KOW BUILDING CONSULTANTS

NATIONAL REACH
LOCAL INSIGHT

EXISTING BUILDING DUE DILIGENCE

Property Condition Assessment

100 Example Avenue
Sample City, NY 10000

KOW JOB #	REPORT DATE
2026-KOW	Sep 4, 2026
PREPARED FOR	**PROJECT NAME**
Sample Client	Sample Courtyard Apartments

PREPARED BY

KOW Building Consultants

1034 W Jericho Turnpike
Smithtown, NY 11787
kowbc.com

CONSTRUCTION CONSULTING
- EXISTING BUILDING DUE DILIGENCE

ENVIRONMENTAL
SUSTAINABILITY

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Summary Letter

KOW Building Consultants
1034 West Jericho Turnpike
Smithtown, NY 11787
(855)966-5888

Original Issue Date: 09/04/2026

Project Name: Sample Courtyard Apartments

Prepared For:

Sample Client

Reliant Parties:

No reliant parties

Thank you for engaging KOW Building Consultants to conduct this Property Condition Report (PCR). Enclosed please find our report prepared for the above-referenced property(ies). Our assessment includes a review of available documentation, on-site observations, identification of physical deficiencies, and opinions of probable costs for recommended repairs and replacements.

Cody Paulsen,
Director of Property Condition Services O (855) 966-5888| C (631) 896-3646

Kenneth F. Wille, PE, LEED AP
President and CEO
Kenf@kowbc.com

Summary Letter

Project Summary

Field	Value	Field	Value
Project	Sample Courtyard Apartments	**Date of This Report**	09/04/2026
Address	100 Example Avenue, Sample City, NY 10000	**Property Type**	Residential
City, State, Zip	Sample City, NY	**Site Area**	18330
Gross Area SF (In Scope)	71,193		
Year Built	1928	**Year of Major Renov.**	N/A
Reserve Period (Yrs)	15	**Number of Buildings**	1
Property Condition Assessment Date	08/27/2026	**Property Condition Assessor**	Cody Paulsen
Commercial/Retail Space	No		
C of O Received	No	**C of O Date**	N/A
Total Studio Units	0	**Total 1BR Units**	Unknown
Total 2BR Units	Unknown	**Total 3+BR Units**	Unknown
Total Apt or Units	76	**Report Type**	ASTM

General Physical Condition

3

General Maintenance Level

3

Total and Unit Cost Summary

Total Critical Costs	$0.00
Total Immediate (12 Month) Costs	$157,100.00
Total Reserve Years	$2,257,150.00
Reserve Cost/Unit/Year Uninflated	$1,979.96
Total Reserve Years (Inflated)	$2,755,366.96
Reserve Cost/Unit/Year Inflated	$2,416.99
Total Immediate + Reserves (Uninflated)	$2,414,250.00
Total Immediate + Reserves (Inflated)	$2,912,466.96

Cost Type Definitions

Critical Costs

Expenditures for remedying unsafe conditions, poor or failed building elements, or code violations that should be addressed within 72 hours. Includes items that post life and safety risks.

Immediate (12 Month) Costs

Repairs or replacements that are recommended within 12 months. These items can be accompanied by a design

Summary Letter

professional, permitting, bidding and planning as needed.

Replacement Reserves

These costs represent anticipated long term capital expenditures to replace/maintain building components and systems to the end of their useful life and are meant to act to preserve the facility to "replace with like kind".

Overall Comments / Recommendations

SAMPLE REPORT — Adapted from a completed KOW assessment. Property and client identifiers are fictitious. Historical observations and cost estimates illustrate the report format and are not findings about the Sample Project address.
The below comprises items our office has identified as most critical to maintaining the building as an asset:

- At the time of our walkthrough, our office observed an apartment constructed at the cellar of the building. Our understanding is that this apartment is not listed on the building's certificate of occupancy, however a copy of the C/O has not been provided for our review and none is available on public records thus the building may not have a CO predating the 1938 requirement. KOW recommends that all applicable life safety measures be taken to protect the apartment's tenant including, at a minimum, two means of egress, smoke and carbon monoxide detectors, and natural gas detectors be installed.
- The exterior facade consists of face brick masonry at all elevations which is in fair condition. The most recent FISP technical report returned a SAFE rating as of 11/20/2023. Costs are included in the reserve period for additional FISP compliance inspections and as an allowance for periodic raking and pointing of the brick facade as needed.
- Exterior windows are typically double-hung assemblies in varying condition located on all building elevations. The windows feature a mix of aluminum frames and vinyl with windows reportedly replaced as needed on unit turnover. Costs for the continued cyclical replacement of windows on unit turnover are included in the reserve period.
- The parapet walls and coping are in fair condition, exhibiting signs of water ingress and mortar deterioration and appear that they will reach the end of their RULs during the reserve period. Additional costs are included in the reserve period for the removal and replacement of the building's parapet wall.
- Residential units are provided with battery-powered smoke and carbon monoxide detectors at living areas. Our office recommends that smoke and carbon monoxide detectors also be added in all bedrooms as well. Costs for battery or device replacement and additional smoke/ carbon monoxide devices are considered an operational expense with no costs included in this report and an industry approved long life (10 year) battery is acceptable to NYC HPD and other similar agencies. Costs are included in the 12-month term for the installation of natural gas detectors at each unit to comply with local law requirements.
- Residential unit finishes and fixtures are in varying condition throughout, with unit renovations occurring typically on unit turnover. Costs are included in the reserve period for the continued cyclical renovation of residential units on turnover.

1.0 Introduction

1.0 Introduction

This Property Condition Report (PCR) provides an overview of the subject Property's current physical condition as of the date of site inspection. It summarizes observations, information collected, and professional opinions formed in accordance with industry standards.

1.1 Purpose and Scope

The purpose of this Report is to provide information required for the reported financing of this project.

The Property Condition Report is performed to review and ascertain the current condition of the subject property/ies.

Current condition is defined as the subject property's condition evaluated on the date the subject property was inspected. The information presented in the Property Condition Report sections of this Report is collected by conducting a visual inspection of the property that includes, but is not limited to:

- A general examination of the subject property.
- Site and amenities.
- Building exterior and surface materials.
- Roof structures, materials and drainage.
- Parking facilities.
- Mechanical, electrical and plumbing systems.
- Life safety and security.
- Interior and exterior common spaces and their elements.
- Basic Handicap Accessibility conditions.

The ASTM Standard Guide for Property Condition Assessments: Baseline Property Condition Assessment Process (Designation E2018-24) has been used as a reference. Certain definitions and the Table of Contents have been taken from this ASTM Guide.

This Report represents the results of an assessment of the property by our office as of the reported date. This Report was prepared on behalf of and for the exclusive use of the client for its use and reliance in the assessment of this site.

1.2 Client and Intended Users/ Reliance

This Report has been prepared for the exclusive use of the client, and any use or reliance by any other party is prohibited without the express written consent of the client and our firm.

This Report is exclusively for the use and benefit of the client and no distribution or reliance by other parties may occur without the express written consent of KOW Building Consultants.

1.3 Site Visit and Assessment

A site visit and visual assessment of the Property was performed by KOW Building Consultants. The assessment

1.0 Introduction

consisted of a visual, non-invasive walk-through of the property's exterior, interior common areas, representative tenant/residential spaces (if applicable), and accessible mechanical, electrical, plumbing, and life-safety equipment.

The walk-through was performed in the company of on-site property representatives who provided access to available areas and offered general information on property operations and maintenance. Areas that were inaccessible during the site visit were not observed, and no destructive or invasive testing was performed. Roofs were observed only to the extent safely accessible.

This site visit was conducted in substantial conformance with ASTM E2018-24 Standard Guide for Property Condition Assessments. The quantity of dwelling units inspected meets or exceeds the minimum sampling requirements stipulated by the governing standard for this Property Condition Assessment.

1.4 Sources of Information

This Property Condition Report was prepared using information obtained from the site visit, visual observations, interviews with available on-site representatives, and a review of any documentation provided by the Client. Documentation may include, but is not limited to, prior reports, maintenance records, capital improvement summaries, and building plans if available.

KOW Building Consultants has relied on the accuracy of information provided by others and has not independently verified such information. Where documentation was unavailable or incomplete, opinions are based on visual observations and professional judgment.

1.5 Deviations and Limiting Conditions

This Property Condition Report has been prepared in accordance with ASTM E2018-24.

Nature of the Assessment

The assessment is based on a visual, non-intrusive walk-through survey of readily accessible areas of the property at a specific point in time.
No destructive testing, exploratory probing, dismantling of equipment, or operation of systems was performed.
Conditions within concealed or inaccessible areas (such as behind walls, below floors, or above ceilings) were not observed and may differ from those in visible areas.
The assessment is not technically exhaustive and is intended to reduce, but not eliminate, uncertainty regarding the property's physical condition.

Opinions and Costs

The findings and recommendations in this report represent the professional opinions of the consultant. These opinions are subjective and based on experience with similar properties.
Opinions of probable costs are preliminary, order-of-magnitude estimates intended for capital planning and underwriting purposes. They are not contractor bids, proposals, or guarantees of actual construction cost.

Information Reliance

The consultant relied on information provided by the client, property representatives, and other third parties without

1.0 Introduction

independent verification. This unverified information includes, but is not limited to:

- Total square footage
- Occupancy status and unit mix
- The number of parking spaces
- Historical information regarding maintenance and seasonal issues

General Exclusions

- This report is not a guarantee or warranty, expressed or implied, regarding the past, present, or future condition of the property.
- This assessment is not a code compliance inspection. While readily observable life-safety concerns may be noted, the report does not verify full compliance with federal, state, or local codes and regulations, including accessibility standards like the ADA or FHA.
- This report is not an environmental assessment and makes no representation regarding the presence or absence of hazardous materials, such as asbestos, lead-based paint, or microbial growth (mold).
- This report is not a pest inspection and makes no representation regarding the presence or absence of wood-destroying organisms or other pests.

Condition Rating Methodology and Definitions

The following condition ratings are based on the Consultant's professional judgment and observations made during the site visit. Ratings are intended to provide a general indication of the overall physical condition of the property and its major building systems at the time of inspection. This rating scale is consistent with industry standards commonly used in Mortgage Bankers Association (MBA)–style Property Condition Reports and is utilized for comparative and risk assessment purposes only. Ratings are not intended to represent compliance with building codes, manufacturer requirements, or regulatory standards.

Condition Rating Definitions

- Rating 1 – Excellent: Property is in excellent condition with no observed deferred maintenance. Major building systems are new or recently renovated. No capital repairs are anticipated beyond routine maintenance.
- Rating 2 – Good: Property is in good condition with minor wear consistent with age. No significant deferred maintenance observed. Only limited short-term repairs or maintenance may be required.
- Rating 3 – Fair: Property is generally functional with moderate deferred maintenance present. Certain systems may be approaching mid-to-late useful life. Repairs or replacements are anticipated in the short- to mid-term.
- Rating 4 – Poor: Property exhibits significant deferred maintenance. Multiple systems are near the end of their useful lives or require immediate or near-term repair or replacement. Condition may impact operations or value if unaddressed.
- Rating 5 – Critical: Property is in critical condition with major deficiencies or failed systems. Immediate repairs or replacements are required. Conditions may present health, safety, or structural concerns.

1.6 Document Review

1.6.1 Document Review and Interviews

As part of this Property Condition Assessment, our office conducted a review of available documents and records provided by the Borrower and/or Property Management and held informal interviews with site representatives familiar with the Property's construction, maintenance, and operation.

If required, a Borrower-completed Property Condition Questionnaire was received prior to the site visit and is included in the Appendix of this report. The questionnaire and other documents were used to confirm system ages, maintenance history, and any known deferred maintenance or capital projects.

Requested Documents — Received Status

Item	Detail
Proposed Scope of Work and Costs	Not received
Building Plans or layouts	Not received
Certificate(s) of Occupancy	Not received
Property Survey or Site Plan	Not received
Management replacements/upgrades in past years	Not received
Tenant Rent Roll with square footages	Not received
List of unoccupied tenant spaces with square footages	Not received
List of unoccupied apartment units by type and down units by type	Not received
Documentation relative to repair or replacement of MEP or building envelope	Not received
Current work in progress (items and cost)	Not received
Maintenance Expenses for last 3 years	Not received
List of Planned Capital Improvements and Major Repairs/Equipment Replacement with costs	Not received
ADA or other Handicapped Accessibility Review Report or Fair Housing Act (FHA) Report	Not received
Appraisal or pertinent sections for our use	Not received
Phase I ESA Summary Section with Recommendations	Not received
Safety Inspection Records and Service Contracts (Boiler, Elevator, etc.)	Not received
Warranty Information	Not received
Status of any open Building, Fire or Zoning Code Violations	Not received
Offering Plan or Term Sheet	Not received

1.6.2 Building and Fire Code Compliance

Our office utilized the following public record databases and sources for publicly available information:

Name	Location	Details

1.6 Document Review

Name	Location	Details
New York City Buildings Information System	https://a810-bisweb.nyc.gov/bisweb/bispi00.jsp	Property Data, Violations, History, Permitting, Landmark, Etc.
New York City Department of Buildings Now (DOB NOW)	https://a810-dobnow.nyc.gov/publish/Index.html#!/	Safety Records for Boiler, Elevator, Façade, Emissions, Parking Garage
Property Shark	https://www.propertyshark.com/mason/Accounts/logon.html	Property Data, Areas, Census, Etc.
Flood Zone	https://msc.fema.gov/portal/home	Flood Zone and Map Information
Seismic Data	https://earthquake.usgs.gov/hazards/interactive/	Seismic Zone, Data, Peak Ground Acceleration
Energy Use Calculator	https://www.be-exchange.org/calculator/	Energy Use in relation to Local Law requirement and penalties
NYC HPD I Cards	https://hpdonline.nyc.gov/hpdonline/	Identification Cards which predate CO's and show use and layout with dimensions

Open Building Department Permits and Violations

Per the NYC municipal websites and information available online, there are currently 3 DOB violations and 201 HPD violations. Our office is including a flat, lump sum of $500 per violation, in section 6.5.3 - Miscellaneous Spaces, to remedy the underlaying condition of each of the violations and to have them cleared with the city.

Open Fire Marshal Violations

We filed a Freedom of Information Request with the FDNY to determine if there were any open fire marshal violations. A response is still pending.

Certificate(s) of Occupancy

Our office was unable to obtain a copy of the Certificate of Occupancy via NYC municipal websites. A copy of the C/O has been requested from ownership, but has not been provided.

1.6 Document Review

New York City Local Law List	
Local Law	**Detail**
62 of 1991	Requires annual boiler filing.
26 of 2004	All Group E buildings (office) with a height of at least 100' must have fire sprinkler systems as of 2019.
58 of 2009	All exposed standpipes and sprinkler piping must be painted red with exceptions such as branch piping. Dedicated standpipe valve handles must be red, combination standpipe valves yellow and dedicated sprinkler valves green.
84 of 2009	Buildings (with 25,000+ SF) are required to submit yearly data on energy and water usage. Buildings are assigned an Energy Star rating.
85 of 2009	Established a New York City Energy Conservation Code for the first time. This law has been mostly superseded by LL04/2011.
87 of 2009	This law requires large buildings (50,000+SF) to undergo an energy audit every ten years, along with retro-commissioning, to "tune up" the building's existing systems and ensure efficient operation.
88 of 2009	Requires upgrading of lighting systems in larger buildings to comply with the 2005 Energy Conservation Code.
47 of 2010	Alter code requirements of egress lighting.
48 of 2010	Requires the use of vacancy sensors in many spaces.
51 of 2010	Improved the efficiency of lighting at sidewalk sheds.
52 of 2010	Amends housing maintenance code provisions related to lighting in corridors.
2014 Appendix K#, Rule 3.10.12	By 1/1/2020, door-lock monitors are required on most elevators which prevents an elevator from moving if the doors are not closed properly. By 1/1/2027, emergency brakes will have to be installed on other types of elevators.
152 of 2016	Requires visual inspections of exposed gas lines and meters for corrosion, plus gas-detection in public areas. Reports filed within 30 days by licensed plumber; problems reported to owner, utility, and DOB.
97 of 2019	Applies to NYC buildings over 25,000 SF; sets greenhouse gas emission limits based on building size/class using LL84 and LL87 data.
126 of 2021	Parking structures must have an inspection performed every 6 years by a Qualified Parking Structure Inspector (QPSI) and it is deemed Safe, Unsafe or Safe with Repairs and/or Engineering Monitoring (SREM).
111 of 2023	Requires X Ray Fluorescence (XRF) inspections for lead based paint hazards in common areas of residential buildings built after 1960 (or between 1960 and 1978 if known to have LBP).
2024 Parapet Inspection (Section 28-301.1.1)	Annual inspection required for all buildings (except 1-2 family homes) by competent person. No DOB submission required; records kept 6 years.

2.0 Property

2.0.1 Site Visit and Property Contact Summary

Field	Value
Site Visit Date	08/27/2026
Weather Conditions	Overcast
Degrees F	74

Units Visited

Unit Number	Beds	Baths	SF	Occupancy
3N	2	1	Unknown	Down
3J	3	1	Unknown	Down
2C	1	1	Unknown	Down
3K	1	1	Unknown	Vacant
1D	3	1	Unknown	Occupied
5J	3	1	Unknown	Occupied
5N	2	1	Unknown	Occupied
5K	1	1	Unknown	Occupied
5L	1	1	Unknown	Occupied
Super's Unit	5	1	Unknown	Occupied

Recent Work in Building(s)

- Residential unit renovations occur on a cyclical, as needed basis on unit turnover.

Ongoing Work in Building(s)

- Units 3N, 3J, and 2C have recently become vacated and are currently undergoing a substantial renovation. These units are currently down.

Planned Work in Building(s)

- The cyclical, residential unit renovation work is expected to continue.

Property Contacts

Property Contact(s)	Representing	Contact	Years at Property
Sample Building Superintendent	Building Superintendent	212-555-0100	5+

2.0 Property

2.1 Property Overview Narrative

The subject property is located at 100 Example Avenue, Sample City, NY 10000. It is a six-story, multi-family residential building comprising 71,193 gross square feet and 76 residential units. The building is situated on an 18,330-square-foot, relatively flat urban site with no significant slopes.

The building's substructure consists of a cellar with stone and brick masonry foundation walls. The structural framing comprises assumed masonry vertical elements combined with timber joists and horizontal beams, and the exterior facade is clad entirely in face brick masonry. Heating and domestic hot water are supplied by a shared central generating plant located in the cellar, utilizing a 3,000 MBH boiler that distributes heat via one-pipe steam radiators. There is no central cooling equipment provided. Electrical power is supplied by a series of 400-amp, 240-volt AC main service switches that distributes 80-amp, 120/240-volt AC capacity to the individual tenant circuit breakers. The property is not equipped with a fire suppression or sprinkler system.
In its present condition and with the recommended repairs and replacements contained within our report, the remaining useful life of the property/ies is estimated to be 50+ years considering the current age and condition of the various building systems.

2.0 Property

2.2 Property Data Table

Item	Details
Property Name	Sample Courtyard Apartments
Address	100 Example Avenue, Sample City, NY 10000
Parcel Number (Tax Block / Lot)	Sample Block A, Lot B
Site Area (SF or Acres)	18330
Year Built	1928
Year of Major Renovation	N/A
Number of Buildings	1
Number of Stories per Building	6
IBC Construction Type	Type III-B (Ordinary - Unprotected)
Gross Building Area (GBA)	71193
Residential Units	76
Commercial Units	0
Current Occupancy	95%
Parking	None provided
Zoning Designation	R 7-1
Flood Zone	X
Map Panel ID.	SAMPLE-FIRM-001
USGS Website	https://earthquake.usgs.gov/hazards/interactive/
Edition	Conterminous U.S. 2014 (v4.0.x)
Spectral Period	Peak Ground Acceleration
Time Horizon	10% in 50 years
Site Class	760 m/s (B/C boundary)
Ground Motion (g)	0.0450
Open Violations	3 DOB violations and 201 HPD violations

2.2.1 Utility Summary

Energy / Water Type (electric, oil #, natural gas, water, etc)	Utility Provider	Energy / Water Use (base load, heating, hot water, lighting, plumbing, landscaping, etc)	Owner Paid (Yes / No)	Tenant Paid (Yes / No)
Electricity	Con Edison	Base load, lighting	Yes	Yes
Fuel Oil (include type)	Private Distributor	Secondary heat	Yes	Yes

2.0 Property

Energy / Water Type (electric, oil #, natural gas, water, etc)	Utility Provider	Energy / Water Use (base load, heating, hot water, lighting, plumbing, landscaping, etc)	Owner Paid (Yes / No)	Tenant Paid (Yes / No)
		and hot water generation		
Natural Gas	Con Edison	Heating, hot water, cooking	Yes	Yes
Gas (Propane, other)	N/A	N/A	N/A	N/A
Water & Sewage	Municipal	Water, combination storm/ sanitary sewer	Yes	No

Our inspection sought to identify the following potentially problematic materials/systems at the site with the following results with verbal data relied upon from maintenance. Some of the below comments and recommendation are as per Fannie Mae or other applicable guidelines:

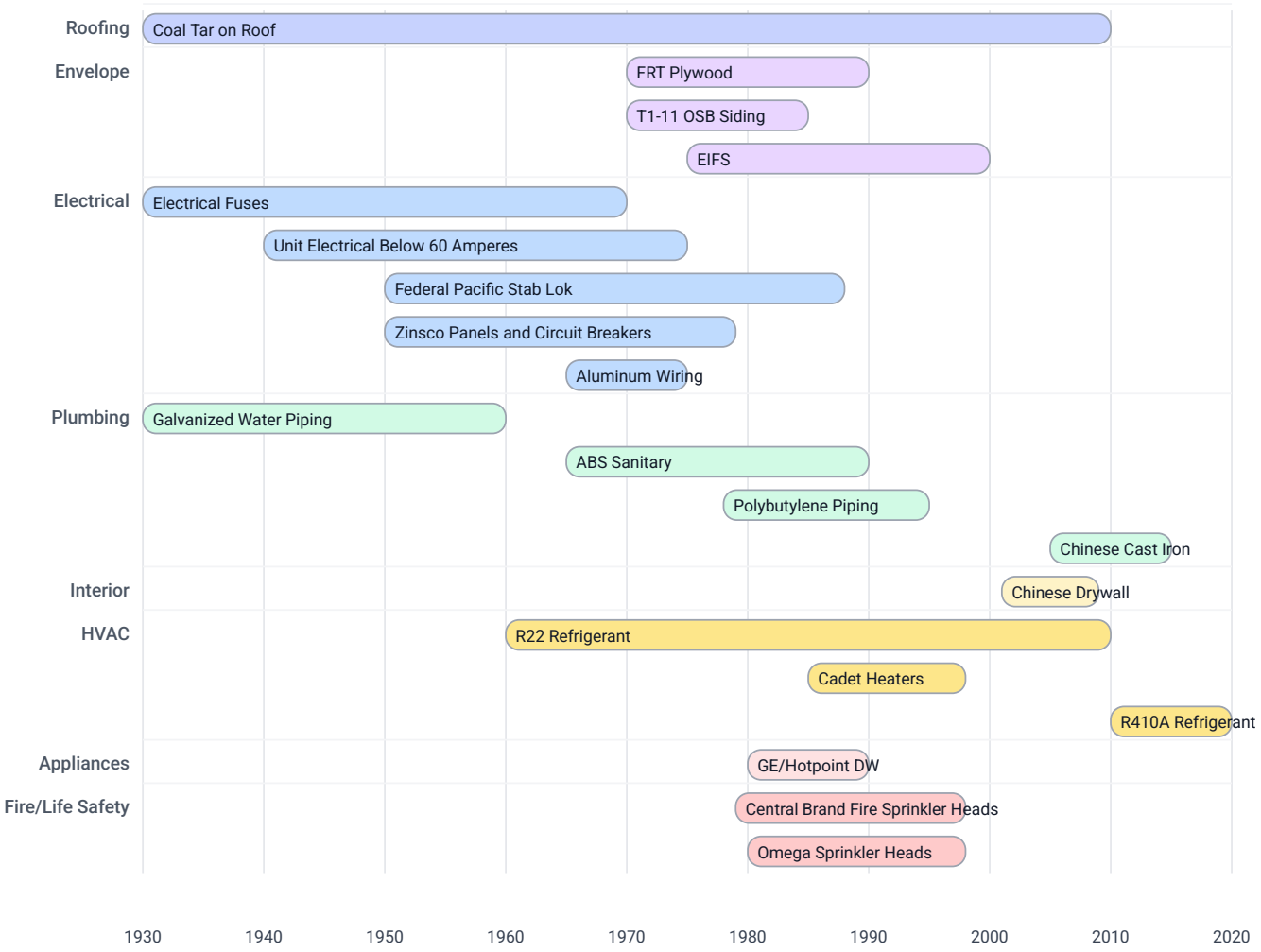
2.0 Property

2.3 Known Problematic Materials

Item	Status
Fire Retardant Treated Plywood (FRTP) Roof Sheathing	None observed / reported
Compressed Wood or Composite Board Siding	None observed / reported
Exterior Insulation Finish Systems (EIFS)	None observed / reported
Chinese Drywall (typically 1/2" thick)	None observed / reported
Unit Level Electrical Amperage Below 60 Amperes	None observed / reported
Aluminum Branch Wiring	None observed / reported
Electrical Overload Protection - Fused Subpanels	None observed / reported
ABS Sanitary Lines	None observed / reported
Hazardous or Recalled Electrical Equipment w/ Known Safety Issues	None observed / reported
Polybutylene Water Distribution Lines	None observed / reported
Galvanized Steel Water Distribution Lines	None observed / reported
HVAC Equipment With R22 Refrigerant	None observed / reported
Omega Brand Fire Sprinkler Heads	None observed / reported
Central Brand Fire Sprinkler Heads	None observed / reported
Cadet Brand Electric In-wall Heaters	None observed / reported
GE or Hot Point Brand Dishwashers (1983-1989)	None observed / reported

2.0 Property

2.3.1 Known Problematic Materials – Timeline



Known Problematic Materials – Explanations

Fire Retardant Treated Plywood (FRTP)

Fire Retardant Treated Plywood is plywood that has been treated with a fire retardant that, in some cases, has caused the plies of the sheathing to delaminate. Delamination of the sheathing has lead to failure of positive attachment of roof coverings.

Recommended Remediation if Present: Replace.

2.0 Property

Compressed Wood or Composite Board Siding

Composite siding is a man-made board that is manufactured from various combinations of wood fibers, fillers, binders and glue to form exterior siding commonly referred to as T1-11 (or T111) siding. An embossed layer is often added to simulate the look of natural wood. The products take the form of either lap siding or panel siding. The primary concern related to this product is its tendency to absorb water at locations where the “compressed wood” is exposed. This includes areas where nails have been over-driven, unfinished joints, or improperly sealed penetrations through the material. Evidence of deterioration includes edge swell, delamination of the finish, warping, and fungus growth.

Recommended Remediation if Present: Current condition, quality of installation, and replacement recommendations should be considered by the Property Evaluator, where appropriate.

Exterior Insulation Finish Systems (EIFS)

Exterior insulation finish systems (EIFS) are a multi-layered exterior wall system consisting of a finish coat, a base coat, reinforcing mesh, adhesive and insulation board all of which are secured to some form of substrate. EIFS systems are also referred to as synthetic stucco or Dryvit. EIFS systems are designed to be “barrier” systems, meaning that they prevent water penetration from the outside. However, this also means that these systems do not “breathe” the way a traditional stucco system would. The problems associated with EIFS stemmed from water leaking behind the EIFS cladding and becoming trapped inside the walls, producing mildew and rot in the sheathing and framing. The most common areas for this type of damage have been at penetrations such as windows, doors, and roof penetrations (chimneys, vents, and drainage components). The problem has resulted from the areas around the penetrations not being properly flashed or sealed thereby allowing water intrusion, rather than from the exterior system itself allowing water infiltration. The Property Evaluator should consider a full exterior façade inspection if concerns regarding the installation or current condition of EIFS are noted. More current EIFS work incorporates drainage planes in response to the earlier generation moisture issues.

Recommended Remediation if Present: Investigate if there are issues and if simple fixes are available from the interior and/or exterior. If not, complete or substantial replacement may be needed. Newer systems have a proper drainage plane which should be considered.

2.0 Property

Chinese Manufactured Drywall

Chinese drywall refers to drywall imported from China (from approximately 2001 to 2007) which contains extraneous metals and minerals, such as sulfur, strontium and iron. Under certain environmental conditions (typically warm, humid climates), the drywall will emit sulfur gasses. These gases create a noxious odor and corrode copper and other metal surfaces, which can damage HVAC Systems, electrical wiring, copper plumbing, appliances and electronics. Chinese drywall can also cause adverse health effects, which are primarily irritant and temporary in nature. Long term health effects are unknown. Note that not all drywall manufactured in China is defective. Hundreds of millions of sheets of Chinese drywall were imported from 2004 to 2006, but defective Chinese drywall has been found in properties built or remodeled as early as 2001 and as late as 2009. The presence of Chinese drywall has been reported in 42 states, the District of Columbia and Puerto Rico. The total number of affected properties is unknown, although the CPSC reports thousands of complaints. Moreover, U.S. drywall may have been manufactured in China and rebranded.

Recommended Remediation if Present: If tainted Chinese drywall is present at the Property, the Property should be completely remediated and any damage to mechanical equipment must be repaired.

Unit Level Electrical Amperage

In almost all individually metered properties there is a breaker located somewhere near, if not directly below, the electric meter. This is the amperage measurement required. Please note: this is not the amperage identified by adding all of the individual breakers at the unit level subpanel. The amperage should be a minimum of 60 amps.

Recommended Remediation if Present: If the amperage is below 60 amps, evaluation of this inadequacy may include discussion of unit sizes, fuel sources, cooking and typical living styles at the property. A proper load analysis should be prepared to determine current system adequacy.

Aluminum Branch Wiring

The primary concern with aluminum branch wiring is that, as a result of current flow, heated aluminum expands approximately 40% faster than copper. The unequal expansion rates between the aluminum wire and the copper, steel or brass switch or outlet connection point subjects the heated aluminum wire to a rapidly rising compressive stress. When the current is turned off, the termination cools causing the wire to contract, which in turn causes the connection to become loose. A loose electrical connection will accelerate the heating of the wire due to the restricted current flow; subsequently, the wire will heat up like a burner on a stove. An overheated connection could potentially lead to a fire.

Recommended Remediation if Present: CPSC Publication 516 recommends a permanent repair using one of the following: complete rewiring; copper pig-tailing at receptacles using COPALUM crimp connectors; or copper pig-tailing using AlumiConn connectors.

2.0 Property

Electrical Overload Protection - Fused Subpanels

Concerns with fused subpanels include the ability to insert higher-rated fuses into Edison sockets, defeating protection, and unsafe shunting of open fuses with metal objects. All reports must note whether breakers or fuses are present at subpanels. Fuses currently installed must include tamper resistant devices and S type fuses.

Recommended Remediation if Present: Fuses should be replaced with proper breaker switches.

Hazardous or Recalled Electrical Equipment w/ Known Safety Issues

Several electrical panel brands—Federal Pacific Electric (FPE Stab-Lok®), Zinsco/GTE-Sylvania, Challenger, and Bulldog/ITE-Pushmatic—have documented safety issues including high breaker failure rates, corrosion, overheating, and obsolete mechanisms that may not trip under fault conditions.

Recommended Remediation if Present: These switches should be replaced.

Polybutylene Water Distribution Lines

Polybutylene (PB) piping, used extensively from 1979–1995, can degrade due to oxidants in water supplies, leading to micro-fractures and sudden failures. Installation quality and fitting types can further impact performance.

Recommended Remediation if Present: A plumbing survey may be required to evaluate condition and repair or replacement costs.

Galvanized Steel Water Distribution Lines

Galvanized piping is susceptible to corrosion influenced by water chemistry, temperature, oxygen content, and chlorides/sulfates; complete system replacement may ultimately be required. Vertical risers are typically more expensive to replace than horizontal runs.

Recommended Remediation if Present: A plumbing survey may be required to evaluate condition and repair or replacement costs.

HVAC Equipment with R22 or R-410A Refrigerant

R-22 is fully phased out in the U.S. due to ozone-depletion potential; R-410A is being phased down under the AIM Act for its high GWP. Newer systems use lower-GWP refrigerants such as R-32 or R-454B.

Recommended Remediation if Present: Replace with systems using current-generation, low-GWP refrigerants per EPA guidance; prioritize units near end-of-life or with frequent service needs.

Omega Brand Fire Sprinkler Heads

Approximately 8.4 million Omega sprinkler heads are subject to recall due to failure rates observed during testing. Identification includes small discs and markings “Central” or “CSC”.

Recommended Remediation if Present: Replace all Omega brand sprinkler heads.

2.0 Property

Central Brand Fire Sprinkler Heads

Central manufactured millions of sprinklers with O-rings (and some models by Gem and Star) covered by voluntary replacement programs due to degradation and failure to activate.

Recommended Remediation if Present: Replace all Central brand sprinkler heads covered by the recall.

Cadet Brand Electric In-wall Heaters

Cadet/Encore in-wall electric heaters (models FW, FX, LX, TK, ZA, Z, RA, RK, RLX, RX, ZC; circa 1982–1999) have been recalled due to fire and shock hazards.

Recommended Remediation if Present: Replace immediately; repairs like limit switch replacement are no longer acceptable per CPSC.

GE or Hot Point Brand Dishwashers (1983–1989)

These dishwashers have experienced premature failures and associated hazards.

Recommended Remediation if Present: Replace immediately.

ABS Sanitary Lines

ABS pipe from manufacturers Apache, Polaris, Centaur, Phoenix, and Gable (1984–1990) may crack at joints due to non-virgin materials reacting with solvent cement. Identify manufacturer and extent if ABS is primary sanitary piping.

Recommended Remediation if Present: If present from listed manufacturers, recommend survey by qualified plumbing expert to determine condition and repair/replacement costs.

3.0 Opinions of Probable Cost

This Property Condition Report (PCR) includes KOW Building Consultants' opinions of probable costs for Immediate Repairs, Priority/ Short Term Costs, and Replacement Reserves over the evaluation period.

These cost opinions are preliminary, order-of-magnitude estimates developed from visual observations, experience with similar properties, and standard industry cost references. They are intended solely for capital planning and underwriting purposes and do not represent contractor bids, warranties, or guarantees of actual construction cost.

Total and Unit Cost Summary

Item	Amount
Total Critical Costs	$0.00
Total Immediate (12 Month) Costs	$157,100.00
Total Reserve Years	$2,257,150.00
Reserve Cost/Unit/Year Uninflated	$1,979.96
Total Reserve Years (Inflated)	$2,755,366.96
Reserve Cost/Unit/Year Inflated	$2,416.99
Total Immediate + Reserves (Uninflated)	$2,414,250.00
Total Immediate + Reserves (Inflated)	$2,912,466.96

Cost Type Definitions

Critical Costs

Expenditures for remedying unsafe conditions, poor or failed building elements, or code violations that should be addressed within 72 hours. Includes items that post life and safety risks.

Immediate (12 Month) Costs

Repairs or replacements that are recommended within 12 months. These items can be accompanied by a design professional, permitting, bidding and planning as needed.

Replacement Reserves

These costs represent anticipated long term capital expenditures to replace/maintain building components and systems to the end of their useful life and are meant to act to preserve the facility to "replace with like kind".

4.0 Site Improvements

4.1 Topography and Drainage

The property is situated on a relatively flat urban site with no significant slopes or exterior water retention basins. Stormwater is removed from the flat roof assembly via cast iron internal leaders. Drainage systems appear to be in fair condition, with no ponding observed at the roof. Costs for jet cleaning of the storm drains are included in the reserve period.

EUL (yrs): 75	**Age (yrs):** 25	**Condition:** 3	**RUL:** 50
Unit Cost ($/unit): $4,000	**Quantity:** 3	**Unit:** EA	

Term	Recommended Action	Amount
Critical	None	$0
Immediate (12 Month)	None	$0
Replacement Reserves (Uninflated)	Jet cleaning of the storm drains.	$12,000

4.2 Paving, Curbing, and Parking Areas

Not Applicable

EUL (yrs): N/A	**Age (yrs):** N/A	**Condition:** N/A	**RUL:** N/A
Unit Cost ($/unit): N/A	**Quantity:** N/A	**Unit:** N/A	

Term	Recommended Action	Amount
Critical	Not Applicable	$0
Immediate (12 Month)	Not Applicable	$0
Replacement Reserves (Uninflated)	Not Applicable	$0

4.0 Site Improvements

4.3 Sidewalks and Pedestrian Paths

Pedestrian flatwork consists of cast-in-place concrete public sidewalks along the street frontage and concrete paving within the entry and rear courtyards. The sidewalks and pedestrian paths at the rear courtyard are in fair condition overall and are expected to outlast the reserve period.

EUL (yrs): 50	**Age (yrs):** Varies	**Condition:** Varies	**RUL:** 15+
Unit Cost ($/unit): N/A	**Quantity:** N/A	**Unit:** N/A	

Term	Recommended Action	Amount
Critical	None	$0
Immediate (12 Month)	None	$0
Replacement Reserves (Uninflated)	None	$0

4.4 Landscaping and Recreational Facilities

Landscaping is limited to mature street trees along the front sidewalk. Street trees appear healthy and are expected to outlast the reserve period.

EUL (yrs): 50	**Age (yrs):** 25	**Condition:** 2	**RUL:** 25
Unit Cost ($/unit): N/A	**Quantity:** N/A	**Unit:** N/A	

Term	Recommended Action	Amount
Critical	None	$0
Immediate (12 Month)	None	$0
Replacement Reserves (Uninflated)	None	$0

4.0 Site Improvements

4.5 Site Lighting

Site lighting consists of building-mounted, exterior floodlight fixtures located in the rear courtyard and along the building's facade. Lighting components are in fair condition however will require replacement during the reserve period.

EUL (yrs): 10	**Age (yrs):** Varies	**Condition:** Varies	**RUL:** Varies
Unit Cost ($/unit): $100	**Quantity:** 30	**Unit:** EA	

Term	Recommended Action	Amount
Critical	None	$0
Immediate (12 Month)	None	$0
Replacement Reserves (Uninflated)	None	$3,000

4.6 Fencing and Gates

Fencing and gates include a steel security gate providing access to the rear courtyard and low decorative steel fencing located at the street tree planters. The fencing and gate components are in fair condition and are expected to outlast the reserve period.

EUL (yrs): 60	**Age (yrs):** 30	**Condition:** 3	**RUL:** 30
Unit Cost ($/unit): N/A	**Quantity:** N/A	**Unit:** N/A	

Term	Recommended Action	Amount
Critical	None	$0
Immediate (12 Month)	None	$0
Replacement Reserves (Uninflated)	None	$0

4.0 Site Improvements

4.7 Retaining Walls and Site Appurtenances

Not Applicable

EUL (yrs): N/A	**Age (yrs):** N/A	**Condition:** N/A	**RUL:** N/A
Unit Cost ($/unit): N/A	**Quantity:** N/A	**Unit:** N/A	

Term	Recommended Action	Amount
Critical	Not Applicable	$0
Immediate (12 Month)	Not Applicable	$0
Replacement Reserves (Uninflated)	Not Applicable	$0

4.8 Site Utilities

Primary utility connections including water, natural gas, and electrical service enter the building at the cellar level. Water service is provided via cast iron and copper piping, natural gas is distributed through cast iron piping and a central meter bank, and an above-ground 3,000-gallon #2 fuel oil tank is enclosed within the cellar. Costs for domestic water service main replacement is included in section 5.3.1 below.

EUL (yrs): 40	**Age (yrs):** Varies	**Condition:** Varies	**RUL:** Varies
Unit Cost ($/unit): N/A	**Quantity:** N/A	**Unit:** N/A	

Term	Recommended Action	Amount
Critical	None	$0
Immediate (12 Month)	None	$0
Replacement Reserves (Uninflated)	None	$0

5.0 Building Systems

5.1.1 Foundations and Substructure

The foundation and substructure consist of stone and brick masonry foundation walls which are in fair condition. Painted surfaces exhibit typical wear and aging. Because the foundation will reach the end of it's EUL during the reserve period, costs are included in year 2 for a structural analysis.

EUL (yrs): 100	**Age (yrs):** 98	**Condition:** 3	**RUL:** 2
Unit Cost ($/unit): $6,500	**Quantity:** 1	**Unit:** EA	

Term	Recommended Action	Amount
Critical	None	$0
Immediate (12 Month)	None	$0
Replacement Reserves (Uninflated)	Foundation structural analysis	$4,500

5.1.2 Superstructure/ Framing

Superstructure and framing elements were unobserved however are assumed masonry vertical elements with timber joists and horizontal beams typical of buildings of this vintage. Because the superstructure elements will reach the end of their EUL during the reserve period, costs are included in year 2 for a structural analysis. Costs are also included in the 12-month term for additional masonry coatings at the foundation.

EUL (yrs): 100	**Age (yrs):** 98	**Condition:** N/A	**RUL:** 2
Unit Cost ($/unit): $5,000	**Quantity:** 1	**Unit:** EA	

Term	Recommended Action	Amount
Critical	None	$0
Immediate (12 Month)	Additional masonry coatings at the foundation	$3,500
Replacement Reserves (Uninflated)	Superstructure structural analysis.	$8,000

5.0 Building Systems

5.1.3 Building Façade and Cladding

The exterior facade consists of face brick masonry at all elevations which is in fair condition. The most recent FISP technical report returned a SAFE rating as of 11/20/2023. Costs are included in the reserve period for additional FISP compliance inspections and as an allowance for periodic raking and pointing of the brick facade as needed.

EUL (yrs): 60	**Age (yrs):** Varies	**Condition:** Varies	**RUL:** Varies
Unit Cost ($/unit): $80,000	**Quantity:** 3	**Unit:** Allowance	

Term	Recommended Action	Amount
Critical	None	$0
Immediate (12 Month)	None	$0
Replacement Reserves (Uninflated)	FISP compliance inspections and periodic raking and pointing of the brick facade as needed.	$240,000

5.1.4 Exterior Windows and Glazing

Exterior windows are typically double-hung assemblies in varying condition located on all building elevations. The windows feature a mix of aluminum frames and vinyl with windows reportedly replaced as needed on unit turnover. Costs for the continued cyclical replacement of windows on unit turnover are included in the reserve period as well as common area window replacements.

EUL (yrs): 35	**Age (yrs):** Varies	**Condition:** Varies	**RUL:** Varies
Unit Cost ($/unit): $800	**Quantity:** 650	**Unit:** EA	

Term	Recommended Action	Amount
Critical	None	$0
Immediate (12 Month)	None	$0
Replacement Reserves (Uninflated)	Continued cyclical replacement of windows on unit turnover and replacement of common area windows.	$519,990

5.0 Building Systems

5.1.5 Exterior Doors and Entrances

The building's main entry is a pair of red painted double doors with wire-mesh glass upper panels and standard pull hardware set in a masonry opening. Secondary entry doors include a red painted metal mesh security gate at the courtyard entrance and a red painted metal roof service door with panic bar. The exterior doors and entrance systems are in fair to poor condition and will reach the end of their RULs in the reserve period. Costs are included in the reserve period for the replacement of the main entry and vestibule doors.

EUL (yrs): 30	**Age (yrs):** 25	**Condition:** 4	**RUL:** 5
Unit Cost ($/unit): $4,000	**Quantity:** 2	**Unit:** EA	

Term	Recommended Action	Amount
Critical	None	$0
Immediate (12 Month)	None	$0
Replacement Reserves (Uninflated)	Replacement of the main entry and vestibule doors	$8,000

5.1.6 Balconies and Exterior Stairs

Exterior stairs include a masonry stair with stone treads and a steel pipe handrail leading to the rear courtyard, as well as steel fire escape assemblies located on the front and rear building elevations. The exterior stairs and fire escapes are in fair condition, exhibiting typical wear and localized surface corrosion on the metal elements. Costs are included in the reserve period for the cyclical scraping and painting of fire escape baskets.

EUL (yrs): 50	**Age (yrs):** 35	**Condition:** 3	**RUL:** 15
Unit Cost ($/unit): $990	**Quantity:** 30	**Unit:** BASKET	

Term	Recommended Action	Amount
Critical	None	$0
Immediate (12 Month)	None	$0
Replacement Reserves (Uninflated)	Cyclical scraping and painting of fire escape baskets.	$29,700

5.0 Building Systems

5.1.7 Elevators

Vertical transportation is provided by a traction passenger elevator SAMPLE-ELEVATOR-001. The elevator machinery is located within a roof bulkhead and is equipped with a Nidec AC motor and a solid-state controller. Cab finishes consist of metallic wall panels, a metal handrail, and diamond plate metal flooring. The elevator cab, controls, and associated mechanical components are in good condition. The most recent periodic inspection was accepted without any defects. Costs for the continued monthly service and maintenance plan are considered operational expenses and are not included in this report.

EUL (yrs): N/A	**Age (yrs):** N/A	**Condition:** N/A	**RUL:** N/A
Unit Cost ($/unit): N/A	**Quantity:** N/A	**Unit:** N/A	

Term	Recommended Action	Amount
Critical	Not Applicable	$0
Immediate (12 Month)	Not Applicable	$0
Replacement Reserves (Uninflated)	Not Applicable	$0

5.1 Roof Assemblies

The building's roof assembly is topped with a rolled bitumen membrane. . The roof assemblies are in fair condition, with costs included in the reserve period for a top-coat at the end of the roof's EUL.

EUL (yrs): 15	**Age (yrs):** 10	**Condition:** 3	**RUL:** 5
Unit Cost ($/unit): $9	**Quantity:** 11,865	**Unit:** SF	

Term	Recommended Action	Amount
Critical	None	$0
Immediate (12 Month)	None	$0
Replacement Reserves (Uninflated)	None	$135,000

5.0 Building Systems

5.1.1 Parapet Wall

The roof also contains brick parapet walls with stone coping. The parapet walls and coping are in fair condition, exhibiting signs of water ingress and mortar deterioration and appear that they will reach the end of their RULs during the reserve period. Additional costs are included in the reserve period for the removal and replacement of the building's parapet wall.

EUL (yrs): 60	**Age (yrs):** 45	**Condition:** N/A	**RUL:** 15
Unit Cost ($/unit): $150	**Quantity:** 900	**Unit:** LF	

Term	Recommended Action	Amount
Critical	None	$0
Immediate (12 Month)	None	$0
Replacement Reserves (Uninflated)	None	$135,000

5.3.1 Domestic Water Supply

The domestic water supply consists of copper components located in the cellar. The system includes residential and commercial water meters but lacks a reduced pressure zone (RPZ) or backflow prevention device. The supply piping is in poor condition, with the main service connection exhibiting significant visible corrosion at the foundation wall entry. Costs are included in the 12-month term for main service connection replacement.

EUL (yrs): 75	**Age (yrs):** Varies	**Condition:** Varies	**RUL:** Varies
Unit Cost ($/unit): $0	**Quantity:** N/A	**Unit:** EA	

Term	Recommended Action	Amount
Critical	None	$0
Immediate (12 Month)	Main service connection replacement	$4,000
Replacement Reserves (Uninflated)	None	$0

5.0 Building Systems

5.3.2 Storm, Sanitary Waste, and Vent Systems

Visible storm, sanitary waste, and vent piping consists of cast iron components located in the cellar. The sewer trap is in good condition and is expected to outlast the reserve period.

EUL (yrs): 75	**Age (yrs):** 40	**Condition:** 3	**RUL:** 35
Unit Cost ($/unit): N/A	**Quantity:** N/A	**Unit:** N/A	

Term	Recommended Action	Amount
Critical	None	$0
Immediate (12 Month)	None	$0
Replacement Reserves (Uninflated)	None	$0

5.3.3 Water Heating Equipment

Domestic hot water is supplied by a central steam and hot water generating plant located in the cellar. The data plate for the boiler was mostly unreadable however we were able to determine that the boiler provides 3,000 MBH maximum input capacity and was manufactured circa 1968, the equipment is in fair condition for its age however will require replacement in reserve term as it is well past it's EUL. Costs for the full replacement of the boiler and burner for the central steam and hot water generating plant is included in section 5.4.1 below.

EUL (yrs): 40	**Age (yrs):** 26	**Condition:** 3	**RUL:** 15+
Unit Cost ($/unit): N/A	**Quantity:** N/A	**Unit:** N/A	

Term	Recommended Action	Amount
Critical	None	$0
Immediate (12 Month)	None	$0
Replacement Reserves (Uninflated)	None	$0

5.0 Building Systems

5.3.4 Ancillary Plumbing Components

There is an in-line recirculating pump located at the building's central steam and hot water generating plant room which provides hot water to residential units throughout the building. The pump is in fair condition however will reach the end of it's EUL during the reserve period. Costs are included in the reserve period for the replacement of the recirculating pump.

EUL (yrs): 15	**Age (yrs):** 10	**Condition:** 2	**RUL:** 5
Unit Cost ($/unit): $900	**Quantity:** 1	**Unit:** EA	

Term	Recommended Action	Amount
Critical	None	$0
Immediate (12 Month)	None	$0
Replacement Reserves (Uninflated)	Replacement of the recirculating pump.	$900

5.4.1 Heating Equipment

Heating for the building is supplied by a central steam and hot water generating plant located in the cellar. The data plate for the boiler was mostly unreadable however we were able to determine that the boiler provides 3,000 MBH maximum input capacity and was manufactured circa 1968, the equipment is in fair condition for its age however will require replacement in reserve term as it is well past it's EUL. Costs for the full replacement of the boiler and burner for the central steam and hot water generating plant is included in section 5.4.1 below.

EUL (yrs): 40	**Age (yrs):** 58	**Condition:** 4	**RUL:** 0
Unit Cost ($/unit): $250,000	**Quantity:** 1	**Unit:** EA	

Term	Recommended Action	Amount
Critical	None	$0
Immediate (12 Month)	None	$0
Replacement Reserves (Uninflated)	Full boiler replacement.	$250,000

5.0 Building Systems

5.4.2 Cooling Equipment

Not Applicable

EUL (yrs): N/A	**Age (yrs):** N/A	**Condition:** N/A	**RUL:** N/A
Unit Cost ($/unit): N/A	**Quantity:** N/A	**Unit:** N/A	

Term	Recommended Action	Amount
Critical	Not Applicable	$0
Immediate (12 Month)	Not Applicable	$0
Replacement Reserves (Uninflated)	Not Applicable	$0

5.4.3 Ventilation Systems

Ventilation is provided by metal roof-mounted exhaust fans. The equipment is in fair condition and is expected to outlast the reserve period. Costs for upkeep or belt replacements are considered an operational expense with no costs included in this report.

EUL (yrs): 20	**Age (yrs):** N/A	**Condition:** 3	**RUL:** 15+
Unit Cost ($/unit): N/A	**Quantity:** N/A	**Unit:** N/A	

Term	Recommended Action	Amount
Critical	None	$0
Immediate (12 Month)	None	$0
Replacement Reserves (Uninflated)	None	$0

5.0 Building Systems

5.4.4 Controls and Distribution

Heating distribution is provided by steel risers leading to one-pipe steam radiators located throughout the building. Distribution components are in fair condition, exhibiting typical wear and localized surface corrosion on the exposed cellar piping. Radiators are replaced on an as-needed basis with additional costs included in the reserve period for the continued cyclical replacement as needed.

EUL (yrs): 50	**Age (yrs):** Varies	**Condition:** Varies	**RUL:** Varies
Unit Cost ($/unit): $1,800	**Quantity:** 50	**Unit:** EA	

Term	Recommended Action	Amount
Critical	None	$0
Immediate (12 Month)	None	$0
Replacement Reserves (Uninflated)	Cyclical replacement of radiators and steam roughing as needed.	$90,000

5.5.1 Service and Distribution

The main electrical service and distribution equipment consists of a series of General Electric safety switches and an electrical meter bank located in the cellar. Typical service disconnects provide 400-amp, 240-volt AC capacity. The equipment is in good condition and is expected to outlast the reserve period.

EUL (yrs): 40	**Age (yrs):** 10	**Condition:** 2	**RUL:** 30
Unit Cost ($/unit): N/A	**Quantity:** N/A	**Unit:** N/A	

Term	Recommended Action	Amount
Critical	None	$0
Immediate (12 Month)	None	$0
Replacement Reserves (Uninflated)	None	$0

5.0 Building Systems

5.5.2 Transformers and Subpanels

Electrical distribution to the individual residential units is provided by Square D circuit breakers located at the central cellar meter bank. The unit breakers provide 80-amp, 120/240-volt AC capacity. The equipment is in fair condition, exhibiting typical wear and is expected to outlast the reserve period.

EUL (yrs): 50	**Age (yrs):** 10	**Condition:** 2	**RUL:** 40
Unit Cost ($/unit): $0	**Quantity:** N/A	**Unit:** EA	

Term	Recommended Action	Amount
Critical	None	$0
Immediate (12 Month)	None	$3,800
Replacement Reserves (Uninflated)	None	$0

5.5.3 Emergency Power

Not Applicable

EUL (yrs): N/A	**Age (yrs):** N/A	**Condition:** N/A	**RUL:** N/A
Unit Cost ($/unit): N/A	**Quantity:** N/A	**Unit:** N/A	

Term	Recommended Action	Amount
Critical	Not Applicable	$0
Immediate (12 Month)	Not Applicable	$0
Replacement Reserves (Uninflated)	Not Applicable	$0

5.0 Building Systems

5.7.1 Sprinkler and Standpipe Systems

Not Applicable

EUL (yrs): N/A	**Age (yrs):** N/A	**Condition:** N/A	**RUL:** N/A
Unit Cost ($/unit): N/A	**Quantity:** N/A	**Unit:** N/A	

Term	Recommended Action	Amount
Critical	Not Applicable	$0
Immediate (12 Month)	Not Applicable	$0
Replacement Reserves (Uninflated)	Not Applicable	$0

5.7.2 Fire Alarm and Detection

Residential units are provided with battery-powered smoke and carbon monoxide detectors at living areas. Our office recommends that smoke and carbon monoxide detectors also be added at all sleeping areas as well. Costs for battery or device replacement and additional smoke/ carbon monoxide devices are considered an operational expense with no costs included in this report. Costs are included in the 12-month term for the installation of natural gas detectors at each unit to comply with local law requirements.

EUL (yrs): 5	**Age (yrs):** Varies	**Condition:** Varies	**RUL:** Varies
Unit Cost ($/unit): $0	**Quantity:** N/A	**Unit:** EA	

Term	Recommended Action	Amount
Critical	None	$0
Immediate (12 Month)	Gas detectors installed at each apartment.	$30,400
Replacement Reserves (Uninflated)	None	$0

5.0 Building Systems

5.7.3 Emergency Lighting and Portable Fire Extinguishers

Portable fire extinguishers are located at common and mechanical areas throughout the building. Fire extinguishers should continue to be serviced annually with costs for servicing considered an operational expense. No costs are included in this report for fire extinguisher servicing.

EUL (yrs): N/A	**Age (yrs):** 98	**Condition:** N/A	**RUL:** 0
Unit Cost ($/unit): N/A	**Quantity:** N/A	**Unit:** N/A	

Term	Recommended Action	Amount
Critical	None	$0
Immediate (12 Month)	None	$0
Replacement Reserves (Uninflated)	None	$0

5.7.4 Site Security

Site security features include closed-circuit television (CCTV) cameras mounted to the exterior masonry facade and a steel security gate located at the rear courtyard stairs. The components are in fair condition and are expected to outlast the reserve period.

EUL (yrs): 20	**Age (yrs):** 10	**Condition:** 3	**RUL:** 15+
Unit Cost ($/unit): N/A	**Quantity:** N/A	**Unit:** N/A	

Term	Recommended Action	Amount
Critical	None	$0
Immediate (12 Month)	None	$0
Replacement Reserves (Uninflated)	None	$0

5.0 Building Systems

5.2 Special Building Systems

The building is provided with an audio intercom system featuring wall-mounted devices located within the residential units and a main panel located at the entry vestibule. The system is in poor condition and is passed its RUL with costs included in the 12-month term for replacement.

EUL (yrs): 20	**Age (yrs):** 40	**Condition:** 4	**RUL:** 0
Unit Cost ($/unit): $0	**Quantity:** N/A	**Unit:** EA	

Term	Recommended Action	Amount
Critical	None	$0
Immediate (12 Month)	Replacement of audio intercom system.	$13,400
Replacement Reserves (Uninflated)	None	$0

6.0 Interior Elements

6.1 Common Area Finishes and Amenities

Common area finishes include mosaic tile flooring, painted plaster or masonry wall surfaces with decorative molding and stone stair treads. There is a mailbox bank located at the ground floor lobby. The common area finishes and amenities are in fair condition. Costs are included in the reserve period as an allowance for a common area restoration effort at the entry lobby and common stairwell.

EUL (yrs): Varies	**Age (yrs):** Varies	**Condition:** 3	**RUL:** Varies
Unit Cost ($/unit): $38,000	**Quantity:** 1	**Unit:** Allowance	

Term	Recommended Action	Amount
Critical	None	$0
Immediate (12 Month)	None	$0
Replacement Reserves (Uninflated)	Common area restoration effort at the entry lobby and common stairwell.	$38,000

6.3.1 Unit Entry Doors

Unit entry doors consist of painted metal, fire rated assemblies set in welded metal door frames. The doors and hardware are in fair condition with several doors remaining unpainted from a recent replacement. Entry doors are expected to outlast the reserve period and should be painted by the building superintendent. Costs for door painting are considered an operational expense and are not included in this report.

EUL (yrs): N/A	**Age (yrs):** 98	**Condition:** N/A	**RUL:** 0
Unit Cost ($/unit): N/A	**Quantity:** N/A	**Unit:** N/A	

Term	Recommended Action	Amount
Critical	None	$0
Immediate (12 Month)	None	$0
Replacement Reserves (Uninflated)	None	$0

6.0 Interior Elements

6.3.2 Flooring

Unit flooring includes parquet wood, strip wood plank, ceramic tile, and replacement luxury vinyl plank in renovated areas as well as CVT at unrenovated kitchens. Flooring is in varying condition, with costs included in the reserve period for the continued cyclical replacement or refinishing at unit turnover.

EUL (yrs): Varies	**Age (yrs):** Varies	**Condition:** Varies	**RUL:** Varies
Unit Cost ($/unit): $3,250	**Quantity:** 76	**Unit:** EA	

Term	Recommended Action	Amount
Critical	None	$0
Immediate (12 Month)	None	$0
Replacement Reserves (Uninflated)	Continued cyclical replacement or refinishing at unit turnover.	$246,990

6.3.3 Walls and Ceilings

Unit walls and ceilings consist of painted plaster or drywall, with ceramic tile base located in the bathrooms. Wall surfaces are generally in fair or poor condition with costs included for drywall replacement as needed at unit turnover. Costs for the painting of units at turnover are considered an operational expense with no costs included in this report.

EUL (yrs): 35	**Age (yrs):** 20	**Condition:** 3	**RUL:** 15
Unit Cost ($/unit): $2,500	**Quantity:** 19	**Unit:** EA	

Term	Recommended Action	Amount
Critical	None	$0
Immediate (12 Month)	None	$0
Replacement Reserves (Uninflated)	Drywall replacement as needed at unit turnover	$47,490

6.0 Interior Elements

6.3.4 Kitchens and Casework

Kitchen casework includes older stained wood cabinetry in unrenovated units and white shaker-style cabinetry in renovated units. Kitchens are provided with plastic laminate countertops and stainless steel overmount sinks. Kitchens and casework finishes are in varying condition, with costs included in the reserve period for the continued cyclical replacement of kitchen cabinets and countertops at unit turnover.

EUL (yrs): 20	**Age (yrs):** Varies	**Condition:** Varies	**RUL:** Varies
Unit Cost ($/unit): $4,500	**Quantity:** 38	**Unit:** EA	

Term	Recommended Action	Amount
Critical	None	$0
Immediate (12 Month)	None	$0
Replacement Reserves (Uninflated)	None	$171,000

6.3.5 Bathrooms and Plumbing Fixtures

Bathroom finishes and fixtures consist of ceramic tile at walls and floor surfaces, porcelain toilets, cast iron bathtubs, wood or particle board medicine cabinets and vanities with hard tops. Bathroom finishes and fixtures are in varying condition throughout with costs included in the reserve period for the continued cyclical renovation of residential unit bathrooms at unit turnover.

EUL (yrs): Varies	**Age (yrs):** Varies	**Condition:** Varies	**RUL:** Varies
Unit Cost ($/unit): $5,500	**Quantity:** 38	**Unit:** EA	

Term	Recommended Action	Amount
Critical	None	$0
Immediate (12 Month)	None	$0
Replacement Reserves (Uninflated)	Cyclical renovation of residential unit bathrooms.	$208,995

6.0 Interior Elements

6.3.6 Appliances

Appliances consist of white, top-freezer, refrigerators and white, four-burner, gas ranges by various manufacturers. Appliances are in varying condition with costs included for cyclical replacement over the reserve period.

EUL (yrs): 12	**Age (yrs):** Varies	**Condition:** Varies	**RUL:** Varies
Unit Cost ($/unit): $1,500	**Quantity:** 76	**Unit:** EA	

Term	Recommended Action	Amount
Critical	None	$0
Immediate (12 Month)	None	$0
Replacement Reserves (Uninflated)	Cyclical replacement of appliances.	$114,000

6.2 Interior Lighting

Residential unit lighting consists of flush-mount ceiling fixtures with glass dome shades and wall-mounted sconces. The lighting fixtures are in fair condition, exhibiting typical wear. Light fixtures are in varying condition with costs included for cyclical replacement over the reserve period.

EUL (yrs): 20	**Age (yrs):** Varies	**Condition:** Varies	**RUL:** Varies
Unit Cost ($/unit): $150	**Quantity:** 152	**Unit:** EA	

Term	Recommended Action	Amount
Critical	None	$0
Immediate (12 Month)	None	$0
Replacement Reserves (Uninflated)	Cyclical replacement of light fixtures.	$22,800

6.0 Interior Elements

6.5.1 Laundry Facilities

Not Applicable

EUL (yrs): N/A	**Age (yrs):** N/A	**Condition:** N/A	**RUL:** N/A
Unit Cost ($/unit): N/A	**Quantity:** N/A	**Unit:** N/A	

Term	Recommended Action	Amount
Critical	Not Applicable	$0
Immediate (12 Month)	Not Applicable	$0
Replacement Reserves (Uninflated)	Not Applicable	$0

6.5.2 Trash Handling and Compactor Systems

Not Applicable

EUL (yrs): N/A	**Age (yrs):** N/A	**Condition:** N/A	**RUL:** N/A
Unit Cost ($/unit): N/A	**Quantity:** N/A	**Unit:** N/A	

Term	Recommended Action	Amount
Critical	Not Applicable	$0
Immediate (12 Month)	Not Applicable	$0
Replacement Reserves (Uninflated)	Not Applicable	$0

6.0 Interior Elements

6.5.3 Storage, Service, and Miscellaneous Spaces

Per the NYC municipal websites and HPD website, there are currently 3 DOB violations and 201 HPD violations. Our office is including a flat, lump sum of $500 per violation to remedy the underlaying condition of each of the violations and to have them cleared with the city/ HPD.

EUL (yrs): N/A	**Age (yrs):** 98	**Condition:** N/A	**RUL:** 0
Unit Cost ($/unit): $0	**Quantity:** N/A	**Unit:** EA	

Term	Recommended Action	Amount
Critical	None	$0
Immediate (12 Month)	Underlaying condition of each violation addressed and cleared with the city/ HPD.	$102,000
Replacement Reserves (Uninflated)	None	$0

7.0 Considerations

Applicability Summary

Standard	Applies
ADA Applies	Limited (common areas only)
FHA Applies	No
UFAS Applies	No

ADA Abbreviated Screening Checklist

The abbreviated ADA screening is a limited-scope visual survey of selected ADA elements, as documented on the checklist provided herein. The abbreviated screening excludes measurements and counts.

Since the screening is limited in scope and is based on representative observations, conditions that are not compliant with ADA, state, local, and other requirements may exist that will not be identified. A detailed survey to evaluate conformance of the subject property with ADA or other accessibility requirements is beyond the scope of this guide.

Consistent with the principles and intent of this guide, this checklist may be used as a screen to document obvious ADA barriers at the subject property with respect to the checklist elements. Supplemental assessment may be needed to satisfy the risk tolerance and desired level of due diligence of some users.

ADA Abbreviated Screening Checklist			
Item	**Checklist Question**	**Answer**	**Notes**
A. History			
A.1	Has an ADA survey previously been completed for the subject property?	N/A	Unknown
A.2	Have any ADA improvements been made to the subject property since original construction?	No	
A.3	Has building ownership or management reported any ADA complaints or litigation?	No	
B. Parking			
B.1	Does the required number of standard ADA-designated spaces appear to be provided?	N/A	No on-site parking observed
B.2	Does the required number of van-accessible designated spaces appear to be provided?	N/A	No on-site parking observed
B.3	Are accessible spaces part of the shortest accessible route to an accessible building entrance?	N/A	No on-site parking observed
B.4	Is a sign with the International Symbol of Accessibility at the head of each space?	N/A	No on-site parking observed
B.5	Does each accessible space have an	N/A	No on-site parking observed

7.0 Considerations

ADA Abbreviated Screening Checklist			
Item	**Checklist Question**	**Answer**	**Notes**
	adjacent access aisle?		
B.6	Do parking spaces and access aisles appear to be relatively level and without obstruction?	N/A	No on-site parking observed
C. Exterior Accessible Route			
C.1	Is an accessible route present from public transportation stops and municipal sidewalks on the subject property?	Yes	
C.2	Are curb cut ramps present at transitions through curbs on an accessible route?	Yes	
C.3	Do the curb cut ramps appear to have the proper slope for all components?	Yes	
C.4	Do ramps on an accessible route appear to have a compliant slope?	N/A	No exterior level changes observed along the approach
C.5	Do ramps on an accessible route appear to have a compliant length and width?	N/A	No exterior level changes observed along the approach
C.6	Do ramps on an accessible route appear to have compliant end and intermediate landings?	N/A	No exterior level changes observed along the approach
C.7	Do ramps on an accessible route appear to have compliant handrails?	N/A	No exterior level changes observed along the approach
D. Building Entrances			
D.1	Do a sufficient number of accessible entrances appear to be provided?	Yes	
D.2	If the main entrance is not accessible, is an alternate accessible entrance provided?	Yes	
D.3	Is signage provided indicating the location of alternate accessible entrances?	N/A	
D.4	Do doors at accessible entrances appear to have compliant clear floor area on each side?	Yes	
D.5	Do doors at accessible entrances appear to have compliant hardware?	Yes	
D.6	Do doors at accessible entrances appear to have a compliant clear opening width?	Yes	
D.7	Do pairs of accessible entrance doors in series appear to have the minimum clear space between them?	Yes	
D.8	Do thresholds at accessible entrances appear to have a compliant height?	Yes	

7.0 Considerations

ADA Abbreviated Screening Checklist			
Item	**Checklist Question**	**Answer**	**Notes**
E. Interior Accessible Routes and Amenities			
E.1	Does an accessible route appear to connect with all public areas inside the building?	Unknown	Not determined in the source accessibility screening; common-area finishes are described in the assessment.
E.2	Do accessible routes appear free of obstructions and/or protruding objects?	Unknown	Not determined in the source accessibility screening; common-area finishes are described in the assessment.
E.3	Do ramps on accessible routes appear to have a compliant slope?	N/A	No ramps
E.4	Do ramps on accessible routes appear to have a compliant length and width?	N/A	No ramps
E.5	Do ramps on accessible routes appear to have compliant end and intermediate landings?	N/A	No ramps
E.6	Do ramps on accessible routes appear to have compliant handrails?	N/A	No ramps
E.7	Are adjoining public areas and areas of egress identified with accessible signage?	Unknown	Not determined in the source accessibility screening; common-area finishes are described in the assessment.
E.8	Do public transaction areas have an accessible, lowered counter section?	Unknown	Not determined in the source accessibility screening; common-area finishes are described in the assessment.
E.9	Do public telephones appear mounted with an accessible height and location?	Unknown	Not determined in the source accessibility screening; common-area finishes are described in the assessment.
E.10	Are publicly accessible swimming pools equipped with an entrance lift?	Unknown	Not determined in the source accessibility screening; common-area finishes are described in the assessment.
F. Interior Doors			
F.1	Do doors at interior accessible routes appear to have compliant clear floor area on each side?	Unknown	Not determined in the source accessibility screening; common-area finishes are described in the assessment.
F.2	Do doors at interior accessible routes appear to have compliant hardware?	Unknown	Not determined in the source accessibility screening; common-area finishes are described in the assessment.
F.3	Do doors at interior accessible routes appear to have compliant opening force?	Unknown	Not determined in the source accessibility screening; common-area finishes are described in the assessment.
F.4	Do doors at interior accessible routes appear to have a compliant clear opening width?	Unknown	Not determined in the source accessibility screening; common-area finishes are described in the assessment.
G. Elevators			

7.0 Considerations

ADA Abbreviated Screening Checklist			
Item	**Checklist Question**	**Answer**	**Notes**
G.1	Are hallway call buttons configured with the UP button above the DOWN button?	Yes	
G.2	Is accessible floor identification signage present on the hoistway sidewalls?	Yes	
G.3	Do the elevators have audible and visual arrival indicators at the entrances?	Yes	
G.4	Do the elevator hoistway and car interior appear to have a minimum compliant clear floor area?	Yes	
G.5	Do the elevator car doors have automatic re-opening devices to prevent closure on obstructions?	Yes	
G.6	Do elevator car control buttons appear to be mounted at a compliant height?	Yes	
G.7	Are tactile and Braille characters mounted to the left of each elevator car control button?	Yes	
G.8	Are audible and visual floor position indicators provided in the elevator car?	Yes	
G.9	Is the emergency call system at the base of the control panel and not require voice communication?	Yes	
H. Toilet Rooms			
H.1	Do publicly accessible toilet rooms appear to have a minimum compliant floor area?	N/A	No common-area restroom or amenity space observed
H.2	Does the lavatory appear to be mounted at a compliant height and with compliant knee area?	N/A	No common-area restroom or amenity space observed
H.3	Does the lavatory faucet have compliant handles?	N/A	No common-area restroom or amenity space observed
H.4	Is the plumbing piping under lavatories configured to protect against contact?	N/A	No common-area restroom or amenity space observed
H.5	Are grab bars provided at compliant locations around the toilet?	N/A	No common-area restroom or amenity space observed
H.6	Do toilet stall doors appear to provide the minimum compliant clear width?	N/A	No common-area restroom or amenity space observed
H.7	Do toilet stalls appear to provide the minimum compliant clear floor area?	N/A	No common-area restroom or amenity space observed
H.8	Do urinals appear to be mounted at a compliant height and with compliant approach width?	N/A	No common-area restroom or amenity space observed

7.0 Considerations

ADA Abbreviated Screening Checklist			
Item	**Checklist Question**	**Answer**	**Notes**
H.9	Do accessories and mirrors appear to be mounted at a compliant height?	N/A	No common-area restroom or amenity space observed
I. Hospitality Guestrooms			
I.1	Does property management report the minimum required accessible guestrooms?	N/A	Not a hospitality building

FHA Abbreviated Screening Checklist

The abbreviated FHA screening is a limited-scope visual survey of selected FHA elements, as documented on the checklist provided herein. The abbreviated screening excludes measurements and counts.

Since the screening is limited in scope and is based on representative observations, conditions that are not compliant with FHA, ADA, state, local, and other requirements may exist that will not be identified. A detailed survey to evaluate conformance of the subject property with FHA and or other accessibility requirements is beyond the scope of this guide.

Consistent with the principles and intent of this guide, this checklist may be used as a screen to document obvious FHA barriers at the subject property with respect to the checklist elements. Supplemental assessment may be needed to satisfy the risk tolerance and desired level of due diligence of some users.

FHA Abbreviated Screening Checklist			
Item	**Checklist Question**	**Answer**	**Notes**
A. History			
A.1	Was first occupancy at the subject property achieved after March 13, 1991?	No	
A.2	Does the subject property consist of four or more dwelling units?	Yes	
A.3	Was property management or the owner aware of any areas of non-compliance resulting in litigation?	No	
B. Requirement 1 - Accessible Routes; Site			
B.1	Do designated accessible parking spaces appear to be provided in sufficient number at appropriate locations?	N/A	FHA screening threshold not met based on occupancy year and dwelling unit count
B.2	Do appropriate transitions from paved areas to sidewalks appear to be provided?	N/A	FHA screening threshold not met based on occupancy year and dwelling unit count
B.3	Do walkway slopes and cross slopes appear to be adequate and not excessive?	N/A	FHA screening threshold not met based on occupancy year and dwelling unit count
B.4	Do walkways appear to be the correct	N/A	FHA screening threshold not met based

7.0 Considerations

FHA Abbreviated Screening Checklist			
Item	**Checklist Question**	**Answer**	**Notes**
	width, and clear of obstructions, including overhanging vehicles?		on occupancy year and dwelling unit count
B.5	Do ramps appear to have appropriate handrails and edge protection?	N/A	FHA screening threshold not met based on occupancy year and dwelling unit count
B.6	Do building entry point and access doors appear to be provided along an apparent accessible route?	N/A	FHA screening threshold not met based on occupancy year and dwelling unit count
B.7	Do the main entrances appear to be barrier free and readily accessible, with no steps, obstacles, or revolving doors?	N/A	FHA screening threshold not met based on occupancy year and dwelling unit count
C. Requirement 2 - Accessible Common Areas			
C.1	Does a continuous accessible route appear to be provided throughout the subject property, including the site, parking areas, and amenities?	N/A	FHA screening threshold not met based on occupancy year and dwelling unit count
C.2	Do common area and visitor restrooms appear to be barrier free and readily accessible?	N/A	FHA screening threshold not met based on occupancy year and dwelling unit count
C.3	Do the amenities appear to be barrier free and readily accessible?	N/A	FHA screening threshold not met based on occupancy year and dwelling unit count
D. Requirement 3 - Usable Doors			
D.1	Do appropriate doors and entries appear to be designed for accessibility?	N/A	FHA screening threshold not met based on occupancy year and dwelling unit count
D.2	Do interior doors appear to be designed for accessibility?	N/A	FHA screening threshold not met based on occupancy year and dwelling unit count
E. Requirement 4 - Accessible Routes; Covered Units			
E.1	Do the interiors of the covered units appear to provide adequate maneuverability?	N/A	FHA screening threshold not met based on occupancy year and dwelling unit count
F. Requirement 5 - Environmental Controls; Covered Units			
F.1	Do the environmental controls within the covered units appear to be at appropriate heights and locations?	N/A	FHA screening threshold not met based on occupancy year and dwelling unit count
G. Requirement 6 - Reinforced Walls; Covered Units			
G.1	Are reinforcements reportedly provided for future installation of grab bars at appropriate locations in the covered units?	N/A	FHA screening threshold not met based on occupancy year and dwelling unit count
H. Requirement 7 - Usable Kitchens and Bathrooms; Covered Units			
H.1	Do the interior kitchen areas of the covered units appear to provide adequate clearances for maneuverability?	N/A	FHA screening threshold not met based on occupancy year and dwelling unit count

7.0 Considerations

FHA Abbreviated Screening Checklist			
Item	**Checklist Question**	**Answer**	**Notes**
H.2	Do the interiors of the covered units appear to provide adequate clearances in the bathrooms?	N/A	FHA screening threshold not met based on occupancy year and dwelling unit count

7.2 Energy Efficiency

Exterior foundation, wall, ceiling and roof insulation could not be observed. It is recommended that management consider “green” alternatives for all future work. Such an approach to sustainable development is designed to result in a property that reduces demand for energy and water, costs less to operate and maintain, improves the quality of life for residents and reduces the building’s impact on the environment. To consider such “green” alternatives would require management to perform a cost benefit analysis but also to consider the resulting environment for the residents such as improved indoor air quality. Examples of “green” considerations include:

- Energy Star rated appliances and equipment
- No or low-volatile organic compound (no/low-VOC) kitchen cabinets and bathroom vanities
- Energy Star rated bath and kitchen exhaust fans
- If not currently installed: low-flow faucet aerators, low-flow shower heads, and low-flush toilets.
- Energy Star rated HVAC systems
- Use of no/low-VOC paint and sealants for interior applications.
- Energy Star rated interior compact fluorescent light bulbs.
- Replacement of lighted exit signs with LED fixtures.

7.3 Environmental Considerations

To mitigate possible risks associated with mold and moisture, KOW Building Consultants recommends Moisture Management Plans (MMP’s) for all properties. We expect each MMP to take a two-pronged approach: control moisture before mold begins growing, and if mold is discovered, minimize its impacts and prevent further contamination by isolating and remedying the source of the problem and any affected materials. Instituting such a policy would require that MMP’s incorporate mold response and remediation guidance provided by the Environmental Protection Agency (EPA), but MMP’s should also reflect the individual property’s characteristics. Such a Plan should be in written form and located at the subject property.

The written document should describe in detail how the following basic elements of the Plan are to be implemented:

1. Staff training
2. Tenant information
3. Inspections
4. Incident response and re-mediation
5. Documentation. The Plan must describe the routines that will be followed to manage moisture and prevent mold, explain the steps that will be taken if either is discovered, specify who is responsible for all actions, incorporate adequate documentation to record all Plan activity and be kept onsite for annual Plan verification.

7.4 Pest Management

7.0 Considerations

We recommend a proper pest management plan be put in place. Monthly extermination is recommended including a pest management plan, on-site property requests, visual observation and spraying or baits as required. During our inspection, we did not observe any evidence of active infestations or damage associated to wood-boring insects.

8.0 Limiting Conditions

8.0 Limiting Conditions

This report describes the architectural and engineering conditions as they relate to the subject property's current condition. This report is an opinion work. The conclusions presented are held with confidence and, where possible, opinions are supported by positive knowledge and proof. The mention of trade names or commercial products does not constitute endorsement or recommendation for use. No concealed areas are opened for inspection, no testing or running of equipment is done and no destructive testing is performed. Opinion of Costs is based on our professional judgment. Costs are not based on construction bids or contracts from trade professionals.

Unverified Information

The following information was provided but was not verified: Total square footage; Quality and adequacy of site lighting; Occupancy; Number of parking spaces; Existing seasonal or weather-related problems such as roof leaks, heating and air conditioning efficiency, etc.

Scope and Timing

The opinions expressed in this report do not represent scientific certainties and are based on the facts and circumstances as they existed on the date of the inspection. Changes may affect recommendations, findings and conclusions.

9.0 Out of Scope Considerations

In accordance with current applicable guidelines, the following items are beyond the scope of this Property Condition Assessment unless specifically included in the engagement:

- Environmental Concerns: Phase I/II Environmental Site Assessments; testing for asbestos, lead-based paint, radon, mold, PCBs, or other hazardous materials.
- Invasive or Destructive Testing: Opening of walls, ceilings, roofs, or other building components; material sampling; dismantling of equipment.
- Specialty or Design Analyses: Structural calculations, seismic assessments, wind load analysis, flood zone studies, energy audits, or sustainability certifications.
- Code and Regulatory Compliance: Detailed building code analysis; ADA or Fair Housing Act compliance assessments (except where screening observations are included elsewhere in this report).
- Specialized Systems and Equipment: Fire alarms, sprinklers, elevators, security, telecommunications, process or industrial equipment—except for general visual observation.
- Financial or Operational Matters: Property valuation, market studies, appraisal, equipment inventories, or operational cost analysis.
- Other Excluded Items: Concealed or inaccessible areas; offsite conditions; and any latent defects not apparent by visual inspection.

This section is provided to clarify the limitations of the assessment scope. If the client requires review of any of the above items, such services must be contracted separately.

10.1 Immediate Needs and Projected Useful Life Table

Immediate Needs and Projected Useful Life Table

Item	EUL (yrs)	Age (yrs)	Condition	RUL (yrs)	Recommended Action	Critical	Immediate	Short-Term
5.1 Roof Assemblies	15	10	3	5	None			
4.1 Topography and Drainage	75	25	3	50	None			
4.2 Paving, Curbing, and Parking Areas	N/A	N/A	N/A	N/A	Not Applicable			
4.3 Sidewalks and Pedestrian Paths	50	Varies	Varies	50	None			
4.4 Landscaping and Recreational Facilities	50	25	2	25	None			
4.5 Site Lighting	10	Varies	Varies	10	None			
4.6 Fencing and Gates	60	30	3	30	None			
4.7 Retaining Walls and Site Appurtenances	N/A	N/A	N/A	N/A	Not Applicable			
4.8 Site Utilities	40	Varies	Varies	40	None			
5.1.1 Foundations and Substructure	100	98	3	2	None			
5.1.2 Superstructure/ Framing	100	98		2	Additional masonry coatings at the foundation		$3,500	
5.1.3 Building Façade and Cladding	60	Varies	Varies	60	None			
5.1.4 Exterior Windows and Glazing	35	Varies	Varies	35	None			
5.1.5 Exterior Doors and	30	25	4	5	None			

Item	EUL (yrs)	Age (yrs)	Condition	RUL (yrs)	Recommended Action	Critical	Immediate	Short-Term
Entrances								
5.1.6 Balconies and Exterior Stairs	50	35	3	15	None			
5.1.7 Elevators	N/A	N/A	N/A	N/A	Not Applicable			
5.3.1 Domestic Water Supply	75	Varies	Varies	75	Main service connection replacement		$4,000	
5.3.2 Storm, Sanitary Waste, and Vent Systems	75	40	3	35	None			
5.3.3 Water Heating Equipment	40	26	3	14	None			
5.3.4 Ancillary Plumbing Components	15	10	2	5	None			
5.4.1 Heating Equipment	40	58	4	0	None			
5.4.2 Cooling Equipment	N/A	N/A	N/A	N/A	Not Applicable			
5.4.3 Ventilation Systems	20	N/A	3	20	None			
5.4.4 Controls and Distribution	50	Varies	Varies	50	None			
5.5.1 Service and Distribution	40	10	2	30	None			
5.5.2 Transformers and Subpanels	50	10	2	40	None		$3,800	
5.5.3 Emergency Power	N/A	N/A	N/A	N/A	Not Applicable			
5.7.1 Sprinkler and Standpipe Systems	N/A	N/A	N/A	N/A	Not Applicable			
5.7.2 Fire Alarm and Detection	5	Varies	Varies	5	Gas detectors installed at each apartment.		$30,400	
5.7.3 Emergency Lighting and Portable Fire		98		0	None			

Item	EUL (yrs)	Age (yrs)	Condition	RUL (yrs)	Recommended Action	Critical	Immediate	Short-Term
Extinguishers								
5.7.4 Site Security	20	10	3	10	None			
5.2 Special Building Systems	20	40	4	0	Replacement of audio intercom system.		$13,400	
6.1 Common Area Finishes and Amenities	Varies	Varies	3	0	None			
6.3.1 Unit Entry Doors		98		0	None			
6.3.2 Flooring	Varies	Varies	Varies	0	None			
6.3.3 Walls and Ceilings	35	20	3	15	None			
6.3.4 Kitchens and Casework	20	Varies	Varies	20	None			
6.3.5 Bathrooms and Plumbing Fixtures	Varies	Varies	Varies	0	None			
6.3.6 Appliances	12	Varies	Varies	12	None			
6.2 Interior Lighting	20	Varies	Varies	20	None			
6.5.1 Laundry Facilities	N/A	N/A	N/A	N/A	Not Applicable			
6.5.2 Trash Handling and Compactor Systems	N/A	N/A	N/A	N/A	Not Applicable			
6.5.3 Storage, Service, and Miscellaneous Spaces		98		0	Underlaying condition of each violation addressed and cleared with the city/ HPD.		$102,000	
					Total		**$157,100**	

10.2 Replacement Reserve Analysis

Replacement Reserve Analysis

Item	Comments	Unit Cost	Qty	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10	Y11	Y12	Y13	Y14	Y15
5.1 Roof Assemblies		$150	900															$135,000
4.1 Topography and Drainage	*Jet cleaning of the storm drains.*	$4,000	3	$4,000					$4,000					$4,000				
4.2 Paving, Curbing, and Parking Areas	*Not Applicable*																	
4.3 Sidewalks and Pedestrian Paths																		
4.4 Landscaping and Recreational Facilities																		
4.5 Site Lighting		$100	30	$200	$200	$200	$200	$200	$200	$200	$200	$200	$200	$200	$200	$200	$200	$200
4.6 Fencing and Gates																		
4.7 Retaining Walls and Site Appurtenances	*Not Applicable*	$600	1															
4.8 Site Utilities																		
5.1.1 Foundations and Substructure	*Foundation structural analysis*	$6,500	1		$4,500													
5.1.2 Superstructure/ Framing	*Superstructure structural analysis.*	$5,000	1		$8,000													
5.1.3 Building Façade and Cladding	*FISP compliance inspections and periodic raking and pointing of the brick facade as needed.*	$80,000	3		$80,000					$80,000					$80,000			
5.1.4 Exterior Windows and Glazing	*Continued cyclical replacement of windows on unit turnover and replacement of common area windows.*	$800	650	$34,666	$34,666	$34,666	$34,666	$34,666	$34,666	$34,666	$34,666	$34,666	$34,666	$34,666	$34,666	$34,666	$34,666	$34,666
5.1.5 Exterior Doors and Entrances	*Replacement of the main entry and vestibule doors*	$4,000	2					$8,000										
5.1.6 Balconies and Exterior Stairs	*Cyclical scraping and painting of fire escape baskets.*	$990	30	$1,980	$1,980	$1,980	$1,980	$1,980	$1,980	$1,980	$1,980	$1,980	$1,980	$1,980	$1,980	$1,980	$1,980	$1,980
5.1.7 Elevators	*Not Applicable*																	
5.3.1 Domestic Water Supply																		
5.3.2 Storm, Sanitary Waste, and Vent Systems																		
5.3.3 Water Heating Equipment																		
5.3.4 Ancillary Plumbing Components	*Replacement of the recirculating pump.*	$900	1					$900										
5.4.1 Heating Equipment	*Full boiler replacement.*	$250,000	1	$250,000														
5.4.2 Cooling Equipment	*Not Applicable*																	
5.4.3 Ventilation Systems	*None*																	
5.4.4 Controls and Distribution	*Cyclical replacement of radiators and steam roughing as needed.*	$1,800	50	$6,000	$6,000	$6,000	$6,000	$6,000	$6,000	$6,000	$6,000	$6,000	$6,000	$6,000	$6,000	$6,000	$6,000	$6,000
5.5.1 Service and Distribution																		
5.5.2 Transformers and Subpanels																		
5.5.3 Emergency Power	*Not Applicable*																	
5.7.1 Sprinkler and Standpipe Systems	*Not Applicable*																	
5.7.2 Fire Alarm and Detection																		
5.7.3 Emergency Lighting and Portable Fire Extinguishers																		
5.7.4 Site Security																		
5.2 Special Building Systems																		
6.1 Common Area Finishes and Amenities	*Common area restoration effort at the entry lobby and common stairwell.*	$38,000	1												$38,000			
6.3.1 Unit Entry Doors																		
6.3.2 Flooring	*Continued cyclical replacement or refinishing at unit turnover.*	$3,250	76	$16,466	$16,466	$16,466	$16,466	$16,466	$16,466	$16,466	$16,466	$16,466	$16,466	$16,466	$16,466	$16,466	$16,466	$16,466
6.3.3 Walls and Ceilings	*Drywall replacement as needed at unit turnover*	$2,500	19	$3,166	$3,166	$3,166	$3,166	$3,166	$3,166	$3,166	$3,166	$3,166	$3,166	$3,166	$3,166	$3,166	$3,166	$3,166
6.3.4 Kitchens and Casework		$4,500	38	$11,400	$11,400	$11,400	$11,400	$11,400	$11,400	$11,400	$11,400	$11,400	$11,400	$11,400	$11,400	$11,400	$11,400	$11,400
6.3.5 Bathrooms and Plumbing Fixtures	*Cyclical renovation of residential unit bathrooms.*	$5,500	38	$13,933	$13,933	$13,933	$13,933	$13,933	$13,933	$13,933	$13,933	$13,933	$13,933	$13,933	$13,933	$13,933	$13,933	$13,933
6.3.6 Appliances	*Cyclical replacement of appliances.*	$1,500	76	$7,600	$7,600	$7,600	$7,600	$7,600	$7,600	$7,600	$7,600	$7,600	$7,600	$7,600	$7,600	$7,600	$7,600	$7,600
6.2 Interior Lighting	*Cyclical replacement of light fixtures.*	$150	152	$1,520	$1,520	$1,520	$1,520	$1,520	$1,520	$1,520	$1,520	$1,520	$1,520	$1,520	$1,520	$1,520	$1,520	$1,520
6.5.1 Laundry Facilities	*Not Applicable*																	
6.5.2 Trash Handling and Compactor Systems	*Not Applicable*																	
6.5.3 Storage, Service, and Miscellaneous Spaces																		
Total Uninflated				**$350,931**	**$189,431**	**$96,931**	**$96,931**	**$105,831**	**$100,931**	**$176,931**	**$96,931**	**$96,931**	**$96,931**	**$100,931**	**$214,931**	**$96,931**	**$96,931**	**$231,931**
Inflation Index (3.0%)				**1.00**	**1.03**	**1.06**	**1.09**	**1.13**	**1.16**	**1.19**	**1.23**	**1.27**	**1.30**	**1.34**	**1.38**	**1.43**	**1.47**	**1.51**
Total Inflated				**$350,931**	**$195,113.93**	**$102,834.10**	**$105,919.12**	**$119,113.72**	**$117,006.69**	**$211,264.87**	**$119,212.90**	**$122,789.29**	**$126,472.97**	**$135,642.82**	**$297,514.77**	**$138,200.43**	**$142,346.44**	**$350,816.45**
Cumulative Total				**$350,931**	**$546,044.93**	**$648,879.03**	**$754,798.15**	**$873,911.87**	**$990,918.56**	**$1,202,183.43**	**$1,321,396.33**	**$1,444,185.62**	**$1,570,658.59**	**$1,706,301.42**	**$2,003,816.19**	**$2,142,016.62**	**$2,284,363.06**	**$2,635,179.51**

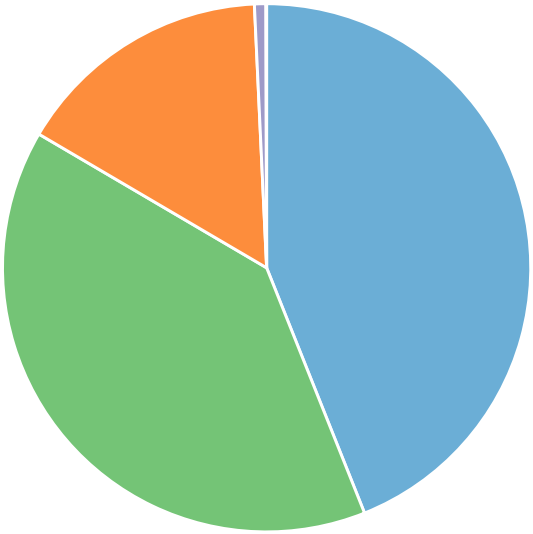
10.3 Cost Categories

10.3 Cost Categories

Category	Reserve Costs	Cost/Unit	Cost/Gross SF	% of Cost
Structural Frame and Building Envelope	$945,190	$12,437	$13.28	43.95%
Interior Elements	$849,275	$11,175	$11.93	39.49%
Mechanical & Electrical System	$340,000	$4,474	$4.78	15.81%
Site	$15,000	$197	$0.21	0.70%
Utilities	$900	$12	$0.01	0.04%
Total	**$2,150,365**	**$28,294**	**$30.2**	**100.00%**

10.3 Cost Categories

Reserve Costs By Category



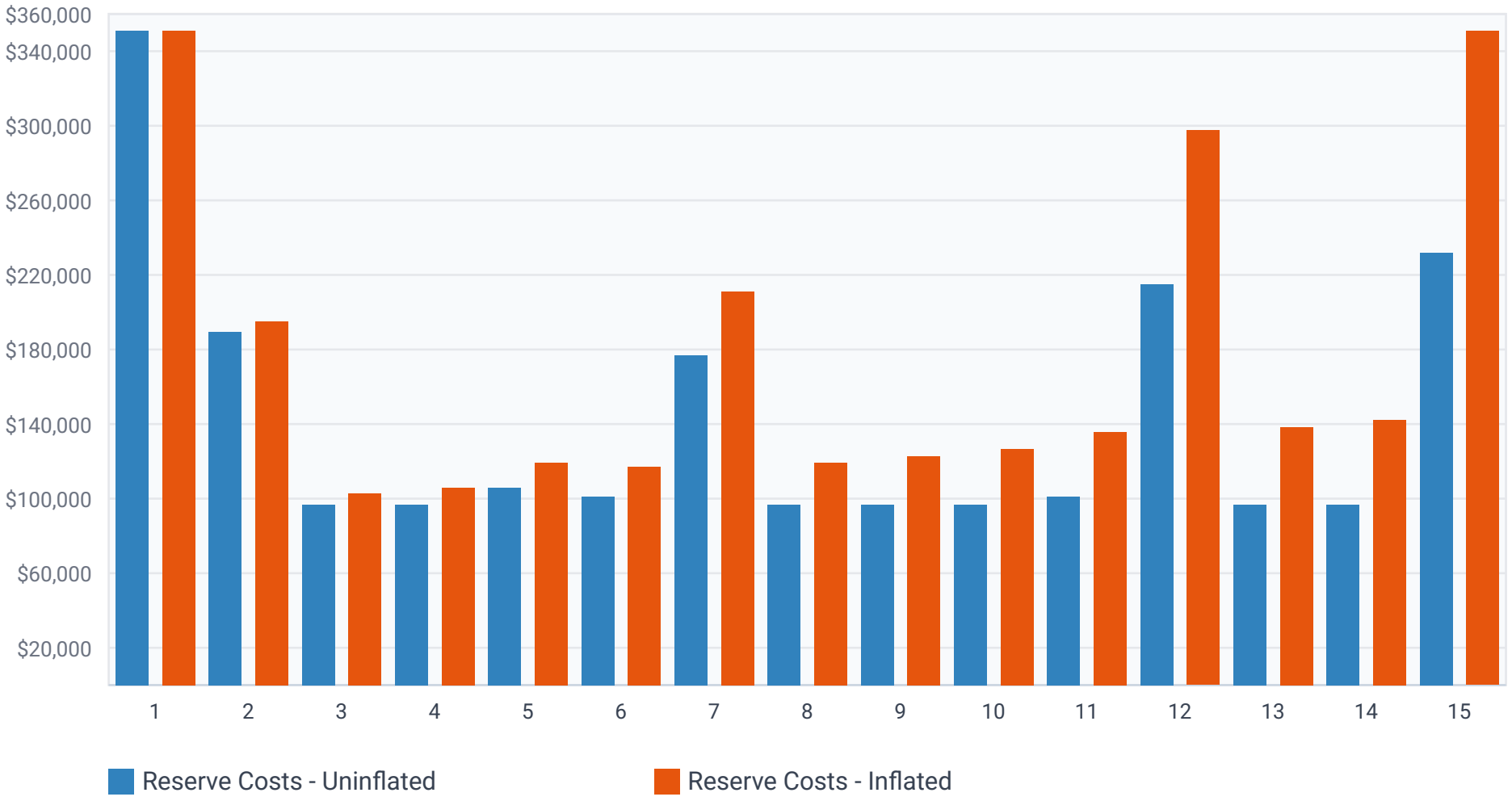
- Structural Frame and Building Envelope: $945,190
- Interior Elements: $849,275
- Mechanical & Electrical System: $340,000
- Site: $15,000
- Utilities: $900

10.4 Cost Year Summary

10.4 Cost Year Summary

Year	Reserve Costs - Uninflated	Reserve Costs - Inflated	Cost/Unit	Cost/Gross SF	% of Costs
1	$350,931	$350,931.00	$4,618	$4.93	16.32%
2	$189,431	$195,113.93	$2,493	$2.66	8.81%
3	$96,931	$102,834.10	$1,275	$1.36	4.51%
4	$96,931	$105,919.12	$1,275	$1.36	4.51%
5	$105,831	$119,113.72	$1,393	$1.49	4.92%
6	$100,931	$117,006.69	$1,328	$1.42	4.69%
7	$176,931	$211,264.87	$2,328	$2.49	8.23%
8	$96,931	$119,212.90	$1,275	$1.36	4.51%
9	$96,931	$122,789.29	$1,275	$1.36	4.51%
10	$96,931	$126,472.97	$1,275	$1.36	4.51%
11	$100,931	$135,642.82	$1,328	$1.42	4.69%
12	$214,931	$297,514.77	$2,828	$3.02	10.00%
13	$96,931	$138,200.43	$1,275	$1.36	4.51%
14	$96,931	$142,346.44	$1,275	$1.36	4.51%
15	$231,931	$350,816.45	$3,052	$3.26	10.79%
Total	**$2,150,365**	**$2,635,179.51**	**$28,294**	**$30.2**	**100.00%**

Reserve Costs By Year



Appendix

1. SAMPLE — Source-project photographs and identifying exhibits omitted.