures located throughout the property

**History:** Primarily original

**Condition:** Good to fair overall



**Bollard-type light fixture**



**Bollard-type light fixture**

**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. Management informs us that the Association plans a phased replacement of the light fixtures in the near term.

## Light Fixtures, Mushroom

---

**Line Item:** 4.551

**Quantity:** 316 mushroom-type light fixtures located at the entrances to select units

**History:** Primarily original

**Condition:** Good to fair overall



**Mushroom-type light fixture**

**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. Management informs us that the Association plans a phased replacement of the light fixtures in the near term.

## **Light Poles and Fixtures**

---

**Line Item:** 4.560

**Quantity:** 214 light poles and fixtures located throughout the property

**History:** Primarily original

**Condition:** Good to fair overall



**Typical light pole and fixture**



**Leaning light pole and fixture**

**Useful Life:** Up to 30 years

**Priority/Criticality:** Per Board discretion

**Expenditure Detail Notes:** Expenditure timing and costs are depicted in the **Reserve Expenditures** table in Section 3. Management informs us that the Association plans a phased replacement of the light fixtures in the near term.

## **Mail Station, Richmond Park**

---

**Line Item:** 4.600 and 4.605

**History:** The Association replaced the roof and applied paint finishes in 2019. The light fixtures are assumed to be original. The mailbox stations are original.

**Condition:** The roof and paint finishes are in good overall condition. The mailbox stations are in fair to poor condition. We note rust formation and deterioration at the undersides of the mailbox stations.



**Overview of mail station at Richmond Park**



**Asphalt shingle roof at mail station**



**Wood at underside of roof at mail station**



**Mailbox stations at Richmond Park**



**Mailbox stations at Richmond Park**



**Rust formation and deterioration at mailbox stations at Richmond Park**



**Rust formation and deterioration at mailbox stations at Richmond Park**

**Useful Life:** Up to 25 years for both renovation of the mail stations and replacement of the mailbox stations

**Component Detail Notes:** The mail station includes the following:

- Seven squares of asphalt shingle roofs
- Wood structure and trim
- Light fixtures
- Concrete pad

**Priority/Criticality:** Per Board discretion

**Expenditure Detail Notes:** Expenditure timing and costs are depicted in the **Reserve Expenditures** table in Section 3. Complete renovations should include the following:

- Replacement of the asphalt shingle roof assembly
- Paint finishes and structure repairs to the wood structure
- Replacement of the light fixtures
- Partial replacement of the concrete pad

## **Mail Station, West Hyde Park**

---

**Line Item:** 4.601 and 4.606

**History:** The Association replaced the roof and applied paint finishes in 2019. The light fixtures are assumed to be original. The mailbox stations are original.

**Condition:** The roof and paint finishes are in good overall condition. The mailbox stations are in fair to poor condition. We note finish deterioration at the mailbox stations.



**Overview of mailbox station at West Hyde Park**



**Asphalt shingle roof at mailbox station**



**Asphalt shingle roof at mailbox station**



**Wood at underside of roof at mail station**



**Wood siding and trim at mail station**



**Mailbox stations at West Hyde Park**



**Mailbox stations at West Hyde Park**



**Deterioration of finish at mailbox stations at West Hyde Park**

**Useful Life:** Up to 25 years for both renovation of the mail stations and replacement of the mailbox stations

**Component Detail Notes:** The mail station includes the following:

- Seven squares of asphalt shingle roofs
- 660 square feet of wood siding
- Wood structure and trim
- Light fixtures
- Concrete pad
- Signage

**Priority/Criticality:** Per Board discretion

**Expenditure Detail Notes:** Expenditure timing and costs are depicted in the **Reserve Expenditures** table in Section 3. Complete renovations should include the following:

- Replacement of the asphalt shingle roof assembly
- Paint finishes and structure repairs to the wood structure, including partial replacements of wood siding
- Replacement of the light fixtures
- Replacement of the signage
- Partial replacement of the concrete pad

## **Maintenance Building, Renovation**

---

**Line Item:** 4.611

**History:** Constructed in 2012

**Condition:** Good overall condition



**Overview of maintenance building**



**Overview of maintenance building**



**Aluminum siding at maintenance building**



**Aluminum siding at maintenance building**



**Isolated stained siding at maintenance building**



**Metal roof at maintenance building**



**Rest room finishes and fixtures at maintenance building**

**Useful Life:** Partial renovations every 20 years

**Component Detail Notes:**

- 2,300 square feet of metal roofing
- 2,750 square feet of aluminum siding
- Garage doors (3)
- Exterior doors (4)
- Tile floor and wall coverings at the rest room and kitchenette
- Paint finishes at the rest room and kitchenette
- Plumbing fixtures at the rest room and kitchenette
- Countertops at the kitchenette

**Priority/Criticality:** Per Board discretion

**Expenditure Detail Notes:** Expenditure timing and costs are depicted in the **Reserve Expenditures** table in Section 3. The *partial* renovations should include the following:

- Replacement of the garage doors
- Replacement of the exterior doors
- Complete renovations of the rest room and kitchenette

## **Pavers, Masonry**

---

**Line Item:** 4.620

**Quantity:** 1,760 square feet at the main entrance to the community and the gate house

**History:** Installed in 2017

**Condition:** Good overall



**Pavers at gate house**



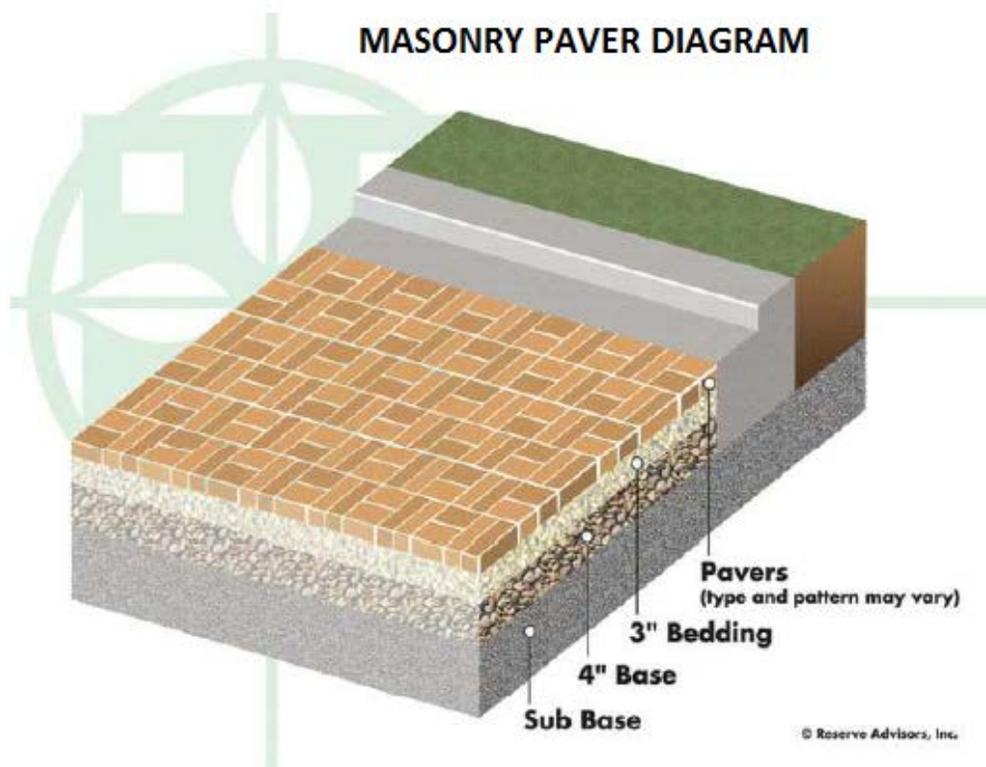
**Pavers at main entrance to the community**

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



**Pavers at main entrance to the community**

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



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

**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.

## **Ponds, Aerators**

---

**Line Items:** 4.700 and 4.701

**Quantity:** Eight bubbler aerators and two fountain aerators

**History:** Approximately six years of age

**Condition:** Management informs us that some bubblers are not operational and the Association plans to make near-term replacements.



**Fountain aerator**



**Bubbler aerator**

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

**Component Detail Notes:** The use of small pumps, motors and aerators circulates pond water and increases the amount of entrained oxygen in the water, increasing water quality and reducing algae growths.

**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.

## **Ponds, Bulkheads, Timber**

---

**Line Item:** 4.711

**Quantity:** Approximately 3,050 linear feet of timber bulkheads. This quantity includes the bulkheads at the pump houses.

**History:** Original

**Conditions:** Fair overall condition with areas of deteriorated wood members, leaning sections and settlement behind the bulkheads.



**Recently replaced section of timber bulkhead east of Westleton Drive**



**Timber bulkhead at Lake Drive**



**Timber bulkhead at Lake Drive**



**Timber bulkhead at Lake Arrowhead**



**Timber bulkhead at Lake Arrowhead**



**Timber bulkhead at Lake Arrowhead**



**Leaning section of timber bulkhead at Lake Arrowhead**



**Wood deterioration at bulkhead at Lake Arrowhead**



**Wood deterioration at bulkhead at Lake Arrowhead**



**Leaning section of timber bulkhead at Lake Arrowhead**



**Leaning section of timber bulkhead at Lake Arrowhead**



**Wood deterioration at bulkhead at Lake Arrowhead**

**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. Management informs us that the Association plans to spend approximately \$40,000 in 2020 on replacements to the bulkheads. We include the phased replacement of the remaining bulkheads from 2022 through 2026.

## **Security System**

---

**Line Item:** 4.761

**Quantity:** Kingston Plantation utilizes various security system components including cameras, monitors and recording devices.

**History:** The ages of the components vary.

**Condition:** Reported in satisfactory operational condition

**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.

## **Signage, Monuments, Sub-Associations**

---

**Line Item:** 4.800

**Quantity:** Property identification signs at the sub-associations throughout the property.

**History:** Original

**Condition:** Fair to poor overall condition. We note efflorescence at the masonry, deteriorated wood siding and cracks at the signage.



**Monument signage at Richmond Park**



**Poor finishes at shelf angle at Richmond Park monument**



**Cracked stamped concrete at entrance to Richmond Park**



**Monument signage at West Hyde Park**



**Wood siding at monument at West Hyde Park**



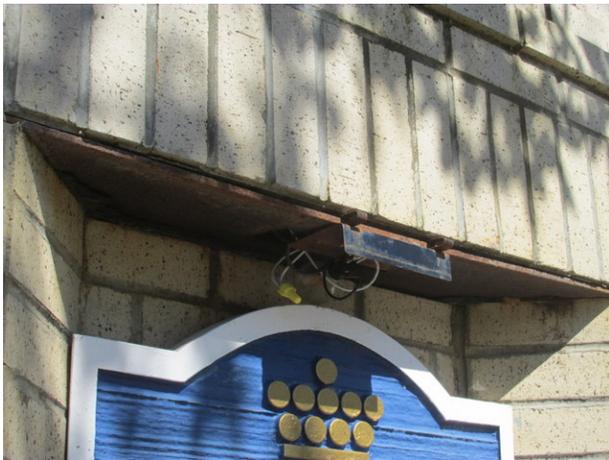
**Wood siding at monument at West Hyde Park**



**Monument signage at Canterbury Court**



**Monument signage at Cumberland Terrace**



**Poor finishes at shelf angle at Cumberland Terrace monument**



**Monument signage at St. James Park**



**Monument signage at Windermere by the Sea**



**Monument signage at The Brighton**



**Monument signage at Windermere by the Sea**



**Deteriorated wood siding at monument at Windermere by the Sea**

**Useful Life:** Up to 25 years

**Component Detail Notes:** Community signage contributes to the overall aesthetic appearance of the property to owners and potential buyers. Renovation or replacement of community signs is often predicated upon the desire to "update" the perceived identity of the community rather than for utilitarian concerns. Therefore, the specific times for replacement or renovation are discretionary. The signage includes the following elements:

- Light fixtures
- Fences
- Signage
- Masonry
- Stucco
- Stamped concrete
- Landscaping

**Priority/Criticality:** Per Board discretion

**Expenditure Detail Notes:** Expenditure timing and costs are depicted in the **Reserve Expenditures** table in Section 3. Our cost for renovation includes repointing and repairs to the masonry and replacement of the remaining components listed above.

## Beach Pool Elements



Overview of beach pool

### Concrete Deck

---

**Line Item:** 6.200

**Quantity:** 2,650 square feet

**History:** The Association repaired and recoated the deck in 2019.

**Condition:** Good overall



Coated concrete deck



Crack at concrete deck



**Coated concrete deck**

**Useful Life:** The useful life of a concrete pool deck is up to 60 years or more with timely repairs. We recommend the Association conduct inspections, partial replacements and repairs to the deck every 8- to 12-years in conjunction with coating replacements.

**Component Detail Notes:** We recommend the Association budget for the following:

- Selective cut out and replacements of up to ten percent (10%) of concrete
- Crack repairs as needed
- Mortar joint repairs
- Caulk replacement
- Coating replacement

**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 base our estimate of cost on information provided by Management.

## **Furniture**

---

**Line Item:** 6.500

**Quantity:**

- Chairs (20)
- Lounges (35)
- Tables (18)
- Umbrellas (3)
- Trash receptacles (2)
- Life safety equipment



**History:** The ages of the furnishings vary.

**Condition:** Fair overall

**Useful Life:** Up to three years

**Priority/Criticality:** Per Board discretion

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

## **Mechanical Equipment, Both Pools (Includes Fountain Equipment)**

---

**Line Items:** 6.600 and 6.601

**Quantity:**

- Automatic chlorinators
- Controls
- Equipment enclosure at fountain
- Filters
- Interconnected pipe, fittings and valves
- Pumps
- Electrical panels
- Exhaust fans

**History:** The ages of the elements vary

**Condition:** Reported in satisfactory operational condition

**Useful Life:** The useful lives of the equipment vary up to 15 years. We include replacement of the equipment enclosure at the fountain every 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. 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.

## **Rest Rooms**

---

**Line Item:** 6.751

**Quantity:** Two common area rest rooms located at the pool house

**History:** The Association renovated the rest rooms in 2019.

**Condition:** Good overall



**Rest room finishes and fixtures**



**Rest room finishes and fixtures**



**Rest room finishes and fixtures**



**Rest room finishes and fixtures**

**Useful Life:** Renovation up to every 20 years

**Component Detail Notes:** Components include:

- Tile floor and wall coverings
- Paint finishes
- Light fixtures
- Plumbing fixtures
- Doors, Metal

**Priority/Criticality:** Per Board discretion

**Expenditure Detail Notes:** Expenditure timing and costs are depicted in the **Reserve Expenditures** table in Section 3. We base our estimate of cost on information provided by Management.

## **Pool House, Roofs, Thermoplastic**

---

**Line Item:** 6.761

**Quantity:** Approximately 775 square feet at the pool house and adjacent storage building

**History:** The ages of the roofs are unknown.

**Condition:** We were unable to access the main roof during our inspection.

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

## **Pool House, Walls, EIFS**

---

**Line Item:** 6.771

**Quantity:** Approximately 4,600 square feet of concrete and EIFS walls. This quantity includes the adjacent stand-alone walls at the pool area.

**History:** The Association was in the process of repairing the walls and applying paint finishes at the time of our inspection.



Exterior view of pool house



On-going concrete repair at exterior of pool house during inspection



**Paint finishes at stand-alone wall**



**Isolated damaged EIFS at stand-alone wall**

**Useful Life:** EIFS (Exterior Insulation Finish System) wall systems have indefinitely long useful lives with timely repairs and finish applications. We recommend repairs and finish applications every 8- to 10-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. Our estimate of cost anticipates the following per event:

- 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 the EIFS walls (The exact amount of area in need of repair will be discretionary based on the actual future conditions and the desired appearance.)
- Replacement of up to fifty percent (50%) of the sealants in coordination with each paint finish application.

## **Pool Finish and Tile**

---

**Line Item:** 6.800

**Quantity:** 1,600 square feet of finish based on the horizontal surface area and approximately 170 linear feet of waterline tile

**History:** The finishes were replaced in 2019.

**Condition:** Good overall



**Pool finish, waterline tile and stair tiles**



**Pool finish and waterline tile**

**Useful Life:** 8- to 12-years

**Component Detail Notes:** Removal and replacement 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 finish with a 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

**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. We base our estimate of cost on information provided by Management.

## **Structure and Deck**

---

**Line Item:** 6.900

**Quantity:** 1,600 square feet of horizontal surface area

**History:** Original

**Conditions:** The structure visually appears in good condition. The concrete floors and walls have a fiberglass finish. This finish makes it difficult to thoroughly inspect the concrete structure during a noninvasive visual inspection.

**Useful Life:** Up to 60 years

**Component Detail Notes:** The need to replace a pool structure depends on the condition of the concrete structure, the condition of the embedded or concealed water circulation piping, possible long term uneven settlement of the structure, and the increasing cost of repair and maintenance. Deterioration of any one of these component systems could result in complete replacement of the pool. For example, deferral of a deteriorated piping system could result in settlement and cracks in the pool structure. This mode of failure is more common as the system ages and deterioration of the piping system goes undetected. For reserve budgeting purposes, we recommend Kingston Plantation plan to replace the following components:

- Concrete deck
- Pool structure
- Subsurface piping

**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.

## St. James Pool Elements



Overview of St. James Pool



Exterior view of pool house at St. James Pool



Exterior view of St. James pool house



Exterior view of St. James pool house

## Concrete Deck

**Line Item:** 7.200

**Quantity:** 2,650 square feet

**History:** The Association repaired and recoated the deck in 2019.

**Condition:** Good overall



Coated concrete deck



Coated concrete deck

**Useful Life:** The useful life of a concrete pool deck is up to 60 years or more with timely repairs. We recommend the Association conduct inspections, partial replacements and repairs to the deck every 8- to 12-years in conjunction with coating replacements.

**Component Detail Notes:** We recommend the Association budget for the following:

- Selective cut out and replacements of up to ten percent (10%) of concrete

- Crack repairs as needed
- Mortar joint repairs
- Caulk replacement
- Coating replacement

**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 base our estimate of cost on information provided by Management.

## Cover, Vinyl

---

**Line Item:** 7.300

**Quantity:** 1,770 square feet

**History:** The age of the cover is unknown.

**Condition:** Fair overall



Vinyl pool cover

**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.

## Fence, Wood

---

**Line Item:** 7.400

**Quantity:** 230 linear feet

**History:** Original

**Condition:** Fair overall condition



**Wood fence at pool area**



**Minor warping of wood fence at pool area**



**Separated railing at fence**

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

**Component Detail Notes:** The Association should anticipate periodic partial replacements due to the non-uniform nature of wood deterioration. Along with these partial replacements, the Association should apply periodic paint applications as needed and fund these activities through the operating budget.

**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:** 7.500

**Quantity:**

- Chairs (20)
- Lounges (35)
- Tables (18)
- Umbrellas (3)
- Trash receptacles (3)
- Life safety equipment

**History:** The ages of the furnishings vary.

**Condition:** Fair overall. We note faded vinyl strapping.

**Useful Life:** Up to three years

**Priority/Criticality:** Per Board discretion

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

## **Light Poles and Fixtures**

---

**Line Item:** 7.561

**Quantity:** Four metal light poles at the pool area

**History:** The poles are assumed to be original. The Association replaced the fixtures in 2019.

**Condition:** We note finish deterioration at the poles and fixtures.



**Light pole and fixture**



**Light pole and fixture**

**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.

## **Rest Rooms**

---

**Line Item:** 7.751

**Quantity:** Two common area rest rooms located at the pool house

**History:** The Association renovated the rest rooms in 2019.

**Condition:** Good overall



**Rest room finishes and fixtures**

**Useful Life:** Renovation up to every 25 years

**Component Detail Notes:** Components include:

- Tile floor and wall coverings
- Paint finishes
- Light fixtures
- Plumbing fixtures
- Countertops
- Doors, Metal

**Priority/Criticality:** Per Board discretion

**Expenditure Detail Notes:** Expenditure timing and costs are depicted in the **Reserve Expenditures** table in Section 3. We base our estimate of cost on information provided by Management.

## **Pool House, Roof, Asphalt Shingles**

---

**Line Item:** 7.761

**Quantity:** Nine squares

**History:** Assumed original

**Condition:** Fair overall condition. Management does not report a history of leaks.



**Asphalt shingle roof at pool house**



**Tarp at asphalt shingle roof at pool house**

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

## **Pool House, Walls, Wood Siding**

---

**Line Item:** 7.771

**Quantity:** Approximately 1,600 square feet of wood siding and trim

**History:** Original

**Condition:** Fair overall condition



**Wood siding at pool house exterior**



**Wood siding at pool house exterior**



**Wood siding at pool house exterior**

**Useful Life:** Up to 40 years. This useful life is dependent upon timely paint applications and partial replacements of deteriorated siding.

**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.

## Pool Finish and Tile

---

**Line Items:** 7.800

**Quantity:** 1,000 square feet of finish based on the horizontal surface area and approximately 160 linear feet of waterline tile

**History:** The finishes were replaced in 2019.

**Condition:** Good overall

**Useful Life:** 8- to 12-years

**Component Detail Notes:** Removal and replacement 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 finish with a 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

**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 base our estimate of cost on information provided by Management.

## Structure and Deck

---

**Line Item:** 7.900

**Quantity:** 1,000 square feet of horizontal surface area

**History:** Original

**Conditions:** The structure visually appears in good condition. The concrete floors and walls have a fiberglass finish. This finish makes it difficult to thoroughly inspect the concrete structure during a noninvasive visual inspection.

**Useful Life:** Up to 60 years

**Component Detail Notes:** The need to replace a pool structure depends on the condition of the concrete structure, the condition of the embedded or concealed water circulation piping, possible long term uneven settlement of the structure, and the increasing cost of repair and maintenance. Deterioration of any one of these component systems could result in complete replacement of the pool. For example,

deferral of a deteriorated piping system could result in settlement and cracks in the pool structure. This mode of failure is more common as the system ages and deterioration of the piping system goes undetected. For reserve budgeting purposes, we recommend Kingston Plantation plan to replace the following components:

- Concrete deck
- Pool structure
- Subsurface piping

**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.

## 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. We recommend the Board budget for an Update to this Reserve Study in two- to 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.

Kingston Plantation 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 Homeowners 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 and exceeds the National standards<sup>1</sup> set forth by the Association of Professional Reserve Analysts (APRA) fulfilling the requirements of a "Level II Reserve Study Update." 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 Myrtle

<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.

Beach, South Carolina at an annual inflation rate<sup>3</sup>. Isolated or regional markets 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 Kingston Plantation 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.

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



## 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 principals are founders of Community Associations Institute's (CAI) Reserve Committee that developed national standards for reserve study providers. One of our principals 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 the 2,600,000-square foot 98-story Trump International Hotel and Tower in Chicago. 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.

**JEFFREY B. DOW, P.E., RS**  
**Responsible Advisor**

**CURRENT CLIENT SERVICES**

Jeffrey B. Dow, a Civil engineer, is the Regional Engineering Manager for the Southeast Region of Reserve Advisors. Mr. Dow 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. Mr. Dow frequently serves as the Quality Assurance Review Coordinator for all types of communities.



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

**Alson Court Condominium Owners Association, Inc.** - This historic Charlotte, NC building was constructed in 1939 and comprises all-brick construction and a clay tile roof. The unique layout of the building, which includes a number of entrances and lobbies, allows for two picturesque courtyards. The property includes two detached garages.

**Charleston Oceanfront Villas Homeowners Association** - This oceanfront condominium offers spectacular views of Folly Beach, SC and the Atlantic Ocean. The four-story stucco building contains 96 luxury residential units. Amenities include private balconies, a large garage on the first floor and two pools.

**Le Club at Old Cutler Condominium Association, Inc.** - This condominium community in Miami, FL comprises 334 units in 14 buildings. Amenities of this property include a large pond with a lighted lake walk, a large clubhouse with fitness room, a pool, a sauna, a playground and tennis courts.

**Marco Towers Club, Inc.** - Located on exclusive Marco Island just south of Naples, FL, this eight-story mid-rise features solid concrete construction and was the designated hurricane shelter for its community for many years. It houses 57 condominiums with balconies offering views of the adjacent intercoastal waterway. The property also includes a party room, office and detached garages.

**Mountaintop Community Association** - This mountain golf community is located in Highlands, NC and includes high-end single family homes. The community includes a wastewater treatment plant, lift stations, two domestic water wells, three bridges and asphalt pavement roadways.

**The Academy at Ocean Reef** - Located in Key Largo, FL, this private institution serves kindergarten through the eighth grade and includes offices, a science lab, a music room, a television production room, six classrooms, an atrium and other learning facilities.

**PRIOR RELEVANT EXPERIENCE**

Before joining Reserve Advisors, Mr. Dow successfully completed the bachelors program in Civil Engineering from Florida State University. He also has four years of experience as a land development engineer in the Washington, D.C. area and Tampa, FL, where he gained knowledge in the design of residential and commercial property, utility layout and stormwater detention.

**EDUCATION**

Florida State University - B.S. Civil Engineering, Cum Laude

**PROFESSIONAL AFFILIATIONS**

*Professional Engineer (P.E.)* - State of Florida, 2008

*Reserve Specialist (RS)* - Community Associations Institute

**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 Kingston Plantation 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) Kingston Plantation 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.



## 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 reserve study 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 property.

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. The report is based upon a "snapshot in time" at the moment of inspection. RA may note visible physical defects in our report. The inspection is made by employees generally familiar with real estate and building construction but in the absence of invasive testing RA cannot opine on, nor is RA responsible for, the structural integrity of the property including its conformity to specific governmental code requirements for fire, building, earthquake, and occupancy, or any physical defects that were not readily apparent during the inspection.

RA is not responsible for conditions that have changed between the time of inspection and the issuance of the report. 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 water, oil, gas, coal, or other subsurface mineral and use rights or such hidden conditions. RA assumes no responsibility for any such conditions. The Report contains opinions of estimated costs and remaining useful lives which are neither a guarantee of the actual costs of replacement nor a guarantee of remaining useful lives of any property element.

RA assumes, without independent verification, the accuracy of all data provided to it. You agree to indemnify and hold RA harmless against and from any and all losses, claims, actions, damages, expenses or liabilities, including reasonable attorneys' fees, to which we may become subject in connection with this engagement, because of any false, misleading or incomplete information which we have relied upon 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. Your obligation for indemnification and reimbursement shall extend to any director, officer, employee, affiliate, or agent of RA. Liability of RA and its employees, affiliates, and agents for errors and omissions, if any, in this work is limited to the amount of its compensation for the work performed in this engagement.

**Report** - RA completes the services in accordance with the Proposal. The Report represents a valid opinion of RA's findings and recommendations and is deemed complete. RA, however, considers any additional information made available to us within 6 months of issuing the Report if a timely request for a revised Report is made. 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.

**Your Obligations** - You agree to provide us access to the subject property for an on-site visual 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. 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 this Report is limited to only the purpose stated herein. You hereby acknowledge that any use or reliance by you on the Report for any unauthorized purpose is at your own risk and you shall hold RA harmless from any consequences of such use. Use by any unauthorized third party is unlawful. 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 our Report in its entirety to the following third parties: members of your organization, your accountant, attorney, financial institution and property manager who need to review the information contained herein. Without the written consent of RA, you shall not disclose the Report to any other third party. The Report contains intellectual property developed by RA and **shall not be reproduced or distributed to any party that conducts reserve studies without the written consent of RA**.

RA will include your name in our client lists. RA reserves the right to 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** - Retainer payment is due upon authorization and prior to inspection. The balance is due net 30 days from the report shipment date. Any balance remaining 30 days after delivery of the Report shall accrue an interest charge of 1.5% per month. Any litigation necessary to collect an unpaid balance shall be venued in Milwaukee County Circuit Court for the State of Wisconsin.