

HOW ENGAGEMENT LEADS TO MORE ACTIONABLE RESERVE STUDIES



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While it's common for boards to find reserve studies initially complex, reserve study firms must provide clarity through tailored support.

PROPERTY BACKGROUND

- 36-story high rise condominium association with adjoining garage association
- First reserve study completed in 2022
- Seeking an improved solution, the board switched reserve study providers in 2025



CHALLENGE

By 2025, the association was over 20 years old and was approaching a critical juncture. With several large-scale projects coming in the next ten years, management recognized the need for an updated reserve study to drive future budget decisions. However, the board had lingering concerns surrounding reserve studies, as the initial 2022 study:

- Misclassified assets between the condo and garage associations
- Underestimated a major roofing project by \$360,000
- Failed to provide post-study support

NEXT STEPS

Because the previous provider left the board unable to effectively use their reserve study, the board focused on finding a firm that would both avoid the previous study's shortcomings and provide proper support. In 2025, the board chose to begin a partnership with Reserve Advisors.

THE SOLUTION

Upon beginning our partnership, Reserve Advisors worked closely with the board to understand its past reserve study challenges, allowing us to mold our process and ongoing support to their specific needs. Our engineer worked alongside the board and management to ensure the accurate allocation of assets between the condo and garage associations, ultimately assigning 50% ownership to each.

Because the condo's roofing project was significantly undervalued in the previous study, we ensured a proper scope of future work and educated the board on methodology for forecasting future project timing and costs. Rather than expecting the board to navigate their report independently, we worked with management to develop a personalized presentation of the report's findings, which included:

- Detailing near-term capital-intensive projects
- Explained how the recommended funding plan was created to support near and long-term needs
- Provided a framework for how to utilize the report in annual budgeting decisions

EDUCATION, CLARITY, AND COLLABORATION

By educating and collaborating with management and the board, we were able to provide clarity on the true cost of ownership of both the condo and the garage association's common assets, leaving the board feeling comfortable with their funding plan and confident in their ability to utilize the study.



RESULTS

- Entered the next budgeting cycle with a clear understanding of asset allocation and funding needs
- Armed with a realistic, actionable funding plan
- Gained a renewed confidence in reserve studies and their ability to utilize them



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