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**Villages of Valencia HOA, Inc.
Commons
St. Augustine, FL**



Report #: 47920-0
Beginning: January 1, 2024
Expires: December 31, 2024

RESERVE STUDY
"Full"

September 5, 2023



Villages of Valencia HOA, Inc. - Commons
St. Augustine, FL
Level of Service: "Full"

Report #: 47920-0
of Units: 480

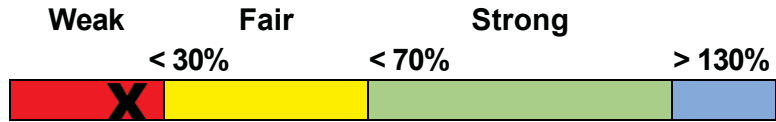
January 1, 2024 through December 31, 2024

Findings & Recommendations

as of January 1, 2024

Projected Starting Reserve Balance	\$150,285
Projected "Fully Funded" (Ideal) Reserve Balance	\$673,034
Average Reserve Deficit (Surplus) Per Owner	\$1,089
Percent Funded	22.3 %
Recommended Funding Contributions	\$109,500
Minimum Contributions Required per Florida Admin. Code	\$88,700
Recommended 2024 Special Assessments for Reserves	\$0
Most Recent Reserve Contribution Rate	\$33,252

Reserve Fund Strength: 22.3%



Risk of Special Assessment:

High Medium Low

Economic Assumptions:

Net Annual "After Tax" Interest Earnings Accruing to Reserves	2.00 %
Annual Inflation Rate	3.00 %

This document is a "Full" Reserve Study (original, created "from scratch"), based on our site inspection on 5/16/2023.

This Reserve Study was prepared or overseen by a credentialed Reserve Specialist (RS). No assets appropriate for Reserve designation were excluded. As of the start of the initial fiscal year shown in this study, your Reserve fund is determined to be 22.3 % Funded. Based on this figure, the Client's risk of special assessments & deferred maintenance is currently High. The objective of your multi-year Funding Plan is to Fully Fund your Reserves, where clients enjoy a low risk of such Reserve cash flow problems.

Based on this starting point, your anticipated future expenses, and your historical Reserve contribution rate, our recommendation is to increase your Reserve contributions. This Reserve Study analysis expires at the end of the initial fiscal year covered within, and should NOT be used for budgeting for Reserves in future fiscal years. Please contact our office to discuss options for updating your Reserve Study on an annual basis.

Reserve Funding Goals and Methodology:

POOLED FUNDING (AKA "Cash Flow Method"):

This Reserve Study includes two different options for funding based on the "pooled" method (also known as the cash flow method.)

Our "recommended" funding plan is designed to help the Association to attain and maintain Reserves at or near 100 percent-funded. This goal is more likely to provide an adequate cushion of accumulated funds, which will help reduce the risk of special assessments and/or loans in the event of higher-than-expected component costs, reduced component life expectancies, or other "surprise" circumstances.

# Component	Useful Life (yrs)	Rem. Useful Life (yrs)	Current Average Cost
Site and Grounds			
2125 Asphalt Parking Lot - Resurface	20	3	\$29,700
2141 Vinyl Fencing - Replace	25	19	\$140,500
2160 Lakes - Repair/Restore	5	0	\$141,250
2161 Wood Bulkhead/Seawall - Replace	25	8	\$81,250
2165 Mailboxes (Box and Post) - Replace	15	6	\$47,100
2166 Mailbox Kiosks (2017) - Replace	15	8	\$22,550
2166 Mailbox Kiosks (2018) - Replace	15	9	\$23,350
2166 Mailbox Kiosks (Duplexes) - Replace	15	12	\$16,850
2166 Mailbox Kiosks (Townhomes)- Replace	15	0	\$20,550
2169 Sign/Monument - Refurbish/Replace	20	6	\$25,000
2181 Outdoor/Site Furnishings - Replace	10	4	\$7,450
2585 Irrigation Pump (OLDER) - Replace	20	10	\$8,000
2585 Irrigation Pump (2021) - Replace	20	17	\$12,000
2585 Irrigation Pumps (2023) - Replace	20	19	\$31,500
2595 Lake Fountain - Replace	10	3	\$17,000
Pool Pavilion			
2308 Pool Awning - Replace	30	4	\$30,000
2343 Building Exterior - Seal/Paint	7	3	\$2,400
2367 Windows & Doors - Replace	40	29	\$8,800
2381 Asphalt Shingle Roofing - Replace	20	11	\$11,250
2384 Metal Roofing - Replace	30	21	\$3,000
2503 Access Control System - Replace	15	6	\$6,250
2522 HVAC (Pool Bathrooms) - Replace	10	1	\$8,000
2543 Surveillance System - Replace	10	9	\$20,100
2749 Pool Bathrooms - Remodel	20	11	\$16,000
Swimming Pool			
2763 Pool Deck Furniture - Replace	8	7	\$32,450
2769 Pool Deck (Pavers) - Resurface	30	21	\$63,100
2771 Pool Fence - Replace	20	11	\$23,250
2773 Swimming Pool - Resurface	12	3	\$55,450
2787 Pool Enclosure/Equipment - Replace	25	16	\$30,000
2792 ADA Lift - Replace	15	6	\$8,000
Playground			
2191 Bridge Decking - Repair/Resurface	12	0	\$56,100
2192 Bridge Structure - Replace/Rebuild	24	12	\$112,200
2798 Playground Ground Cover - Replace	10	3	\$12,900
2801 Playground Equipment - Replace	15	3	\$39,500

# Component	Useful Life (yrs)	Rem. Useful Life (yrs)	Current Average Cost
2825 Bocce Ball Court - Refurb/Renovate	10	3	\$7,000

35 Total Funded Components

Note 1: Yellow highlighted line items are expected to require attention in this initial year, light blue highlighted items are expected to occur within the first-five years.

Projected Expenses

While this Reserve Study looks forward 30 years, we have no expectation that all these expenses will all take place as anticipated. This Reserve Study needs to be updated annually because we expect the timing of these expenses to shift and the size of these expenses to change. We do feel more certain of the timing and cost of near-term expenses than expenses many years away. Please be aware of your near-term expenses, which we are able to project more accurately than the more distant projections.

The figure below summarizes the projected future expenses as defined by your Reserve Component List. A summary of these components are shown in the Component Details table, while a summary of the expenses themselves are shown in the 30-yr Cash Flow Detail table.

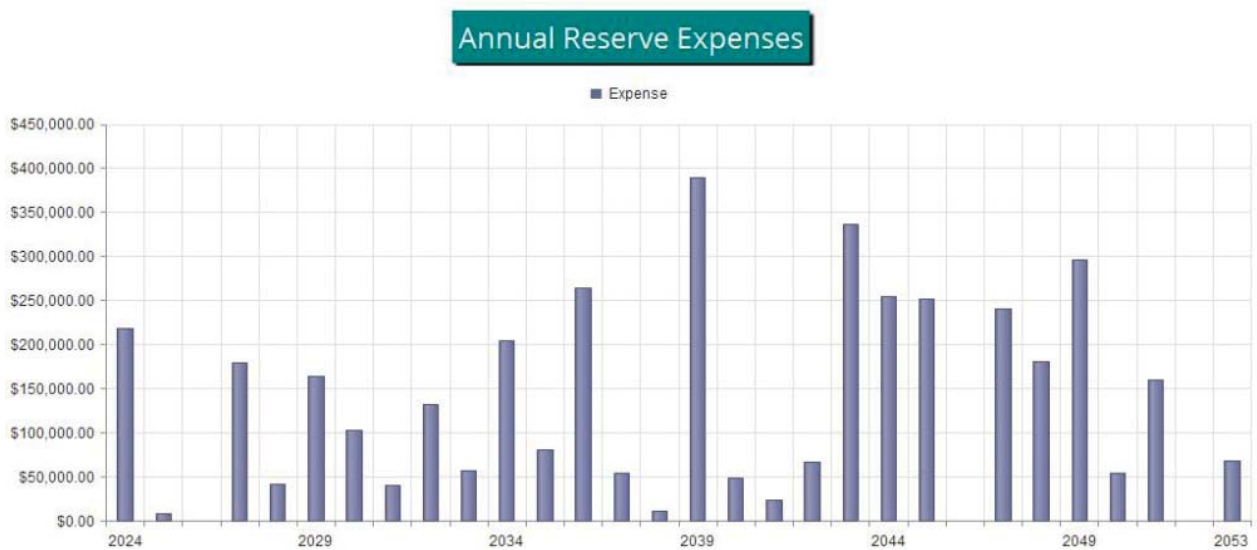


Figure 1

The following chart shows your Reserve balance under our recommended plan, the minimum funding plan and at the Association's current contribution rate, all compared to your always-changing Fully Funded Balance target. Note that the "current" contribution rate as shown here is based on the most recent Reserve contribution rate as reported to us. This rate is included here for comparison purposes only, to illustrate what might happen if the Client were to continue budgeting for Reserves at the same rate as it has most recently done.

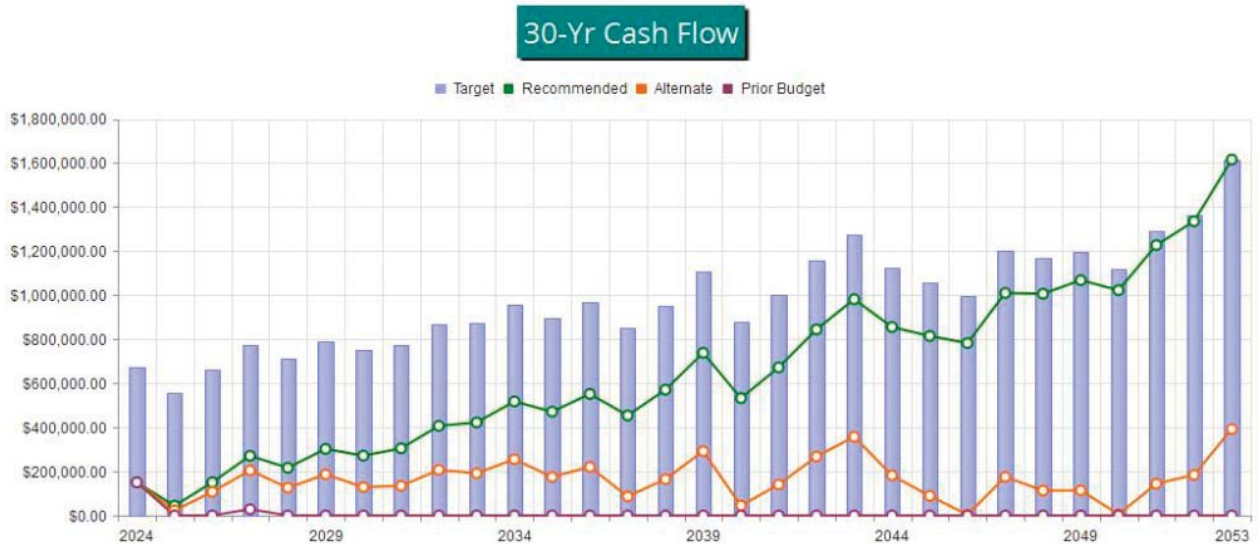


Figure 3

This figure shows the same information described above, but plotted on a Percent Funded scale. It is clear here to see how your Reserve Fund strength approaches the 100% Funded level under our recommended multi-yr Funding Plan.

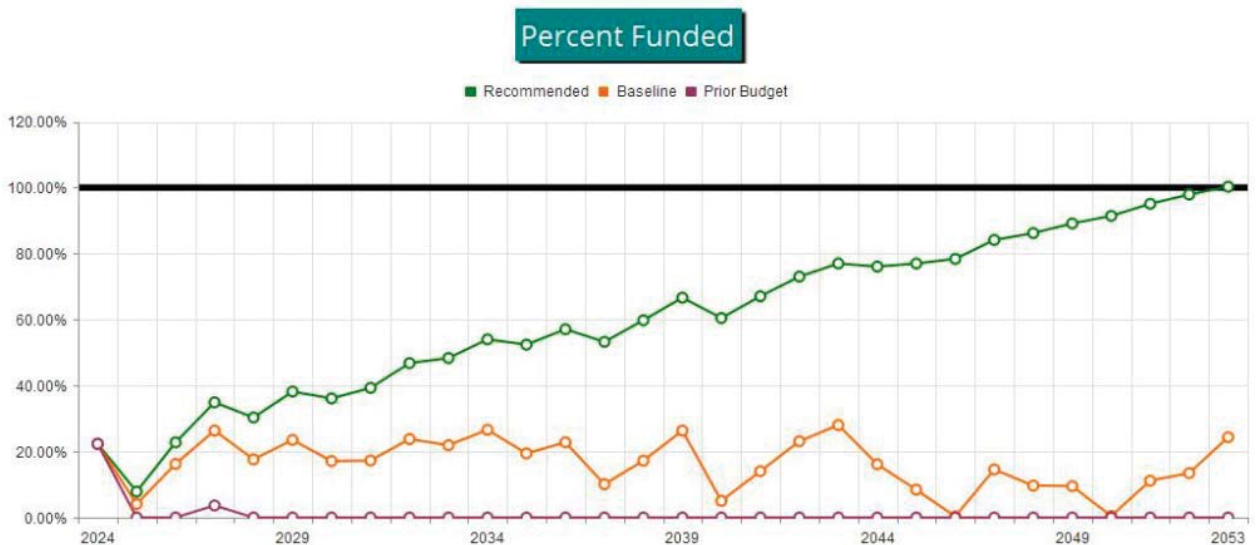


Figure 4

#	Component	Current Cost Estimate	X	Effective Age	/	Useful Life	=	Fully Funded Balance
Site and Grounds								
2125	Asphalt Parking Lot - Resurface	\$29,700	X	17	/	20	=	\$25,245
2141	Vinyl Fencing - Replace	\$140,500	X	6	/	25	=	\$33,720
2160	Lakes - Repair/Restore	\$141,250	X	5	/	5	=	\$141,250
2161	Wood Bulkhead/Seawall - Replace	\$81,250	X	17	/	25	=	\$55,250
2165	Mailboxes (Box and Post) - Replace	\$47,100	X	9	/	15	=	\$28,260
2166	Mailbox Kiosks (2017) - Replace	\$22,550	X	7	/	15	=	\$10,523
2166	Mailbox Kiosks (2018) - Replace	\$23,350	X	6	/	15	=	\$9,340
2166	Mailbox Kiosks (Duplexes) - Replace	\$16,850	X	3	/	15	=	\$3,370
2166	Mailbox Kiosks (Townhomes)- Replace	\$20,550	X	15	/	15	=	\$20,550
2169	Sign/Monument - Refurbish/Replace	\$25,000	X	14	/	20	=	\$17,500
2181	Outdoor/Site Furnishings - Replace	\$7,450	X	6	/	10	=	\$4,470
2585	Irrigation Pump (OLDER) - Replace	\$8,000	X	10	/	20	=	\$4,000
2585	Irrigation Pump (2021) - Replace	\$12,000	X	3	/	20	=	\$1,800
2585	Irrigation Pumps (2023) - Replace	\$31,500	X	1	/	20	=	\$1,575
2595	Lake Fountain - Replace	\$17,000	X	7	/	10	=	\$11,900
Pool Pavilion								
2308	Pool Awning - Replace	\$30,000	X	26	/	30	=	\$26,000
2343	Building Exterior - Seal/Paint	\$2,400	X	4	/	7	=	\$1,371
2367	Windows & Doors - Replace	\$8,800	X	11	/	40	=	\$2,420
2381	Asphalt Shingle Roofing - Replace	\$11,250	X	9	/	20	=	\$5,063
2384	Metal Roofing - Replace	\$3,000	X	9	/	30	=	\$900
2503	Access Control System - Replace	\$6,250	X	9	/	15	=	\$3,750
2522	HVAC (Pool Bathrooms) - Replace	\$8,000	X	9	/	10	=	\$7,200
2543	Surveillance System - Replace	\$20,100	X	1	/	10	=	\$2,010
2749	Pool Bathrooms - Remodel	\$16,000	X	9	/	20	=	\$7,200
Swimming Pool								
2763	Pool Deck Furniture - Replace	\$32,450	X	1	/	8	=	\$4,056
2769	Pool Deck (Pavers) - Resurface	\$63,100	X	9	/	30	=	\$18,930
2771	Pool Fence - Replace	\$23,250	X	9	/	20	=	\$10,463
2773	Swimming Pool - Resurface	\$55,450	X	9	/	12	=	\$41,588
2787	Pool Enclosure/Equipment - Replace	\$30,000	X	9	/	25	=	\$10,800
2792	ADA Lift - Replace	\$8,000	X	9	/	15	=	\$4,800
Playground								
2191	Bridge Decking - Repair/Resurface	\$56,100	X	12	/	12	=	\$56,100
2192	Bridge Structure - Replace/Rebuild	\$112,200	X	12	/	24	=	\$56,100
2798	Playground Ground Cover - Replace	\$12,900	X	7	/	10	=	\$9,030
2801	Playground Equipment - Replace	\$39,500	X	12	/	15	=	\$31,600
2825	Bocce Ball Court - Refurb/Renovate	\$7,000	X	7	/	10	=	\$4,900
								\$673,034

30-Year Reserve Plan Summary

Report # 47920-0
Full

Fiscal Year Start: 2024

Interest: 2.00 %

Inflation: 3.00 %

Reserve Fund Strength: as-of Fiscal Year Start Date	Projected Reserve Balance Changes
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Year	Starting Reserve Balance	Fully Funded Balance	Percent Funded	Special Assmt Risk	% Increase		Loan or Special Assmts	Interest Income	Reserve Expenses
					In Annual Reserve Funding	Reserve Funding			
2024	\$150,285	\$673,034	22.3 %	High	229.30 %	\$109,500	\$0	\$1,939	\$217,900
2025	\$43,824	\$558,882	7.8 %	High	3.00 %	\$112,785	\$0	\$1,940	\$8,240
2026	\$150,309	\$659,958	22.8 %	High	3.00 %	\$116,169	\$0	\$4,206	\$0
2027	\$270,684	\$775,337	34.9 %	Medium	3.00 %	\$119,654	\$0	\$4,863	\$179,153
2028	\$216,048	\$712,518	30.3 %	Medium	3.00 %	\$123,243	\$0	\$5,179	\$42,150
2029	\$302,320	\$791,881	38.2 %	Medium	3.00 %	\$126,941	\$0	\$5,731	\$163,747
2030	\$271,244	\$751,421	36.1 %	Medium	3.00 %	\$130,749	\$0	\$5,754	\$103,106
2031	\$304,640	\$775,341	39.3 %	Medium	3.00 %	\$134,671	\$0	\$7,105	\$39,909
2032	\$406,507	\$868,299	46.8 %	Medium	3.00 %	\$138,711	\$0	\$8,278	\$131,491
2033	\$422,006	\$873,041	48.3 %	Medium	3.00 %	\$142,873	\$0	\$9,388	\$56,692
2034	\$517,573	\$958,391	54.0 %	Medium	3.00 %	\$147,159	\$0	\$9,875	\$203,805
2035	\$470,803	\$898,303	52.4 %	Medium	3.00 %	\$151,574	\$0	\$10,215	\$80,978
2036	\$551,614	\$966,556	57.1 %	Medium	3.00 %	\$156,121	\$0	\$10,045	\$263,980
2037	\$453,800	\$852,106	53.3 %	Medium	3.00 %	\$160,804	\$0	\$10,236	\$54,189
2038	\$570,652	\$954,161	59.8 %	Medium	3.00 %	\$165,629	\$0	\$13,076	\$11,269
2039	\$738,088	\$1,107,454	66.6 %	Medium	3.00 %	\$170,597	\$0	\$12,693	\$389,024
2040	\$532,354	\$880,346	60.5 %	Medium	3.00 %	\$175,715	\$0	\$12,033	\$48,141
2041	\$671,961	\$1,001,746	67.1 %	Medium	3.00 %	\$180,987	\$0	\$15,149	\$23,801
2042	\$844,296	\$1,156,195	73.0 %	Low	3.00 %	\$186,416	\$0	\$18,244	\$67,246
2043	\$981,711	\$1,274,996	77.0 %	Low	3.00 %	\$192,009	\$0	\$18,353	\$336,849
2044	\$855,224	\$1,124,272	76.1 %	Low	3.00 %	\$197,769	\$0	\$16,683	\$255,113
2045	\$814,564	\$1,057,954	77.0 %	Low	3.00 %	\$203,702	\$0	\$15,954	\$251,977
2046	\$782,243	\$997,758	78.4 %	Low	3.00 %	\$209,813	\$0	\$17,907	\$0
2047	\$1,009,963	\$1,200,320	84.1 %	Low	3.00 %	\$216,108	\$0	\$20,144	\$239,988
2048	\$1,006,227	\$1,166,950	86.2 %	Low	3.00 %	\$222,591	\$0	\$20,724	\$181,529
2049	\$1,068,014	\$1,198,127	89.1 %	Low	3.00 %	\$229,269	\$0	\$20,886	\$295,746
2050	\$1,022,423	\$1,118,089	91.4 %	Low	3.00 %	\$236,147	\$0	\$22,476	\$53,915
2051	\$1,227,131	\$1,290,395	95.1 %	Low	3.00 %	\$243,231	\$0	\$25,603	\$160,599
2052	\$1,335,366	\$1,363,815	97.9 %	Low	3.00 %	\$250,528	\$0	\$29,482	\$0
2053	\$1,615,376	\$1,610,858	100.3 %	Low	3.00 %	\$258,044	\$0	\$34,522	\$68,105

30-Year Reserve Plan Summary (Alternate Funding Plan)

Report # 47920-0
Full

Fiscal Year Start: 2024

Interest: 2.00 %

Inflation: 3.00 %

Reserve Fund Strength: as-of Fiscal Year Start Date

Projected Reserve Balance Changes

Year	Starting Reserve Balance	Fully Funded Balance	Percent Funded	Special Assmt Risk	% Increase		Loan or Special Assmts	Interest Income	Reserve Expenses
					In Annual Reserve Funding	Reserve Funding			
2024	\$150,285	\$673,034	22.3 %	High	166.75 %	\$88,700	\$0	\$1,729	\$217,900
2025	\$22,814	\$558,882	4.1 %	High	3.00 %	\$91,361	\$0	\$1,299	\$8,240
2026	\$107,235	\$659,958	16.2 %	High	3.00 %	\$94,102	\$0	\$3,114	\$0
2027	\$204,451	\$775,337	26.4 %	High	3.00 %	\$96,925	\$0	\$3,297	\$179,153
2028	\$125,520	\$712,518	17.6 %	High	3.00 %	\$99,833	\$0	\$3,116	\$42,150
2029	\$186,318	\$791,881	23.5 %	High	3.00 %	\$102,828	\$0	\$3,146	\$163,747
2030	\$128,544	\$751,421	17.1 %	High	3.00 %	\$105,912	\$0	\$2,623	\$103,106
2031	\$133,973	\$775,341	17.3 %	High	3.00 %	\$109,090	\$0	\$3,402	\$39,909
2032	\$206,556	\$868,299	23.8 %	High	3.00 %	\$112,363	\$0	\$3,976	\$131,491
2033	\$191,404	\$873,041	21.9 %	High	3.00 %	\$115,733	\$0	\$4,459	\$56,692
2034	\$254,904	\$958,391	26.6 %	High	3.00 %	\$119,205	\$0	\$4,291	\$203,805
2035	\$174,595	\$898,303	19.4 %	High	3.00 %	\$122,782	\$0	\$3,946	\$80,978
2036	\$220,345	\$966,556	22.8 %	High	3.00 %	\$126,465	\$0	\$3,060	\$263,980
2037	\$85,890	\$852,106	10.1 %	High	3.00 %	\$130,259	\$0	\$2,501	\$54,189
2038	\$164,462	\$954,161	17.2 %	High	3.00 %	\$134,167	\$0	\$4,560	\$11,269
2039	\$291,920	\$1,107,454	26.4 %	High	3.00 %	\$138,192	\$0	\$3,361	\$389,024
2040	\$44,448	\$880,346	5.0 %	High	3.00 %	\$142,337	\$0	\$1,848	\$48,141
2041	\$140,492	\$1,001,746	14.0 %	High	3.00 %	\$146,608	\$0	\$4,075	\$23,801
2042	\$267,373	\$1,156,195	23.1 %	High	3.00 %	\$151,006	\$0	\$6,242	\$67,246
2043	\$357,375	\$1,274,996	28.0 %	High	3.00 %	\$155,536	\$0	\$5,384	\$336,849
2044	\$181,446	\$1,124,272	16.1 %	High	3.00 %	\$160,202	\$0	\$2,705	\$255,113
2045	\$89,239	\$1,057,954	8.4 %	High	3.00 %	\$165,008	\$0	\$924	\$251,977
2046	\$3,194	\$997,758	0.3 %	High	3.00 %	\$169,958	\$0	\$1,780	\$0
2047	\$174,932	\$1,200,320	14.6 %	High	3.00 %	\$175,057	\$0	\$2,876	\$239,988
2048	\$112,877	\$1,166,950	9.7 %	High	3.00 %	\$180,309	\$0	\$2,266	\$181,529
2049	\$113,923	\$1,198,127	9.5 %	High	3.00 %	\$185,718	\$0	\$1,189	\$295,746
2050	\$5,084	\$1,118,089	0.5 %	High	3.00 %	\$191,290	\$0	\$1,489	\$53,915
2051	\$143,948	\$1,290,395	11.2 %	High	3.00 %	\$197,028	\$0	\$3,273	\$160,599
2052	\$183,651	\$1,363,815	13.5 %	High	3.00 %	\$202,939	\$0	\$5,755	\$0
2053	\$392,345	\$1,610,858	24.4 %	High	3.00 %	\$209,027	\$0	\$9,341	\$68,105

Fiscal Year	2024	2025	2026	2027	2028
Starting Reserve Balance	\$150,285	\$43,824	\$150,309	\$270,684	\$216,048
Annual Reserve Funding	\$109,500	\$112,785	\$116,169	\$119,654	\$123,243
Recommended Special Assessments	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$1,939	\$1,940	\$4,206	\$4,863	\$5,179
Total Income	\$261,724	\$158,549	\$270,684	\$395,201	\$344,470
# Component					
Site and Grounds					
2125 Asphalt Parking Lot - Resurface	\$0	\$0	\$0	\$32,454	\$0
2141 Vinyl Fencing - Replace	\$0	\$0	\$0	\$0	\$0
2160 Lakes - Repair/Restore	\$141,250	\$0	\$0	\$0	\$0
2161 Wood Bulkhead/Seawall - Replace	\$0	\$0	\$0	\$0	\$0
2165 Mailboxes (Box and Post) - Replace	\$0	\$0	\$0	\$0	\$0
2166 Mailbox Kiosks (2017) - Replace	\$0	\$0	\$0	\$0	\$0
2166 Mailbox Kiosks (2018) - Replace	\$0	\$0	\$0	\$0	\$0
2166 Mailbox Kiosks (Duplexes) - Replace	\$0	\$0	\$0	\$0	\$0
2166 Mailbox Kiosks (Townhomes)- Replace	\$20,550	\$0	\$0	\$0	\$0
2169 Sign/Monument - Refurbish/Replace	\$0	\$0	\$0	\$0	\$0
2181 Outdoor/Site Furnishings - Replace	\$0	\$0	\$0	\$0	\$8,385
2585 Irrigation Pump (OLDER) - Replace	\$0	\$0	\$0	\$0	\$0
2585 Irrigation Pump (2021) - Replace	\$0	\$0	\$0	\$0	\$0
2585 Irrigation Pumps (2023) - Replace	\$0	\$0	\$0	\$0	\$0
2595 Lake Fountain - Replace	\$0	\$0	\$0	\$18,576	\$0
Pool Pavilion					
2308 Pool Awning - Replace	\$0	\$0	\$0	\$0	\$33,765
2343 Building Exterior - Seal/Paint	\$0	\$0	\$0	\$2,623	\$0
2367 Windows & Doors - Replace	\$0	\$0	\$0	\$0	\$0
2381 Asphalt Shingle Roofing - Replace	\$0	\$0	\$0	\$0	\$0
2384 Metal Roofing - Replace	\$0	\$0	\$0	\$0	\$0
2503 Access Control System - Replace	\$0	\$0	\$0	\$0	\$0
2522 HVAC (Pool Bathrooms) - Replace	\$0	\$8,240	\$0	\$0	\$0
2543 Surveillance System - Replace	\$0	\$0	\$0	\$0	\$0
2749 Pool Bathrooms - Remodel	\$0	\$0	\$0	\$0	\$0
Swimming Pool					
2763 Pool Deck Furniture - Replace	\$0	\$0	\$0	\$0	\$0
2769 Pool Deck (Pavers) - Resurface	\$0	\$0	\$0	\$0	\$0
2771 Pool Fence - Replace	\$0	\$0	\$0	\$0	\$0
2773 Swimming Pool - Resurface	\$0	\$0	\$0	\$60,592	\$0
2787 Pool Enclosure/Equipment - Replace	\$0	\$0	\$0	\$0	\$0
2792 ADA Lift - Replace	\$0	\$0	\$0	\$0	\$0
Playground					
2191 Bridge Decking - Repair/Resurface	\$56,100	\$0	\$0	\$0	\$0
2192 Bridge Structure - Replace/Rebuild	\$0	\$0	\$0	\$0	\$0
2798 Playground Ground Cover - Replace	\$0	\$0	\$0	\$14,096	\$0
2801 Playground Equipment - Replace	\$0	\$0	\$0	\$43,163	\$0
2825 Bocce Ball Court - Refurb/Renovate	\$0	\$0	\$0	\$7,649	\$0
Total Expenses	\$217,900	\$8,240	\$0	\$179,153	\$42,150
Ending Reserve Balance	\$43,824	\$150,309	\$270,684	\$216,048	\$302,320