

RESERVE EXPENDITURES

2015 Reserve Study

Regency House
Condominium Association, LTD

Milwaukee, Wisconsin

Explanatory Notes:

- 1) 1.3% is the estimated future inflation Rate for estimating Future Replacement Costs.
- 2) FY2014 is Fiscal Year beginning August 1, 2014 and ending July 31, 2015.

Line Item	Quantities:		Units	Reserve Component Inventory	Estimated 1st Year of Event	Life Analysis, Years		Unit Cost, \$	2014 Cost per Phase, \$		Total Future Costs, \$	RUL = 0 FY2014														
	30-Year Total	Per Phase				Useful	Remaining		2015	2016		2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029		
Exterior Building Elements																										
1.050	15,000	6,000 Square Feet	Balconies, Concrete, Repairs and Waterproof Coating Applications	2016	10 to 15	2	16.00	80,000		204,053							82,084									57,103
1.106	8,400	1,800 Linear Feet	Balconies, Railings, Paint Finishes and Capital Repairs	2019	5 to 8	5	17.00	30,600		114,664																
1.106	1,800	1,800 Linear Feet	Balconies, Railings, Replacement	2026	10 to 60	12	80.00	144,000		168,142																
1.180	100	100 Each	Doors, Balconies	2043	45 to 55	29	5,300.00	530,000		770,814																
1.500	80	80 Squares	Roof, Modified Bitumen	2029	10 to 25	15	3,100.00	248,000		301,019																301,019
1.540	64,500	21,500 Linear Feet	Sealants, Windows, Doors and Control Joints, Phased	2022	10 to 20	8	6.00	129,000		491,014																
1.587	1,800	1,800 Square Feet	Seal, Ground Floor	2021	10 to 50	7	9.00	16,200		17,733																
1.660	33,000	11,000 Square Feet	Walls, Concrete, Inspections and Restorations	2022	10 to 15	8	5.50	104,500		337,789																
1.720	6	1 Allowance	Walls, Critical Examinations	2019	10 to 5	5	26,000.00	26,000		196,767																
1.820	69,000	23,000 Square Feet	Walls, Masonry, Inspections and Repairs	2022	8 to 12	8	3.80	87,400		382,670																
1.980	57,000	28,500 Square Feet	Windows (2014 Includes Remaining Design Fees)	2014	45 to 55	0	87.72	2,500,020		5,005,000																

Interior Building Elements																											
2.017	200	200 Each		Coats and Particles	2023	10 to 40	9	550.00	150,000		213,422																
2.023	200	200 Each		Doors, Knockers	2019	10 to 40	5	50.00	12,000		12,891						12,807										
2.100	2	2 Each		Elevator Cab Finishes	2028	10 to 20	14	15,000.00	30,000		35,946																35,946
2.200	4,800	1,000 Square Yards		Floor Coverings, Carpet, Hallways	2018	8 to 12	4	72.00	116,200		428,347					121,306											
2.520	2	1 Allowance		Kitchen Renovation	2020	10 to 20	6	18,000.00	18,000		44,634						18,450										
2.560	205	205 Each		Light Fixtures, Hallways	2030	10 to 30	18	125.00	25,875		44,111																
2.597	2	1 Allowance		Lobby Furniture, Interim	2016	10 to 16	2	10,000.00	10,000		23,548					10,262											
2.636	1	1 Allowance		Lobby Renovation	2026	10 to 20	12	64,000.00	64,000		74,730																
2.700	220	220 Each		Mailboxes	2028	10 to 35	14	160.00	35,200		42,177																
2.800	75,000	25,000 Square Feet		Paint Finishes, Hallways	2018	6 to 10	4	0.90	22,500		83,681					23,653											
2.820	2	2 Each		Fertl Finishes, Stairways (Including Railings?)	2031	15 to 20	17	9,400.00	18,800		23,416																
2.840	1	1 Allowance		Panry Room Renovation Complete	2028	10 to 20	12	68,000.00	38,000		79,400																
2.899	2	2 Each		Rest Rooms, Renovations Complete	2028	10 to 20	12	22,000.00	44,000		52,721																
2.900	4	2 Each		Rest Rooms, Renovations, Partial	2018	10 to 10	4	3,500.00	7,000		16,915																
2.980	72,000	24,000 Square Feet		Wall Coverings, Hallways	2018	10 to 15	4	4.00	96,000		356,995																

Building Services Elements																											
3.060	3	3 Each		Air Handling Units, Make-Up Air	2022	10 to 50	8	20,200.00	60,600		67,187								67,197								
3.070	4	2 Each		Air Handling and Concealing Units, Split Systems, Elevator Rooms	2026	15 to 20	12	7,700.00	16,400		40,670													17,982			
3.170	6	1 Allowance		Building Automation System HVAC Controller, Phased	2016	10 to 5	5	4,000.00	4,000		30,270								4,267								
3.280	2	1 Each		Chiller, 300-Tons, Capital Repairs	2017	10 to 10	3	49,500.00	49,500		110,006																
3.205	1	1 Each		Chiller, 300-Tons Replacement	2037	25 to 35	23	330,000.00	330,000		444,152																
3.280	1	1 Each		Cooling Tower, 300-Tons Capital Repairs	2020	10 to 15	9	44,400.00	44,700		48,302																

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Line Item	Quantities			Reserve Component Inventory	Estimated 1st Year of Event	Life Analysis		2014 Cost per Phase, \$	Total Future Cost, \$	RUL = 0 FY2014																	
	30 Year Total	Per Phase	Units			Useful Life, Years	Remaining Cost, \$			1	2	3	4	5	6	7	8	9	10	11	12	13	14	15			
3.285	1	1 Each		Cooling Tower 300-hpns. Replacement	2034	25 to 35	23	273,500.00	223,500	289,379																	
3.300	6	1 Allowance		Electrical System Inspections and Partial Replacements	2017	10 to 5	3	12,350.00	12,300	62,921									13,098								
3.360	3	3 Each		Elevators, Traction, Controls and Equipment	2043	10 to 35	29	430,000.00	646,000	850,806																	
3.480	300	150 Each		Fan Coil Units Phased	2035	10 to 30	27	6,580.00	826,000	2,178,191																	
3.460	4	2 Each		Heat Exchangers, Building Heat	2018	10 to 25	4	26,500.00	53,000	132,861																	
3.465	2	2 Each		Heat Exchangers, Domestic Water	2026	10 to 25	12	16,000.00	32,000	37,365																	
3.560	1	1 Allowance		Life Safety System (Control Panel and Emergency Devices)	2030	10 to 25	16	153,500.00	153,500	188,738																	
3.608	102	27 Each		Pipes, Riser Sections, Building Heating and Cooling, Return, Phased	2024	10 to 80+	10	2,700.00	72,900	386,509																	
3.606	664	144 Each		Pipes, Riser Sections, Waste and Vent, Partial	2029	10 to 80+	16	2,700.00	380,700	2,041,676																	
3.701	2	1 Each		Pumps, Building Cooling, 10-HP, Phased	2028	10 to 25	14	15,500.00	15,500	39,802																	
3.702	3	1 Each		Pumps, Building Heating, 10-HP, Phased	2018	10 to 25	4	15,500.00	15,500	56,731																	
3.703	2	1 Each		Pumps, Building Heating and Cooling, 10-HP Phased, Return	2031	10 to 25	17	15,500.00	15,500	40,168																	
3.704	2	1 Each		Pumps, Domestic Cold Water, 25-HP, Phased	2021	10 to 25	7	20,500.00	20,500	46,377																	
3.706	1	1 Each		Pump, Cooling Tower, 10-HP	2036	10 to 25	22	16,500.00	15,500	20,594																	
3.710	1	1 Each		Pump, Fire Suppression, 100-HP (Includes Controller)	2019	10 to 30	5	120,000.00	120,000	128,066																	
3.820	7	1 Allowance		Security System, Cameras, Phased	2014	10 to 15	0	46,000.00	16,500	86,510																	
3.827	2	1 Allowance		Telephone System	2029	10 to 15	15	3,800.00	3,800	10,210																	
3.878	5	1 Allowance		Trash Chute and Doors, Repairing	2018	10 to 65	5	4,000.00	4,000	24,377																	
3.880	28	28 Factors		Trash Chute and Doors, Replacement	2044	10 to 65	30	3,200.00	89,600	132,006																	
3.900	2	1 Each		Trash Compactor	2018	10 to 25	4	19,000.00	19,000	47,640																	

Property Site Elements

4.140	5.175	1,036 Square Feet	Concrete Pavement, Partial	2020	10 to 65	6		13.00	13,455	63,064																
4.245	750	750 Linear Feet	Fences, Metal	2037	10 to 30	23		64.00	48,000	64,504																
4.320	6	2 Each	Gate Operators	2017	10 to 10	3		6,600.00	13,200	47,101																
4.560	4	4 Each	Light Poles and Fixtures	2042	10 to 25	28		2,700.00	10,800	16,506																
4.840	1,500	600 Linear Feet	Perimeter Walls, Masonry, Inspection and Partial Repointing	2016	8 to 12	1		20.00	10,000	34,773																
4.630	8,500	8,500 Square Feet	Plaza Deck, Restoration (inc. Pool Stairs)	2020	25 to 35	6		65.00	552,500	697,020																
4.667	5,500	5,500 Square Feet	Plaza Deck, Brick Fire Lane and Circle Drive	2036	25 to 35	22		30.00	165,000	219,226																
4.951	6	1 Each	Vehicle, John Deere, Brush Replacement	2017	10 to 5	3		4,500.00	4,500	11,062																
4.957	3	1 Allowance	Vehicles, Maintenance, Phased	2023	10 to 20	9		20,000.00	20,000	77,116																

Pool Elements

6.600	6	1 Allowance	Mechanical Equipment, Phased	2016	10 to 15	2		6,250.00	6,250	46,500																
6.800	4,300	2,150 Square Feet	Pool Finish, Partial	2016	8 to 12	4		11.50	24,700	60,628																
6.900	2,150	2,150 Square Feet	Structive and Deck, Total Replacement	2029	10 to 30	15		140.00	301,300	366,349																

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Line Item	Quantities:		Units	Reserve Component Inventory	Estimated 1st Year of Event	Life Analysis, Years		Unit Cost, \$	2014 Cost		Total Future Costs, \$	RUL = 0 FY2014																											
	30 Year Total	Per Phase				Useful	Remaining		Per Phase, \$	2015		2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029														
Garage Elements																																							
7 300	77,320	38,660	Square Feet	Concrete Elevated Floors, Inspections and Capital Repairs	2024	10 to 15	10	2.80	107,800	267,753																													
7 360	1,920	960	Square Feet	Concrete, On-grade, Partial	2024	10 to 30	10	7.56	12,800	29,805																													
7 480	1	1	Allowance	Exhaust System (Fans and Carbon Monoxide Detectors)	204*	10 to 33	27	25,500.00	25,500	36,141																													
7 500	57,730	57,700	Square Feet	Fire Suppressor System	2026	10 to 60	12	4.80	230,850	289,494																													
7 800	110	110	Each	Light Fixtures	2041	10 to 30	27	200.00	22,000	31,180																													
7 860	80,000	40,000	Square Feet	Paint Finishes	2026	10 to 15	12	0.80	32,000	82,718																													
7 797	19,250	19,250	Square Feet	Traffic Coating, Elevated Floors, Partial Overlay	2024	10 to 15	10	4.70	90,475	102,949																													
7 800	38,500	38,500	Square Feet	Traffic Coating, Elevated Floors, Total Replacement	2037	10 to 15	23	5.20	200,200	269,452																													
7 900	2	2	Each	Unit Headers	2037	10 to 30	23	5,000.00	10,000	13,459																													
1				1 Allowance	Reserve Study Update with Site Visit				2016	2	2	4,950.00	4,950	4,950																									
				Anticipated Expenditures, By Year	\$19,917,449																			1,521,000	3,516,130	103,720	79,835	390,061	203,716	679,311	55,771	438,666	236,867	360,904	44,902	715,713	50,841	168,987	1,359,924

RESERVE FUNDING PLAN

CASH FLOW ANALYSIS
Regency House
Condominium Association, LTD

Milwaukee, Wisconsin		Individual Reserve Budgets & Cash Flows for the Next 30 Years															
		FY2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Reserves at Beginning of Year (Note 1)		2,706,784	4,353,979	1,174,087	1,409,499	1,896,654	1,710,228	1,920,371	1,665,876	2,040,881	2,040,340	2,249,116	2,340,074	2,755,182	2,506,047	2,888,212	3,202,239
Plus	Recommended Reserve Contributions	568,195	300,000	325,000	350,000	375,000	400,000	405,200	410,500	415,800	421,200	426,700	432,200	437,800	443,500	449,300	455,100
Plus	Window Assessment	2,600,000															
Total Recommended Reserve Contributions (Note 2)		3,168,195	300,000	325,000	350,000	375,000	400,000	405,200	410,500	415,800	421,200	426,700	432,200	437,800	443,500	449,300	455,100
Plus	Estimated Interest Earned, During Year (Note 3)	0	30,238	14,132	16,990	18,635	19,856	19,616	20,276	22,324	23,463	25,102	27,670	28,778	29,506	33,314	30,248
Less	Anticipated Expenditures, By Year	(1,521,000)	(3,510,130)	(103,720)	(79,835)	(380,067)	(209,716)	(678,311)	(65,771)	(438,665)	(235,887)	(360,904)	(44,902)	(715,713)	(90,841)	(168,587)	(1,359,924)
Anticipated Reserves at Year End		\$4,353,979	\$1,174,087	\$1,409,499	\$1,696,654	\$1,710,228	\$1,920,371	\$1,665,876	\$2,040,881	\$2,040,340	\$2,249,116	\$2,340,074	\$2,755,182	\$2,506,047	\$2,888,212	\$3,202,239	\$2,327,663

(continued)																
Individual Reserve Budgets & Cash Flows for the Next 30 Years, Continued																
	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	
Reserves at Beginning of Year	2,327,663	2,277,109	2,720,941	2,791,415	3,239,027	2,837,059	2,212,833	1,373,109	879,617	1,393,808	1,252,741	1,671,926	2,102,439	1,691,675	470,841	
Total Recommended Reserve Contributions	461,000	467,000	473,100	479,300	485,500	491,800	498,200	504,700	511,300	517,800	524,600	531,400	538,300	545,300	552,400	
Plus Estimated Interest Earned, During Year	25,188	27,339	30,152	32,966	33,236	27,622	19,615	12,322	12,435	14,476	15,998	20,645	20,753	11,829	4,006	
Less Anticipated Expenditures, By Year	(536,742)	(60,507)	(432,776)	(64,674)	(920,704)	(1,143,648)	(1,357,539)	(1,010,514)	(9,544)	(673,443)	(121,413)	(121,532)	(969,817)	(1,777,963)	(755,364)	
Anticipated Reserves at Year End	\$2,277,109	\$2,720,941	\$2,791,415	\$3,239,027	\$2,837,059	\$2,212,833	\$1,373,109	\$879,617	\$1,393,808	\$1,252,741	\$1,671,926	\$2,102,439	\$1,691,675	\$470,841	\$261,895	
(NOTES 44-5)																

(NOTES 4&5)

Explanatory Notes:

- 1) Year 2014 ending reserves are as of December 31, 2014. FY2014 starts August 1, 2014 and ends July 31, 2015.
- 2) 2015 is the first year of recommended contributions.
- 3) 1.1% is the estimated annual rate of return on invested reserves
- 4) Accumulated year 2044 ending reserves consider the age, size, overall condition and complexity of the property.
- 5) Threshold Funding Year (reserve balance at critical point).