



Simon Kenton Farm Master Association 2025

N-SITE RESERVE STUDY

A Financial Guide for your Community Reserves

Presented by:



Ph: 234.900.5501
3841 N. Santom Rd. Stow, OH 44224

jripple@neocrs.com
www.neocrs.com

Simon Kenton Farm Master Association

EXECUTIVE SUMMARY

This represents a “Full” Reserve Study as requested by the Board of Directors of Simon Kenton Farm Master Association, (the Association) located in Springfield, Ohio. We submit our findings in this report. A Reserve Study is a visual, non-invasive evaluation of the Community assets. This evaluation was completed November 2024.

A Reserve Study is a financial planning tool that identifies the status of the reserve fund as it relates to the future major projected common area expenditures. A Reserve Study is not a structural integrity report nor a component replacement instruction tool.

This Full Reserve Study is in compliance with and meets or exceeds the standards set forth by Community Association Institute (CAI), and the National Reserve Study Standards (NRSS), fulfilling the requirements of a “Full Reserve Study.” For brevity, we use the term Reserve Study herein. A Reserve Study comprises two parts:

Physical Analysis

Component Inventory
Condition Assessment
Estimated Useful Life
Remaining Life and Replacement Cost

Financial Analysis

Fund Status
Funding Plan
Operating Budget Analysis
Proposed Operating Budget

Exhibit B represents the findings of the Physical and Financial Analyses.

The Association is a homeowner style development of 183 units. The Community was established approximately 1998. 4 major Reserve Components are considered for capital repair or replacement during the next 30 years.

The Association can fund the reserves in any combination of the following:

- 1) Special assessments **and/or** 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. *(Most desirable)*
- 4) Any combination of the above.

We do not advocate special assessments or loans. The purpose of this Reserve Study is to help prevent the need for any other funding methods. Loans cost additional monies and special assessments can often cause a perceived drop in property values. Interest should be earned, when possible, to help defray inflationary increases as well as regular increasing maintenance assessments, often referred to as “fees”. We recommend small annual increases when possible and necessary. This ensures that each homeowner pays their “fair share” of the degradation of the common elements. Level reserve assessments help preserve property values. CRS uses the “cash flow” method within the Reserve Funding Plan.

The Reserve Funding Plan sets adequate, but not excessive, Reserve Contributions through 30-year projections that include expected costs, inflation and return on invested funds. These projections use current and *local* costs of replacement, as well as anticipated inflation. Sources for *local* costs include Community historical data, and local contractor bids. *Near-term* expenditures (5 years) relate to projected costs from now through 2027. These “*near-term*” expenditures represent the current needs of the Association and often determine the need for larger funding adjustments.

A Reserve Study is simply a “snapshot in time”. The Board should monitor the financials annually to ensure there are no major deficiencies or variances. A Reserve Study is a financial guide, not a strict list of required expenditures. CRS did not perform an investigation of current liabilities against the property.

Respectfully submitted,

Lian Velasco

Narrative Processing

John Stojak, R.A.

Research Analyst

Pete Zurowski, S.R.A.

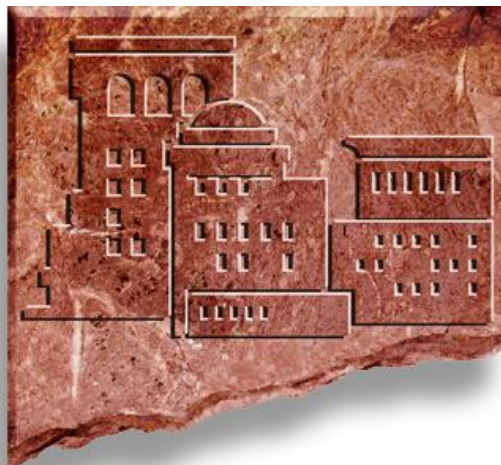
Senior Research Analyst

Jeffrey G. Ripple, R.S., P.R.A.

Reserve Specialist / Professional Reserve Analyst



FULL RESERVE STUDY



IN THIS SECTION:

- NARRATIVE REPORT
- CONCLUSION
- DEFINITIONS

EVALUATION NARRATIVE

We have conducted a Full Reserve Study, as requested by the Board, of certain property exhibited to us as that of:

**Simon Kenton Farm Master Association
Springfield, Ohio**

And we submit our findings in this report. The effective date of this study is the date of our visual, noninvasive inspection, November 2024. Reserves are the monies required for future expenditures to repair or replace Reserve Components that reached the end of their useful life. Reserving funds is the fairest way of protecting the value of the property's infrastructure and marketability.

This Reserve Study uses a 30-year Cash Flow method to illustrate the Reserve Funding Plan. National standards¹ require a Reserve Component to have a "predictable remaining useful life." Estimating remaining useful lives and reserve expenditures beyond 30 years is often indeterminate and may involve more than one life cycle for a particular reserve component. Construction inflation can also vary greatly.

Manner of Report Presentation

Our report includes an Executive Summary, Narrative, Conclusion, Supplementary Information, Definitions and Exhibits. The Executive Summary identifies the property, recommended reserve funding and projections for reserve funding. The Narrative sets forth the nature and extent of the investigation and includes the following sections:

- Manner of Reporting and Presentation
- Considerations and Methodology
- Identification of Reserve Components
- Explanation of the Exhibits
- Conclusion
- Supplementary Information for Financial Statements

¹ Identified by the CAI (Community Association Institute) in the NRSS (National Reserve Study Standards) "Terms and Definitions".

Supplementary Information for Financial Statements contains unaudited information regarding the Reserve Expenditures, the Reserve Component categories and estimated current and future replacement costs. Definitions contain terms and definitions used throughout this Reserve Study and the industry. **Exhibits A, B, C, and D** contain pertinent information relating to the analysis.

Exhibit A Photographs identifies various property components as of the date of our visual, non-invasive inspection, November 2024.

Exhibit B Spreadsheets presents the Reserve Component Inventory, Reserve Expenditures, and estimates of future times of replacement over the next 30 years. The second table Reserve Funding Plan reflects the recommended Reserve Contributions for the next 30 years based on Reserve Expenditures.

Exhibit C Reserve Funding Graphs contain one graph and one pie chart. The graph **Recommended Reserve Funding Plan** shows the future fund balances based on the anticipated Reserve Expenditures and recommended annual Reserve Contributions during the next 30 years. The pie chart **Estimated Future Reserve Expenditures** illustrates the relative amounts of Reserve Expenditures and relative funding during the next 30 years.

Exhibit D describes Assumptions of the Reserve Study of how we collect and analyze data. The statement of Professional Service Conditions identifies the manner of services provided, as stated in the original authorized Confirmation of Services for this Reserve Study.

Considerations and Methodology

This Reserve Study is in compliance with, and exceeds the standards set forth by Community Associations Institute (CAI) and the Association of Professional Reserve Analysts (APRA), fulfilling the requirements of a “Full Reserve Study.”

We considered the following factors in our analysis:

The Cash Flow Method to compute the 30-year Reserve Funding Plan.

Information Furnished by Management	
January 1, 2025 Unaudited Cash Status of the Reserve Fund	\$8,630
2025 Budgeted Reserve Contributions	\$5,000
Anticipated Interest on Reserve Funds	\$5
Less Anticipated Reserve Expenditures	-\$1,200
Anticipated Year End Balance - 2025	\$12,435

The identification of individual Reserve Components with their anticipated year of replacement as detailed in Exhibit B Reserve Expenditures

Local costs of material, equipment, and labor

The current and future costs of replacement for the Reserve Components

The costs of removal of the worn-out elements as part of the cost of replacement

Local economic conditions and a historical perspective to arrive at our estimate of future inflation for construction costs in the Springfield, Ohio area at an annual inflation rate of 3.0%.

The past and current maintenance practices of The Association can have a significant effect on remaining useful lives. The Funding Plan excludes necessary operating budget expenditures. It is our understanding that the current operating budget and future operating budgets will provide for the ongoing normal maintenance of Reserve Components or property elements unless specifically identified in the Reserve Component Inventory of Exhibit B Reserve Expenditures. The Association should continue to include this cost of maintenance in the operating budget. The anticipated effects of appreciation of the reserves over time in accord with an anticipated future return or yield on investment of your cash equivalent assets at an annual rate of 0.50% (We did not consider the costs, if any, of Federal and State Taxes on income derived from interest and/or dividend income)

The Federal Reserve has commented that an overall decline in long-term rates may be fundamental and “long lasting.” As a result, yields on money market savings and certificates of deposit are likely to remain stable throughout the balance of this year. Bear in mind that most money market

rates are tiered and rarely keep pace with inflation. These forthcoming yields of short-term savings instruments (government bonds and CD's) on reserve savings may barely keep pace with your local construction inflation rate. Updates to this Reserve Study will continue to monitor historical facts and trends concerning the external market conditions. We advise the Board to consult a professional investment counselor to determine an appropriate investment strategy to maximize the returns on reserve savings considering the recent changes in near-term yields on money market accounts and certificates of deposits.

IDENTIFICATION OF RESERVE COMPONENTS

Our evaluation included reserve components or property elements as set forth in your Declarations determined by the Board and or Management. Our analysis began by segregating the property elements into several areas of responsibility for repair and replacement. We derived these segregated classes of property from our review of the information provided to us and through conversations with Management and the Board. These four classes of property include:

- 1) Reserve Components
- 2) Long Lived property Elements
- 3) Operating Budget Funded Repairs and Replacements
- 4) Property Maintained by Homeowners

We advise that the Board conduct an annual review of these classes of property to confirm its policy concerning the manner of funding, i.e., from reserves or the operating budget. The following pages briefly describe these four classes.

Reserve Components are defined as property elements with:

- 1) Association responsibility.
- 2) Limited Useful Life expectancies.
- 3) Predictable Remaining Useful Life expectancies; and
- 4) A replacement cost above a minimum threshold.

The reserve components comprise 4 items likely to require Reserve Expenditures during the next 30 years. Exhibit B Reserve Expenditures details this first class of property, which we summarize as follows:

Property Site Elements funded thru Reserves:

- Entry Features
- Fencing
- Pond / Fountain
- Trail

Non-Major Element

- Reserve Study Updates

In addition to the Reserve Components listed above, we list the following Long-Lived Property Elements, defined as those items without predictable Remaining Useful Life expectancies and therefore funded from Operating Budget:

Long-Lived Property Elements funded thru Operating Budget

- Electrical Systems
- Foundation(s)
- Underground Utility Pipes, Water and Sewer

Long-lived property elements (without predictable Remaining Useful Lives) sometimes require infrequent repairs due to abuse, normal wear and tear or unknown construction defects. The Association should fund the cost of these infrequent replacements from the operating budget or special assessment. Funding untimely or unexpected replacements from reserves will necessitate adjustments to future Reserve Contributions. An update of this Reserve Study will help determine the merits of adjusting the Reserve Funding Plan. The operating budget provides money for the repair and replacement of certain items. Generally, the Operating Budget Funded Repairs and Replacements relate to:

- General Maintenance to the Common Elements
- Landscape
- Painting
- Other Repairs Normally Funded Through the Operating Budget

Certain items have been designated as the responsibility of the homeowner to repair or replace (Limited Common Elements). Property Maintained by Homeowners relates to unit:

- Entire “Footprint” of real estate owned, including all structures.

Long Lived Property Elements

Many variables change after the study is conducted that may result in significant homeowner overfunding or underfunding the reserve account. Variables that may affect the Reserve Funding Plan include, but are not limited to, the following:

- 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
- Unusually mild or extreme wear
- Technological advancements
- Contractor Application and installation

Periodic updates incorporate these variable changes since the last Reserve Study or Update. The Association can expense the fee for an Update with site visit from the reserve account if needed, but this fee is not included in the Reserve Funding Plan as it would be taxed differently due to not qualifying as a reserve component. The schedule of updates is highlighted within the “Property Elements” page in “Exhibit B”. We base this budgetary amount on updating the same property components and quantities of this Reserve Study report. Budgeting for an update demonstrates the Board’s objective to continue fulfilling its fiduciary responsibility to maintain the commonly owned property and to fund reserves appropriately.

Explanation of the Exhibits

Exhibit A Photographs identifies the various property components as of the date of our visual inspection, November 2024.

Exhibit B Spreadsheets contain two tables. The first table, Projected Reserve Expenditures, includes the Reserve Component Inventory, Reserve Expenditures, estimates of future costs and anticipated times of replacements during the next 30 years. It incorporates a 3.0% annual percentage rate of anticipated inflation. The table arranges the following information in columns:

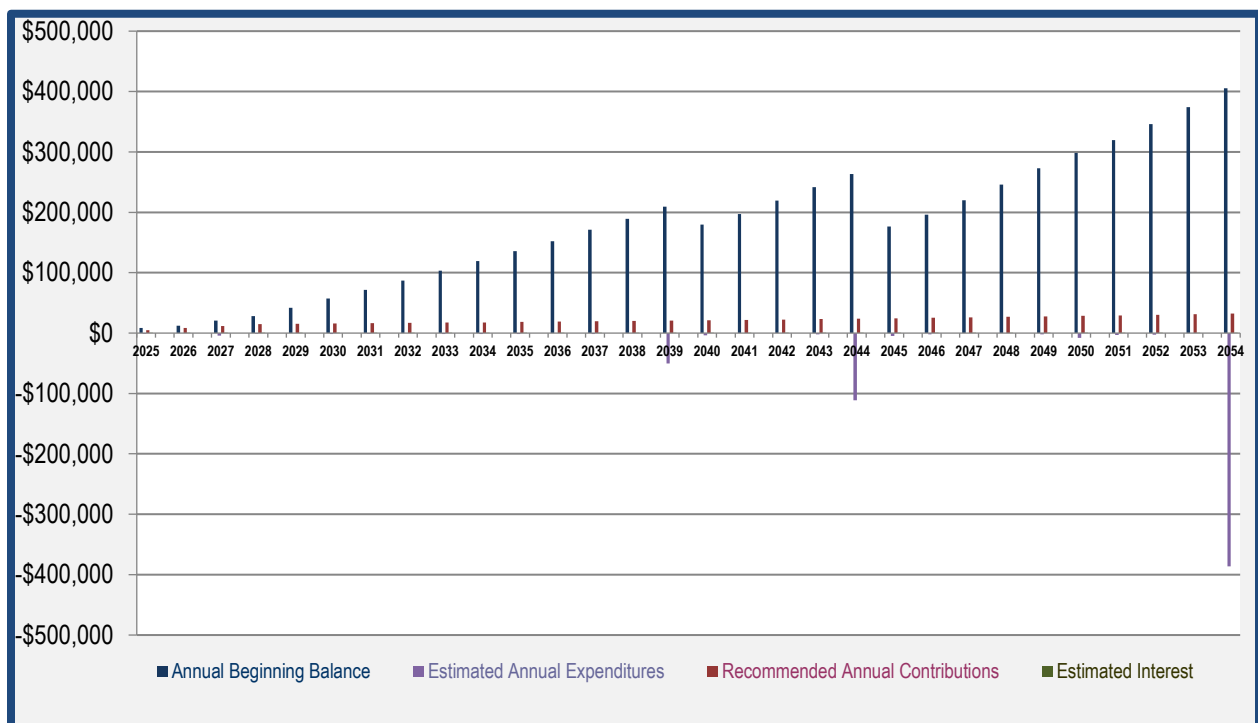
- Line Items are included for reference purposes.
- Total Quantities are the total anticipated quantity for replacement during the next 30 years (this is not necessarily the “total” quantity maintained by the Association as this quantity may represent more than one Useful Life cycle or a partial replacement).
- Per-Phase Quantities are the anticipated quantity for each replacement event.
- Units clarify the unit of measure used to quantify the elements.
- Reserve Component Inventory identifies each Reserve Component.
- The Estimated First year of Replacement is included to help the Association understand the priority of future Reserve Expenditures.
- Results of the Life Analysis show both the total Useful Life and Remaining useful Life for each Reserve Component.
- Unit Cost is the cost per unit we used to calculate the per-phase cost.
- The Total Future Costs of Replacement is the total cost for all phases of replacement during the next 30 years and includes the effects of inflation (currently predicted at 3.0%).
- The remaining columns in Reserve Expenditures present the anticipated years and estimated future inflated costs for each replacement event for the next 30 years.

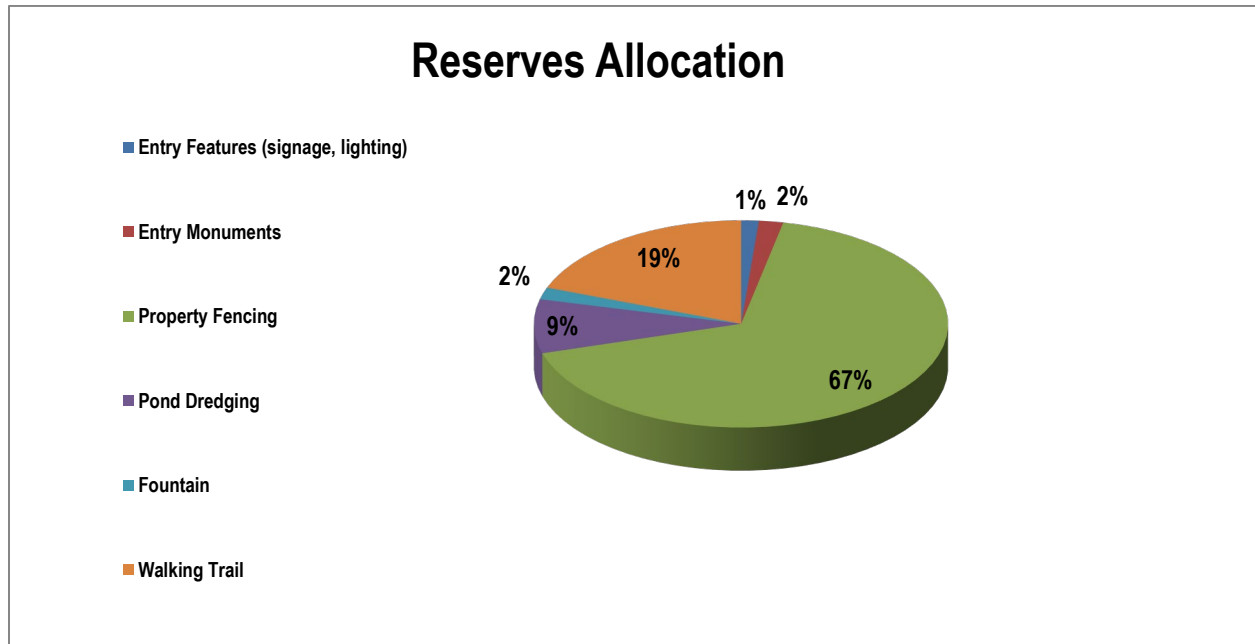
The second table of data in **Exhibit B** is the Reserve Funding Plan. It includes the Cash Flow Analysis and Reserve Contributions for the next 30 years based on the Reserve Expenditures and an anticipated 0.50% annual percentage rate earned on the average annual fund balances. The specific information includes:

- Reserves at Beginning of Year
- Recommended Reserve Contribution (positive cash flow)
- Estimated Interest Earned

- Anticipated Expenditures (negative cash flow)
- Anticipated Reserves at Year-End
- Predicted Reserves (based on current funding levels)

Exhibit C Reserve Funding Graphs contains one graph and a pie chart based on the numerical data found in the Reserve Funding Plan. The graph illustrates our recommendations and observations pertaining to reserve balances, recommended annual Reserve Contributions and Reserve Expenditures during the next 30 years.





The pie chart Estimated Future Reserve Expenditures illustrates the relative importance of the Reserve Expenditures and relative funding during the next 30 years. The Association can regard reserve needs for these expenditures as requiring a similar allocation of existing reserves and future Reserve Contributions.

Exhibit D Disclosures describes Assumptions of the Reserve Study of how we collect and analyze data. The statement of Professional Service Conditions identifies the general manner of professional services provided, as stated in the original authorized Confirmation of Services for this Reserve Study.

CONCLUSION

At the direction of the Board of Directors that recognizes the need for proper reserve planning, we have conducted a Full Reserve Study of Simon Kenton Farm Master Association (The Association) located in Springfield, Ohio and submit our findings in this report. The effective date of this study is the date of our visual, noninvasive inspection, November 2024. This Reserve Study is a budget-planning tool that identifies the status of the reserve fund and a stable and equitable Reserve Funding Plan to offset the anticipated future major common area expenditures.

The Association can fund capital repairs and replacements in any combination of the following:

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

This Reserve Study applies the Cash Flow Method to compute the Reserve Funding Plan. The Reserve Funding Plan determines adequate, not excessive, Reserve Contributions through a 30-year Cash Flow Analysis that incorporates the current reserve funds, estimated future interest earned, and projected Reserve Expenditures. The Reserve Expenditures reflect current and future *local* costs of replacement and anticipated inflation. Sources for *local* costs of replacement include our proprietary database, historical costs, and local contractor bids.

We identified the anticipated Reserve Expenditures for Reserve Components during the next 30 years as either near term or long term. *Near-term* expenditures relate to capital needs from now through 2029. These *near-term* expenditures comprise \$6,518 or about 1.10% of the next 30 years of **Exhibit B Reserve Expenditures**. Expenditures beyond the next five years are more important when compared with the current needs of the Association and tend to govern the amounts of recommended Reserve Contributions.

The Association is recommended a \$5,000 reserve contribution for 2025. We recommend the Association increase the reserve contribution to \$8,300 in 2026. Afterwards, the Association should monitor the funding plan and recommended contributions to ensure adequate, not excessive funding. The 2026 recommended contribution of \$8,300 represents an approximate 8.46% adjustment against the 2024 total Operating Budget of \$39,000. The total adjustment of \$3,300 represents an *average* monthly increase of \$1.50 per owner as identified in **Exhibit B**.

Based on the investigation and analysis as detailed in the accompanying narrative, we recommend the following Reserve Funding Plan (Reserve Contributions) to offset the anticipated future Reserve Expenditures of the subject Reserve Components during the next 30 years.

Recommended Reserve Contributions									
Year	\$	Year	\$	Year	\$	Year	\$	Year	\$
2025	\$5,000	2031	\$16,268	2037	\$19,424	2043	\$23,194	2049	\$27,695
2026	\$8,300	2032	\$16,756	2038	\$20,007	2044	\$23,890	2050	\$28,525
2027	\$11,603	2033	\$17,258	2039	\$20,607	2045	\$24,606	2051	\$29,381
2028	\$14,887	2034	\$17,776	2040	\$21,226	2046	\$25,344	2052	\$30,263
2029	\$15,334	2035	\$18,309	2041	\$21,862	2047	\$26,105	2053	\$31,170
2030	\$15,794	2036	\$18,859	2042	\$22,518	2048	\$26,888	2054	\$32,106

The Reserve Funding Plan recommends 2054 year-end accumulated reserves of approximately \$51,581. We judge this amount of accumulated reserves in 2054 desirable or necessary, in part, in consideration of the age, size and complexity of the property. An ongoing review by the Board and an Update of this Reserve Study in three years are necessary to ensure a continued equitable funding plan since a Reserve Study is a snapshot in time. However, due to the current requirements from Primary Lenders, we recommend an update be completed a minimum of every third year. Many variables change after the Reserve Study is conducted that may result in significant homeowner overfunding or underfunding. Examples include deferred or accelerated capital projects based on Board discretion, changes in the interest rates on reserve investments, and changes in the *local* construction inflation rate. This report, although preliminary in nature, is a valid opinion. The Association should consider this report as a complete and final report.

SUPPLEMENTARY INFORMATION FOR FINANCIAL STATEMENTS

The *Audit and Accounting Guide for Common Interest Realty Associations* presents recommendations on Supplementary Information on Future Major Repairs and Replacements in end of fiscal year Audits of Financial Statements for community association. Accountants use discretion and judgment on how to present the Supplementary Information on Future Major Repairs and Replacements. However, the Supplementary Information on Future Major Repairs and Replacements often references and includes excerpts from our Reserve Studies. The following table excerpts significant unaudited information from the Reserve Expenditures about Reserve Component categories and estimated current and future replacement costs based on inflation at an annual rate of 3.0%.

2DEFINITIONS

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.

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, over time, bonuses for labor or premiums for material and equipment. We include removal and disposal costs in the cost of replacement where applicable.

Funding Goal – The stated purpose of this Reserve Study to determine the adequate, not excessive, future annual, reasonable *Reserve Contributions* to fund future *Reserve Expenditures*.

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 Association 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.

PRN – (Pro re nata) is a Latin phrase meaning as needed or as the circumstance arises.

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) Association 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 **Exhibit B 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 status of the reserve fund with a stable and equitable Funding Plan to offset the anticipated future major common area expenditures.

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

2 Definitions are derived from the standards set forth by the Community Associations Institute (CAI) representing America's 250,000 Condominium and Homeowners Associations and Cooperatives, and the Association of Professional Reserve Analysts, setting the standards of care for Reserve Study practitioners.

PHOTOGRAPHS



IN THIS SECTION:

- SATELLITE PHOTO
- ENTRY FEATURES
- FENCING
- POND / FOUNTAIN
- TRAIL

Simon Kenton Farm Master Association

Satellite Photo





Entry Feature—Monument/Signage



Monument Lighting



Community Fencing



Community Walking Path



Large Pond w/Fountain



Wear showing on Entry Signage

SPREADSHEETS



IN THIS SECTION:

- RESERVE EXPENDITURES
- RESERVE FUNDING PLAN



RESERVE EXPENDITURES
for
Simon Kenton Farm Master Association

Explanatory Notes:
1) 3.00% is the estimated future Inflation Rate for estimating Future Replacement Costs.
2) Fiscal Year is beginning January 1 and ending December 31.

Item	Estimated			Reserve Component Inventory	Estimated Year Last Replaced	Life Analysis, Years		Estimated Year of 1st Replacement	Current Unit Cost	Current Replacement Cost	Total Future Cost of Replacement	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
	Quantity					Units	Useful					Remaining	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038
ELEMENTS REPLACE																										
1	1	Each	Entry Feature-Signage/Lighting	x	20-25	3	2027	2,500.00	2,500	7,886	0	0	2,652	0	0	0	0	0	0	0	0	0	0	0	0	0
2	1	Allowance	Entry Monuments	x	5-7	3	2027	1,400.00	1,400	10,924	0	0	1,485	0	0	0	0	0	1,773	0	0	0	0	0	0	2,118
3	5,463	Linear Feet	Property Fencing	x	35-40	30	2054	30.00	163,890	386,218	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4	1	Allowance	Pond (with fountain) (dredging)	x	20-30	15	2039	32,000.00	32,000	48,403	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	48,403
5	1	Allowance	Fountain	x	4-6	1	2025	1,200.00	1,200	10,754	1,200	0	0	0	0	0	1,391	0	0	0	0	1,613	0	0	0	0
6	21,120	Square Feet	Trail	x	30+	20	2044	3.00	63,360	111,102	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
7	0	x	x	x	x	x	x	0.00	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8	0	x	x	x	x	x	x	0.00	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
9	1	Each	Reserve Study Updates	x	3	4	2028	1,080.00	1,080	15,544	0	0	0	1,180	0	0	1,290	0	0	1,409	0	0	1,540	0	0	0
ELEMENTS (PRN)																										
10	0	x	x	x	x	x	x	0.00	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
11	0	x	x	x	x	x	x	0.00	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12	0	x	x	x	x	x	x	0.00	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Anticipated Expenditures, By Year									265,430	590,831	1,200	0	4,138	1,180	0	1,391	1,290	0	1,773	1,409	1,613	0	1,540	0	50,521	

Line Item	Quantity	Units	Reserve Component Inventory	16 2040	17 2041	18 2042	19 2043	20 2044	21 2045	22 2046	23 2047	24 2048	25 2049	26 2050	27 2051	28 2052	29 2053	30 2054
ELEMENTS REPLACE																		
1	1	Each	Entry Feature-Signage/Lighting	0	0	0	0	0	0	0	0	0	0	5,234	0	0	0	0
2	1	Allowance	Entry Monuments	0	0	0	0	0	2,529	0	0	0	0	0	3,019	0	0	0
3	5,463	Linear Feet	Property Fencing	0	0	0	0	0	0	0	0	0	0	0	0	0	0	386,218
4	1	Allowance	Pond (with fountain) (dredging)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	1	Allowance	Fountain	1,870	0	0	0	0	2,167	0	0	0	0	2,513	0	0	0	0
6	21,120	Square Feet	Trail	0	0	0	0	111,102	0	0	0	0	0	0	0	0	0	0
7	0	x	x	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8	0	x	x	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
9	1	Each	Reserve Study Updates	1,683	0	0	1,839	0	0	2,009	0	0	2,195	0	0	2,399	0	0
ELEMENTS (PRN)																		
10	0	x	x	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
11	0	x	x	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12	0	x	x	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Anticipated Expenditures, By Year				3,553	0	0	1,839	111,102	4,696	2,009	0	0	2,195	7,747	3,019	2,399	0	386,218



RESERVE FUNDING PLAN

CASH FLOW ANALYSIS

Simon Kenton Farm Master Association
Springfield

Explanatory Notes:

1.

\$8,630

Reserve Fund Balance Jan. 1,

2025

(projected/reported)
2.

Year 1 is budgeted, years 2-30 are recommended.
3.

0.05%

The estimated rate of return on invested reserves.
4.

Accumulated year end reserves consider the age, size, overall condition and complexity of the property

2054
5.

Anticipated Reserves at Year End should be no-less-than the insurance deductible...

currently

N/A

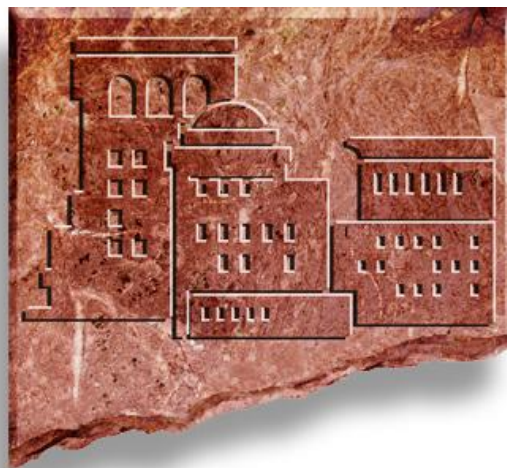
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039
Reserve at Beginning of Year (Note 1)	\$8,630	\$12,435	\$20,744	\$28,223	\$41,947	\$57,305	\$71,740	\$86,758	\$103,560	\$119,102	\$135,532	\$152,301	\$171,240	\$189,214	\$209,320
Plus Total Recommended Reserve Contribution (Note 2)	\$5,000	\$8,300	\$11,603	\$14,887	\$15,334	\$15,794	\$16,268	\$16,756	\$17,258	\$17,776	\$18,309	\$18,859	\$19,424	\$20,007	\$20,607
Plus Additional Contribution/Special Assessment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Plus Estimated Interest Earned, During Year (Note 3)	\$5	\$8	\$13	\$18	\$24	\$32	\$40	\$47	\$56	\$64	\$72	\$80	\$90	\$99	\$109
Less Anticipated Expenditures, By Year	(\$1,200)	\$0	(\$4,138)	(\$1,180)	\$0	(\$1,391)	(\$1,290)	\$0	(\$1,773)	(\$1,409)	(\$1,613)	\$0	(\$1,540)	\$0	(\$50,521)
Anticipated Reserves at Year End (Note 5)	\$12,435	\$20,744	\$28,223	\$41,947	\$57,305	\$71,740	\$86,758	\$103,560	\$119,102	\$135,532	\$152,301	\$171,240	\$189,214	\$209,320	\$179,516
Total increase in funding	N/A	\$3,300	\$3,303	\$3,284	\$447	\$460	\$474	\$488	\$503	\$518	\$533	\$549	\$566	\$583	\$600
Funding Increase Percentage	N/A	66.00%	39.80%	28.30%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Add'l Assessment/Contribution/Unit (Avg)	N/A	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Per Unit Increase in funding per month (Avg)	N/A	\$1.50	\$1.50	\$1.50	\$0.20	\$0.21	\$0.22	\$0.22	\$0.23	\$0.24	\$0.24	\$0.25	\$0.26	\$0.27	\$0.27
Cummulative Per Unit Funding Increase (Avg)	N/A	\$1.50	\$3.01	\$4.50	\$4.71	\$4.92	\$5.13	\$5.35	\$5.58	\$5.82	\$6.06	\$6.31	\$6.57	\$6.83	\$7.11
Percentage Increase in Operating Budget	N/A	8.46%	8.47%	8.42%	1.15%	1.18%	1.21%	1.25%	1.29%	1.33%	1.37%	1.41%	1.45%	1.49%	1.54%

	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054
Reserve at Beginning of Year (Note 1)	\$179,516	\$197,283	\$219,249	\$241,882	\$263,363	\$176,288	\$196,292	\$219,731	\$245,952	\$272,969	\$298,611	\$319,546	\$346,074	\$374,118	\$405,482
Plus Total Recommended Reserve Contribution (Note 2)	\$21,226	\$21,862	\$22,518	\$23,194	\$23,890	\$24,606	\$25,344	\$26,105	\$26,888	\$27,695	\$28,525	\$29,381	\$30,263	\$31,170	\$32,106
Plus Additional Contribution/Special Assessment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Plus Estimated Interest Earned, During Year (Note 3)	\$95	\$104	\$115	\$126	\$137	\$94	\$104	\$116	\$129	\$143	\$156	\$167	\$180	\$194	\$210
Less Anticipated Expenditures, By Year	(\$3,553)	\$0	\$0	(\$1,839)	(\$111,102)	(\$4,696)	(\$2,009)	\$0	\$0	(\$2,195)	(\$7,747)	(\$3,019)	(\$2,399)	\$0	(\$386,218)
Anticipated Reserves at Year End	\$197,283	\$219,249	\$241,882	\$263,363	\$176,288	\$196,292	\$219,731	\$245,952	\$272,969	\$298,611	\$319,546	\$346,074	\$374,118	\$405,482	\$51,581
Total increase in funding	\$618	\$637	\$656	\$676	\$696	\$717	\$738	\$760	\$783	\$807	\$831	\$856	\$881	\$908	\$935
Funding Increase Percentage	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Add'l Assessment/Contribution/Unit (Avg)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Per Unit Increase in funding per month (Avg)	\$0.28	\$0.29	\$0.30	\$0.31	\$0.32	\$0.33	\$0.34	\$0.35	\$0.36	\$0.37	\$0.38	\$0.39	\$0.40	\$0.41	\$0.43
Cummulative Per Unit Funding Increase (Avg)	\$7.39	\$7.68	\$7.98	\$8.28	\$8.60	\$8.93	\$9.26	\$9.61	\$9.97	\$10.33	\$10.71	\$11.10	\$11.50	\$11.92	\$12.34
Percentage Increase in Operating Budget	1.59%	1.63%	1.68%	1.73%	1.78%	1.84%	1.89%	1.95%	2.01%	2.07%	2.13%	2.19%	2.26%	2.33%	2.40%

Note 4

Style	homeowner	Operating Budget	39000	# Units	183	Short Term	(\$6,518)	Long Term	(\$590,831)	Short Term %	1.10%	Add'l Assessment or Contribution	\$0	Total Adjustment	\$3,300
Established	1998	Eval Date	11/24											Adj Operating %	8.46%
														Avg Increase/mo	\$1.50

RESERVE FUNDING GRAPHS



IN THIS SECTION:

- RESERVE ALLOCATION
- RECOMMENDED
FUNDING PLAN

Reserves Allocation

■ Entry Features (signage, lighting)

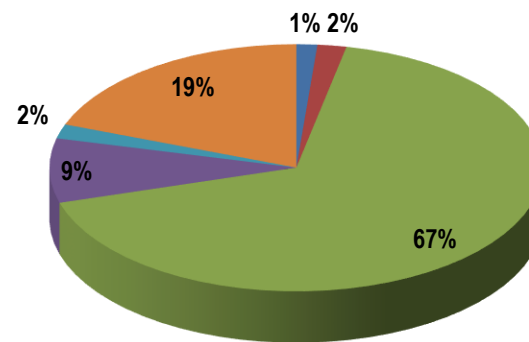
■ Entry Monuments

■ Property Fencing

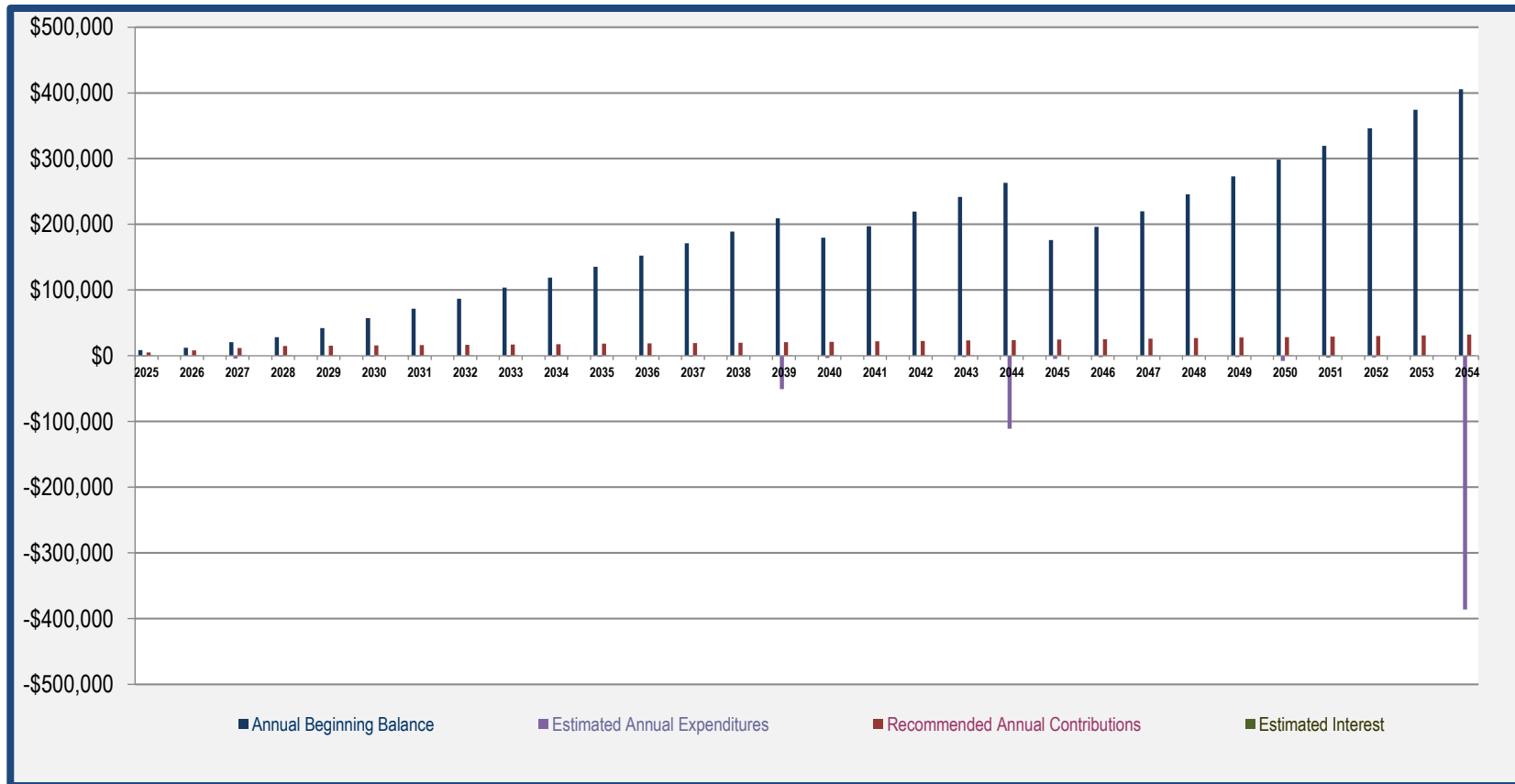
■ Pond Dredging

■ Fountain

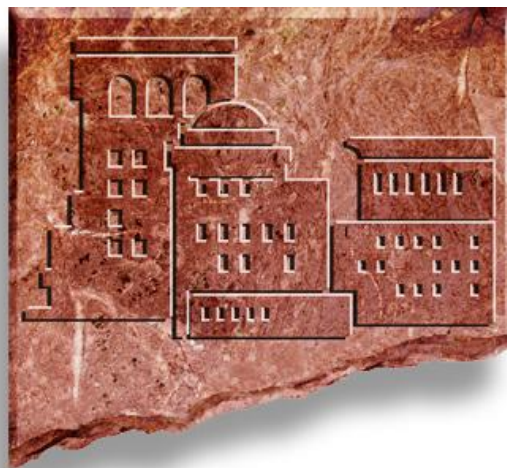
■ Walking Trail



Recomended Reserve Funding Plan



ASSUMPTIONS & SERVICE CONDITIONS



IN THIS SECTION:

- ASSUMPTIONS
- SERVICE CONDITIONS
- DISCLOSURES
- CREDENTIALS
- ADDITIONAL SOURCES



ASSUMPTIONS

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

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

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

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

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

SERVICE CONDITIONS

Our Services – Community Reserve Specialists will perform its service as an independent contractor in accordance with our professional practice standards. Our compensation is not contingent upon our conclusions.

Our inspection and analysis of the subject property is limited to visual observations and is noninvasive. We will inspect sloped roofs from the ground. We will inspect flat roofs where safe access (stairs or ladder permanently attached to the structure) is available. Community Reserve Specialists does not investigate, nor assume any responsibility for any existence or impact of any hazardous materials, structural, latent or hidden defects which may or may not be present on or within the property. Our opinions of estimated costs and remaining useful lives are not a guarantee of the actual cost of replacement, a warranty of the common elements, or guarantee of remaining useful lives.



We assume, without independent verification, the accuracy of all data provided to us. You agree to indemnify and hold us harmless against and from any and all losses, claims, actions, damages, expenses or liabilities, including reasonable attorneys' fees, to which we may become subject in connection with this engagement, because of any false, misleading or incomplete information which we have relied upon as supplied by you or others under your direction, or which may result from any improper use or reliance on the report by you or third parties under your control or direction. Your obligation for indemnification and reimbursement shall extend to any controlling person of Community Reserve Specialists, including any director, officer, employee, affiliate, or agent. Liability of Community Reserve Specialists and its employees, affiliates, and agents for errors and omissions, if any, in this work is limited to the amount of its compensation for the work performed in this engagement.

Report – Community Reserve Specialists will complete this Study in accordance with the Proposal. In the event our service includes a Preliminary Report, we will consider any additional information made available to us in the interest of promptly issuing a Final Report to your satisfaction. However, the Preliminary Report represents a valid opinion of our findings and recommendations and is deemed complete and final if no Final Report or changes are requested within six months of our inspection. We retain the right to withhold the Preliminary or Final Reports if payment for services is not rendered in a timely manner. All files, work papers or documents developed by us during the course of the engagement remains our property, but will remain confidential and not be shared with any other party without written consent from the Board.

Your Obligations – You agree to provide us access to the subject property during our onsite visual inspection and tour. You will provide to us to the best of your ability and if reasonably available, historical and budgetary information, the governing documents, and other information that we request and deem necessary to complete our Study. You agree to abide by the payment schedule for our services in accordance with the Reserve Study Proposal.

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

We reserve the right to include your Association's name in our client list, but we will maintain the confidentiality of all conversations, documents provided to us, and the contents of our reports, subject to legal or administrative process or proceedings. These conditions can only be modified by written documents executed by both parties.



DISCLOSURES

Invasive Testing

We have made a visual inspection of the property and noted visible physical defects, if any, in our report. Our inspection and analysis was made by employees generally familiar with real estate and building construction, however, unless otherwise stated, we did not do any invasive testing.

Representative Sampling

We did not make any soil analysis or geological study with this report; nor were any water, oil, gas, coal or other subsurface mineral and use rights or conditions investigated. Substances such as asbestos, urea-formaldehyde foam insulation, other chemicals, toxic wastes, environmental mold or other potentially hazardous materials could, if present, adversely affect the validity of this study. Unless otherwise stated in this report, the existence of hazardous substances, that may or may not be present on or in the property, was not considered. Our opinions are predicated on the assumption that there are no hazardous materials on or in the property. We assume no responsibility for any such conditions. We are not qualified to detect such substances, quantify the impact, or develop the remedial cost and therefore performed no representative sampling.

Conflicts of Interest

The Association has contracted with Community Reserve Specialists LLC. to provide services to the Association. There is no conflict of interest, perceived or otherwise.

Reliance on Client Data

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



Information provided by the Client / Prior quantities assumed to be accurate

This Reserve Study is a reflection of information provided to Community Reserve Specialists LLC. by the Association and is intended for the Association's use, not for the purpose of performing an audit, quality/forensic analyses, or background checks of historical records. The actual or projected reserve balance presented in the Reserve Study is based on information provided by the Association and has not been audited.

Assumptions regarding determination of Client Component Inventory

Association Component List is determined ultimately by the Board. We recommend following the National Reserve Study Standards (NRSS) to determine your associations Reserve Components.

The Reserve Component List forms the foundation of any Reserve Study. There is a four-part test, now part of **National Reserve Study Standards**, to determine if a component is appropriate to designate for reserve funding. To be funded, a component must pass *all four* of the tests.

1. The component must be a common area maintenance responsibility, as defined in the Association's governing documents or a well-established Association precedent
2. The component must have a limited Useful Life (UL)
3. The component must have a predictable Remaining Useful Life (RUL)
4. The component's Replacement Cost (\$) must be above a minimum threshold amount

Assumptions regarding defect in design or construction

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



Limitations on report use

We assume, without independent verification, the accuracy of all data provided to us. You agree to indemnify and hold us harmless against and from any and all losses, claims, actions, damages, expenses or liabilities, including reasonable attorneys' fees, to which we may become subject in connection with this engagement, because of any false, misleading or incomplete information which we have relied upon as supplied by you or others under your direction, or which may result from any improper use or reliance on the report by you or third parties under your control or direction. Your obligation for indemnification and reimbursement shall extend to any controlling person of Community Reserve Specialists LLC, including any director, officer, employee, affiliate, or agent.

Liability of Community Reserve Specialists LLC, and its employees, affiliates, and agents for errors and omissions, if any, in this work is limited to the amount of its compensation for the work performed in this engagement.

Ohio Revised Code

Condominiums

Section 5311.081 | Powers and duties of board of directors.

(A) The unit owners association, through the board of directors, shall do both of the following:

(1) Annually, adopt and amend an estimated budget for revenues and expenditures. The budget shall include reserves in an amount adequate to repair and replace major capital items in the normal course of operations without the necessity of special assessments, unless either of the following applies:

(a) The declaration or bylaws include language limiting the ability of the board of directors to increase assessments for common expenses without a vote of the unit owners;

(b) The unit owners, exercising not less than a majority of the voting power of the unit owners association, waive the reserve requirement in writing annually.

(2) Collect assessments for common expenses from unit owners.

Homeowners

Section 5312.06 | Powers and duties of owner's association.

(A) The owners association, through its board of directors, shall do both of the following:

(1) Annually adopt and amend an estimated budget for revenues and expenditures. Any budget shall include reserves in an amount adequate to repair and replace major capital items in the normal course of operations without the necessity of special assessments, unless the owners, exercising not less than a majority of the voting power of the owners association, waive the reserve requirement in writing annually.

(2) Collect assessments for common expenses from owners in accordance with section [5312.10](#) of the Revised Code.



CREDENTIALS

Lian Velasco. Lian is our Report Coordinator. Lian is helping develop and maintain our new, more efficient report processing. She attended Kent Roosevelt High School where she played on the Varsity Tennis team for 2 years and graduated Magna Cum Laude in 2021. Lian enjoys traveling and art, and since coming to the US in 2015 from the Philippines, has visited many cities throughout Canada and cruised into many ports along the Eastern US Coast. Lian is currently attending Kent State University pursuing a degree in the Aviation field.

John Stojak, R.A. Research Analyst. John has over 20 years of experience as a Board President for a Condominium Owners Association in northeast Ohio and 20+ years as a managing partner in a Sales and Marketing company in the automotive and truck aftermarket. This experience has helped to foster a sense of attention to detail, project planning and understanding association documents. Personally, John is happily married with two children and two grandchildren residing in Northeast and Central Ohio. John graduated from the Illinois Institute of Technology with B.S. in Economics and a background in architectural studies. Hobbies include volunteering for youth Ice hockey programs in northeast Ohio for ages 5 through High School.

Peter Zurowski, S.R.A. Senior Research Analyst. Pete brings with him over 15 years of expertise as an Association Manager and over 30 years in the construction field. His Professional background and experience make him a well-rounded, valuable asset to CRS. Pete is a family man, with his wife of 44 years, 4 children and 15 grandchildren. He was born, raised and still resides in Northeast Ohio. Growing up, he was active in the Boy Scouts and went on to play golf with his high school team. Pete studied at Cuyahoga Community College as he transitioned into Association Management. When he is not working, Pete enjoys his favorite pastimes of golfing and cherishing quality time with his family and loved ones.

Jeff Ripple, R.S., P.R.A., Reserve Specialist, Professional Reserve Analyst, and Owner Community Reserve Specialists. Jeff brings with him over 20 years of Business Management experience and has achieved such designations in the financial services and wealth management industry as Certified Senior Advisor (CSA), Registered Tax Preparer (RTP), and Investment Advisor Representative (IAR). Jeff proudly served in the United States Marine Corps during Desert Shield/Desert Storm and with a Criminal Justice degree from the University of Akron, as a Law Enforcement Officer upon separation from the military. He was also the youngest to achieve Eagle Scout in the state of Ohio at the time of appointment. Jeff plans on continuing his education in order maintain himself as an ongoing valued consulting asset to our Client base.



SOURCES

While performing our Reserve Studies, we have used multiple sources that are able to provide geographically specific information for estimating current costs of repairs, replacements and new construction. Our sources include web based and proprietary software, local experts and contractors, association management companies as well as our own historical data collected over the years. We find we are able to provide a more accurate determination of current costs while creating a competitive edge for our Associations future project bidding by utilizing these multiple sources. We often are able to work directly with vendors already in place with the Community Board of Directors as well. Although we cannot make endorsements, below are the names of local vendors who are shown to have excellent reviews from the Community Boards of Directors we have worked with over the years. We are not compensated in any way from these vendors, but publish their information as a helpful tool to our Clients.

Legacy Roofing and Siding - 330.645.6000

Perrin Asphalt and Concrete - 330.253.1020

Aqua Doc Pond Maintenance - 800.689.5253

Fairview HVAC Heating and AC - 440-779-2665

Nichols Fence - 330.645.4821

Americaft Plumbing and Supply - 330.487.0555

John Hershey Engineers (Structural Integrity, Transition Studies) - 844.543.7743