Hickory Hill Estates Condominium

August 12, 2026 • Williamsville, NY

RESERVE STUDY



RESERVE™ ADVISORS

Long-term thinking. Everyday commitment.

RESERVE ADVISORS
Long-term thinking. Everyday commitment.

Corporate Office
Reserve Advisors, LLC
735 N. Water Street, Suite 175
Milwaukee, WI 53202

Hickory Hill Estates Condominium
Williamsville, New York

Dear Board of Directors of Hickory Hill Estates Condominium:

At the direction of the Board that recognizes the need for proper reserve planning, we have conducted a *Reserve Study* of Hickory Hill Estates Condominium in Williamsville, New York and submit our findings in this report. The effective date of this study is the date of our visual, noninvasive inspection, August 12, 2026.

This *Reserve Study exceeds* the Association of Professional Reserve Analysts (APRA) standards fulfilling the requirements of a "Level II Reserve Study Update."

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

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

Respectfully submitted on August 27, 2026 by

Reserve Advisors, LLC

Visual Inspection and Report by: Joseph Coffee, RS[1]
Review by: Alan M. Ebert, RS, PRA[2], Director of Quality Assurance



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

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

RESERVE™ ADVISORS

Long-term thinking. Everyday commitment.

NEW TO RESERVE STUDIES?

ACCESS OUR QUICK START GUIDE

©2023 Reserve Advisors, LLC. All rights reserved.

Table of Contents

1. RESERVE STUDY EXECUTIVE SUMMARY 1.1

2. RESERVE STUDY REPORT 2.1

3. RESERVE EXPENDITURES and FUNDING PLAN 3.1

4. RESERVE COMPONENT DETAIL 4.1

Exterior Building Elements 4.1

Balconies, Wood 4.2

Building Improvements, Insulation-Ventilation 4.3

Chimney Caps, Metal 4.4

Gutters and Downspouts, Aluminum 4.4

Roofs, Asphalt Shingles 4.6

Roofs, Thermoplastic 4.12

Walls, Masonry, Inspections and Repairs 4.14

Interior Building Elements 4.17

Hallways 4.17

Building Services Elements 4.19

Electrical System, Lines and Meters 4.19

Pipes 4.19

Property Site Elements 4.21

Asphalt Pavement, Crack Repair, Patch, and Seal Coat 4.21

Asphalt Pavement, Mill and Overlay 4.22

Catch Basins 4.25

Concrete Flatwork, Carport Floors 4.26

Concrete Sidewalks 4.27

Irrigation System, Pump 4.29

Irrigation System, Replacement 4.29

Light Poles and Fixtures 4.30

Pond, Aerators 4.31

Pond, Sediment Removal and Erosion Control 4.32

Clubhouse Elements 4.33

HVAC Equipment 4.33

Interior Renovations 4.34

Windows and Doors 4.36

Pool Elements....4.38
Concrete Deck....4.38
Fence, Aluminum....4.39
Pool Finishes....4.40
Structure and Deck....4.42
Reserve Study Update....4.43

5. METHODOLOGY....5.1
6. CREDENTIALS....6.1
7. DEFINITIONS....7.1
8. PROFESSIONAL SERVICE CONDITIONS....8.1

1. RESERVE STUDY EXECUTIVE SUMMARY

Client: Hickory Hill Estates Condominium (Hickory Hill)
Location: Williamsville, New York
Reference: 210946

Property Basics: Hickory Hill Estates Condominium is a townhome and garden unit style development which consists of 176 units in 22 buildings. The community was built in 1974.

Reserve Components Identified: 35 Reserve Components.

Inspection Date: August 12, 2026. We conducted the original inspection on March 31, 2022.

Funding Goal: The Funding Goal of this Reserve Study is to maintain reserves above an adequate, not excessive threshold during one or more years of significant expenditures. Our recommended Funding Plan recognizes these threshold funding years in 2032 due to the replacement of the pre-2010 roofs, in 2034 due to the replacement of the 2010 and newer roofs, 2037 due to replacement of the 2010 and newer roofs, and in 2039 due to the replacement of the 2010 and newer roofs. In addition, the Reserve Funding Plan recommends 2057 year end accumulated reserves of approximately $546,300. We judge this amount of accumulated reserves in 2057 necessary to fund the likely subsequent replacement of the roofs after 2057. These future needs, although beyond the limit of the Cash Flow Analysis of this Reserve Study, are reflected in the amount of accumulated 2057 year end reserves.

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

- Current and future local costs of replacement
- 2.6% anticipated annual rate of return on invested reserves
- 3.0% future Inflation Rate for estimating Future Replacement Costs

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

Unaudited Cash Status of Reserve Fund:

- $432,306 as of July 1, 2026 (The Fiscal Year (FY 2027) for Hickory Hill begins July 1, 2026 and ends June 30, 2027. For brevity, we refer to the Fiscal Year by its ending year, i.e. Fiscal Year 2026-2027 is FY 2027 or simply 2027)
- 2027 budgeted Reserve Contributions of $108,019

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

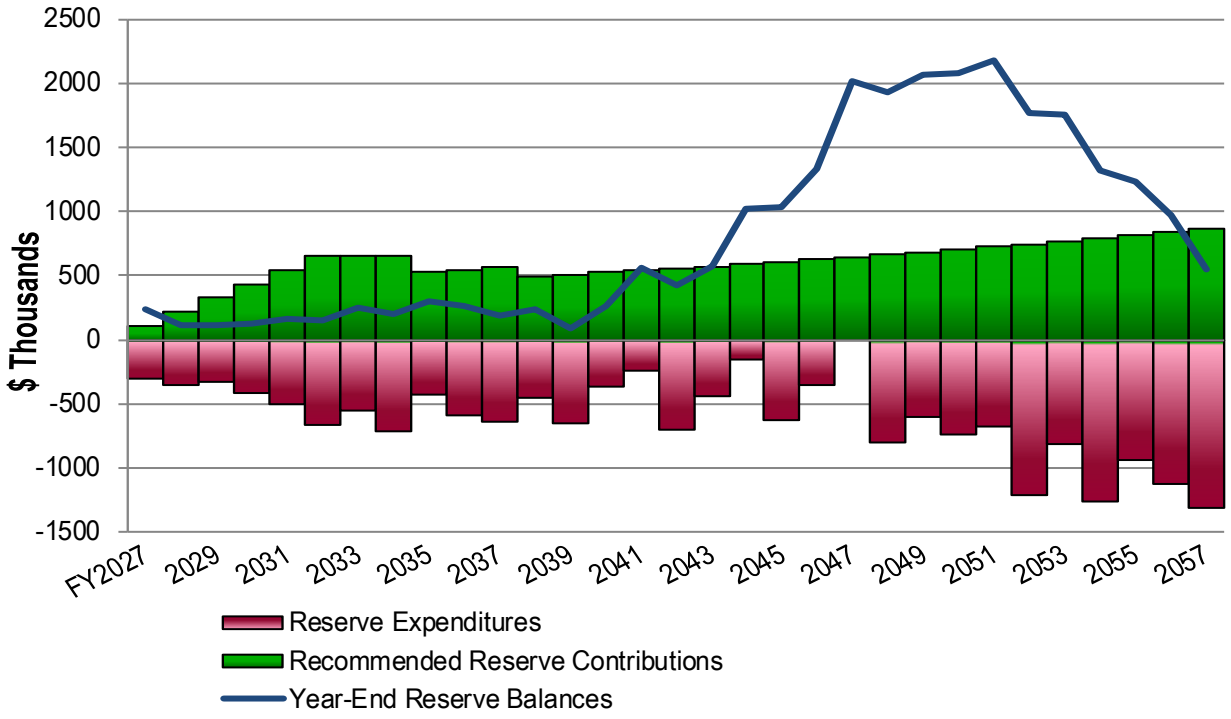
- Stabilization of the remaining balconies
- Completion of the remaining insulation and ventilation improvements
- Begin phased replacement of roofs
- Continue phased repaving of the asphalt pavement
- Repairs to concrete flatwork as needed

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

- Phased increases of $109,000 each year, from 2028 through 2032
- Stable contributions of $653,000 from 2033 through 2034
- Decrease to $530,000 by 2035 due to fully funding for replacement of the roofs
- Inflationary increases from 2036 through 2037
- Decrease to $495,000 by 2038 due to fully funding for replacement of the roofs
- Inflationary increases thereafter through 2057, the limit of this study's Cash Flow Analysis
- Initial adjustment in Reserve Contributions of $108,981 represents an average monthly increase of $51.60 per owner and about a ten percent (10.2%) adjustment in the 2027 Total Budget of $1,065,262.

Hickory Hill
Recommended Reserve Funding Table and Graph

Year	Reserve Contributions ($)	Reserve Balances ($)	Year	Reserve Contributions ($)	Reserve Balances ($)	Year	Reserve Contributions ($)	Reserve Balances ($)
2028	217,000	112,868	2038	495,000	231,697	2048	665,300	1,939,148
2029	326,000	113,208	2039	509,900	90,823	2049	685,300	2,075,850
2030	435,000	128,645	2040	525,200	256,028	2050	705,900	2,087,786
2031	544,000	166,407	2041	541,000	567,979	2051	727,100	2,183,736
2032	653,000	154,861	2042	557,200	427,253	2052	748,900	1,766,425
2033	653,000	253,820	2043	573,900	572,821	2053	771,400	1,761,235
2034	653,000	195,268	2044	591,100	1,022,464	2054	794,500	1,324,439
2035	530,000	304,601	2045	608,800	1,031,175	2055	818,300	1,238,395
2036	545,900	267,771	2046	627,100	1,337,978	2056	842,800	974,572
2037	562,300	187,960	2047	645,900	2,027,062	2057	868,100	546,266



2. RESERVE STUDY REPORT

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

Hickory Hill Estates Condominium

Williamsville, New York

and submit our findings in this report. The effective date of this study is the date of our visual, noninvasive inspection, August 12, 2026. We conducted the original inspection on March 31, 2022.

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

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

IDENTIFICATION OF PROPERTY



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

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

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

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

- Hickory Hill responsibility
- Limited useful life expectancies
- Predictable remaining useful life expectancies
- Replacement cost above a minimum threshold

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

Excluded Components

for
Hickory Hill
Estates Condominium
Williamsville, New York

Operating Budget Components

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

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

- Bridges, Decorative[1]
- Catch Basins, Landscape
- Fences, Decorative
- Furniture, Pool Area
- Irrigation System, Controls and Maintenance
- Landscape
- Light Fixtures, Bollard
- Light Fixtures, Building Exterior[1]
- Light Fixtures, Hallways
- Paint Finishes, Touch Up
- Pool Cover, Vinyl
- Pool Mechanical Equipment
- Retaining Walls
- Shade Structure, Pool Area[1]
- Signage
- Walls, Siding, Vinyl, Garage Rears[2]
- Walls, Trim, Paint Finishes and Partial Replacements[3]

[1] Per Management and the Board

[2] The Association replaces the vinyl siding as needed through the operating budget

[3] The Association maintains a schedule for paint finishes and partial replacements to the trim through the operating budget

Long-Lived Components

These elements may not have predictable Remaining Useful Lives or their replacement may occur beyond the scope of this study. The operating budget should fund infrequent repairs. Funding untimely or unexpected replacements from reserves will necessitate increases to Reserve Contributions. Periodic updates of this Reserve Study will help determine the merits of adjusting the Reserve Funding Plan.	Useful Life	Estimated Cost
• Foundations	Indeterminate	N/A
• Inlet/Outlet Structures, Concrete, Storm Water Management System	to 85+	N/A
• Pipes, Subsurface Utilities	to 85+	N/A
• Structural Frames	Indeterminate	N/A

Excluded Components

for
Hickory Hill
Estates Condominium
Williamsville, New York

Owners Responsibility Components

Certain items have been designated as the responsibility of the Owners to repair or replace at their cost, including items billed back.

- Electrical Systems Within Units[1]
- Heating, Ventilating and Air Conditioning (HVAC) Units
- Interiors[2]
- Pipes[3]
- Water Heaters
- Windows and Doors[4]

[1] Including Circuit Protection Panels
[2] Excludes Common Hallways
[3] Within Units
[4] Excludes Common Entrances

Others Responsibility Components

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

- Asphalt Pavement Street System, Oakbrook Drive[1]
- Fences, North and West Perimeters[2]

[1] Municipality
[2] Neighboring Homeowners

3. RESERVE EXPENDITURES and FUNDING PLAN

The tables following this introduction present:

Reserve Expenditures

- Line item numbers
- Total quantities
- Quantities replaced per phase (in a single year)
- Reserve component inventory
- Estimated first year of event (i.e., replacement, application, etc.)
- Life analysis showing
  - useful life
  - remaining useful life
- 2027 local cost of replacement
  - Per unit
  - Per phase
  - Replacement of total quantity
- Percentage of future expenditures anticipated during the next 30 years
- Schedule of estimated future costs for each reserve component including inflation

Reserve Funding Plan

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

Five-Year Outlook

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

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

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

Years 2027 to 2042

RESERVE EXPENDITURES

Hickory Hill
Estates Condominium
Williamsville, New York

Explanatory Notes:
1) **3.0%** is the estimated Inflation Rate for estimating Future Replacement Costs.
2) **FY2027** is Fiscal Year beginning July 1, 2026 and ending June 30, 2027.

Line Item	Total Quantity	Per Phase Quantity	Units	Reserve Component Inventory	Estimated 1st Year of Event	Life Analysis Years Useful	Life Analysis Years Remaining	Costs, $ Unit (2027)	Costs, $ Per Phase (2027)	Costs, $ Total (2027)	Percentage of Future Expenditures	RUL = 0 FY2027	1 2028	2 2029	3 2030	4 2031	5 2032	6 2033	7 2034	8 2035	9 2036	10 2037	11 2038	12 2039	13 2040	14 2041	15 2042
				Exterior Building Elements																							
1.115	56	9	Each	Balconies, Wood Framed, Replacement, Phased	2040	to 35	13 to 18	9,000.00	83,970	504,000	**4.2%**														123,313	127,012	130,823
1.120	28	4	Each	Balconies, Wood Framed, Stabilization, Phased, Remaining	2027	N/A	0 to 6	6,000.00	24,000	168,000	**1.0%**	24,000	24,720	25,462	26,225	27,012	27,823	28,657									
1.130	1	1	Allowance	Building Improvements, Insulation-Ventilation, Remaining	2027	N/A	0	237,000.00	237,000	237,000	**1.2%**	237,000															
1.140	16	16	Each	Chimney Caps, Metal	2034	to 25	7	1,000.00	16,000	16,000	**0.3%**								19,678								
1.240	15,000	5,000	Linear Feet	Gutters and Downspouts, Aluminum, Phased	2046	20 to 30	19 to 23	12.00	60,000	180,000	**1.8%**																
1.280	1,400	200	Squares	Roofs, Asphalt Shingles, 2010-2016, Phased	2033	20 to 25	6 to 12	900.00	180,000	1,260,000	**13.2%**							214,929	221,377	228,019	234,859	241,905	249,162	256,637			
1.282	500	125	Squares	Roofs, Asphalt Shingles, Pre-2010, Phased	2029	20 to 25	2 to 5	900.00	112,500	450,000	**7.8%**			119,351	122,932	126,620	130,418										
1.530	41,000	5,857	Square Feet	Roofs, Thermoplastic, 2010-2019, Phased	2033	15 to 20	6 to 12	20.00	117,143	820,000	**12.7%**							139,875	144,071	148,393	152,845	157,430	162,153	167,018			
1.532	22,000	5,500	Square Feet	Roofs, Thermoplastic, Pre-2010, Phased	2029	15 to 20	2 to 5	20.00	110,000	440,000	**7.2%**			116,699	120,200	123,806	127,520										
1.820	140,000	46,667	Square Feet	Walls, Masonry, Inspections and Repairs, Phased	2028	8 to 12	1 to 7	3.00	140,000	420,000	**11.6%**		144,200			157,571			172,182			188,148			205,595		
				Interior Building Elements																							
2.456	14	3	Each	Common Areas, Hallways, Carpet, Phased	2029	to 10	2 to 6	6,500.00	18,200	91,000	**2.2%**			19,308	19,888	20,484	21,099	21,732						25,949	26,727	27,529	28,355
2.465	14	7	Each	Common Areas, Hallways, Paint Finishes, Phased	2034	to 10	7 to 8	2,000.00	14,000	28,000	**0.8%**								17,218	17,735							
2.466	8	4	Each	Common Areas, Hallways, Wallpaper Removal and Replace with Paint, Remaining, Phased	2027	N/A	0 to 1	4,200.00	16,800	33,600	**0.2%**	16,800	17,304														
				Building Services Elements																							
3.300	1	1	Allowance	Electrical System, Lines and Meters, Remaining	2027	to 70+	0	29,000.00	29,000	29,000	**0.2%**	29,000															
3.605	112	16	Units	Pipes, Domestic Water, Waste and Vent, Phased	2039	to 80+	12 to 30	9,000.00	144,000	1,008,000	**10.0%**													205,310			224,347
				Property Site Elements																							
4.020	18,000	18,000	Square Yards	Asphalt Pavement, Crack Repair, Patch, and Seal Coat, Streets and Parking Areas, Phased	2029	3 to 5	2	2.50	45,000	45,000	**3.1%**			47,741				53,732			60,476			68,067		
4.040	18,000	3,600	Square Yards	Asphalt Pavement, Mill and Overlay, Streets and Parking Areas, Phased	2028	15 to 20	1 to 9	31.00	111,600	558,000	**3.4%**		114,948		121,948		129,375		137,254		145,613						
4.045	18,000	3,600	Square Yards	Asphalt Pavement, Total Replacement, Streets and Parking Areas, Phased	2048	15 to 20	21 to 29	50.00	180,000	900,000	**9.9%**																
4.100	15	3	Each	Catch Basins, Inspections and Capital Repairs, Phased	2028	15 to 20	1 to 9	1,500.00	4,500	22,500	**0.4%**		4,635		4,917		5,217		5,534		5,871						
4.125	22,000	1,100	Square Feet	Concrete, Flatwork, Carport Floors, Partial	2028	to 65	1 to 30+	15.00	16,500	330,000	**0.8%**		16,995					19,702					22,840				
4.140	15,000	1,250	Square Feet	Concrete Sidewalks, Partial	2028	to 65	1 to 30+	13.00	16,250	195,000	**0.8%**		16,738					19,403					22,494				
4.410	1	1	Each	Irrigation System, Pump	2031	to 20	4	15,000.00	15,000	15,000	**0.2%**					16,883											
4.420	15	4	Zones	Irrigation System, Replacement, Phased	2031	to 40+	4 to 34	3,000.00	11,250	45,000	**0.3%**					12,662										17,017	
4.560	20	20	Each	Light Poles and Fixtures	2032	to 25	5	2,800.00	56,000	56,000	**1.1%**						64,919										
4.700	3	1	Each	Pond, Aerators, Phased	2030	10 to 15	3 to 13	6,000.00	6,000	18,000	**0.3%**				6,556					7,601					8,811		
4.710	1,300	195	Square Yards	Pond, Erosion Control and Sediment Removal, Partial	2036	to 15	9 to 30+	200.00	39,000	260,000	**0.7%**										50,886						
				Clubhouse Elements																							
5.070	1	1	Each	HVAC Equipment	2028	15 to 20	1	11,000.00	11,000	11,000	**0.2%**		11,330														
5.500	1	1	Allowance	Interior Renovation, Clubhouse, Complete	2045	to 20	18	75,000.00	75,000	75,000	**0.7%**																
5.510	1	1	Allowance	Interior Renovation, Clubhouse Partial	2035	to 10	8	20,000.00	20,000	20,000	**0.4%**									25,335							
5.800	1,400	1,400	Square Feet	Windows and Doors (Includes Common Entrances)	2032	to 40	5	100.00	140,000	140,000	**0.9%**						162,298										
				Pool Elements																							
6.200	3,700	3,700	Square Feet	Concrete Deck, Textured Coating, Partial Replacements and Repairs	2033	8 to 12	6	9.00	33,300	33,300	**0.6%**							39,762									
6.400	240	240	Linear Feet	Fence, Aluminum	2033	to 25	6	75.00	18,000	18,000	**0.1%**							21,493									
6.800	840	840	Square Feet	Pool Finish, Plaster	2031	8 to 12	4	20.00	16,800	16,800	**0.3%**					18,909											
6.801	120	120	Linear Feet	Pool Finish, Tile	2031	15 to 25	4	45.00	5,400	5,400	**0.1%**					6,078											
6.900	840	840	Square Feet	Structure and Deck, Total Replacement	2042	to 60	15	250.00	210,000	210,000	**1.7%**																327,173
				Anticipated Expenditures, By Year ($19,071,317 over 30 years)								306,800	350,870	328,561	422,667	510,024	668,669	559,285	717,315	427,082	590,074	647,960	456,649	654,913	364,446	239,624	710,698

RESERVE EXPENDITURES

Hickory Hill
Estates Condominium
Williamsville, New York

Line Item	Total Quantity	Per Phase Quantity	Units	Reserve Component Inventory	Estimated 1st Year of Event	Life Analysis Years Useful	Life Analysis Years Remaining	Costs, $ Unit (2027)	Costs, $ Per Phase (2027)	Costs, $ Total (2027)	Percentage of Future Expenditures	16 2043	17 2044	18 2045	19 2046	20 2047	21 2048	22 2049	23 2050	24 2051	25 2052	26 2053	27 2054	28 2055	29 2056	30 2057
				Exterior Building Elements																						
1.115	56	9	Each	Balconies, Wood Framed, Replacement, Phased	2040	to 35	13 to 18	9,000.00	83,970	504,000	**4.2%**	134,747	138,790	142,953												
1.120	28	4	Each	Balconies, Wood Framed, Stabilization, Phased, Remaining	2027	N/A	0 to 6	6,000.00	24,000	168,000	**1.0%**															
1.130	1	1	Allowance	Building Improvements, Insulation-Ventilation, Remaining	2027	N/A	0	237,000.00	237,000	237,000	**1.2%**															
1.140	16	16	Each	Chimney Caps, Metal	2034	to 25	7	1,000.00	16,000	16,000	**0.3%**										33,500					
1.240	15,000	5,000	Linear Feet	Gutters and Downspouts, Aluminum, Phased	2046	20 to 30	19 to 23	12.00	60,000	180,000	**1.8%**				105,210		111,618		118,415							
1.280	1,400	200	Squares	Roofs, Asphalt Shingles, 2010-2016, Phased	2033	20 to 25	6 to 12	900.00	180,000	1,260,000	**13.2%**														424,182	436,907
1.282	500	125	Squares	Roofs, Asphalt Shingles, Pre-2010, Phased	2029	20 to 25	2 to 5	900.00	112,500	450,000	**7.8%**										235,550	242,617	249,895	257,392		
1.530	41,000	5,857	Square Feet	Roofs, Thermoplastic, 2010-2019, Phased	2033	15 to 20	6 to 12	20.00	117,143	820,000	**12.7%**											252,629	260,208	268,014	276,055	284,336
1.532	22,000	5,500	Square Feet	Roofs, Thermoplastic, Pre-2010, Phased	2029	15 to 20	2 to 5	20.00	110,000	440,000	**7.2%**							210,771	217,095	223,607	230,316					
1.820	140,000	46,667	Square Feet	Walls, Masonry, Inspections and Repairs, Phased	2028	8 to 12	1 to 7	3.00	140,000	420,000	**11.6%**	224,659			245,491			268,255			293,129			320,310		
				Interior Building Elements																						
2.456	14	3	Each	Common Areas, Hallways, Carpet, Phased	2029	to 10	2 to 6	6,500.00	18,200	91,000	**2.2%**	29,206						34,873	35,919	36,997	38,107	39,250				
2.465	14	7	Each	Common Areas, Hallways, Paint Finishes, Phased	2034	to 10	7 to 8	2,000.00	14,000	28,000	**0.8%**		23,140	23,834									31,098	32,031		
2.466	8	4	Each	Common Areas, Hallways, Wallpaper Removal and Replace with Paint, Remaining, Phased	2027	N/A	0 to 1	4,200.00	16,800	33,600	**0.2%**															
				Building Services Elements																						
3.300	1	1	Allowance	Electrical System, Lines and Meters, Remaining	2027	to 70+	0	29,000.00	29,000	29,000	**0.2%**															
3.605	112	16	Units	Pipes, Domestic Water, Waste and Vent, Phased	2039	to 80+	12 to 30	9,000.00	144,000	1,008,000	**10.0%**			245,150			267,882			292,722			319,866			349,526
				Property Site Elements																						
4.020	18,000	18,000	Square Yards	Asphalt Pavement, Crack Repair, Patch, and Seal Coat, Streets and Parking Areas, Phased	2029	3 to 5	2	2.50	45,000	45,000	**3.1%**			76,609				86,225			97,047					109,227
4.040	18,000	3,600	Square Yards	Asphalt Pavement, Mill and Overlay, Streets and Parking Areas, Phased	2028	15 to 20	1 to 9	31.00	111,600	558,000	**3.4%**															
4.045	18,000	3,600	Square Yards	Asphalt Pavement, Total Replacement, Streets and Parking Areas, Phased	2048	15 to 20	21 to 29	50.00	180,000	900,000	**9.9%**						334,853		355,246		376,880		399,832		424,182	
4.100	15	3	Each	Catch Basins, Inspections and Capital Repairs, Phased	2028	15 to 20	1 to 9	1,500.00	4,500	22,500	**0.4%**						8,371		8,881		9,422		9,996		10,605	
4.125	22,000	1,100	Square Feet	Concrete, Flatwork, Carport Floors, Partial	2028	to 65	1 to 30+	15.00	16,500	330,000	**0.8%**	26,478					30,695				35,584				
4.140	15,000	1,250	Square Feet	Concrete Sidewalks, Partial	2028	to 65	1 to 30+	13.00	16,250	195,000	**0.8%**	26,076					30,230				35,045					
4.410	1	1	Each	Irrigation System, Pump	2031	to 20	4	15,000.00	15,000	15,000	**0.2%**									30,492						
4.420	15	4	Zones	Irrigation System, Replacement, Phased	2031	to 40+	4 to 34	3,000.00	11,250	45,000	**0.3%**									22,869						
4.560	20	20	Each	Light Poles and Fixtures	2032	to 25	5	2,800.00	56,000	56,000	**1.1%**															135,927
4.700	3	1	Each	Pond, Aerators, Phased	2030	10 to 15	3 to 13	6,000.00	6,000	18,000	**0.3%**			10,215					11,842					13,728		
4.710	1,300	195	Square Yards	Pond, Erosion Control and Sediment Removal, Partial	2036	to 15	9 to 30+	200.00	39,000	260,000	**0.7%**									79,279						
				Clubhouse Elements																						
5.070	1	1	Each	HVAC Equipment	2028	15 to 20	1	11,000.00	11,000	11,000	**0.2%**						20,463									
5.500	1	1	Allowance	Interior Renovation, Clubhouse, Complete	2045	to 20	18	75,000.00	75,000	75,000	**0.7%**			127,682												
5.510	1	1	Allowance	Interior Renovation, Clubhouse Partial	2035	to 10	8	20,000.00	20,000	20,000	**0.4%**													45,759		
5.800	1,400	1,400	Square Feet	Windows and Doors (Includes Common Entrances)	2032	to 40	5	100.00	140,000	140,000	**0.9%**															
				Pool Elements																						
6.200	3,700	3,700	Square Feet	Concrete Deck, Textured Coating, Partial Replacements and Repairs	2033	8 to 12	6	9.00	33,300	33,300	**0.6%**											71,814				
6.400	240	240	Linear Feet	Fence, Aluminum	2033	to 25	6	75.00	18,000	18,000	**0.1%**															
6.800	840	840	Square Feet	Pool Finish, Plaster	2031	8 to 12	4	20.00	16,800	16,800	**0.3%**											36,231				
6.801	120	120	Linear Feet	Pool Finish, Tile	2031	15 to 25	4	45.00	5,400	5,400	**0.1%**											11,646				
6.900	840	840	Square Feet	Structure and Deck, Total Replacement	2042	to 60	15	250.00	210,000	210,000	**1.7%**															
				Anticipated Expenditures, By Year ($19,071,317 over 30 years)								441,166	161,929	626,444	350,701	0	804,112	600,124	747,397	685,966	1,216,904	821,861	1,270,895	937,233	1,135,023	1,315,923

RESERVE FUNDING PLAN

CASH FLOW ANALYSIS
Hickory Hill
Estates Condominium
Williamsville, New York

Individual Reserve Budgets & Cash Flows for the Next 30 Years

		FY2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042
Reserves at Beginning of Year	*(Note 1)*	432,306	242,181	112,868	113,208	128,645	166,407	154,861	253,820	195,268	304,601	267,771	187,960	231,697	90,823	256,028	567,979
Total Recommended Reserve Contributions	*(Note 2)*	**108,019**	**217,000**	**326,000**	**435,000**	**544,000**	**653,000**	**653,000**	**653,000**	**530,000**	**545,900**	**562,300**	**495,000**	**509,900**	**525,200**	**541,000**	**557,200**
Estimated Interest Earned, During Year	*(Note 3)*	8,656	4,556	2,901	3,104	3,786	4,123	5,245	5,763	6,415	7,345	5,848	5,386	4,139	4,451	10,575	12,772
Anticipated Expenditures, By Year		(306,800)	(350,870)	(328,561)	(422,667)	(510,024)	(668,669)	(559,285)	(717,315)	(427,082)	(590,074)	(647,960)	(456,649)	(654,913)	(364,446)	(239,624)	(710,698)
Anticipated Reserves at Year End		$242,181	$112,868	$113,208	$128,645	$166,407	$154,861 *(NOTE 5)*	$253,820	$195,268 *(NOTE 5)*	$304,601	$267,771	$187,960 *(NOTE 5)*	$231,697	$90,823 *(NOTE 5)*	$256,028	$567,979	$427,253

(continued)

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

	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056	2057
Reserves at Beginning of Year	427,253	572,821	1,022,464	1,031,175	1,337,978	2,027,062	1,939,148	2,075,850	2,087,786	2,183,736	1,766,425	1,761,235	1,324,439	1,238,395	974,572
Total Recommended Reserve Contributions	**573,900**	**591,100**	**608,800**	**627,100**	**645,900**	**665,300**	**685,300**	**705,900**	**727,100**	**748,900**	**771,400**	**794,500**	**818,300**	**842,800**	**868,100**
Estimated Interest Earned, During Year	12,834	20,473	26,355	30,404	43,184	50,899	51,525	53,433	54,817	50,693	45,271	39,599	32,889	28,399	19,517
Anticipated Expenditures, By Year	(441,166)	(161,929)	(626,444)	(350,701)	0	(804,112)	(600,124)	(747,397)	(685,966)	(1,216,904)	(821,861)	(1,270,895)	(937,233)	(1,135,023)	(1,315,923)
Anticipated Reserves at Year End	$572,821	$1,022,464	$1,031,175	$1,337,978	$2,027,062	$1,939,148	$2,075,850	$2,087,786	$2,183,736	$1,766,425	$1,761,235	$1,324,439	$1,238,395	$974,572	$546,266 *(NOTE 4)*

Explanatory Notes:

1) Year 2027 starting reserves are as of July 1, 2026; FY2027 starts July 1, 2026 and ends June 30, 2027.
2) Reserve Contributions for 2027 are budgeted; 2028 is the first year of recommended contributions.
3) **2.6%** is the estimated annual rate of return on invested reserves.
4) Accumulated year 2057 ending reserves consider the need to fund for subsequent replacement of the roofs shortly after 2057, and the age, size, overall condition and complexity of the property.
5) Threshold Funding Years (reserve balance at critical point).

*Refer to the Reserve Expenditures pages for the full list of reserve elements

FIVE-YEAR OUTLOOK

Hickory Hill
Estates Condominium
Williamsville, New York

Line Item	Reserve Component Inventory	RUL = 0 FY2027	1 2028	2 2029	3 2030	4 2031	5 2032
	Exterior Building Elements						
1.120	Balconies, Wood Framed, Stabilization, Phased, Remaining	24,000	24,720	25,462	26,225	27,012	27,823
1.130	Building Improvements, Insulation-Ventilation, Remaining	237,000					
1.282	Roofs, Asphalt Shingles, Pre-2010, Phased			119,351	122,932	126,620	130,418
1.532	Roofs, Thermoplastic, Pre-2010, Phased			116,699	120,200	123,806	127,520
1.820	Walls, Masonry, Inspections and Repairs, Phased		144,200			157,571	
	Interior Building Elements						
2.456	Common Areas, Hallways, Carpet, Phased			19,308	19,888	20,484	21,099
2.466	Common Areas, Hallways, Wallpaper Removal and Replace with Paint, Remaining, Phased	16,800	17,304				
	Building Services Elements						
3.300	Electrical System, Lines and Meters, Remaining	29,000					
	Property Site Elements						
4.020	Asphalt Pavement, Crack Repair, Patch, and Seal Coat, Streets and Parking Areas, Phased			47,741			
4.040	Asphalt Pavement, Mill and Overlay, Streets and Parking Areas, Phased		114,948		121,948		129,375
4.100	Catch Basins, Inspections and Capital Repairs, Phased		4,635		4,917		5,217
4.125	Concrete, Flatwork, Carport Floors, Partial		16,995				
4.140	Concrete Sidewalks, Partial		16,738				
4.410	Irrigation System, Pump					16,883	
4.420	Irrigation System, Replacement, Phased					12,662	
4.560	Light Poles and Fixtures						64,919
4.700	Pond, Aerators, Phased				6,556		
	Clubhouse Elements						
5.070	HVAC Equipment		11,330				
5.800	Windows and Doors (Includes Common Entrances)						162,298
	Pool Elements						
6.800	Pool Finish, Plaster					18,909	
6.801	Pool Finish, Tile					6,078	
	Anticipated Expenditures, By Year ($2,587,591 over 5 years)	306,800	350,870	328,561	422,667	510,024	668,669

4. RESERVE COMPONENT DETAIL

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

Exterior Building Elements



Typical townhome building



Typical garden building



Typical garages

Balconies, Wood

Line Items: 1.115 and 1.120

Quantity: 56 wood framed balconies comprise a total of approximately 4,000 square feet. The Association is only responsible for replacements to the structure of the balconies and is not responsible for intermittent replacement of the finishes, membrane, decking, or railings.

History: Mostly original with a history of isolated replacements. The Association has been conducting structural repairs and the installation of stabilization columns at the balconies and plans to continue this practice until all balconies have structural columns and repairs completed. 28 of the 56 balconies are yet to be completed and the Association plans to complete replacements at a rate of four per year.

Condition: The balconies are in good to fair visual condition but have begun to settle in some cases requiring the installation of column supports and structural repairs.



Balcony with columns installed



Balcony with no columns installed



Typical column supports



Typical balcony underside

Useful Life: Up to 35 years. The rates and types of deterioration are not uniform due to the nature of wood. Replacement is normally an ongoing process which eventually leads to a complete replacement for economic or aesthetic reasons.

Component Detail Notes: Balcony construction includes the following:

- Cantilevered wood frames
- Vinyl cladding at undersides and edges
- Soffits at some balconies
- Paint finishes

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

- Annually:
    - Inspect to identify and correct any unsafe conditions
    - Secure loose fasteners and replace deteriorated fasteners
    - Replace deteriorated wood components
    - Check railing stability and fasteners
- Every three years:
    - Power wash with algaecide and application of sealer/stain if applicable

Priority: Defer only upon opinion of independent professional or engineer

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

Building Improvements, Insulation-Ventilation

Line Item: 1.130

Quantity: Improvements to the insulation and ventilation systems are being conducted at all of the 22 buildings.

History: Five of six phases of improvements have been conducted, and the Association plans to complete the improvements in FY 2027.

Useful Life: The need to conduct improvements of this nature does not have a predictable useful life and may depend upon issues related to the building construction.

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

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. Our estimates of cost and timing are provided by Management.

Chimney Caps, Metal

Line Item: 1.140

Quantity: 16 metal chimney caps

History: Ages unavailable at the time of inspection

Condition: Good to fair overall condition based on our visual inspection from the ground.



Metal chimney cap



Metal chimney cap

Useful Life: Up to 25 years

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

- As-needed:
  - Clean flues
  - With roof inspection, inspect for wildlife damage, corrosion, sealant deterioration and water infiltration

Priority: Defer only upon opinion of independent professional or engineer

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

Gutters and Downspouts, Aluminum

Line Item: 1.240

Quantity: Approximately 15,000 linear feet of aluminum six-inch seamless gutters and three-inch by four-inch downspouts

History: The ages of the gutters and downspouts are varied and many replacements have been conducted in conjunction with the insulation and ventilation repairs.

Condition: Good to fair overall condition



Aluminum gutters and downspouts



Gutters and downspouts possibly recently replaced

Useful Life: 20- to 30-years

Component Detail Notes: The size of the gutter is determined by the roof's watershed area, a roof pitch factor and the rainfall intensity number of the Association's region. We recommend sloping gutters 1/16 inch per linear foot and providing fasteners a maximum of every three feet.

Downspouts can drain 100 square feet of roof area per one square inch of downspout cross sectional area. We recommend the use of downspout extensions and splash blocks at the downspout discharge to direct storm water away from the foundations.

The useful life of gutters and downspouts coincides with that of the sloped roofs. Coordinated replacement will result in the most economical unit price and minimize the possibility of damage to other roof components as compared to separate replacements.

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

- Semi-annually:
  - Clean out debris and leaves that collect in the gutters
  - Repair and refasten any loose gutter fasteners
  - Repair and seal any leaking seams or end caps
  - Verify downspouts discharge away from foundations

Priority: Defer only upon opinion of independent professional or engineer

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

Roofs, Asphalt Shingles

Line Items: 1.280 and 1.282

Quantity and History: Approximately 1,900 *squares*[1] at the townhomes, garden buildings, townhome garages, and clubhouse. This quantity includes the mansard roofs and includes approximately 1,400 squares of roofs replaced from 2010 to 2016 and approximately 500 squares replaced prior to 2010. A recent roof report has indicated that the roofs have remaining useful lives between 2 and 14 years.

Condition: Most of the roofs are in fair overall condition with periodic instances of granular loss, shingle weathering, flashing rust, and isolated shingle curl and organic growth.



Typical mansard roofs



Typical sloped roofs



Shingle discoloration



Roof overview

[1] We quantify the roof area in squares where one square is equal to 100 square feet of surface area.



Minor lifted shingles



Granular loss



Flashing rust



Granular loss



Minor lifted shingles



Evidence of granular loss



Roof at the garage



Lifted shingle near roof penetration



Roof overview



Organic growth



Granular loss and lifted shingle



Shingle discoloration



Shingle discoloration



Clubhouse roof

Useful Life: 20- to 25-years

Component Detail Notes: The existing roof assembly comprises the following:

- Laminate architectural shingles
- Boston style ridge caps
- Rubber seal with plastic base boot flashing at waste pipes
- soffit, square hood box and ridge vents
- Metal drip edge
- Enclosed half weaved valleys

Insulation and ventilation are two major components of a sloped roof system. Together, proper insulation and ventilation help to control attic moisture and maintain an energy efficient building. Both insulation and ventilation prevent moisture buildup which can cause wood rot, mold and mildew growth, warp sheathing, deteriorate shingles, and eventually damage building interiors. Sufficient insulation helps to minimize the quantity of moisture that enters the attic spaces and adequate ventilation helps to remove any moisture that enters the attic spaces. These two roof system components also help to reduce the amount of energy that is required to heat and cool a building. Proper attic insulation minimizes heat gain and heat loss between the residential living spaces and attic spaces. This reduces energy consumption year-round. Proper attic ventilation removes excessive heat from attic spaces that can radiate into residential living spaces and cause air conditioners to work harder. Properly installed attic insulation and ventilation work together to maximize the useful life of sloped roof systems.

In addition to moisture control and energy conservation, proper attic insulation and ventilation are essential components to prevent the formation of ice dams. Ice dams occur when warm air accumulates at the peak of an attic while the roof eaves remain cold. Warm air from the attic melts the snow at the ridge of the roof and the water runs down the slope of the roof. At the cold roof eaves, the water refreezes and forms a buildup of snow and ice. This buildup often traps water that can prematurely deteriorate asphalt shingles and ultimately seep under the shingles and cause water damage to the roof deck and building interiors. Proper insulation minimizes the amount of heat that enters attic spaces in the winter and adequate ventilation helps to remove any heat that enters the

attic spaces. Together, these components prevent ice dams with a cold roof deck that melts snow and ice evenly.

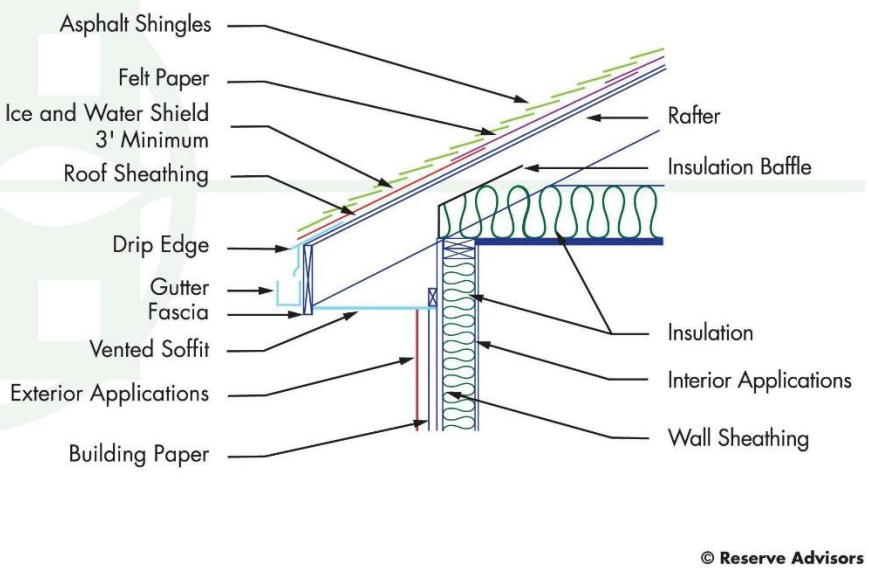
The vents should be clear of debris and not blocked from above by attic insulation. If the soffit vents are blocked from above, installation of polystyrene vent spaces or baffles between the roof joists at these locations can ensure proper ventilation.

Certain characteristics of condition govern the times of replacement. Replacement of an asphalt shingle roof becomes necessary when there are multiple or recurring leaks and when the shingles begin to cup, curl and lift. These conditions are indications that the asphalt shingle roof is near the end of its useful life. Even if the shingles are largely watertight, the infiltration of water in one area can lead to permanent damage to the underlying roof sheathing. This type of deterioration requires replacement of saturated sections of sheathing and greatly increases the cost of roof replacement. Roof leaks may occur from interrelated roof system components, i.e., flashings. Therefore, the warranty period, if any, on the asphalt shingles, may exceed the useful life of the roof system.

Warranties are an indication of product quality and are not a product guarantee. Asphalt shingle product warranties vary from 20- to 50-years and beyond. However, the scope is usually limited to only the material cost of the shingles as caused by manufacturing defects. Warranties may cover defects such as thermal splitting, granule loss, cupping, and curling. Labor cost is rarely included in the remedy so if roof materials fail, the labor to tear off and install new shingles is extra. Other limitations of warranties are exclusions for "incidental and consequential" damages resulting from age, hurricanes, hail storms, ice dams, severe winds, tornadoes, earthquakes, etc. There are some warranties which offer no dollar limit for replacement at an additional cost (effectively an insurance policy) but again these warranties also have limits and may not cover all damages other than a product defect. We recommend a review of the manufacturers' warranties as part of the evaluation of competing proposals to replace a roof system. This evaluation should identify the current costs of remedy if the roof were to fail in the near future. A comparison of the costs of remedy to the total replacement cost will assist in judging the merits of the warranties.

The following cross-sectional schematic illustrates a typical asphalt shingle roof system although it may not reflect the actual configuration at Hickory Hill:

ROOF SCHEMATIC



Contractors use one of two methods for replacement of sloped roofs, either an overlayment or a tear-off. Overlayment is the application of new shingles over an existing roof. However, there are many disadvantages to overlayment including hidden defects of the underlying roof system, absorption of more heat resulting in accelerated deterioration of the new and old shingles, and an uneven visual appearance. Therefore, we recommend only the tear-off method of replacement. The tear-off method of replacement includes removal of the existing shingles, flashings if required and underlayments.

The Association should plan to coordinate the replacement of gutters and downspouts with the adjacent roof. This will result in the most economical unit price and minimize the possibility of damage to other roof components as compared to separate replacements.

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

- Annually:
    - Record any areas of water infiltration, flashing deterioration, damage or loose shingles
    - Inspect for ice dams and implement repairs as needed if issues are reoccurring
    - Trim tree branches that are near or in contact with roof
- As-needed:

- Ensure proper ventilation and verify vents are clear of debris and not blocked from attic insulation

Priority: Defer only upon opinion of independent professional or engineer

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

Roofs, Thermoplastic

Line Items: 1.530 and 1.532

Quantity: Approximately 63,000 square feet of roofing at the carports, garages, townhomes, and garden style units.

History: Partial roof replacements were conducted from 2010 through 2019. The ages of the remaining roofs are unknown.

Condition: The flat roofs were largely impossible to inspect during our visual inspection from the ground. Management and the board do not report active leaks or other issues.



Thermoplastic roof



Thermoplastic roof

Useful Life: 15- to 20-years

Component Detail Notes: Thermoplastic roofs include the following:

- Polyvinyl chloride (PVC or simply vinyl)
- PVC alloys or compounded thermoplastics
- Thermoplastic olefin (TPO)
- Chlorinated polyethylene (CPE)

The following characteristics define most thermoplastic roofs:

- Attachment to the roof deck is either fully adhered, mechanical or ballasted

- Membranes are commonly white and reinforced with polyester
- Seams are sealed with heat or chemical welding
- Sheet widths range from 6- to 12-feet wide
- Sheets are typically 40- to 100-mils thick
- Single ply (one layer)

Over time, exposure to ultraviolet light, heat and weather degrade the membrane. This degradation results in membrane damage from thermal expansion and contraction, adverse weather and pedestrian traffic. The aging process makes the membrane less pliable and more difficult to maintain. Ponding water on the roof can increase the effects of ultraviolet light on the membrane and contaminants in ponded water can cause the membrane to deteriorate prematurely. Thermoplastic roofs (especially TPO) are relatively new and their long term performance is not well defined.

Contractors can install a new thermoplastic roof in one of two ways: *tear-off* or an *overlay*. An *overlay* is the application of a new roof membrane over an existing roof. This method, although initially more economical, often covers up problems with the deck, flashing and saturated insulation. The *tear-off* method of replacement includes removal of the existing roofing, flashings and insulation, and installation of a new roofing system.

The contractor should follow the manufacturer's directions and specifications upon installation of the roof. The contractor should remove the original insulation if saturated or compacted and apply a new layer of insulation per the manufacturer's instructions. The insulation should fit loosely with gaps no greater than ¼ inch. Gaps will cause failure of the membrane later. Mechanical fastening of the insulation is the best manner of installation.

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

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

Priority: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. Our estimates of cost consider information provided by Management.

Walls, Masonry, Inspections and Repairs

Line Item: 1.820

Quantity: Approximately 140,000 square feet of masonry comprises the exterior walls

History: Original with a history of periodic repairs including recent repairs in the early 2020's.

Condition: Fair overall condition. We note frequent evidence of mortar repairs and periodic mortar deterioration, masonry cracks, and lintel deterioration.



Masonry walls overview



Masonry walls overview



Mortar deterioration



Previous mortar repairs



Masonry walls overview



Mortar deterioration



Lintel deterioration



Masonry cracks



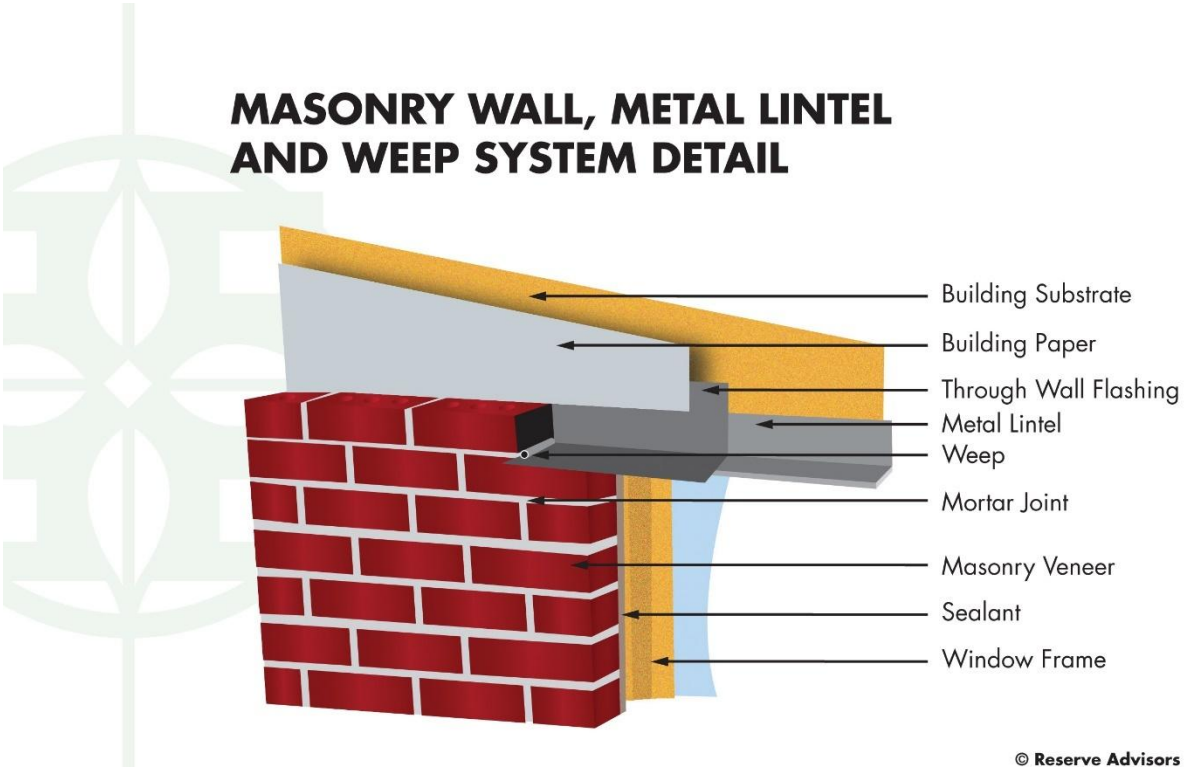
Masonry walls overview

Useful Life: We advise a complete inspection of the masonry and related masonry repairs every 8- to 12-years to forestall deterioration.

Component Detail Notes: Common types of masonry deterioration include efflorescence, spalling, joint deterioration and cracking. The primary cause of

efflorescence, cracks and face spall is water infiltration, therefore prevention of water infiltration is the principal concern for the maintenance of masonry applications.

Repointing is a process of raking and cutting out defective mortar to a depth of not less than ½ inch nor more than ¾ inch and replacing it with new mortar. Face grouting is the process of placing mortar over top of the existing mortar. We advise against face grouting because the existing, often deteriorated mortar does not provide a solid base for the new mortar. New mortar spalls at face grouted areas will likely occur. One purpose of a mortar joint is to protect the masonry by relieving stresses within the wall caused by expansion, contraction, moisture migration and settlement. Repointed mortar joints are more effective if the mortar is softer and more permeable than the masonry units, and no harder or less permeable than the existing mortar. The masonry contractor should address these issues within the proposed scope of work..



Priority: Defer only upon opinion of independent professional or engineer

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

- Complete inspection of the masonry
- Repointing of up to five percent (5%) of the masonry
- Replacement of up to two percent (2.0%) (The exact amount of area in need of replacement will be discretionary based on the actual future conditions and the desired appearance.)
- Paint applications to the metal lintels

Interior Building Elements

Hallways

Line Items: 2.456 through 2.466

Quantity: The hallway components include:

- Carpet floor coverings
- Wallpaper wall coverings
- Paint finishes at the walls and ceilings

History: The Association is currently replacing the wallpaper wall coverings at the hallways with paint finishes, and plans to replace carpet once replacements are concluded. 8 of the 14 hallways have yet to have paint wallpaper replaced with paint finishes.

Condition: The carpet floor coverings are reported in satisfactory condition and appear to be in good to fair condition considering the ages of the finishes. The recently applied paint finishes are in good condition and we assume the newly applied paint finishes will be in good condition upon completion of wallpaper removal and paint finish installation.



Typical hallway



Typical carpet floor coverings



Typical paint finishes



Typical carpet floor coverings



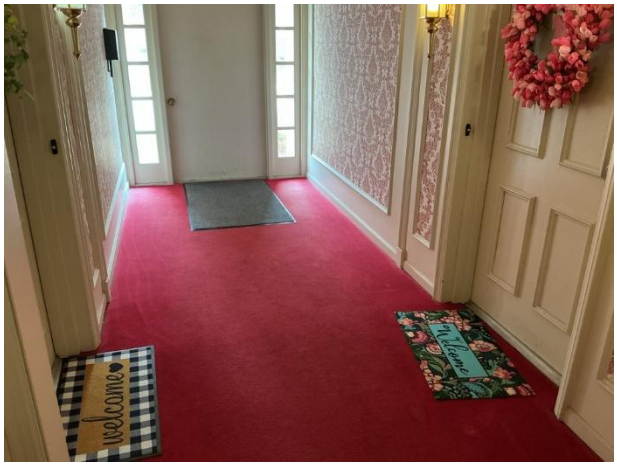
Typical paint finishes



Typical wall paper to be removed



Typical wall paper to be removed



Typical carpet floor coverings

Useful Life: Up to 10 years for carpet and paint finishes.

Priority/Criticality: Per Board discretion

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

Building Services Elements

Electrical System, Lines and Meters

Line Item: 3.300

History and Quantity: The lines and meters between the transformers and the buildings are the responsibility of the association. Components are partially original to construction with partial replacements from 2021 to 2026 and one remaining phase in fiscal year 2027.

Condition: Reported unsatisfactory

Useful Life: Up to and sometimes beyond 70 years

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

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

Pipes

Line Items: 3.605

Quantity: Based on the layout and configuration of the units, we have estimated the quantity of the interior building plumbing. Future updates of this Reserve Study will incorporate additional information if it becomes available. We do not include for replacement of the homeowner maintained pipes at the townhome buildings.

History:

- Domestic Water, Supply and Return – Original
- Sanitary Waste Disposal and Vent – Original

Condition:

- Domestic Water, Supply and Return – Reported satisfactory without operational deficiencies
- Sanitary Waste Disposal and Vent – Reported satisfactory without operational deficiencies

Component Detail Notes:

Domestic Water, Supply and Return - The useful life of domestic supply and return pipes is up to and sometimes beyond 70 years.

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

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

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

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

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

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

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

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

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

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

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

Property Site Elements

Asphalt Pavement, Crack Repair, Patch, and Seal Coat

Line Item: 4.020

Quantity: Approximately 18,000 square yards

History: Varied dates of repairs and seal coat applications

Condition: Fair overall with areas of alligator cracks, previous repairs, and isolated lifted pavement.

Useful Life: Three- to five-years

Component Detail Notes: Proposals should include mechanically routing and filling all cracks with hot emulsion. Repairs should also include patching at areas exhibiting settlement, potholes, or excessive cracking. The contractor should only apply seal coat applications after repairs are completed. A seal coat does not bridge or close cracks; therefore, unrepaired cracks render the seal coat applications useless. These activities minimize the damaging effects of vehicle fluids, maintain a uniform and positive appearance, and maximize the useful life of the pavement.

Priority/Criticality: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. Our cost includes an allowance for crack repairs and patching of up to two percent (2%) of the pavement.

Asphalt Pavement, Mill and Overlay

Line Items: 4.040 and 4.045

Quantity: Approximately 18,000 square yards at the streets and parking areas

History: Varied dates of last repaving. The Association conducted repaving of the pavement area behind unit 150 in 2025.

Condition: Fair overall condition with frequent cracks and periodic settlement, previous patch repairs, and deterioration.



Pavement overview



Pavement cracks



Pavement settlement



Previous repair



Pavement overview



Pavement deterioration



Pavement cracks



Pavement cracks



Pavement settlement

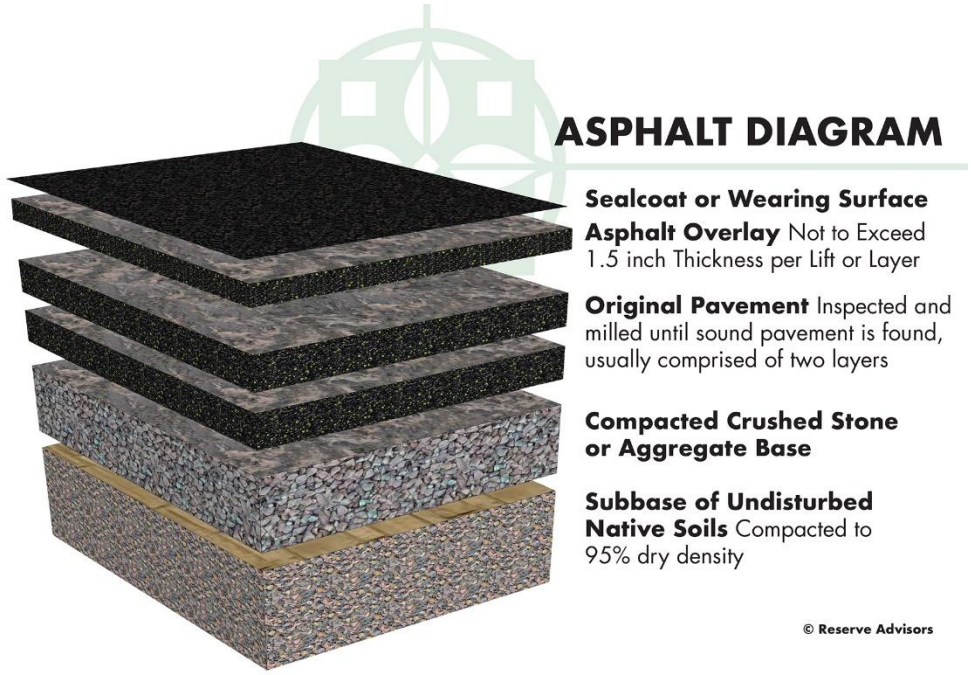


Pavement overview

Useful Life: 15- to 20-years with the benefit of timely crack repairs and patching

Component Detail Notes: The initial installation of asphalt uses at least two lifts, or two separate applications of asphalt, over the base course. The first lift is the binder course. The second lift is the wearing course. The wearing course comprises a finer aggregate

for a smoother, more watertight finish. The following diagram depicts the typical components although it may not reflect the actual configuration at Hickory Hill:



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

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

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

Priority: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. Our cost for milling and overlayment considers information provided by Management.

Catch Basins

Line Item: 4.100

Quantity: 15 catch basins[2]

History: Original with a history of partial replacements and repairs.

Condition: The catch basins appear to be in fair overall condition with frequent minor settlement evident



Catch basin



Minor settlement



Minor settlement



Minor settlement

[2] We utilize the terminology catch basin to refer to all storm water collection structures including curb inlets.

Useful Life: The useful life of catch basins is up to 65 years. However, achieving this useful life usually requires interim capital repairs or partial replacements every 15- to 20-years.

Component Detail Notes: Erosion causes settlement around the collar of catch basins. Left unrepaired, the entire catch basin will shift and need replacement.

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

- Annually:
  - Inspect and repair any settlement and collar cracks
  - Ensure proper drainage and inlets are free of debris
  - If property drainage is not adequate in heavy rainfall events, typically bi-annual cleaning of the catch basins is recommended

Priority: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. We recommend the Association plan for inspections and capital repairs to the catch basins in conjunction with repaving.

Concrete Flatwork, Carport Floors

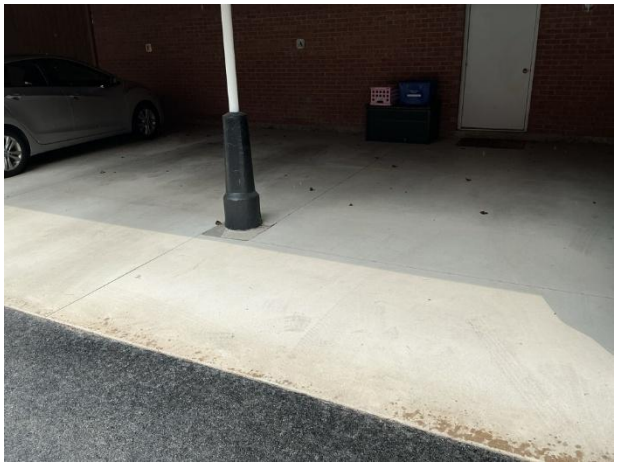
Line Item: 4.125

Quantity: Approximately 22,000 square feet at the carport floors

History and Condition: Good to fair overall with isolated cracks and a history of repairs.



Concrete cracks



Concrete recently replaced



Carport floor in good condition



Carport floor in good condition

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

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

- Annually:
  - Inspect and repair major cracks, spalls and trip hazards
  - Mark with orange safety paint prior to replacement or repair
  - Repair or perform concrete leveling in areas in immediate need of repair or possible safety hazard

Priority: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. We estimate that up to 6,600 square feet of concrete flatwork, or thirty percent (30%) of the total, will require replacement during the next 30 years.

Concrete Sidewalks

Line Item: 4.140

Quantity: Approximately 15,000 square feet

***History* and Condition:** Fair overall condition with periodic cracks and areas of settlement with a limited history of repairs.



Concrete sidewalk



Sidewalk settlement



Concrete crack



Concrete sidewalk



Concrete sidewalk

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

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

- Annually:

- Inspect and repair major cracks, spalls and trip hazards
- Mark with orange safety paint prior to replacement or repair
- Repair or perform concrete leveling in areas in immediate need of repair or possible safety hazard

Priority: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. We estimate that up to 7,500 square feet of concrete sidewalks, or fifty percent (50%) of the total, will require replacement during the next 30 years.

Irrigation System, Pump

Line Item: 4.410

Quantity: One each

History: The age of the pump is unknown.

Condition: Reported operational but at an unknown condition

Useful Life: Up to 20 years

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

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

Irrigation System, Replacement

Line Item: 4.420

Quantity: Approximately 180 heads with 15 zones

History: The irrigation system components and pipes have been replaced periodically as needed, but have not been totally replaced.

Condition: Satisfactory operational condition

Useful Life: Up to 40+ years

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

- Electronic controls (timer)
- Impact rotors
- Network of supply pipes

- Pop-up heads
- Valves

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

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

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

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

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

Light Poles and Fixtures

Line Item: 4.560

Quantity: 20 fiberglass poles with LED light fixtures

History: Ages unavailable at the time of inspection

Condition: Fair overall condition with finish fade to the poles.



Light pole and fixture



Light pole and fixture

Useful Life: Up to 25 years

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

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

Priority: Per Board discretion

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

Pond, Aerators

Line Item: 4.700

Quantity: Three aerators

History: Varied ages with one aerator replaced in 2025

Condition: Reported satisfactory overall condition.



Pond aerator



Pond aerator

Useful Life: 10- to 15-years

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

Priority: Defer only upon opinion of independent professional or engineer

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

Pond, Sediment Removal and Erosion Control

Line Item: 4.710

Quantity: Approximately 1,300 square yards of horizontal surface area and approximately 900 linear feet of rip rap shorelines

History: A major shoreline stabilization project was conducted in 2021 which involved complete rip rap coverage at the pond.

Condition: Rip rap stabilizes the entire pond surface. The pond appears to be in good overall condition with isolated algae growth.



Rip wrap around entire pond edge



Rip wrap around entire pond edge



Algae growth

Useful Life: Based on the construction, we recommend the Association anticipate the need to remove pond sediment and replenish rip rap up to every 15 years.

Component Detail Notes: The gradual build-up of natural debris, including tree leaves, branches and silt, may eventually change the topography of areas of the pond. Silt typically accumulates at inlets, outlets and areas of shoreline erosion. Sediment removal

of ponds becomes necessary if this accumulation alters the quality of pond water or the functionality of the ponds as storm water management structures.

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

- Annually:
  - Inspect and remediate shoreline erosion and areas of sediment accumulation
  - Clear and remove debris and vegetation overgrowth at pond edges, and inlet and outlet structures
  - Inspect for algae blooms and remedy as needed through a chemical treatment program or aeration

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

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. Our estimate of cost is based on the cost information from the 2021 project.

Clubhouse Elements



Clubhouse overview

HVAC Equipment

Line Item: 5.070

Quantity: One split system

History: The age was unavailable at the time of our inspection.

Condition: Reported satisfactory operational condition



Split system condensing unit

Useful Life: 15- to 20-years

Component Detail Notes: A split system air conditioner consists of an outside condensing unit, an interior evaporator coil, refrigerant lines and an interior

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

- Semi-annually:
  - Lubricate motors and bearings
  - Change or clean air filters as needed
  - Inspect condenser base and piping insulation
  - Inspect base pan, coil, cabinet and clear obstructions as necessary
- Annually:
  - Clean coils and drain pans, clean fan assembly, check refrigerant charge, inspect fan drive system and controls
  - Inspect and clean accessible ductwork as needed
  - Clean debris from inside cabinet, inspect condenser compressor and associated tubing for damage

Priority: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. The condensing unit may require replacement prior to replacement of the related interior forced air unit. For purposes of this Reserve Study, we assume coordination of replacement of the interior forced air unit, evaporator coil, refrigerant lines and exterior condensing unit.

Interior Renovations

Line Items: 5.500 and 5.510

Quantity: The lobby components include:

- Floor coverings: Vinyl plank
- Wall finishes: Paint
- Ceilings finishes: Paint
- Furnishings and appliances
- Light fixtures
- Kitchen and restroom fixtures

History: Complete renovations in 2025

Condition: Good overall condition with no significant deterioration.



Clubhouse kitchen



Clubhouse furnishings



Clubhouse furnishings



Clubhouse rest room



Clubhouse rest room

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

Priority: Per Board discretion

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

- Carpet floor coverings and paint finishes
- Replacement of up to fifty percent (50%) of the furnishings

Windows and Doors

Line Item: 5.800

Quantity: 1,400 square feet including the clubhouse and garden building common entrances

History: Ages unavailable at the time of inspection and possibly varied. One set of doors at the clubhouse was replaced in 2025.

Condition: Fair overall condition



Common entrance windows and doors



Clubhouse doors



Clubhouse doors



Common windows and doors



Clubhouse doors recently replaced

Useful Life: Up to 40 years

Component Detail Notes: Construction of the windows and doors at the clubhouse includes the following:

- Wood frames (aluminum at the clubhouse doors recently replaced)

- Double panes
- Fixed windows
- Swinging doors

Priority: Not recommended to defer

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

Pool Elements



Pool overview

Concrete Deck

Line Item: 6.200

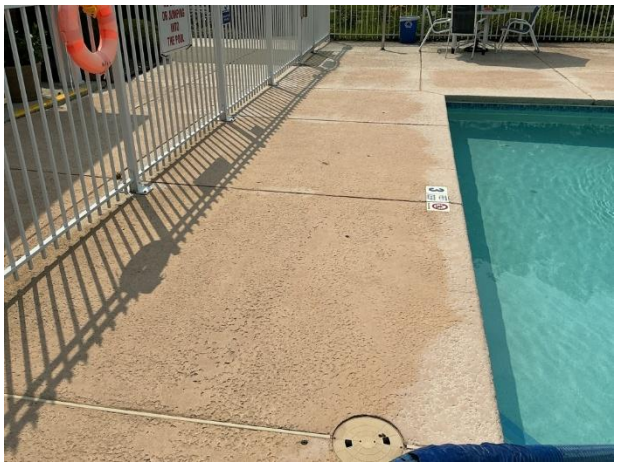
Quantity: 3,700 square feet

History: Original with a limited reported history of repairs

Condition: Good to fair overall condition



Concrete pool deck overview



Concrete pool deck overview

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

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

- Semi-annually:
    - Inspect and repair large cracks, trip hazards, and possible safety hazards
    - Inspect and repair pool coping for cracks, settlement, heaves or sealant deterioration
    - Repair concrete spalling
    - Schedule periodic pressure cleanings as needed

Priority: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. We recommend the Association budget for the following per event:

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

Fence, Aluminum

Line Item: 6.400

Quantity: 240 linear feet

History: Age unavailable at the time of inspection

Condition: Good to fair overall condition



Aluminum pool fence



Aluminum pool fence

Useful Life: Up to 25 years

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

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

Priority: Not recommended to defer

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

Pool Finishes

Line Items: 6.800 and 6.801

Quantity: 840 square feet of plaster based on the horizontal surface area and approximately 120 linear feet of tile

History:

- Plaster finish: Age unavailable at the time of inspection
- Tile: Age unavailable at the time of inspection

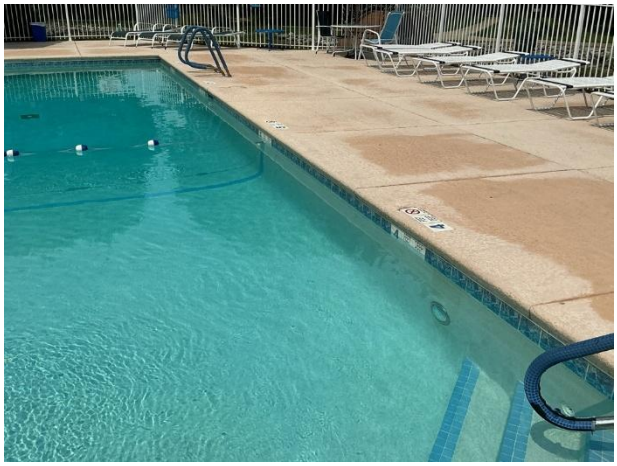
Condition: Satisfactory overall condition



Pool plaster overview



Pool plaster overview



Pool plaster overview

Useful Life: 8- to 12-years for the plaster and 15- to 25-years for the tile

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

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

Priority: Defer only upon opinion of independent professional or engineer

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

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

Structure and Deck

Line Item: 6.900

Quantity: 840 square feet of horizontal surface area

History: Original; Show in study

Conditions: Visually appears in good to fair overall condition with no significant deterioration. The concrete floor and walls have a plaster finish. This finish makes it difficult to thoroughly inspect the concrete structure during a noninvasive visual inspection.

Useful Life: Up to 60 years

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

- Concrete deck
- Pool structure
- Fencing
- Subsurface piping and mechanical equipment

Priority: Defer only upon opinion of independent professional or engineer

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

Reserve Study Update

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

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

Periodic updates incorporate these variable changes since the last Reserve Study or Update. We recommend the Board budget for an Update to this Reserve Study every three years. Budgeting for an Update demonstrates the Board's objective to continue fulfilling its fiduciary responsibility to maintain the commonly owned property and to fund reserves appropriately.

5. METHODOLOGY

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

Hickory Hill can fund capital repairs and replacements in any combination of the following:

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

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

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

- The Cash Flow Method to compute, project and illustrate the 30-year Reserve Funding Plan
- Local[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 Williamsville, New York at an annual inflation rate[3]. Isolated or regional markets of

[1] Identified in the APRA "Standards - Terms and Definitions" and the CAI "Terms and Definitions".
[2] See Credentials for additional information on our use of published sources of cost data.
[3] Derived from Marshall & Swift, historical costs and the Bureau of Labor Statistics.

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

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

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

6. CREDENTIALS

HISTORY AND DEPTH OF SERVICE

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

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

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

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

TOTAL STAFF INVOLVEMENT

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

OUR GOAL

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

VAST EXPERIENCE WITH A VARIETY OF BUILDINGS

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

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

OLD TO NEW

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

JOSEPH W. COFFEE, RS
Responsible Advisor



CURRENT CLIENT SERVICES

Joseph Coffee is a Senior Engineer for Reserve Advisors. Mr. Coffee 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 Studies for clubs, churches, commercial facilities, condominiums, townhomes, and homeowners associations.

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

The Winchester – Located in Pittsburgh, Pennsylvania, this condominium building contains 47 units. The building exterior is clad in eight-inch gloss-green ceramic tiles giving the building a unique appearance. Amenities include an indoor pool, private parking garage with elevated asphalt drive lane, and a rooftop deck.

Lake Naomi Club – This club is located in Pocono Pines, Pennsylvania, and contains 1,808 member homes with extensive amenities and assets. Amenities and assets include multiple clubhouses and staff buildings, a golf course, a hotel, maintenance facilities and equipment, several outdoor pools, and a large community center complex with indoor and outdoor sports facilities, restaurants, and an indoor swimming and recreation center.

Stoneybrook Master Association of Orlando, Inc. - This master association is located in Orlando, Florida, and services the common elements shared by 1,357 homes. The property contains numerous amenities including a swimming pool, clubhouse, playgrounds, tennis courts, ponds and guard houses. The extensive asphalt pavement street system includes approximately 340,000 square yards of asphalt pavement and five vehicular bridges.

Prestige Condominiums at Will O' The Wisp – This unique condominium structure is located in Oakland, Maryland and contains 47 units. The structure is built into a steep hill and ground level can be accessed from both the first and sixth floors, while the subsurface parking garage is accessed from the fifth floor. Amenities include an expansive atrium with indoor pool, a dock system, and an arcade.

Marbella Owners Association, Inc. – This high-end condominium building is located in Jacksonville, Florida and contains 24 units, each comprising one half story, or half of the building footprint. The expansive units contain an average of 1,125 square feet of association-maintained balconies each, and the building contains various amenities including beach access, a swimming pool, and a private parking garage.

Regina Coeli Parish. - Located in Pittsburgh, Pennsylvania, this parish is comprised of two church campuses including seven buildings. Assets include a large stone church built around year 1900 with the original organ system, a large modern church built in the 1980's with a modern infotainment equipment, a three-story school building sufficient to serve hundreds of students, and several smaller structures for staff and administrative purposes.

EDUCATION

Embry-Riddle Aeronautical University - B.S. Civil Engineering

PROFESSIONAL AFFILIATIONS / DESIGNATIONS

Reserve Specialist (RS) - Community Associations Institute

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

CURRENT CLIENT SERVICES:



Alan M. Ebert is the Director of Quality Assurance at Reserve Advisors and a direct, accessible resource to client boards, community managers, and stakeholders. Since entering the reserve study industry in 2007, he has conducted or personally reviewed approximately 20,000 reserve studies across the United States and internationally. He continues to perform hands-on technical reviews while leading the firm's Quality Assurance Engineers and production team to ensure accurate, consistent, and timely delivery of reports. Clients rely on Mr. Ebert for clear explanations, practical recommendations, and ongoing support before, during, and after report delivery.

SCOPE OF EXPERIENCE:

Mr. Ebert's background in geological engineering includes analysis of foundations, retaining walls, and slope stability—critical components that inform his assessment of building systems and site infrastructure. He has directed and reviewed reserve studies for a wide range of properties and building systems, including:

- High-rise and mid-rise condominium buildings with complex façades, balconies, structured parking, elevators, and life-safety systems
- Garden-style condominiums and townhome communities with extensive roofing portfolios, exterior cladding, and common-area infrastructure
- Master-planned and large-scale HOAs with private roadways, stormwater systems, lakes and water features, irrigation networks, and recreational amenities (pools, clubhouses, courts, fitness facilities)
- Historic and legacy properties with specialized envelope, structural and accessibility
- Coastal and cold-climate communities subject to salt exposure, wind-driven rain, and freeze-thaw durability demands
- Properties with on-site utilities and site structures, such as septic and wastewater systems, retaining walls, slope stabilization, bridges, and extensive hardscapes
- Mixed-use and commercial association components, including central HVAC plants and building automation systems

LEADERSHIP, QUALITY ASSURANCE, AND CLIENT SERVICE

- Oversees Quality Assurance Engineers and the Production Team to align standards, workflows, and schedules for on-time, high-quality reserve study reports
- Conducts in-depth technical reviews; standardizes methodologies, cost databases, and component life modeling to drive consistency and accuracy
- Serves as a personal resource to clients—available for planning discussions, board presentations, and Q&A to ensure clarity of findings and funding recommendations
- Tailors analyses to community goals, governing documents, and statutory requirements; collaborates with clients on phasing strategies and budget alignment

EDUCATION

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

LICENSES AND CREDENTIALS

- Licensed Professional Engineer (PE): Illinois, Colorado, North Carolina, Wisconsin (since 2012)
- Reserve Specialist (RS), Community Associations Institute (CAI)
- Professional Reserve Analyst (PRA), Association of Professional Reserve Analysts (APRA)

RESOURCES

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

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

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 actively participates in its local chapter and holds individual memberships.

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

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

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

7. DEFINITIONS

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

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

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

Condition Assessment – Reserve Advisors defines component conditions as follows:

- **Good** – The component is in new or like-new condition, with no notable deficiencies. No repairs or replacements are anticipated in the near term.
- **Good to Fair** – The component is in generally good condition with minor wear or isolated deficiencies typical for its age. Routine maintenance may be required, but no significant repairs are anticipated in the near term.
- **Fair** – The component is serviceable but exhibits moderate wear or deterioration. Adverse conditions are becoming more frequent, and repairs or increased maintenance may be required in the near term.
- **Fair to Poor** – The component shows significant wear or recurring deficiencies. Major repairs or partial replacement are anticipated in the near term to maintain functionality or safety.
- **Poor** – The component is in advanced deterioration or failure condition. Systemic deficiencies or safety hazards are present, and immediate or near-term replacement is recommended.
- **Satisfactory** – Applicable to discretionary or mechanical components. The component is aesthetically acceptable and/or functionally operational at the time of inspection.
- **Unsatisfactory** – Applicable to discretionary or mechanical components. The component is aesthetically unacceptable and/or not functionally operational, and corrective action or replacement is required.

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 Hickory Hill 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) Hickory Hill responsibility; 2) limited Useful Life expectancies; 3) predictable Remaining Useful Life expectancies; and 4) a replacement cost above a minimum threshold.

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

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

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

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

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

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

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

8. PROFESSIONAL SERVICE CONDITIONS

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

In each case, our inspection and analysis of the subject property is limited to visual observations, is noninvasive and is not meant to nor does it include investigation into statutory, regulatory or code compliance. RA inspects sloped roofs from the ground and inspects flat roofs where safe access (stairs or ladder permanently attached to the structure) is available. Our energy benchmarking services with respect to the subject property is limited to collecting energy and utility data and summarizing such data in the form of an Energy Star Portfolio Manager Report or any other similar report, and hereby expressly excludes any recommendations with respect to the results of such energy benchmarking services or the accuracy of the energy information obtained from utility companies and other third-party sources with respect to the subject property. Our Milestone Phase I inspections are limited to a visual examination of habitable and uninhabitable areas of the building, including the primary structural members and systems. The inspection aims to determine the presence of substantial structural deterioration, and unsafe or dangerous conditions with the structure. The reserve report, Milestone Phase 1 report, and any energy benchmarking report (i.e., any Energy Star Portfolio Manager Report) (including any subsequent revisions thereto pursuant to the terms hereof, collectively, the "Report") are based upon a "snapshot in time" at the moment of inspection. RA may note visible physical defects in the Report. The inspection is made by employees generally familiar with real estate and building construction. Except to the extent readily apparent to RA, RA cannot and shall not opine on the structural integrity of or other physical defects in the property under any circumstances. Without limitation to the foregoing, RA cannot and shall not opine on, nor is RA responsible for, the property's conformity to specific governmental code requirements for fire, building, earthquake, occupancy or otherwise.

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

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

Report - RA will complete the services in accordance with the Proposal. The Report represents a valid opinion of RA's findings and recommendations with respect to the reserve study or Milestone Phase I, as applicable, and is deemed complete. RA will consider any additional information made available to RA within 6 months of issuing the Report and issue a revised Report based on such additional information if a timely request for a revised Report is made

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

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

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

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

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

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

RA may have a financial interest in, or business relationships with, management companies, service providers, or other third parties that have or in the future may have a business relationship with you. Further, RA may from time to time receive and/or provide compensation, referral fees, discounts, or other remuneration from or to management companies or other third parties in connection with client referrals or other business arrangements, including this engagement. The foregoing is intended to satisfy any disclosure requirements under applicable certifications, standards, or codes of ethics.