

COPY

RESERVE STUDY REPORT

Villa Towers Condominium Association, Inc.

3640 N. Ocean Drive, Singer Island, Florida 33404

September 20, 2016

PURPOSE OF THE RESERVE STUDY UPDATE:

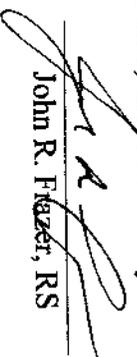
To provide a continued basis for the necessary funding to maintain, repair and replace those components which are the association's responsibility.

SCOPE OF THE RESERVE STUDY UPDATE:

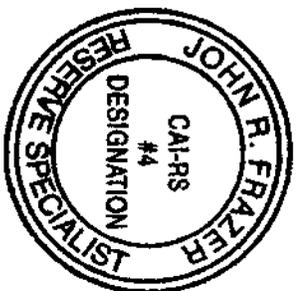
Update, identify and examine specific components for all of the reserve category needs analysis and use Restricted Category Funding for future reserve financial analysis with an on site inspection. The reserve study will include one condominium building with 52 units, the swimming pool, painting, elevator, roofing, mechanical systems, paving, air conditioning, alarm systems, common area interiors, perimeter walls, fencing, gate entry, plus concrete and building restorations. Quantify the individual components by actual field measurements. Establish current cost estimates for replacement using Marshall Valuation Service, National Plumbing & HVAC Estimator, Means Building Construction Cost Data, Trade Service Electrical Price Guide, and local contractors. Identify the normal life expectancy for each component. Estimate each component's remaining useful life through non-destructive methods. Calculate the normal annual contribution over the normal life expectancy. Establish the current 100% reserve requirement. Complete the reserve funding analysis and calculate the reserve deficit or overage. Make calculations to amortize any cash flow deficits over the twenty year analysis by using the restricted category funds method of funding reserves. Adjust the normal annual contributions to include amortized deficit funding, if needed, to meet all anticipated expenditures over the next twenty years.

CERTIFICATION:

I hereby certify that I have no interest, present or contemplated, in the property, and that neither the assignment to complete this study nor the fee derived there from is contingent upon its results. I have personally inspected the property, unless otherwise noted in the report, and to the best of my knowledge and belief, all statements and data in this report are true, subject to any contingent limiting conditions noted herein. This report is furnished at your request in strict confidence by us as your agent for your exclusive use. The report is not to be construed as a guarantee or warranty, expressed or implied, of the property or the equipment therein or of their fitness for a particular purpose. This report is made under the guidelines of the American Institute of Certified Public Accountants, the Community Associations Institute guidelines, and the Professional Reserve Specialists Code of ethics.



John R. Frazier, RS



INTRODUCTION

J R FRAZER Reserves and Valuation Services was retained by the Association to prepare a reserve analysis of the common areas for the purpose of developing a repair and replacement needs plan and a funding analysis. The site inspection work was completed by John R. Frazer RS. Mr. Frazer has a designation of Reserve Specialist, RS. The RS designation is given to those individuals who meet standards set forth by Community Associations Institute a national recognized provider of education and resources to community associations.

The statutory requirement for condominium associations simply states reserves must be 100% funded for roofing, painting and paving, plus any other items in which the cost to maintain, repair or replace those items exceeds \$10,000. This board feels it is prudent and fiduciarily incumbent upon them to have a Reserve Analysis and accordingly has elected to engage an independent specialist to prepare a reserve schedule. Our reserve study pools all reserve funds for reserve categories with a twenty year cash flow analysis.

The reserve program is designed to provide all or part of the funds necessary to pay for maintaining, repairing and replacing the capital improvements of the Association. Not every circumstance can be accounted for future loss possibilities such as catastrophic disasters. At the request of the board this reserve study may include reserves for uninsurable losses due to a catastrophe. These losses may be caused by flooding, lightning, hurricanes, or un-named windstorms and may include damage to such uninsurable items as landscaping or improvements excluded from windstorm insurance.

The analysis which follows uses the straight line component method to determine the physical analysis or the needs of the Association plus a pool of funds and a twenty year cash flow analysis with a minimum threshold to complete the financial analysis and reserve funding requirements. The physical analysis data includes those components that are included in the reserve study and the calculation of the necessary reserves are based upon straight line funding by establishing estimated remaining useful lives, the quantity of units which are obtained through independent research, existing maintenance records, site inspections, and verification of historical replacement cost of the components in the analysis. Because inflation cannot be accurately predicted, replacement costs herein are at current construction cost.

PURPOSE OF RESERVES

Reserves are monies budgeted, collected and set aside for replacement or deferred maintenance. The establishment of reserve accounts begins with the developer and or the board who have a fiduciary capacity and responsibility for the establishment of an association's budget. The board has established the reserve accounts in this study for the future replacement or deferred maintenance of the common areas.

Community associations have become aware of the necessity of reserves being included in the budget. Without adequate reserves, owners may be subject to either special assessments or may not be able to repair or replace the common area assets. Reserve funds enable an association to maintain the common areas with a reduced risk of special assessments and minimize the impact of financial challenges. The establishment of 100% reserve funding accomplishes the following.

Establishes and preserves reserves for a strong financial position to meet future expenditures.

Reserves reduce the potential for special assessments.

All owners share the expenses of an association equally by paying their share of the cost.

Adequate funding is the key to reserves. Just having reserves funds doesn't make a community's financial future strong. Reserves must be set at an annual goal of 100% funding according to statutes in order to accomplish all of the goals of an association, unless a vote of the membership elects to waive or partially fund reserves.

There will be times however, when natural disasters such as flood, hurricanes, windstorms, and frost can cause considerable damage to uninsurable property. These events should also be a consideration of the board and a reserve fund established to meet these natural disasters or adopt a policy of special assessments.

ANALYST RECOMMENDATIONS

1.) We recommend making the stated year 2017 contribution. The 2017 contribution is made up of the Normal Annual Contribution plus required amortized deficit amount to meet anticipated cash flows over the next twenty years.

By funding the recommended year 2017 contribution using the restricted category funding method the Association should be able to pay future reserve expenditures with adequate contributions from the reserve funds.

The Normal Annual Contribution represents the replacement cost divided by the number of years of useful life.

2.) We recommend income generated within the reserves remain in the reserves. This is the most positive method to combat inflation. Our financial analysis indicates interest generated by reserve funds will help to offset the cost of inflation. This system of compounding interest allows the Association to control most reserve increases, but should be updated at minimum every two years. If interest is not allocated back to reserves the Association can expect future deficits and possible special assessments.

3.) All expenditures are based upon a cash flow analysis with restricted category of funds to meet expenses. This allows all funds in each reserve category to be used for paying any appropriate component or components which may suddenly and un-expectedly need to be repaired or replaced. This system of funding provides adequate funding for the future reserve expenses. We strongly recommend annual updates of the reserve study in order to maintain adequate funding levels.

SPECIAL NOTES

The following section is the reserve summary (B 1). This brings together the current replacement cost, normal life expectancy, estimated remaining life, normal annual contribution, and current reserve requirement at 100% for each of the reserve categories. Please note the Normal Life and Remaining Life on the Reserve Summary page are ranges of actual life. The actual Normal Life and Remaining Life for each individual reserve component are contained in the Reserve Analysis pages (the C pages). After the reserve summary are the reserve calculation pages (C 1 - C 11) which break down the component unit cost, number of units, and estimated remaining useful life. After the reserve analysis for each of the categories you will find the reserve funding analysis and twenty year cash flow analysis (D 1 - D 5).

Information supplied by the Association includes a completed reserve update questionnaire, see attached.

As a result of the study, if the current reserve fund balance is less than the current 100% reserve requirement you have a funding deficit. If the fund balance is greater than the reserve requirement you have a funding overage.

When a current reserve fund balance is less than the current 100% reserve requirement additional funds may be added to the normal annual contribution if current funding levels will not meet the projected twenty year cash flow analysis. This will allow the funding deficit to be paid down over a period of years within the twenty year period. The funding deficit table depicts the expenses and amortized deficit funding if needed.

All funding deficits in this study are amortized based upon the cash flow analysis. This amortized amount is added to the normal annual contribution yielding the new contribution. **Additional funds over the Normal Annual Contribution are needed at this time to meet minimal threshold funding requirements and anticipated expenditures.**

The goal is to meet anticipated reserve expenditures over the next twenty years and maintain a positive cash baseline.

When a current reserve fund balance is greater than the current 100% reserve requirement the funding deficit tables calculate the number of years and dollars by which the overage should be paid down. This method of amortizing overages and deficits will maintain a more stable level of funding and reduces fluctuations.

All reserve amounts change yearly with increased cost of materials, increased cost of labor, building code changes, and investment income. We do not add for inflation or interest. These items are difficult to predict and can mislead the user of the report. Instead we use current cost with no inflation and no interest. Some cost increase will be taken care of by interest but we recommend annual updates to adjust for increased cost. These economic changes will have an impact on your reserve fund and your ability to provide for future expenses.

In addition, depending on how you decide to allocate future funding, and whether or not you opt to fund at recommend levels, these decisions will also impact the status of the reserve fund. In order to ensure continued adequate funding we strongly recommend annual updates to adjust for increased cost, adjustments to estimated remaining life, reserve spending, and changes in your funding allocations. Because inflation cannot be accurately predicted all replacement costs used in this analysis are current costs. The only way to maintain accurate reserves and reduce the need for special assessments would be to update your reserve study annually.

This association's financial strength is low with less than a 30% reserve funding level. This association is 27% funded. The association's risk of special assessments is 37% during any one yearly period.

It is time for this association to start collecting adequate reserves. The association is behind on collecting reserve funds and the deficit is large. The association should set a goal of collecting 100% of the 2017 annual contribution and over the next few years reach a minimum of 30% funded to reduce the possibility of special assessments.

The J R Frazer firm recommends an increase to the annual reserve contribution. The increased annual reserve contribution will be a more accurate reserve budget number which can benefit the entire community and allow current owners to pay the current cost which is their fair share of future cost to maintain the assets of the Association.

CONDITIONS OF RESERVE STUDY

Unless otherwise stated, this evaluation is subject to the following conditions:

J R Frazer, a reserve specialty firm, have not formed a legal opinion as to what components may be included or are the responsibility of the association. We therefore assume no responsibility in the determination of which components and their related cost may be excluded from the reserve study application.

Information as to the association's responsibilities has been obtained from the client in discussions or a review of the documents. We make no guarantee nor assume liability for the accuracy of any data, financial statements or fund balances supplied by the client, opinions, or estimates as furnished by others that we used in formulating this evaluation. Any changes to our reports resulting from missing information or misinformation will be added to the report at an expense equal to our hourly fee rate.

The dimensions and quantities were gathered either by actual physical measurements, review of construction plans, or supplied by the association. All previous measurements and quantifications are deemed accurate for future use and updates.

Neither all nor any part of the contents of the association's reserve study report shall be conveyed to another reserve specialist, estimator, valuation person, or the public through advertising, news, or other media without the written consent and approval of myself.

The valuation includes a description of the premises. Our assessment of the physical condition of the improvements described within has been based upon visual inspection. No warranty is made and no liability is assumed for the soundness of the structure or its components. The valuations derived and expressed within is not applicable to any other property regardless of similarity. The valuation is as of the date specified.

The values provided in this analysis are derived and based upon cost during common and normal economic conditions. These values do not reflect the significant impact on cost which may occur as a result of supply shortages and demand increases which are typically created as a result of disasters such as hurricanes, windstorms, etc. All updates are based upon the previous validated data.

This analysis represents my opinion based on accepted valuation systems and reserve methodology as to the values of the described property. As stated in the report, it has in no way been contingent upon the report of predetermined or specified value, nor has compensation for this reserve analysis report been contingent upon the value of the property considered.

Report completed by:

J R FRAZER

John R. Frazer, RS

20423 State Road 7 #F6, PMB 216

Boca Raton, Florida 33498

561-488-3012

Villa Towers Condominium Association, Inc.
 3640 N. Ocean Drive, Singer Island, Florida 33404

2016 RESERVE SUMMARY

Financial Years January ~ December

RESERVE CATEGORY	REPLACEMENT COST	NORMAL LIFE (YEARS)	REMAIN LIFE (YEARS)	NORMAL ANNUAL CONTRIBUTION	CURRENT RESERVE REQUIREMENT	FUND BALANCE 8-31-16	FUND OVERAGE	2017 CONTRI-BUTION	MONTHLY CONTRI-BUTION
Roofing	85,141	5-24	2-11	6,461	69,537	41,462	(28,075)	15,500	1,291.67
Painting	166,604	6-12	1-11	27,291	116,022	78,227	(37,795)	48,638	4,053.17
Paving	56,348	6-60	1-17	3,805	43,728	3,100	(40,628)	13,850	1,154.17
Elevator	464,400	17-34	6-23	14,494	145,376	75,116	(70,260)	14,494	1,207.83
Restoration *	781,091	6-60	1-29	38,184	434,109	17,916	(416,193)	49,200	4,100.00
Un-Allocated Interest						0			

TOTAL **1,553,584** Life range of years for summary purpose, see actual estimated years in detail pages **90,235** **808,772** **215,821** **(592,951)** **\$141,682** **\$11,807**

* Formerly Gas W/H & Concrete Stairs

Villa Towers Condominium Association, Inc.

3640 N. Ocean Drive, Singer Island, Florida 33404

PROJECTED RESERVE FORECAST

RESERVE CATEGORY	Yr. 2017 CONTRI- BUTION	Yr. 2018 CONTRI- BUTION	Yr. 2019 CONTRI- BUTION	Yr. 2020 CONTRI- BUTION	Yr. 2021 CONTRI- BUTION	Yr. 2022 CONTRI- BUTION	Yr. 2023 CONTRI- BUTION	Yr. 2024 CONTRI- BUTION	Yr. 2025 CONTRI- BUTION
Roofing	15,500	15,500	7,600	7,600	7,600	7,600	7,600	7,600	7,600
Painting	48,638	27,291	27,291	27,291	27,291	27,291	27,291	27,291	27,291
Paving	13,850	13,850	4,850	4,850	4,850	4,850	4,850	4,850	3,805
Elevator	14,494	14,494	14,494	14,494	14,494	14,494	14,494	14,494	14,494
Restoration	49,200	49,200	49,200	49,200	49,200	49,200	49,200	49,200	49,200
TOTAL	141,682	120,335	103,435	103,435	103,435	103,435	103,435	103,435	102,390

2016 RESERVE ANALYSIS

Villa Towers Condominium Association, Inc., 3640 N. Ocean Drive, Singer Island, Florida 33404

ROOFING	QUANTITY	UNIT	REPLACE	NORMAL	REMAINING	NORMAL	RESERVE
RESERVES	UNITS	COST	COST	LIFE	LIFE	ANNUAL	CONTRIBUTE REQUIREMENT
				(YEARS)	(YEARS)		
		\$	\$				
<i>8225-00</i>		(SQUARE FT.)					

Condominium Building Roof Replacements:

condo single ply roofing 8225-01	7,400	9.70	71,780	15	2	\$4,785	\$62,209
epoxy one story roof 16 8225-01	1,398	0.86	1,202	6	5	\$200	\$200
replace awning canvas (2)	242	14.50	3,509	8	3	\$439	\$2,193
replace awning frame (2)	242	18.10	4,380	24	11	\$183	\$2,373
Repairs/Surveys/Misc.	9,282	0.46	4,270	5	2	\$854	\$2,562

TOTAL			85,141	5-24	2-11	\$6,461	\$69,537
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2016 RESERVE ANALYSIS

Villa Towers Condominium Association, Inc., 3640 N. Ocean Drive, Singer Island, Florida 33404

\$222-08

	QUANTITY	UNIT COST	REPLACE COST	NORMAL LIFE (YEARS)	REMAINING LIFE (YEARS)	NORMAL ANNUAL CONTRIBUTION	100% RESERVE REQUIREMENT
ELEVATOR RESERVES							
	UNITS	\$	\$	(YEARS)	(YEARS)		

equipment modernization 06	2	68,000	136,000	34	23	\$4,000	\$44,000
electronic controller mod. 06	2	150,000	300,000	34	23	\$8,824	\$97,059
cables 06	2	2,250	4,500	17	6	\$265	\$2,912
elevator flooring 16 <i>\$222-01</i>	2	1,500	3,000	17	16	\$176	\$176
elevator interiors 16 <i>\$222-04</i>	2	3,500	7,000	17	16	\$412	\$412
elevator electrical 16	2	1,200	2,400	17	16	\$141	\$141
replace int. door skins 16 <i>\$222-05</i>	2	750	1,500	17	16	\$88	\$88
major repairs 16 <i>\$222-03</i>	2	5,000	10,000	17	16	\$588	\$588
TOTAL			464,400	17-34	6-23	14,494	145,376

2016 RESERVE ANALYSIS

Villa Towers Condominium Association, Inc., 3640 N. Ocean Drive, Singer Island, Florida 33404

RESTORATION RESERVES	QUANTITY UNITS	UNIT COST	REPLACE COST	NORMAL LIFE	REMAINING LIFE	NORMAL ANNUAL	RESERVE REQUIREMENT
		\$	\$	(YEARS)	(YEARS)		

Replace Air Conditioning Compressors:							
2.0 ton 14	1	2,600	2,600	10	7	\$260	\$780
2.0 ton 14	1	2,600	2,600	10	7	\$260	\$780
2.5 ton 09	1	2,600	2,600	10	2	\$260	\$2,080
1.5 ton 06	1	2,000	2,000	10	1	\$200	\$1,800
4.0 ton 16	1	3,500	3,500	10	9	\$350	\$350

Replace Air Conditioning Air Handlers:							
2.0 ton 14	1	1,100	1,100	20	17	\$55	\$165
2.0 ton 14	1	1,100	1,100	20	17	\$55	\$165
2.5 ton 09	1	1,200	1,200	20	2	\$60	\$1,080
1.5 ton 06	1	900	900	20	1	\$45	\$855
4.0 ton 16	1	1,500	1,500	20	19	\$75	\$75

Renovate Restrooms:							
pool restrooms	2	3,100	6,200	20	4	\$310	\$4,960
fitness restroom & showers	1	6,200	6,200	20	4	\$310	\$4,960

SUB-TOTAL		31,500	10-20	1-17		2,240	18,050
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2016 RESERVE ANALYSIS

Villa Towers Condominium Association, Inc., 3640 N. Ocean Drive, Singer Island, Florida 33404

RESTORATION RESERVE	QUANTITY UNITS	UNIT COST	REPLACE COST	NORMAL LIFE	REMAINING LIFE	NORMAL ANNUAL	RESERVE REQUIREMENT
(continued)		\$	\$	(YEARS)	(YEARS)		

~~8221-00~~

Condominium Building Restorations:

exterior walls & ceilings	132,022	0.71	93,736	12	10	\$7,811	\$15,623
concrete decks & stairs	34,304	1.02	34,990	12	10	\$2,916	\$5,832
decks & stair textures	34,304	2.30	78,899	20	7	\$3,945	\$51,284
doors & glass openings	1	41,000	41,000	40	19	\$1,025	\$21,525
electrical panel updates	53	820	43,460	60	17	\$724	\$31,146
plumbing riser updates	53	2,050	108,650	60	17	\$1,811	\$77,866
expansion joints	102	51	5,202	20	18	\$260	\$520
generator 70 Kw 07 * 8221-02	1	57,000	57,000	20	10	\$2,850	\$28,500
fire pump station	1	37,750	37,750	34	1	\$1,110	\$36,640
domestic water pumps	2	7,000	14,000	20	2	\$700	\$12,600

* 2016 replaced exhaust system \$1,700

SUB-TOTAL			546,187	6-60	1-19	25,393	299,586
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2016 RESERVE ANALYSIS

Villa Towers Condominium Association, Inc., 3640 N. Ocean Drive, Singer Island, Florida 33404

RESTORATION RESERVE	QUANTITY UNITS	UNIT COST	REPLACE COST	NORMAL LIFE	REMAINING LIFE	NORMAL ANNUAL	RESERVE REQUIREMENT
		\$	\$	(YEARS)	(YEARS)		

(continued)

Condominium Building Restorations (continued):

domestic water station	1	22,500	22,500	20	2	\$1,125	\$20,250
replace boilers & tanks 11 8221-01	1	33,500	33,500	20	14	\$1,675	\$10,050
fire alarm system 06 8221-03	53	500	26,500	20	9	\$1,325	\$14,575
fire alarm system 16	53	150	7,950	20	19	\$398	\$398
trash chute R&R	17	1,025	17,425	40	4	\$436	\$15,683
telephone entry station	1	2,050	2,050	10	2	\$205	\$1,640

Swimming Pool Replacements:

re-surface pool	3,500	6.00	21,000	15	4	\$1,400	\$15,400
replace pool tile	600	15.00	9,000	15	4	\$600	\$6,600
restore pool coping	200	17.00	3,400	15	4	\$227	\$2,493
replace heater	1	3,900	3,900	6	4	\$650	\$1,300
equipment replacements	1	3,800	3,800	8	3	\$475	\$2,375

SUB-TOTAL			697,212	6-60	1-19	33,907	390,349
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2016 RESERVE ANALYSIS

Villa Towers Condominium Association, Inc., 3640 N. Ocean Drive, Singer Island, Florida 33404

RESTORATION RESERVE	QUANTITY UNITS	UNIT COST	REPLACE COST	NORMAL LIFE	REMAINING LIFE	NORMAL ANNUAL	100% RESERVE
(continued)		\$	\$	(YEARS)	(YEARS)	CONTRIBUTE	REQUIREMENT

Lobby & Mailroom Renovations & Replacements:

replace tile flooring	1,000	9.25	9,250	30	4	\$308	\$8,017
paint walls 16	1,232	0.71	875	15	14	\$58	\$58
paint ceilings	992	0.71	704	15	4	\$47	\$517
furniture allowance 16	1	3,000	3,000	15	14	\$200	\$200
lighting	1	2,050	2,050	15	4	\$137	\$1,503
decorating	1	3,500	3,500	15	4	\$233	\$2,567

Bike Room Renovations & Replacements:

replace tile flooring	350	9.25	3,238	30	27	\$108	\$324
paint walls	576	0.71	409	20	14	\$20	\$123
paint ceilings	324	0.71	230	20	14	\$12	\$69
lighting	1	415	415	20	14	\$21	\$125

SUB-TOTAL			720,882	6-60	1-27	35,052	403,851
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2016 RESERVE ANALYSIS

Villa Towers Condominium Association, Inc., 3640 N. Ocean Drive, Singer Island, Florida 33404

RESTORATION	QUANTITY	UNIT	REPLACE	NORMAL	LIFE	LIFE	ANNUAL	RESERVE
RESERVE	UNITS	COST	COST		(YEARS)	(YEARS)	CONTRIBUTE	REQUIREMENT
(continued)		\$	\$					
8221-00								

Fitness Center Renovations & Replacements:

replace tile flooring	150	9.25	1,388	30	16		\$46	\$648
replace carpet flooring	96	38.75	3,720	15	1		\$248	\$3,472
replace vinyl flooring	500	5.70	2,850	30	1		\$95	\$2,755
paint walls 15	912	0.71	648	15	13		\$43	\$86
paint ceilings	722	0.71	513	15	1		\$34	\$478
fitness equip. 15	1	6,700	6,700	15	13		\$447	\$893
decorating	1	500	500	15	1		\$33	\$467
lighting	1	820	820	20	1		\$41	\$779

Rental Apartment Renovations & Replacements:

apartment R&R	1	5,100	5,100	20	2		\$255	\$4,590
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SUB-TOTAL			743,120	6-60	1-27		36,294	418,019
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2016 RESERVE ANALYSIS

Villa Towers Condominium Association, Inc., 3640 N. Ocean Drive, Singer Island, Florida 33404

	QUANTITY	UNIT COST	REPLACE COST	NORMAL LIFE (YEARS)	REMAINING LIFE (YEARS)	NORMAL ANNUAL CONTRIBUTION	100% RESERVE REQUIREMENT
RESTORATION							
RESERVE							
(continued)		\$	\$	(YEARS)	(YEARS)		

8221-00

Meeting Room Renovations & Replacements:

replace tile flooring	650	9.25	6,013	30	22	\$200	\$1,603
paint walls	688	0.71	488	15	7	\$33	\$261
paint ceilings	612	0.71	435	15	7	\$29	\$232
furniture allowance	1	6,100	6,100	15	7	\$407	\$3,253
lighting & fans	1	1,150	1,150	15	7	\$77	\$613
decorating	1	2,400	2,400	15	7	\$160	\$1,280

Billiard Room Renovations & Replacements:

replace vinyl flooring <i>8221-04</i>	350	5.70	1,995	30	29	\$67	\$67
paint walls	360	0.71	256	20	9	\$13	\$141
paint ceilings	306	0.91	278	20	9	\$14	\$153
lighting allowance	1	415	415	20	9	\$21	\$228
decorating	1	200	200	20	9	\$10	\$110

SUB-TOTAL			762,850	6-60	1-29	37,324	425,960
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2016 RESERVE ANALYSIS

Villa Towers Condominium Association, Inc., 3640 N. Ocean Drive, Singer Island, Florida 33404

	QUANTITY	UNIT	REPLACE COST	NORMAL LIFE (YEARS)	REMAINING LIFE (YEARS)	NORMAL ANNUAL CONTRIBUTION	RESERVE REQUIREMENT
RESTORATION							100%
RESERVE	UNITS	COST	COST	LIFE (YEARS)	LIFE (YEARS)	ANNUAL	RESERVE
(continued)	(SQUARE FT.)	\$	\$	(YEARS)	(YEARS)	CONTRIBUTE	REQUIREMENT
8291-50							

Unit Owners Storage Rooms Renovation:

paint floors	350	0.71	249	10	7	\$25	\$75
paint walls	360	0.71	256	20	17	\$13	\$38
paint ceilings	306	0.91	278	20	17	\$14	\$42
lighting allowance	1	415	415	20	17	\$21	\$62
storage unit R&R	1	1,025	1,025	20	17	\$51	\$154
Other:							
replace driveway gate motor	1	4,400	4,400	15	2	\$293	\$3,813
replace parking area lights	2	3,500	7,000	40	29	\$175	\$1,925
replace PVC fencing (lf)	162	21.50	3,483	20	11	\$174	\$1,567
perimeter wall repairs (sf)	1,515	0.75	1,136	12	7	\$95	\$473

GRAND-TOTAL			781,091	6-60	1-29	38,184	434,109
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RESERVE FUNDING ANALYSIS

Villa Towers Condominium Association, Inc., 3640 N. Ocean Drive, Singer Island, Florida 33404

RESERVE CATEGORY	FUND BALANCE	100% RESERVE REQUIRE	FUND OVERAGE (DEFICIT)	RESERVE REQUIRE	(\$416,193)	(\$416,193)
Financial year runs January to December						
Restoration						
	ACCOUNT BALANCE	MINUS	YEARLY EXPENSE	NORMAL ANNUAL CONTRIBUTION	AMORTIZED DEFICIT	EQUALS YEARLY CONTRIBUTION
2016	17,916		15,520	8,535	0	8,535
2017	10,931		49,053	38,184	11,016	49,200
2018	11,078		51,850	38,184	11,016	49,200
2019	8,428		3,800	38,184	11,016	49,200
2020	53,828		82,629	38,184	11,016	49,200
2021	20,399		0	38,184	11,016	49,200
2022	69,599		0	38,184	11,016	49,200
2023	118,799		96,157	38,184	11,016	49,200
2024	71,842		0	38,184	11,016	49,200
2025	121,042		31,149	38,184	11,016	49,200
2026	139,093		186,726	38,184	11,016	49,200
2027	2,567		9,283	38,184	0	38,184
2028	31,468		4,650	38,184	0	38,184
2029	65,002		7,348	38,184	0	38,184
2030	95,838		38,429	38,184	0	38,184
2031	95,593		0	38,184	0	38,184
2032	133,777		9,791	38,184	0	38,184
2033	162,170		166,133	38,184	0	38,184
2034	34,221		5,202	38,184	0	38,184
2035	67,203		49,691	38,184	0	38,184
2036	55,696		0	38,184	0	38,184
END						

TWENTY YEAR REPAIR / REPLACEMENT PROJECTIONS

Villa Towers Condominium Association, Inc.
3640 North Ocean Drive
Singer Island, Florida 33404

2016 RESERVE ANALYSIS ANNUAL UPDATE
As of August 31, 2016

Please list the current fund balance in each reserve account as of the above date.

	Current Balances	Monthly Contributions
Roofing	\$ <u>41,461.50</u>	\$ <u>1,066.67</u>
Painting	\$ <u>78,227.10</u>	\$ <u>2,083.33</u>
Paving	\$ <u>3,104.00</u>	\$ <u>250⁰⁰</u>
Elevator	\$ <u>75,116.16</u>	\$ <u>1,166.67</u>
Restoration	\$ <u>17,915.77</u>	\$ <u>2,133.75</u>
Un-allocated Interest	\$ <u>151.48</u>	\$ <u>None</u>
Special Ass Balance	\$ <u>14,156.70</u>	\$ <u>—</u>
Total	\$ <u>230,132.71</u>	\$ <u>—</u>

Please list all persons who took part in preparing this questionnaire:

Name	Position
1.) <u>PAUL M LEACH</u>	<u>- TRES.</u>
2.) <u>ROB SARRI</u>	<u>- BOARD</u>
3.) <u>CATHY NEWMAN</u>	<u>- BOARD</u>
4.) _____	_____