BEACH COLONY RESORT ON NAVARRE, WEST, CONDOMINIUM ASSOCIATION, INC. (BCW)

As of December 31, 2026 and for the Calendar Year Then Ending

2026 APPROVED BUDGET

BCW
2026 Budget Takeaways **(Calendar Year Ending 12/31/26)**
($ in 000's)

Key Takeaways

1 ***2025***

- -Forecasting favorable earnings vs budget
- -Elevator Modernization paused to assess potential for "above-shaft" solution through machine room expansion
- -Insurance renewal--$105.2 favorable impact on 2025 Operating Expense vs budget
- -Completed unscheduled balcony railing and spalling repairs identified in mandated balcony inspection report--funded thru reserves
- -Reserve fund repairs recognized as expense to the extent of reserve fund equity (budget assumed only to extent of interest income)
- -Non-SIRS reserve study updated and resulted in slightly higher on-going funding rate for 2026 and beyond
- -2025 R&M costs included: $4.0 unbudgeted statutory balcony inspections; $6.2 for repair of water leak in 7C/D; $3.6 for sheetrock repair in D stack; $2.1 for storm drain clean-out (removed 1,000 gals of water); $7.8 for new elevator thresholds; $0.9 new security cameras; $8.4 domestic water pump repair; $2.8 generator repair
- -Completed Fire Safety system replacement
- -Completed $420.0 Elevator Car Door and Hatch Door repair project in 2025 from reserve funds
- -Interest on reserve funds averaged 3.4% on higher investments due to elevator modernization project delay

2 ***2026***

Opportunities:

- -Budgeting a **22% decrease** in property insurance renewal premium in May--used high end of range from insurance broker
- -Utilities budgeted up 4%; CPA/Legal up 3%; maint./janitorial up 10%; management up 20% to add more hours-all vs 2025 forecast
- -$50.0 is included in reserve fund for expected generator wall repair

Risks:

- -Elevator Modernization project may not start till 2027
- -Insurance may exceed anticipated amounts
- -Balcony spalling repair/railing work may increase expenses--$119.0 included in reserves; current amount increased to $320.0

3 ***Other--Drivers of 2026 Budget Assessment net decrease Versus 2025 Budget :***

-8.6%	Insurance expense decrease--due to lower 2025 renewal and expected decrease from 25 on 26 renewal
1.9%	Regular assessments--Increase due to 25-26 non-SIRS Reserve Study update
-22.9%	Decrease in reserve funding due to 2025 special assessment for elevator modernization project ($554.0) not reoccuring
0.5%	Personnel/contracts expense inflationary increases
0.7%	Increase in common area expense--return to historic levels of R&M
-0.1%	Decrease in administrative expense
0.2%	Increase in budgeted 2026 operating income compared to 2025 budgeted operating loss
-1.6%	Utilities lower, based on 2025 actual expense
-0.3%	Other-net,rounding
-30.1%	Net decrease in Owner Assessments

BCW
2026 Budget
Owner Assessments
Calendar Year Ending 12/31

	TOTAL ASSESSMENTS											
	2026 B			**2025 B**			**2024 A/B**			**2023 A/B**		
	Op Fund	*Reserve Fund*	*Total*	*Op Fund*	*Reserve Fund*	*Total*	*Op Fund*	*Reserve Fund*	*Total*	*Op Fund*	*Reserve Fund*	*Total*
Budget Revenues:												
Assessments	**$ 1,191.4**	**$ 502.2**	**$ 1,693.6**	**$ 1,414.5**	**$ 455.0**	**$ 1,869.5**	$ 1,560.8	$ 293.7	$ 1,854.5	$ 1,400.1	$ 293.7	$ 1,693.8
	-11.9%	2.5%	-9.4%	-7.9%	8.7%	0.8%	9.5%	0.0%	9.5%	44.4%	4.3%	48.7%
Special Assessment	$ -	$ -	$ -	$ -	**$ 554.0**	**$ 554.0**	$ -	$ -	$ -	$ -	$ -	$ -
Total Assessments	**$ 1,191.4**	**$ 502.2**	**$ 1,693.6**	**$ 1,414.5**	**$ 1,009.0**	**$ 2,423.5**	$ 1,560.8	$ 293.7	$ 1,854.5	$ 1,400.1	$ 293.7	$ 1,693.8
Performance obligations released (deferred) (A)	$ -	**$ (502.2)**	**$ (502.2)**	$ -	**$ (1,009.0)**	**$ (1,009.0)**	$ -	$ (293.7)	$ (293.7)	$ -	$ (293.7)	$ (293.7)
Total Assessment Revenue	**$ 1,191.4**	$ -	**$ 1,191.4**	**$ 1,414.5**	$ -	**$ 1,414.5**	$ 1,560.8	$ -	$ 1,560.8	$ 1,400.1	$ -	$ 1,400.1
Actual/Forecast Revenues:												
Assessments	**$ 1,191.4**	**$ 502.2**	**$ 1,693.6**	**$ 1,414.5**	**$ 1,009.0**	**$ 2,423.5**	$ 1,560.8	$ 293.7	$ 1,854.5	$ 1,400.1	$ 293.7	$ 1,693.8
							$ -	$ -	$ -			
Performance obligations released (deferred)	$ -	$ (502.2)	$ (502.2)	$ -	$ (1,009.0)	$ (1,009.0)	$ -	$ (293.7)	$ (293.7)	$ -	$ (293.7)	$ (293.7)
Total Assessment Revenue	**$ 1,191.4**	$ -	**$ 1,191.4**	**$ 1,414.5**	$ -	**$ 1,414.5**	$ 1,560.8	$ -	$ 1,560.8	$ 1,400.1	$ -	$ 1,400.1

(A) *Note that under recent accounting revenue recognition standards, Reserve Assessments are deferred and recorded as a "Performance Obligation" upon receipt and not recognized as "Revenue" for financial reporting purposes until the related performance obligation (spending of related reserve dollars) is incurred.*

Unit Assessment Budgets:		**UNIT ASSESSMENT BUDGETS**															
		2026 B				**2025 B** (inc spec assess)				**2024 A/B**				**2023 A/B**			
		Quarterly	Annual	Change		Quarterly	Annual	Change		Quarterly	Annual	Change		Quarterly	Annual	Change*	
	#	Per Unit	Total	$	%	Per Unit	Total	$	%	Per Unit	Total	$	%	Per Unit	Total	$	%
			(000's)				(000's)				(000's)				(000's)		
A&F units	31	$ 4,003	$ 496.4	$ (213.9)		$ 5,728	$ 710.3	$ 166.8		$ 4,384	$ 543.6	$ 47.2		$ 4,003	$ 496.4	$ 134.3	
B&E units	38	$ 3,380	$ 513.8	$ (221.4)		$ 4,837	$ 735.3	$ 172.6		$ 3,701	$ 562.6	$ 48.8		$ 3,380	$ 513.8	$ 139.0	
C&D units	38	$ 3,800	$ 577.5	$ (248.9)		$ 5,437	$ 826.4	$ 194.0		$ 4,161	$ 632.4	$ 54.9		$ 3,800	$ 577.5	$ 156.3	
PHA & PHF units	6	$ 4,410	$ 105.9	$ (45.6)		$ 6,311	$ 151.5	$ 35.6		$ 4,830	$ 115.9	$ 10.1		$ 4,411	$ 105.9	$ 28.6	
Totals	113		$ 1,693.6	$ (729.9)	-30.1%		$ 2,423.5	$ 569.0	30.7%		$ 1,854.5	$ 160.9	9.5%		$ 1,693.6	$ 458.3	37.1%

*** 23 budget vs 22 budget + special assessment.**

		2025 SPECIAL ASSESSMENT (inc above)		
		Quarterly	Annual Amount	
	#	Per Unit	$	%
			(000's)	
A&F units	31	$ 1,310	$ 162.4	
B&E units	38	$ 1,106	$ 168.1	
C&D units	38	$ 1,243	$ 188.9	
PHA & PHF units	6	$ 1,443	$ 34.6	
Total	113		$ 554.0	29.9%
Annual Assessment w/o special				0.8%

Calendar Year Ending 12/31

	Budget				Actuals/Forecast		
	Approved 2026 B	Approved 2025 B	Approved 2024 B	Approved 2023	Forecast 2025	Actual 2024	Actual 2023
					($ in thousands)		
Revenue:							
Assessment fees-Operating/Special	$ 1,191.4	$ 1,414.5	$ 1,560.8	$ 1,400.1	$ 1,414.4	$ 1,560.8	$ 1,400.0
Special Assessment fees-elevator	$ -	$ 554.0	$ -	$ -	$ 554.0	$ -	$ -
Assessment fee revenue-Reserve & SIRS	$ 502.2	$ 455.0	$ 293.7	$ 293.7	$ 455.0	$ 293.7	$ 293.7
Total Assessments	$ 1,693.6	$ 2,423.5	$ 1,854.5	$ 1,693.8	$ 2,423.4	$ 1,854.5	$ 1,693.7
Deferred assessment fee Revenue-Reserve	$ (502.2)	$ (1,009.0)	$ (293.7)	$ (293.7)	$ (1,009.0)	$ (293.7)	$ (293.7)
Bad debt recovery/Unrealized G/L					$ -	$ -	$ -
Beach service income	$ 31.7	$ 31.6	$ 24.4	$ 24.7	$ 31.7	$ 24.9	$ 28.8
Interest-Operating	$ 14.9	$ 16.8	$ 14.6	$ -	$ 15.1	$ 14.7	$ 11.3
Interest-Reserve Funds	$ 75.3	$ 48.0	$ 53.5	$ -	$ 62.9	$ 53.1	$ 35.7
Late fees	$ 1.3	$ 1.2	$ 0.7		$ 4.2	$ 9.2	$ 4.5
Insurance Proceeds					$ -	$ -	$ -
Miscellaneous-Operating	$ 0.0	$ -	$ 0.4	$ 1.1	$ 0.1	$ 0.4	$ 0.4
Miscellaneous-Reserve	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Revenue	$ 1,314.6	$ 1,512.1	$ 1,654.3	$ 1,425.9	$ 1,528.5	$ 1,663.1	$ 1,480.7
Expenses:							
Administrative	$ 29.2	$ 26.5	$ 30.6	$ 27.4	$ 31.1	$ 32.4	$ 23.5
Common area	$ 57.0	$ 39.5	$ 85.5	$ 81.7	$ 40.0	$ 24.8	$ 25.3
Insurance	$ 493.9	$ 702.5	$ 878.0	$ 633.9	$ 597.3	$ 688.1	$ 659.8
Maintenance & repairs--Operating	$ 112.6	$ 114.5	$ 96.3	$ 102.8	$ 105.4	$ 140.4	$ 61.7
Maintenance & repairs--Reserve Funds	$ 75.3	$ 48.0	$ -	$ -	$ 195.6	$ 209.7	$ 4.1
Personnel/Contracts	$ 257.9	$ 246.7	$ 224.1	$ 215.1	$ 249.4	$ 240.2	$ 230.1
Security	$ 11.7	$ 23.2	$ 23.3	$ 14.8	$ 11.2	$ 13.7	$ 19.5
Transfer to Reserve Funds	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Utilities	$ 321.7	$ 361.1	$ 351.8	$ 350.2	$ 310.7	$ 316.0	$ 316.1
Total Expenses	$ 1,359.4	$ 1,562.1	$ 1,689.6	$ 1,425.9	$ 1,540.6	$ 1,665.4	$ 1,340.1
	$ (44.8)	$ (50.0)	$ (35.3)	$ (0.0)			
Excess (deficit) of revenue over expenses:							
Operating	$ (44.8)	$ (50.0)	$ (88.7)	$ (0.0)	$ 120.6	$ 154.3	$ 109.0
Reserve	$ -	$ -	$ 53.5	$ -	$ (132.7)	$ (156.6)	$ 31.5
Total	$ (44.8)	$ (50.0)	$ (35.3)	$ (0.0)	$ (12.1)	$ (2.2)	$ 140.6
Transfer from Op to Reserve Equity					$ -	$ 250.0	
Beginning fund balance:							
Operating	$ 271.0	$ 150.4	$ 246.1	$ 116.9	$ 150.4	$ 246.1	$ 137.0
Reserve	$ (0.1)	$ 132.6	$ 39.2	$ 0.0	$ 132.6	$ 39.2	$ 7.7
Total	$ 271.0	$ 283.0	$ 285.3	$ 116.9	$ 283.0	$ 285.3	$ 144.7
Ending fund balance:							
Operating	$ 226.3	$ 100.4	$ 157.3	$ 116.9	$ 271.0	$ 150.4	$ 246.1
Reserve	$ (0.1)	$ 132.6	$ 92.7	$ 0.0	$ (0.1)	$ 132.6	$ 39.2
Total	$ 226.2	$ 233.0	$ 250.0	$ 116.9	$ 271.0	$ 283.0	$ 285.3

BCW Balance Sheets
2026 Budget
($ in 000's)

(12 months ending 12/31)	Budget 2026	Budget Inc (Dec)	Budget %	Budget 2025	Fcst 2025	Actual 2024	Actual 2023
ASSETS							
Checking--operating	$ 349.1	$ 206.6	145.0%	$ 142.5	$ 367.7	$ 302.0	$ 361.7
Operating investment-Morgan Stanley	$ 0.8	$ -	0.0%	$ 0.8	$ 0.7	$ -	$ 0.8
Petty cash	$ -	$ -			$ -	$ -	$ -
Cash--reserve	$ 5.0	$ -	0.0%	$ 5.0	$ 5.0	$ 71.5	$ 5.1
Investments--reserve	$ 1,800.0	$ 800.1	80.0%	$ 999.9	$ 1,919.8	$ 1,410.6	$ 1,089.9
Accounts receivable	$ 5.4	$ (15.7)	-74.4%	$ 21.1	$ 12.2	$ -	$ -
Other receivables	$ 0.8	$ (2.7)	-77.1%	$ 3.5	$ 0.8	$ 0.8	$ 22.3
Prepaid expenses	$ 174.2	$ (90.7)	-34.2%	$ 264.9	$ 210.5	$ 238.9	$ 267.3
Inter-fund balances-operating	$ -	$ -		$ -	$ -	$ -	$ -
Inter-fund balances-reserve	$ -	$ -	0.0%	$ -	$ -	$ -	$ -
TOTAL ASSETS	$ 2,335.3	$ 897.6	62.4%	$ 1,437.7	$ 2,516.7	$ 2,023.8	$ 1,747.1
LIABILITIES, DEFERRED REVENUE & EQUITY							
LIABILITIES							
Accounts payable	$ 20.7	$ 2.6	14.4%	$ 18.1	$ 3.1	$ 37.2	$ 24.0
Accrued liabilities	$ 1.7	$ 1.6	nm	$ 0.1	$ 0.1	$ 1.3	$ 1.1
Insurance note payable	$ 138.1	$ (86.8)	-38.6%	$ 224.9	$ 174.2	$ 188.5	$ 238.2
Total Payables	$ 160.5	$ (82.6)	-34.0%	$ 243.1	$ 177.4	$ 227.0	$ 263.3
		$ -					
DEFERRED REVENUE		$ -					
Prepaid assessments	$ 142.8	$ -	0.0%	$ 142.8	$ 142.8	$ 164.3	$ 142.8
Deferred assessments	$ -	$ -	0.0%	$ -	$ -	$ -	$ -
Total Deferred Revenue	$ 142.8	$ -	0.0%	$ 142.8	$ 142.8	$ 164.3	$ 142.8
RESERVE LIABILITIES							
Reserve Contract Liabilities-Beginning of Year	$ 1,324.0	$ 690.9	109.1%	$ 633.1	$ 1,349.4	$ 1,055.7	$ 762.0
Provision & transfer from Op Fund	$ 187.2	$ (506.8)	-73.0%	$ 694.0	$ 694.0	$ 293.7	$ 293.7
Transfer to SIRS	$ -	$ -		$ -	$ (597.1)	$ -	$ -
Interest on reserves	$ 45.4				$ 35.1	$ -	$ -
Expenditures	$ (671.5)	$ 519.8	-43.6%	$ (1,191.3)	$ (157.4)	$ -	$ -
Reserve Contract Liabilities-End of Year	$ 885.1	$ 749.3	551.8%	$ 135.8	$ 1,324.0	$ 1,349.4	$ 1,055.7
SIRS-Beginning of Year	$ 600.8	$ 600.8		$ -	$ -	$ -	$ -
SIRS provision	$ 315.0	$ -		$ 315.0	$ 315.0	$ -	$ -
Transfer from Reserve Fund	$ -	$ (597.1)		$ 597.1	$ 597.1	$ -	$ -
Interest on reserves	$ 29.8	$ (6.7)	-18.3%	$ 36.5	$ 27.8	$ -	$ -
Expenditures	$ (25.8)	$ 93.1	-78.3%	$ (118.8)	$ (339.1)	$ -	$ -
SIRS-End of Year	$ 919.9	$ 90.1	10.9%	$ 829.8	$ 600.8	$ -	$ -
Total Reserve Liabilities	$ 1,805.0	$ 839.4	86.9%	$ 965.6	$ 1,924.8	$ 1,349.4	$ 1,055.7
TOTAL LIABILITIES & DEFERRED REVENUE	$ 2,108.3	$ 756.8	56.0%	$ 1,351.5	$ 2,245.0	$ 1,740.7	$ 1,461.8
EQUITY		$ -					
Operating	$ 226.2	$ 179.4	383.2%	$ 46.8	$ 271.0	$ 150.4	$ 246.0
Reserve	$ 0.8	$ (38.6)	-98.1%	$ 39.3	$ 0.8	$ 132.7	$ 39.3
TOTAL EQUITY	$ 227.0	$ 140.9	163.6%	$ 86.1	$ 271.7	$ 283.1	$ 285.3
TOTAL LIABILITIES,DEFERRED REVENUE & EQUITY	$ 2,335.3	$ 897.7	62.4%	$ 1,437.6	$ 2,516.7	$ 2,023.8	$ 1,747.1

BCW--2026 Budget

Detailed Income Statements (Calendar Year Ending 12/31)

	2024 Final	2025 Budget	2025 Fcst	2026 Budget
Income				
REVENUE				
Assessment Income	$ 1,560,842	$ 1,414,500	$ 1,414,421	$ 1,191,396
Reserve Fund Interest Income	$ 53,117	$ 48,000	$ 62,904	$ 75,259
Reserve Fund Expenses	$ -	$ (48,000)	$ (195,628)	$ (75,259)
Special Assessment		$ 554,000	$ 554,000	$ -
Reserve Assessment Income (Reg & Spec)	$ 293,700	$ 455,000	$ 455,000	$ 502,200
Total REVENUE	$ 1,907,659	$ 2,423,500	$ 2,290,697	$ 1,693,596
OTHER REVENUE	$ -	$ -	$ -	$ -
Late Fee Income + cable assess	$ 1,275	$ 1,200	$ 1,301	$ 1,301
Interest Income-Owner's Fees	$ 7,946	$ 4,800	$ 2,919	$ 2,919
Interest - Operating	$ 14,679	$ 12,000	$ 15,092	$ 12,000
Miscellaneous Income	$ 46	$ -	$ 45	$ 45
Wristbands/Gates	$ 243	$ -	$ 97	$ 20
Beach Service	$ 24,902	$ 31,620	$ 31,709	$ 31,709
Sales Tax Discount/Fed tax exp	$ 65	$ -	$ -	$ -
Total OTHER REVENUE	$ 49,155	$ 49,620	$ 51,163	$ 47,994
Total Operating Income	$ 1,956,815	$ 2,473,120	$ 2,341,860	$ 1,741,590
Expense	$ -	$ -	$ -	$ -
ADMINISTRATIVE	$ -	$ -	$ -	$ -
CPA Fees	$ 12,750	$ 13,133	$ 12,650	$ 13,150
Legal Fees	$ 4,789	$ 2,226	$ 3,196	$ 3,196
Profess Fees/Res Study/SIRS study	$ 7,130	$ 3,620	$ 3,575	$ 1,500
Bank Fees	$ 321	$ 75	$ 448	$ 288
License, Taxes, Permits	$ 1,018	$ 768	$ 1,231	$ 1,231
Income Tax Expense	$ 2,457	$ -	$ 3,000	$ 3,000
Office Expense	$ 186	$ 1,556	$ 1,263	$ 1,256
Printing/Postage	$ 1,249	$ 2,661	$ 2,992	$ 2,883
Copy Lease	$ 1,132	$ -	$ 412	$ 412
Misc Expense xmas bonus (old ar w/0)	$ 206	$ 2,217	$ 2,011	$ 2,011
Other Administrative	$ 1,191	$ 276	$ 275	$ 275
Total ADMINISTRATIVE	$ 32,429	$ 26,531	$ 31,053	$ 29,202
INSURANCE	$ -	$ -	$ -	$ -
Insurance	$ 669,039	$ 681,662	$ 582,728	$ 482,487
Finance Charge	$ 19,064	$ 20,883	$ 14,524	$ 11,452
Total INSURANCE	$ 688,103	$ 702,544	$ 597,252	$ 493,940
UTILITIES	$ -	$ -	$ -	$ -
Cable/internet	$ 95,873	$ 97,989	$ 95,389	$ 99,600
Electricity	$ 36,686	$ 47,272	$ 38,151	$ 39,296
Water	$ 66,735	$ 77,609	$ 66,508	$ 68,503
Sewer	$ 71,818	$ 81,333	$ 77,878	$ 80,214
Trash	$ 32,302	$ 41,109	$ 20,836	$ 21,461
Telephone	$ 12,609	$ 15,835	$ 11,979	$ 12,578
Total UTILITIES	$ 316,023	$ 361,146	$ 310,741	$ 321,652
CONTRACTS	$ -	$ -	$ -	$ -
Management & Accounting	$ 42,928	$ 51,898	$ 51,222	$ 51,600
Maint and Janitorial Contract	$ 154,630	$ 162,205	$ 163,073	$ 171,227
Elevator Contract	$ 23,619	$ 17,938	$ 20,199	$ 20,199
Fire System	$ 19,022	$ 14,665	$ 14,895	$ 14,895
Total CONTRACTS	$ 240,199	$ 246,706	$ 249,389	$ 257,921
COMMON AREA	$ -	$ -	$ -	$ 807
Grounds Maintenance	$ 15,530	$ 32,704	$ 25,951	$ 42,000
Generator Wall Repair	$ -	$ 200	$ -	$ -
Window washing/Landscaping in 24	$ 426	$ 1,211	$ 7,880	$ 7,880
Security Services	$ 13,665	$ 23,214	$ 11,185	$ 11,744
Recreational Amenities	$ 699	$ 3,322	$ 4,710	$ 4,710
Security System/Gate Maintenance	$ 8,175	$ 2,074	$ 1,440	$ 2,450
Total COMMON AREA	$ 38,495	$ 62,725	$ 51,166	$ 68,784
REPAIRS AND MAINTENANCE	$ -	$ -	$ -	$ -
Building Maintenance	$ 74,422	$ 23,001	$ 35,544	$ 38,300
Pool Maintenance	$ 18,781	$ 36,504	$ 24,368	$ 24,368
Ext Light (locks & keys & lug carts in 24A)	$ 3,478	$ 3,956	$ 3,547	$ 3,547
Generator/HVAC repairs 7/23 & 4/24	$ 8,182	$ 2,222	$ 3,967	$ 3,967
Elevator Repairs	$ 17,519	$ 21,531	$ 14,212	$ 18,712
General Maintenance	$ 8,945	$ 12,124	$ 10,842	$ 10,842
Building Maint Supplies	$ 4,259	$ 6,857	$ 3,000	$ 3,000
Janitorial Supplies	$ 2,351	$ 6,182	$ 8,015	$ 8,015
Pest Control/irrigation repairs 24	$ 2,465	$ 2,090	$ 1,857	$ 1,858
Total REPAIRS AND MAINTENANCE	$ 140,402	$ 114,467	$ 105,352	$ 112,609
RESERVE TRANSFERS	$ -	$ -	$ -	$ -
Transfer from Op to Reserve Funds	$ -	$ -	$ -	$ -
Reserves	$ 503,406	$ 1,009,000	$ 1,009,000	$ 502,200
Total RESERVE TRANSFERS	$ 503,406	$ 1,009,000	$ 1,009,000	$ 502,200
Total Operating Expense	$ 1,959,056	$ 2,523,120	$ 2,353,953	$ 1,786,307
NOI - Net Operating Income	$ (2,242)	$ (50,000)	$ (12,093)	$ (44,717)
Op Fund	$ 154,347	$ (50,000)	$ 120,631	$ (44,717)
Res Fund	$ (156,589)	$ -	$ (132,724)	$ -
Net	$ (2,242)	$ (50,000)	$ (12,093)	$ (44,717)

Beach Colony Resort on Navarre, West, Condominium Association, Inc.

Supplementary Information on Future Major Repairs and Replacements: 12/31/2026

In 2024 the Association engaged a third-party firm to prepare a Structural Integrity Reserve Study ("SIRS") which was implemented for the 2025 budget year. The SIRS section of the following table is based on this SIRS. The non-structural items are based on a professional reserve study ("RS") obtained in 2025.

Component		Estimated Replacement Cost	Estimated Remaining Useful Life (Years)	Fully Funded Reserve Balance at 12/31/2026
RS non-structural pooled items				
Building Exteriors				
Railings/Handrails		$ 888.3	23.4	
Trash Chute		$ 77.9	23.4	
Trash Chute Doors		$ 12.7	5.4	
Garage Stairs/Handrails		$ 24.9	23.4	
Walkways/Lanais Resurfacing		$ -		
		$ 1,003.8		
Common Area Interiors				
Generator Wall Repair	(a)	$ 50.0	1.0	
Social room/kitchen/restrooms		$ 39.6	3.4	
Elevator Cab Interiors		$ 48.0	3.4	
		$ 137.6		
Dune Crossover				
Dune Crossover/Walkway (50%)		$ 101.5	13.4	
		$ 101.5		
Mechanical/Electrical				
Elevator Mechanical Modern		$ 1,824.2	18.7	
Generator/Equipment (50%)		$ 72.2	23.4	
Pool Equipment Allow (50%)		$ 12.5	3.4	
Lighting, Parking Deck/Tennis		$ 44.4	3.4	
		$ 1,953.3		
Painting Stairway Interiors				
Paint stairway interiors		$ 37.2	7.4	
		$ 37.2		
Pavement				
Asphalt Paving (50%)		$ 51.5	3.4	
Pavers, Parking/Drives		$ 20.9	8.4	
		$ 72.4		
Pool				
Pool Decking (50%)		$ 30.5	10.0	
Deck furniture (50%)		$ 25.5	11.0	
Pool Fencing & Gates (50%)		$ 18.2	8.0	
Pool Interiors Resurfacing (50%)		$ 59.7	8.0	
		$ 133.9		
Site Improvements-Gates/Fencing				
Access Gates/Fencing/Operators (50%)		$ 15.7	16.4	
		$ 15.7		
Tennis Court				
Tennis Court Fencing & Gates		$ 34.9	15.9	
Tennis Court Resurfacing		$ 55.9	7.0	
		$ 90.8		
Total non-structural items		$ 3,546.2		$ 885.2

Beach Colony Resort on Navarre, West, Condominium Association, Inc.

Supplementary Information on Future Major Repairs and Replacements: 12/31/2026

Component		Estimated Replacement Cost		Estimated Remaining Useful Life (Years)	Fully Funded Reserve Balance at 12/31/2026	
SIRS						
Building Exteriors-Doors/Windows						
Doors/Frames, Exterior		$	571.5	15		
Window Replacement		$	665.0	17		
Walkways/Lanais Resurfacing	(b)	$	320.0	14		
		$	1,556.5			
Mechanical/Electrical						
Domestic Water Pumps/Equip		$	25.0	1		
Fire Alarm System Modern		$	615.6	29		
Fire Pump/Equipment (50%)		$	57.0	14		
Fire Control Panel	(c)	$	77.8	15		
Life Safety System		$	205.1	5		
Fire stand & pipe system		$	209.0	3		
		$	1,189.5			
Painting & Waterproofing						
Paint/Waterproof Bldg. Exteriors		$	1,083.0	5		
		$	1,083.0			
Roofing						
Roofing, Flat/Membrane		$	378.0	4		
Roofing, Metal		$	187.5	14		
Roofing repair/drainlines		$	40.0	14		
Roofing, Skylights		$	344.0	10		
		$	949.5			
Total SIRS items		$	4,778.5		$	919.9
Grand Totals		$	8,324.7		$	1,805.1

(a) Not included in 2026 RS.

(b) Current estimate for 2025 repairs, original per SIRS was $119.0

(c) Current estimate for 2025 repairs, original per SIRS was $60.0