Plaza Condominiums
11 Snowmass Road
Mt. Crested Butte, CO 81225

Level 1 Reserve Analysis

Report Period – 01/01/11 – 12/31/11

Client Reference Number - 8235
Property Type – Condominiums
Number of Units – 63
Fiscal Year End – April 30

Final Version

Date of Property Observation - **July 15, 2010**
Project Manager - **Steve Kelsen**
Main Contact Person - **Mr. Eli Haine, Community Manager**

Report was prepared on - **Tuesday, August 24, 2010**

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Introduction to the Reserve Analysis –

The elected officials of this association made a wise decision to invest in a Reserve Analysis to get a better understanding of the status of the Reserve funds. This Analysis will be a valuable tool to assist the Board of Directors in making the decision to which the dues are derived. Typically, the Reserve contribution makes up 15% - 40% of the association's total budget. Therefore, Reserves is considered to be a significant part of the overall monthly association payment.

Every association conducts its business within a budget. There are typically two main parts to this budget, Operating and Reserves. The Operating budget includes all expenses that are fixed on an annual basis. These would include management fees, maintenance fees, utilities, etc. The Reserves is primarily made up of Capital Replacement items such as asphalt, roofing, fencing, mechanical equipment, etc., that do not normally occur on an annual basis.

The Reserve Analysis is also broken down into two different parts, the Physical Analysis and the Financial Analysis. The Physical Analysis is information regarding the physical status and replacement cost of major common area components that the association is responsible to maintain. It is important to understand that while the Component Inventory will remain relatively "stable" from year to year, the Condition Assessment and Life/Valuation Estimates will most likely vary from year to year. You can find this information in the ***Asset Inventory Section*** (Section 2) of this Reserve Analysis. The ***Financial Analysis Section*** is the evaluation of the association's Reserve balance, income, and expenses. This is made up of a finding of the clients current Reserve Fund Status (measured as Percent Funded) and a recommendation for an appropriate Reserve Allocation rate (also known as the Funding Plan). You can find this information in Section 3 (pages 1 – 13) of this Reserve Analysis.

The purpose of this Reserve Analysis is to provide an educated estimate as to what the Reserve Allocation needs to be. The detailed schedules will serve as an advanced warning that major projects will need to be addressed in the future. This will allow the Board of Directors to have ample timing to obtain competitive estimates and bids that will result in cost savings to the individual homeowners. This will also ensure the physical well being of the property and ultimately enhance each owner's investment, while limiting the possibility of unexpected major projects that may lead to Special Assessments.

It is important for the client, homeowners, and potential future homeowners to understand that the information contained in this analysis is based on estimates and assumptions gathered from various sources. Estimated life expectancies and cycles are based upon conditions that were readily visible and accessible at time of the observation. No destructive or intrusive methods (such as entering the walls to inspect the condition of electrical wiring, plumbing lines, and telephone wires) were performed. In addition, environmental hazards (such as lead paint, asbestos, radon, etc.), construction defects, and acts of nature have not been investigated in the preparation of this report. If problem areas were revealed, a reasonable effort has been made to include these items within the report. While every effort has been made to ensure accurate results, this report reflects the judgement of Aspen Reserve Specialties and should not be construed as a guarantee or assurance of predicting future events.

General Information and Answers to Frequently Asked Questions –

Why is it important to perform a Reserve Study?

As previously mentioned, the Reserve allocation makes up a significant portion of the total monthly dues. This report provides the essential information that is needed to guide the Board of Directors in establishing the budget in order to run the daily operations of your association. It is suggested that a third party professionally prepare a Reserve Study since there is no vested interest in the property. Also, a professional knows what to look for and how to properly develop an accurate and reliable component list.

Now that we have "it", what do we do with "it"?

Hopefully, you will not look at this report and think it is too cumbersome to understand. Our intention is to make this Reserve Analysis very easy to read and understand. Please take the time to review it carefully and make sure the "main ingredients" (asset information) are complete and accurate. If there are any inaccuracies, please inform us immediately so we may revise the report.

Once you feel the report is an accurate tool to work from, use it to help establish your budget for the upcoming fiscal year. The Reserve allocation makes up a significant portion of the total monthly dues and this report should help you determine the correct amount of money to go into the Reserve fund. Additionally, the Reserve Study should act as a guide to obtain proposals in advance of pending normal maintenance and replacement projects. This will give you an opportunity to shop around for the best price available.

The Reserve Study should be readily available for Real Estate agents, brokerage firms, and lending institutions for potential future homeowners. As the importance of Reserves becomes more of a household term, people are requesting homeowners associations to reveal the strength of the Reserve fund prior to purchasing a condominium or townhome.

How often do we update or review "it"?

Unfortunately, there is a misconception that these reports are good for an extended period of time since the report has projections for the next 30 years. Just like any major line item in the budget, the Reserve Analysis should be reviewed *each year* before the budget is established. Invariably, some assumptions have to be made during the compilation of this analysis. Anticipated events may not materialize and unpredictable circumstances could occur. Aging rates and repair/replacement costs will vary from causes that are unforeseen. Earned interest rates may vary from year to year. These variations could alter the content of the Reserve Analysis. Therefore, this analysis should be reviewed annually, and a property observation should be conducted at least once every three years.

Is it the law to have a Reserve Study conducted?

The Government requires reserve analyses in approximately 20 states. The State of Colorado currently requires all associations to adopt a Reserve policy, but does not currently enforce a Reserve Study is completed. Despite enacting this current law, the chances are also very good the documents of the association require the association to have a Reserve fund established. This may not mean a Reserve Analysis is required, but how are you going to know there are enough funds in the account if you don't have the proper information? Hypothetically, some associations look at the Reserve fund and think $50,000 is a lot of money and they are in good shape. What they don't know is the roof will need to be replaced within 5 years, and the cost of the roof is going to exceed $75,000. So while $50,000 sounds like a lot of money, in reality it won't even cover the cost of a roof, let alone all the other amenities the association is responsible to maintain.

What makes an asset a "Reserve" item versus an "Operating" item?

A "Reserve" asset is an item that is the responsibility of the association to maintain, has a limited Useful Life, predictable Remaining Useful Life expectancies, typically occurs on a cyclical basis that exceeds 1 year, and costs above a minimum threshold cost. An "operating" expense is typically a fixed expense that occurs on an annual basis. For instance, minor repairs to a roof for damage caused by high winds or other weather elements would be considered an "operating" expense. However, if the entire roof needs to be replaced because it has reached the end of its life expectancy, then the replacement would be considered a Reserve expense.

The GREY area of "maintenance" items that are often seen in a Reserve Study –

One of the most popular questions revolves around major "maintenance" items, such as painting the buildings or seal coating the asphalt. You may hear from your accountant that since painting or seal coating is not replacing a "capital" item, then it cannot be considered a Reserve issue. However, it is the opinion of several major Reserve Study providers that these items are considered to be major expenses that occur on a cyclical basis. Therefore, it makes it very difficult to ignore a major expense that meets the criteria to be considered a Reserve component. Once explained in this context, many accountants tend to agree and will include any expenses, such as these examples, as a Reserve component.

The Property Observation –

The Property Observation was conducted following a review of the documents that were established by the developer identifying all common area assets. In some cases, the Board of Directors at some point may have revised the documents. In either case, the most current set of documents was reviewed prior to inspecting the property. In addition, common area assets may have been reported to Aspen Reserve Specialties by the client, or by other parties.

Estimated life expectancies and life cycles are based upon conditions that were readily accessible and visible at the time of the observation. We did not destroy any landscape work, building walls, or perform any methods of intrusive investigation during the observation. In these cases, information may have been obtained by contacting the contractor or vendor that has worked on the property.

The Reserve Fund Analysis –

We projected the starting balance from taking the most recent balance statement, adding expected Reserve contributions for the rest of the year, and subtracting any pending projects for the rest of the year. We compared this number to the ideal Reserve Balance and arrived at the Percent funded level. Measures of strength are as follows:

0% - 30% Funded – Is considered to be a "weak" financial position. Associations that fall into this category are subject to Special Assessments and deferred maintenance, which could lead to lower property values. If the association is in this position, actions should be taken to improve the financial strength of the Reserve Fund.

31% - 69% Funded – The majority of associations are considered to be in this "fair" financial position. While this doesn't represent financial strength and stability, the likelihood of Special Assessments and deferred maintenance is diminished. Effort should be taken to continue strengthening the financial position of the Reserve fund.

70% - 99% Funded – This indicates financial strength of a Reserve fund and every attempt to maintain this level should be a goal of the association.

100% Funded – This is the ideal amount of Reserve funding. This means that the association has the exact amount of funds in the Reserve account that should be at any given time.

Summary of Plaza Condominiums- Association ID # - 08235

Projected Starting Balance as of May 1, 2010 -	**$173,717**
Ideal Reserve Balance as of May 1, 2010 -	**$1,355,111**
Percent Funded as of May 1, 2010 -	**13%**
Approved Reserve Allocation for 2010/2011 -	**$12,500**
Approved Special Assessment for 2010/2011 -	**$500,500 ($7,944 per unit)**
Recommended Reserve Allocation (per month) -	**$17,600 (starting 2011/2012)**
Minimum Reserve Allocation (per month) -	**$15,500 (starting 2011/2012)**

Information to complete this Reserve Analysis was gathered during a property observation of the common area elements on July 15, 2010. In addition, we obtained information by contacting local vendors and contractors, as well as communicating with the property representatives (General Manager and Maintenance Manager). To the best of our knowledge, the conclusions and suggestions of this report are considered reliable and accurate insofar as the information obtained from these sources.

This property contains 63 condominium style units in 1 building that was originally constructed in 1981. Common area amenities the Association is responsible to maintain include the building exterior surfaces, driveways and parking structure, tennis courts, a lobby area, landscaping, decking and a concrete plaza area. Reserve projects occurring during the 2010/2011 year include a complete remodel of the 3rd level plaza area that was funded by a Special Assessment, painting of the interior stairwell, asphalt work, and replacement of the steam room tile. Recommended Reserve projects for the 2011/2012 fiscal year include asphalt/concrete repairs, elevator door frames, stucco repairs, paint, and replacement of the wireless internet system. Please refer to pages 11 and 12 of the Financial Analysis section for a list of when other components are scheduled to be addressed.

In comparing the projected balance of $173,717 versus the ideal Reserve Balance of $1,355,111, we find the association Reserve fund to be in a poor financial position at this point in time (only 13% funded of ideal). Associations in this position are typically susceptible to additional Special Assessments and deferred maintenance which can lead to lower property values. However, since the Association has already established a budget for the 2010/2011 fiscal year and approved a Special Assessment in the amount of $500,500 to fund the 3rd level remodel, we suggest keeping the Reserve contribution at the budgeted amount of $12,500 for the rest of 2010/2011. However, in order to strengthen the Reserve account to fund future projects, a substantial increase will be necessary starting with the 2011/2012 fiscal year. If you refer to page 1 of the Financial Analysis section, you will see we are recommending an increase of the Reserve contribution to $17,600 (representing an increase of almost $80.95 per unit) per month starting May 2011. This should be followed by nominal annual increases of 4.50% thereafter to help offset the effects of inflation. By following the recommendation, the plan will increase the Reserve account to a fully funded position within the thirty-year period.

In the percent Funded graph, you will see we have also provided a “minimum Reserve contribution” of $15,500 per month. If the Reserve contribution falls below this rate, then the Reserve fund will fall into a situation where additional Special Assessments, deferred maintenance, and lower property values are possible at some point in the future. The minimum Reserve allocation follows the “threshold” theory of Reserve funding where the ”percent funded” status is not allowed to dip below 30% funded at any point during the thirty-year period. This was provided for one purpose only, to show the Association how small the difference is between the two scenarios and how it would not make financial sense to contribute less money (approximately $33.34 on average per unit per month in this case) to the Reserve fund to only stay above a certain threshold. As you can see, the difference between the two scenarios is considered to be minimal, and based on the risk involved, we strongly suggest the recommended Reserve Allocation is followed.

Comp #: 104 Duralast PVC Membrane Flat Roof - Replace

Observations:

The building roofing was last replaced in 2003 and the Ski Locker roof in 2006. According to the installing company United Roofing, the roof holds a 15 year material and labor warranty from the date of installation. There is a possibility that the roof could last beyond the warranty but it is recommended by both us and the roofing company to place the Useful Life at the end of the 15 year warranty period to be sure funding is in place for replacement. Repairs to the roof from required snow shoveling should be made annually as an operating expense. There was a tremendous amount of ponding observed and evidence of numerous patches during the inspection. Remaining life is based on age since the last replacement.

Location: **Building, Stairwell Roof's**

Quantity: **Approx. 27,250 GSF**

Life Expectancy: **15** *Remaining Life:* **8**

Best Cost: **$149,900**

$5.50/GSF; Estimate to replace

Worst Cost: **$177,700**

$6.50/GSF; Higher estimate for more labor

Source of Information: Research with United Roofing

General Notes:

Buildings - (6, 5a, 5b, 4) - Approx. 26,230 GSF
Ski Locker Roof - Approx. Approx. 1,020 GSF

Comp #: 108 Standing Seam Metal Roof - Replace

Observations:

All roofs were installed in 2010 as part of the third level exterior refurbishing project. In this climate, the average life expectancy for this roof ranges between 25 - 30 years, depending on the quality of the material installed. This is included as a replacement item (even though the roof can last much longer) per the suggestion of roofing contractor's we have done research with. This component is now part of the 3rd level remodel component #2020 and remains as reference only at this time.

Location: **3rd Floor Courtyard Mechanical Rooms**

Quantity: **10 Squares**

Life Expectancy: **N/A** *Remaining Life:*

Best Cost: **$0**

Worst Cost: **$0**

Source of Information:

General Notes:

Comp #: 123 Skylights - Replace

Picture Unavailable

Observations:

It appeared that there was some possible leaking around the skylight by evidence that the drywall in the stairwell ceiling had been removed and rusting around the edges of the skylight. It was reported that there are plans to completely remove the skylight in the near future, therefore, funding for future replacement has been removed at the request of the Association.

Location: **Parking Garage Stairwell**

Quantity: **(1) Skylight**

Life Expectancy: **N/A** *Remaining Life:*

Best Cost: **$0**

Worst Cost: **$0**

Source of Information:

General Notes:

Stairwells - (1) skylight

Comp #: 204 Building Ext. Surfaces (Courtyard) - Repaint

Observations:

The courtyard exterior painted surfaces are generally in poor condition with significant rust marks, cracked/peeling stucco and paint. It was reported that the Association plans to repaint the entire building exterior during the fiscal year 2011/2012. In addition, we have cycled the exterior courtyard surface to be painted every 5 years and the building perimeter every 10 years at the request of the Association. The cost of painting the Courtyard and Building Perimeter every 10 years is calculated by combining Component #'s 204 & 205. The remaining life is based on observations and the plan established by the Association.

Location: **Building Courtyard Exterior**

Quantity: **Extensive**

Life Expectancy: **5** *Remaining Life:* **1**

Best Cost: **$22,500**

Estimate to repaint courtyard walls

Worst Cost: **$27,500**

Higher estimate for more prep work

Source of Information: Research w/Purple Peak Painting

General Notes:

Comp #: 205 Building Ext. Surfaces (Perimeter) - Repaint

Observations:

The perimeter exterior painted surfaces are generally in fair condition with some cracked, peeling stucco and paint. It was reported that the Association plans to repaint the building exterior during the fiscal year 2011/2012. Remaining life based on average condition. The Association should plan on painting the perimeter exterior surfaces of this building every 9 - 10 years. The Remaining life is based on observations and the plan established by the Association.

Location: **Building Exterior**

Quantity: **Extensive**

Life Expectancy: **10** *Remaining Life:* **6**

Best Cost: **$67,500**

Estimate to repaint perimeter walls

Worst Cost: **$82,500**

Higher estimate for more prep work

Source of Information: Research w/Purple Peak Painting

General Notes:

Comp #: 207 Metal Railing - Repaint

Observations:

Painted wrought iron surfaces are new in 2009 and in good condition with no rusting or broken welds noted. It looks like the initial coat of paint is a baked on enamel finish. This initial coat will last between 8 - 10 years depending on the exposure to elements and quality of the finish. Thereafter, this component should be completely repainted every 10 years and with annual touch up to maintain appearance and protect metal surfaces. Annual touch up costs should be handled through the operating budget. Remaining life is based on coordinating handrail painting with the Building Perimeter painting every 10 years (see component #205).

Location: **Throughout Community**

Quantity: **Approx. 4,875 LF**

Life Expectancy: **10** *Remaining Life:* **6**

Best Cost: **$10,000**

Estimate to repaint rail

Worst Cost: **$14,000**

Higher estimate for additional prep costs

Source of Information: Client provided cost information

General Notes:

Comp #: 210 Chain Link Fencing - Repaint

Observations:

The chain link fence surrounding the tennis courts is generally in fair condition but should be painted in the next 2 - 3 years. Expect to repaint this fencing approximately every 5 - 6 years to maintain appearance. Coordinate with other exterior painting for best cost estimate. Remaining life is based on observed conditions.

Location: **Tennis Courts**

Quantity: **Approx. 620 LF**

Life Expectancy: **5** *Remaining Life:* **1**

Best Cost: **$3,250**

$5.25/LF; Estimate to repaint fence

Worst Cost: **$3,750**

$6.00/LF; Higher estimate for more prep work

Source of Information: Cost Database

General Notes:

Comp #: 212 Steel Stairs - Repaint

Observations:

Painted metal surfaces are in fair to poor condition. Expect to paint the railings for these surfaces approximately every 3 - 4 years to maintain appearance and protect metal surfaces. Funding has been removed at the request of the Association since this will be handled as an annual maintenance expense out of operating funds.

Location: **Decks & Lobby Entrance**

Quantity: **Approx. 10 Sets**

Life Expectancy: **N/A** *Remaining Life:*

Best Cost: **$0**

Worst Cost: **$0**

Source of Information:

General Notes:

Comp #: 216 Interior Surfaces - Repaint

Observations:

Surfaces are generally in good to fair condition with no major signs of wear or marks. Depending on the level of use and abuse, expect to repaint these surfaces every 7 - 10 years. The remaining life is based on the observed conditions and age of the building. In between painting cycles, we recommend touching up areas on an as needed basis with general operating funds.

Location: **Throughout Building**

Quantity: **Approx. 27,540 GSF**

Life Expectancy: **8** *Remaining Life:* **4**

Best Cost: **$33,000**

$1.20/GSF; Estimate to repaint

Worst Cost: **$41,300**

$1.50/GSF; Higher estimate

Source of Information: Cost Database

General Notes:

Lower lobby - 3,267 GSF walls; 234 GSF woodwork; 3,259 GSF ceiling
1st floor lobby - 264 GSF woodwork; 1,120 GSF ceiling
1st floor (6 units) - 2,115 GSF walls; 1,443 GSF ceiling; 1,182 painted T&G woodwork; 292 GSF stained woodwork
2nd floor (12 units) - 4,140 GSF walls; 2,876 GSF ceiling; 2,388 GSF painted T&G woodwork; 526 GSF stained woodwork
Offices:
Lower lobby - 448 GSF walls; 160 GSF ceiling
Outside housekeeping - 1,226 GSF walls; 378 ceiling
Front desk - 480 GSF walls; 276 ceiling
General manager - 960 GSF walls; 506 GSF ceiling

Comp #: 218 Interior Stairwells - Repaint

Observations:

It was reported that the stairwells were last painted in 2002 and a beginning to show signs of deterioration with marked walls and chipped paint. Based on the "Six Year Capital Plan" established by the Association, plan to repaint these stairwells every six (6) years beginning this coming 2010/2011 fiscal year. Remaining life is based on the observed conditions and the plan.

Location: **Building and Parking Structure**

Quantity: **(3) Stairwells**

Life Expectancy: **6** *Remaining Life:* **0**

Best Cost: **$4,750**

Estimate to paint stairwells

Worst Cost: **$5,250**

Higher estiamte for more prep work

Source of Information: Client provided cost information

General Notes:

Comp #: 303 Pressure Treated Wood Base - Repair

Observations:

The base with flashing is constructed of 2 x 10 Pressure Treated Douglas Fir material and was part of the 3rd floor refurbishment project. It is new and in excellent condition. Reserve to replace every 18 - 20 years due to exposure to the elements. This component is also part of the 3rd level remodel component #2020. The 3rd floor remodel cost has been reduced by the amount in this component.

Location: **3rd Floor Courtyard**

Quantity: **Approx. 665 LF**

Life Expectancy: **15** *Remaining Life:* **0**

Best Cost: **$6,700**

$10.00/LF; Estimate to replace

Worst Cost: **$8,000**

$12.00/GSF; Higher estimate for upgraded material

Source of Information: Cost Database

General Notes:

3rd floor courtyard -
Approx. 665 LF wood exterior base with metal flashing

Comp #: 307 Stucco - Repair

Observations:

The majority of the stucco surfaces are in fair to poor condition with the exception of the chimney chases which were recently replaced with all stucco and is the newest stucco surface on the building. While stucco surfaces have a long life expectancy, it is recommended by industry professionals that it is inspected and any voids are repaired every 4 - 5 years to prevent water intrusion into substrate. It is also recommended that a new coating is applied every 8 - 10 years to maintain an appropriate appearance (see component #204). Over a period of time, minor cracks and voids will develop that will require repairing. Coordinate these repairs with a painting cycle every 10 years.

Location: **Building Exterior**

Quantity: **Extensive**

Life Expectancy: **10** *Remaining Life:* **1**

Best Cost: **$30,000**

Allowance for repairs

Worst Cost: **$35,000**

Higher allowance for more repairs

Source of Information: Cost Database

General Notes:

Comp #: 401 Asphalt (2) - Overlay

Observations:

The north parking lot @ entrance to the lobby and upper parking garage are in fair condition. It was reported that based on the "Six Year Capital Plan" established by the Association, the asphalt in this area will be replaced in the 2012/2013 fiscal year. The average life expectancy for asphalt surfaces in this environment ranges between 13 - 17 years for surfaces that are maintained on a regular schedule. Maintenance includes crack fill and repairing small potholes annually as an operating expense. In addition, asphalt in this environment should be seal coated every 2 -3 years. Remaining life is based on the observed conditions and the plan.

Location: **North Entrances**

Quantity: **Approx. 7,500 GSF**

Life Expectancy: **15** *Remaining Life:* **5**

Best Cost: **$26,250**

$3.50/GSF; Estimate for an overlay

Worst Cost: **$30,000**

$4.00/GSF; Higher estimate for local repairs

Source of Information: Client provided cost information

General Notes:

Comp #: 401 Asphalt (1b) - Overlay

Observations:

The lower maintenance drive and lower parking garage entrance is in poor condition with severe pot holes significant loss of material. It was reported that based on the "Six Year Capital Plan" established by the Association, the asphalt in this area will be replaced this coming 2010/2011 fiscal year. The average life expectancy for asphalt surfaces in this environment ranges between 13 - 17 years for surfaces that are maintained on a regular schedule. Maintenance includes crack fill and repairing small potholes annually as an operating expense. In addition, asphalt in this environment should be seal coated every 2 -3 years. Remaining life is based on the observed conditions and the plan.

Location: **1/2 of Lower Snowmass & West Sides**

Quantity: **Approx. 5,850 GSF**

Life Expectancy: **15** *Remaining Life:* **1**

Best Cost: **$21,000**

$3.50/GSF; Estimate for an overlay (1/2 of area)

Worst Cost: **$25,800**

$4.00/GSF; Higher estimate for local repairs

Source of Information: Client provided cost information

General Notes:

this line item is for the balance of the lower lot and west sides that will need to be done in 2011/2012.

Comp #: 401 Asphalt (1a) - Overlay

Observations:

The lower maintenance drive and lower parking garage entrance is in poor condition with severe pot holes significant loss of material. It was reported that based on the "Six Year Capital Plan" established by the Association, the asphalt in this area will be replaced this coming 2010/2011 fiscal year. The average life expectancy for asphalt surfaces in this environment ranges between 13 - 17 years for surfaces that are maintained on a regular schedule. Maintenance includes crack fill and repairing small potholes annually as an operating expense. In addition, asphalt in this environment should be seal coated every 2 -3 years. Remaining life is based on the observed conditions and the plan.

Location: **1/2 of Lower Snowmass & West Sides**

Quantity: **Approx. 5,850 GSF**

Life Expectancy: **15** *Remaining Life:* **0**

Best Cost: **$19,000**

$3.50/GSF; Estimate for an overlay (1/2 of area)

Worst Cost: **$21,000**

$4.00/GSF; Higher estimate for local repairs

Source of Information: Client provided cost information

General Notes:

reported asphalt expenditure in 2010/2011 - $20,000

Comp #: 402 Asphalt - Seal Coat/crack fill

Observations:

The asphalt conditions range from fair to extremely poor condition. There is a reported replacement plan (See component #401) and the surfaces should be sealed the year after the asphalt is replaced. Asphalt in this environment should be seal coated every 2 - 3 years. Remaining life is based observed conditions and coordination of the asphalt replacement. This has not been phased for best cost estimate and once all the asphalt areas have been replaced, our recommendation is to seal coated all the surfaces at the same time.

Location: **Parking Lots/ Driveways**

Quantity: **Approx. 19,200 GSF**

Life Expectancy: **3** *Remaining Life:* **1**

Best Cost: **$7,700**

$.35/GSF; Est. for seal coat and stripe

Worst Cost: **$9,600**

$.50/GSF; Higher estimate for local repairs

Source of Information: Cost Database

General Notes:

Comp #: 403 Concrete - Repair/Replace

Observations:

The lower parking structure has some major spalling and cracking that should be addressed in the next year. The other parking structure concrete is in relatively good to fair condition with only some cracking and spalling noted. Since it is unlikely that all concrete surfaces will fail at the same time, we suggest establishing a Reserve fund for periodic repairs and replacement to approximately 25% of the total area (5,400 GSF) every 8 years. Repairs should be coordinated with other concrete surfaces and asphalt for best cost estimate since most asphalt companies can also perform concrete work.

Location: **Parking Structure**

Quantity: **Approx. 21,600 GSF**

Life Expectancy: **8** *Remaining Life:* **1**

Best Cost: **$64,800**

$12/GSF; Estimate to replace

Worst Cost: **$75,600**

$14/GSF; Higher estimate

Source of Information: Cost Database

General Notes:

Parking structure upper level - Approx. 7,200 GSF
(Fair condition)

Parking structure lower level - Approx. 14.400 GSF
(Poor Condition with severe spalling/cracking noted)

Comp #: 403 Concrete - Repair/Replace

Observations:

There were signs of moderate cracks and spalling observed at time of inspection. The electric snow melt system for these driveways is reported to be non-operational. It was also reported that when the driveways need to replaced, the Association will replace the concrete with non-heated concrete. Therefore, at the request of the Association, we have changed the cost basis for this component. Based on the observed levels of cracking, we predict the driveways will need to be replaced within the next 12 - 14 years. Remaining life is based on observed conditions.

Location: **Lobby/Parking Concrete Driveways**

Quantity: **Approx. 5,425 GSF**

Life Expectancy: **24** *Remaining Life:* **14**

Best Cost: **$65,100**

$12/GSF; Estimate to replace

Worst Cost: **$76,000**

$14/GSF; Higher estimate

Source of Information: Cost Database

General Notes:

NOTE: Concrete is currently heated but non-operational and will be replaced with standard concrete (not heated).

Comp #: 501 Unit Doors (Wood) - Replace

Observations:

It was reported that the unit front and secondary doors are the responsibility of the individual owners. Therefore, at the request of the Association, Reserve funding has been removed for this component. If the Association should change philosophy on this, Funding can be added in future updates to the report. We recommend establishing a design guideline for replacement to maintain a consistent appearance. The average replacement cycle for entry doors ranges between 15 - 20 years under normal conditions and could cost between $500 and $600 per door.

Location: See General Notes

Quantity: Approx. 79 Doors

Life Expectancy: N/A *Remaining Life:*

Best Cost: $0

Worst Cost: $0

Source of Information:

General Notes:

Comp #: 501 Common Doors (Wood) - Replace

Picture Unavailable

Picture Unavailable

Observations:

All doors are good to fair condition with no problems noted at the time of inspection. The average replacement cycle for exterior doors ranges between 15 - 20 years under normal conditions. The exterior unit doors are somewhat protected but still exposed to the elements, so a shorter life is possible. The interior unit doors are protected so a longer life is possible. The replacement cycle has for these doors is established so all the doors would be replaced to maintain a consistent appearance. Continue to monitor and if conditions worsen more than anticipated, then adjust accordingly in future Reserve Study updates. Remaining life has been extended based on observed conditions.

Location: See General Notes

Quantity: Approx. 10 Doors

Life Expectancy: 20 *Remaining Life:* 10

Best Cost: $5,000

$500/Door; Estimate to replace

Worst Cost: $6,000

$600/Door; Higher estimate for more labor

Source of Information: Cost database

General Notes:

Offices - (7) 3 x 7 wood doors
Employee Housing - (3) 3 x 7 wood doors

Comp #: 503 Utility doors - Replace

Observations:

No problems with the doors noted at the time of inspection. Expect to replace these doors approximately every 20 years. Remaining life has been extended based observed condition.

Location: See General Notes

Quantity: Approx. 42 doors

Life Expectancy: 20 *Remaining Life:* 10

Best Cost: $21,000

$500/door; Estimate to replace doors

Worst Cost: $25,200

$600/door; Higher estimate

Source of Information: Cost Database

General Notes:

Stairwells - 1 steel door
Building stairwells - 14 steel doors
Lower lobby - 1 (2x7); 1 (6x8)
1st floor lobby - 4 (3x7) wood (restaurant)
1st floor - 1 (3x7); 1 (2x7) steel
2nd floor - 2 (3x7); 2 (2x7) steel
3rd floor - 2 (3x7); 2 (2x7)
Courtyard mechanical room #1 - 1 (2.5x7)
Courtyard mechanical room #2 - 1 (3x7) steel
4th floor - 2 (3x7); 2 (2x7)
5th floor - 2 (3x7); 2 (2x7)
6th floor - 1 (3x7); 1 (2x7)

Comp #: 504 Elevator Door Frames - Replace

Observations:

No problems with the elevator doors noted at the time of inspection. However, there are several exterior elevator door frames that are rusting out and need to be replaced in the next fiscal year. Reserve to replace three (3) door frames every 10 years due to exposure to the elements. Remaining life has been extended based on observed condition.

Location: See General Notes

Quantity: Approx. 12 Frames

Life Expectancy: 10 *Remaining Life:* 1

Best Cost: $7,500

$2500/door frame; Estimate to replace frame

Worst Cost: $10,500

$3500/door frame; Higher estimate for more labor

Source of Information: Cost Database

General Notes:

Interior Elevator Door Frames - 5
Exterior Elevator Door Frames - 7

Comp #: 506 Windows/Glass Doors - Replace

Observations:

Most of these windows are interior and have an extended life. Reglaze glass as needed with operating funds. No Reserve funding required at this time.

Location: See General Notes

Quantity: See General Notes

Life Expectancy: N/A *Remaining Life:*

Best Cost: $0

Worst Cost: $0

Source of Information:

General Notes:

(164) Unit wood windows (3x6)
(4) Unit wood windows (3x4)
(2) Unit wood windows (6x4)
(50) Entry storefront windows (3x8)
(10) Entry storefront windows (3x14)
(8) Entry storefront windows (4x7)
(11) Lower level metal windows (3x5)
(5) Lower level metal windows (5x5)
(2) Glass door (6x8)
Lower lobby - 1 (10x8); 2 (2x8); 7 (3x8); 2 (4x8); 1 (3x5); 1 (6x8) glass door; 1 (3x8) glass door
1st floor (6 units) - 6 (3x3)
2nd floor (12 units) - 12 (3x3); upper restaurant - 4 (3x2); 7 (4x2)
3rd floor (12 units outdoor) - 12 (3x3)
4th floor (12 units outdoor) - 12 (3x3)
5th floor (12 units outdoor) - 12 (3x3)
6th floor (4 units outdoor) - 4 (3x3)
Offices:
Lower lobby - 1 (6x3); 2 (3x8); 1 (3x8) door
Outside housekeeping - 2 (1x2); 2 (1x4)
Front desk - 5 (3x3)
General manager - 6 (3X6); 1 (6X7) door
(40) 2 bdrm units - total 40 (8x6) window; 80 (5x7) sliding glass doors
(16) 3 bdrm units - total 48 (3.5x6) window; 16 (5x7) sliding glass doors

Comp #: 506 Unit Windows/Sliding Glass Doors - Replace

Observations:

It was reported that the Association has determined that window and sliding glass door replacement will be the responsibility of the individual unit owner. We suggest establishing a design guideline for window replacement to maintain consistency throughout the building.

Location: See General Notes

Quantity: Approx. 184 Windows/Doors

Life Expectancy: N/A *Remaining Life:*

Best Cost: $0

Worst Cost: $0

Source of Information:

General Notes:

(40) 2 bdrm units - total 40 (8x6) window; 80 (5x7) sliding glass doors
(16) 3 bdrm units - total 48 (3.5x6) window; 16 (5x7) sliding glass doors

Comp #: 507 Automatic Sliding Glass Doors - Replace

Observations:

The glass doors will have an extended life expectancy and can be re-glazed as needed with operating funds. Reserve funding is to replace the "guts" of the system only. Remaining life is based on observations and current operation of the door. Service the door with operating funds as needed.

Location: **Lobby Entrance**

Quantity: **(1) Automatic Door**

Life Expectancy: **15** *Remaining Life:* **7**

Best Cost: **$3,000**

$3000/door unit; Estimate to replace mechanism only

Worst Cost: **$3,500**

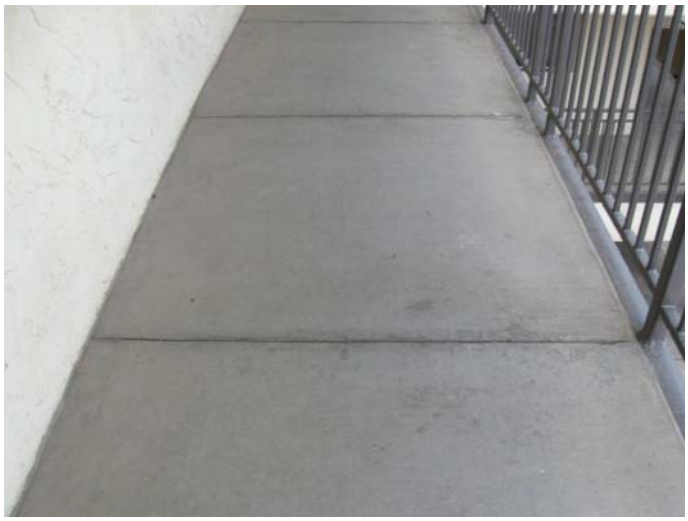
$3500door unit; Higher estimate for more labor

Source of Information: Cost database

General Notes:

1st floor lobby - 1 (14x8) glass automatic entry door;
2 (6x8)

Comp #: 601 Concrete Sidewalks/Decks - Repair



Observations:

While it is unlikely that all concrete surfaces will fail and need to be replaced at the same time, frequent repairs and replacement to a percentage of the area (15% or 1850 GSF), should be anticipated every 4 years.

Location: **Throughout Community**

Quantity: **Approx. 12,335 GSF**

Life Expectancy: **4** *Remaining Life:* **1**

Best Cost: **$27,750**

Allowance to repair 10% of area every 4 years

Worst Cost: **$33,300**

Higher estimate for more repairs

Source of Information: Cost Database

General Notes:

Stairwells - 136 GSF (landing)
Building stairwells - 504 GSF (landings)
4th floor (12 units outdoor) - 2,476 GSF
5th floor (12 units outdoor) - 2,476 GSF (some cracking, minor spalling)
6th floor (4 units outdoor) - 863 GSF (cracking & spalling)
(56) Unit decks - 5,880 GSF (7x15)

Comp #: 603 Stamped Concrete - Repair/Replace

Observations:

The concrete is brand new as part of the 3rd level courtyard refurbishment project. Expect to make repairs to concrete approximately every 10 years to maintain appearance. Remaining life based on current condition. This component is also part of the 3rd level remodel component #2020 to be replaced every 30 years. Amount will remain as a cushion for possible additional costs.

Location: 3rd Floor Courtyard

Quantity: Approx. 6,000 GSF

Life Expectancy: 10 *Remaining Life:* 0

Best Cost: $15,000

Allowance for repairs

Worst Cost: $18,000

Higher allowance for more repairs

Source of Information: Cost Database

General Notes:

3rd floor courtyard -
Approx. 2,476 GSF heated stamped
Approx. 3,524 GSF heated colored

Comp #: 605 Everstone Coated Concrete - Repair/seal

Observations:

The Everstone decking is an exposed aggregate product that is set in a resin-type material and is designed to cover an existing concrete surface. The Association should plan to repair and reseal these surfaces every 2 - 3 years based on exposure to the elements and level of use. The protected surfaces should expect a longer useful life that the exposed surfaces.

Location: See General Notes

Quantity: Approx. 4,165 GSF

Life Expectancy: 2 *Remaining Life:* 1

Best Cost: $5,400

Estiamte to repair and reseal

Worst Cost: $6,200

Higher estiamte for more labor

Source of Information: Client provided cost information

General Notes:

Everstone concrete:
Lobby Entry - 586 GSF
Parking garage level - 776 GSF (cracking & some loose material)
Lower deck - 2,802 GSF (cracking & some loose material)

Comp #: 609 Composite Deck - Replace

Observations:

The composite deck is new within the past few years but the conditions vary from good to poor condition (see General Notes). Most composite deck manufacturers offer a 25 year limited warranty from against defects. However, over a period of time, the material begins to fade and scratch and eventually will become aesthetically unpleasing. Therefore, due to the level of use and exposure to the elements, we recommend establishing a replacement cycle of 18 - 20 years. Remaining life is based on age of deck and observed conditions.

Location: **Throughout Community**

Quantity: **Approx. 3,390 GSF**

Life Expectancy: **20** *Remaining Life:* **16**

Best Cost: **$101,700**

Estimate to replace decking only

Worst Cost: **$118,650**

Higher estimate for some structural repairs

Source of Information: Cost Database

General Notes:

Composite decking - 2,620 GSF
Courtyard - 770 GSF

NOTES:
Upper deck has some broken pieces & staining from restaurant.
Middle deck in good condition.
Lower deck in good condition.
Upper tennis court deck was poorly installed and has settling boards. This should be repaired immediately as it is presenting a safety concern.
Side deck in good condition.

Comp #: 610 Steel Stairs - Replace

Observations:

Most of the stair sets are in good condition with the exception of the stair leading to the upper Crested Butte parking lot. This set appears to receive more use and abuse than the other locations but it was reported that the Association is responsible for it even though it is not directly on the property. These stair sets have an extended life and it was reported that the stairs will be replaced as needed as an operating expense. Reserve funding is not appropriate at this time.

Location: **Throughout Community**

Quantity: **Approx. 10 sets**

Life Expectancy: **N/A** *Remaining Life:*

Best Cost: **$0**

Worst Cost: **$0**

Source of Information:

General Notes:

Comp #: 610 Concrete Stairs - Replace

Observations:

These stair treads are original and protected from the elements. Make local repairs as necessary with operating funds. No Reserve funding required for this component

Location: See General Notes

Quantity: Approx. 178 Stair Treads

Life Expectancy: N/A *Remaining Life:*

Best Cost: $0

Worst Cost: $0

Source of Information:

General Notes:

Parking Structure - 28 concrete stairs
Building Stairwells - 150 concrete stairs

Comp #: 701 Boilers - Major Repairs

Observations:

These boilers were install in 2010 and are for the snow melt system installed for the third level renovation project. Due to the expected level of use these systems will receive, major renovations will need to occur every 8 - 10 years. According to manufacturer, these units typically do not require complete replacement. However, parts eventually become obsolete after numerous years and with advances in technology, replacement may become necessary at some point in the next 30+ years. This line item is for major rebuilding of boiler components every 10 years. See item #702 for replacement.

Location: **3rd Floor Mechanical Room**

Quantity: **(4) Boilers**

Life Expectancy: **10** *Remaining Life:* **10**

Best Cost: **$4,000**

$1000/Boiler; Estimate to replace

Worst Cost: **$6,000**

$1500/Boiler; Higher estimate for more labor

Source of Information: Cost Database

General Notes:

(4) Triangle tube boilers;
Serial Numbers:
PS45426; PS45409; PS45598; PS523810

Comp #: 702 Boilers - Replace

Observations:

These boilers were install in 2010 and are for the snow melt system installed for the third level renovation project. Due to the expected level of use these systems will receive, major repairs will need to occur every 8 - 10 years. This component is included with the 3rd level remodel component #2020 and remains as a reference item only at this time.

Location: 3rd Floor Mechanical Room

Quantity: (4) Boilers

Life Expectancy: N/A *Remaining Life:*

Best Cost: $0

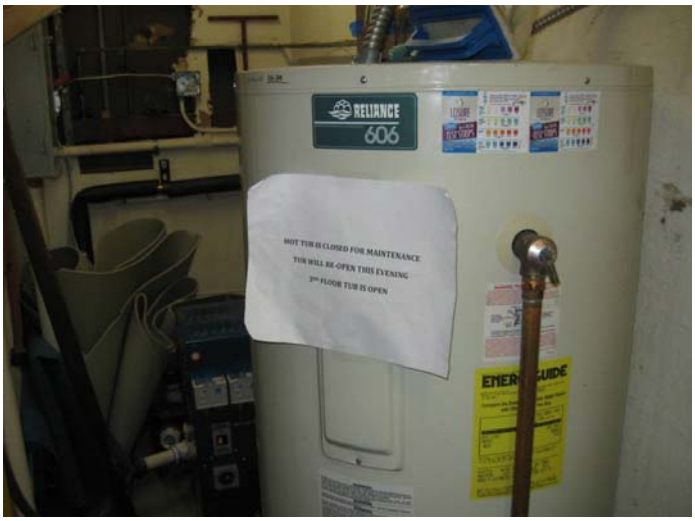
Worst Cost: $0

Source of Information:

General Notes:

(4) Triangle tube boilers;
Serial Numbers:
PS45426; PS45409; PS45598; PS523810

Comp #: 703 Hot Water Heater Tank - Replace



Observations:

Heater is generally in good condition. No problems noted at the time of inspection. Expect a useful life of approximately 12 - 15 years from this component. Remaining life based on current condition.

Location: Spa Mechanical Room

Quantity: (1) Water Heater

Life Expectancy: 15 *Remaining Life:* 10

Best Cost: $2,000

$2000/heater; Estimate to replace

Worst Cost: $2,500

$2500/heater; Higher estimate for more labor

Source of Information: Cost Database

General Notes:

Spa Mechanical Room -
(1) Reliance 606 electric
Installed 2005; 80 gallons;
Model#: 680D012T, Serial #: J04232720

Comp #: 706 Duct Heaters - Replace

Observations:

Furnace is in good condition, no problems noted at the time of inspection. Reserve to rebuild every 15 - 18 years.

Location: **Stairwell Elevator Rooms**

Quantity: **(2) Heaters**

Life Expectancy: **18** *Remaining Life:* **5**

Best Cost: **$10,000**

$5000/heater; Estimate to rebuild

Worst Cost: **$12,000**

$6000/heater; Higher estimate for more repairs

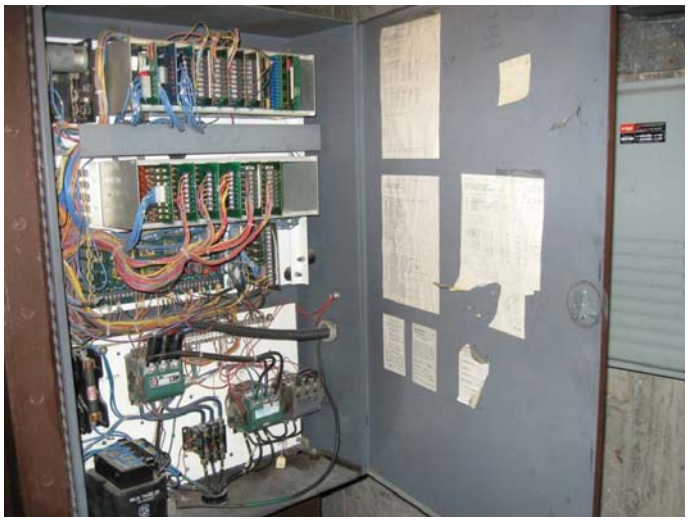
Source of Information: Cost Database

General Notes:

#1 -
(1) Electric Duct heater - Electroduct
Model #: unreadable;
Manufactured and Installed 1997?

#2 -
(1) Electric Duct heater - Electroduct
Model B141798;
Manufactured & Installed 1997?

Comp #: 707 Elevator - Rebuild/Upgrade



Observations:

No problems noted or reported at the time of inspection. Approximately every 24 to 26 years expect to make significant upgrades and replacements to elevator controller and door packages. It was reported that a major elevator over hall is scheduled for the 2014/2015 fiscal year. Remaining life based on this scheduled date.

Location: Stairwell Elevator Rooms

Quantity: (2) Elevators

Life Expectancy: 26 *Remaining Life:* 4

Best Cost: $130,000

$65,000/elevator; Estimate to rebuild

Worst Cost: $150,000

$75,000/elevator; Higher estimate

Source of Information: Client provided cost information

General Notes:

#1 - Montgomery Elevator Company;
ref #CP46366; installed 3/3/82; model 431H

#2 - Montgomery Elevator Company;
ref #CP46365; installed 1982; model 431H

Comp #: 709 Elevator Cab - Remodel

Observations:

Elevator cabs are in fair condition. Minor scuffing and marking noted on elevator walls along with damage on the door in Elevator #2. Expect to remodel cab approximately every 12 - 13 years to maintain appearance and keep up with current decorative tastes. NOTE: The elevator door frames are rusted out on several floors and should be replaced. Remaining life based on observed conditions.

Location: **Building Interior**

Quantity: **(2) Elevator Cabs**

Life Expectancy: **13** *Remaining Life:* **4**

Best Cost: **$30,000**

$15,000/cab; Estimate for a basic remodel

Worst Cost: **$40,000**

$20,000/cab: Higher estimate for upgraded décor

Source of Information: Client provided cost information

General Notes:

#1 - 6 stops, (1 - 6)
Tile floor - 27 GSF; wood panel walls with laminate backing - 168 GSF

#2 - 6 stops (G - 5)
Tile floor - 27 GSF; wood panel walls with laminate backing - 168 GSF

Comp #: 717 Suspended Heaters - Replace

Observations:

Due to the relatively low cost of this heater, replace as needed with operating funds. No Reserve funding required at this time.

Location: **Outside Housekeeping Office**

Quantity: **(1) Suspended heater**

Life Expectancy: **N/A** *Remaining Life:*

Best Cost: **$0**

Worst Cost: **$0**

Source of Information:

General Notes:

Comp #: 725 Automatic Heaters - Replace

Observations:

Heaters were not operational at the time of inspection due to the property observation being conducted during the summer months. There were no reports of problems with the heater. Maintenance and replacement costs should be handled as an operating expense.

Location: **Lobby Entry Doors**

Quantity: **(1) Heater**

Life Expectancy: **N/A** *Remaining Life:*

Best Cost: **$0**

Worst Cost: **$0**

Source of Information:

General Notes:

1st floor lobby - (2) Entry door heaters; Dayton air curtain cabinet; model 6E825; 38"

Comp #: 729 Smoke Extraction System - Replace

Observations:

The systems are original and are only used in the event of an emergency. The systems are tested twice a year. Annual maintenance should be handled as an operating expense after testing of the systems. No Reserve funding is required at this time.

Location: 3rd Level Mechanical Rooms

Quantity: (2) Systems

Life Expectancy: N/A *Remaining Life:*

Best Cost: $0

Worst Cost: $0

Source of Information:

General Notes:

Courtyard mechanical room #1 - smoke extraction system; Siemens Allis fan motor; 30+ years old; 5 HP; s/n SI-325-022; fan housing - vancaxial fan shop #W-10017-105; size 33 by New York Blower Company

Courtyard mechanical room #2 - smoke extraction system; New York blower; shop #W-10017-100

Comp #: 808 Street Signs - Replace

Observations:

All signs were legible and in good condition at time of inspection. While all signs are functional, over a periodic of time, decorative tastes change and replacement will become necessary. On average, Associations in this type of environment (Mountain Lodges) typically upgrade their signs every 12 - 15 years. Therefore, we have established a Reserve line item for periodic replacement of signs every 15 years based on the observed condition and assumed age of these signs.

Location: **Throughout Community**

Quantity: **(20) Signs**

Life Expectancy: **15** *Remaining Life:* **12**

Best Cost: **$10,000**

Allowance to replace signs

Worst Cost: **$12,000**

Higher allowance for upgrades

Source of Information: Cost Database

General Notes:

Building identification signs -
(16) small
(1) medium
(3) large

Comp #: 901 Fire Protection System - Replace

Observations:

Reported that fire protection system is functioning normally and is in good condition. Expect to make regular repairs and individual component replacements as an operating expense and to significantly upgrade system approximately every 15 years. Remaining life based on current age.

Location: **Upper Lobby**

Quantity: **(1) Fire Alarm Panel**

Life Expectancy: **15** *Remaining Life:* **6**

Best Cost: **$3,500**

$3500/Panel; Estimate to replace

Worst Cost: **$4,500**

$4500/Panel; Higher estiamte for upgrade

Source of Information: Cost Database

General Notes:

Fire Alarm Panel -
(1) Firewatch 411UDAC Fire alarm communicator;
(1) Simplex 2001

Comp #: 1002 Metal Railing - Replace

Observations:

It was reported that the iron railing were replace in the 2009/2010 fiscal year. The fence is in good condition with no structural problems observed. The average replacement cycle for this type of fencing typically ranges between 25 - 35 years, depending on maintenance levels and exposure to elements. Remaining life is based on age of the rail.

Location: Throughout Community

Quantity: Approx. 4,875 LF

Life Expectancy: 30 *Remaining Life:* 29

Best Cost: $308,000

Estiamte to replace

Worst Cost: $338,000

Higher estimate for more labor

Source of Information: Client provided cost information

General Notes:

Metal railing - 418 LF
B parking lot - 24 LF (needs paint, rust showing)
Lobby from street - 13 LF (better condition, needs paint)
Stairwells - 147 LF (steel tube, painted)
Building stairwells - 822 LF painted; 280 LF single tube
Parking structure upper level - 578 LF
1st floor (6 units) - 95 LF
2nd floor (12 units) - 128 LF (natural steel)
Courtyard - 17 LF (not installed)
Courtyard hot tub - 98 LF (not installed)
4th floor (12 units outdoor) - 465 LF (fading & rusting)
5th floor (12 units outdoor) - 465 LF; 2 gates
6th floor (4 units outdoor) - 204 LF; 2 gates
(56) Unit deck railings - 1,120 LF x 3'

Comp #: 1003 Chain Link Fencing - Replace

Observations:

The chain link fence surrounding the tennis courts is generally in good to fair condition with some broken areas noted (see General Notes). Local repairs should be completed as part of routine maintenance. Reserve funding has been established to repair 50% (310 LF) of fence line and posts every 15 years. Funding is for replacing mesh only. Post repairs/replacement generally cost approximately $50 - $60 per post. Remaining life is based on observed conditions.

Location: Tennis Courts

Quantity: Approx. 620 LF

Life Expectancy: 15 *Remaining Life:* 8

Best Cost: **$14,000**

$45/LF; Estimate to replace

Worst Cost: **$17,000**

$55/LF: Higher estimate

Source of Information: Cost Database

General Notes:

NOTE: Needs paint & reattachment at top rail. Damaged gate on lower court.

Comp #: 1011 Timber Retaining Wall - Replace

Observations:

Landscape timbers are in fair to poor condition with signs of rot or deterioration. The wall along the creek is in very poor condition and is severely leaning. It was reported that this section will be replaced in the 2013/2014 fiscal years. Generally, in most conditions, these walls have an overall life expectancy of 20 - 25 years. However, with periodic repairs, the life of the wall can be extended. We suggest establishing a Reserve allowance for periodic major repairs and partial replacements (to approximately 25% of total area or 500 GSF) as opposed to complete replacement all at the same time. Remaining life is based on observed conditions and schedule for first replacement cycle.

Location: **Throughout Community**

Quantity: **Approx. 1,975 GSF**

Life Expectancy: **6** *Remaining Life:* **3**

Best Cost: **$10,000**

Allowance to replace

Worst Cost: **$15,000**

Higher allowance for more replacement

Source of Information: Cost Database

General Notes:

Comp #: 1102 Spa (Indoor) - Replace

Observations:

Spa is in fair condition. No problems noted at the time of inspection but it was reported that the hot tub is scheduled for replacement as part of the "Six Year Capital Plan" established by the association. Remaining life based on current condition and plan. Coordinate with spa room remodel.

Location: **Courtyard & Indoor**

Quantity: **(1) Fiberglass Spa**

Life Expectancy: **10** *Remaining Life:* **3**

Best Cost: **$9,000**

Estimate to replace hot tub shell

Worst Cost: **$11,000**

Higher estimate for upgrade

Source of Information: Client provided cost information

General Notes:

Indoor Spa -
(1) Fiberglass spa (8x11)

Comp #: 1102 Spa (Outdoor) - Replace

Observations:

Spa is new but was not operational at the time of the inspection. The hot tub was being replaced as part of the 3rd level renovation project. Remaining life based on age.

Location: **3rd Level Courtyard**

Quantity: **(1) Fiberglass Spa**

Life Expectancy: **10** *Remaining Life:* **0**

Best Cost: **$6,000**

Estimate to replace hot tub shell

Worst Cost: **$6,500**

Higher estimate for upgrade

Source of Information: Client provided cost information

General Notes:

(1) 10'x8' Cal Spa fiberglass spa

NOTE: Spa was not completed at time of inspection and not operational.

Comp #: 1106 Spa Heater (Outdoor) - Replace

Picture Unavailable

Picture Unavailable

Observations:

The 3rd level spa project was in the progress and the heat exchanger was not installed at the time of the inspection. Replacement will be handled as an operating expense. No Reserve funding is included with this component.

Location: 3rd Level Spa Mechanical Room

Quantity: (1) Spa Heat Exchanger

Life Expectancy: N/A *Remaining Life:*

Best Cost: $0

Worst Cost: $0

Source of Information:

General Notes:

Courtyard Mechanical Room #2 (3rd Level)
(1) Heat Exchanger (not installed at time of inspection)

Comp #: 1106 Spa Heater (Indoor) - Replace

Observations:

The indoor electric spa heater is in good condition. Replacement will be handled as an operating expense. No Reserve funding is included with this component.

Location: Spa Mechanical Room

Quantity: (1) Spa Heater

Life Expectancy: N/A *Remaining Life:*

Best Cost: $0

Worst Cost: $0

Source of Information:

General Notes:

Spa Mechanical Room (indoor) -
(1) Coates electric spa heater; model 3201SCE;
s/n P98K065

Comp #: 1109 Spa Filter - Replace

Observations:

Spa filter is in good to fair condition. No evidence of significant leaks or corrosion on the indoor spa filter noted at the time of inspection. The 3rd level spa project was in the progress and was not installed at the time of the inspection. Replacement will be handled as needed as an operating expense.

Location: Courtyard & Indoor

Quantity: (2) Spa Filters

Life Expectancy: N/A *Remaining Life:*

Best Cost: $0

Worst Cost: $0

Source of Information:

General Notes:

Courtyard Mechanical Room #2 (3rd Level)
(1) Spa filter (not installed at time of inspection)

Spa Mechanical Room (indoor)
(1) Purex TritonTagelus; model TA505D; s/n 06H

Comp #: 1111 Spa Pumps - Replace

Observations:

No unusual conditions were observed or reported at time of report preparation. The individual replacement costs of these items is too small for separate Reserve designation. Therefore, we suggest the Association replaced these items on an as needed basis with general operating/maintenance funds.

Location: Spa Mechanical Room

Quantity: See General Notes

Life Expectancy: N/A *Remaining Life:*

Best Cost: $0

Worst Cost: $0

Source of Information: Cost Database

General Notes:

(1) Pentair Whisper Flo pump; model WFE4; 1 HP;
s/n 11/08/07
(1) Santana spa airblower
(1) Timer

Comp #: 1201 Tennis Court - Resurface

Observations:

Tennis courts are in good condition. No significant cracking or surface loss noted at the time of inspection. Expect perform minor work to repair low spots and cracks and to resurface/stripe the tennis courts approximately every 6 - 7 years assuming normal use and wear. Remaining life based on current condition and age since the reported last resurface in 2006.

Location: Tennis Courts

Quantity: Approx. 14,400 GSF

Life Expectancy: 7 *Remaining Life:* 3

Best Cost: $12,000

$6000/Court; Estimate to resurface

Worst Cost: $1,400

$7000/Court; Higher estimate for more labor

Source of Information: Research with contractor

General Notes:

(2) Concrete with rubberized coating - 14,400 GSF

Comp #: 1304 Drinking Fountain - Replace

Observations:

The drinking fountain is operational and in good condition. Due to the minimal replacement cost (less than $750) of individual drinking fountains when compared to the life expectancy (10 - 12 years), Reserve funding is not appropriate. Repair and replace drinking fountain as necessary as an operating expense.

Location: **Lower Lobby**

Quantity: **(1) Drinking Fountain**

Life Expectancy: **N/A** *Remaining Life:*

Best Cost: **$0**

Worst Cost: **$0**

Source of Information:

General Notes:

Comp #: 1305 Barbecues - Replace

Observations:

No problems noted at the time of inspection. Due to the minimal replacement cost associated with this barbecue, Reserve funding is not appropriate. Replace as necessary as an operating expense.

Location: Patio

Quantity: (1) Weber Grill

Life Expectancy: N/A *Remaining Life:*

Best Cost: $0

Worst Cost: $0

Source of Information:

General Notes:

(1) Weber Spirit propane BBQ, model E-210

Comp #: 1306 Picnic Tables - Replace

Observations:

The picnic tables are in good condition with no broken pieces or appearance concerns noted at the time of inspection. Expect to replace every 10 years to maintain appearance. Remaining life based on observed conditions.

Location: Patio

Quantity: (5) Picnic tables

Life Expectancy: N/A *Remaining Life:*

Best Cost: $0

Estimate to replace all tables at same time

Worst Cost: $0

Higher estimate for upgraded materials

Source of Information: Cost Database

General Notes:

Comp #: 1307 Benches - Replace

Observations:

Benches are in good to fair condition. Generally benches are aging normally. Replace as needed with operating funds.

Location: **Exterior Lobby Entrance**

Quantity: **(2) Outdoor benches**

Life Expectancy: **N/A** *Remaining Life:*

Best Cost: **$0**

Worst Cost: **$0**

Source of Information: Cost Database

General Notes:

Comp #: 1308 Bear Proof Trash Receptacles - Replace

Observations:

Painting and roofing is included with separate components. Expect frequent repairs and replacement to the gates and possibly the siding due to the exposure to elements and probability of abuse from rubbish companies. In our experience, we typically see the need for repairs every 5 - 10 years, depending on the level of abuse.

Location: **Throughtout Community**

Quantity: **(4) Cans, (2) Dumpsters**

Life Expectancy: **20** *Remaining Life:* **18**

Best Cost: **$7,600**
Cost to replace

Worst Cost: **$10,500**
Higher cost for more cans

Source of Information: Cost Database

General Notes:

Bearsaver 800-851-3887
bearsaver.com

(4) Bear proof trash cans ($850 each)
(2) Bear proof dumpsters ($2100 each)

Comp #: 1401 Laundry Equipment (Dryers) - Replace

Observations:

It was reported that these machines are owned by the Homeowners Association. These machines appear to be original based on the dates of installation. Reserve funding is for complete replacement of the machines every 12 - 15 years. Annual maintenance, repairs and servicing should be handled with operating funds. Since these machines are original and even though they are working well, we recommend replacing these machines soon rather than later just for gas use efficiency and long term cost saving reasons. This was the recommendation provided my both Milnor and Martin Ray.

Location: **Laundry Room**

Quantity: **(2) Dryers**

Life Expectancy: **15** *Remaining Life:* **2**

Best Cost: **$16,000**

Allowance to replace

Worst Cost: **$18,000**

Higher allowance for upgrade

Source of Information: Research with Martin Ray

General Notes:

(2) 110lb Capacity Commercial grade gas dryers by Sissell Manufacturing Company:

#1 Model L44CD42G; s/n 6026-484
2010 recommended equivalent replacement
(1) Milnor Mod: M82 (70lb) - $6000 est. cost

#2 Model L44CD42G; s/n unreadable
2010 recommended equivalent replacement
(1) Milnor Mod: M122 (120lb) - $10,000 est.cost

Comp #: 1402 Laundry Equipment (Washers) - Replace

Observations:

It was reported that these machines are owned by the Homeowners Association. These machines appear to be original based on the dates of installation. Reserve funding is for complete replacement of the machines every 25 - 30 years. Annual maintenance, repairs and servicing should be handled with operating funds. Remaining life is based on age of the machines. Since these machines are original and even though they are working well, we recommend replacing these machines in the next 4 - 5 years for water efficiency and long term cost saving reasons. This was the recommendation provided my both Milnor and Martin Ray.

Location: **Laundry Room**

Quantity: **(2) Washers**

Life Expectancy: **30** *Remaining Life:* **4**

Best Cost: **$33,000**

Allowance to replace

Worst Cost: **$38,000**

Higher allowance for upgrade

Source of Information: Research with Martin Ray

General Notes:

(2) Commercial grade washers
#1 Pellenn Milnor Corp., model 3002005M/ABB;
1983; s/n 4366801/84012;
50lb capacity (no longer manufactured)
2010 recommended equivalent replacement
Milnor Mod: 30022T5X (60lb) - $12,000 est. cost

#2 Pellenn Milnor Corp., model 36026QWE/AFE;
1984; s/n 4672101
100lb capacity (still manufactured)
2010 recommended equivalent replacement
Milnor Mod: 36026V5J (1200lb) - $21,000 est. cost

Comp #: 1405 Furnishings - Replace

Observations:

Furniture is generally in good to fair condition. No significant marking or appearance concerns noted at the time of inspection. Reserve to make significant replacements to furniture approximately every 10 years to maintain appearance and keep up with decorative tastes. Remaining life based on observed conditions.

Location: **Lower & 1st Floor Lobby**

Quantity: **See general notes**

Life Expectancy: **10** *Remaining Life:* **5**

Best Cost: **$15,000**

Allowance for replacement every 10 years

Worst Cost: **$18,000**

Higher allowance fore more pieces

Source of Information: Cost Database

General Notes:

Lower lobby -
(1) Gas fireplace, 176 GSF rock surround; (6) Table lamps; (1) Sofa; (6) Sitting chairs; (2) Lounge chairs;
(1) Dining table; (8) Dining chairs; (1) Coffee table;
(1) Trash can; (6) Side tables; (3) Benches; (1) Desk
(9) Framed artwork; (1) Mirror

1st floor lobby -
(3) Fabric chairs; (2) Fabric benches; (1) Coffee table; (1) Hutch with mirror; (1) End table;
(2) Fabric/wood chairs; (1) Buffet cabinet; (2) Framed artwork

Comp #: 1409 Sauna/Spa Room - Refurbish

Observations:

The sauna appears to be original and is in poor condition. The ceiling wood is moldy & beginning to sag and should be repaired immediately. The wood surrounding the spa area is dated and showing signs of wear. This are should be refurbished shortly after the steam shower project is completed to maintain a proper appearance for the Association. Remaining life is based on observed conditions.

Location: Lower Lobby

Quantity: (1) Sauna Room, (1) Spa Room

Life Expectancy: 20 *Remaining Life:* 3

Best Cost: $15,000

$15,000; Estimate to refurbish

Worst Cost: $18,000

$18,000; Higher estimate for more labor

Source of Information: Cost Database

General Notes:

Sauna heater - Tylo; no label information
Control - Tylo; no label information
Wood walls - 224 GSF
Wood ceiling - 63 GSF
Wood floors & benches - 63 GSF
Wallmount light - 1
Door - 1

Spa Room -
Wood floor - 285 GSF
Wood walls - 700 GSF
Surface mount can lights - 7
Wall mount lights - 3
Formica top - 14 GSF
Painted ceiling - 11 GSF
Sliding glass door - 1 (9x7)
Windows - 2 (4x7)

Comp #: 1411 Steam Room - Remodel

Observations:

The tile is original is showing its age. It was reported that based on the "Six Year Capital Plan" established by the Association, the steam shower tile will be replaced this coming 2010/2011 fiscal year. The Association should reserve to replace this tile every 15 - 20 years depending on levels of use.

Location: **Lower Lobby**

Quantity: **(1) Steam Room**

Life Expectancy: **18** *Remaining Life:* **0**

Best Cost: **$10,000**

Estimate to replace tile

Worst Cost: **$12,000**

Higher estimate for more labor

Source of Information: Client provided cost information

General Notes:

Wall tile - 280 GSF
Floor tile - 64 GSF
Ceiling tile - 109 GSF
Ceiling lights - 2
Door - 1

Comp #: 1412 Steamer - Replace

Observations:

It was reported that this unit was replaced in 2010. The useful life of this unit should be between 18 - 20 years depending on levels of use.

Location: Spa Mechanical Room

Quantity: (1) Steam Unit

Life Expectancy: 20 *Remaining Life:* 19

Best Cost: $6,000

Estimate to replace

Worst Cost: $7,000

Higher estimate for more labor

Source of Information: Research on website

General Notes:

(1) Steam generation unit - Mister Steam; model CU1250A; s/n AX-4753-U09; New 2009

Comp #: 1413 Restroom - Remodel

Observations:

It was reported that the restrooms were remodeled sometime in the last 5 - 6 years. Most Associations perform a general remodel of the restroom/locker room interiors every 15 - 20 years to maintain appearance and keep up with current decorative trends. The final decision is up to the Association members in deciding when to spend the money to perform this project since it is considered cosmetic. Remaining life based on age since last remodel.

Location: **Lower Lobby**

Quantity: **(2) Restrooms**

Life Expectancy: **20** *Remaining Life:* **15**

Best Cost: **$14,000**

$7000/Restoom; Allowance for remodel

Worst Cost: **$16,000**

$8,000/Higher allowance for more labor

Source of Information: Cost Database

General Notes:

Women's -
100 GSF tile; 6 GSF countertop tile; wood partitions;
360 GSF wall paint; 100 GSF ceiling paint; 2 toilets; 1 decorative mirror; 1 vanity light; 1 vanity sink; 1 steel door (3x7); 1 ceiling light fixture
Men's -
90 GSF tile; 6 GSF countertop tile; wood partitions; 342 GSF wall paint; 90 GSF ceiling paint; 1 toilet; 2 urinals; 1 vanity light; 1 vanity sink; 1 steel door (3x7); 1 ceiling light; 1 decorative mirror

Comp #: 1414 Employee Housing Units - Remodel

Picture Unavailable

Picture Unavailable

Observations:

The employee housing units were occupied and could not be inspected during the site visit. It was reported that when the units are vacated, the units are refurbished with operating funds. However, the Association should establish a Reserve allowance to remodel the units every 10 years to maintain an appropriate appearance.

Location: **1st Level/Lobby**

Quantity: **(3) Employee housing units**

Life Expectancy: **10** *Remaining Life:* **5**

Best Cost: **$10,000**

$10,000; Allowance to remodel

Worst Cost: **$15,000**

$15,000; Higher allowance for more work

Source of Information: Cost Database

General Notes:

(2) 1 bedroom units -
Kitchenette - total 30 LF cabinets (upper & lower)
Carpet - total 550 GSF
Tile - total 290 GSF
Each unit has:
1 bathroom, fridge, dishwasher, range, microwave, washer, dryer, water heater

(1) 2 bedroom unit
Kitchen - 16 LF cabinets (upper & lower)
Carpet - 690 GSF
Tile - 179 GSF
1 bathroom, fridge, dishwasher, range, microwave, washer, dryer, water heater

Comp #: 1415 Front Desk/Reception Area - Remodel

Observations:

It appears that some remodeling work has occurred in the past but overall the reception desk area is beginning to show signs of wear. The Association should Reserve to remodel this area every 12 - 15 years to maintain a proper appearance for this level of property. Remaining life is based on observed conditions.

Location: **Upper Lobby**

Quantity: **(1) Reception Area**

Life Expectancy: **15** *Remaining Life:* **8**

Best Cost: **$12,000**

Allowance to remodel

Worst Cost: **$15,000**

Higher allowance for upgrades

Source of Information: Cost Database

General Notes:

Front desk countertops - 20 GSF granite
56 GSF wood

Front desk - 18 LF Cabinets

Comp #: 1416 Conference Room - Remodel

Observations:

The conference room is dated and in need of a remodel in the next few years to stay up with current trends. In addition, it was reported that the conference room furniture is very old (probably original) and in need of replacement. Remaining life has been extended to ease budget concerns due to other projects higher on the priority list being completed over the next couple of years.

Location: **Lower Lobby**

Quantity: **(1) Conference Room**

Life Expectancy: **20** *Remaining Life:* **6**

Best Cost: **$7,500**

Allowance to remodel

Worst Cost: **$10,000**

Higher allowance for more upgrades

Source of Information: Cost Database

General Notes:

Conference Room -
Carpet - 125 GSY
Painted walls - 800 GSF
Acoustical tile ceiling - 1,028 GSF
Florescent light fixtures - 12
Chairs - reserve for 70 (replace soon)
Tables - reserve for 15 (replace soon)
Framed art - 8
Baseboard heaters 1 (8ft); 1 (6ft); 2 (4ft)

Comp #: 1419 Ski Locker Room Remodel

Observations:

The ski locker rooms are very dated and are in need of a remodel. The Association should Reserve for basic upgrading and remodeling every 10 - 12 years based on the amount of use and abuse these areas receive. Remaining life is based on observed condition.

Location: Lobby Entrance

Quantity: (2) Ski Locker rooms

Life Expectancy: 20 *Remaining Life:* 2

Best Cost: $18,000

Allowance to remodel

Worst Cost: $20,000

Higher allowance for more labor

Source of Information: Cost Database

General Notes:

Room #1 - in poor condition, needs major work
carpet - 107 GSF; painted walls - 67 GSF; painted ceiling - 107 GSF; (1) painted door; (1) wooden bench; (1) ceiling light; 35 (1x6) metal lockers

Room #2 - carpet - 335 GSF; painted walls - 560 GSF; painted ceiling - 306 GSF; (1) painted door; (2) wooden benches; (3) ceiling lights; 2 (2x4) windows; 2 (1x2) windows; (1) mirror; (1) trash can; (1) space heater (old); 55 (1x6) metal lockers

Comp #: 1420 Wireless Internet System

Observations:

It was reported that the wireless internet system is approximately 6 years old and should be upgraded in the next couple of years. Reserve to replace system every 7 years to stay current with improvements in technology.

Location: **Throughout Complex**

Quantity: **(5) Internet Transmitters**

Life Expectancy: **7** *Remaining Life:* **1**

Best Cost: **$26,000**

Allowance to replace system

Worst Cost: **$29,000**

Higher allowance for upgraded system

Source of Information: Client provided cost information

General Notes:

NOTE: Cost provided by Internet Colorado. A leasing program was also recommended in place of purchasing the equipment. This can be decided at a later time. If leasing the equipment is the direction the Board decides to go with, funding for this component will be removed since this will be an annual expense.

Comp #: 1428 Luggage Carts

Observations:

Conditions vary depending on level of use and abuse. Most were still functional, but appear to be about half way through the life expectancy. The Association should plan on replacing the luggage carts every 6 - 8 years depending on levels of use and abuse. Remaining life is based on observed conditions.

Location: **1st Floor Lobby**

Quantity: **(6) Carts**

Life Expectancy: **7** *Remaining Life:* **4**

Best Cost: **$6,000**

$1000/Cart; Estimate to replace

Worst Cost: **$9,000**

$1500/Cart; Higher estimate for upgraded carts

Source of Information: Cost Database

General Notes:

(7) Ex-cell Metal Products, Inc.

Comp #: 1501 Carpeting - Replace

Observations:

Carpet is in fair to poor condition. There is evidence of wear noted but no rips or curling seams observed at the time of inspection. Expect to replace this component every 10 years assuming normal use and wear. Remaining life based on current age and observed condition.

Location: **Throughout Building**

Quantity: **Approx. 1,115 GSY**

Life Expectancy: **10** *Remaining Life:* **4**

Best Cost: **$33,500**

$30/GSY; Estimate for average quality

Worst Cost: **$39,000**

$35/GSY; Higher estimate for better quality

Source of Information: Cost Database

General Notes:

Lower lobby - 363 GSY
1st floor lobby - 125 GSY
1st floor - 160 GSY
2nd floor - 320 GSY
Offices:
Lower lobby - 18 GSY
Outside housekeeping - 42 GSY
Front desk - 31 GSY
General manager - 56 GSY

Comp #: 1503 Ceramic Tile - Replace

Observations:

The lobby tile appears to be in good condition. Reserve to update tile every 18 - 20 years to maintain appearance and keep up with decorative trends. Remaining life is based on observed condition.

Location: **Throughout Building**

Quantity: **Approx. 1,265 GSF**

Life Expectancy: **20** *Remaining Life:* **15**

Best Cost: **$31,600**

$25/GSF: Estimate to replace

Worst Cost: **$38,000**

$30/GSF: Higher estimate

Source of Information: Cost Database

General Notes:

Lower lobby - 354 GSF
1st floor lobby - 911 GSF

Comp #: 1601 Interior Lobby Lighting - Replace

Observations:

Existing lights are in good condition but it was reported that there is a Lobby lighting project planned for the fiscal year 2011/2012. Expect to replace these lights approximately every 20 years to maintain appearance and keep up with current decorative tastes. Remaining life based on current upgrade plan.

Location: **Throughout Building**

Quantity: **(28) Wall Mount; (6) Ceiling**

Life Expectancy: **20** *Remaining Life:* **15**

Best Cost: **$15,000**

Estimate to replace and install new

Worst Cost: **$20,000**

Higher estimate

Source of Information: Cost database

General Notes:

Lower lobby - 6 wall mount
1st floor lobby - 4 wall mount ($100 each); 4 large ceiling ($750-$1000 each)
1st floor (6 units) - 6 entry wall mount
2nd floor (12 units) - 12 entry wall mount
General managers office - 2 ceiling fixture

Comp #: 1602 Exterior Lighting - Replace

Observations:

The lights appear to be newer but it is unclear as to when the light replacement last occurred. No unusual conditions were observed or reported at time of inspection. While replacement can occur on an as needed basis, it is our opinion and recommendation to replace all lights at the same time every 15 - 20 years to maintain a consistent appearance throughout the property. In addition, by replacing multiple fixtures, the Association will be able to obtain a quantity discount for the fixtures. Estimated replacement cost includes labor for installation. Remaining life is based on current condition.

Location: **Throughout Building**

Quantity: **Approx. 206 Lights**

Life Expectancy: **20** *Remaining Life:* **15**

Best Cost: **$31,000**

$150/light; Estimate to replace

Worst Cost: **$41,000**

$200/light; Higher estimate for better quality

Source of Information: Cost Database

General Notes:

(12) Lobby exterior wall mount
(130) Exterior wall mount
(14) Exterior flood (building)
(5) Stairwells exterior wall
3rd floor (12 units outdoor) - 12 entry wall mount
Courtyard - 5 flood
4th floor (12 units outdoor) - 12 entry wall mount
5th floor (12 units outdoor) - 12 entry wall mount
6th floor (4 units outdoor) - 4 entry wall mount

Comp #: 1604 Pole Lights - Replace

Observations:

No structural or operational problems reported with lights at the time of inspection. Due to the extended life associated with light poles reserve funding is not appropriate. Reserve only to replace fixture heads on a 16 year schedule to maintain appearance and function. Remaining life based on observed conditions.

Location: **Tennis Courts**

Quantity: **(8) Pole Lights**

Life Expectancy: **16** *Remaining Life:* **8**

Best Cost: **$4,800**

$600/Head; Estimate to replace heads

Worst Cost: **$6,400**

$800/Head; Higher estimate for upgrade

Source of Information: Cost Database

General Notes:

Comp #: 1608 Can Lights - Replace

Observations:

No expectation to replace all lights at one time. Replace individual lights as necessary as an operating expense. No reserve funding necessary. If the Association would like to Reserve for future upgraded lighting for the surface mount cans, this can be added in future Reserve study updates.

Location: Throughout Community

Quantity: Approx. 163 can lights

Life Expectancy: N/A *Remaining Life:*

Best Cost: $0

Worst Cost: $0

Source of Information:

General Notes:

Exterior - 20
Lower lobby - 11 large interior surface mount;
15 surface mount; 7 recessed
1st floor lobby - 15 large interior surface mount;
23 recessed
1st floor (6 units) - 1 recessed; 17 surface
mount
2nd floor (12 units) - 2 recessed; 35 surface mount
3rd floor (12 units outdoor) - 4 surface mount
4th floor (12 units outdoor) - 4 surface mount
5th floor (12 units outdoor) - 4 surface mount
6th floor (4 units outdoor) - 2 surface mount
General managers office - 5 recessed

Comp #: 1610 Florescent Tube Lights - Replace

Picture Unavailable

Picture Unavailable

Observations:

Florescent tube lights are not considered decorative and can be replaced individually as an operating expense without effecting the aesthetics of the building. Therefore, we suggest Reserve funding is not included for this component at this time.

Location: **Throughout Community**

Quantity: **Approx. 7 Lights**

Life Expectancy: **N/A** *Remaining Life:*

Best Cost: **$0**

Worst Cost: **$0**

Source of Information:

General Notes:

Offices:
Lower lobby - 2 (4ft)
Outside housekeeping - 4
Front desk - 3

Comp #: 1611 Lighted Exit Signs - Replace

Observations:

It is unlikely that all these will fail or need replacing at the same time. Replace as needed with operating funds. No Reserve funding needed at this time.

Location: Building Interiors and Exteriors

Quantity: Approx. 18 Exit Lights

Life Expectancy: N/A *Remaining Life:*

Best Cost: $0

Worst Cost: $0

Source of Information:

General Notes:

Lower lobby - 3 exit signs
1st floor lobby - 1 lit exit sign
1st floor - 1 lit exit sign
2nd floor - 4 lit exit signs
3rd floor - 2 lit exit signs
4th floor - 2 lit exit signs
5th floor - 2 lit exit signs
6th floor - 1 lit exit sign
Conference Room (lower lobby) - 2 exit signs

Comp #: 1813 Crushed Granite Paths - Replenish

Observations:

Due to minimal square footage, Reserve funding is not required. Replenish as needed with operating funds.

Location: **Common Area Paths**

Quantity: **Approx. 255 GSF**

Life Expectancy: **N/A** *Remaining Life:*

Best Cost: **$0**

Worst Cost: **$0**

Source of Information:

General Notes:

Comp #: 2020 3rd Floor Remodel

Observations:

The 3rd level deck was in the process of being remodeled during the property observation. It was requested by the client to include a remodel of this area every 30 years because it also acts as the roof/ceiling to the entire lobby area. The cost scenarios have been reduced to account for the reaccuring components that need replacing sooner than a 30 year cycle. Remaining life is based on age since the most recent remodel in 2010.

Location: 3rd Level

Quantity: See General Notes

Life Expectancy: 30 *Remaining Life:* 0

Best Cost: $500,000

Allowance to remodel 3rd level deck

Worst Cost: $550,000

Higher allowance for more work

Source of Information: Client provided cost information

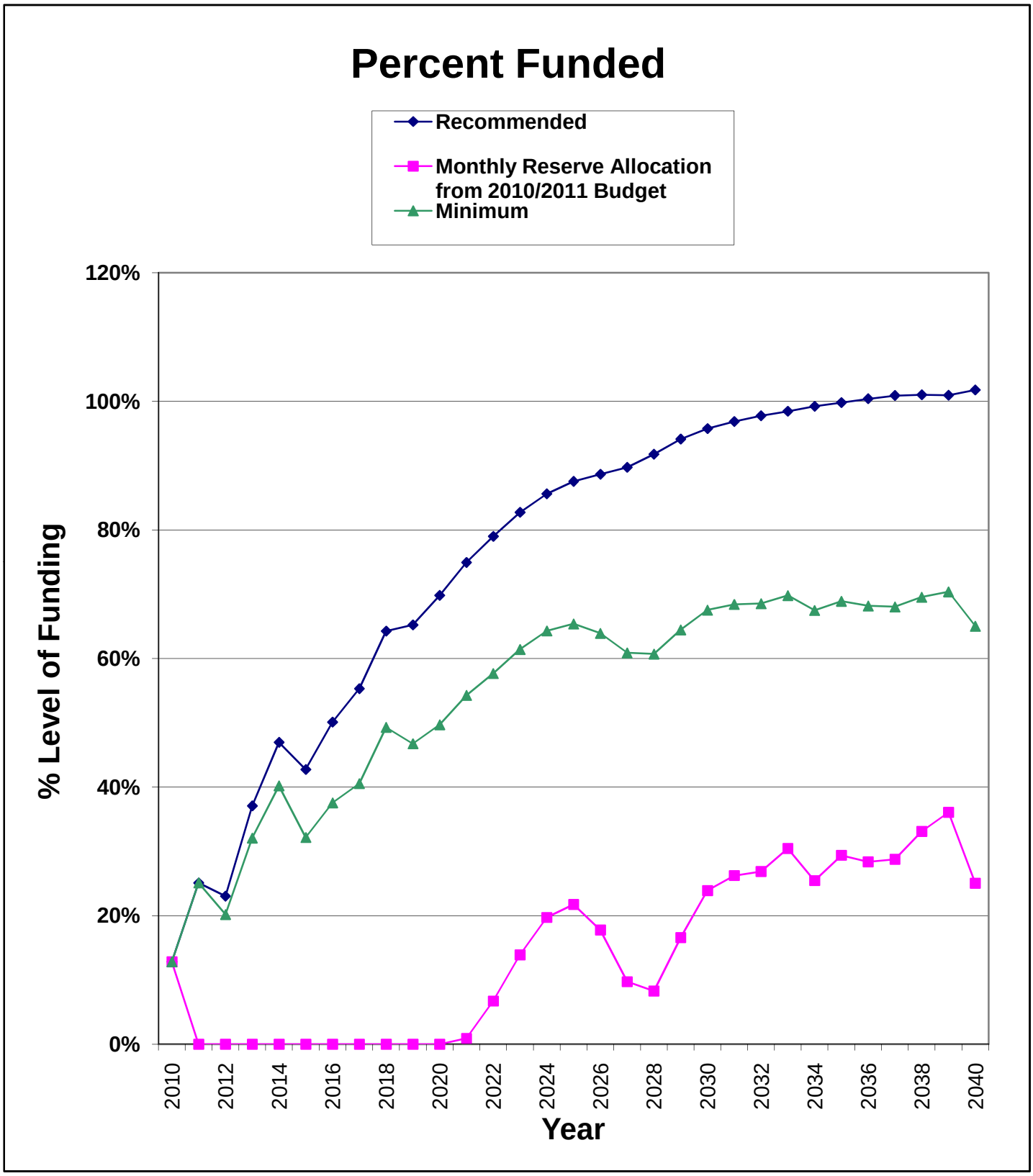
General Notes:

3rd Level Deck Remodel Items:
Heated stamped and colored concrete
(4) Boilers
Radiant Heat Tubing
(1) Spa Shell Replacement
Pressure Treated Baseboard w/ Metal Cap
Membrane
Standing Seam Metal Roofs (Mechanical Rooms)

Funding Summary For Plaza Condominiums

Beginning Assumptions	
Financial Information Source	Research With Client
# of units	63
Fiscal Year End	April 30, 2011
Monthly Dues from 2010/2011 budget	$45,254.00
Monthly Reserve Allocation from 2010/2011 Budget	$12,500.00
Projected Starting Reserve Balance (as of 5/1/2010)	$173,717
Ideal Starting Reserve Balance (as of 5/1/2010)	$1,355,111
Economic Factors	
Current Inflation Rate	4.50%
Reported After-Tax Interest Rate	1.00%
Current Reserve Status	
Current Balance as a % of Ideal Balance	13%
Approved Reserve Budget for 2010/2011 Fiscal Year	
Approved Monthly Reserve Allocation	$12,500
Per Unit	$198.41
Approved Special Assessment	$500,500
Per Unit	$7,944
Recommendations for 2011/2012 Fiscal Year	
Monthly Reserve Allocation	$17,600
Per Unit	$279.37
Minimum Monthly Reserve Allocation	$15,500
Per Unit	$246.03
Nominal Annual Increases	4.50%
# of Years	30
Changes From 2010/2011 to 2011/2012 Fiscal Period	
Increase/Decrease to Reserve Allocation	$5,100
as Percentage	41%
Per Unit	$80.95

Percent Funded Graph For Plaza Condominiums



Component Inventory for Plaza Condos

Category	Asset #	Asset Name	UL	RUL	Best Cost	Worst Cost
Roofing	104	Duralast PVC Membrane Flat Roof - Re	15	8	$149,900	$177,700
	108	Standing Seam Metal Roof - Replace	N/A		$0	$0
	123	Skylights - Replace	N/A		$0	$0
Painted Surfaces	204	Building Ext. Surfaces (Courtyard) - Rep	5	1	$22,500	$27,500
	205	Building Ext. Surfaces (Perimeter) - Rep	10	6	$67,500	$82,500
	207	Metal Railing - Repaint	10	6	$10,000	$14,000
	210	Chain Link Fencing - Repaint	5	1	$3,250	$3,750
	212	Steel Stairs - Repaint	N/A		$0	$0
	216	Interior Surfaces - Repaint	8	4	$33,000	$41,300
	218	Interior Stairwells - Repaint	6	0	$4,750	$5,250
Siding Materials	303	Pressure Treated Wood Base - Repair	15	0	$6,700	$8,000
	307	Stucco - Repair	10	1	$30,000	$35,000
Drive Materials	401	Asphalt (2) - Overlay	15	5	$26,250	$30,000
	401	Asphalt (1b) - Overlay	15	1	$21,000	$25,800
	401	Asphalt (1a) - Overlay	15	0	$19,000	$21,000
	402	Asphalt - Seal Coat/crack fill	3	1	$7,700	$9,600
	403	Concrete - Repair/Replace	8	1	$64,800	$75,600
	403	Concrete - Repair/Replace	24	14	$65,100	$76,000
Property Access	501	Unit Doors (Wood) - Replace	N/A		$0	$0
	501	Common Doors (Wood) - Replace	20	10	$5,000	$6,000
	503	Utility doors - Replace	20	10	$21,000	$25,200
	504	Elevator Door Frames - Replace	10	1	$7,500	$10,500
	506	Windows/Glass Doors - Replace	N/A		$0	$0
	506	Unit Windows/Sliding Glass Doors - Rep	N/A		$0	$0
	507	Automatic Sliding Glass Doors - Replace	15	7	$3,000	$3,500
Decking	601	Concrete Sidewalks/Decks - Repair	4	1	$27,750	$33,300
	603	Stamped Concrete - Repair/Replace	10	0	$15,000	$18,000
	605	Everstone Coated Concrete - Repair/sea	2	1	$5,400	$6,200
	609	Composite Deck - Replace	20	16	$101,700	$118,650
	610	Steel Stairs - Replace	N/A		$0	$0
	610	Concrete Stairs - Replace	N/A		$0	$0
Mechanical Equip.	701	Boilers - Major Repairs	10	10	$4,000	$6,000
	702	Boilers - Replace	N/A		$0	$0
	703	Hot Water Heater Tank - Replace	15	10	$2,000	$2,500
	706	Duct Heaters - Replace	18	5	$10,000	$12,000
	707	Elevator - Rebuild/Upgrade	26	4	$130,000	$150,000
	709	Elevator Cab - Remodel	13	4	$30,000	$40,000
	717	Suspended Heaters - Replace	N/A		$0	$0
	725	Automatic Heaters - Replace	N/A		$0	$0
	729	Smoke Extraction System - Replace	N/A		$0	$0
Prop. Identification	808	Street Signs - Replace	15	12	$10,000	$12,000
Security	901	Fire Protection System - Replace	15	6	$3,500	$4,500
Fencing/Walls	1002	Metal Railing - Replace	30	29	$308,000	$338,000
	1003	Chain Link Fencing - Replace	15	8	$14,000	$17,000
	1011	Timber Retaining Wall - Replace	6	3	$10,000	$15,000
Pool/Spa	1102	Spa (Indoor) - Replace	10	3	$9,000	$11,000
	1102	Spa (Outdoor) - Replace	10	0	$6,000	$6,500
	1106	Spa Heater (Outdoor) - Replace	N/A		$0	$0

Category	Asset #	Asset Name	UL	RUL	Best Cost	Worst Cost
Pool/Spa	1106	Spa Heater (Indoor) - Replace	N/A		$0	$0
	1109	Spa Filter - Replace	N/A		$0	$0
	1111	Spa Pumps - Replace	N/A		$0	$0
Courts	1201	Tennis Court - Resurface	7	3	$12,000	$1,400
Recreation Equip.	1304	Drinking Fountain - Replace	N/A		$0	$0
	1305	Barbecues - Replace	N/A		$0	$0
	1306	Picnic Tables - Replace	N/A		$0	$0
	1307	Benches - Replace	N/A		$0	$0
	1308	Bear Proof Trash Receptacles - Replace	20	18	$7,600	$10,500
Interiors	1401	Laundry Equipment (Dryers) - Replace	15	2	$16,000	$18,000
	1402	Laundry Equipment (Washers) - Replac	30	4	$33,000	$38,000
	1405	Furnishings - Replace	10	5	$15,000	$18,000
	1409	Sauna/Spa Room - Refurbish	20	3	$15,000	$18,000
	1411	Steam Room - Remodel	18	0	$10,000	$12,000
	1412	Steamer - Replace	20	19	$6,000	$7,000
	1413	Restroom - Remodel	20	15	$14,000	$16,000
	1414	Employee Housing Units - Remodel	10	5	$10,000	$15,000
	1415	Front Desk/Reception Area - Remodel	15	8	$12,000	$15,000
	1416	Conference Room - Remodel	20	6	$7,500	$10,000
	1419	Ski Locker Room Remodel	20	2	$18,000	$20,000
	1420	Wireless Internet System	7	1	$26,000	$29,000
	1428	Luggage Carts	7	4	$6,000	$9,000
Flooring	1501	Carpeting - Replace	10	4	$33,500	$39,000
	1503	Ceramic Tile - Replace	20	15	$31,600	$38,000
Light Fixtures	1601	Interior Lobby Lighting - Replace	20	15	$15,000	$20,000
	1602	Exterior Lighting - Replace	20	15	$31,000	$41,000
	1604	Pole Lights - Replace	16	8	$4,800	$6,400
	1608	Can Lights - Replace	N/A		$0	$0
	1610	Florescent Tube Lights - Replace	N/A		$0	$0
	1611	Lighted Exit Signs - Replace	N/A		$0	$0
Landscaping	1813	Crushed Granite Paths - Replenish	N/A		$0	$0
Miscellaneous	2020	3rd Floor Remodel	30	0	$500,000	$550,000

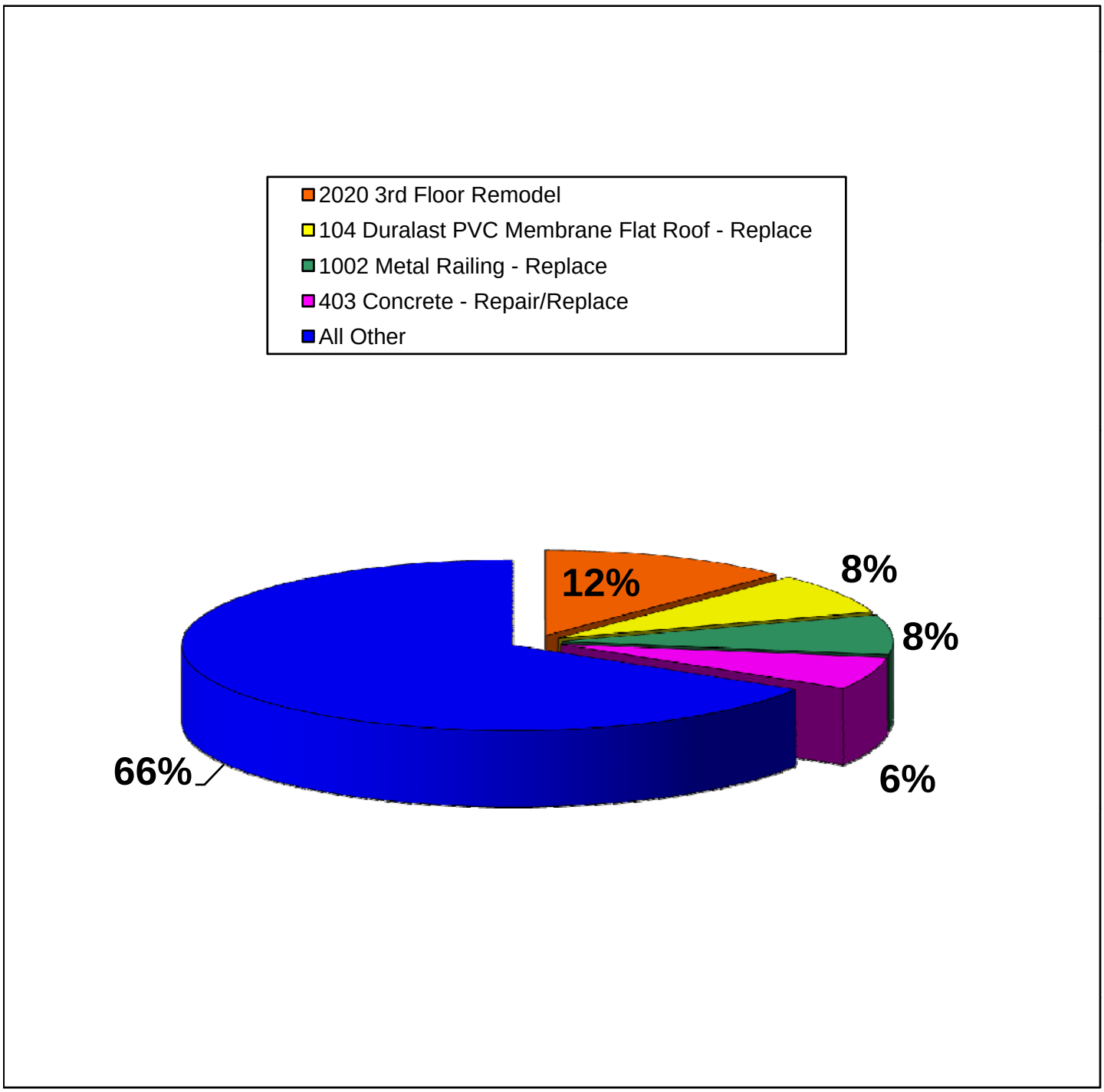
Significant Components For Plaza Condominiums

ID	Asset Name	UL	RUL	Ave Curr Cost	Significance: (Curr Cost/UL) As $	As %
104	Duralast PVC Membrane Flat Roof - Replac	15	8	$163,800	$10,920	7.6739%
204	Building Ext. Surfaces (Courtyard) - Repain	5	1	$25,000	$5,000	3.5137%
205	Building Ext. Surfaces (Perimeter) - Repain	10	6	$75,000	$7,500	5.2705%
207	Metal Railing - Repaint	10	6	$12,000	$1,200	0.8433%
210	Chain Link Fencing - Repaint	5	1	$3,500	$700	0.4919%
216	Interior Surfaces - Repaint	8	4	$37,150	$4,644	3.2633%
218	Interior Stairwells - Repaint	6	0	$5,000	$833	0.5856%
303	Pressure Treated Wood Base - Repair	15	0	$7,350	$490	0.3443%
307	Stucco - Repair	10	1	$32,500	$3,250	2.2839%
401	Asphalt (1a) - Overlay	15	0	$20,000	$1,333	0.9370%
401	Asphalt (1b) - Overlay	15	1	$23,400	$1,560	1.0963%
401	Asphalt (2) - Overlay	15	5	$28,125	$1,875	1.3176%
402	Asphalt - Seal Coat/crack fill	3	1	$8,650	$2,883	2.0262%
403	Concrete - Repair/Replace	8	1	$70,200	$8,775	6.1665%
403	Concrete - Repair/Replace	24	14	$70,550	$2,940	2.0657%
501	Common Doors (Wood) - Replace	20	10	$5,500	$275	0.1933%
503	Utility doors - Replace	20	10	$23,100	$1,155	0.8117%
504	Elevator Door Frames - Replace	10	1	$9,000	$900	0.6325%
507	Automatic Sliding Glass Doors - Replace	15	7	$3,250	$217	0.1523%
601	Concrete Sidewalks/Decks - Repair	4	1	$30,525	$7,631	5.3627%
603	Stamped Concrete - Repair/Replace	10	0	$16,500	$1,650	1.1595%
605	Everstone Coated Concrete - Repair/seal	2	1	$5,800	$2,900	2.0379%
609	Composite Deck - Replace	20	16	$110,175	$5,509	3.8712%
701	Boilers - Major Repairs	10	10	$5,000	$500	0.3514%
703	Hot Water Heater Tank - Replace	15	10	$2,250	$150	0.1054%
706	Duct Heaters - Replace	18	5	$11,000	$611	0.4294%
707	Elevator - Rebuild/Upgrade	26	4	$140,000	$5,385	3.7840%
709	Elevator Cab - Remodel	13	4	$35,000	$2,692	1.8920%
808	Street Signs - Replace	15	12	$11,000	$733	0.5153%
901	Fire Protection System - Replace	15	6	$4,000	$267	0.1874%
1002	Metal Railing - Replace	30	29	$323,000	$10,767	7.5661%
1003	Chain Link Fencing - Replace	15	8	$15,500	$1,033	0.7262%
1011	Timber Retaining Wall - Replace	6	3	$12,500	$2,083	1.4640%
1102	Spa (Indoor) - Replace	10	3	$10,000	$1,000	0.7027%
1102	Spa (Outdoor) - Replace	10	0	$6,250	$625	0.4392%
1201	Tennis Court - Resurface	7	3	$6,700	$957	0.6726%
1308	Bear Proof Trash Receptacles - Replace	20	18	$9,050	$453	0.3180%
1401	Laundry Equipment (Dryers) - Replace	15	2	$17,000	$1,133	0.7964%
1402	Laundry Equipment (Washers) - Replace	30	4	$35,500	$1,183	0.8316%
1405	Furnishings - Replace	10	5	$16,500	$1,650	1.1595%
1409	Sauna/Spa Room - Refurbish	20	3	$16,500	$825	0.5798%
1411	Steam Room - Remodel	18	0	$11,000	$611	0.4294%
1412	Steamer - Replace	20	19	$6,500	$325	0.2284%
1413	Restroom - Remodel	20	15	$15,000	$750	0.5271%
1414	Employee Housing Units - Remodel	10	5	$12,500	$1,250	0.8784%
1415	Front Desk/Reception Area - Remodel	15	8	$13,500	$900	0.6325%
1416	Conference Room - Remodel	20	6	$8,750	$438	0.3074%
1419	Ski Locker Room Remodel	20	2	$19,000	$950	0.6676%
1420	Wireless Internet System	7	1	$27,500	$3,929	2.7607%
1428	Luggage Carts	7	4	$7,500	$1,071	0.7529%
1501	Carpeting - Replace	10	4	$36,250	$3,625	2.5474%
1503	Ceramic Tile - Replace	20	15	$34,800	$1,740	1.2228%
1601	Interior Lobby Lighting - Replace	20	15	$17,500	$875	0.6149%

Significant Components For Plaza Condominiums

ID	Asset Name	UL	RUL	Ave Curr Cost	Significance: (Curr Cost/UL) As $	As %
1602	Exterior Lighting - Replace	20	15	$36,000	$1,800	1.2649%
1604	Pole Lights - Replace	16	8	$5,600	$350	0.2460%
2020	3rd Floor Remodel	30	0	$525,000	$17,500	12.2979%

Significant Components Graph For Plaza Condominiums

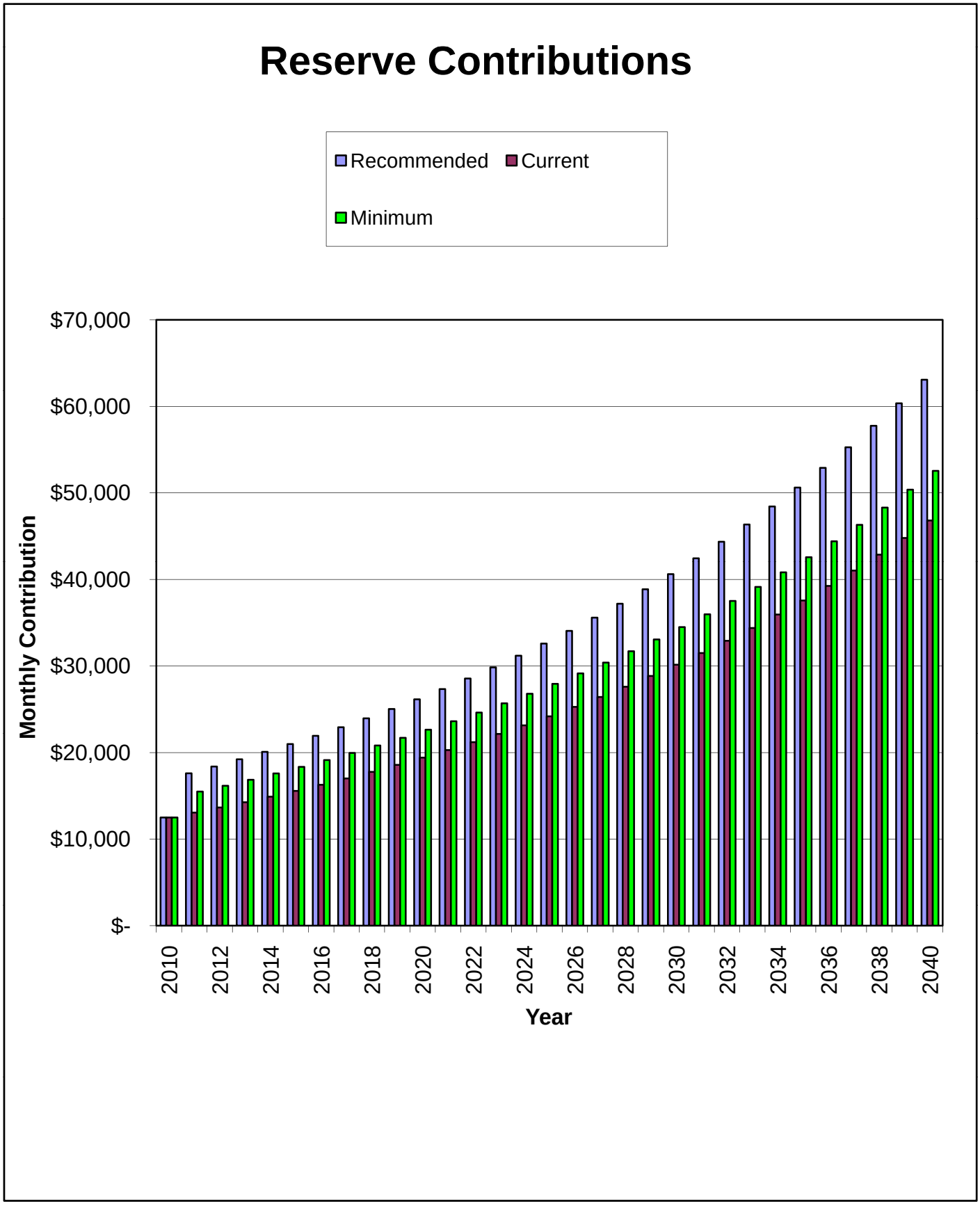


Asset ID	Asset Name	UL	RUL	Average Curr. Cost	Significance: (Curr Cost/UL) As $	As %
2020	3rd Floor Remodel	30	0	$525,000	$17,500	12%
104	Duralast PVC Membrane Flat Roof - Re	15	8	$163,800	$10,920	8%
1002	Metal Railing - Replace	30	29	$323,000	$10,767	8%
403	Concrete - Repair/Replace	8	1	$70,200	$8,775	6%
All Other	See Expanded Table on Page 4 For Additional Breakdown				$94,340	66%

Yearly Summary For Plaza Condominiums

Fiscal Year Start	Fully Funded Balance	Starting Reserve Balance	Percent Funded	Annual Reserve Contribs	Approved Special Ass'mnt	Interest Income	Reserve Expenses
2010	$1,355,111	$173,717	13%	$150,000	$500,500	$4,558	$591,100
2011	$947,096	$237,675	25%	$211,200	$0	$2,209	$246,698
2012	$887,312	$204,386	23%	$220,704	$0	$2,964	$39,313
2013	$1,048,548	$388,741	37%	$230,636	$0	$4,769	$58,770
2014	$1,204,015	$565,375	47%	$241,014	$0	$5,093	$357,815
2015	$1,061,613	$453,667	43%	$251,860	$0	$5,169	$130,164
2016	$1,158,677	$580,532	50%	$263,194	$0	$6,282	$173,526
2017	$1,223,135	$676,482	55%	$275,037	$0	$8,056	$24,087
2018	$1,455,372	$935,489	64%	$287,414	$0	$9,228	$321,253
2019	$1,396,628	$910,878	65%	$300,348	$0	$9,771	$176,882
2020	$1,495,624	$1,044,114	70%	$313,863	$0	$11,489	$114,842
2021	$1,673,851	$1,254,624	75%	$327,987	$0	$13,572	$135,184
2022	$1,849,233	$1,461,000	79%	$342,747	$0	$15,946	$90,136
2023	$2,090,442	$1,729,556	83%	$358,170	$0	$18,685	$97,426
2024	$2,346,236	$2,008,985	86%	$374,288	$0	$21,069	$197,788
2025	$2,520,521	$2,206,554	88%	$391,131	$0	$22,134	$397,604
2026	$2,506,235	$2,222,215	89%	$408,732	$0	$21,759	$521,215
2027	$2,375,082	$2,131,491	90%	$427,125	$0	$21,804	$349,183
2028	$2,431,334	$2,231,237	92%	$446,345	$0	$24,296	$71,886
2029	$2,794,034	$2,629,992	94%	$466,431	$0	$28,521	$48,350
2030	$3,212,431	$3,076,594	96%	$487,420	$0	$32,229	$224,350
2031	$3,481,178	$3,371,893	97%	$509,354	$0	$34,878	$309,549
2032	$3,689,125	$3,606,576	98%	$532,275	$0	$38,133	$153,805
2033	$4,086,046	$4,023,178	98%	$556,227	$0	$39,947	$649,786
2034	$4,000,151	$3,969,566	99%	$581,258	$0	$42,024	$154,011
2035	$4,446,894	$4,438,837	100%	$607,414	$0	$45,320	$462,611
2036	$4,610,498	$4,628,959	100%	$634,748	$0	$47,731	$390,229
2037	$4,877,215	$4,921,208	101%	$663,311	$0	$52,287	$96,163
2038	$5,484,250	$5,540,644	101%	$693,160	$0	$58,354	$157,080
2039	$6,076,906	$6,135,078	101%	$724,353	$0	$58,307	$1,386,395

Reserve Contributions For Plaza Condominiums



Component Funding Information For Plaza Condominiums

ID	Component Name	Ave Current Cost	Future Cost	Ideal Balance	Current Fund Balance	Monthly
104	Duralast PVC Membrane Flat Roof - Replace	$163,800	$232,940	$76,440	$0	$959.23
204	Building Ext. Surfaces (Courtyard) - Repaint	$25,000	$26,125	$20,000	$0	$439.21
205	Building Ext. Surfaces (Perimeter) - Repaint	$75,000	$97,670	$30,000	$0	$658.81
207	Metal Railing - Repaint	$12,000	$15,627	$4,800	$0	$105.41
210	Chain Link Fencing - Repaint	$3,500	$3,658	$2,800	$0	$61.49
216	Interior Surfaces - Repaint	$37,150	$44,302	$18,575	$0	$407.92
218	Interior Stairwells - Repaint	$5,000	$6,511	$5,000	$5,000	$73.20
303	Pressure Treated Wood Base - Repair	$7,350	$14,224	$7,350	$7,350	$43.04
307	Stucco - Repair	$32,500	$33,963	$29,250	$0	$285.49
401	Asphalt (1a) - Overlay	$20,000	$38,706	$20,000	$20,000	$117.12
401	Asphalt (1b) - Overlay	$23,400	$24,453	$21,840	$0	$137.03
401	Asphalt (2) - Overlay	$28,125	$35,049	$18,750	$0	$164.70
402	Asphalt - Seal Coat/crack fill	$8,650	$9,039	$5,767	$0	$253.28
403	Concrete - Repair/Replace	$70,200	$73,359	$61,425	$0	$770.81
403	Concrete - Repair/Replace	$70,550	$130,655	$29,396	$0	$258.22
501	Common Doors (Wood) - Replace	$5,500	$8,541	$2,750	$0	$24.16
503	Utility doors - Replace	$23,100	$35,874	$11,550	$0	$101.46
504	Elevator Door Frames - Replace	$9,000	$9,405	$8,100	$0	$79.06
507	Automatic Sliding Glass Doors - Replace	$3,250	$4,423	$1,733	$0	$19.03
601	Concrete Sidewalks/Decks - Repair	$30,525	$31,899	$22,894	$0	$670.34
603	Stamped Concrete - Repair/Replace	$16,500	$25,624	$16,500	$16,500	$144.94
605	Everstone Coated Concrete - Repair/seal	$5,800	$6,061	$2,900	$0	$254.74
609	Composite Deck - Replace	$110,175	$222,815	$22,035	$0	$483.90
701	Boilers - Major Repairs	$5,000	$7,765	$0	$0	$43.92
703	Hot Water Heater Tank - Replace	$2,250	$3,494	$750	$0	$13.18
706	Duct Heaters - Replace	$11,000	$13,708	$7,944	$0	$53.68
707	Elevator - Rebuild/Upgrade	$140,000	$166,953	$118,462	$0	$472.99
709	Elevator Cab - Remodel	$35,000	$41,738	$24,231	$0	$236.50
808	Street Signs - Replace	$11,000	$18,655	$2,200	$0	$64.42
901	Fire Protection System - Replace	$4,000	$5,209	$2,400	$0	$23.42
1002	Metal Railing - Replace	$323,000	$1,157,644	$10,767	$0	$945.76
1003	Chain Link Fencing - Replace	$15,500	$22,043	$7,233	$0	$90.77
1011	Timber Retaining Wall - Replace	$12,500	$14,265	$6,250	$0	$183.00
1102	Spa (Indoor) - Replace	$10,000	$11,412	$7,000	$0	$87.84
1102	Spa (Outdoor) - Replace	$6,250	$9,706	$6,250	$6,250	$54.90
1201	Tennis Court - Resurface	$6,700	$7,646	$3,829	$0	$84.08
1308	Bear Proof Trash Receptacles - Replace	$9,050	$19,987	$905	$0	$39.75
1401	Laundry Equipment (Dryers) - Replace	$17,000	$18,564	$14,733	$0	$99.55
1402	Laundry Equipment (Washers) - Replace	$35,500	$42,334	$30,767	$0	$103.95
1405	Furnishings - Replace	$16,500	$20,562	$8,250	$0	$144.94
1409	Sauna/Spa Room - Refurbish	$16,500	$18,829	$14,025	$0	$72.47
1411	Steam Room - Remodel	$11,000	$24,293	$11,000	$11,000	$53.68
1412	Steamer - Replace	$6,500	$15,001	$325	$0	$28.55
1413	Restroom - Remodel	$15,000	$29,029	$3,750	$0	$65.88
1414	Employee Housing Units - Remodel	$12,500	$15,577	$6,250	$0	$109.80
1415	Front Desk/Reception Area - Remodel	$13,500	$19,198	$6,300	$0	$79.06
1416	Conference Room - Remodel	$8,750	$11,395	$6,125	$0	$38.43
1419	Ski Locker Room Remodel	$19,000	$20,748	$17,100	$0	$83.45
1420	Wireless Internet System	$27,500	$28,738	$23,571	$0	$345.09
1428	Luggage Carts	$7,500	$8,944	$3,214	$0	$94.12
1501	Carpeting - Replace	$36,250	$43,229	$21,750	$0	$318.43

ID	Component Name	Ave Current Cost	Future Cost	Ideal Balance	Current Fund Balance	Monthly
1503	Ceramic Tile - Replace	34800	$67,348	$8,700	$0	$152.84
1601	Interior Lobby Lighting - Replace	17500	$33,867	$4,375	$0	$76.86
1602	Exterior Lighting - Replace	36000	$69,670	$9,000	$0	$158.12
1604	Pole Lights - Replace	5600	$7,964	$2,800	$0	$30.74
2020	3rd Floor Remodel	525000	$1,966,292	$525,000	$107,617	$1,537.23

Yearly Cash Flow For Plaza Condominiums

Year	2010	2011	2012	2013	2014
Starting Balance	$173,717	$237,675	$204,386	$388,741	$565,375
Reserve Income	$150,000	$211,200	$220,704	$230,636	$241,014
Interest Earnings	$4,558	$2,209	$2,964	$4,769	$5,093
Approved Special Assessment	$500,500	$0	$0	$0	$0
Funds Available	$828,775	$451,084	$428,054	$624,145	$811,482
Reserve Expenditures	$591,100	$246,698	$39,313	$58,770	$357,815
Ending Balance	$237,675	$204,386	$388,741	$565,375	$453,667

Year	2015	2016	2017	2018	2019
Starting Balance	$453,667	$580,532	$676,482	$935,489	$910,878
Reserve Income	$251,860	$263,194	$275,037	$287,414	$300,348
Interest Earnings	$5,169	$6,282	$8,056	$9,228	$9,771
Special Assessments	$0	$0	$0	$0	$0
Funds Available	$710,696	$850,008	$959,576	$1,232,131	$1,220,997
Reserve Expenditures	$130,164	$173,526	$24,087	$321,253	$176,882
Ending Balance	$580,532	$676,482	$935,489	$910,878	$1,044,114

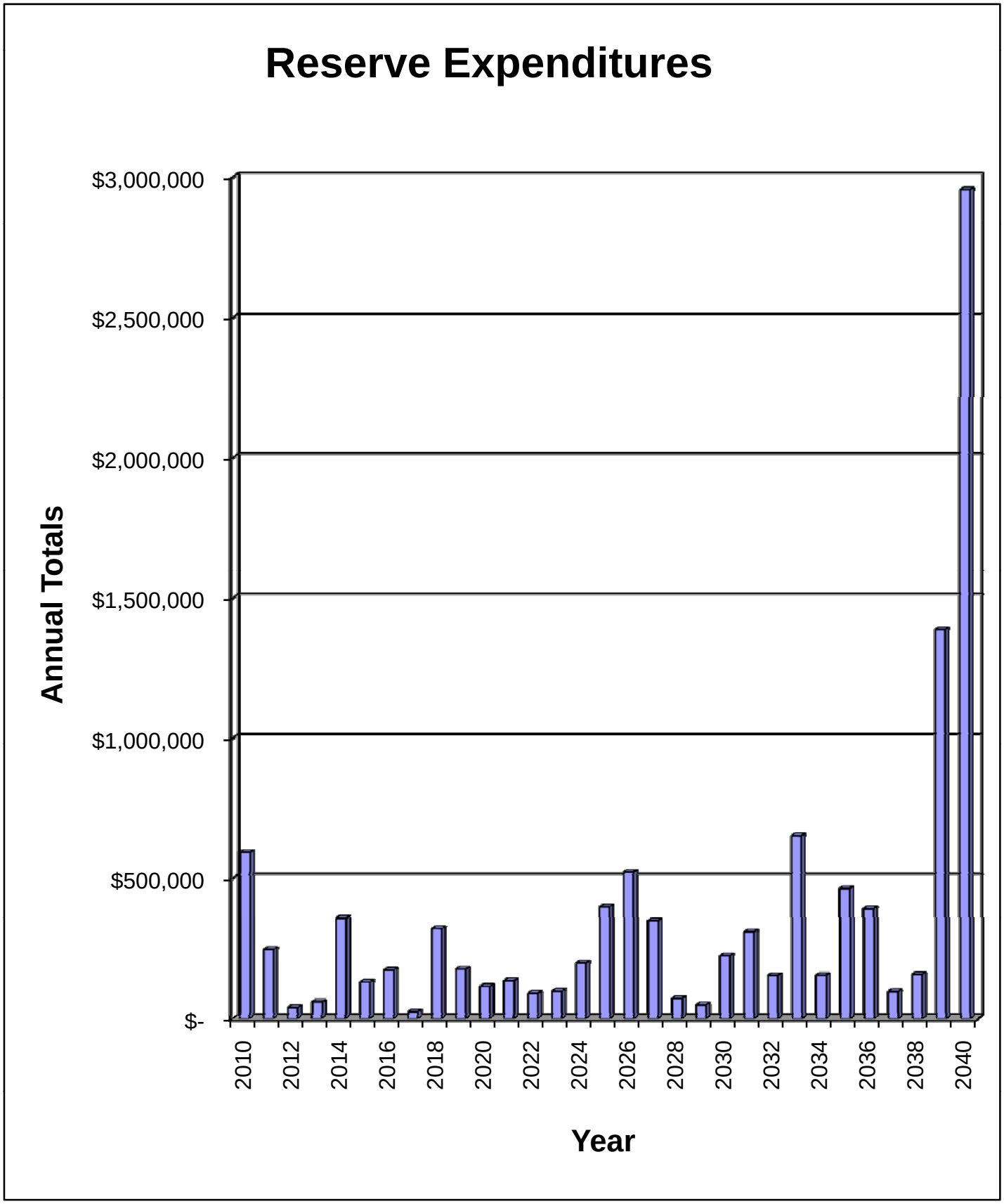
Year	2020	2021	2022	2023	2024
Starting Balance	$1,044,114	$1,254,624	$1,461,000	$1,729,556	$2,008,985
Reserve Income	$313,863	$327,987	$342,747	$358,170	$374,288
Interest Earnings	$11,489	$13,572	$15,946	$18,685	$21,069
Special Assessments	$0	$0	$0	$0	$0
Funds Available	$1,369,466	$1,596,184	$1,819,692	$2,106,411	$2,404,341
Reserve Expenditures	$114,842	$135,184	$90,136	$97,426	$197,788
Ending Balance	$1,254,624	$1,461,000	$1,729,556	$2,008,985	$2,206,554

Year	2025	2026	2027	2028	2029
Starting Balance	$2,206,554	$2,222,215	$2,131,491	$2,231,237	$2,629,992
Reserve Income	$391,131	$408,732	$427,125	$446,345	$466,431
Interest Earnings	$22,134	$21,759	$21,804	$24,296	$28,521
Special Assessments	$0	$0	$0	$0	$0
Funds Available	$2,619,819	$2,652,706	$2,580,420	$2,701,878	$3,124,944
Reserve Expenditures	$397,604	$521,215	$349,183	$71,886	$48,350
Ending Balance	$2,222,215	$2,131,491	$2,231,237	$2,629,992	$3,076,594

Year	2030	2031	2032	2033	2034
Starting Balance	$3,076,594	$3,371,893	$3,606,576	$4,023,178	$3,969,566
Reserve Income	$487,420	$509,354	$532,275	$556,227	$581,258
Interest Earnings	$32,229	$34,878	$38,133	$39,947	$42,024
Special Assessments	$0	$0	$0	$0	$0
Funds Available	$3,596,243	$3,916,124	$4,176,983	$4,619,352	$4,592,847
Reserve Expenditures	$224,350	$309,549	$153,805	$649,786	$154,011
Ending Balance	$3,371,893	$3,606,576	$4,023,178	$3,969,566	$4,438,837

Year	2035	2036	2037	2038	2039
Starting Balance	$4,438,837	$4,628,959	$4,921,208	$5,540,644	$6,135,078
Reserve Income	$607,414	$634,748	$663,311	$693,160	$724,353
Interest Earnings	$45,320	$47,731	$52,287	$58,354	$58,307
Special Assessments	$0	$0	$0	$0	$0
Funds Available	$5,091,571	$5,311,437	$5,636,807	$6,292,158	$6,917,738
Reserve Expenditures	$462,611	$390,229	$96,163	$157,080	$1,386,395
Ending Balance	$4,628,959	$4,921,208	$5,540,644	$6,135,078	$5,531,343

Yearly Expenditures Graph For Plaza Condominiums



Projected Reserve Expenditures For Plaza Condominiums

Year	Asset ID	Asset Name	Projected Cost	Total Per Annum
2010	218	Interior Stairwells - Repaint	$5,000	
	303	Pressure Treated Wood Base - Repair	$7,350	
	401	Asphalt (1a) - Overlay	$20,000	
	603	Stamped Concrete - Repair/Replace	$16,500	
	1102	Spa (Outdoor) - Replace	$6,250	
	1411	Steam Room - Remodel	$11,000	
	2020	3rd Floor Remodel	$525,000	$591,100
2011	204	Building Ext. Surfaces (Courtyard) - Repaint	$26,125	
	210	Chain Link Fencing - Repaint	$3,658	
	307	Stucco - Repair	$33,963	
	401	Asphalt (1b) - Overlay	$24,453	
	402	Asphalt - Seal Coat/crack fill	$9,039	
	403	Concrete - Repair/Replace	$73,359	
	504	Elevator Door Frames - Replace	$9,405	
	601	Concrete Sidewalks/Decks - Repair	$31,899	
	605	Everstone Coated Concrete - Repair/seal	$6,061	
	1420	Wireless Internet System	$28,738	$246,698
2012	1401	Laundry Equipment (Dryers) - Replace	$18,564	
	1419	Ski Locker Room Remodel	$20,748	$39,313
2013	605	Everstone Coated Concrete - Repair/seal	$6,619	
	1011	Timber Retaining Wall - Replace	$14,265	
	1102	Spa (Indoor) - Replace	$11,412	
	1201	Tennis Court - Resurface	$7,646	
	1409	Sauna/Spa Room - Refurbish	$18,829	$58,770
2014	216	Interior Surfaces - Repaint	$44,302	
	402	Asphalt - Seal Coat/crack fill	$10,315	
	707	Elevator - Rebuild/Upgrade	$166,953	
	709	Elevator Cab - Remodel	$41,738	
	1402	Laundry Equipment (Washers) - Replace	$42,334	
	1428	Luggage Carts	$8,944	
	1501	Carpeting - Replace	$43,229	$357,815
2015	401	Asphalt (2) - Overlay	$35,049	
	601	Concrete Sidewalks/Decks - Repair	$38,040	
	605	Everstone Coated Concrete - Repair/seal	$7,228	
	706	Duct Heaters - Replace	$13,708	
	1405	Furnishings - Replace	$20,562	
	1414	Employee Housing Units - Remodel	$15,577	$130,164
2016	204	Building Ext. Surfaces (Courtyard) - Repaint	$32,557	
	205	Building Ext. Surfaces (Perimeter) - Repaint	$97,670	
	207	Metal Railing - Repaint	$15,627	
	210	Chain Link Fencing - Repaint	$4,558	
	218	Interior Stairwells - Repaint	$6,511	
	901	Fire Protection System - Replace	$5,209	
	1416	Conference Room - Remodel	$11,395	$173,526
2017	402	Asphalt - Seal Coat/crack fill	$11,771	
	507	Automatic Sliding Glass Doors - Replace	$4,423	
	605	Everstone Coated Concrete - Repair/seal	$7,893	$24,087
2018	104	Duralast PVC Membrane Flat Roof - Replace	$232,940	
	1003	Chain Link Fencing - Replace	$22,043	
	1415	Front Desk/Reception Area - Remodel	$19,198	
	1420	Wireless Internet System	$39,108	
	1604	Pole Lights - Replace	$7,964	$321,253
2019	403	Concrete - Repair/Replace	$104,324	

Year	Asset ID	Asset Name	Projected Cost	Total Per Annum
	601	Concrete Sidewalks/Decks - Repair	$45,363	
	605	Everstone Coated Concrete - Repair/seal	$8,619	
	1011	Timber Retaining Wall - Replace	$18,576	$176,882
2020	402	Asphalt - Seal Coat/crack fill	$13,433	
	501	Common Doors (Wood) - Replace	$8,541	
	503	Utility doors - Replace	$35,874	
	603	Stamped Concrete - Repair/Replace	$25,624	
	701	Boilers - Major Repairs	$7,765	
	703	Hot Water Heater Tank - Replace	$3,494	
	1102	Spa (Outdoor) - Replace	$9,706	
	1201	Tennis Court - Resurface	$10,405	$114,842
2021	204	Building Ext. Surfaces (Courtyard) - Repaint	$40,571	
	210	Chain Link Fencing - Repaint	$5,680	
	307	Stucco - Repair	$52,743	
	504	Elevator Door Frames - Replace	$14,606	
	605	Everstone Coated Concrete - Repair/seal	$9,413	
	1428	Luggage Carts	$12,171	$135,184
2022	216	Interior Surfaces - Repaint	$63,002	
	218	Interior Stairwells - Repaint	$8,479	
	808	Street Signs - Replace	$18,655	$90,136
2023	402	Asphalt - Seal Coat/crack fill	$15,329	
	601	Concrete Sidewalks/Decks - Repair	$54,096	
	605	Everstone Coated Concrete - Repair/seal	$10,279	
	1102	Spa (Indoor) - Replace	$17,722	$97,426
2024	403	Concrete - Repair/Replace	$130,655	
	1501	Carpeting - Replace	$67,133	$197,788
2025	303	Pressure Treated Wood Base - Repair	$14,224	
	401	Asphalt (1a) - Overlay	$38,706	
	605	Everstone Coated Concrete - Repair/seal	$11,225	
	1011	Timber Retaining Wall - Replace	$24,191	
	1405	Furnishings - Replace	$31,932	
	1413	Restroom - Remodel	$29,029	
	1414	Employee Housing Units - Remodel	$24,191	
	1420	Wireless Internet System	$53,220	
	1503	Ceramic Tile - Replace	$67,348	
	1601	Interior Lobby Lighting - Replace	$33,867	
	1602	Exterior Lighting - Replace	$69,670	$397,604
2026	204	Building Ext. Surfaces (Courtyard) - Repaint	$50,559	
	205	Building Ext. Surfaces (Perimeter) - Repaint	$151,678	
	207	Metal Railing - Repaint	$24,268	
	210	Chain Link Fencing - Repaint	$7,078	
	401	Asphalt (1b) - Overlay	$47,323	
	402	Asphalt - Seal Coat/crack fill	$17,494	
	609	Composite Deck - Replace	$222,815	$521,215
2027	403	Concrete - Repair/Replace	$148,359	
	601	Concrete Sidewalks/Decks - Repair	$64,511	
	605	Everstone Coated Concrete - Repair/seal	$12,258	
	709	Elevator Cab - Remodel	$73,968	
	1201	Tennis Court - Resurface	$14,160	
	1401	Laundry Equipment (Dryers) - Replace	$35,927	$349,183
2028	218	Interior Stairwells - Repaint	$11,042	
	1308	Bear Proof Trash Receptacles - Replace	$19,987	
	1411	Steam Room - Remodel	$24,293	
	1428	Luggage Carts	$16,564	$71,886
2029	402	Asphalt - Seal Coat/crack fill	$19,963	

Year	Asset ID	Asset Name	Projected Cost	Total Per Annum
	605	Everstone Coated Concrete - Repair/seal	$13,386	
	1412	Steamer - Replace	$15,001	$48,350
2030	216	Interior Surfaces - Repaint	$89,595	
	401	Asphalt (2) - Overlay	$67,829	
	603	Stamped Concrete - Repair/Replace	$39,793	
	701	Boilers - Major Repairs	$12,059	
	1102	Spa (Outdoor) - Replace	$15,073	$224,350
2031	204	Building Ext. Surfaces (Courtyard) - Repaint	$63,006	
	210	Chain Link Fencing - Repaint	$8,821	
	307	Stucco - Repair	$81,908	
	504	Elevator Door Frames - Replace	$22,682	
	601	Concrete Sidewalks/Decks - Repair	$76,930	
	605	Everstone Coated Concrete - Repair/seal	$14,617	
	901	Fire Protection System - Replace	$10,081	
	1011	Timber Retaining Wall - Replace	$31,503	$309,549
2032	402	Asphalt - Seal Coat/crack fill	$22,781	
	507	Automatic Sliding Glass Doors - Replace	$8,559	
	1419	Ski Locker Room Remodel	$50,039	
	1420	Wireless Internet System	$72,425	$153,805
2033	104	Duralast PVC Membrane Flat Roof - Replace	$450,805	
	605	Everstone Coated Concrete - Repair/seal	$15,963	
	706	Duct Heaters - Replace	$30,274	
	1003	Chain Link Fencing - Replace	$42,659	
	1102	Spa (Indoor) - Replace	$27,522	
	1409	Sauna/Spa Room - Refurbish	$45,411	
	1415	Front Desk/Reception Area - Remodel	$37,154	$649,786
2034	218	Interior Stairwells - Repaint	$14,380	
	1201	Tennis Court - Resurface	$19,269	
	1501	Carpeting - Replace	$104,256	
	1604	Pole Lights - Replace	$16,106	$154,011
2035	402	Asphalt - Seal Coat/crack fill	$25,997	
	403	Concrete - Repair/Replace	$210,981	
	601	Concrete Sidewalks/Decks - Repair	$91,741	
	605	Everstone Coated Concrete - Repair/seal	$17,432	
	703	Hot Water Heater Tank - Replace	$6,762	
	1405	Furnishings - Replace	$49,590	
	1414	Employee Housing Units - Remodel	$37,568	
	1428	Luggage Carts	$22,541	$462,611
2036	**204**	**Building Ext. Surfaces (Courtyard) - Repain**	**$78,517**	
	205	Building Ext. Surfaces (Perimeter) - Repaint	$235,551	
	207	Metal Railing - Repaint	$37,688	
	210	Chain Link Fencing - Repaint	$10,992	
	1416	Conference Room - Remodel	$27,481	$390,229
2037	605	Everstone Coated Concrete - Repair/seal	$19,036	
	808	Street Signs - Replace	$36,102	
	1011	Timber Retaining Wall - Replace	$41,025	$96,163
2038	216	Interior Surfaces - Repaint	$127,413	
	402	Asphalt - Seal Coat/crack fill	$29,667	$157,080
2039	601	Concrete Sidewalks/Decks - Repair	$109,403	
	605	Everstone Coated Concrete - Repair/seal	$20,787	
	1002	Metal Railing - Replace	$1,157,644	
	1420	Wireless Internet System	$98,561	$1,386,395
2040	218	Interior Stairwells - Repaint	$18,727	
	303	Pressure Treated Wood Base - Repair	$27,528	
	401	Asphalt (1a) - Overlay	$74,906	

Year	Asset ID	Asset Name	Projected Cost	Total Per Annum
	501	Common Doors (Wood) - Replace	$20,599	
	503	Utility doors - Replace	$86,517	
	603	Stamped Concrete - Repair/Replace	$61,798	
	701	Boilers - Major Repairs	$18,727	
	707	Elevator - Rebuild/Upgrade	$524,345	
	709	Elevator Cab - Remodel	$131,086	
	1102	Spa (Outdoor) - Replace	$23,408	
	2020	3rd Floor Remodel	$1,966,292	$2,953,932

Glossary of Commonly used Words and Phrases (provided by the National Reserve Study Standards of the Community Associations Institute)

Asset or Component – Individual line items in the Reserve Study, developed or updated in the Physical Analysis. These elements form the building blocks for the Reserve Study. Components typically are: 1) Association Responsibility, 2) with limited Useful Life expectancies, 3) have predictable Remaining Life expectancies, 4) above a minimum threshold cost, and 5) required by local codes.

Cash Flow Method – A method of developing a Reserve Funding Plan 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.

Component Inventory – The task of selecting and quantifying Reserve Components. This task can be accomplished through on-site visual observations, review of association design and organizational documents, a review of established association precedents, and discussion with appropriate association representatives.

Deficit – An actual (or projected) Reserve Balance, which is less than the Fully Funded Balance.

Effective Age – The difference between Useful Life and Remaining Useful Life. Not always equivalent to chronological age, since some components age irregularly. Used primarily in computations.

Financial Analysis – The portion of the Reserve Study where current status of the Reserves (Measured as cash or Percent Funded) and a recommended Reserve contribution rate (Reserve Funding Plan) are derived, and the projected Reserve income and expense over time is presented. The Financial Analysis is one of the two parts of the Reserve Study.

Component Full Funding – When the actual (or projected) cumulative Reserve balance for all components is equal to the Fully Funded Balance.

Fully Fund Balance (aka – Ideal Balance) – An indicator against which Actual (or projected) Reserve Balance can be compared. The Reserve balance that is in direct proportion to the fraction of life "used up" of the current Repair or Replacement cost. This number is calculated for each component, and then summed together for an association total.

FFB = Replacement Cost X Effective Age / Useful Life

Fund Status – The status of the Reserve Fund as compared to an established benchmark, such as percent funding.

Funding Goals – Independent of methodology utilized, the following represent the basic categories of Funding Plan Goals.

- **Baseline Funding:** Establishing a Reserve funding goal of keeping the Reserve Balance above zero.
- **Component Full Funding:** Setting a Reserve funding goal of attaining and maintaining cumulative Reserves at or near 100% funded.
- **Threshold Funding:** Establishing a Reserve funding goal of keeping the Reserve balance above a specified dollar or Percent Funded amount. Depending on the threshold, this may be more or less conservative than the "Component Fully Funding" method.

Funding Plan – An associations plan to provide income to a Reserve fund to offset anticipated expenditures from that fund.

Funding Principles –

- Sufficient Funds When Required
- Stable Contribution Rate over the Years
- Evenly Distributed Contributions over the Years
- Fiscally Responsible

Life and Valuation Estimates – The task of estimating Useful Life, Remaining Useful Life, and Repair or Replacement Costs for the Reserve components.

Percent Funded – The ratio, at a particular point of time (typically the beginning of the Fiscal Year), of the *actual* (or *projected*) Reserve Balance to the accrued *Fund Balance*, expressed as a percentage.

Physical Analysis – The portion of the Reserve Study where the Component Inventory, Condition Assessment, and Life and Valuation Estimate tasks are performed. This represents one of the two parts of the Reserve Study.

Remaining Useful Life (RUL) – Also referred to as "Remaining Life" (RL). The estimated time, in years, that a reserve component can be expected to *continue* to serve its intended function. Projects anticipated to occur in the initial year have "0" Remaining Useful Life.

Replacement Cost – The cost of replacing, repairing, or restoring a Reserve Component to its original functional condition. The Current Replacement Cost would be the cost to replace, repair, or restore the component during that particular year.

Reserve Balance – Actual or projected funds as of a particular point in time (typically the beginning of the fiscal year) that the association has identified for use to defray the future repair or replacement of those major components in which the association is obligated to maintain. Also known as Reserves, Reserve Accounts, Cash Reserves. This is based upon information provided and is not audited.

Reserve Provider – An individual that prepares Reserve Studies. Also known as ***Aspen Reserve Specialties.***

Reserve Study – A budget-planning tool that identifies the current status of the Reserve fund and a stable and equitable Funding Plan to offset the anticipated future major common area expenditures. The Reserve Study consists of two parts: The Physical Analysis and the Financial Analysis.

Special Assessment – An assessment levied on the members of an association in addition to regular assessments. Special Assessments are often regulated by governing documents or local statutes.

Surplus – An actual (or projected) Reserve Balance that is greater that the Fully Funded Balance.

Useful Life (UL) – Also known as "Life Expectancy", or "Depreciable Life". The estimated time, in years, that a Reserve component can be expected to serve its intended function if properly constructed and maintained in its present application or installation.