ARS
Aspen Reserve Specialties

July 7, 2021

City View Lofts HOA, Inc.
Attn: Kevin Lym
HOA Simple, LLC.
PO Box 13823
Denver, CO. 80201

Regarding: Reserve Study Final Version

Dear Kevin,

Please find enclosed a final version of the Reserve Study for City View Lofts HOA, Inc. This final version is being delivered via electronic media.

The following requested changes were requested by you and your board based on the draft report that was sent on June 15, 2021, please see our responses:

1. Component 103 EPDM Flat Roof Replacement – Roof expected to be replaced in 2021 and projected cost added
2. Component 201 Stucco Surfaces Repaint – Remaining useful life extended per your request
3. Component 207 Railing Repaint – Remaining useful life extended per your request
4. Component 216 Interior Surfaces Repaint – Life expectancy and remaining useful life extended per your request
5. Component 307 Stucco Repair – Remaining useful life extended per your request
6. Component 502 Garage Door Replacement - Remaining useful life extended per your request
7. Component 506 Windows Replacement - Remaining useful life extended per your request
8. Component 507 Garage Door Operator - Life expectancy and remaining useful life extended per your request
9. Component 601 Concrete Repair/Replacement – Remaining useful life extended per your request
10. Component 703 Water Heater Replacement - Remaining useful life extended per your request
11. Component 707 Elevator Rebuild/Upgrade - Remaining useful life extended per your request
12. Component 709 Elevator Cab Remodel - Remaining useful life extended per your request
13. Component 715 Pumps Partial Replacement/Major Repairs - Remaining useful life extended per your request
14. Component 903 Security System Replacement - Remaining useful life extended per your request
15. Component 10012 Privacy Fencing Replacement – Funding has been removed is it was reported not the HOA responsibility
16. Component 1501 Carpeting Replacement - Remaining useful life extended per your request
17. Component 1504 Tile Replacement - Remaining useful life extended per your request
18. Component 1601 Interior Hallway Replacement (Lights) - Remaining useful life extended per your request

If any further adjustments are required due to a change in the association's philosophies, this can be accomplished at our standard rate of $200 per hour.

Now that you have received the Reserve Analysis, use it as a tool to assist you in establishing your budget, as well as an advanced warning for upcoming projects. This report should be reviewed at least once a year for obtaining proposals in advance of pending projects, and to make sure the Reserve funds are in line with projections. The outcome of this report should be conveyed with the property owners as to the status of the Reserve fund. The property owners should also know what the Board of Directors plans are to improve or maintain the Reserve fund.

Remember, just like any major line item in the budget, it is important to review the Reserve Fund status and contribution rate each year as the budget planning process begins. We look forward to working together in the future to assist the Board of Directors in planning their budgets by completing an updated Reserve Study.

Please let me know if there is anything else I can do to help. Have a great day!

Sincerely,

G. Michael Kelsen, RS, PRA
Owner

Wednesday, July 07, 2021

Level 1, Premium Reserve Analysis

City View Lofts HOA, Inc.
1755 Central Street
Denver, CO. 80211

FINAL VERSION

Report Period – 01/01/22 – 12/31/22

Client Reference Number – 08901

Property Type – Loft Style Condominiums

Fiscal Year End – December 31st

Number of Units – 10

Date of Property Observation – April 26, 2021

Property Observation Conducted by – Mike Kelsen

Project Manager – Mike Kelsen, RS, PRA

Main Contact Person – Kevin Lym, Community Manager

ASSOCIATION OF PROFESSIONAL RESERVE ANALYSTS
Michael Kelsen
Professional Reserve Analyst
2282
APRA

Table of Contents

ARS
Aspen Reserve Specialties

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 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 judgment 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* <u>before</u> 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 should be 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 $100,000 is a lot of money and they are in good shape. What they don't know is a major project will need to be replaced within 5 years, and the cost of the project is going to exceed $150,000. So while $100,000 sounds like a lot of money, in reality it won't even cover the cost of the project, 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 component for damage caused by high winds or other weather elements would be considered an “operating” expense. However, if the entire component 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 City View Lofts HOA, Inc. - Assoc. ID #08901

Projected Starting Balance as of January 1, 2022 -	**$127,941**
Ideal Reserve Balance as of January 1, 2022 -	**$277,779**
Percent Funded as of January 1, 2022 -	**46%**
Recommended Reserve Allocation (per month) -	**$3,740**
Minimum Reserve Allocation (per month) -	**$3,125**
Recommended Special Assessments -	**$0**

Information to complete this Reserve Analysis was gathered during property observation of the common area elements on April 26, 2021. In addition, we obtained information by contacting local vendors and contractors, as well as communicating with the property representatives (Board of Directors. 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 10 loft style condominiums over 20 years ago in 2000. Association maintenance responsibilities include the building exterior surfaces, parking garage, interior common hallways, mechanical equipment, an elevator, secured entries, and a privacy fence. It was reported the roof is in need of replacement soon. After analyzing the numbers, we find it necessary to recommend this project be completing by using separate funds from the Reserve account (Special Assessment, loan, etc.). Please refer to the *Projected Reserve Expenditure* table in the Financial Analysis section for a list of when components are scheduled to be addressed.

In comparing the projected balance of $127,941 versus the ideal Reserve Balance of $277,779, we find the association Reserve fund to be in a less than average financial position at this point in time (approximately 46% funded of ideal). As a result of the information contained in this report, we find the current budgeted Reserve allocation ($1,167 per month in 2021) to be less than adequate in increasing and maintaining the strength of the Reserve fund to prepare for future projects. Therefore, we are recommending increasing the Reserve contribution to $3,740 (representing an increase of approximately $260.00 per unit per month) effective 2022, followed by nominal annual increases of 3.50% thereafter to help offset the effects of inflation. By following the recommendation, the plan will maintain the Reserve account in a positive manner, while gradually increasing 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 $3,125 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 17% 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 of more Special Assessments in the future, we strongly suggest the recommended Reserve Allocation is followed.

Comp #: 103 EPDM Flat Roof - Replace

Observations:

- Reported roof needs to be replaced and estimates have been received. It is expected to be replaced in 2021.
- The majority of the roof is covered by personal property (decks, artificial grass areas, etc.) for the upper floor owners.
- No unusual conditions noted on the exposed surfaces at time of site evaluation
- Under normal conditions and with proper maintenance, expect to replace EPDM roofing every 18 - 20 years.
- However, with the majority of the roof covered, we have extended the useful life to 27 years at this time.

Location: **Building Exterior**

Quantity: **Approx. 65 Squares**

Life Expectancy: **20** *Remaining Life:* **19**

Best Cost: **$130,000**

$2000/square; Estimate to replace

Worst Cost: **$149,500**

$2300/square; Higher estimate for more labor

Source of Information: Estimates received by client

General Notes:

Project History:
2021 - $138,954

Comp #: 201 Stucco Surfaces - Repaint

Observations:

- Observed some staining and chalkiness of stucco surfaces.
- Stucco should typically be repainted approximately every 10 to 15 years to protect stucco surface and maintain appearance.
- Painting is done as an alternative to re-applying the stucco for cost effectiveness.
- When stucco surfaces are painted, an elastomeric or acrylic paint should be used according to industry professionals.

Location: ***Building Exterior***

Quantity: ***Approx. 13,530 GSF***

Life Expectancy: ***12*** *Remaining Life:* ***1***

Best Cost: ***$40,600***
Estimate to repaint exterior surfaces

Worst Cost: ***$49,400***
Higher estimate for more labor/prep work

Source of Information: Cost Database

General Notes:

Courtyard - Approx. 2,520 GSF
Exterior Building Surface - Approx. 11,010 GSF

Comp #: 207 Railing - Repaint

Observations:

- In this climate, we recommend repainting this component every 4 - 6 years to maintain appearance and protect metal surfaces.
- Remaining life based on current condition.
- Coordinate with other painted surfaces when possible for best cost estimate

Location: **Common Areas**

Quantity: **Approx. 280 LF**

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

Best Cost: **$2,800**

Estimate to repaint

Worst Cost: **$3,350**

Higher estimate for additional prep costs

Source of Information: Cost Database

General Notes:

Patio Rails - Approx. 70 LF
Balcony Rails - Approx. 104 GSF
Common exterior rail - Approx. 104 GSF

Project History:
2019 - cost not available

Comp #: 216 Interior Surfaces - Repaint

Observations:

- We recommend reserving to repaint the interior spaces every 8 - 12 years to maintain appearance.

- Outside of this painting cycle, damage to the surfaces and touch-up work should be performed annually with operating funds.

- NOTE - We have deferred this project until 2023 to spread out the major expenses and ease budgeting concerns.

Location: **Common Areas, stairwells**

Quantity: **Approx. 8,925 GSF**

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

Best Cost: **$12,950**

$1.45/GSF; Estimate to repaint

Worst Cost: **$15,175**

$1.70/GSF; Higher estimate

Source of Information: Cost Database

General Notes:

1st floor - 6th floor - Approx. 8925 GSF

North/ South Stairwells - Approx. 480 LF

Project History:
2019 - cost not available

Comp #: 307 Stucco - Repair

Observations:

- While stucco surfaces have a long life expectancy (typically a 10 year labor warranty), it is recommended by industry professionals to inspect and repair any cracks/voids frequently to prevent water intrusion.
- It is also recommended that a new coating is applied every 10 - 15 years to maintain an appropriate appearance (see component #201).
- Over a period of time, minor cracks and voids will develop that will require repairing.
- Coordinate these repairs with a painting cycle every 12 years.

Location: **Building Exterior**

Quantity: **Approx. 13,530 GSF**

Life Expectancy: **12** *Remaining Life:* **1**

Best Cost: **$13,500**
Allowance for major repairs

Worst Cost: **$16,000**
Higher allowance for more repairs

Source of Information: Cost Database

General Notes:

Courtyard - Approx. 2520 GSF
Exterior Building Surface - Approx. 11,010 GSF

Comp #: 309 Tile - Major Repairs

Observations:

- Observed a few loose tiles and what appears to be possible water intrusion from behind the tiles.

- Unless the association decides to replace the tiles due to a dated appearance at some point in the future, we recommend establishing Reserve funds for periodic major repairs.

- The remaining life is based on observed conditions

Location: ***Lower, East wall***

Quantity: ***Approx. 550 GSF***

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

Best Cost: ***$5,000***

Allowance for major repairs every 12 years

Worst Cost: ***$5,750***

Higher estimate for more repairs

Source of Information: Cost Database

General Notes:

Comp #: 502 Garage Door - Replace

Observations:

- In our experience, we have seen the need to replace these doors every 15 - 18 years on average.
- There has been no reports of major maintenance or replacement, so we are assuming door is still original.
- While door may be functional, the association should be financially ready for replacement at any time in the near future.
- Per client request, remaining life extended to 2025

Location: ***Parking Garage***

Quantity: ***(1) 18 x 7 barrel door***

Life Expectancy: ***18*** *Remaining Life:* ***3***

Best Cost: ***$9,500***
Estimate to replace

Worst Cost: ***$11,000***
Higher estimate for better quality

Source of Information: Cost Database

General Notes:

Comp #: 506 Windows - Replace

Observations:

- In our experience, we have seen the need to replace common area windows and doors every 25 - 30 years on average.

- Per client request, remaining life extended 15 years

Location: **_Common Area hallways_**

Quantity: **_(34) Window Units_**

Life Expectancy: **_30_** *Remaining Life:* **_15_**

Best Cost: **_$27,200_**

$800/opening; Average estimate to replace

Worst Cost: **_$32,300_**

$950/opening; Higher estimate for better quality

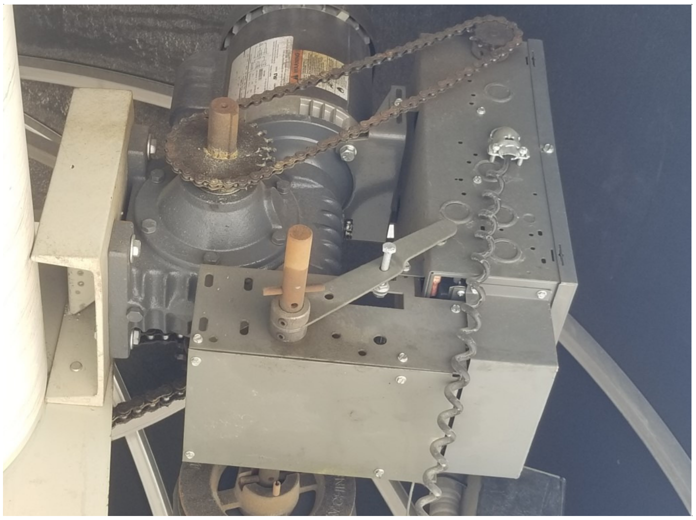
Source of Information: Cost Database

General Notes:

1st Floor -
- (2) 4 x 8 Windows
- (2) 4 x 8 Sliders(4) sliders

2nd - 6th floor
(6) Windows each floor

Comp #: 507 Garage Door Operator - Replace



Observations:

- Appears unit was replaced in 2014
- While some parts of the opener can be replaced in lieu of replacing the entire assembly, we recommend the association plan to replace the entire assembly every 8 - 10 years
- Perform semi-annual maintenance as an operating expense to maximize the useful life of the operators.
- Reported Board will be implementing a maintenance program. Extend life by 3 years

Location: ***Parking Garage***

Quantity: ***(1) Lift Master***

Life Expectancy: ***12*** *Remaining Life:* ***5***

Best Cost: ***$3,350***
Estimate to replace with similar

Worst Cost: ***$3,800***
Higher estimate for more labor/upgraded equip.

Source of Information: Research with contractor

General Notes:

Model #PROGHE
Serial #243051-21
date code -2014-06-24

Comp #: 508 Common Doors - Replace

Observations:

- Depending on the level of use and care, expect to replace these doors every 25 - 35 years.

- No extensive signs of deterioration or condition changes since the last on site visit. Therefore, we have extended the replacement cycle to 35 years at this time.

- Adjust remaining life in future Reserve Study updates depending on the deterioration levels for this property

Location: ***Floors, garage, exterior entries***

Quantity: ***(25) Common doors***

Life Expectancy: ***35*** *Remaining Life:* ***13***

Best Cost: ***$22,500***
$900/door; Estimate to replace

Worst Cost: ***$26,250***
$1050/door; Higher estimate for more labor

Source of Information: Cost Database

General Notes:

1st floor
(5) Common Doors
(2) Unit Doors

2nd - 6th floor (each floor)
(4) Common Doors
(2) Unit Doors

Parking Garage
(8) 3 x7 Common Doors

Building Exterior
(5) Doors

Comp #: 601 Concrete - Repair/Replace

Observations:

- We recommend establishing an allowance of 10% of the total area measured (475 GSF) to be repaired every 7 years.
- As the property ages, it is possible the percentage, or frequency, of repairs will need to be adjusted in future Reserve Study updates.
- Per client, no signs of deterioration. As a result, remaining life was extended to 6 years

Location: **Building Exterior**

Quantity: **Approx. 4,750 GSF**

Life Expectancy: **7** *Remaining Life:* **6**

Best Cost: **$5,950**

Allowance to repair 10% of area every 7 years

Worst Cost: **$6,200**

Higher allowance for more repairs

Source of Information: Cost Database

General Notes:

Front Patios - Approx. 980 GSF
Balconies - Approx. 1080 GSF
Common Area Concrete - Approx. 2225 GSF

Drive concrete - 465 GSF

Comp #: 703 Water Heater - Replace

Observations:

- Joints and connections were in good shape and free from significant rusting and corrosion. Despite these conditions, water heater has exceeded the average life expectancy of 15 - 18 years.
- As a result, even though the heater is functional, we recommend the association plan for replacement at any time in the near future.
- Depending on the level of use and the quality of the water running through the system, expect a useful life of 12 - 15 years from water heaters with proper maintenance and care.
- Remaining life was extended to 5 years per client request.

Location: **Boiler Room**

Quantity: ***(1) Water Heater***

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

Best Cost: ***$4,800***
Estimate to remove and install new

Worst Cost: ***$5,500***
Higher estimate for emergency call

Source of Information: Cost Database

General Notes:

(1) Phase 3 Water Heater
S/N - HM0817
M/N - G-30
- 1206 BTU / hr.

Comp #: 707 Elevator - Rebuild/Upgrade

Observations:

- In order to maintain a safe environment, it is generally recommended by elevator contractors that the "brains", door assemblies and other automation features in the elevator are updated every 20 - 25 years.
- Have the equipment professionally inspected and tested every year to ensure the equipment is working properly.

- NOTE - We tried contacting Elevators Unlimited, but the call would not go through and the website does not exist.

- Per client request, due to maintenance program in place, extend remaining life to 6years

Location: ***Elevator control room (garage)***

Quantity: ***(1) 7-stop Elevator***

Life Expectancy: ***25*** *Remaining Life:* ***6***

Best Cost: ***$110,000***

$110000/elevator; Estimate to rebuild

Worst Cost: ***$125,000***

$125000/elevator; Higher estimate

Source of Information: Cost Database

General Notes:

7 Stop
3,000 lbs. Maximum Weight

Elevator Equipment - Dover Elevators
Installation Code - ASMEA17.1-2000

Comp #: 709 Elevator Cab - Remodel

Observations:

- Timing of remodels and décor choices depend on the association ownership and desires to improve appearance.
- Per Colorado conveyance regulations, it is required that a licensed elevator contractor oversee all cab renovations unless you are replacing like-for-like (e.g. replacing old tile with new tile). New interiors also have to permitted with the state so that they meet code standards such as flame spread ratings, retain proper ventilation, etc.
- On average, most associations perform a remodel on elevator cabs every 12 - 18 years, depending on quality of finishes and level of use/care.
- Per client request, no remodel planned, extend remaining life to 5 years

Location: **Building Interior**

Quantity: **(1) Elevator Cab**

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

Best Cost: **$16,000**

$16000/cab; Estimate for a basic remodel

Worst Cost: **$20,000**

$20000/cab; Higher estimate

Source of Information: Cost Database

General Notes:

Carpet Tile - Approx. 16 GSF
Formica Walls - Approx. 128 GSF
Florescent light

Comp #: 714 Exhaust Fans - Replace

Observations:

- These units are hooked up to a carbon monoxide detectors that operates the motor when exhaust levels reach a potential hazardous level.
- The only moving part of these units is the small motor to operate the fan.
- These motors and detection units should be replaced as needed with general operating funds.

Location: **Parking Garage**

Quantity: **See General Notes**

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

Best Cost: **$0**

Worst Cost: **$0**

Source of Information:

General Notes:

(2) Exhaust Fans
(2) Louvers

Comp #: 715 Pumps - Partial Replace/Major Repairs

Observations:

- Fire pump was repaired in 2019. Details of the repairs were not provided on the proposal received.
- Due to varying ages, sizes, and levels of use, we recommend establishing an allowance for periodic major repairs or partial replacement.
- This line item is not intended to be represent complete replacement of all pumps/motors at the same time.
- Per client request, extend remaining life to 5 years

Location: **Boiler Room**

Quantity: ***(5) Assorted Pumps***

Life Expectancy: ***8*** *Remaining Life:* ***5***

Best Cost: ***$3,500***

Allowance for partial replacement or major repairs

Worst Cost: ***$4,000***

Higher allowance for more repairs

Source of Information: Past client cost

General Notes:

(1) Taco Circulation Pump
Model #007F5
115 Volts

(1) Baldor 1.5 HP
Cat #85.611005

(1) Baldor 2 HP

(1) Marathon 50 HP

(1) General 1/6th HP
#8-140969-03

Project History:
2019 - $2290 (repairs to fire pump)

Comp #: 721 Expansion Tanks - Replace

Observations:

- Under normal conditions and without sudden pressurization, these tanks typically have an indefinite life expectancy.
- Also, the replacement cost of these sized tanks is often too small for separate Reserve funding consideration
- Therefore, at this time, we recommend replacing on an as needed basis with general operating funds.

Location: **Boiler Room**

Quantity: **(2) Tanks**

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

Best Cost: **$0**

Worst Cost: **$0**

Source of Information:

General Notes:

(1) Amtrol Expansion Tank
Model #30
Date code 11232298
100 PSI

(1) Small tank

Comp #: 803 Mailboxes - Replace

Observations:

- Mailboxes appeared to be in good condition, considering age of building, at time of observation with no reports of problems.
- Due to the location of the mailboxes being inside and protected from the elements, we do not expect these mailboxes to require replacement more often than every 20 years.
- Due to extended life expectancy and low replacement cost, we recommend replacing as needed with operating funds.

Location: **Common Area**

Quantity: ***(1) Mailbox Units***

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

Best Cost: ***$0***

Worst Cost: ***$0***

Source of Information:

General Notes:

Mailbox
- (10) Individual Boxes
- (1) Letter Box

Comp #: 901 Fire Protection System - Replace

Observations:

- Once the system is installed, it is unlikely that any rewiring will be required; replacement costs reflect replacement of the panels only.
- Expect to replace these panels every 20 - 25 years depending on levels of maintenance and under normal conditions.
- System should be tested annually by a professional to ensure functioning conditions during an emergency.

Location: ***Common Area, Garage***

Quantity: ***(1) Annunciator Panel***

Life Expectancy: ***25*** *Remaining Life:* ***3***

Best Cost: ***$7,500***

$7500/system; Estimate to replace/upgrade

Worst Cost: ***$8,400***

Higher estimate for additional parts

Source of Information: Cost Database

General Notes:

(1) Kirkland Annunciator Panel FCPS-24
(1) AFP-200 Notifier
(1) Joslyn Clark Fire Pump Panel
(1) Fire Pump Controller Panel
Model #M30050208C
Serial #PE01N1204811

Project History -
2019 - $2,290 (Fire pump repair - see component #715)

Comp #: 903 Security System - Replace

Observations:

- Per service contractor, system was installed in 2019, and there have not been any reported problems since system was installed.
- Under normal conditions, expect to replace the system and upgrade every 5 - 6 years due to advances in technology.
- Remaining life is based on age of system
- Per client request, extend remaining life to 5 years

Location: **Boiler Room**

Quantity: ***(1) DVR Security System.***

Life Expectancy: ***8*** *Remaining Life:* ***5***

Best Cost: ***$4,500***

Estimate to replace monitoring system

Worst Cost: ***$5,000***

Higher estimate for more replacement parts

Source of Information: Research with contractor

General Notes:

(1) Security system with (6) 4 mega pixel cameras
(1) ASUS Monitor
(1) 8 channel NVR

(2) Exterior cameras
(2) Interior cameras
(2) garage

Project History:
2019: $4,065.22 (per service contractor)

Comp #: 905 Intercom - Replace

Observations:

- New system most likely installed within the past 5 years.

- This type of system has a typical life expectancy of 12 - 15 years in this climate.

- Remaining life is based on approximate age and observed conditions.

Location: ***Common Area***

Quantity: ***(1) DKS system***

Life Expectancy: ***15*** *Remaining Life:* ***10***

Best Cost: ***$3,500***
Estimate to replace

Worst Cost: ***$4,000***
Higher estimate for more labor

Source of Information: Cost database

General Notes:

Comp #: 1001 Privacy Fencing - Replace

Observations:

- Fence is leaning in a few areas, but the pickets and overall condition is fair. We suggest replacing the posts as an operating expense to extend the life of the fence.
- The average replacement cycle ranges between 15 - 20 years and is based on the observed quality of fence installed and the current condition.
- It was reported the fence is on the neighboring property and is not the responsibility of City View. Therefore, Reserve funding has been removed from the report.
- This inventory page is included for informational purposes only.

Location: **Building Exterior**

Quantity: **Approx. 115 LF**

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

Best Cost: **$0**

Worst Cost: **$0**

Source of Information:

General Notes:

Comp #: 1002 Metal Railing - Replace

Observations:

- The average replacement cycle for this type of railing typically ranges between 25 - 35 years, depending on maintenance levels and exposure to elements.

- Since we were unable to access and inspect the condition of the balcony railing, this line item is included as a conservative safety measure in case balcony railings deteriorate over the years from snow melt chemicals.

Location: **Common Areas**

Quantity: **Approx. 280 LF**

Life Expectancy: **36** *Remaining Life:* **12**

Best Cost: **$21,000**
$75/LF; Estimate to replace

Worst Cost: **$25,200**
$90/LF: Higher estimate

Source of Information: Cost Database

General Notes:

Patio Rails - Approx. 70 LF
Balcony Rails - Approx. 105 LF
Common exterior - Approx. 105 LF

Due to location, replacement is unlikely -
North/South Stairwells - Approx. 480 LF

Comp #: 1314 Canvas Awning - Replace

Observations:

- No reported replacement, but based on the appearance of the fabric, awning has been replaced at some point within the past couple years.

- Metal frames were free from any deterioration or damage at time of observation.

- This line item is for replacement of the awning fabric every 7 - 8 years.

Location: ***Building Exterior***

Quantity: ***(1) Canvas Awning***

Life Expectancy: ***8*** *Remaining Life:* ***5***

Best Cost: ***$1,600***
Estimate to replace awnings

Worst Cost: ***$1,900***
Higher estimate for better quality

Source of Information: Cost Database

General Notes:

(1) Canvas Awning (logo'd) - 5x24
(1) Canvas Awning - 5x16

Comp #: 1405 Furnishings - Replace

Observations:

- Due to low quantity of furnishings we do not recommend reserving to replace at this time.
- Replace furnishings on an as needed basis using operating funds.

Location: **Lobby**

Quantity: **(2) Furnishing Units**

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

Best Cost: **$0**

Worst Cost: **$0**

Source of Information:

General Notes:

(1) Buffet Table
(1) Mirror

Comp #: 1501 Carpeting - Replace

Observations:

- Seams are starting to appear in some areas, as well as numerous stains were observed as well.

- This type of carpet and application has a typical useful life of 10 to 12 years.

- The remaining life is based on the overall appearance of the carpet and the assumed age

- NOTE - We have deferred this project until 2024 to spread out the major expenses and ease budgeting concerns.

Location: **Common Areas**

Quantity: **Approx. 185 GSY**

Life Expectancy: **12** *Remaining Life:* **2**

Best Cost: **$8,325**
$45/GSY; Estimate for average quality

Worst Cost: **$9,250**
$50/GSY; Higher estimate for better quality

Source of Information: Cost Database

General Notes:

Comp #: 1504 Tile - Replace

Observations:

- Tiles are functional, but somewhat outdated in appearance.
- The tile will not likely be replaced because the material fails, we have included funding so the association is prepared to replace the tile based on changes in decorative trends.
- In order to maintain a modern and appropriate appearance, reserve to replace lobby tile every 20 - 25 years.
- Coordinate with carpet replacement so tile is consistent with the current decorative trends
- NOTE - We have deferred this project until 2024 to spread out the major expenses and ease budgeting concerns.

Location: **Common Area**

Quantity: **Approx. 385 GSF**

Life Expectancy: **24** *Remaining Life:* **2**

Best Cost: **$6,550**
Estimate to replace with similar

Worst Cost: **$7,700**
Higher estimate for better quality

Source of Information: Cost Database

General Notes:

1st floor tile - Approx. 305 GSF
Mini Courtyard - Approx. 80 GSF

Comp #: 1601 Interior Hallway - Replace

Observations:

- Typically, associations prefer to upgrade and modernize lighting every 15 - 20 years, depending on changes in trends.
- Suggest replacing all fixtures at same time to get best cost estimate and match décor throughout all buildings.
- Replace non-decorative lights (florescent lights, recessed can lights, etc.) on an as needed basis with operating funds
- NOTE - We have deferred this project until 2024 to spread out the major expenses and ease budgeting concerns.

Location: ***Hallways***

Quantity: ***Approx. (12) Fixtures***

Life Expectancy: ***24*** *Remaining Life:* ***2***

Best Cost: ***$2,700***

$225/fixture; Estimate to replace and install new

Worst Cost: ***$3,300***

$275/fixture; Higher estimate

Source of Information: Cost Database

General Notes:

1st Floor - (2) lights
2nd thru 6th floor (each floor) - (2) lights each floor

Comp #: 1602 Exterior Wall Mount - Replace

Observations:

- 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.
- By replacing multiple fixtures, the association will be able to obtain a quantity discount for replacement and installation of the fixtures.

Location: **Building Exterior**

Quantity: **Approx. (37) Fixtures**

Life Expectancy: **20** *Remaining Life:* **0**

Best Cost: **$10,175**

$275/light; Estimate to replace

Worst Cost: **$12,950**

$350/light; Higher estimate for better quality

Source of Information: Cost Database

General Notes:

Courtyard - (2) Wall Lights (replace as needed)
Building Exterior -
(19) Wall Lights
(2) Pole Lights
Roof -
(14) Wall lights

Comp #: 1611 Miscellaneous Lighting - Replace

Observations:

- These should be tested at least twice a year to ensure proper function during an emergency situation.
- Due to low individual replacement cost, we suggest replacing on an as needed basis with general operating funds.

Location: **Common Areas**

Quantity: **Approx. (104) Fixtures**

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

Best Cost: **$0**

Worst Cost: **$0**

Source of Information:

General Notes:

1st Floor
(5) Exit
(2) Emergency
(7) Can

2nd thru 6th Floor (each floor)
(4) Exit
(2) Emergency
(8) Can

Garage:
(7) Wal Paks, (1) LED
(4) Exit
(2) Emergency

Comp #: 1701 Irrigation System - Replace

Observations:

- Due to the small area of landscaping and irrigation, we recommend continuing to handle everything on an as needed basis using operating funds.

- No reserve funding necessary for the small landscaped area and small irrigation system.

Location: ***Common areas***

Quantity: ***Minimal***

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

Best Cost: ***$0***

Worst Cost: ***$0***

Source of Information:

General Notes:

Comp #: 1703 Irrigation Controllers - Replace

Observations:

- Due to the low cost of replacement, we do not recommend reserving to replace at this time.

- Replace as needed using operating funds.

Location: ***Parking Garage***

Quantity: ***(1) Rainbird SST600 Unit***

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

Best Cost: ***$0***

Worst Cost: ***$0***

Source of Information:

General Notes:

Comp #: 1801 Groundcover - Replenish

Observations:

- Typically, associations will establish a line item in the operating budget to handle annual replacement of shrubs, plants, mulch, etc.
- Therefore, separate Reserve funding is not necessary as long as funding has been established in a separate budget.
- If the association prefers to include a funding allowance for groundcover replenishment, then we would need to know how much and how often the current board of directors would prefer to set aside since this would be considered a discretionary expense.

Location: **Frfont landscaped area**

Quantity: **Minimal area**

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

Best Cost: **$0**

Worst Cost: **$0**

Source of Information:

General Notes:

Funding Summary For City View Lofts HOA, Inc.

Beginning Assumptions	
Financial Information Source	Research With Client
# of units	10
Fiscal Year End	December 31, 2022
Monthly Dues from 2021 budget	$6,000.00
Monthly Reserve Allocation from 2021 Budget	$1,166.67
Projected Starting Reserve Balance (as of 1/1/2022)	$127,941
Reserve Balance: Average Per Unit	$12,794
Ideal Starting Reserve Balance (as of 1/1/2022)	$277,779
Ideal Reserve Balance: Average Per Unit	$27,778

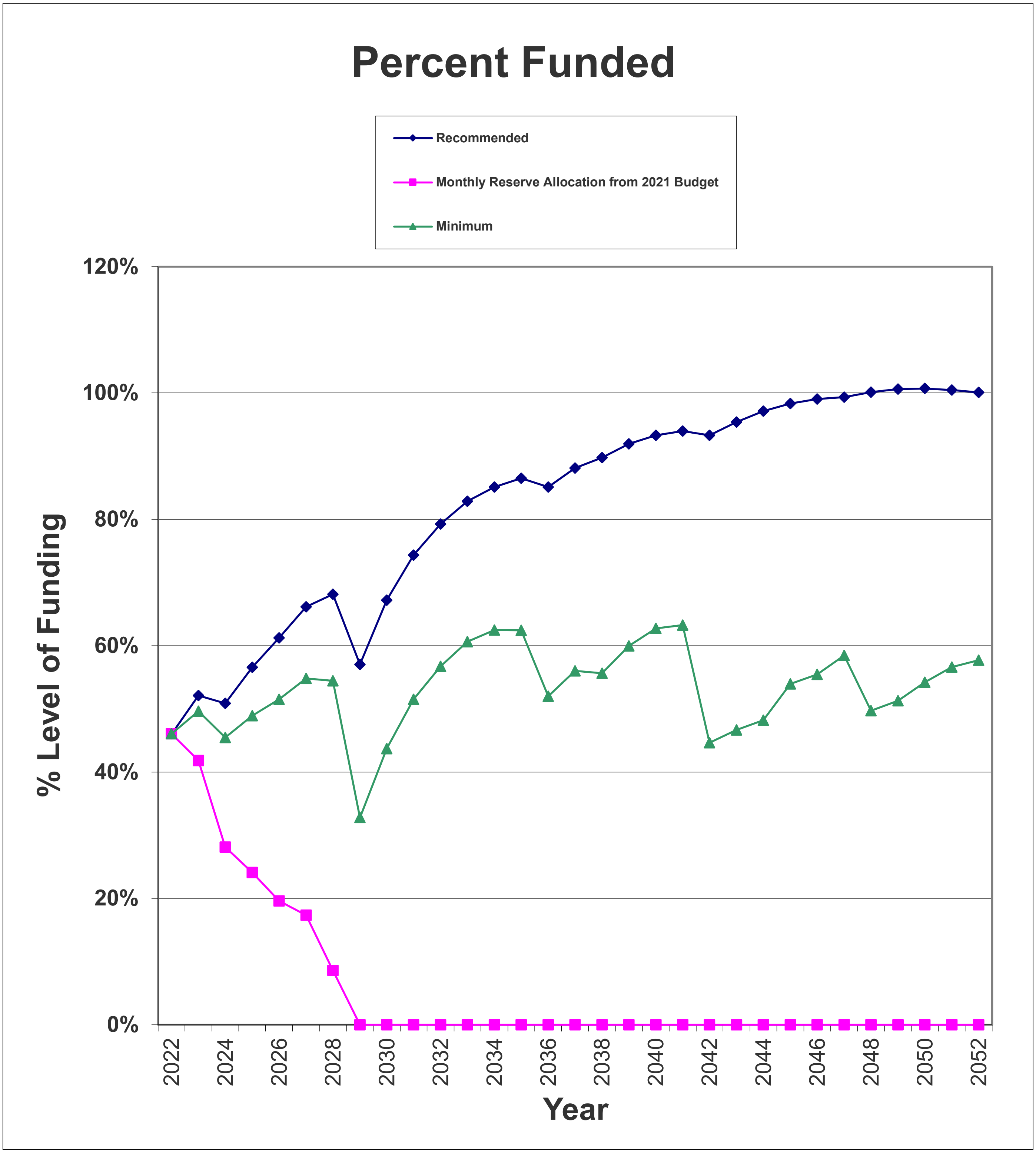
Economic Factors	
Past 20 year Average Inflation Rate (Based on CCI)	4.15%
Current Average Interest Rate	1.00%

Current Reserve Status	
Current Balance as a % of Ideal Balance	46%

Recommendations for 2022 Fiscal Year	
Monthly Reserve Allocation	$3,740
Per Unit	$374.00
Minimum Monthly Reserve Allocation	$3,125
Per Unit	$312.50
Primary Annual Increases	3.50%
# of Years	30
Special Assessment	$0
Per Unit	$0

Changes From Prior Year (2021 to 2022)	
Increase/Decrease to Reserve Allocation	$2,573
as Percentage	221%
Average Per Unit	$257.33

Percent Funded Graph For City View Lofts HOA, Inc.



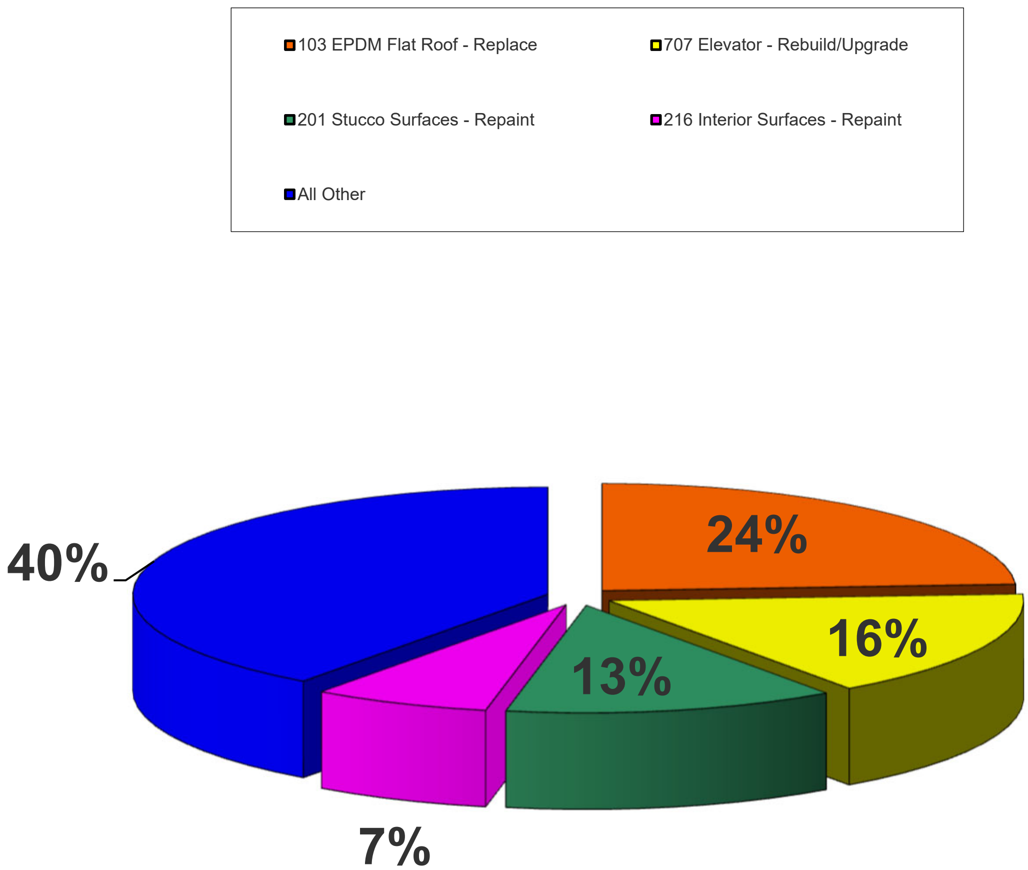
Component Inventory for City View Lofts HOA, Inc.

Category	Asset #	Asset Name	UL	RUL	Best Cost	Worst Cost
Roofing	103	EPDM Flat Roof - Replace	20	19	$130,000	$149,500
Painted Surfaces	201	Stucco Surfaces - Repaint	12	1	$40,600	$49,400
	207	Railing - Repaint	6	3	$2,800	$3,350
	216	Interior Surfaces - Repaint	7	4	$12,950	$15,175
Siding Materials	307	Stucco - Repair	12	1	$13,500	$16,000
	309	Tile - Major Repairs	6	0	$5,000	$5,750
Property Access	502	Garage Door - Replace	18	3	$9,500	$11,000
	506	Windows - Replace	30	15	$27,200	$32,300
	507	Garage Door Operator - Replace	12	5	$3,350	$3,800
	508	Common Doors - Replace	35	13	$22,500	$26,250
Walking Surfaces	601	Concrete - Repair/Replace	7	6	$5,950	$6,200
Mechanical Equip.	703	Water Heater - Replace	15	5	$4,800	$5,500
	707	Elevator - Rebuild/Upgrade	25	6	$110,000	$125,000
	709	Elevator Cab - Remodel	18	5	$16,000	$20,000
	714	Exhaust Fans - Replace	N/A		$0	$0
	715	Pumps - Partial Replace/Major Repairs	8	5	$3,500	$4,000
	721	Expansion Tanks - Replace	N/A		$0	$0
Prop. Identification	803	Mailboxes - Replace	N/A		$0	$0
Security	901	Fire Protection System - Replace	25	3	$7,500	$8,400
	903	Security System - Replace	8	5	$4,500	$5,000
	905	Intercom - Replace	15	10	$3,500	$4,000
Fencing/Walls	1001	Privacy Fencing - Replace	N/A		$0	$0
	1002	Metal Railing - Replace	36	12	$21,000	$25,200
Recreation Equip.	1314	Canvas Awning - Replace	8	5	$1,600	$1,900
Interiors	1405	Furnishings - Replace	N/A		$0	$0
Flooring	1501	Carpeting - Replace	12	2	$8,325	$9,250
	1504	Tile - Replace	24	2	$6,550	$7,700
Light Fixtures	1601	Interior Hallway - Replace	24	2	$2,700	$3,300
	1602	Exterior Wall Mount - Replace	20	0	$10,175	$12,950
	1611	Miscellaneous Lighting - Replace	N/A		$0	$0
Irrig. System	1701	Irrigation System - Replace	N/A		$0	$0
	1703	Irrigation Controllers - Replace	N/A		$0	$0
Landscaping	1801	Groundcover - Replenish	N/A		$0	$0

Significant Components For City View Lofts HOA, Inc.

ID	Asset Name	UL	RUL	Ave Curr Cost	Significance: (Curr Cost/UL) As $	As %
103	EPDM Flat Roof - Replace	20	19	$139,750	$6,988	24.0337%
201	Stucco Surfaces - Repaint	12	1	$45,000	$3,750	12.8982%
207	Railing - Repaint	6	3	$3,075	$513	1.7628%
216	Interior Surfaces - Repaint	7	4	$14,063	$2,009	6.9098%
307	Stucco - Repair	12	1	$14,750	$1,229	4.2277%
309	Tile - Major Repairs	6	0	$5,375	$896	3.0812%
502	Garage Door - Replace	18	3	$10,250	$569	1.9586%
506	Windows - Replace	30	15	$29,750	$992	3.4109%
507	Garage Door Operator - Replace	12	5	$3,575	$298	1.0247%
508	Common Doors - Replace	35	13	$24,375	$696	2.3954%
601	Concrete - Repair/Replace	7	6	$6,075	$868	2.9850%
703	Water Heater - Replace	15	5	$5,150	$343	1.1809%
707	Elevator - Rebuild/Upgrade	25	6	$117,500	$4,700	16.1658%
709	Elevator Cab - Remodel	18	5	$18,000	$1,000	3.4395%
715	Pumps - Partial Replace/Major Repairs	8	5	$3,750	$469	1.6123%
901	Fire Protection System - Replace	25	3	$7,950	$318	1.0938%
903	Security System - Replace	8	5	$4,750	$594	2.0422%
905	Intercom - Replace	15	10	$3,750	$250	0.8599%
1002	Metal Railing - Replace	36	12	$23,100	$642	2.2070%
1314	Canvas Awning - Replace	8	5	$1,750	$219	0.7524%
1501	Carpeting - Replace	12	2	$8,788	$732	2.5187%
1504	Tile - Replace	24	2	$7,125	$297	1.0211%
1601	Interior Hallway - Replace	24	2	$3,000	$125	0.4299%
1602	Exterior Wall Mount - Replace	20	0	$11,563	$578	1.9885%

Significant Components Graph For City View Lofts HOA, Inc.

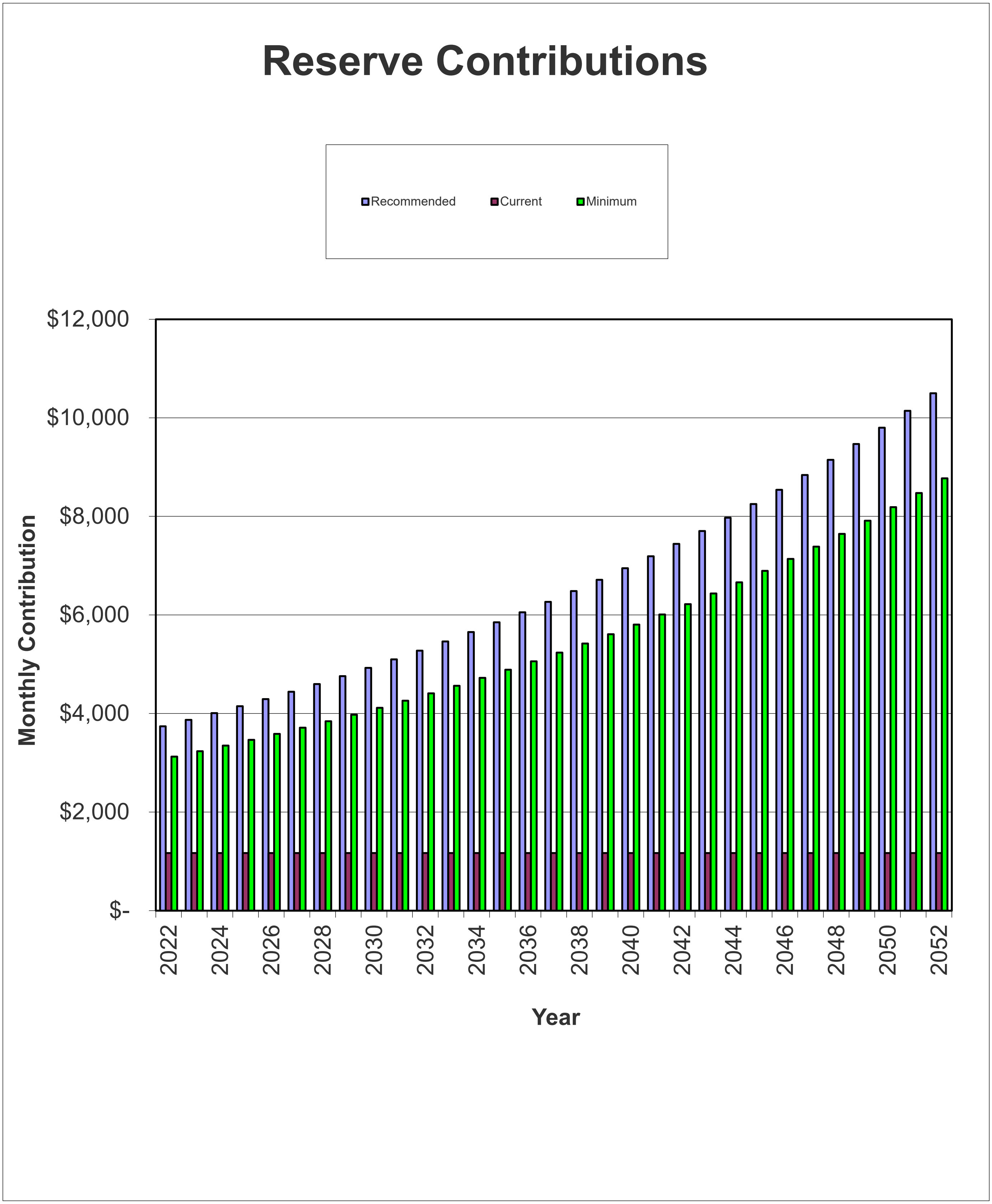


					Significance: (Curr Cost/UL)	
Asset ID	Asset Name	UL	RUL	Average Curr. Cost	As $	As %
103	EPDM Flat Roof - Replace	20	19	$139,750	$6,988	24%
707	Elevator - Rebuild/Upgrade	25	6	$117,500	$4,700	16%
201	Stucco Surfaces - Repaint	12	1	$45,000	$3,750	13%
216	Interior Surfaces - Repaint	7	4	$14,063	$2,009	7%
All Other	See Expanded Table on Page 4 For Additional Breakdown				$11,627	40%

Yearly Summary For City View Lofts HOA, Inc.

Fiscal Year Start	Fully Funded Balance	Starting Reserve Balance	Percent Funded	Annual Reserve Contribs	Rec. Special Ass'mnt	Interest Income	Reserve Expenses
2022	$277,779	$127,941	46%	$44,880	$0	$1,426	$16,938
2023	$301,946	$157,309	52%	$46,451	$0	$1,501	$62,230
2024	$281,202	$143,031	51%	$48,077	$0	$1,575	$20,515
2025	$304,352	$172,168	57%	$49,759	$0	$1,859	$24,035
2026	$326,158	$199,751	61%	$51,501	$0	$2,182	$16,546
2027	$358,090	$236,888	66%	$53,303	$0	$2,420	$45,311
2028	$362,866	$247,300	68%	$55,169	$0	$1,935	$164,580
2029	$245,162	$139,824	57%	$57,100	$0	$1,691	$0
2030	$295,587	$198,616	67%	$59,098	$0	$2,292	$0
2031	$349,775	$260,006	74%	$61,167	$0	$2,897	$4,434
2032	$403,334	$319,636	79%	$63,308	$0	$3,501	$5,631
2033	$459,680	$380,813	83%	$65,523	$0	$4,044	$21,995
2034	$503,210	$428,386	85%	$67,817	$0	$4,411	$46,385
2035	$525,109	$454,229	87%	$70,190	$0	$4,060	$170,420
2036	$420,781	$358,060	85%	$72,647	$0	$3,884	$15,527
2037	$475,576	$419,063	88%	$75,190	$0	$4,284	$60,408
2038	$488,123	$438,129	90%	$77,821	$0	$4,792	$0
2039	$566,418	$520,743	92%	$80,545	$0	$5,600	$7,136
2040	$642,937	$599,751	93%	$83,364	$0	$6,241	$40,412
2041	$690,485	$648,945	94%	$86,282	$0	$5,433	$302,606
2042	$469,543	$438,053	93%	$89,302	$0	$4,591	$51,390
2043	$503,794	$480,555	95%	$92,427	$0	$5,014	$55,373
2044	$538,153	$522,623	97%	$95,662	$0	$5,731	$0
2045	$634,560	$624,016	98%	$99,010	$0	$6,536	$45,860
2046	$690,279	$683,703	99%	$102,476	$0	$7,312	$14,263
2047	$784,421	$779,227	99%	$106,062	$0	$7,284	$214,355
2048	$677,408	$678,219	100%	$109,775	$0	$7,091	$54,436
2049	$735,981	$740,648	101%	$113,617	$0	$7,873	$27,430
2050	$828,730	$834,709	101%	$117,593	$0	$8,851	$24,821
2051	$931,812	$936,332	100%	$121,709	$0	$9,792	$44,956

Reserve Contributions For City View Lofts HOA, Inc.



Component Funding Information For City View Lofts HOA, Inc.

ID	Component Name	Ave Current Cost	Ideal Balance	Current Fund Balance	Monthly
103	EPDM Flat Roof - Replace	$139,750	$6,988	$0	$898.86
201	Stucco Surfaces - Repaint	$45,000	$41,250	$41,250	$482.39
207	Railing - Repaint	$3,075	$1,538	$1,538	$65.93
216	Interior Surfaces - Repaint	$14,063	$6,027	$6,027	$258.43
307	Stucco - Repair	$14,750	$13,521	$13,521	$158.12
309	Tile - Major Repairs	$5,375	$5,375	$5,375	$115.24
502	Garage Door - Replace	$10,250	$8,542	$8,542	$73.25
506	Windows - Replace	$29,750	$14,875	$0	$127.57
507	Garage Door Operator - Replace	$3,575	$2,085	$2,085	$38.32
508	Common Doors - Replace	$24,375	$15,321	$0	$89.59
601	Concrete - Repair/Replace	$6,075	$868	$0	$111.64
703	Water Heater - Replace	$5,150	$3,433	$3,433	$44.17
707	Elevator - Rebuild/Upgrade	$117,500	$89,300	$0	$604.60
709	Elevator Cab - Remodel	$18,000	$13,000	$11,008	$128.64
715	Pumps - Partial Replace/Major Repairs	$3,750	$1,406	$0	$60.30
901	Fire Protection System - Replace	$7,950	$6,996	$6,996	$40.91
903	Security System - Replace	$4,750	$1,781	$0	$76.38
905	Intercom - Replace	$3,750	$1,250	$0	$32.16
1002	Metal Railing - Replace	$23,100	$15,400	$0	$82.54
1314	Canvas Awning - Replace	$1,750	$656	$0	$28.14
1501	Carpeting - Replace	$8,788	$7,323	$7,323	$94.20
1504	Tile - Replace	$7,125	$6,531	$6,531	$38.19
1601	Interior Hallway - Replace	$3,000	$2,750	$2,750	$16.08
1602	Exterior Wall Mount - Replace	$11,563	$11,563	$11,563	$74.37

Yearly Cash Flow For City View Lofts HOA, Inc.

Year	2022	2023	2024	2025	2026
Starting Balance	$127,941	$157,309	$143,031	$172,168	$199,751
Reserve Income	$44,880	$46,451	$48,077	$49,759	$51,501
Interest Earnings	$1,426	$1,501	$1,575	$1,859	$2,182
Special Assessments	$0	$0	$0	$0	$0
Funds Available	$174,247	$205,261	$192,683	$223,787	$253,434
Reserve Expenditures	$16,938	$62,230	$20,515	$24,035	$16,546
Ending Balance	$157,309	$143,031	$172,168	$199,751	$236,888

Year	2027	2028	2029	2030	2031
Starting Balance	$236,888	$247,300	$139,824	$198,616	$260,006
Reserve Income	$53,303	$55,169	$57,100	$59,098	$61,167
Interest Earnings	$2,420	$1,935	$1,691	$2,292	$2,897
Special Assessments	$0	$0	$0	$0	$0
Funds Available	$292,611	$304,404	$198,616	$260,006	$324,070
Reserve Expenditures	$45,311	$164,580	$0	$0	$4,434
Ending Balance	$247,300	$139,824	$198,616	$260,006	$319,636

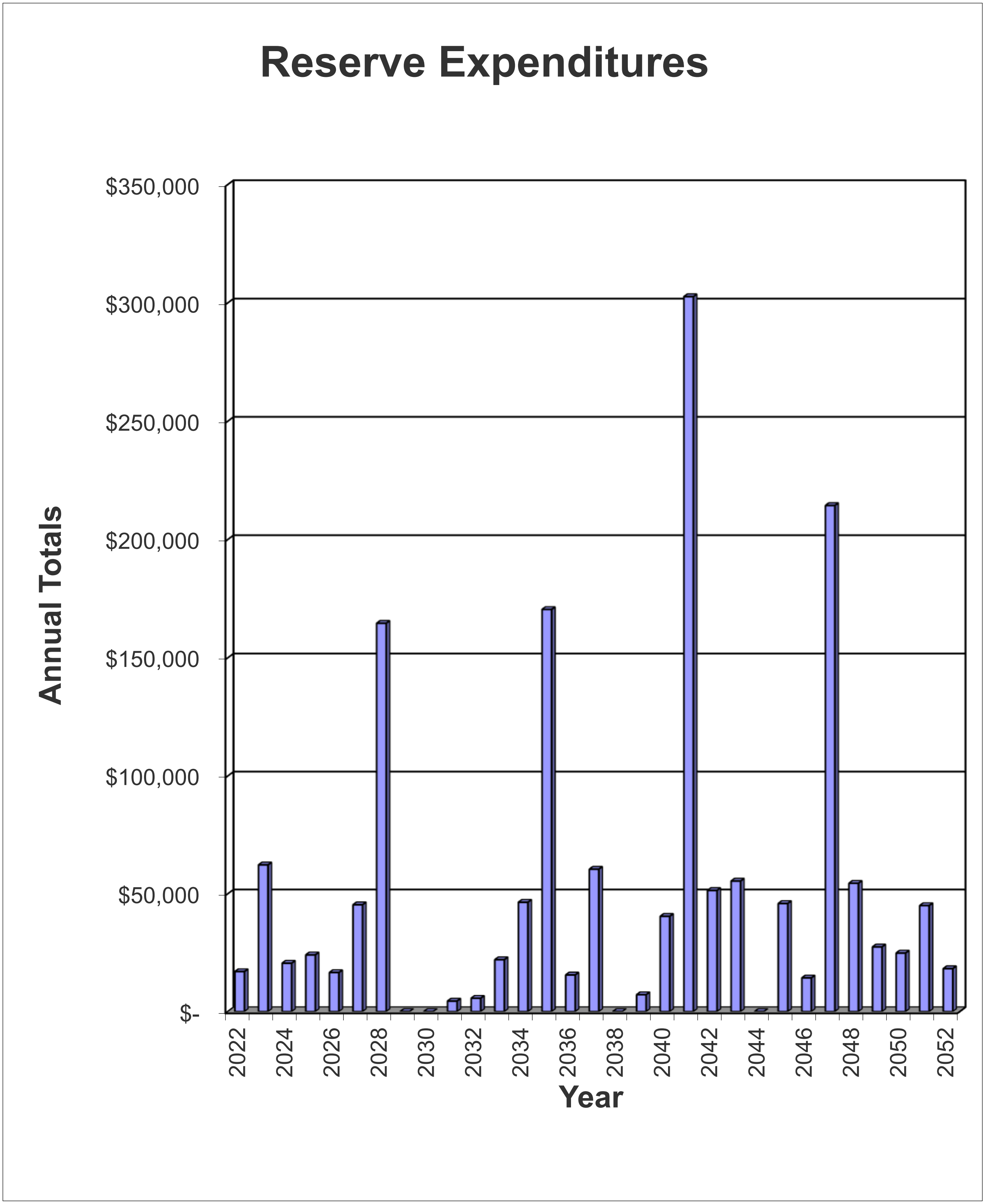
Year	2032	2033	2034	2035	2036
Starting Balance	$319,636	$380,813	$428,386	$454,229	$358,060
Reserve Income	$63,308	$65,523	$67,817	$70,190	$72,647
Interest Earnings	$3,501	$4,044	$4,411	$4,060	$3,884
Special Assessments	$0	$0	$0	$0	$0
Funds Available	$386,445	$450,381	$500,614	$528,480	$434,591
Reserve Expenditures	$5,631	$21,995	$46,385	$170,420	$15,527
Ending Balance	$380,813	$428,386	$454,229	$358,060	$419,063

Year	2037	2038	2039	2040	2041
Starting Balance	$419,063	$438,129	$520,743	$599,751	$648,945
Reserve Income	$75,190	$77,821	$80,545	$83,364	$86,282
Interest Earnings	$4,284	$4,792	$5,600	$6,241	$5,433
Special Assessments	$0	$0	$0	$0	$0
Funds Available	$498,537	$520,743	$606,888	$689,356	$740,659
Reserve Expenditures	$60,408	$0	$7,136	$40,412	$302,606
Ending Balance	$438,129	$520,743	$599,751	$648,945	$438,053

Year	2042	2043	2044	2045	2046
Starting Balance	$438,053	$480,555	$522,623	$624,016	$683,703
Reserve Income	$89,302	$92,427	$95,662	$99,010	$102,476
Interest Earnings	$4,591	$5,014	$5,731	$6,536	$7,312
Special Assessments	$0	$0	$0	$0	$0
Funds Available	$531,946	$577,996	$624,016	$729,563	$793,490
Reserve Expenditures	$51,390	$55,373	$0	$45,860	$14,263
Ending Balance	$480,555	$522,623	$624,016	$683,703	$779,227

Year	2047	2048	2049	2050	2051
Starting Balance	$779,227	$678,219	$740,648	$834,709	$936,332
Reserve Income	$106,062	$109,775	$113,617	$117,593	$121,709
Interest Earnings	$7,284	$7,091	$7,873	$8,851	$9,792
Special Assessments	$0	$0	$0	$0	$0
Funds Available	$892,574	$795,085	$862,138	$961,153	$1,067,833
Reserve Expenditures	$214,355	$54,436	$27,430	$24,821	$44,956
Ending Balance	$678,219	$740,648	$834,709	$936,332	$1,022,877

Yearly Expenditures Graph For City View Lofts HOA, Inc.



Projected Reserve Expenditures For City View Lofts HOA, Inc.

Year	Asset ID	Asset Name	Projected Cost	Total Per Annum
2022	309	Tile - Major Repairs	$5,375	
	1602	Exterior Wall Mount - Replace	$11,563	$16,938
2023	201	Stucco Surfaces - Repaint	$46,868	
	307	Stucco - Repair	$15,362	$62,230
2024	1501	Carpeting - Replace	$9,532	
	1504	Tile - Replace	$7,729	
	1601	Interior Hallway - Replace	$3,254	$20,515
2025	207	Railing - Repaint	$3,474	
	502	Garage Door - Replace	$11,580	
	901	Fire Protection System - Replace	$8,981	$24,035
2026	216	Interior Surfaces - Repaint	$16,546	$16,546
2027	507	Garage Door Operator - Replace	$4,381	
	703	Water Heater - Replace	$6,311	
	709	Elevator Cab - Remodel	$22,058	
	715	Pumps - Partial Replace/Major Repairs	$4,595	
	903	Security System - Replace	$5,821	
	1314	Canvas Awning - Replace	$2,145	$45,311
2028	309	Tile - Major Repairs	$6,860	
	601	Concrete - Repair/Replace	$7,754	
	707	Elevator - Rebuild/Upgrade	$149,966	$164,580
2029		No Expenditures Projected		$0
2030		No Expenditures Projected		$0
2031	207	Railing - Repaint	$4,434	$4,434
2032	905	Intercom - Replace	$5,631	$5,631
2033	216	Interior Surfaces - Repaint	$21,995	$21,995
2034	309	Tile - Major Repairs	$8,756	
	1002	Metal Railing - Replace	$37,629	$46,385
2035	201	Stucco Surfaces - Repaint	$76,345	
	307	Stucco - Repair	$25,024	
	508	Common Doors - Replace	$41,354	
	601	Concrete - Repair/Replace	$10,307	
	715	Pumps - Partial Replace/Major Repairs	$6,362	
	903	Security System - Replace	$8,059	
	1314	Canvas Awning - Replace	$2,969	$170,420
2036	1501	Carpeting - Replace	$15,527	$15,527
2037	207	Railing - Repaint	$5,659	
	506	Windows - Replace	$54,749	$60,408
2038		No Expenditures Projected		$0
2039	507	Garage Door Operator - Replace	$7,136	$7,136
2040	216	Interior Surfaces - Repaint	$29,237	
	309	Tile - Major Repairs	$11,175	$40,412
2041	103	EPDM Flat Roof - Replace	$302,606	$302,606
2042	601	Concrete - Repair/Replace	$13,700	
	703	Water Heater - Replace	$11,614	
	1602	Exterior Wall Mount - Replace	$26,076	$51,390
2043	207	Railing - Repaint	$7,223	
	502	Garage Door - Replace	$24,075	
	715	Pumps - Partial Replace/Major Repairs	$8,808	
	903	Security System - Replace	$11,157	
	1314	Canvas Awning - Replace	$4,110	$55,373
2044		No Expenditures Projected		$0
2045	709	Elevator Cab - Remodel	$45,860	$45,860
2046	309	Tile - Major Repairs	$14,263	$14,263

Year	Asset ID	Asset Name	Projected Cost	Total Per Annum
2047	201	Stucco Surfaces - Repaint	$124,364	
	216	Interior Surfaces - Repaint	$38,864	
	307	Stucco - Repair	$40,764	
	905	Intercom - Replace	$10,364	$214,355
2048	1501	Carpeting - Replace	$25,293	
	1504	Tile - Replace	$20,508	
	1601	Interior Hallway - Replace	$8,635	$54,436
2049	207	Railing - Repaint	$9,218	
	601	Concrete - Repair/Replace	$18,212	$27,430
2050	901	Fire Protection System - Replace	$24,821	$24,821
2051	507	Garage Door Operator - Replace	$11,625	
	715	Pumps - Partial Replace/Major Repairs	$12,194	
	903	Security System - Replace	$15,446	
	1314	Canvas Awning - Replace	$5,691	$44,956
2052	309	Tile - Major Repairs	$18,204	$18,204

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 association's 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.