FULL RESERVE STUDY

Thurston Groves
Homeowners Association, Inc.

Seminole, Florida
February 20, 2015

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1. RESERVE STUDY EXECUTIVE SUMMARY

Client: Thurston Groves Homeowners Association, Inc. (Thurston Groves)
Location: Seminole, Florida
Reference: 121672

Property Basics: Thurston Groves Homeowners Association, Inc. is a homeowners association which is responsible for the common elements shared by 86 single family homes. The community was built in 2001 and the development contains stucco perimeter walls, fences, entrance monuments and a pond.

Reserve Components Identified: Eight Reserve Components.

Inspection Date: February 20, 2015.

Funding Goal: The Funding Goal of this Reserve Study is to maintain reserves above an adequate, not excessive threshold during one or more years of significant expenditures. Our recommended Funding Plan recognizes this threshold funding year in 2041 due to replacement of the irrigation system.

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
- 1.1% annual rate of return on invested reserves
- 2.9% 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.

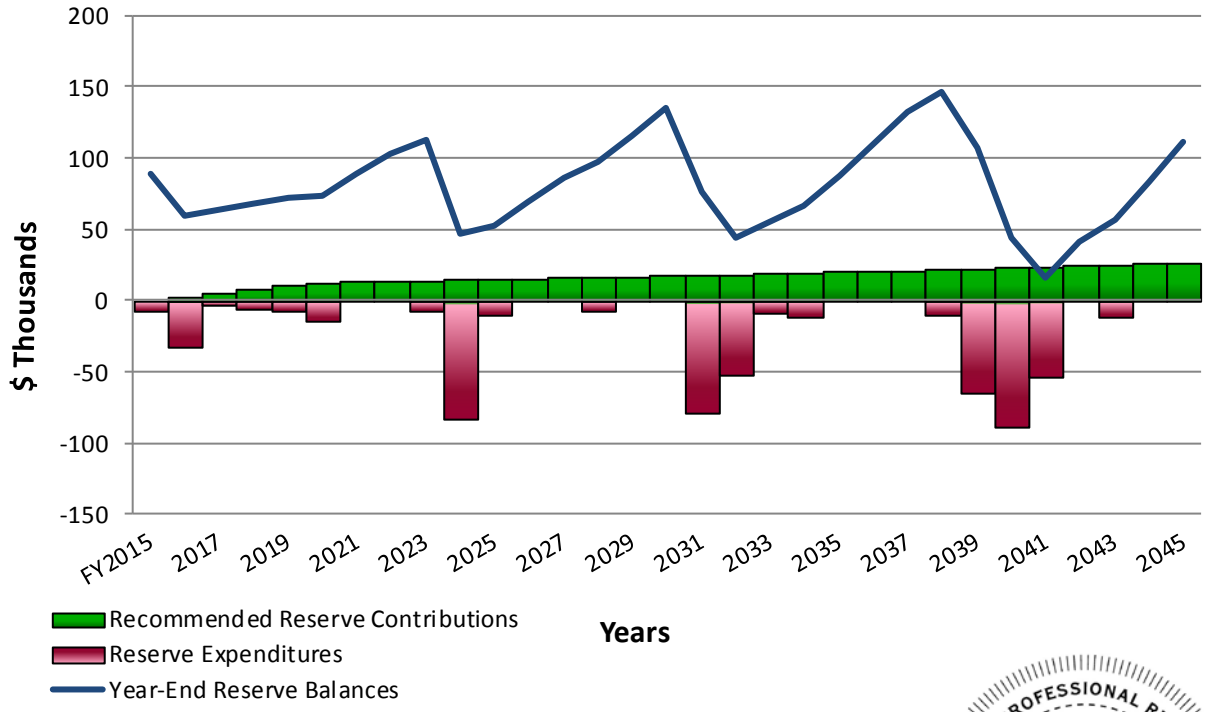
Cash Status of Reserve Fund: $95,514 as of January 1, 2015.

Recommended Reserve Funding: The Association did not budget for Reserve Contributions in 2015. We recommend the Association budget annual phased increases in Reserve Contributions of $2,700 from 2016 through 2020. Afterwards, the Association should budget gradual annual increases in reserve funding, that in part consider the effects of inflation. The initial adjustment in Reserve Contributions of $2,700 represents about a three percent (3.0%) adjustment in the 2015 total Operating Budget of $90,300. This initial adjustment of $2,700 is equivalent to an average monthly increase of $2.62 per homeowner.

Certification: This *Full Reserve Study* exceeds the Community Associations Institute (CAI) and the Association of Professional Reserve Analysts (APRA) standards fulfilling the requirements of a "Level I Full Reserve Study."

Thurston Groves
Recommended Reserve Funding Table and Graph

Year	Reserve Contributions ($)	Reserve Balances ($)	Year	Reserve Contributions ($)	Reserve Balances ($)	Year	Reserve Contributions ($)	Reserve Balances ($)
2016	2,700	59,982	2026	15,900	68,980	2036	21,200	109,544
2017	5,400	64,111	2027	16,400	86,229	2037	21,800	132,669
2018	8,100	67,483	2028	16,900	96,880	2038	22,400	146,948
2019	10,800	72,321	2029	17,400	115,441	2039	23,000	107,192
2020	13,500	73,351	2030	17,900	134,709	2040	23,700	43,439
2021	13,900	88,134	2031	18,400	75,895	2041	24,400	15,613
2022	14,300	103,482	2032	18,900	43,916	2042	25,100	41,023
2023	14,700	113,082	2033	19,400	55,495	2043	25,800	56,222
2024	15,100	46,278	2034	20,000	65,830	2044	26,500	83,486
2025	15,500	52,416	2035	20,600	87,267	2045	27,300	111,854



Respectfully submitted on March 11, 2015 by
RESERVE ADVISORS, INC.

Alan M. Ebert, PRA[1], RS[2], Associate Director of Quality Assurance
Visual Inspection and Report by: Andrew Foster

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

2. RESERVE STUDY REPORT

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

Thurston Groves Homeowners Association, Inc.

Seminole, Florida

and submit our findings in this report. The effective date of this study is the date of our visual, noninvasive inspection, February 20, 2015.

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
- **Condition Assessment -** Describes the reserve components, describes our recommendations for repairs or replacement, and includes detailed solutions and procedures for replacements for the benefit of current and future board members
- **Photographs -** Documentation of Condition of various property elements
- **Methodology -** Lists the national standards, methods and procedures used, financial information relied upon for the Financial Analysis of 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

Thurston Groves Homeowners Association, Inc. is a homeowners association which is responsible for the common elements shared by 86 single family homes. The community was built in 2001 and the development contains stucco perimeter walls, fences, entrance monuments and a pond. We identify eight major reserve components that are likely to require capital repair or replacement during the next 30 years.

Our investigation includes Reserve Components or property elements as set forth in your Declaration. 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 and the Board. These classes of property include:

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

- Thurston Groves responsibility
- Limited useful life expectancies

- Predictable remaining useful life expectancies
- Replacement cost above a minimum threshold

Long-Lived Property Elements do not have predictable Remaining Useful Lives. 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
- Well, Irrigation System (Not currently used)

The operating budget provides money for the repair and replacement of certain Reserve Components. Operating Budget Funded Repairs and Replacements relate to:

- General Maintenance to the Common Elements
- Expenditures less than $4,000 (These relatively minor expenditures have a limited effect on the recommended Reserve Contributions.)
- Irrigation System Controllers and Pump
- Landscape, Maintenance
- Paint Finishes, Touch Up
- Signage, Streets
- Other Repairs normally funded through the Operating Budget

Certain items have been designated as the responsibility of the homeowners to repair or replace at their cost. Property Maintained by Homeowners, including items billed back to Homeowners, relates to:

- Homes and Lots

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

- Street Systems (City of Seminole)
- Light Poles and Fixtures (Duke Energy)

3. RESERVE EXPENDITURES and FUNDING PLAN

The tables following this introduction present:

Reserve Expenditures

- Line item numbers
- Total quantities replaced during the next 30 years
- 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
- Unit cost of replacement
- 2015 local cost of replacement
- Total future costs of replacement anticipated during the next 30 years
- Schedule of estimated future costs for each reserve component including inflation

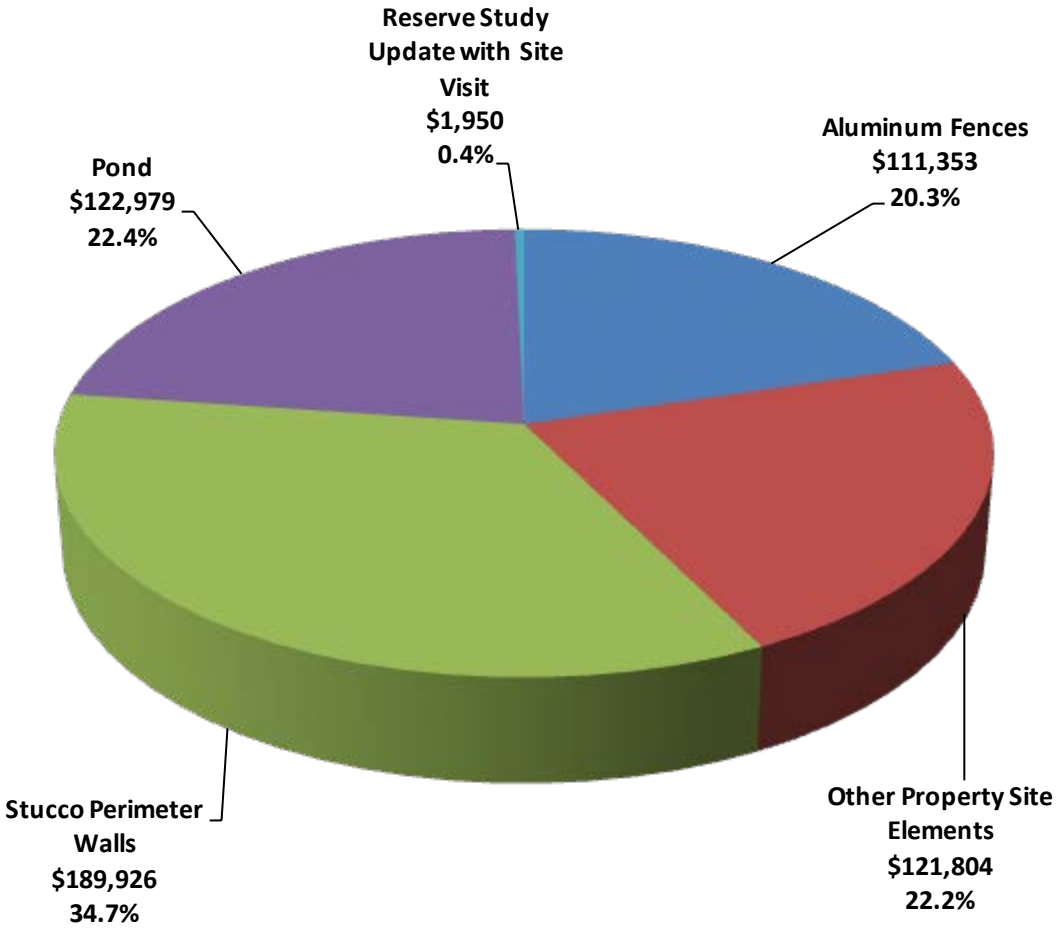
Reserve Funding Plan

- 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

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***.

The following chart illustrates the relative importance of the categories noted in ***Reserve Expenditures*** and relative funding during the next 30 years.

Thurston Groves
Future Expenditures Relative Cost Illustration



RESERVE EXPENDITURES

Thurston Groves
Homeowners Association, Inc.
Seminole, Florida

Explanatory Notes:

1) 2.9% is the estimated future Inflation Rate for estimating Future Replacement Costs.

2) FY2015 is Fiscal Year beginning January 1, 2015 and ending December 31, 2015.

Line Item	Quantities: 30-Year Total	Per Phase	Units	Reserve Component Inventory	Estimated 1st Year of Event	Life Analysis, Years: Useful	Remaining	Unit Cost, $	2015 Cost per Phase, $	Total Future Costs, $	RUL = 0 FY2015	1 2016	2 2017	3 2018	4 2019	5 2020	6 2021	7 2022	8 2023	9 2024	10 2025	11 2026	12 2027	13 2028	14 2029	15 2030
4.200	1,240	1,240	Linear Feet	Fences, Aluminum	2031	to 30	16	40.00	49,600	78,366																
4.205	3,720	1,240	Linear Feet	Fences, Aluminum, Paint Finishes	2015	to 10	0	6.00	7,440	32,987	7,440										9,902					
4.420	9	9	Zones	Irrigation System	2041	to 40	26	1,950.00	17,550	36,904																
4.500	6	1	Allowance	Landscape, Partial Replacements	2018	to 5	3	5,000.00	5,000	48,132				5,448					6,285					7,251		
4.640	211,320	52,830	Square Feet	Perimeter Walls, Stucco, Paint Finish Applications	2016	6 to 8	1	0.60	31,698	189,926		32,617								40,999						
4.700	4	2	Each	Pond, Aerators	2019	10 to 15	4	3,000.00	6,000	17,056					6,727											
4.710	1,900	950	Linear Feet	Pond, Shoreline Maintenance, Partial	2024	to 15	9	34.00	32,300	105,923										41,777						
4.800	2	1	Allowance	Signage, Entrance Monuments, Renovation	2020	15 to 20	5	11,500.00	11,500	36,768						13,267										
	1	1	Allowance	Reserve Study Update with Site Visit	2017	2	2	1,950.00	1,950	1,950			1,950													
				Anticipated Expenditures, By Year						$548,012	7,440	32,617	1,950	5,448	6,727	13,267	0	0	6,285	82,776	9,902	0	0	7,251	0	0

RESERVE EXPENDITURES

Thurston Groves
Homeowners Association, Inc.
Seminole, Florida

Line Item	Quantities: 30-Year Total	Per Phase	Units	Reserve Component Inventory	Estimated 1st Year of Event	Life Analysis, Years Useful	Remaining	Unit Cost, $	2015 Cost per Phase, $	Total Future Costs, $	16 2031	17 2032	18 2033	19 2034	20 2035	21 2036	22 2037	23 2038	24 2039	25 2040	26 2041	27 2042	28 2043	29 2044	30 2045
4.200	1,240	1,240	Linear Feet	Fences, Aluminum	2031	to 30	16	40.00	49,600	78,366	78,366														
4.205	3,720	1,240	Linear Feet	Fences, Aluminum, Paint Finishes	2015	to 10	0	6.00	7,440	32,987										15,645					
4.420	9	9	Zones	Irrigation System	2041	to 40	26	1,950.00	17,550	36,904										36,904					
4.500	6	1	Allowance	Landscape, Partial Replacements	2018	to 5	3	5,000.00	5,000	48,132			8,365				9,650					11,133			
4.640	211,320	52,830	Square Feet	Perimeter Walls, Stucco, Paint Finish Applications	2016	6 to 8	1	0.60	31,698	189,926		51,534							64,776						
4.700	4	2	Each	Pond, Aerators	2019	10 to 15	4	3,000.00	6,000	17,056				10,329											
4.710	1,900	950	Linear Feet	Pond, Shoreline Maintenance, Partial	2024	to 15	9	34.00	32,300	105,923								64,146							
4.800	2	1	Allowance	Signage, Entrance Monuments, Renovation	2020	15 to 20	5	11,500.00	11,500	36,768									23,501						
	1	1	Allowance	Reserve Study Update with Site Visit	2017	2	2	1,950.00	1,950	1,950															
				Anticipated Expenditures, By Year						$548,012	78,366	51,534	8,365	10,329	0	0	0	9,650	64,146	88,277	52,549	0	11,133	0	0

RESERVE FUNDING PLAN

CASH FLOW ANALYSIS
Thurston Groves
Homeowners Association, Inc.
Seminole, Florida

Individual Reserve Budgets & Cash Flows for the Next 30 Years

		FY2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
	Reserves at Beginning of Year (Note 1)	95,514	89,084	59,982	64,111	67,483	72,321	73,351	88,134	103,482	113,082	46,278	52,416	68,980	86,229	96,880	115,441
	Total Recommended Reserve Contributions (Note 2)	0	2,700	5,400	8,100	10,800	13,500	13,900	14,300	14,700	15,100	15,500	15,900	16,400	16,900	17,400	17,900
Plus	Estimated Interest Earned, During Year (Note 3)	1,010	815	679	720	765	797	883	1,048	1,185	872	540	664	849	1,002	1,161	1,368
Less	Anticipated Expenditures, By Year	(7,440)	(32,617)	(1,950)	(5,448)	(6,727)	(13,267)	0	0	(6,285)	(82,776)	(9,902)	0	0	(7,251)	0	0
	Anticipated Reserves at Year End	$89,084	$59,982	$64,111	$67,483	$72,321	$73,351	$88,134	$103,482	$113,082	$46,278	$52,416	$68,980	$86,229	$96,880	$115,441	$134,709

(continued)

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

		2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045
	Reserves at Beginning of Year	134,709	75,895	43,916	55,495	65,830	87,267	109,544	132,669	146,948	107,192	43,439	15,613	41,023	56,222	83,486
	Total Recommended Reserve Contributions	18,400	18,900	19,400	20,000	20,600	21,200	21,800	22,400	23,000	23,700	24,400	25,100	25,800	26,500	27,300
Plus	Estimated Interest Earned, During Year	1,152	655	544	664	837	1,077	1,325	1,529	1,390	824	323	310	532	764	1,068
Less	Anticipated Expenditures, By Year	(78,366)	(51,534)	(8,365)	(10,329)	0	0	0	(9,650)	(64,146)	(88,277)	(52,549)	0	(11,133)	0	0
	Anticipated Reserves at Year End	$75,895	$43,916	$55,495	$65,830	$87,267	$109,544	$132,669	$146,948	$107,192	$43,439	$15,613 (NOTE 5)	$41,023	$56,222	$83,486	$111,854 (NOTE 4)

Explanatory Notes:

1) Year 2015 starting reserves are as of January 1, 2015; FY2015 starts January 1, 2015 and ends December 31, 2015.
2) Reserve Contributions for 2015 are budgeted; 2016 is the first year of recommended contributions.
3) 1.1% is the estimated annual rate of return on invested reserves.
4) Accumulated year 2045 ending reserves consider the age, size, overall condition and complexity of the property.
5) Threshold Funding Year (reserve balance at critical point).

4. CONDITION ASSESSMENT

The Condition Assessment of this *Full Reserve Study* includes *Enhanced Solutions and Procedures* for select significant components. These narratives describe the Reserve Components, document specific problems and conditions, 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*.

Fences, Aluminum - Approximately 1,240 linear feet of aluminum fences are found at the perimeters of the community. The fences are original and in good to fair condition. We note finish deterioration and minor damage. Page 5.2 of ***Photographs*** depicts these conditions. Light gauge aluminum fences are prone to damage from pedestrians in high traffic areas, such as near sidewalks. We estimate a useful life of up to 30 years for the aluminum fences and recommend the Association budget for replacement by 2031. In addition, Management and the Board inform us the Association plans to paint the aluminum fences in near term. Aluminum fence paint finishes have a useful life of up to 10 years. At request of Management and the Board, we include paint finish applications to the aluminum fences in 2015. Subsequent paint finish applications are likely every 10 years thereafter with a timing adjustment when replacement occurs. We include this information on Line Items 4.200 and 4.205 of ***Reserve Expenditures***.

Irrigation System - An irrigation system waters the lawn and landscaped areas at the community perimeter. The system includes nine zones, is original and reported in good condition. Irrigation systems typically include the following components:

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

Water pressure activates the lawn spray pop-up heads. Controllers operate the main water flow valves. The exact amounts and locations of system components were not ascertained due to the nature of the underground construction and the non-invasive nature of the inspection.

The system as a whole has a useful life of up to 40 years. The system network supply pipes will dislodge as tree roots grow and soil conditions change. Thurston Groves should anticipate interim and partial replacements of the system network supply pipes and other components as normal maintenance to maximize the useful life of the irrigation system. The Association should fund these ongoing seasonal repairs through the operating budget. In addition, we recommend Thurston Groves budget for a complete replacement of the system by 2041. We note this information on Line Item 4.420 of ***Reserve Expenditures***.

Landscape, Partial Replacements - The Association contains a large quantity of trees, shrubbery and other landscape elements. Replacement of these elements is an ongoing need. Many associations budget for these replacements as normal maintenance. Other associations fund ongoing replacements from reserves. Large amounts of landscape may need replacement due to disease, drought or other forces of nature. If the cost of removal and replacement is substantial, funding from reserves is logical. The Association may also desire to periodically update the appearance of the community through major improvements to the landscape. In consideration of these factors and at the request of Management and the Board, we include a landscape allowance of $5,000, plus inflation, every five years beginning by 2018 to ensure the

accumulation of sufficient reserves for partial replacements of the landscape. The times and costs of these replacements may vary. However, we judge the amounts shown on Line Item 4.500 of ***Reserve Expenditures*** sufficient to budget appropriate reserves.

Perimeter Walls, Stucco - The Association maintains approximately 4,400 linear feet of stucco perimeter walls that comprise approximately 52,830 square feet of stucco surface area. This quantity includes both sides of the walls. The walls line the perimeters of the property. The stucco is original and in fair condition. We note stucco cracks, paint finish deterioration and stains. Pages 5.4 and 5.5 of ***Photographs*** depict these conditions.

Stucco is Portland cement plaster that is applied directly to a solid base such as masonry or concrete. The inherent composition of stucco along with proper installation results in stucco wall systems having indefinitely long useful lives with periodic finish applications and proper maintenance. The useful life of these finish applications is from six- to eight-years. Periodic paint finish applications to stucco help prevent water infiltration and spalling from weather exposure, maintain a good appearance and maximize the useful life of the system. We advise that Thurston Groves budget for paint applications, partial stucco replacements and crack repairs in 2016 and every eight years thereafter. Our estimate of cost anticipates repair or replacement of a limited amount of the stucco in coordination with each paint finish application. The exact amount of area in need of repair will be discretionary based on the actual future conditions and the desired appearance. 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. We depict this information on Line Item 4.640 of ***Reserve Expenditures***. We recommend the Association direct irrigation sprinkler heads away from the walls to reduce the potential for

deterioration. In addition, the Association should clean the perimeter walls periodically. These activities should be funded through the operating budget.

Pond - The Association maintains one pond located near the east perimeter of the community. The health or condition of a pond is reflected in the clarity of the water, balance of plant life, the ability of the water to retain life giving gases and the health of the fish in larger bodies of water. Three factors which affect the health of ponds are erosion, buildup of silt and algae blooms. We note minor pond shoreline erosion along the east and west shorelines. Page 5.6 of ***Photographs*** depicts this condition. We include the following solutions and procedures as a summary of the minimum requirements for successful pond management for present and future board members.

Eutrophication is a process in which a pond becomes shallower and more biologically productive. Human or animal activity often increases the rate of eutrophication. Erosion and storm water deposit fines or silt into the pond and affect the rate of eutrophication. The amount and intensity of rainfall, soil saturation levels and ground cover all affect the amount of deposits into the pond. Run-off from construction excavations is another contributor to changes in the depth of the pond. Lawn fertilizers are another source of nutrients that contribute to eutrophication. Fertilizers often contain nitrogen and phosphorous which exacerbate nutrient loads into the water system. We advise that Thurston Groves consider the use of fertilizers with low or no phosphorus content for areas adjacent to the pond.

Another method to slow eutrophication is the use of algae-killing chemical treatments. Introduction of metal compounds, such as copper sulfate, to the water renders the nutrients inactive to the algae. If necessary, we recommend the Association fund the use of chemical

treatments to control algae growth in the pond through the operating budget. The Association should first obtain all permits necessary for the use of chemical treatments.

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. Thurston Groves utilizes two aerators. The aerators are in satisfactory condition at an unknown age. Aerators have a useful life of 10- to 15-years. Based on age and condition, we recommend the Association anticipate replacement by 2019 and 2034. Line Item 4.700 of ***Reserve Expenditures*** notes our estimate of future costs and anticipated times of replacements.

The pond shoreline comprises 2,710 linear feet of natural vegetation. Shorelines are subject to fluctuations in water levels, increased plant growth and migrating storm and ground water resulting in the need for erosion control measures up to every 15 years. The steep shoreline embankments are likely to exacerbate soil movement and erosion. The use and maintenance of landscape, natural vegetation and/or stone rip rap along the pond shoreline will help maintain an attractive appearance and prevent soil erosion.

Management and the Board report a history of issues with armored catfish burrowing into the shorelines of the lake and nesting their eggs. Continuous burrowing can potentially result in significant erosion and trip hazards for pedestrians walking around the pond. At the time of our inspection, we did not note significant areas of pond shoreline erosion. We recommend the Association consult a local specialist in determining the best course of action for remediating the armored catfish population. In addition, the Association can consider installing wire mesh or dense aquatic plants around the pond shoreline. The Association should fund these activities through the operating budget. We recommend that the Association maintenance and

augmentation of approximately thirty-five percent (35%), or up to 950 linear feet, of the shoreline by 2024 and again by 2039. We note this information on Line Item 4.710 of ***Reserve Expenditures***.

Signage, Entrance Monuments - The Association maintains property identification signs that include the following elements:

- Columns, Stucco and Masonry
- Landscaping
- Light Fixtures
- Fences
- Masonry, Stone
- Signage, Stucco

The signage is original and in good to fair condition. We note paint finish deterioration, stucco cracks and masonry efflorescence. In addition, we note isolated fence fastener displacement. Pages 5.6 and 5.7 of ***Photographs*** depict these conditions. 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. We recommend the Association plan to renovate the signage every 15- to 20-years, or by 2020 and again by 2040. Renovation should include the following work:

- Paint finish applications to the stucco
- Repairs to the masonry
- Replacement of the remaining components listed above

We note this information on Line Item 4.800 of ***Reserve Expenditures***. The Association should fund interim repairs and replacements through the operating budget.

Reserve Study Update

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

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

Periodic updates incorporate these variable changes since the last Reserve Study or Update.

The Association can expense the fee for an Update with site visit from the reserve account. This fee is included in the Reserve Funding Plan. We base this budgetary amount on updating the same property components and quantities of this Reserve Study report. 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. PHOTOGRAPHS

Photographs document the conditions of various property components as of the date of our visual inspection, February 20, 2015. The Condition Assessment contains references to these photographs.

The following is an overview image of the subject property:

The next pages contain the photographs related to the Condition Assessment.

Aluminum perimeter fence

Minor aluminum fence damage

Aluminum fence finish deterioration

Irrigation system pump

Note: We recommend the Association fund replacements of the irrigation system pump through the operating budget.

Irrigation system controller

Note: We recommend the Association fund replacements of the irrigation system controllers through the operating budget.

Stucco perimeter wall

Stucco perimeter wall

Stucco perimeter wall cracks

Stucco perimeter wall paint finish deterioration

Stucco perimeter wall stains and paint finish deterioration

Pond overview

Pond aerator

Minor pond shoreline erosion

Entrance monument

Entrance monument paint finish deterioration

Aluminum fence fastener displacement and masonry deterioration noted at entrance monument

Masonry efflorescence noted at entrance monument

Stucco cracks noted at entrance monuments

Masonry column at perimeter of community

Masonry crack

Stucco deterioration noted at base of masonry columns

6. 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.

Thurston Groves 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[1] set forth by the Community Associations Institute (CAI) and the Association of Professional Reserve Analysts (APRA) fulfilling the requirements of a "Full Reserve Study." These standards require a Reserve Component to have a "predictable remaining Useful Life." Estimating Remaining Useful Lives and Reserve Expenditures beyond 30 years is often indeterminate. Long-Lived Property Elements are necessarily excluded from this analysis. We considered the following factors in our analysis:

[1] Identified in the APRA "Standards - Terms and Definitions" and the CAI "Terms and Definitions".

Information Furnished by the Association	
2015 unaudited Cash Status of the Reserve Fund	95,514
2015 Budgeted Reserve Contribution	0
Anticipated Interest on Reserve Fund	1,010
Less Anticipated Reserve Expenditures	(7,440)
Projected 2015 Year-End Reserve Balance	$89,084

The Cash Flow Method to compute, project and illustrate the 30-year Reserve Funding Plan

Local[2] 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 Seminole, Florida at an annual inflation rate of 2.9%. 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 Thurston Groves and their effects on remaining useful lives

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.

The anticipated effects of appreciation of the reserves over time in accord with an anticipated future return or yield on investment of your cash equivalent assets at an annual rate of 1.1% (We did not consider the costs, if any, of Federal and State Taxes on income derived from interest and/or dividend income).

Interest rates on reserves are steady or increasing in concert with the certificates of deposit and money market rates. Slight increases exist in the savings rates of one, two or three-year CDs. Without significant differences in these savings rates, shorter term investments are the choice of many investors. We recommend consultation with a professional investment adviser before investing reserves to determine an appropriate investment strategy to maximize a safe return on reserve savings. The following

[2] See Credentials for addition information on our use of published sources of cost data.

table summarizes rates of inflation and key rates for government securities, generally considered as safe investment alternatives.

Interest Rate and Inflation Data	2013				2014			
Average or Last Actual = (A)	2013:1 (A)	2013:2 (A)	2013:3 (A)	2013:4 (A)	2014:1 (A)	2014:2 (A)	2014:3 (A)	2014:4 (E)
1-Year Treasury Bill	0.15%	0.13%	0.13%	0.12%	0.13%	0.15%	0.13%	0.01%
10-Year Treasury Note	1.86	1.86	2.65	2.70%	2.80%	2.65%	2.40%	2.25%
30-Year Treasury Bond	3.10	3.08	3.70	3.85%	3.90%	3.50%	3.35%	3.00%
Consumer Price Index (annualized rate)	3.21%	-1.68%	1.30%	1.50%	1.50%	2.00%	2.40%	2.60%
Residential Construction" Producer Price Index-Inflation Rate, Bureau of Labor Statistics (Year over Year to April 2014)								2.0%
National Market Savings Rates as found in	0.40%	for Money Market Savings			0.90%	for 2-Year Certificate of Deposit		
http://www.bankrate.com	0.80%	for 1-Year Certificate of Deposit			1.10%	for 3-Year Certificate of Deposit		
Estimated Near Term Yield Rate for Reserve Savings				1.1%				
Est. Near Term Local Inflation Rate for Future Capital Expenditures				2.9%				**10/21/2014**

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

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 Thurston Groves 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) Thurston Groves 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, Inc. will perform its services as an independent contractor in accordance with our professional practice standards. Our compensation is not contingent upon our conclusions.

Our inspection and analysis of the subject property is limited to visual observations and is noninvasive. We will inspect sloped roofs from the ground. We will inspect 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 our observation. Conditions can change between the time of inspection and the issuance of the report. Reserve Advisors does not investigate, nor assume any responsibility for any existence or impact of any hazardous materials, structural, latent or hidden defects which may or may not be present on or within the property. Our opinions of estimated costs and remaining useful lives are not a guarantee of the actual costs of replacement, a warranty of the common elements or other property elements, or a guarantee of remaining useful lives.

We assume, without independent verification, the accuracy of all data provided to us. You agree to indemnify and hold us 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 as 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 controlling person of Reserve Advisors, Inc., including any director, officer, employee, affiliate, or agent. Liability of Reserve Advisors, Inc. 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 - Reserve Advisors, Inc. will complete the services in accordance with the Proposal. The Report represents a valid opinion of our findings and recommendations and is deemed complete. However, we will consider any additional information made available to us in the interest of promptly issuing a Revised Report if changes are requested within six months of receiving the Report. We retain the right to withhold a Revised Report if payment for services is not rendered in a timely manner. All files, work papers or documents developed by us during the course of the engagement remains our property.

Your Obligations - You agree to provide us access to the subject property during our on-site visual inspection and tour. You will provide to us to the best of your ability and if reasonably available, historical and budgetary information, the governing documents, and other information that we request and deem necessary to complete our Study. You agree to pay our actual attorneys' fees and any other costs incurred in the event we have to initiate litigation to collect on any unpaid balance for our services.

Use of Our Report and Your Name - Use of this Report is limited to only the purpose stated herein. Any use or reliance for any other purpose, by you or third parties, is invalid. Our Reserve Study Report in whole or part is not and cannot be used as a design specification, design engineering services or an appraisal. You may show our report in its entirety to those third parties who need to review the information contained herein. The Client and other third parties viewing this report should not reference our name or our report, in whole or in part, in any document prepared and/or distributed to third parties without our written consent. ***This report contains intellectual property developed by Reserve Advisors, Inc. specific to this engagement and cannot be reproduced or distributed to those who conduct reserve studies without the written consent of Reserve Advisors, Inc.***

We reserve the right to include our client's name in our client lists, but we will maintain the confidentiality of all conversations, documents provided to us, and the contents of our reports, subject to

legal or administrative process or proceedings. These conditions can only be modified by written documents executed by both parties.

Payment Terms, Due Dates and Interest Charges - The retainer payment is due upon authorization and prior to shipment of the report. The final payment of the fee is due immediately upon receipt of the Report. Subsequent changes to the report can be made for up to six months from the initial report date. Any outstanding balance after 30 days of the invoice date is subject to an interest charge of 1.5% per month. Any litigation necessary to collect an unpaid balance shall be venued in Milwaukee County Circuit Court in the State of Wisconsin.

CONDITIONS OF OUR SERVICE ASSUMPTIONS

To the best of our knowledge, all data set forth in this report are true and accurate. Although gathered from reliable sources, we make no guarantee nor assume liability for the accuracy of any data, opinions, or estimates identified as furnished by others that we used in formulating this analysis.

We did not make any soil analysis or geological study with this report; nor were any water, oil, gas, coal, or other subsurface mineral and use rights or conditions investigated.

Substances such as asbestos, urea-formaldehyde foam insulation, other chemicals, toxic wastes, environmental mold or other potentially hazardous materials could, if present, adversely affect the validity of this study. Unless otherwise stated in this report, the existence of hazardous substance, that may or may not be present on or in the property, was not considered. Our opinions are predicated on the assumption that there are no hazardous materials on or in the property. We assume no responsibility for any such conditions. We are not qualified to detect such substances, quantify the impact, or develop the remedial cost.

We have made a visual inspection of the property and noted visible physical defects, if any, in our report. Our inspection and analysis was made by employees generally familiar with real estate and building construction; however, we did not do any invasive testing. Accordingly, we do not opine on, nor are we responsible for, the structural integrity of the property including its conformity to specific governmental code requirements, such as fire, building and safety, earthquake, and occupancy, or any physical defects that were not readily apparent during the inspection.

Our opinions of the remaining useful lives of the property elements do not represent a guarantee or warranty of performance of the products, materials and workmanship.

9. CREDENTIALS

HISTORY AND DEPTH OF SERVICE

Founded in 1991, Reserve Advisors, Inc. 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 a 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, Inc., 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. Each Team Review requires the attendance of several engineers, a Review Coordinator, Director of Quality Assurance and other participatory peers. 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, Inc. 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 100-story John Hancock Center 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 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.

QUALIFICATIONS
THEODORE J. SALGADO
Principal Owner

CURRENT CLIENT SERVICES

Theodore J. Salgado is a co-founder of Reserve Advisors, Inc., which is dedicated to serving community associations, city and country clubs, religious organizations, educational facilities, and public and private entities throughout the United States. He is responsible for the production, management, review, and quality assurance of all reserve studies, property inspection services and consulting services for a nationwide portfolio of more than 6,000 clients. Under his direction, the firm conducts reserve study services for community associations, apartment complexes, churches, hotels, resorts, office towers and vintage architecturally ornate buildings .

PRIOR RELEVANT EXPERIENCE

Before founding Reserve Advisors, Inc. with John P. Poehlmann in 1991, Mr. Salgado, a professional engineer registered in the State of Wisconsin, served clients for over 15 years through American Appraisal Associates, the world's largest full service valuation firm. Mr. Salgado conducted facilities analyses of hospitals, steel mills and various other large manufacturing and petrochemical facilities and casinos.

He has served clients throughout the United States and in foreign countries, and frequently acted as project manager on complex valuation, and federal and state tax planning assignments. His valuation studies led to negotiated settlements on property tax disputes between municipalities and property owners.

Mr. Salgado has authored articles on the topic of reserve studies and facilities maintenance. He also co-authored *Reserves*, an educational videotape produced by Reserve Advisors on the subject of Reserve Studies and maintaining appropriate reserves. Mr. Salgado has also written in-house computer applications manuals and taught techniques relating to valuation studies.

EXPERT WITNESS

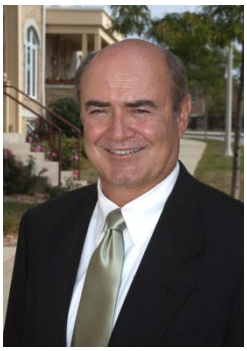
Mr. Salgado has testified successfully before the Butler County Board of Tax Revisions in Ohio. His depositions in pretrial discovery proceedings relating to reserve studies of Crestview Estates Condominium Association in Wauconda, Illinois, Rivers Point Row Property Owners Association, Inc. in Charleston, South Carolina and the North Shore Club Associations in South Bend, Indiana have successfully assisted the parties in arriving at out of court settlements.

EDUCATION - Milwaukee School of Engineering - B.S. Architectural Engineering

PROFESSIONAL AFFILIATIONS/DESIGNATIONS

American Association of Cost Engineers - Past President, Wisconsin Section
Association of Construction Inspectors - Certified Construction Inspector
Association of Professional Reserve Analysts - Past President & Professional Reserve Analyst (PRA)
Community Associations Institute - Member and Volunteer Leader of multiple chapters
Concordia Seminary, St. Louis - Member, National Steering Committee
Milwaukee School of Engineering - Member, Corporation Board
Professional Engineer, Wisconsin, Registered in 1982

JOHN P. POEHLMANN, RS
Principal



John P. Poehlmann is a co-founder of Reserve Advisors, Inc. He is responsible for the finance, accounting, marketing, and overall administration of Reserve Advisors, Inc. He also regularly participates in internal Quality Control Team Reviews of Reserve Study reports.

Mr. Poehlmann directs corporate marketing, including business development, advertising, press releases, conference exhibiting, and direct mail promotions. He frequently speaks throughout the country at seminars and workshops on the benefits of future planning and budgeting for capital repairs and replacements of building components and other assets.

Mr. Poehlmann served on the national Board of Trustees of Community Associations Institute. Community Associations Institute (CAI) is a national, nonprofit 501(c)(6) trade association created in 1973 to provide education and resources to America's 305,000 residential condominium, cooperative and homeowner associations and related professionals and service providers. The Institute is dedicated to fostering vibrant, responsive, competent community associations that promote harmony, community, and responsible leadership.

He is a founding member of the Institute's Reserve Committee. The Reserve Committee developed national standards and the Reserve Specialist (RS) Designation Program for Reserve Study providers. Mr. Poehlmann has authored numerous articles on the topic of Reserve Studies, including Planning for Replacement of Property Doesn't Have to Be Like a Trip to the Dentist, Reserve Studies for the First Time Buyer, Sound Association Planning Parallels Business Concepts, and Reserve Studies Minimize Liability. He has worked with a variety of publications, including the Chicago Tribune, The Milwaukee Journal/Sentinel, Common Ground, Common Interest, and Condo Management. He also co-authored "Reserves", an educational videotape produced by Reserve Advisors on the subject of Reserve Studies and the benefits of maintaining appropriate reserves.

INDUSTRY SERVICE AWARDS

CAI National Rising Star Award - To an individual whose leadership abilities and professional contributions have earmarked them for even greater accomplishments in the future.

CAI Michigan Chapter Award - "Given to the individual who contributed their time, expertise, and resources toward improving the quality of services offered by the chapter. Mr. Poehlmann was unanimously selected as the winner of the CAI Michigan Chapter Award."

EDUCATION

University of Wisconsin-Milwaukee - Master of Science Management
University of Wisconsin - Bachelor of Business Administration

PROFESSIONAL AFFILIATIONS

Community Associations Institute (CAI) - Founding member of Reserve Committee; former member of National Board of Trustees; Reserve Specialist (RS) designation; Member of multiple chapters

Association of Condominium, Townhouse, & Homeowners Associations (ACTHA) – member

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

CURRENT CLIENT SERVICES

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

The following is a partial list of clients served by 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, Inc., 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

Reserve Specialist (RS) - Community Associations Institute
Professional Reserve Analyst (PRA) - Association of Professional Reserve Analysts
Professional Engineering License - Wisconsin 2012

ANDREW J. FOSTER, RS
Responsible Advisor

CURRENT CLIENT SERVICES

Andrew J. Foster, a Civil Engineer, is an Advisor for ***Reserve Advisors, Inc***. Mr. Foster is responsible for the inspection and analysis of the condition of clients' property, 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 Analysis and Capital Replacement Forecast services and the preparation of Reserve Study Reports for condominiums, townhomes and homeowner associations.

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

Anaqua Springs Ranch is an exclusive community located in the rolling hills south of Boerne, Texas. This Association maintains the common elements for 197 single family lot owners. The development contains nearly six miles of asphalt pavement roads, concrete bridges, playground equipment and a gated entrance. The artistic balance between uniquely custom homes and unobstructed views creates a visual symphony at this unique community.

Victory Lakes Community Association located in Bristow, Virginia, a suburb of Washington D.C., consists of 1,243 up-scale units composed of single family and townhome buildings. The Association includes a club house, multiple pools, tennis courts, a playground, dog park, walking paths and ponds.

The Mews at Byers Station This 25 building, 188 unit community is situated in a historic district in the Village of Eagle in Chester Springs, Pennsylvania. The two-story building components include asphalt shingled roofs and vinyl siding. Site improvements consist of asphalt pavement streets, concrete sidewalks, manicured landscaping and playground equipment.

Coach Homes at Errol Condominium Nestled within the beautiful Errol Estate Golf Course in Apopka, Florida, this community contains 19 buildings and 122 units with building components consisting of asphalt shingled roofs, vinyl siding and decorative stone masonry veneer. The Association also maintains a pool and full service cabanna.

Olde Seneca Woods Community is a distinctive community located in Germantown, Maryland. The Association maintains multiple playgrounds, ornate lamp posts, asphalt pavement streets, concrete sidewalks and a masonry unit retaining wall.

The Estates/Villas at Craig Ranch is a gated community located north of Dallas, Texas. The large planned unit development contains 225 single family buildings secured by perimeter walls, retaining walls and a gate house. Four stunningly landscaped ponds are connected within the center of the community by a network of streams and waterfalls.

PRIOR RELEVANT EXPERIENCE

Before joining ***Reserve Advisors, Inc.***, Mr. Foster was a Staff Geotechnical Engineer for Terracon Consultants, Inc. Mr. Foster supervised soil profile explorations in a range of northwestern states, performed preliminary foundation designs for a variety of commercial buildings and provided pipeline drilling design recommendations for ConocoPhillips.

EDUCATION

Montana State University - M.S. Civil Engineering
Montana State University - B.S. Civil Engineering

PROFESSIONAL AFFILIATIONS

Engineer in Training (E.I.T.) - Montana 2012, Wisconsin 2013

SARAH M. GIRLS, E.I.T.
Review Coordinator

CURRENT CLIENT SERVICES

Sarah M. Girls, a Civil Engineer, is an Advisor for ***Reserve Advisors, Inc***. Ms. Girls is responsible for the inspection and analysis of the condition of clients' properties, and recommending engineering solutions to prolong the lives of the components. She also forecasts capital expenditures for the repair and/or replacement of the property components and prepares technical reports on assignments. She is responsible for conducting Life Cycle Cost Analysis and Capital Replacement Forecast services on townhomes, homeowners associations, planned unit developments and recreational associations.

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

Brightwater Homeowner Association Located in Missouri City, Texas, this lively planned unit development consists of 795 single family homes surrounding a picturesque lake. The Association contains a clubhouse equipped with indoor entertainment amenities. In addition to the clubhouse the development also features an outdoor pool and tennis courts for recreational activities.

Lismore Village Homeowners' Association Located in Greer, South Carolina, this quaint community comprises 76 townhomes. The buildings feature brick masonry, vinyl siding and asphalt shingle roofs. The development contains asphalt pavement, a gazebo, perimeter fences and concrete flatwork.

Pecan Park Garden Estate Condominium This attractive gated community in Austin, Texas consists of 146 units with a relaxing pool. Located throughout the property are perimeter walls, private drives and an irrigation system.

The Villages of Berry Creek Situated in Georgetown, Texas, this inviting community is comprised of 241 homes. Homeowners can enjoy two pools, a large deck and a playground that provide enough recreational space for entertaining. The development also includes perimeter fences and detention ponds.

Maple Leaf 20 Condominium Association A townhome style condominium development of 160 units in 20 buildings located in Greenfield, Wisconsin. These buildings were constructed in the mid 2000's and comprise asphalt shingle roofs, vinyl siding and masonry walls. The development contains asphalt pavement, wood fences and concrete flatwork.

Emerald Pointe Condominium Association This quaint community is located in Raleigh, North Carolina and consists of 51 townhomes in 14 buildings. The Association maintains asphalt shingle roofs, wood siding and decks, concrete flatwork and retaining walls.

PRIOR RELEVANT EXPERIENCE

Before joining ***Reserve Advisors, Inc.***, Ms. Girls attended Valparaiso University in Valparaiso, Indiana where she attained her Bachelor of Science degree in Civil Engineering. During her time at Valparaiso University, Ms. Girls lead her senior design group to develop a bypass around the City of Delphi, Indiana. This project also included the design of a bridge and mechanically stabilized earth walls. Ms. Girls also worked for Hagerman Inc. as an intern project engineer. She was responsible for overseeing and inspecting the construction of Valparaiso University's new Welcome Center.

EDUCATION

Valparaiso University –B.S. Civil Engineering

PROFESSIONAL AFFILIATIONS

Engineer In Training (E.I.T.) Registration

RESOURCES

Reserve Advisors, Inc. 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 http://www.iami.org. Several advisors and a Principal of Reserve Advisors, Inc. hold Senior Memberships with ACI.

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. Reserve Advisors, Inc. 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.msbinfo.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

Reserve Advisors, Inc., 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.