Reserve Study and Funding Analysis Report

For Fiscal Years : 2025 -2035

Date Prepared: November 17, 2025

La Paz Condominium Association, Inc.

7507 & 7519 La Paz Boulevard
Boca Raton, Florida 33433

Structural Integrity Reserve Study – Definition

A Structural Integrity Reserve Study (SIRS) is a form of reserve study that is designed to ensure that the association or community is reserving funds for the long-term maintenance and necessary replacement of critical structural and safety elements in the buildings. At a minimum, a structural integrity reserve study must identify the common areas that relate to the safety of building being visually inspected by a licensed engineer or architect and must:

- Identify the common areas being visually inspected.
- State the estimated remaining useful life and the estimated replacement cost or deferred maintenance expense of the common areas being visually inspected.
- Provide a recommended annual reserve amount that achieves the estimated replacement cost or deferred maintenance expense of each common area being visually inspected by the end of the estimated remaining useful life of each common area.

Recently enacted legislation in the State of Florida states that a SIRS must be completed every 10 years for each building on the association's property that is three stories or higher. It is highly likely that other states or regions will enact similar legislation to ensure the safety of residents and guests. The following elements must, at a minimum, be included in Florida's Structural Integrity Reserve Study:

- **Roofing** (membrane, decking, flashings, gutters, downspouts)
- **Plumbing** (water supply lines, water heaters, pumps, valves, drain/waste/vent systems)
- **Fireproofing and Fire Protection Systems** (fire resistant coatings and insulation, fire alarms, smoke detectors, fire extinguishers, fire suppression systems)
- **Exterior Doors & Windows** (part of the common area and are the responsibility of the Association to maintain)
- **Structural Systems** (floors, foundations, beams, columns, roof structures, parking structures, staircases, load-bearing walls)
- **Waterproofing and Exterior Painting** (sealants, membranes, flashings, drainage systems, exterior wall coatings)
- **Electrical Systems** (main electrical wiring, emergency lighting)
- **Other items with a deferred maintenance expense or replacement costs exceeding $10,000.** (high value items that the failure to replace or maintain may negatively affect the structural integrity, safety, or security of the occupants)

These components can be characterized as those reserve components which may affect the security, safety, and/or structure of a building. In addition, the State of Florida has mandated that any funding for the repairs or servicing of components that have an impact on the building's structural integrity cannot be waived by agreement or vote of the board. From a financial perspective, the reserve study must demonstrate that

adequate funds will be available to replace or service any SI components by the end of the useful life of all the critical components.

In Florida, from an engineering or architectural perspective, only a professionally licensed engineer or architect may perform the inspection of critical components which may have an impact on structural integrity. The engineer or architect must also provide an assessment of each inspected component's physical state, the estimated remaining service life, and an estimate for each component's replacement cost.

Included Components – Definition

Reserve expenses for components are major expenses that must be budgeted in advance to provide necessary funds in time for their occurrence. These are expenses that when incurred would have a significant impact on the smooth operation of the Associations budget if not reserved in advance.

Recognized reserve studies standards indicate reserve components need to meet the following criteria:

- The component is part of the community's common elements.
  - The component is not already covered in a maintenance contract.
  - The component is not included in another part of the community's budget.
- The component's replacement or project costs are greater than the threshold amount imposed by the community.
- The component has a limited life expectancy.

The SIRS components included in this report comply with above requirement and with Florida Statues FS 718-112- 2(g).

Excluded Components – Definition

Some common area SIRS components may have been left out or included in the SIRS component lists as partially funded and not strictly considered in any mathematical model. These components will typically fall into one or more of the categories listed below:

- **Component Covered under Maintenance Contract** – The component's ongoing maintenance/replacement is performed as part of the services secured by a maintenance contract.
- **Component Costs Below Threshold** – Component repair and/or replacement costs that are deemed too small to be considered reserve expenses are typically included in the operational or maintenance budget and have not been funded for in this study.
- **Useful Life is One Year or Less –** These occur at least annually and can be effectively budgeted for each year as part of the operational expenses. They are characterized as being reasonably predictable both in terms of frequency and cost.
- **Useful Life is Very Long, Unpredictable** – Components which, when properly maintained, have an exceedingly long useful life with no predictable replacement cycle.
- **Useful Life Cannot be Determined** – Components where the useful life cannot be determined.
- **Not Part of Common Elements** – Improvements made to the property that fall outside the responsibility of the association. Typically, these are components where the responsibility falls to individuals or organizations other than the association such as individual unit owners or parties such as governmental agencies, and utility companies.

Inspection Findings.

On November 3, 2025 I – Walter L. Lista, P.E. Structural Engineer Fl Reg. 15659- and J.M. Alvarado – a graduate architect at our firm – conducted a visual structural inspection of buildings 7507 and 7519 at La Paz Boulevard Boca Raton, Florida 33433.

Buildings at 7507 and 7519 are integrated into one association and consist of two nearly identical buildings, four stories, 32 apartment units each, for a total of 64 units. The buildings were built in 1988 and are of CBS, concrete construction with beams, columns and floor and roof slabs made of reinforced concrete. Total floor area for both buildings is estimated at 110,000 sf.

The purpose of this inspection was to determine the present condition of the structure and critical SIRS items and to establish the reserve funds reasonably required to maintain all the required SIRS items in good and safe condition for the next 10 years, which is the time frame considered by this report.

During the November 3 inspection we found the building – and specially the structure – to be in excellent and very well-maintained condition. No defects of any kind in the building structure or the building protecting envelope were found. The exterior walkways floors at the front of the units appear to have been coated recently and are in excellent and waterproof condition. No defects were found at the rear balconies at any of the units inspected. Exterior painting at both buildings was in good condition with no signs of spalls or defects.

Additionally, a review of the operating budget shows contract items for fire alarm and fire suppression systems repairs and maintenance, elevator contracts for repairs and maintenance and items for general repairs and maintenance, all of which contributes to the upkeeping of the SIRS Items considered in this report.

Therefore, we have concluded that for the 10-year period covered by this structural integrity report the maintenance requirements for the structure and SIRS items will be moderate considering the size and condition of the buildings.

SIRS items descriptions.

I- Structure.

Our inspection showed a structure in excellent condition, no defects and signs of a very good maintenance program. No defects of any kind were found in the structural frame which appears to be conservatively designed mostly with columns supporting the outside corridors as opposed to cantilever construction. Being a low rise four stories with large footprint the building is stable and structurally redundant. For a structure not exposed to ocean environment we do not foresee any major structural work due in the concrete frame of the building for the next 10 years other than the continuation of the regular maintenance programs as presently done.

We recommend that periodic visual structural inspection be made every three years or so to determine if any conditions might have changed that could affect the structural integrity of the buildings and that the structural reserve amount be adjusted as needed.

Useful life: Very long and not easily predictable.
Reserve amount over and above regular
maintenance required at end of year 2035: $ 20,000.00

II- Roofing.

A new rubberized membrane roofing with a 20-year warranty was installed at building 7507 at the beginning of 2025. At building 7519 a similar rubberized membrane was installed reported about five years ago. Our inspection of the flat roof areas of building 7519 reveals a rubberized membrane in very good condition.

A large area of the roof consists of wood frame/wood deck with barrel clay tile. The tile area appears to have been well maintained, and no defects were observed at any section of the buildings. No records of tile roof repairs or replacement were inspected but all tile roof sections were found to be in good condition.
We recommend a structural inspection of the tile roof and supporting wood structure in three years.

Useful life: 22 years
Remaining useful life: 20 years
Reserve amount needed for repairs
or maintenance at end of 2035: $ 280,000.00

III- Painting and waterproofing.

Painting and waterproofing of windows were found to be in good condition at both buildings. It is expected that at least one building will need a paint/refurbish in less than the 10 year period contemplated by this report.

Useful life: 10 years
Remaining useful life: 5 to 7 years
Recommended reserve amount
Needed at end of 2035: $ 230,000.00

IV- Windows and doors.

Windows at both buildings are glass/aluminum frame of various types all in good condition. Some windows were reported to have been replaced or repaired as part of the building regular maintenance. Sliding glass/aluminum frame doors at the unit balconies were found in good condition at units inspected. No major window/door repairs or replacements are expected in the next 10 years over and above regular maintenance as being presently conducted. However, after 10 years is expected that a considerable increase for these items will be required.
We recommend that a periodic visual inspection be made every three years or so to determine if any conditions affecting the doors and windows have changed and the reserve budget adjusted as needed.

Useful life : 50 years
Remaining useful life: 20 years
Reserve amount needed for
replacement or repairs at end of 2035: $ 70,000.00

V- Electrical.

Our inspection of the electrical room found the electrical system to be in excellent condition with no repairs or improvements needed in the next 10 years and possibly the next 20 years. No records are available as to the age of the electrical components but they appear to be in near new condition.

Useful life: 50/60 years
Remaining useful life: 20 years
Recommended reserve amount over
and above regular maintenace
needed at end of 2035: $ 60,000.00

VI- Plumbing and sanitary drainage.

Water supply system is in good condition. No problems or complaints of adequacy any kind found during our inspection.
Sanitary drainage also appears to be in good condition at both buildings. No problems of any kind were noted or reported to us during our inspection.
We do not expect any major plumbing expenses during the next 10 years.

Useful life: 50/60 years
Remaining useful life: 25 years
Recommended reserve amount
over and above regular maintenance: $ 50,000.00

VII- Railings.

We inspected the railings at both buildings and found them in good structural condition. The useful life of aluminum railings when away from ocean environments is very long 30 to 50 years depending on condition exposure etc. We do not foresee any need to change these railings – which are in very good condition – in the next 10 years. However, replacement or extensive repairs are to be expected after 15 or 20 years more of service. At this time we recommend a nominal amount be reserved for railing repairs over and above the regular maintenace presently provided.

Useful life: 30-50 years
Remaining useful life
before major repairs: 20 years.
Recommended amount at end of 2035 needed
for railing repairs over and above regular maintenance: $ 20,000.00

VIII.- Fire protection and sprinkler systems.

We made a visual inspection of the fire alarm and sprinkler pump systems. The system appears in good condition and it shows signs of good maintenance practices. The system is maintained under contract for regular inspections, repairs and maintenance by a professional company specializing in the field. All apartments are sprinklered and fire alarmed. It is extremely difficult to estimate the life span of a well installed and maintained system like this one. It should be expected that at a certain time in the next 10 or 15t years that the main pump or engine may need an overhaul or extensive repair.

Useful life: 30-50 years between overhauls.
Remaining useful life: 15 years.
Recommended reserve amount over and above
regular service contract covered repairs: $ 40,000.00

X- Recommended SIRS reserve amounts.

The amounts shown below cover a 10-year period starting in 2025 and ending in 2035. In addition, we recommend that interim structural inspections be made every three years -twice during the 10-year period – to verify the condition of the structure and critical SIRS items as conditions may change and reserve amounts may need adjustment.

We found the buildings to be in excellent condition and well maintained. Major structural, electrical or plumbing repairs – other than general maintenace – is not expected during the report covered period. Expenses may be expected in roof tile maintenance, painting and/or waterproofing, expansion joint maintenance and possibly fire pump overhaul/repair. Reserve funds may be used for these SIRS purposes to avoid the need for special assessments. At the end of the 10 year period (2035) a large increase in funding will likely be required as some SIRS items may then need repairs or complete replacement.

The rate of inflation has not been considered in these calculations as it is expected to be compensated for by interest gained in the reserve account. The reserve account must be kept separate from any operating budget account and be used only for structural repairs and SIRS items. This report is not a guarantee for any member of the structure or SIRS item, nor implies that special assessments will not be needed during the 10 year period.

SIRS Item	Estimated useful life (years)	Estimated remaining life (years)	Recommended amount needed at end of 2035
I-Structure.	60 plus	25	$ 20,000.00
II-Roofing.	22	20	$ 280,000.00
III- Painting & Waterproofing.	10	5/8	$ 230,000.00
IV-Windows & doors.	50	20	$ 70,000.00
V-Electrical.	50/60	25	$ 60,000.00
VI-Plumbing & Drainage.	50/60	25	$ 50,000.00
VII-Railings.	30/50	20	$ 20,000.00
VIII-Fire Protection.	30/50	15	$ 40,000.00
Total reserve:			$ 770,000.00
Annual contribution: (both buildings)			$ 77,000.00

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Prepared for La Paz Condominium Association, Inc

Buildings 7507 $& 7519 La Paz Boulevard

Boca Raton Florida, 33433

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Inspection date: November 3, 2025.

Report date: November 10, 2025

Walter Lista P.E.
11/17/25.

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