

SAMPLE

**BUILDING EVALUATION AND
TRANSITION STUDY**

XYZ PROPERTY
ANYTOWN, NC, SC, VA

PREPARED FOR:

THE XYZ PROPERTY OWNERS ASSOCIATION
ANYTOWN, NC, SC, VA

Prepared by:

CRITERIUM-GILES ENGINEERS
7334 CHAPEL HILL ROAD, SUITE 200
RALEIGH, NC 27607

(919) 465-3801

CONTENTS

1.0 INTRODUCTION 1

2.0 EXECUTIVE SUMMARY 2

3.0 PURPOSE & SCOPE..... 2

 3.1 PURPOSE 2

 3.2 SCOPE 2

 3.3 SOURCES OF INFORMATION 3

 3.4 STANDARDS OF REFERENCE 4

4.0 DESCRIPTION 5

5.0 SITE IMPROVEMENTS 5

 5.1 TOPOGRAPHY 5

 5.2 STORM DRAINAGE..... 6

 5.3 PAVING & CURBING 7

 5.4 FLATWORK..... 8

 5.5 LANDSCAPING & APPURTENANCES 9

6.0 STRUCTURE 10

 6.1 STRUCTURE..... 10

 6.2 VENTILATION 10

7.0 EXTERIOR SYSTEMS 10

 7.1 ROOFING SYSTEMS..... 10

 7.2 EXTERIOR FINISHES..... 11

8.0 MECHANICAL SYSTEMS 12

 8.1 ELECTRICAL SYSTEMS..... 12

 8.2 PLUMBING, FIRE PROTECTION, HVAC 12

9.0 MISCELLANEOUS AMENITIES 13

10.0 TRANSITION COST ESTIMATES..... 13

11.0 CONCLUSION 13

12.0 LIMITATIONS 13

Appendix A - Transition Cost Projections

Appendix B - Project Photographs

1.0 INTRODUCTION

The XYZ PROPERTY Association, through Your Property Management Company, authorized Criterium-Giles Engineers Inc. to conduct a Building Evaluation and Transition Study for the XYZ PROPERTY, located in Anytown, NC, SC or VA. We understand that construction in the community began in 20XX and has recently been completed.

It is at this point (transition) in the development of a townhome project that it is important for the recently formed Association to determine if the project is in reasonable compliance with the original construction documents, municipal approvals and construction industry standards. The XYZ PROPERTY Association has commissioned this study to answer that question.

As will be discussed throughout this report, to answer that question Criterium-Giles Engineers Inc. has reviewed the available documents, inspected the building and the building components. Where we have found any discrepancies between the standards established and our actual observations, we have identified the specific component deficiencies. The determination of whether the developer or the Association would be responsible for these items and the oversight of the work required is left to the Association to determine.

This report is intended to be used by The XYZ PROPERTY Association as a tool to evaluate the condition of the property it is about to accept and to determine what, if any, negotiations are needed with the developer to assure smooth transition. The recommendations in this report should also be tempered by any agreements in the bylaws or other documents related to the development and ownership of this Association.

The report that follows has been prepared from the perspective of what an owner of this property would benefit from knowing. Some items, beyond those of immediate concern, may be discussed. Therefore, the report should be read in its entirety in order to fully understand all of the information that has been obtained.

2.0 EXECUTIVE SUMMARY

The building structures are generally in good to fair condition and system and site components are generally in good to fair condition. Except for the deficiencies listed in Appendix A, the systems appear to be in good condition. In this report, we will address those issues that, in our opinion, will require immediate repair or replacement. For a more detailed discussion of all of our findings and any other material deficiencies that require repair or replacement, refer to the appropriate sections of this report.

Based on our study, we have found this project is not in compliance with all the construction documents and construction industry standards. Therefore, we recommend the following :

- The deficiencies summarized in Appendix A - Transition Deficiencies, should be corrected.

There are, of course, other capital expenditures to be expected over the next ten to twenty years. Those items that will require future attention have been itemized and detailed in a separate Reserve Study, which accompanies this report but has been defined in a separate scope of work.

Please refer to the appropriate sections of this report for a more detailed discussion of the systems and components that are the responsibility of the XYZ PROPERTY Association.

3.0 PURPOSE & SCOPE

3.1 Purpose

The purpose of this study is to determine if this project is in substantial compliance with the construction documents, applicable municipal approvals, and reasonable construction standards. The newly formed XYZ PROPERTY Association is soon to take responsibility for this complex. It is reasonable for the Association to expect that the complex has been completed consistent with the noted standards. To the extent that it is not, it is reasonable for the Association to expect that the developer will complete those items noted so that the Association can focus on maintenance of the complex rather than repair and/or completion at this early stage.

For any items where deficiencies or incompletions are noted, a transition cost estimate has been provided in Appendix A identifying estimated cost for the completion/repair of those items noted.

3.2 Scope

This study has been performed according to the scope as generally defined by the XYZ PROPERTY Owners Association and Criterium-Giles Engineers. The findings and recommendations are based on interviews with the community's management personnel and residents; a review of available documents; and an investigation of the buildings and site. The investigation involved, in particular, the foundation (to the extent visible), the roofs, the exterior walls, the framing (when visible), paved areas, site improvements, utilities (to the extent visible), and common areas.

We have also inspected the interior of one interior unit. While this study is focused only on the components for which the Association is responsible, by reviewing an interior space, we are able to gather information that might

be relevant to our evaluation of the common area elements.

The report contains the following:

- A description of the overall condition of building components and systems that are the responsibility of the Association, and conditions that may limit the expected useful life of the buildings and their components.
- Information about significant deficiencies, deferred maintenance items, and material code violations based on a visual survey of the building and grounds, research of documents, and conversations with people who have knowledge about the community.
- A transition cost estimate including a list of the individual components and the estimated cost for repair and/or completion of those components to comply with the noted standards.

The statements in this report are opinions about the present condition of the subject community. They are based on visual evidence available during a diligent investigation of all reasonably accessible areas falling under the responsibility of the Association. We did not remove any surface materials, perform any destructive testing, or move any furnishings. This study is not an exhaustive technical evaluation. Such an evaluation would entail a significantly larger scope than this effort. For additional limitations, see Section 12.0.

3.3 Sources of Information

Onsite inspections of the property occurred on the following dates:

- June 13, 20XX
- August 5, 20XX

The following people were interviewed during our study:

- Ms. Xxxx Xxxx (Community Manager - Your Property Management Company).
- Mr. Xxxx Xxxx (Board Member)

The following documents were made available to us and reviewed:

- Anytown County Real Estate Records
- Articles of Incorporation of XYZ PROPERTY Owners Association recorded January 1, 20XX.
- Declaration of Covenants, Restrictions and Easements for XYZ PROPERTY recorded April 15, 20XX
- Bylaws of XYZ PROPERTY Property Owners Association, Inc. Dated May 1, 20XX
- XYZ PROPERTY Townhomes plat map prepared by Xxxxx.

3.4 Standards of Reference

For your reference, the following definitions may be helpful:

Excellent: Component or system is in "as new" condition, requiring no rehabilitation and should perform in accordance with expected performance.

Good: Component or system is sound and performing its function, although it may show signs of normal wear and tear. Some minor rehabilitation work may be required.

Fair: Component or system falls into one or more of the following categories: a) Evidence of previous repairs not in compliance with commonly accepted practice, b) Workmanship not in compliance with commonly accepted standards, c) Component or system is obsolete, d) Component or system approaching end of expected performance. Repair or replacement is required to prevent further deterioration or to prolong expected life.

Poor: Component or system has either failed or cannot be relied upon to continue performing its original function as a result of having exceeded its expected performance, excessive deferred maintenance, or state of disrepair. Present condition could contribute to or cause the deterioration of other adjoining elements or systems. Repair or replacement is required.

Adequate: A component or system is of a capacity that is defined as enough for what is required, sufficient, suitable, and/or conforms to standard construction practices.

All ratings are determined by comparison to other buildings of similar age and construction type. Further, some details of workmanship and materials will be examined more closely in higher quality buildings where such details typically become more relevant.

All directions (left, right, rear, etc.), when used, are taken from the viewpoint of an observer standing in front of a building and facing it.

Repair/Replacement Reserves - Non-annual maintenance items that will require significant expenditure over the life of the buildings. Included are items that will reach the end of their estimated useful life during the course of this forecast, or, in the opinion of the investigator, will require attention during that time.

4.0 DESCRIPTION

Construction of the first buildings in the community was completed in 20XX and the last buildings were constructed in 20XX according to Anytown County Real Estate Records. The community includes XX buildings containing XXX townhomes.

Parking is provided on asphalt paved parking areas in front of the buildings. Parking areas are lined by concrete curb and gutter, concrete sidewalks and walkways that provide access to each unit. Site drainage is provided by catch basins throughout the asphalt paved and landscaped areas which lead to underground stormwater systems that discharge to the city storm sewer system and an approximately 8 acre lake to the north west of the community.

The roofs are primarily comprised of three tab asphaltic fiberglass shingles. Limited sections of roofing over front porches are clad in standing seam metal roofing. The building exteriors incorporate vinyl siding and aluminum wrapped trim. Windows are predominately double-hung, thermal pane units. Exterior doors for each unit are comprised of fiberglass front doors and rear patio doors accessing the decks and concrete patios.

Electrical service is underground and metered individually to each residence.

Mail centers are centrally located in the community. Several large segmental block retaining walls with anodized aluminum fencing are located on the property.

5.0 SITE IMPROVEMENTS

**5.1 Topography
Description**

The XYZ PROPERTY Owners Association is responsible for all site components. The slope immediately adjacent to the buildings is predominately flat. Several large segmental block retaining walls are located throughout the property. The retaining walls include french drain type systems behind the walls that discharge through corrugated plastic piping and the walls appear to be reinforced with geo-grid reinforcements that extend behind the walls.

Evaluation

The retaining walls throughout the community were noted to be in good to fair condition with some noted exceptions. A section of approximately 12-14 foot tall retaining wall behind units 334 and 362 was noted with evidence of settling. In this area near the transition of a lower tiered wall, we observed gaps forming between blocks up to 1/2" wide; we also noted several cracks developing in the concrete blocks up to 1/4" wide.

At the retaining wall behind units 221-237 we observed four areas where the retaining wall drain pipes appear to be partially to fully clogged and thus preventing adequate flow of water. The course of block at grade in this section of retaining wall appeared to be saturated with water during our inspection. Erosion concerns are developing around this section of retaining wall.

Compliance

Based on our evaluation, we find that this portion of the project is not in compliance with the noted standards as follows:

- *Two sections of the retaining walls behind units 338 and 353 are settling as evidenced by cracking and gaps between the blocks.*
- *Saturated blocks, erosion concerns and several clogged/blocked drainage pipes were observed in the retaining wall behind units 221-239.*

Cost estimates provided in Appendix A.

5.2 Storm Drainage Description

Storm water from the roofs is routed through downspouts with plastic corrugated piping around the buildings. Stormwater is routed through catch basins in the paved areas and landscaped swales throughout the property. The catch basins feed to underground storm water piping that discharges into an approximately 6 acre pond to the north west of the property.

The 6 acre pond is surrounded by landscaped and wooded areas. A dam with stone rip rap armored spill way is located on the south edge of the pond; a grassed and rip rap armored emergency spillway is located at the southwest corner of the pond. The pond feeds into a second pond located to the south of the community, however it is owned by a different entity and the Association is not responsible for maintaining it.

Evaluation

The pond maintained by the Association and associated dam and outlet structures generally appeared to be in good to fair condition. According to the plat map provided, the pond is a voluntary BMP stormwater control structure. Note that a PSNC gas line crosses the pond from north to south and includes a 50' easement. We recommend that the Association contract with a professional lake and pond management company to provide routine inspections and maintenance of the pond. Additionally, the dam and other related structures should be routinely inspected by a professional engineer.

Throughout the community, gutter downspouts are extended away from the buildings with plastic corrugated piping. The extension pipes are typically 4 to 8 feet in length and are lying on top of the ground. Several of the pipes were loose, disconnected and/or damaged throughout the community. Most of the outlet pipes are not adequately secured to the gutter downspouts and are not buried or concealed from view.

We noted soil erosion beginning to undermine the rear concrete patios of several units including :

- 240 (front)
- 264 (rear patio)
- 372 (front steps)

During the site inspection damp soils were observed behind units 275 and

Compliance

320-326. The damp soils were noted to be several feet away from the building foundations and are not a significant concern.

We noted an area of previous repaired drain/downspout lines behind units 274 and 280. The turf repair in these areas appeared to be in poor condition during the inspection.

We also noted temporary sediment filtration devices installed at inlet basins in the paved areas. These devices should be removed and any debris removed from the inlet basins.

Based on our evaluation, we find that this portion of the project is not in compliance with the noted standards as follows:

- *Black corrugated plastic downspout extensions should be adequately secured to the downspouts and buried or concealed from view.*
- *Erosion concerns undermining concrete patios and steps should be corrected. Erosion repairs will likely include installing and tamping additional fill material and adequate soil stabilizing ground cover. Note that the downspouts in these areas may need to be extended.*
- *Repair turf at areas of previous repair behind units 274 and 280.*
- *Remove temporary sediment filtration devices installed at inlet basins in paved areas.*
- *The Association should be provided with documentation on the pond including the operation and maintenance manual, emergency action plan (for intermediate/high hazard dams), and any other engineering documents regarding the lake.*

Cost estimates provided in Appendix A.

**5.3 Paving & Curbing
Description**

Asphalt paved streets and parking are located throughout the community. Concrete curb and gutter is installed along the perimeter of the parking areas. An asphalt paved walking path is located along the edge of the pond on the north west side of the community.

Evaluation

The asphalt paved areas generally appeared to be in good condition with some noted exceptions. We noted a depression in the asphalt in a parking space adjacent to the curbing in front of unit 120; the depression appeared to be approximately 1" deep.

A section of the asphalt paving and curbing does not appear to slope correctly in the parking area in front of unit 349. Significant sediment accumulation is occurring in this area.

Numerous longitudinal cracks were noted in the asphalt paved greenway. The premature cracking suggests inadequate subgrade preparations prior to installing the asphalt paving on the greenway. Insufficient compaction,

soils high in organic matter or expansive clays, tree roots, or other deleterious matter in the subgrade can have a negative impact on the long-term lifespan of the pavement system.

The pavement markings are beginning to fade in color. The asphalt paved surfaces should be seal coated in the next few years and the parking areas re-striped. This is considered an ongoing maintenance concern and not a defect in construction.

The concrete curb and gutter generally appeared to be in good condition throughout the community except for in an area in front of unit 280. We observed significant cracking and deterioration in this section of concrete curbing.

Compliance

Based on our evaluation, we find that this portion of the project is not in compliance with the noted standards as follows:

- *Repair the depression noted in the asphalt paving in front of unit 120. Full depth repair will likely be required in this area.*
- *Repair the section of curbing and asphalt to adequately drain toward the inlet basin in front of unit 349.*
- *Repair the asphalt paved greenway cracking. This will likely require an additional 1 1/2" overlay over the greenway.*
- *Repair the section of concrete curbing in front of unit 280.*

Cost estimates provided in Appendix A.

5.4 Flatwork

Description

The Association is responsible for the concrete flatwork on the site including the sidewalks along the parking areas, the walkways leading up to each unit and the concrete patios behind each unit.

Evaluation

The concrete flatwork in the community is generally in good to fair condition with some noted exceptions. We observed erosion concerns beginning to undermine sections of the concrete flat work as noted in section 5.2 above. Significant cracking and/or sidewalk displacement was noted in the following areas:

- Unit 100 – front sidewalk
- Unit 152 – front sidewalk displacement and spalling noted
- Unit 164 – front sidewalk

Minor cracking was observed in other areas and is typical of differential settlement under the concrete surfaces and not considered a significant issue.

Compliance

Based on our evaluation, we find that this portion of the project is not in compliance with the noted standards as follows:

- *Repair the sections of concrete sidewalks noted above.*

Cost estimates provided in Appendix A.

**5.5 Landscaping & Appurtenances
Description**

Landscaping around the buildings and along the parking areas includes turf grass and natural areas with small bushes and trees. Anodized aluminum fencing is installed along the top of the large retaining walls throughout the community. Sections of vinyl fencing have also been installed as privacy screens between the rear patios of many units.

Stone veneer monument entrance signage has been installed at the main entrance. Composite sign inlays are installed on the monuments which are accented with painted wood fencing accents.

Low voltage lighting is provided at the entrance signage and as uplighting for landscaping and fencing along the entrance corridor.

Evaluation

The landscaping around the site generally appears to be in good condition. However, we observed vegetation in contact with the rear deck of unit 130 and the siding at the rear of unit 139. Over time, vegetation in contact with siding and deck structures can lead to premature wear on the structures. We recommend routinely trimming overgrown vegetation to prevent contact with the structures. This is considered an ongoing maintenance concern and not a defect in construction.

We also observed shrubbery in close proximity to air conditioning units/heat pumps in several areas of the community. To maintain adequate air flow and allow access to the service the equipment, we recommend maintaining at minimum a 30-36" space between the equipment and any shrubbery. This is considered an ongoing maintenance concern and not a defect in construction.

The PVC privacy fencing generally appeared to be in good condition. We noted a section of vinyl fencing that has warped and partially melted apparently due to the close proximity of a cooking grill on the rear patio of unit 121. This would be considered an ongoing maintenance concern and not a construction defect.

The anodized aluminum fencing atop many of the retaining walls generally appeared to be in good condition.

The monument entrance signs generally appeared to be in good condition with normal wear and tear observed.

The entrance corridor lighting is assumed to be working properly, as the site inspections did not occur at night.

Compliance

Based on our evaluation, we find that this portion of the project is in compliance with the noted standards.

6.0 STRUCTURE

6.1 Structure

Description

Although no structural drawings were provided, the buildings are of wood framed construction on concrete slab foundations.

Evaluation

We inspected the exposed vertical faces of the concrete slab foundations along the perimeter of the buildings. We did not observe any significant cracking or upheaval that is indicative of settlement in the building. Minor hairline cracks in the exposed vertical face of the concrete slab foundations were observed in limited areas. This is typical of slab on grade foundations and not a significant issue at this time. However, the cracks should be monitored for additional movement.

Compliance

Based on our evaluation, we find that this portion of the project is in compliance with the noted standards.

6.2 Ventilation

Description

Attic ventilation for the buildings is provided by ridge and soffit vents on many units. Other units include what appears to be powered ventilators as opposed to ridge vents.

Evaluation

The ventilation systems for the conditioned spaces appeared to be in good operating condition and sufficient for this building.

The Environmental Protection Agency (EPA) has determined that some buildings may be affected by unhealthy indoor air contamination. We do not test for this and cannot provide you with an opinion about the indoor air quality of the buildings on this property as this is beyond the scope of this analysis. However, there are experts who test for indoor air contamination, and we recommend you enlist the services of such a professional should a concern over indoor air quality arise. In order to aid in healthy interior building environments, it is important that attic ventilation be adequate, bathroom, kitchen, and laundry exhausts discharge air directly to the outside, and moisture problems be immediately rectified.

Compliance

Based on our evaluation, we find that this portion of the project is in compliance with the noted standards.

7.0 EXTERIOR SYSTEMS

7.1 Roofing Systems

Description

The roofs are primarily comprised of three tab asphaltic fiberglass shingles.

The roofs are equipped with gutters and downspouts that transport stormwater to grade.

Evaluation

The asphaltic fiberglass shingles generally appeared to be in good condition throughout the community. We observed minor warping in roof sheathing on the rear side of unit 212. This is likely the result of temperature and humidity changes in the roof sheathing leading to minor warping between supporting trusses. We recommend monitoring this

Compliance

condition. If the condition of the sheathing worsens, repairs may be required including improving ventilation and/or replacing the sheathing. This would be considered an ongoing maintenance concern and not a construction defect.

As the buildings age, we recommend conducting routine inspections and maintenance of the building roof systems. This would include repairing or replacing flashing and vent boot systems as needed.

Based on our evaluation, we find that this portion of the project is in compliance with the noted standards.

**7.2 Exterior Finishes
Description**

The exterior of the building is primarily comprised of vinyl siding. The front entrance doors of each unit are of fiberglass construction. Patio doors provide access to the rear decks/patios of each unit. It appeared that the windows in each unit were of vinyl construction with double pane glass. The windows on the front of each unit are flanked in vinyl shutters.

Front porch columns and trim components around dormer windows appear to be constructed of PVC trim material.

Rear decks have been constructed on 54 of the units. The decks are constructed with 6"x6" pressure treated posts with pressure treated wood framing, decking and rails.

Evaluation

We observed sections of vinyl siding that has detached from the building framing. We noted this on the rear side of unit 372.

The vinyl siding in several areas of the community is warped and showing signs of exposure to excessive heat. Excessive exposure to heat due to sun light reflection from adjacent windows has become a recent concern in construction. Low emissivity (Low-E) windows are designed to reflect radiant energy to improve efficiency. The reflected energy can be a cause of concern to nearby vinyl siding components. We observed warping and melting siding that may be the result of energy reflection at the following locations:

- Unit 114 – rear side
- Unit 119 – rear side
- Unit 241 – rear side
- Unit 256 – left side
- Unit 274 – left side
- Unit 328 – left side

These areas of siding should be repaired. Note that replacing the siding with similar siding would be a short term repair. The underlying problem appears to be the result of sunlight radiant energy reflection from nearby windows. Further investigation of this issue should be conducted to determine the most appropriate long-term repairs. Common long term solutions used in the construction industry have included replacing the vinyl siding with a heat tolerant veneer like fiber cement siding or masonry

Compliance

or installing a screen to block the reflection (window screen, tree/shrub plantings, etc.).

We also observed gaps in vinyl trim around fixture penetrations in two areas on unit 328. The vinyl trim in these areas should be repaired to prevent water infiltration around the fixture penetrations.

Sections of vinyl siding have been replaced on the right side of unit 101. The replaced sections of vinyl siding are of a different color than the original sections and do not match.

We observed a missing shutter adjacent to a window on unit 111. A new matching shutter should be installed at this window.

The rear decks generally appeared to be in good condition. Most of the decks are over eight feet tall and appear to have adequate lateral bracing and attachment to the building. We noted slight rotation/twisting in several deck posts, however these appear to be structurally adequate at this time.

Based on our evaluation, we find that this portion of the project is not in compliance with the noted standards as follows:

- *The vinyl siding that has detached should be refastened to the building.*
- *The melted and/or warped siding should be repaired and a long term solution implemented to prevent future warping/melting of the siding.*
- *Vinyl trim around fixture penetrations should be repaired to prevent water infiltration.*
- *Vinyl siding on the right side of unit 111 should be replaced with siding of matching color.*
- *The missing shutter should be replaced.*

Cost estimates provided in Appendix A

8.0 MECHANICAL SYSTEMS

8.1 Electrical Systems

Description

The Association is responsible for the exterior wall mounted lighting, and the individual exterior balcony lights for each residential unit.

Evaluation

The major electrical equipment appeared to be good working order. The lighting fixtures appeared to be in good condition.

Compliance

Based on our evaluation, we find that this portion of the project is in compliance with the noted standards.

8.2 Plumbing, Fire Protection and HVAC Systems

Description

The City of Anytown provides potable water via separate lines to the individual units. Waste water from each townhome unit is connected to the City of Anytown sewer system. Note that the Association is not responsible for the interior unit piping systems or water heaters.

Evaluation

The Association is likely responsible for buried water supply and waste water lines on Association property. We did not observe any indications that there are significant concerns with the condition of the buried water lines.

Compliance

Based on our evaluation, we find that this portion of the project is in compliance with the noted standards.

9.0 MISCELLANEOUS AMENITIES

Description

Mail centers are centrally located in two areas the community. The mail centers include 13 metal mailbox posts, each with multiple mailboxes.

A wood framed gazebo structure with standing seam metal roof on a concrete patio is located near the pond in the community. A metal framed picnic table and charcoal grill is located in this area.

Pet waste stations are also centrally located in the community.

Evaluation

The mail centers and pet waste stations generally appeared to be in good condition. The wood framed gazebo, picnic table and charcoal grill appeared to be in good condition.

Compliance

Based on our evaluation, we find that this portion of the project is in compliance with the noted standards.

10.0 TRANSITION COST ESTIMATES

See Appendix A.

11.0 CONCLUSION

In Summary, we consider these buildings to be in generally fair-to-good condition when compared to others of similar age and construction type. While some components are in need of a repair and replacement program, the program can be prioritized and planned in conjunction with reserve strategies.

12.0 LIMITATIONS

The observations described in this study are valid on the date of the investigation and have been made under the conditions noted in the report. We prepared this study for the exclusive use of XYZ PROPERTY Association. Criterium-Giles Engineers does not intend any other individual or party to rely upon this study without our express written consent. If another individual or party relies on this study, they shall indemnify and hold Criterium-Giles Engineers harmless for any damages, losses, or expenses they may incur as a result of its use.

This study is limited to the visual observations made during our inspection. We did not remove surface materials, conduct any destructive or invasive testing, move furnishings or equipment, or undertake any digging or excavation. Accordingly, we cannot comment on the condition of systems that we could not see, such as buried structures and utilities, nor are we responsible for conditions that could not be seen or were not within the

scope of our services at the time of the investigation. We did not undertake to completely assess the stability of the buildings or the underlying foundation soil since this effort would require excavation and destructive testing. Likewise, this is not a seismic assessment.

We did not investigate the following areas:

- Interior of all units
- Underground utilities

We have not rendered an opinion on uninvestigated portions of the community.

We did not perform any computations or other engineering analysis as part of this evaluation, nor did we conduct a comprehensive code compliance investigation. This study is not to be considered a warranty of condition, and no warranty is implied. The appendices are an integral part of this report and must be included in any review.

In our Transition Cost Summary, we have provided estimated costs. These costs are based on our general knowledge of building systems and the contracting and construction industry. When appropriate, we have relied on standard sources, such as Means Building Construction Cost Data, to develop estimates. However, for items that we have developed costs (e.g.: structural repairs), no standard guide for developing such costs exists. Actual costs can vary significantly, based on the availability of qualified contractors to do the work, as well as many other variables. We cannot be responsible for the specific cost estimates provided.

We have performed no design work as part of this study, nor have we obtained competitive quotations or estimates from contractors as this also is beyond the scope of the project. The actual cost to remedy deficiencies and deferred maintenance items that we have identified may vary significantly from estimates and competitive quotations from contractors.

If you have any questions about this study or the reserve fund analysis, please feel free to contact us. Thank-you for the opportunity to be of assistance to you.

Respectfully submitted,

Christopher Flythe, PE, RS

Robert C. Giles, PE, RS

Kevin R. Giles, RS

Appendix A: TRANSITION COST PROJECTIONS

TRANSITION COST ESTIMATE

The following estimates are provided based on our construction cost experience. The actual costs may vary significantly, depending on the quality of work done, the degree to which experienced contractors are available to do the work and other unpredictable variables. These estimates should be considered a guide, not a guarantee of the actual cost.

No.	Description	Estimated Cost
1	Repair settling retaining walls behind units 334 and 362.	\$20,000 - \$50,000
2	Repair drainage and erosion at retaining wall behind 255-261.	\$3,000
3	Bury/conceal and secure downspout extensions throughout community.	\$25,000 - \$75,000
4	Repair erosion undermining concrete patios and steps. Repair turf at previous repair area. Remove temporary sediment filtration devices at inlet basins.	\$2,500
5	Repair asphalt depression and section of poorly draining asphalt/curb.	\$4,500
6	Repair/resurface asphalt paved greenway	\$13,200
7	Repair section of concrete curb and gutter	\$2,000
7	Repair sections of concrete flatwork.	\$2,500
8	Repair sections of warped/melted, mismatched, poor vinyl siding and trim. Replace missing shutter.	\$3,500 - \$7,500
	TOTAL ESTIMATED COST (Range)	\$76,200 - \$160,200

Appendix B: PROJECT PHOTOGRAPHS

(Not included in this SAMPLE)