Structural Integrity Reserve Study

Marco Courtyard Towers Condominium Association, Inc.

Marco Island, Florida

December 29, 2024

Project Consultant:

MILESTONE
Structural Consultants

License #37529

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December 29, 2024

Marco Courtyard Towers Condominium Association, Inc.

Project Address:	1111, 1121, 1131, 1141 Swallow Ave., Marco Island, FL 34145	Parcel #	59050000629
Contact:	Jim Bonfitto, Property Manager		
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MSC Project #:	24-059		

Milestone Structural Consultants, LLC (MSC) has completed a Structural Integrity Reserve Study (SIRS) of Marco Courtyard Towers, a condominium per Florida Statute Chapter 718, located at 1111, 1121, 1131, 1141 Swallow Ave., Marco Island, FL 34145.

MSC performed a limited, non-invasive visual inspection and assessment of the applicable condominium property on October 25th, 2024, which is recognized as the effective date of the study. The purpose of the study is to estimate the remaining useful life of applicable building components and determine the estimated replacement cost and/or deferred maintenance expenses related to the structural integrity and safety of the building(s), meeting the minimum statutory requirements of Florida Statute 718.112(2)(g).

Given the specific scope of this SIRS, which focuses on the minimum statutorily required items for condominium buildings three stories or higher, MSC recommends the association conduct a general reserve study of all association property. This will help develop a comprehensive property reserve funding strategy and update the general reserve by excluding components already covered in the SIRS.

The SIRS recommendations have been formulated using both the component method (straight line) and the pooled method (cash flow). It is important to note that no inflationary factors are considered in either the component method calculations or the pooled method calculations.

Considering the nature of the reserve recommendations as a point-in-time evaluation, MSC advises the association to regularly update the SIRS to ensure future reserve contributions appropriately account for changing market factors and variability. At a minimum, MSC recommends conducting Structural Integrity Reserve Studies every 10 years to comply with the mandatory requirements outlined in FS 718.112.

MSC is committed to keeping you fully informed about the study's findings and recommendations. For any inquiries or clarifications regarding the Structural Integrity Reserve Study, please contact us.

Respectfully Submitted,

Milestone Structural Consultants

Alan W. Siscoe, P.E.
Florida Registration # 88536

ALAN W. SISCOE LICENSE No. 88536 STATE OF FLORIDA PROFESSIONAL ENGINEER

Digitally signed by Alan W Siscoe
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1. EXECUTIVE SUMMARY

Structural Integrity Reserve Study
Marco Courtyard Towers Condominium Association, Inc.
Address: 1111, 1121, 1131, 1141 Swallow Ave., Marco Island, FL 34145 | Parcel #: 59050000629
Effective Date of Study: October 25th, 2024

1.1 Community Overview:

Marco Courtyard Towers Condominium Association, Inc. is a condominium association located on Marco Island, Collier County, Florida. The property is situated at the intersection of Swallow Avenue and South Collier Boulevard on the east side. The condominium association comprises 49 private residential units distributed throughout four midrise condominium buildings. Two of the buildings are seven stories high, while the remaining two buildings are eight stories high. According to the Collier County Property Appraiser, the property was constructed between 2000 and 2001.

1.2 Structural Integrity Reserve Study Purpose:

The purpose of the Structural Integrity Reserve Study (SIRS) is to assist the board of directors with their fiduciary responsibility. SIRS reserve components identified in this study meet the minimum requirements of Florida Statute 718.112(2)(g). It should also be noted that based on these requirements, only buildings three stories in height or higher have been considered for this report.

The SIRS strategically allocates reserve funds for capital expenditures and deferred maintenance helping to ensure the structural integrity of applicable association property. This initiative-taking planning approach is aimed to provide the ability to perform necessary repairs and replacements when required, designed to avoid the need for large special assessments that could impose a significant financial burden on association members.

1.3 Structural Integrity Reserve Study Limitations:

This Structural Integrity Reserve Study (SIRS) is not intended to serve as a General Reserve Study. This study does not provide a comprehensive overview of all association property for which reserve funds would typically be recommended and allocated for replacement and deferred maintenance. This includes elements such as operating costs, the association property under three-stories in height, pavement, the pool and related elements as well as the seawall and other significant components and condominium property outside of the statutory minimum requirements of the SIRS that require periodic maintenance or replacement, but do not impact the structural integrity or safety of the applicable association property.

Additionally the calculations and tables do not account for inflation adjustments or interest accrued on reserves. Consequently, it’s advisable to update reserve estimates regularly to keep pace with current market conditions and guarantee sufficient funding for upcoming capital expenses. Market fluctuations and other intrinsic factors can cause considerable year-to-year variations in the required reserve contributions. This highlights the necessity of frequent updates and careful financial planning.

1.4 Existing Association Reserve Funding Summary:

2024 Pooled Reserve Summary		
Beginning Pooled Reserve Balance January 1, 2024	$	583,209.00
Scheduled 2024 Annual Contributions	$	100,000.00
Anticipated Expenditure (At Budget Approval)	$	(141,674.00)
Expected Cash Balance January 1, 2025	**$**	**541,535.00**
Current SIRS Allocation (55.35%)	**$**	**299,739.62**

MSC performed an unaudited review of the accounting information provided by the association. Based on the available information, MSC has calculated and recommends a 55.35% allocation of the existing pooled reserves to the statutorily required SIRS component reserves. This recommendation is based on the current replacement cost of the existing reserve components now fully captured within the SIRS component table, including the roof, painting, and lanai repairs, along with a partial capture of the existing pump house reserve (10%) compared to the total replacement cost of all components listed in the approved 2025 reserve table.

Existing Reserve Component Replacement Cost Captured in SIRS ($815,000.00) / Existing Reserve Replacement Cost All Items ($1,472,500.00) = 55.35%

As a result, $299,739.62 of the existing pooled reserves is reflected as the beginning balance in the cash flow analysis. This amount represents 55.35% of the total scheduled account balance of $541,535.00 as of January 1, 2025.

1.5 SIRS Component Method Summary

Structural Integrity Reserve Study Component Method Summary						
#	**Component Description**	**Remaining Useful Life**	**Estimated Date of Expenditure**	**2024 Estimated Replacement Cost**	**Allocation Existing Reserves**	**Recommended 2025 SIRS Reserve Contribution**
A	**Roof**					
A.1	Condo Tower Sloped Concrete Tile Roofs	6	2030	$ 487,500.00	$ -	$ 81,250.00
A.2	Condo Tower Flat Roofs	2	2026	$ 160,000.00	$ -	$ 80,000.00
B	**Structural Members and Systems**					
B.1	Structural Members and Systems (DM)	21	2045	$ 154,800.00	$ -	$ 7,371.43
C	**Fireproofing and Fire Protection Systems**					.
C.1	Fire Alarm System & Components	5	2029	$ 128,000.00	$ -	$ 25,600.00
C.2	Fire Pump (Mechanical)	15	2039	$ 62,000.00	$ -	$ 4,133.33
C.3	Fire Pump Controller (Electrical)	5	2029	$ 9,000.00	$ -	$ 1,800.00
C.4	Fire Sprinkler System (DM)	5	2029	$ 12,400.00	$ -	$ 2,480.00
D	**Plumbing**					
D.1	Plumbing (DM)	5	2029	$ 25,000.00	$ -	$ 5,000.00
E	**Electrical Systems**					
E.1	Emergency Electrical Systems (DM)	5	2029	$ 20,000.00	$ -	$ 4,000.00
F	**Waterproofing and Exterior Painting**					
F.1	Exterior Painting, Sealants and Stucco Repairs	8	2032	$ 168,750.00	$ -	$ 21,093.75
F.2	Elevated Balcony Waterproofing	10	2034	$ 129,600.00	$ -	$ 12,960.00
F.3	Elevated Balcony Waterproofing over Occupied Space	10	2034	$ 264,000.00	$ -	$ 26,400.00
G	**Windows and Exterior Doors (Common)**					
G.1	Common Store Front Glazing	14	2038	$ 70,000.00	$ -	$ 5,000.00
G.2	Common Exterior Metal Doors	5	2029	$ 12,000.00	$ -	$ 2,400.00
H	**Other Items - Impact a-g**					
H.1	Balcony Enclosure w/ Integral Guard Railings	10	2034	$ 425,000.00	$ -	$ 42,500.00
H.2	Balcony Aluminum Guard Railings	10	2034	$ 468,000.00	$ -	$ 46,800.00
H.3	Guard Railings (DM)	20	2044	$ 14,040.00	$ -	$ 702.00
			Totals	**$ 2,610,090.00**	**$ -**	**$ 369,490.51**

See Section 6. Structural Integrity Reserve Component Details for additional information and considerations for each component.

1.6 SIRS Cash Flow Method Reserve Scheduled Expenditure and Reserve Balance Year to Year

Cash Flow Recommended Reserve Funding Table											
2024 End of Year Reserve Balance $ 299,739.62											
FY	Contribution	Scheduled Expenditure	Reserve Balance	FY	Contribution	Scheduled Expenditure	Reserve Balance	FY	Contribution	Scheduled Expenditure	Reserve Balance
2025	$ 55,350.00	$ -	$ 355,089.62	2035	$ 111,984.89	$ -	$ 161,984.95	2045	$ 143,350.13	$ -	$ 733,969.66
2026	$ 207,097.95	$ 160,000.00	$ 402,187.57	2036	$ 114,784.51	$ -	$ 276,769.46	2046	$ 146,933.88	$ 168,750.00	$ 712,153.54
2027	$ 212,275.40	$ -	$ 614,462.97	2037	$ 117,654.13	$ -	$ 394,423.59	2047	$ 150,607.23	$ -	$ 862,760.77
2028	$ 217,582.28	$ -	$ 832,045.25	2038	$ 120,595.48	$ 70,000.00	$ 445,019.06	2048	$ 154,372.41	$ -	$ 1,017,133.18
2029	$ 223,021.84	$ 206,400.00	$ 848,667.10	2039	$ 123,610.37	$ 288,150.00	$ 280,479.43	2049	$ 158,231.72	$ 57,400.00	$ 1,117,964.89
2030	$ 228,597.39	$ 487,500.00	$ 589,764.48	2040	$ 126,700.62	$ -	$ 407,180.05	2050	$ 162,187.51	$ -	$ 1,280,152.40
2031	$ 234,312.32	$ -	$ 824,076.80	2041	$ 129,868.14	$ -	$ 537,048.19	2051	$ 166,242.20	$ 160,000.00	$ 1,286,394.60
2032	$ 240,170.13	$ 168,750.00	$ 895,496.93	2042	$ 133,114.84	$ -	$ 670,163.04	2052	$ 170,398.25	$ -	$ 1,456,792.86
2033	$ 246,174.38	$ -	$ 1,141,671.32	2043	$ 136,442.71	$ -	$ 806,605.75	2053	$ 174,658.21	$ 168,750.00	$ 1,462,701.07
2034	$ 252,328.74	$ 1,344,000.00	$ 50,000.06	2044	$ 139,853.78	$ 355,840.00	$ 590,619.53	2054	$ 179,024.67	$ 1,591,725.71	$ 50,000.02

Threshold Year 2034 Following Balcony Railing Replacement and Waterproofing Project in 2034

1.7 Prioritized Expenditures:

Based on the SIRS visual inspection findings and MSC's understanding of the community MSC provides the following recommendations:

1. Low sloped modified bituminous roof systems at all buildings were observed to be in fair to poor condition, consistent with the age of the modified bituminous roof system and its anticipated useful life period. MSC recommends the association develop a roof replacement specification in advance of the scheduled replacement to obtain competitive bids from qualified commercial roofing contractors familiar with the roofing system and update the replacement cost with actual project costs for a more comprehensive funding strategy.
2. Based upon the age of the components and the typical useful life associated with electronic components, especially those systems such as the fire alarm and fire protection systems and their life safety function, are nearing the end of their intended useful service life. MSC recommends the association engage with a licensed service provider to develop a schedule for replacement within the next 5 years.
3. Limited information regarding the presence of under-tile waterproofing at typical balcony locations was available to MSC during the study. However, MSC recommends that all exterior horizontal concrete surfaces be coated with a fluid-applied waterproofing membrane. The estimated useful life of the under-tile balcony waterproofing is up to 30 years due to limited UV exposure. However, a recommended balcony railing replacement is scheduled for 2034, which will require portions of slab edge tile to be removed and exposed to the elements. MSC suggests that the association consider full tile replacement to allow for complete waterproofing of all decks. At a minimum, the exposed areas should receive the recommended waterproofing membrane at that time, and the reserve contributions should reflect this.
4. Additionally, for all balcony locations over occupied spaces, including applicable second-level balconies and wrap-around penthouse balconies over living spaces, the waterproofing at these levels, serving as a roof system, should be scheduled for replacement in connection with the railing project for economies of scale, unless issues arise that necessitate an earlier replacement.

1.8 5 Year Outlook - Recommendations:

Based upon MSC understanding of the existing reserve position of Marco Courtyard Towers, along with the list of prioritized repairs and the associated remaining useful life periods and condition of the elements described. MSC recommends the following expenditures over the next 5 years.

1) Fiscal Year 2026 – Based on the age of the system, MSC recommends that the board develop a specification for the buildings' main low-slope modified bituminous roof system replacement, which should be competitively bid by commercial roofing contractors.
2) Fiscal Year 2029 – Based on the age of the systems, MSC recommends that the fire alarm and protections equipment be scheduled for replacement.
3) Fiscal Year 2029 – Based on the age of the components, MSC recommends that damaged exterior metal doors be replaced.

2. DEFINITIONS

Association - Means, in addition to any entity responsible for the operation of common elements owned in undivided shares by unit owners, any entity which operates or maintains other real property in which unit owners have use rights, where membership in the entity is composed exclusively of unit owners or their elected or appointed representatives and is a required condition of unit ownership.

Association Property - Means that property, real and personal, which is owned or leased by, or is dedicated by a recorded plat to, the association for the use and benefit of its members.

Condominium - Means that form of ownership of real property created pursuant to chapter 718 FS, which is comprised entirely of units that may be owned by one or more persons, and in which there is, appurtenant to each unit, an undivided share in common elements.

Condominium Property - means the lands, leaseholds, and improvements, any personal property, and all easements and rights appurtenant thereto, regardless of whether contiguous, which are subjected to condominium ownership.

Condominium Documents - Means the documents that create a condominium, including, but not limited to, declaration of condominium, articles of incorporation of the association, bylaws, and the ground lease or other underlying lease, if any. The document evidencing a unit owner's membership or share in the association. The document recognizing a unit owner's title or right of possession to his or her unit.

Common Elements - Means the portions of the condominium property not included in the units.

Limited Common Elements - Means those common elements which are reserved for the use of a certain condominium unit or units to the exclusion of other units, as specified in the condominium documents.

Reserves - Means monies set aside for the projected repair replacement and/or deferred maintenance of the association's common elements.

Component - Means a specific item or element which is part of the association's common element property and is considered to require reserve funding.

Monthly Contribution – Means the recommended total amount of reserves required to be collected to fund the SIRS each month. The monthly contribution shall be divided by responsible parties in percentages as described by the condominium documents.

Annual Contribution – Means the total amount of reserves required to be collected to fund the SIRS each year. The annual contribution shall be divided by responsible parties in percentages as described by the condominium documents.

Component Method – Also known as the straight-line method, calculates reserve funding requirements by evaluating the unfunded balance of each component in relation to its remaining useful life.

Pooled Method – Also known as the cash flow method, is a way to manage reserve funds for community associations. In this method, multiple reserve assets are combined into a single general account. This pooled reserve account is then used to fund all planned projects and maintenance needs of the community within the 30-year scope of the analysis.

Funding Goal – (Pooled Method Threshold) – The funding goal is the target amount of reserve contributions where the reserve balance is kept above a stated threshold during the 30-year scope of the reserve analysis. while funding scheduled expenditure.

Assessment – (1) Systematic collection and analysis of data, evaluation, and recommendations regarding an existing building or portion thereof. (2) Means a share of the funds required for the payment of common expenses, which from time to time is assessed against the unit owner.

Special Assessment – Means any assessment levied against unit owners other than the assessment required by a budget adopted annually.

Common Expenses - means all expenses properly incurred by the association in the performance of its duties, including expenses specified in s. 718.115.

Visual Inspection or Observation – Means the visual survey of items, systems, conditions, or components that are readily accessible and easily visible during a walk-through survey of the subject property.

Useful Life - Means the anticipated total time in years that a Reserve Component is expected to serve its intended function in its present application or installation before needing replacement or major repair.

Remaining Useful Life - Means the estimated time a Reserve Component will continue to function, considering its age, current condition, and upkeep before needing replacement or major repair.

Replacement Year - Means the year that the component is scheduled to be replaced.

General Reserve Study – Means a tool designed to assess the current financial health of the reserve fund and to develop a reliable and equitable funding strategy to cover expected future expenses for all common area association property.

Structural Integrity Reserve Study – Means a study of the reserve funds required for future major repairs and replacement of the condominium property performed as required under FS 718.112(2)(g).

Condition, Good – No Substantial Structural Deterioration and No Dangerous Condition Observed

Condition, Fair – Indication of Structural Deterioration Observed and No Dangerous Condition Observed.

Condition, Poor – Actual Substantial Structural Deterioration Observed and No Dangerous Condition Observed

Condition, Significant – Any Observation which is an Indication of Dangerous Condition or Actual Dangerous Condition

Substantial Structural Deterioration – Means a condition that negatively affects a building's structural condition and integrity, or a major structural component whose condition meets the definition of Dangerous.

Unsafe Condition – Buildings that are or hereafter become unsafe, insanitary or deficient because of inadequate means of egress facilities, inadequate light and ventilation, or that constitute a fire hazard, or are otherwise dangerous to human life or the public welfare, or that involve illegal or improper occupancy or inadequate maintenance, shall be deemed an unsafe condition.

Dangerous – Any building, structure, or portion thereof that meets any of the conditions described below shall be deemed dangerous:

- The building or structure has collapsed, has partially collapsed, has moved off its foundation, or lacks the necessary support of the ground.
- There exists a significant risk of collapse, detachment or dislodgment of any portion, member, appurtenance or ornamentation of the building or structure under permanent, routine, or frequent loads; under actual loads already in effect; or under wind, rain, flood, or other environmental loads when such loads are imminent.

3. STRUCTURAL INTEGRITY RESERVE STUDY DISCLAIMER

The Structural Integrity Reserve Study (SIRS) is not designed to function as a comprehensive General Reserve Study. The SIRS does not provide an all-encompassing overview of all association properties for which reserve funds should be allocated for replacement and deferred maintenance in a comprehensive funding plan for common operating expenses.

Furthermore, the SIRS does not fulfill the statutory requirements of 718.112(2)(f) Annual Budget. The items identified in the SIRS report are intended to supplement and update/replace existing overlapping items in the current annual budget that are already being reserved for. This includes items such as operating costs, significant components of buildings within the condominium that are not subject to the SIRS statutory requirements, and other common condominium property outside of the statutory minimum requirements of the SIRS that require periodic maintenance or replacement. ***It should also be noted that SIRS items, per Florida Statute 718.112, are prohibited from being waived or reduced.***

The Component Method calculations do not factor in inflation or interest for reserve funding. Given the nature of this report as a snapshot in time, it is crucial to update estimates of appropriate reserve contributions on a regular basis. These updates are to account for yearly market changes affecting the components as there can be significant fluctuations in the reserve contribution from one year to the next due to changes in market conditions and other inherent factors associated with the Component Method.

The Pooled Method calculations do not factor in inflation or interest for reserve funding at the request of the board of directors. The pooled method also considers a funding goal, or threshold for the SIRS reserve account of a minimum of $50,000.00 available at the end of any given year.

It should be noted that there are multiple components excluded from this study that a general reserve study would recommend for reserve funding. However, due to the specific purpose of this study, MSC believes these components do not impact the structural integrity or safety of the buildings and should therefore be considered for the community's general reserves. This approach ensures that the SIRS focuses on the most critical structural and safety aspects of the buildings, which, in MSC's opinion, aligns with the spirit and intent of the statute.

Additionally, the SIRS report or any part of the report is not to be used as a design specification, engineering document, or appraisal, and its distribution is limited to parties within your organization and those legally entitled to review it, such as government entities and other parties as required by law.

4. METHODOLOGY

Milestone Structural Consultants, LLC (MSC), has developed the statutorily required Structural Integrity Reserve Study (SIRS) for **Marco Courtyard Towers Condominium Association, Inc.** a limited visual inspection and assessment of applicable condominium property was performed on October 25th, 2024. This report provides an analysis of reserve contributions in accordance with the requirements outlined in Florida Statutes 718.112(2)(g).

Florida Statute 718.112(2)(g) – Structural Integrity Reserve Study (SIRS)

1.) A residential condominium association must have a structural integrity reserve study completed at least every 10 years after the condominium's creation for each building on the condominium property that is three stories or higher in height, as determined by the Florida Building Code, which includes, at a minimum, a study of the following items as related to the structural integrity and safety of the building:

   a) Roof
   b) Structure Including Load-Bearing Walls and Other Primary Structural Members & Primary Structural Systems as those terms are defined in s. 627.706.
   c) Fireproofing and Fire Protection Systems
   d) Plumbing
   e) Electrical Systems
   f) Waterproofing and Exterior Painting
   g) Windows and Exterior Doors (Common)
   h) Any other item that has a deferred maintenance expense or replacement cost that exceeds $10,000 and the failure to replace or maintain such item negatively affects the items listed in sub-subparagraphs a.-g., as determined by the visual inspection portion of the structural integrity reserve study.

Reserves allocated for Structural Integrity items, including essential building components, are mandated, and cannot be waived or reduced. This legal requirement's goal is to maintain adequate funds for crucial maintenance and repairs without requiring large special assessments. For each inspected item, the SIRS must provide an estimate of its remaining useful life, which is the expected lifespan from the time of the study. Additionally, an estimate of the replacement cost or deferred maintenance expense for each item must be provided. This cost estimation considers current market prices, labor costs, and any other relevant factors.

This report includes analysis using both the Component Method and the Pooled Method of reserves. These methods are consistent with the association's reserve practices and comply with recent updates to Florida's condominium laws under House Bill 1021 (HB 1021).

The Component Method total funding recommendation is the sum of the required funding for each component. This helps the condominium plan their budget effectively and ensures they have sufficient funds for future replacements or maintenance to prevent large special assessments.

The Pooled Method allows for funding a group of assets from one overall reserve fund, rather than maintaining separate reserve accounts for each item. However, due to the requirements of FS 718.112, the pooled reserves must be kept in two separate pools, General Reserve Pool and a SIRS Pool, as SIRS items are prohibited from being waived or reduced. The scope of the study for the Pooled Method is 30-years and the funding goal is to maintain a threshold minimum of $50,000.00 while funding scheduled expenditure. This goal provides a buffer for the association to help meet its financial obligations without needing to impose large special assessments or loans. The pooled method components with remaining useful life's that exceed the 30-year scope have been considered in year 30 to prevent future balloon payments in the reserve funding schedule.

5. STRUCTURAL INTEGRITY RESERVE STUDY REPORT

MSC has performed a Structural Integrity Reserve Study (SIRS) for **Marco Courtyard Towers Condominium Association, Inc.** pursuant to the fiduciary responsibility of the Board of Directors outlined in Florida Statute 718.112(2)(g).

The effective date of the study is the last day visual inspections were performed, which was October 25th, 2024. Visual inspections of components outlined in Florida Statute 718.112(2)(g) were conducted at the applicable condominium property, specifically the four mid-rise residential condominium buildings and their related common and limited common elements within the 49 private residential units that impact the structural integrity and safety of the building.

It should be noted that components not specifically required under the statute were not considered for this study. MSC recommends the association perform a general reserve study or update an existing one to capture all applicable association property and remove any overlapping components designated in the SIRS Component Table within this report. This will help develop a comprehensive funding strategy for all condominium property when formulating the association's budget.

5.1 Property Map (Applicable Association Property):

Marco Courtyard Towers Condominium
1111, 1121, 1131, 1141 Swallow Ave., Marco Island, FL 34145

5.2 Marco Courtyard Towers SIRS Scope:

The applicable condominium property considered for the study at Marco Courtyard Towers Condominium included the four midrise condominium buildings on the property and related components that impact their structural integrity. MSC reviewed the association records provided, held discussions with board members during the inspection, and examined available public records. In addition to these reviews, the required visual observations were performed at accessible components of the condominium property and were considered for the SIRS. No destructive or invasive testing was performed during the inspection.

A. Roof

MSC performed visual observation of the roof from the ground as well as from the roof accessible via an internal stair tower.

B. Structure

MSC performed visual observation from the ground as well as from +/- 25% of unit interiors and exterior balconies were performed during the inspection.

C. Fireproofing and Fire Protection Systems

MSC performed visual observations of the fire alarm system and fire protection components, including fire extinguishers, pull stations, flashers and sounders. MSC noted that fire protection sprinklers are present within the building with two pump houses which service two buildings each.

D. Plumbing

MSC performed visual observations of accessible plumbing fixtures. No destructive testing was performed during the inspection to access plumbing hidden in walls or ceilings that service individual residential units.

E. Electrical Systems

MSC performed Visual observations of accessible electrical systems. No destructive testing was performed during the inspection to access electrical systems hidden in walls or ceilings that service individual residential units.

F. Waterproofing and Exterior Painting

MSC performed visual observation from the ground as well as at +/- 25% of the private unit balconies.

G. Windows and Exterior Doors (Common)

Common glazed window and door systems and common metal stair tower entry doors and exterior utility room entrances were also observed by MSC.

H. Other items that exceed $10,000 and the failure to replace or maintain such item negatively affects the items listed in sub-subparagraphs a.-g., as determined by the visual inspection portion of the structural integrity reserve study.

MSC performed visual observation from the ground as well as at +/-25% of private unit balconies to assess the existing railings systems due to the structural and life safety nature of the components and the failure to replace or maintain such item negatively affects the items listed in sub-subparagraphs a.-g of the statutory minimum required elements of applicable association property.

5.3 Exclusions from SIRS:

Condominium property excluded from the SIRS, which would typically be considered in a General Reserve Study, include but are not limited to the following:

Plumbing

Due to the majority of plumbing components not directly impacting the structural integrity or safety of the buildings in the scope of the SIRS not all typical plumbing components typically recommended in a General Reserve have reserve recommendations. For the SIRS only deferred maintenance recommendations for plumbing components that impact the structural integrity or safety of the building are included.

Electrical Systems

Due to the majority of electrical components not directly impacting the structural integrity or safety of the buildings in the scope of the SIRS not all electrical components typically recommended in a General Reserve have reserve recommendations. For the SIRS only deferred maintenance recommendations for electrical systems that impact the safety of the building are included.

Elevators

Elevators are not a required reserve item for the structural integrity reserve study and do not impact the structural integrity or safety of the buildings.

Heating and Cooling Systems

Due to the common area Heating and Cooling Systems not directly impacting the structural integrity or safety of the buildings in the scope of the SIRS both replacement costs and deferred maintenance recommendations are excluded from this study.

Swimming Pool or Spa and Equipment

Due to the pool and related pool club house not directly impacting the structural integrity or safety of the buildings in the scope of the SIRS both replacement costs and deferred maintenance recommendations are excluded from this study.

Pavement and Parking Areas

Due to the pavement and parking areas not directly impacting the structural integrity or safety of the buildings in the scope of the SIRS, both replacement costs and deferred maintenance recommendations are excluded from this study.

Drainage Systems

Due to the drainage systems not directly impacting the structural integrity or safety of the buildings in the scope of the SIRS both replacement costs and deferred maintenance recommendations are excluded from this study.

Irrigation Systems

Due to the irrigation systems not directly impacting the structural integrity or safety of the buildings in the scope of the SIRS, both replacement costs and deferred maintenance recommendations are excluded from this study.

6. STRUCTURAL INTEGRITY RESERVE COMPONENT DETAILS

MSC's performed a visual inspection and assessment of applicable condominium property at Marco Courtyard Towers on October 25th, 2024. Observation of components was limited to the statutory required buildings and elements as prescribed in Florida Statute 718.112(2)(g). This section of the study provides specific details for components observed at the applicable condominium property which included the four midrise condominium buildings on the property and related components that impact their structural integrity.

A) Roof

Component Description:

The roof at each of the buildings consists of two parts: the middle portion being a low-sloped modified bituminous roofing system covering the post-tensioned concrete roof deck. The second roof system is a sloped concrete tile roof at the, serving as architectural mansard. It is MSC's understanding that the association has performed maintenance on the low sloped and tile roof from recent tropical storm and or hurricane impact. Limited additional information is available.

Available Records:

Association Provided Records

Roof Tile Repair Project Records – Advanced Roofing and Sheet Metal – Approved 3/22/2018.

City of Marco Island Building Department Records

N/A

Representative Photos:

Typical Roof Overview

Close-Up Roof Overview


Typical Condo Modified Bituminous Roof

Typical Concrete Tile Roof Framing


Cracking and UV Degradation at Seams

Corrosion Present at Ferrous Metal Fasteners

Quantity:

Condo Tower Sloped Concrete Tile Roof = +/- 25,000 SF Area
Condo Tower Low Sloped Modified Bitumen Roof = +/- 4,000 SF Area

Existing Condition:

Based on visual observations, it is MSC's opinion that the concrete tile roof systems are in good to fair condition consistent the age of the element and the maintenance records provided by the board related to storm damage in 2018. The modified bituminous low sloped roof systems were observed to be in fair condition nearing the end of their useful service life.

Maintenance Recommendations:

It is recommended that inspections of the roofs occur annually as well as after major storm events. Recommended maintenance includes regular cleaning and removal of debris accumulation, trimming trees and plants, cleaning gutters, repairing damaged flashing details at penetrations and damaged panels as well as replacing missing fasteners. All work should be performed by licensed roofing contractors experienced with commercial roof systems.

#	Component Description	Remaining Useful Life	Estimated Date of Expenditure	2024 Replacement Cost
A	**Roof**			
A.1	Condo Tower Sloped Concrete Tile Roofs	6	2030	$ 487,500.00
A.2	Condo Tower Flat Roofs	2	2026	$ 160,000.00

Pricing does not include development of specifications, permitting, advanced access considerations, repairs to hidden decking, trusses or related interior repairs.

B) Structure Including Load-Bearing Walls and Other Primary Structural Members & Primary Structural Systems as those terms are defined in s. 627.706.

Component Description:

The Marco Courtyard Towers is apparently constructed with post-tensioned reinforced concrete slabs supported by conventionally reinforced cast-in-place concrete frame members on a concrete pile foundation.

The building exterior walls are comprised of infill concrete mason units (CMU), clad in a textured and painted stucco finish, with EIFS trims.

The private residential units contain exterior balcony decks which have varying tile finishes. Limited records were provided to MSC regarding if an underlying waterproofing coating is present under the tile at typical locations. MSC assumes a waterproofing coating is present at all balcony decks over occupied space due to the decks functionality as a roof system, however limited observations are possible due to the tile overburden.

Available Records:

Association Provided Records

N/A

City of Marco Island Building Department Records

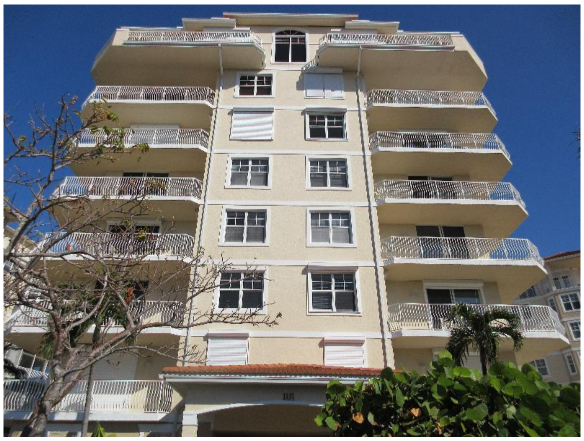
Building - 1 **Address - 1111 Swallow Ave, Marco Island**		
Record Number	**Record Status**	**Description**
COMM-24-02493	ACTIVE	CONCRETE RESTORATION

Building - 2 **Address - 1121 Swallow Ave, Marco Island**		
Record Number	**Record Status**	**Description**
COMM-24-02494	ACTIVE	CONCRETE RESTORATION

Building - 3 **Address - 1131 Swallow Ave, Marco Island**		
Record Number	**Record Status**	**Description**
COMM-24-02157	ACTIVE	CONCRETE RESTORATION
COMM-15-2378	EXPIRED	CONCRETE RESTORATION - CONCRETE AND SLAB EDGE REPAIRS - ENGINEERED PERMIT
COMM-14-1625	FINALED	CONCRETE RESTORATION FOR CEILING UNITS 202 & 203

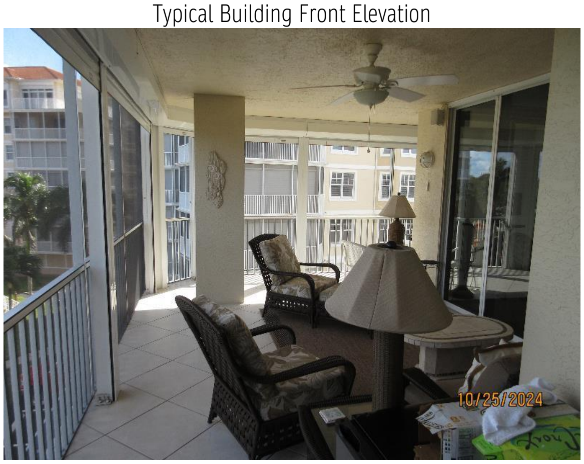
Building - 4 **Address - 1141 Swallow Ave, Marco Island**		
Record Number	**Record Status**	**Description**
COMM-24-02158	ACTIVE	CONCRETE RESTORATION
COMM-15-2379	EXPIRED	CONCRETE RESTORATION - CONCRETE AND SLAB EDGE REPAIRS - ENGINEERED PERMIT

Representative Photos:



Typical Building Front Elevation

Typical Building Side Elevation



Typical Rear Balcony Overview and Column

Front Balcony Ceiling and Slab

Quantity:

The four mid-rise residential condominium buildings and their related common and limited common elements within the 49 private residential units, which impact the structural integrity and safety of the building.

Existing Condition:

MSC believes the buildings are in a good, well-maintained condition, and have recently completed a structural concrete restoration project at select private unit balcony locations throughout the community. These restoration efforts are vital for maintaining the structural integrity of the buildings, especially given their exposure to the harsh coastal environment.

Maintenance Recommendations:

The buildings, constructed in 2000/2001, are approximately 25 years old. With proper maintenance, the structures' useful life can be prolonged indefinitely. MSC recommends instituting a deferred maintenance program over a 20-year cycle to ensure the buildings remain in a condition that supports their continued intended use. Ongoing maintenance should include monitoring and repairing any signs of structural wear and tear, such as spalling concrete or corrosion of steel reinforcements. Additionally, it is important to maintain the building's exterior finishes, such as stucco and related coatings and sealants, as well as protecting horizontal exterior concrete surfaces with fluid-applied waterproofing membranes, to safeguard the underlying structure from coastal environmental factors.

The deferred maintenance projects should address isolated spalling concrete at structural members and systems throughout the buildings, repairs to the stucco cladding protecting the underlying steel structure, and any structural repairs not specifically reserved for in other lines described in this report.

#	Component Description	Remaining Useful Life	Estimated Date of Expenditure	2024 Replacement Cost
B	**Structural Members and Systems**			
B.1	Structural Members and Systems (DM)	21	2045	$ 154,800.00

Pricing does not include development of specifications, permitting, repairs to interior finishes, contractor general conditions and access related equipment. Pricing assumes economies of scale associated with performing a comprehensive restoration project performed simultaneously with other elements with similar replacement dates. (DM) = Deferred Maintenance.

C) Fireproofing and Fire Protection Systems

Component Description:

The Marco Courtyard Towers features an addressable fire alarm control panel and related equipment in addition to fire protection systems in the fully sprinklered buildings. Limited and common areas are equipped with alarm and detection devices, as well as fire extinguishers with up-to-date tags. Two pumphouses can be found on the property, each housing a fire pump system that services two buildings each.

The association has a service agreement with a fire protection system service provider for the inspection and repair of common area fire protection and alarm equipment. During the study, the board of directors received system replacement quotes from a qualified service provider and the values from those estimates have been utilized for the replacement cost and remaining life.

Available Records:

Association Provided Records

N/A

City of Marco Island Building Department Records

Building - 1 **Address - 1111 Swallow Ave, Marco Island**		
Record Number	**Record Status**	**Description**
FIR1-23-06591	ACTIVE	ELEVATOR MODIFICATION FIRE ALARM SYSTEM
FIR1-14-7161	FINALED	INSTALL OF 65M RADIO FOR FIRE ALARM MONITORING

Building - 2 **Address - 1121 Swallow Ave, Marco Island**		
Record Number	**Record Status**	**Description**
FIR1-22-05944	ACTIVE	ELEVATOR MODIFICATION FIRE ALARM SYSTEM
FIR1-14-7162	EXPIRED	INSTALL OF 65M RADIO FOR FIRE ALARM MONITORING

Building - 3 **Address - 1131 Swallow Ave, Marco Island**		
Record Number	**Record Status**	**Description**
FIR1-22-05947	ACTIVE	ELEVATOR MODIFICATION FIRE ALARM SYSTEM

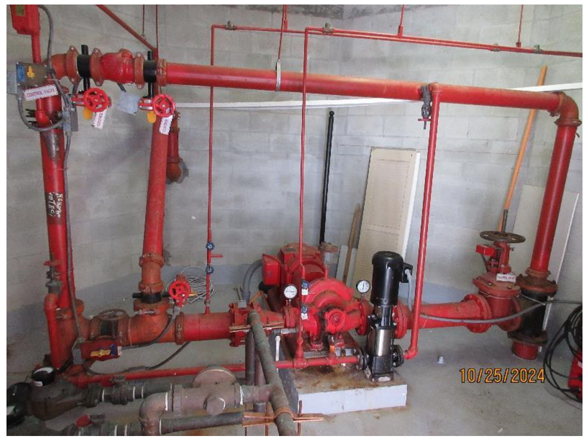
Building - 4 **Address - 1141 Swallow Ave, Marco Island**		
Record Number	**Record Status**	**Description**
FIR1-22-05948	ACTIVE	ELEVATOR MODIFICATION FIRE ALARM SYSTEM

Representative Photos:


Addressable Fire Alarm Control Panel


Cellular Communicator


Extinguisher, Pull Station and Flasher/Sounder


Fire Pump and Motor


Fire Pump Controller


Fire Sprinkler Plumbing

Quantity:

Addressable Fire Control Panel with Power Supplies with Battery Charger, Flashers, Sounders and Pull Stations (Fire Alarm System) Fire Pumps, Hose Standpipes, Fire Extinguishers as well as Fire Sprinklers and Related Components.

Existing Condition:

As Expected Condition with Fire Protection Service Agreement and Age of Equipment

Maintenance Recommendations:

Utilize licensed professional fire protection service provider to maintain required community fire protection equipment and Fire Alarm System to State, Local and National Fire Protection Association (NFPA) guidelines. Remaining useful life can be acerated as needed by Fire Service Equipment Provider.

#	Component Description	Remaining Useful Life	Estimated Date of Expenditure	2024 Replacement Cost
C	**Fireproofing and Fire Protection Systems**			
C.1	Fire Alarm System & Components	5	2029	$ 128,000.00
C.2	Fire Pump (Mechanical)	15	2039	$ 62,000.00
C.3	Fire Pump Controller (Electrical)	5	2029	$ 9,000.00
C.4	Fire Sprinkler System (DM)	5	2029	$ 12,400.00

Pricing does not include development of specifications, permitting, or repairs to interior finishes or replacement of electrical conduit and wiring. (DM) = Deferred Maintenance.

D) Plumbing

Component Description:

The private residential unit owners are responsible for maintaining plumbing systems that service the residential units. No building plumbing systems impact the structural integrity or safety of the building. Domestic water pump and other plumbing components are recommended to be captured in the general reserve. Additionally plumbing components protected from the elements useful life periods are typically beyond the scope of a reserve study, however, some plumbing system components are in shared wall and floor/ceiling easements which generally require association involvement for repairs and maintenance.

Available Records:

Association Provided Records

N/A

City of Marco Island Building Department Records

N/A

Representative Photos:

N/A

Quantity:

N/A

Existing Condition:

It is MSC's understanding that at the time of the inspection all the plumbing is working as intended.

Maintenance Recommendations:

Perform repairs as needed utilizing licensed professional plumbers to provide all plumbing related services.

Maintenance includes but is not limited to:

- Inspection of all visible piping for signs of corrosion and leaks.
- Check accessible valves to ensure they are operating correctly.
- Evaluate drain line flow rates to ensure efficient drainage.
- Mechanically or chemically clean waste lines as needed to prevent blockages and maintain system efficiency.
- Perform Camera Inspection Annually and Perform Repairs to pipelining as needed per LCS recommendations.

#	Component Description	Remaining Useful Life	Estimated Date of Expenditure	2024 Replacement Cost
D	**Plumbing**			
D.1	Plumbing (DM)	5	2029	$ 25,000.00

Pricing does not include development of specifications, permitting, or repairs to interior finishes. (DM) = Deferred Maintenance.

E) Electrical Systems

Component Description:

The private residential unit owners are responsible for maintaining electrical systems that service the residential units. No building electrical systems impact the structural integrity or safety of the building besides those servicing fire protection equipment. Additionally electrical components protected from the elements useful life periods are typically beyond the scope of a reserve study. However, it should be noted that some electrical system components are in shared wall and floor/ceiling easements which generally require association involvement for repairs and maintenance.

Available Records:

Association Provided Records

N/A

City of Marco Island Building Department Records

Building - 1 **Address - 1111 Swallow Ave, Marco Island**		
Record Number	**Record Status**	**Description**
ELE 65189	FINALED	WATER DAMAGE LOBBY CK RECESSED CANS & RECEPTACLES & SWITCHES

Representative Photos:

Typical Residential Electric Meter Bank

Typical House Meter and Panel

Quantity:

N/A

Existing Condition:

It is MSC's understanding that at the time of the inspection all electrical systems are working as intended. Given the current condition and recent updates to the system it is not expected that there will be a need for replacement expenditures funded through reserves within the scope of this study. However, due to portions of the electrical system servicing emergency systems as well as portions being in shared wall and floor/ceiling easements which generally require association involvement for repairs and maintenance a deferred maintenance reserve is recommended to repairs that may happen from time to time.

Maintenance Recommendations:

Perform repairs as needed utilizing licensed professional electrician to provide all electrical related services. It is recommended that the association follow the maintenance plan recommended by the manufacturer of the new electrical panels. Additionally, it is recommended that the Association establish a maintenance contract with a qualified professional licensed Electrician.

#	Component Description	Remaining Useful Life	Estimated Date of Expenditure	2024 Replacement Cost
E	**Electrical Systems**			
E.1	Emergency Electrical Systems (DM)	5	2029	$ 20,000.00

Pricing does not include development of specifications, permitting, or repairs to interior finishes. (DM) = Deferred Maintenance.

F) Waterproofing and Exterior Painting

Component Description:

Building Paint and Sealants – The buildings are clad in stucco with an apparent acrylic paint application, and sealants. Paint coatings are scheduled to be replaced as part of the community painting project underway at the time of the inspections.

Building Waterproofing – The elevated horizontal concrete private residential balcony decks are limited to common elements, and it is customary for these elements to incorporate a fluid-applied waterproofing membrane installed under tile finishes. This is especially the case at balcony deck locations that are located over occupied living space due to the waterproofing membrane being utilized as a roofing system. Due to the hidden nature of the under-tile system, limited observations were possible.

Available Records:

Association Provided Records

N/A

City of Marco Island Building Department Records

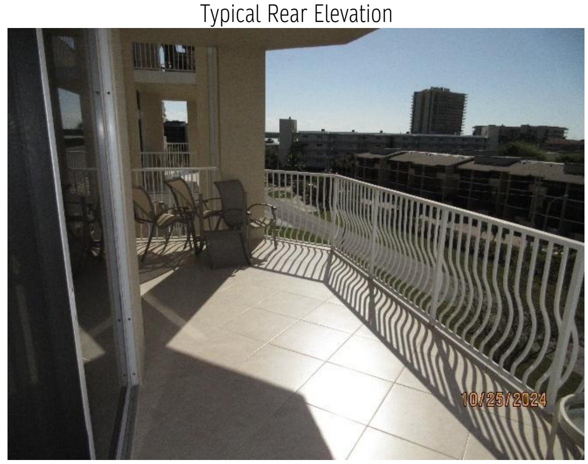
N/A

Representative Photos:

Overview Typical Front Elevation

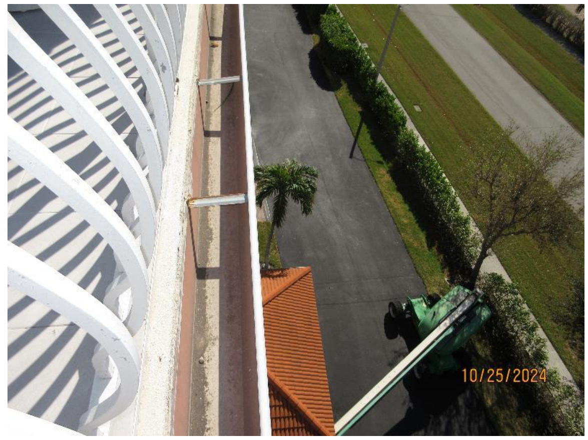
Typical Rear Elevation

Typical Side Elevation



Typical Front Balcony


Typical Rear Balcony


Typical Gutter at Slab Edge


Penthouse Balcony Deck Over Occupied Space


2nd Level Balcony Deck Over Occupied Space

Quantity:

- **Exterior Painting, Sealants and Stucco Repairs** – +/- 75,000 SF of Area
- **Elevated Typical Balcony Waterproofing** – 12,960 SF of Area
- **Elevated Balcony Waterproofing Over Occupied Space** – 13,200 SF of Area

Existing Condition:

- **Building Painting and Sealants** – The existing stucco veneer, paint coatings, and sealants are in fair condition with some locations requiring touchups.
- **Waterproofing (Typical and Over Occupied Space)** – Observations of the balconies revealed that the existing waterproofing coatings are in a hidden condition, with visual indicators and damage consistent with age, which is nearing the end of its useful service life.

Maintenance Recommendations:

Painting – Paints in coastal environments should be replaced every 7 years and sealant applications every 7-10 years, along with stucco repairs performed as needed. MSC recommends painting the building with acrylic paint, such as Sherwin-Williams Latitude Exterior Acrylic Latex, every seven years. Sealants should be replaced with approved one-part urethane sealants, like Sika Masterseal NP1, during painting project but not less than every ten years. Additionally, MSC advises the association to follow the manufacturer's care and cleaning instructions and touch-up procedures to maintain the coatings throughout the warranty period.

Sealants – Routine cleaning is an essential step in maintaining sealants. This process involves removing any mildew or dirt that may have accumulated. A mild soap and water solution is usually adequate for cleaning though heavy staining may require cleaning with xylene at urethane joints, additionally exposed urethane should be touched up with paint to maintain UV resistance.

Waterproofing – Due to the hidden nature of an under-tile waterproofing system, replacement is generally predicated on either indicators of waterproofing failure or an estimated useful service life. New fluid-applied waterproofing systems should be installed concurrently with structural concrete repairs to ensure their longevity and protect structural members and systems, thereby extending their useful life. Urethane waterproofing membranes typically offer a 10-year useful life or longer, depending on the product, with under-tile applications potentially achieving a 20-year useful life.

For the purposes of this study, and given the limited information available regarding the presence of a monolithic waterproofing membrane beneath the tile at balcony locations, MSC recommends reserving for slab edge waterproofing installation during the future community railing replacement project scheduled for 2034. During this project, the removal of perimeter edge tile will be necessary to install new railing systems, thereby exposing the underlying concrete surfaces. MSC suggests that the board consider a comprehensive balcony waterproofing project at that time, which would require the removal of all balcony tiles. Additionally, MSC recommends that the board adopt a waterproofing specification to be provided to owners if and when changes to exterior tile finishes are desired as a requirement for future replacement of balcony tile.

Similarly, for balcony deck locations over occupied living spaces, MSC recommends full tile removal and waterproofing installation at these deck locations during the scheduled railing replacement project. Waterproofing replacement should be expedited if conditions indicative of waterproofing membrane failure present themselves in the future.

Standard maintenance involves removing ponding stains, debris, sand, dirt accumulation, and chemical spills that may stain or degrade deck coatings. A mild soap and water solution or gentle detergents, such as "Simple Green," are usually adequate for cleaning. Always consult the manufacturer's written maintenance instructions for additional recommendations.

#	Component Description	Remaining Useful Life	Estimated Date of Expenditure	2024 Replacement Cost
F	**Waterproofing and Exterior Painting**			
F.1	Exterior Painting, Sealants and Stucco Repairs	8	2032	$ 168,750.00
F.2	Elevated Balcony Waterproofing	10	2034	$ 129,600.00
F.3	Elevated Balcony Waterproofing over Occupied Space	10	2034	$ 264,000.00

Pricing does not include development of specifications, permitting, repairs to interior finishes, contractor general conditions and access related equipment nor does it include removal of existing overburden such as tile surfaces. Pricing assumes economies of scale associated with performing a comprehensive restoration project performed simultaneously with other elements with similar replacement dates. Waterproofing pricing does not include removal of existing coatings and deck preparation, actual pricing recommended to be determined with preparation of a specification and obtaining bids from qualified contractors.

G) Windows and Exterior Doors (Common)

Component Description:

The typical front entrance of the buildings features two glazed swing doors on either side of the two metal doors accessing the stair towers. At the rear entrance, there is a storefront glass wall and double door system. MSC also observed building exterior doors at the garages and doors to interior maintenance and utility closets as well as private residential unit doors and windows.

Available Records:

Association Provided Records

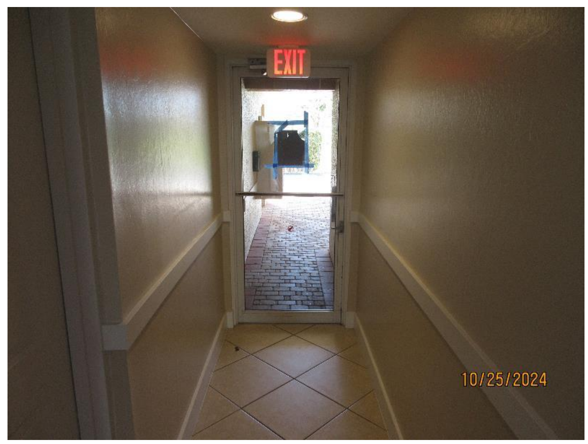
N/A

City of Marco Island Building Department Records

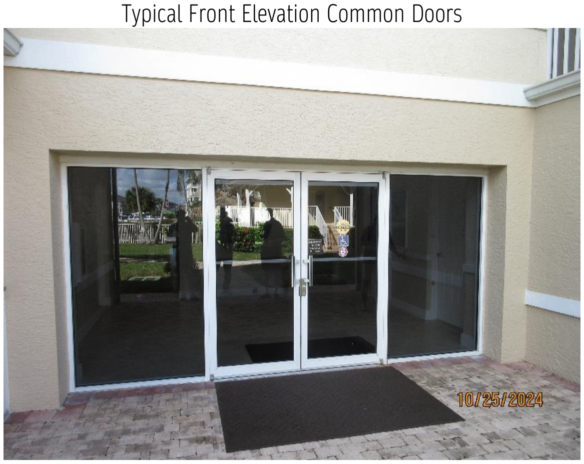
N/A

Representative Photos:

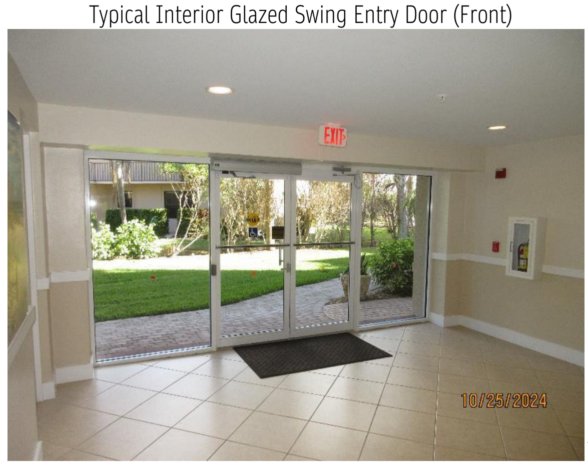
Typical Front Elevation Common Doors



Typical Interior Glazed Swing Entry Door (Front)



Typical Rear Storefront Door and Window System



Typical Rear Storefront Door and Window System

Typical Rear Balcony Sliding Glass Door

Typical Front Balcony Doors

Quantity:

Store Front Doors and Window (Front and Back) All Buildings

Exterior Metal Doors All Buildings

Existing Condition:

Typical glazed door and window systems generally have a 30-40 year estimated useful life and exterior metal doors have an estimated useful life of 20-25 years, especially in close proximity to saltwater environments. Doors were observed to be in good operating condition at all four buildings.

Several components located throughout the property have been replaced with newer style code compliant elements.

Maintenance Recommendations:

Doors and windows should be cleaned regularly, and areas with corrosion addressed with tough up paint to limit damage and on until regular paint cycle intervals paint steel doors with a rust inhibiting acrylic primer and paint such as Sherwin Williams Pro-Cryl. MSC recommends the association follow all manufacturer guidelines and warranty requirements.

#	Component Description	Remaining Useful Life	Estimated Date of Expenditure	2024 Replacement Cost
G	**Windows and Exterior Doors (Common)**			
G.1	Common Store Front Glazing	14	2038	$ 70,000.00
G.2	Common Exterior Metal Doors	5	2029	$ 12,000.00

Pricing does not include development of specifications, permitting, repairs to interior finishes, contractor general conditions and access related equipment. Pricing assumes economies of scale associated with performing a comprehensive restoration project performed simultaneously with other elements with similar replacement dates.

H) Any other item that has a deferred maintenance expense or replacement cost that exceeds $10,000 and the failure to replace or maintain such item negatively affects the items listed in sub-subparagraphs a.-g., as determined by the visual inspection portion of the structural integrity reserve study.

Component Description:

Balcony locations feature three types of fall protection. These include a standard aluminum picket railing with base plate-mounted aluminum guardrail posts at most locations, as well as a similar aluminum railing with architectural pickets at the front balcony locations, select second-floor balcony locations, and penthouse balcony locations. At the typical unit rear balconies, a screen enclosure with an integral railing system is installed.

Available Records:

Association Provided Records

N/A

City of Marco Island Building Department Records

Building - 1 **Address - 1111 Swallow Ave, Marco Island**		
Record Number	**Record Status**	**Description**
SCEN-12-4831	FINALED	REMOVE & REPLACE SCREEN ENCLOSURE UNIT 301. **PERMIT #12-4822 IS THE MASTER PERMIT AND PLANS
SCEN-12-4828	FINALED	REMOVE & REPLACE SCREEN ENCLOSURE UNIT 201. **PERMIT #12-4822 IS THE MASTER PERMIT AND PLANS

Building - 2 **Address - 1121 Swallow Ave, Marco Island**		
Record Number	**Record Status**	**Description**
SCEN-12-5479	FINALED	REMOVE AND REPLACE SCREEN ENCLOSURE UNIT 201. ***PERMIT 12-4822 IS THE MASTER PERMIT AND PLANS

Building - 3 **Address - 1131 Swallow Ave, Marco Island**		
Record Number	**Record Status**	**Description**
SCEN-14-2966	FINALED	REMOVE & REPLACE SCREEN ENCLOSURE ON BALCONY 202
SCEN-14-2965	FINALED	REMOVE & REPLACE SCREEN ENCLOSURE ON BALCONY 301

Building - 4 **Address - 1141 Swallow Ave, Marco Island**		
Record Number	**Record Status**	**Description**
SCEN-12-4827	FINALED	REMOVE & REPLACE SCREEN ENCLOSURE UNIT 402. **PERMIT #12-4822 IS THE MASTER PERMIT AND PLANS
SCEN-12-4826	FINALED	REMOVE & REPLACE SCREEN ENCLOSURE UNIT 401. **PERMIT #12-4822 IS THE MASTER PERMIT AND PLANS
SCEN-12-4825	FINALED	REMOVE & REPLACE SCREEN ENCLOSURE UNIT 302. **PERMIT #12-4822 IS THE MASTER PERMIT AND PLANS
SCEN-12-4824	FINALED	REMOVE & REPLACE SCREEN ENCLOSURE UNIT 301. **PERMIT #12-4822 IS THE MASTER PERMIT AND PLANS
SCEN-12-4823	FINALED	REMOVE & REPLACE SCREEN ENCLOSURE UNIT 202. **PERMIT #12-4822 IS THE MASTER PERMIT AND PLANS
SCEN-12-4822	FINALED	REMOVE & REPLACE SCREEN ENCLOSURE UNIT 201. **PERMIT #12-4822 IS THE MASTER PERMIT AND PLANS

Representative Photos:


Typical Overview Front Balcony Aluminum Railings

Close-Up Aluminum Railings


Typical Overview Rear Balcony Enclosure with Integral Railings

2nd Level Balcony Railings and Enclosure

Typical Penthouse Level Railings

Typical Penthouse Level Railings

Quantity:

- **Balcony Enclosure w/ Integral Guard Railings** = +/- 3,400 LF
- **Balcony Aluminum Guard Railings** = +/- 4,680 LF

Existing Condition:

Balcony Screen Enclosures with Integral Railings: The railings are in good to fair overall condition. MSC recommends replacing the screen enclosures in 2034, considering the age and condition of the components and the typical useful service life of similar materials in coastal environments.

Balcony Aluminum Guard Railings: The railings are in fair overall condition, with observed deterioration in the coatings and components and isolated damage. Due to the materials, MSC recommends scheduling a balcony railing replacement project in 2034.

Note: MSC's recommended waterproofing will require the removal of tile finishes along with the removal of aluminum railings. Waterproofing is strongly recommended at all horizontal exterior concrete surfaces and is anticipated to be replaced in 2034. MSC recommends the development of a waterproofing and related work specification including concrete repairs, railing replacement and other work to obtain bids from general contractors and update reserve recommendations accordingly during or before the next schedule SIRS Report and Inspection in +/- 2034.

Maintenance Recommendations:

- **Railings –** It is recommended that the association institute maintenance program to the railings including cleaning, re-coating and other repairs on regular intervals to ensure the railings maintain the condition and serve out the useful life of the elements.

#	Component Description	Remaining Useful Life	Estimated Date of Expenditure	2024 Replacement Cost
H	**Other Items - Impact a-g**			
H.1	Balcony Enclosure w/ Integral Guard Railings	10	2034	$ 425,000.00
H.2	Balcony Aluminum Guard Railings	10	2034	$ 468,000.00
H.3	Guard Railings (DM)	20	2044	$ 14,040.00

Pricing does not include development of specifications, permitting, repairs to interior finishes, contractor general conditions and access related equipment nor does it include removal of existing enclosures or related concrete damage or deck coating repairs. Pricing assumes economies of scale associated with performing a comprehensive restoration project performed simultaneously with other elements with similar replacement dates.

7. CLOSING

Milestone Structural Consultants, LLC (MSC) operates as an independent contractor, adhering to professional standards, with compensation unrelated to study outcomes. The primary goal of our Structural Integrity Reserve Study (SIRS) is to serve as a fiscal planning tool, assessing reserve fund status and suggesting an annual funding strategy for future replacements of items identified within this report to prevent large special assessments.

Our inspection methodology is grounded in visual assessments and noninvasive techniques, ensuring a focus on the observable condition of the property without encroaching on statutory, regulatory, or code compliance issues. When it comes to roof inspections, MSC examines sloped roofs from the ground level and flat roofs only where there is safe access.

MSC's responsibility extends to the conditions observed at the time of inspection. We do not undertake invasive testing of mechanical systems or speculate on components that are not readily accessible. Our role does not encompass the investigation of hazardous materials or geological studies, nor do we assume responsibility for any latent or hidden defects that may exist. The estimates provided in our reports for replacement costs, deferred maintenance expenses, and remaining useful lives are based on professional judgment and are not guarantees. We rely on the accuracy of the information provided to us and limit our liability to the fees received for our services. MSC is committed to transparency and clarity, disclaiming all warranties, whether express or implied, regarding the services and the reports we provide.

The Report is not to be used as a design specification, engineering document, or appraisal, and its distribution is limited to parties within your organization and those legally entitled to review it, such as government entities and other parties as required by law.

EXHIBIT A: SIRS COMPONENT TABLE (STRAIGHT LINE METHOD)

Reserve Component Catalog			Useful Life Forecast as of 10/25/2024			2024 Replacement Cost				2025 SIRS Reserve Recommendations		
#	Component Description	Component Designation	Useful	Remaining	Estimated Date of Expenditure	Unit	Estimated Quantity	Unit Cost	2024 Estimated Replacement Cost	Existing Reserve Allocation	Remaining Unfunded Balance	Recommended 2025 SIRS Reserve Contribution
A	**Roof**											
A.1	Condo Tower Sloped Concrete Tile Roofs	SIRS	up to 35	6	2030	SF	25,000	$ 19.50	$ 487,500.00	$ -	$ 487,500.00	$ 81,250.00
A.2	Condo Tower Flat Roofs	SIRS	up to 25	2	2026	SF	4,000	$ 40.00	$ 160,000.00	$ -	$ 160,000.00	$ 80,000.00
B	**Structural Members and Systems**											
B.1	Structural Members and Systems (DM)	SIRS	20	21	2045	SF	34,400	$ 4.50	$ 154,800.00	$ -	$ 154,800.00	$ 7,371.43
C	**Fireproofing and Fire Protection Systems**											
C.1	Fire Alarm System & Components	SIRS	25	5	2029	LS	4	$ 32,000.00	$ 128,000.00	$ -	$ 128,000.00	$ 25,600.00
C.2	Fire Pump (Mechanical)	SIRS	up to 40	15	2039	LS	2	$ 31,000.00	$ 62,000.00	$ -	$ 62,000.00	$ 4,133.33
C.3	Fire Pump Controller (Electrical)	SIRS	25	5	2029	LS	2	$ 4,500.00	$ 9,000.00	$ -	$ 9,000.00	$ 1,800.00
C.4	Fire Sprinkler System (DM)	SIRS	5	5	2029	LS	4	$ 3,100.00	$ 12,400.00	$ -	$ 12,400.00	$ 2,480.00
D	**Plumbing**							.				
D.1	Plumbing (DM)	SIRS	5	5	2029	LS	4	$ 6,250.00	$ 25,000.00	$ -	$ 25,000.00	$ 5,000.00
E	**Electrical Systems**											
E.1	Emergency Electrical Systems (DM)	SIRS	5	5	2029	LS	4	$ 5,000.00	$ 20,000.00	$ -	$ 20,000.00	$ 4,000.00
F	**Waterproofing and Exterior Painting**											
F.1	Exterior Painting, Sealants and Stucco Repairs	SIRS	7	8	2032	SF	75,000	$ 2.25	$ 168,750.00	$ -	$ 168,750.00	$ 21,093.75
F.2	Elevated Balcony Waterproofing	SIRS	up to 10	10	2034	LS	12,960	$ 10.00	$ 129,600.00	$ -	$ 129,600.00	$ 12,960.00
F.3	Elevated Balcony Waterproofing over Occupied Space	SIRS	up tp 30	10	2034	SF	13,200	$ 20.00	$ 264,000.00	$ -	$ 264,000.00	$ 26,400.00
G	**Windows and Exterior Doors (Common)**											
G.1	Common Store Front Glazing	SIRS	30 to 40	14	2038	LS	4	$ 17,500.00	$ 70,000.00	$ -	$ 70,000.00	$ 5,000.00
G.2	Common Exterior Metal Doors	SIRS	20 to 25	5	2029	LS	8	$ 1,500.00	$ 12,000.00	$ -	$ 12,000.00	$ 2,400.00
H	**Other Items - Impact a-g**											
H.1	Balcony Enclosure w/ Integral Guard Railings	SIRS	30 to 35	10	2034	LF	3,400	$ 125.00	$ 425,000.00	$ -	$ 425,000.00	$ 42,500.00
H.2	Balcony Aluminum Guard Railings	SIRS	30 to 35	10	2034	LF	4,680	$ 100.00	$ 468,000.00	$ -	$ 468,000.00	$ 46,800.00
H.3	Guard Railings (DM)	SIRS	15	20	2044	LF	4,680	$ 3.00	$ 14,040.00	$ -	$ 14,040.00	$ 702.00
					Totals				**$ 2,610,090.00**	**$ -**	**$ 2,610,090.00**	**$ 369,490.51**

1) Existing Reserve Funds were not audited by MSC and reflect values provided by the association.
2) Inflation has not been considered in the Component Method Analysis and it is recommended that the association conduct regular updates and adjust the reserve contributions accordingly to incorporate any market changes and pricing fluctuations. As a baseline requirement MSC recommends the association perform Structural Integrity Reserve Studies every 10 years to meet the compulsory requirements stipulated in FS 718.112.
3) SIRS items in the table do not include all association property MSC recommends the association consider for reserve contributions, the components listed only consider association property subject to the requirements of 718.112(2)(g)

EXHIBIT B: SIRS 30 YEAR CASH FLOW ANALYSIS (POOLED METHOD)

SIRS 30 Year Cash Flow Analysis

Marco Courtyard Towers Condominium Association	**FY 2025*****	**FY 2026**	**FY 2027**	**FY 2028**	**FY 2029**	**FY 2030**	**FY 2031**	**FY 2032**	**FY 2033**	**FY 2034**	**FY 2035**	**FY 2036**	**FY 2037**	**FY 2038**	**FY 2039**
Reserves at Beginning of Year	**$ 299,739.62**	$ 355,089.62	$ 402,187.57	$ 614,462.97	$ 832,045.25	$ 848,667.10	$ 589,764.48	$ 824,076.80	$ 895,496.93	$ 1,141,671.32	$ 50,000.06	$ 161,984.95	$ 276,769.46	$ 394,423.59	$ 445,019.06
Recommended Reserve Contribution	**$ 55,350.00**	**$ 207,097.95**	**$ 212,275.40**	**$ 217,582.28**	**$ 223,021.84**	**$ 228,597.39**	**$ 234,312.32**	**$ 240,170.13**	**$ 246,174.38**	**$ 252,328.74**	**$ 111,984.89**	**$ 114,784.51**	**$ 117,654.13**	**$ 120,595.48**	**$ 123,610.37**
Scheduled Expenditure (FY)	$ -	$ 160,000.00	$ -	$ -	$ 206,400.00	$ 487,500.00	$ -	$ 168,750.00	$ -	$ 1,344,000.00	$ -	$ -	$ -	$ 70,000.00	$ 288,150.00
Forecasted Reserve Balance (12/31/FY)	**$ 355,089.62**	**$ 402,187.57**	**$ 614,462.97**	**$ 832,045.25**	**$ 848,667.10**	**$ 589,764.48**	**$ 824,076.80**	**$ 895,496.93**	**$ 1,141,671.32**	**$ 50,000.06**	**$ 161,984.95**	**$ 276,769.46**	**$ 394,423.59**	**$ 445,019.06**	**$ 280,479.43**

Continued	**FY 2040**	**FY 2041**	**FY 2042**	**FY 2043**	**FY 2044**	**FY 2045**	**FY 2046**	**FY 2047**	**FY 2048**	**FY 2049**	**FY 2050**	**FY 2051**	**FY 2052**	**FY 2053**	**FY 2054**
Reserves at Beginning of Year	$ 280,479.43	$ 407,180.05	$ 537,048.19	$ 670,163.04	$ 806,605.75	$ 590,619.53	$ 733,969.66	$ 712,153.54	$ 862,760.77	$ 1,017,133.18	$ 1,117,964.89	$ 1,280,152.40	$ 1,286,394.60	$ 1,456,792.86	$ 1,462,701.07
Recommended Reserve Contribution	**$ 126,700.62**	**$ 129,868.14**	**$ 133,114.84**	**$ 136,442.71**	**$ 139,853.78**	**$ 143,350.13**	**$ 146,933.88**	**$ 150,607.23**	**$ 154,372.41**	**$ 158,231.72**	**$ 162,187.51**	**$ 166,242.20**	**$ 170,398.25**	**$ 174,658.21**	**$ 179,024.67**
Scheduled Expenditure (FY)	$ -	$ -	$ -	$ -	$ 355,840.00	$ -	$ 168,750.00	$ -	$ -	$ 57,400.00	$ -	$ 160,000.00	$ -	$ 168,750.00	*$ 1,591,725.71*
Forecasted Reserve Balance (12/31/FY)	**$ 407,180.05**	**$ 537,048.19**	**$ 670,163.04**	**$ 806,605.75**	**$ 590,619.53**	**$ 733,969.66**	**$ 712,153.54**	**$ 862,760.77**	**$ 1,017,133.18**	**$ 1,117,964.89**	**$ 1,280,152.40**	**$ 1,286,394.60**	**$ 1,456,792.86**	**$ 1,462,701.07**	**$ 50,000.02**

1) Existing Reserve Funds were not audited by MSC and reflect values provided by the association.
2) Inflation has not been considered in the analysis and it is recommended that the association conduct regular updates and adjust the reserve contributions accordingly to incorporate any market changes and pricing fluctuations. As a baseline requirement MSC recommends the association perform Structural Integrity Reserve Studies every 10 years to meet the compulsory requirements stipulated in FS 718.112.
3) SIRS items in the table do not include all association property MSC recommends the association consider for reserve contributions, the components listed only consider association property subject to the requirements of 718.112(2)(g)
4) Threshold Year 2034