

# CHFA Capital Needs Assessment and Replacement Reserve Analysis

Prepared for:

**Connecticut Housing Finance Authority**  
999 West Street  
Rocky Hill, CT 06067

and

**Recap Real Estate Advisors**  
38 Chauncy Street, Suite 600  
Boston, MA 02111



38 Chauncy Street, Suite 600 | Boston, MA 02111  
T: 617.338.9484 | F: 617.338.9422

[on-site-insight.com](http://on-site-insight.com)



## Ivy Street Apartments

CHFA # 91009D

NeighborWorks New Horizons  
Branford, CT

April 20, 2013

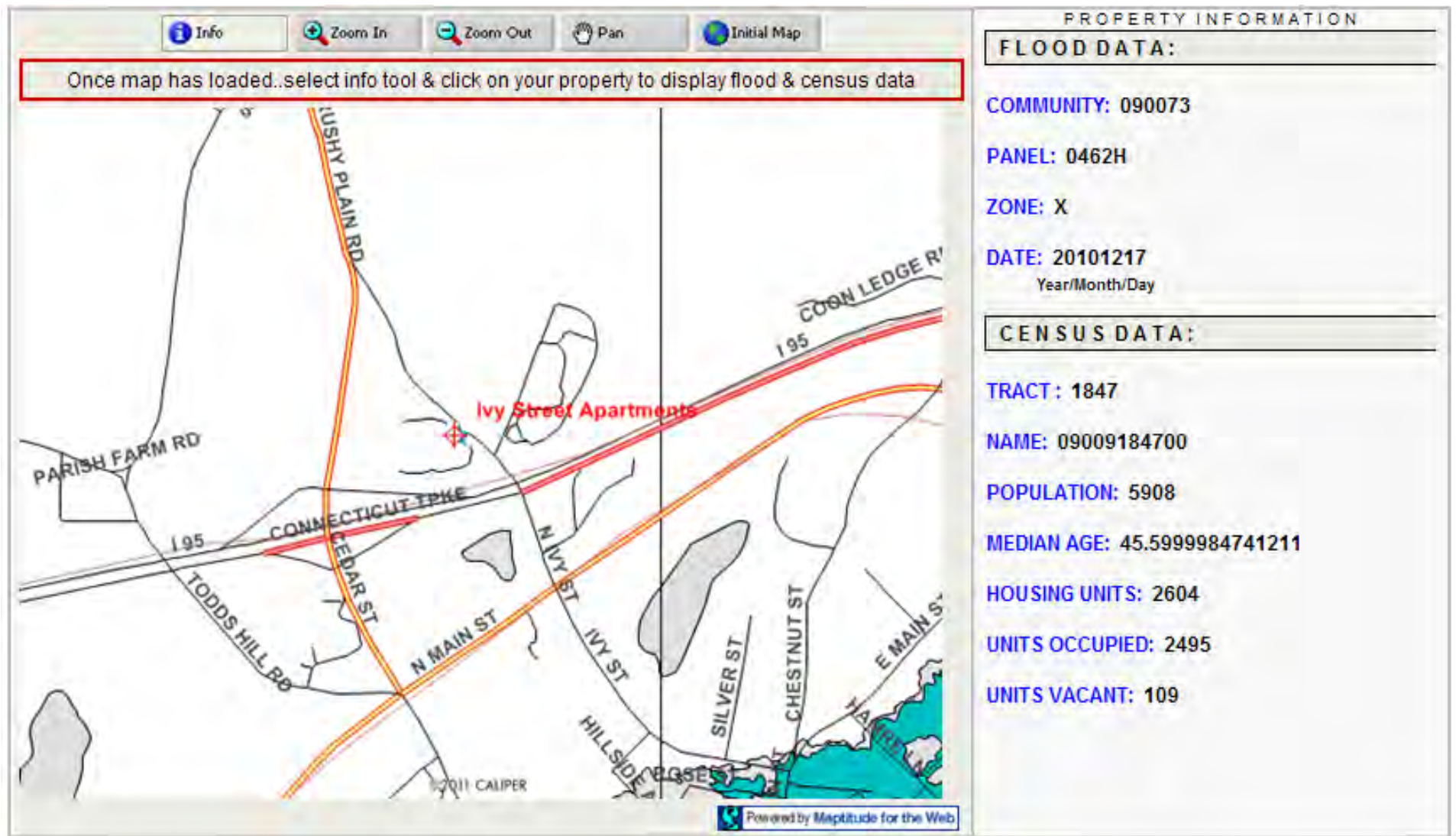
*Final Report*



## **Ivy Street Apartments**

146-190 North Ivy Street  
Branford, CT 06405





## Ivy Street Apartments

146-190 North Ivy Street  
Branford, CT 06405

Zone X = Outside the 500-year floodplain and  
Outside the 1% and 0.2% annual chance floodplains

## Executive Summary

### Ivy Street Apartments

Branford, CT

---

**Ivy Street Apartment** is a residential development for the families that is comprised of 5 residential buildings. The development includes 3 one-bedroom accessible units and 26 three-bedroom townhouse style units. Original construction of the development dates to 1989.

Overall the development is in good to fair condition. As shown on the attached capital needs worksheets, the development faces significant capital needs in the near term. Based on these projections, the development is seen as requiring an adjustment to current replacement reserve funding and/or an infusion of additional capital.

Key findings identified as part of this assessment include the following:

- Site; repaving costs are shown in Years 1-3. Allowances for as needed walkway repairs are shown on an annual basis.
- Management reported that the development's windows have become a problem. Window operation is difficult and management can not acquire replacement parts. Given this situation costs to replace the windows are shown starting in Year 2.
- Roofing; Roof covering replacement costs are shown in Years 1-5
- Dwelling Units; flooring costs are shown throughout the reports scope. In-unit kitchen upgrade costs are shown in Years 1-4. Heating and domestic hot water systems are being upgraded with high efficiency combination hydronic heating/domestic hot water boilers. Costs to complete this upgrade are shown in Years 1 and 2.

Additional Notes:

1. The Physical Assessment of the property was conducted on February 27<sup>th</sup>, 2013 . Additional information was provided to ON-SITE INSIGHT by site staff and others. OSI was represented on this assignment by Bob Labadini. We would like to thank site staff for their assistance.
2. Cost estimates used in this assessment are based on data from *RS Means Facilities and Construction Cost Data*. These cost estimates have been applied uniformly across the entire study portfolio to help ensure consistency of future projections. Actual owner and/or site pricing could vary significantly.
3. Unless required by fire, safety, or accessibility codes, items are typically shown being replaced in kind and do not include any planned upgrades or potential upgrade opportunities.
4. Regular updates of this plan are recommended to ensure careful monitoring of major building systems and to adjust the program to accommodate unanticipated circumstances surrounding the buildings, operations, and/or occupants.
5. This report is delivered subject to the conditions on Appendix A, *Statement of Delivery*.



A section of the access roadway,  
parking area, and garages



Typical concrete walkways and  
front building elevation

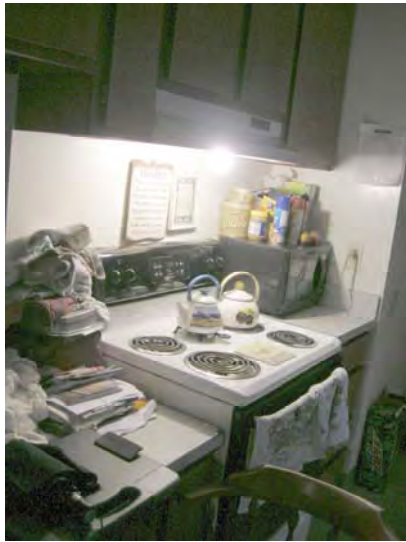


Typical rear elevation



Typical garage interior





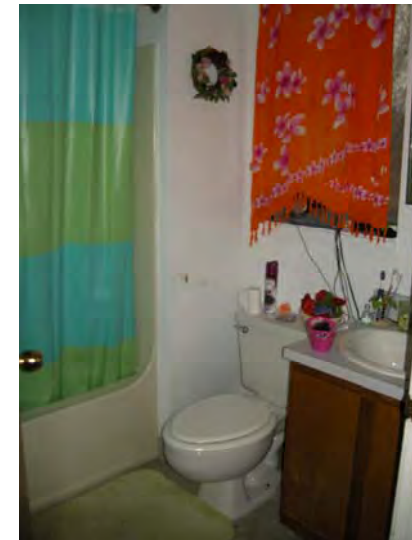
Typical Unit kitchen



Typical accessible unit kitchen



Opposite view of accessible unit kitchen



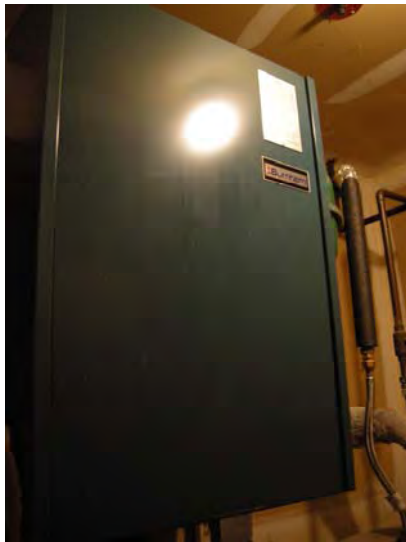
Typical unit bathroom



In-unit laundry hookups provided by development



Typical circuit breaker panel



Older wall mounted heating boiler



New high efficiency combination heating and domestic hot water boiler



Comprehensive Capital Needs Assessment Schedule

Summary

|                      |                                     |
|----------------------|-------------------------------------|
| Owner Sponsor Name:  | NeighborWorks New Horizons/Branford |
| Project Name:        | Ivy Street Apartments               |
| Project City / Town: | Branford, CT                        |

|                        |                 |
|------------------------|-----------------|
| Current Year:          | 2013            |
| Budget Effective Date: | January 1, 2013 |
| Report Date:           | 2/29/2013       |

|                         |        |
|-------------------------|--------|
| Number of Units:        | 29     |
| Total Square Feet:      | 56,901 |
| Default Inflation Rate: | 3.0%   |

|  |           |
|--|-----------|
| Beginning Replacement Reserve Balance:   | \$166,641 |
| Annual Replacement Reserve Contribution: | \$9,733   |
| Additional Misc. Contribution:           |           |

|    | Component                        | Total Planned Expenditures by Year |          |           |           |           |           |           |           |         |         |         |         |         |         |         |         |         |         |         |         |         |        |                |
|----|----------------------------------|------------------------------------|----------|-----------|-----------|-----------|-----------|-----------|-----------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|--------|----------------|
|    |                                  | Emergency                          | Deferred | 1         | 2         | 3         | 4         | 5         | 6         | 7       | 8       | 9       | 10      | 11      | 12      | 13      | 14      | 15      | 16      | 17      | 18      | 19      | 20     | Revitalization |
|    |                                  |                                    |          | 2013      | 2014      | 2015      | 2016      | 2017      | 2018      | 2019    | 2020    | 2021    | 2022    | 2023    | 2024    | 2025    | 2026    | 2027    | 2028    | 2029    | 2030    | 2031    | 2032   |                |
| 1  | Site Improvements                | 0                                  | 0        | 24,994    | 25,744    | 26,516    | 1,346     | 1,387     | 1,428     | 1,471   | 1,515   | 1,561   | 1,607   | 1,656   | 1,705   | 1,757   | 1,809   | 1,864   | 1,919   | 1,977   | 2,036   | 2,097   | 2,160  | 0              |
| 2  | Building Exterior                | 0                                  | 0        | 0         | 48,728    | 50,190    | 51,695    | 0         | 2,320     | 2,389   | 2,461   | 2,535   | 2,611   | 2,689   | 3,248   | 2,853   | 2,939   | 3,027   | 191,278 | 197,016 | 160,060 | 0       | 0      | 0              |
| 3  | Roofing                          | 0                                  | 0        | 36,732    | 26,683    | 27,484    | 28,308    | 29,157    | 0         | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0      | 0              |
| 4  | Lobby - Mail Area                | 0                                  | 0        | 0         | 0         | 0         | 0         | 0         | 0         | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0      | 0              |
| 5  | Community Room                   | 0                                  | 0        | 0         | 0         | 0         | 0         | 0         | 0         | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0      | 0              |
| 6  | Common Hallways                  | 0                                  | 0        | 0         | 0         | 0         | 0         | 0         | 0         | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0      | 0              |
| 7  | Common Stairways                 | 0                                  | 0        | 0         | 0         | 0         | 0         | 0         | 0         | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0      | 0              |
| 8  | Common Laundry                   | 0                                  | 0        | 0         | 0         | 0         | 0         | 0         | 0         | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0      | 0              |
| 9  | Common Area Restrooms            | 0                                  | 0        | 0         | 0         | 0         | 0         | 0         | 0         | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0      | 0              |
| 10 | Building Boilers                 | 0                                  | 0        | 0         | 0         | 0         | 0         | 0         | 0         | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0      | 0              |
| 11 | Building Mechanical              | 0                                  | 0        | 0         | 0         | 0         | 0         | 0         | 0         | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0      | 0              |
| 12 | Building Electrical              | 0                                  | 0        | 0         | 0         | 0         | 0         | 0         | 0         | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0      | 0              |
| 13 | Building Elevator                | 0                                  | 0        | 0         | 0         | 0         | 0         | 0         | 0         | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0      | 0              |
| 14 | Building Structural              | 0                                  | 0        | 0         | 0         | 0         | 0         | 0         | 0         | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0      | 0              |
| 15 | Unit Living                      | 0                                  | 0        | 16,420    | 16,913    | 17,420    | 17,943    | 18,481    | 19,035    | 19,606  | 20,195  | 20,800  | 21,424  | 22,067  | 22,729  | 23,411  | 24,113  | 24,837  | 25,582  | 26,349  | 27,140  | 27,954  | 28,793 | 0              |
| 16 | Unit Kitchens                    | 0                                  | 0        | 51,682    | 53,233    | 54,829    | 56,474    | 3,090     | 3,182     | 3,277   | 3,376   | 3,477   | 3,582   | 3,689   | 3,800   | 3,913   | 4,031   | 4,152   | 4,277   | 4,405   | 4,537   | 4,674   | 4,814  | 0              |
| 17 | Unit Bathrooms                   | 0                                  | 0        | 1,826     | 1,881     | 1,937     | 1,996     | 2,055     | 2,117     | 2,180   | 2,246   | 2,313   | 2,382   | 2,454   | 2,527   | 2,603   | 2,681   | 2,762   | 2,845   | 2,930   | 3,018   | 3,108   | 3,202  | 0              |
| 18 | Unit Electrical                  | 0                                  | 0        | 1,159     | 1,194     | 1,230     | 1,266     | 1,304     | 1,344     | 1,384   | 1,425   | 1,468   | 1,512   | 1,558   | 1,604   | 1,652   | 1,702   | 1,753   | 1,806   | 1,860   | 1,916   | 1,973   | 2,032  | 0              |
| 19 | Unit Mechanical                  | 0                                  | 0        | 33,173    | 34,168    | 0         | 0         | 0         | 0         | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 0       | 58,746  | 60,508  | 0      | 0              |
| 20 | Annual Planned Expenditures      | 0                                  | 0        | 165,986   | 208,544   | 179,606   | 159,028   | 55,474    | 29,426    | 30,307  | 31,218  | 32,154  | 33,118  | 34,113  | 35,613  | 36,189  | 37,275  | 38,395  | 227,707 | 234,537 | 257,453 | 100,314 | 41,001 | 0              |
| 21 | Annual Provision (indexed at 3%) |                                    |          | 9,733     | 10,025    | 10,326    | 10,635    | 10,954    | 11,283    | 11,621  | 11,970  | 12,329  | 12,699  | 13,080  | 13,472  | 13,877  | 14,293  | 14,722  | 15,163  | 15,618  | 16,087  | 16,569  | 17,067 |                |
| 22 | Outside Capital                  |                                    |          | 1,575,000 |           |           |           |           |           |         |         |         |         |         |         |         |         |         |         |         |         |         |        |                |
| 23 | Cumulative Reserve Balance       | 166,641                            | 166,641  | 1,585,388 | 1,386,869 | 1,217,588 | 1,069,195 | 1,024,676 | 1,006,533 | 987,847 | 968,599 | 948,775 | 928,356 | 907,323 | 885,183 | 862,870 | 839,888 | 816,215 | 603,671 | 384,753 | 143,386 | 59,642  | 35,707 |                |

## Site Improvements

|                      |                                   |
|----------------------|-----------------------------------|
| Owner Sponsor Name:  | NeighborWorks New Horizons/Brando |
| Project Name:        | Ivy Street Apartments             |
| Project City / Town: | Branford, CT                      |

|                        |                 |
|------------------------|-----------------|
| Current Year:          | 2013            |
| Budget Effective Date: | January 1, 2013 |
| Report Date:           | 2/29/2013       |

|                         |        |
|-------------------------|--------|
| Number of Units:        | 29     |
| Total Square Feet:      | 56,901 |
| Default Inflation Rate: | 3.0%   |

[illegible]

## Building Exterior

|                      |                                   |
|----------------------|-----------------------------------|
| Owner Sponsor Name:  | NeighborWorks New Horizons/Brando |
| Project Name:        | Ivy Street Apartments             |
| Project City / Town: | Branford, CT                      |

|                        |                 |
|------------------------|-----------------|
| Current Year:          | 2013            |
| Budget Effective Date: | January 1, 2013 |
| Report Date:           | 2/29/2013       |

|                         |        |
|-------------------------|--------|
| Number of Units:        | 29     |
| Total Square Feet:      | 56,901 |
| Default Inflation Rate: | 3.0%   |

Ivy Street Apartments • Capital Needs Assessment • © On-Site Insights



## Roofing

|                         |        |
|-------------------------|--------|
| Number of Units:        | 29     |
| Total Square Feet:      | 56,901 |
| Default Inflation Rate: | 3.0%   |

Ivy Street Apartments • Capital Needs Assessment • © On-Site Insights

## Lobby / Mail Area

|                      |                                   |
|----------------------|-----------------------------------|
| Owner Sponsor Name:  | NeighborWorks New Horizons/Brando |
| Project Name:        | Ivy Street Apartments             |
| Project City / Town: | Branford, CT                      |

|                        |                 |
|------------------------|-----------------|
| Current Year:          | 2013            |
| Budget Effective Date: | January 1, 2013 |
| Report Date:           | 2/29/2013       |

|                         |        |
|-------------------------|--------|
| Number of Units:        | 29     |
| Total Square Feet:      | 56,901 |
| Default Inflation Rate: | 3.0%   |

[illegible]

## Community Room

|                      |                                   |
|----------------------|-----------------------------------|
| Owner Sponsor Name:  | NeighborWorks New Horizons/Brando |
| Project Name:        | Ivy Street Apartments             |
| Project City / Town: | Branford, CT                      |

|                        |                 |
|------------------------|-----------------|
| Current Year:          | 2013            |
| Budget Effective Date: | January 1, 2013 |
| Report Date:           | 2/29/2013       |

|                         |        |
|-------------------------|--------|
| Number of Units:        | 29     |
| Total Square Feet:      | 56,901 |
| Default Inflation Rate: | 3.0%   |

Ivy Street Apartments • Capital Needs Assessment • © On-Site Insights



## Common Hallways

|                      |                                   |
|----------------------|-----------------------------------|
| Owner Sponsor Name:  | NeighborWorks New Horizons/Brando |
| Project Name:        | Ivy Street Apartments             |
| Project City / Town: | Branford, CT                      |

|                        |                 |
|------------------------|-----------------|
| Current Year:          | 2013            |
| Budget Effective Date: | January 1, 2013 |
| Report Date:           | 2/29/2013       |

|                         |        |
|-------------------------|--------|
| Number of Units:        | 29     |
| Total Square Feet:      | 56,901 |
| Default Inflation Rate: | 3.0%   |

[illegible]

## Common Stairways

|                         |        |
|-------------------------|--------|
| Number of Units:        | 29     |
| Total Square Feet:      | 56,901 |
| Default Inflation Rate: | 3.0%   |

Page 13

## Common Laundry

|                         |        |
|-------------------------|--------|
| Number of Units:        | 29     |
| Total Square Feet:      | 56,901 |
| Default Inflation Rate: | 3.0%   |

[illegible]



## Common Area Restrooms

|                      |                                   |
|----------------------|-----------------------------------|
| Owner Sponsor Name:  | NeighborWorks New Horizons/Brando |
| Project Name:        | Ivy Street Apartments             |
| Project City / Town: | Branford, CT                      |

|                        |                 |
|------------------------|-----------------|
| Current Year:          | 2013            |
| Budget Effective Date: | January 1, 2013 |
| Report Date:           | 2/29/2013       |

|                         |        |
|-------------------------|--------|
| Number of Units:        | 29     |
| Total Square Feet:      | 56,901 |
| Default Inflation Rate: | 3.0%   |

[illegible]

## Building Boilers

|                      |                                   |
|----------------------|-----------------------------------|
| Owner Sponsor Name:  | NeighborWorks New Horizons/Brando |
| Project Name:        | Ivy Street Apartments             |
| Project City / Town: | Branford, CT                      |

|                        |                 |
|------------------------|-----------------|
| Current Year:          | 2013            |
| Budget Effective Date: | January 1, 2013 |
| Report Date:           | 2/29/2013       |

|                         |        |
|-------------------------|--------|
| Number of Units:        | 29     |
| Total Square Feet:      | 56,901 |
| Default Inflation Rate: | 3.0%   |

[illegible]

## Building Mechanical

|                         |        |
|-------------------------|--------|
| Number of Units:        | 29     |
| Total Square Feet:      | 56,901 |
| Default Inflation Rate: | 3.0%   |

13096 - Ivy Street - FINAL SS 4/20/2013



## Building Electrical

|                      |                                   |
|----------------------|-----------------------------------|
| Owner Sponsor Name:  | NeighborWorks New Horizons/Brando |
| Project Name:        | Ivy Street Apartments             |
| Project City / Town: | Branford, CT                      |

|                        |                 |
|------------------------|-----------------|
| Current Year:          | 2013            |
| Budget Effective Date: | January 1, 2013 |
| Report Date:           | 2/29/2013       |

|                         |        |
|-------------------------|--------|
| Number of Units:        | 29     |
| Total Square Feet:      | 56,901 |
| Default Inflation Rate: | 3.0%   |

[illegible]

## Building Elevator

|                      |                                   |
|----------------------|-----------------------------------|
| Owner Sponsor Name:  | NeighborWorks New Horizons/Brando |
| Project Name:        | Ivy Street Apartments             |
| Project City / Town: | Branford, CT                      |

|                        |                 |
|------------------------|-----------------|
| Current Year:          | 2013            |
| Budget Effective Date: | January 1, 2013 |
| Report Date:           | 2/29/2013       |

|                         |        |
|-------------------------|--------|
| Number of Units:        | 29     |
| Total Square Feet:      | 56,901 |
| Default Inflation Rate: | 3.0%   |

Ivy Street Apartments • Capital Needs Assessment • © On-Site Insights

## Building Structural

|                         |        |
|-------------------------|--------|
| Number of Units:        | 29     |
| Total Square Feet:      | 56,901 |
| Default Inflation Rate: | 3.0%   |

13096 - Ivy Street - FINAL SS 4/20/2013

## Unit Living

|                         |        |
|-------------------------|--------|
| Number of Units:        | 29     |
| Total Square Feet:      | 56,901 |
| Default Inflation Rate: | 3.0%   |

Page 21

## Unit Bathrooms

|                      |                                   |
|----------------------|-----------------------------------|
| Owner Sponsor Name:  | NeighborWorks New Horizons/Brando |
| Project Name:        | Ivy Street Apartments             |
| Project City / Town: | Branford, CT                      |

|                        |                 |
|------------------------|-----------------|
| Current Year:          | 2013            |
| Budget Effective Date: | January 1, 2013 |
| Report Date:           | 2/29/2013       |

|                         |        |
|-------------------------|--------|
| Number of Units:        | 29     |
| Total Square Feet:      | 56,901 |
| Default Inflation Rate: | 3.0%   |

Ivy Street Apartments • Capital Needs Assessment • © On-Site Insights





## Unit Electrical

|                         |        |
|-------------------------|--------|
| Number of Units:        | 29     |
| Total Square Feet:      | 56,901 |
| Default Inflation Rate: | 3.0%   |

13096 - Ivy Street - FINAL SS 4/20/2013

## Unit Mechanical

|                      |                                   |
|----------------------|-----------------------------------|
| Owner Sponsor Name:  | NeighborWorks New Horizons/Brando |
| Project Name:        | Ivy Street Apartments             |
| Project City / Town: | Branford, CT                      |

|                        |                 |
|------------------------|-----------------|
| Current Year:          | 2013            |
| Budget Effective Date: | January 1, 2013 |
| Report Date:           | 2/29/2013       |

|                         |        |
|-------------------------|--------|
| Number of Units:        | 29     |
| Total Square Feet:      | 56,901 |
| Default Inflation Rate: | 3.0%   |

Ivy Street Apartments • Capital Needs Assessment • © On-Site Insights

## **Appendix A: Statement of Delivery**

Our Capital Needs Assessment (the "CNA" or the "Report") on the subject property is delivered subject to the following terms and conditions:

1. This report and analysis are based upon observations for the visible and apparent condition of the building and its major components on the date of the fieldwork. Although care has been taken in the performance of this assessment, ON-SITE INSIGHT, Inc. (and/or its representatives) makes no representations regarding latent or concealed defects that may exist and no warranty or guarantee is expressed or implied. This report is made only in the best exercise of our ability and judgment.
2. We have undertaken no formal evaluation of environmental concerns, including but not limited to asbestos containing materials (ACMs), lead-based paint, chlorofluorocarbons (CFCs), polychlorinated biphenyls (PCBs), and mildew/mold.
3. Conclusions in this report are based on estimates of the age and normal working life of various items of equipment and/or statistical comparisons. Actual conditions can alter the useful life of any item. When an item needs immediate replacement depends on many factors, including previous use/misuse, irregularity of servicing, faulty manufacture, unfavorable conditions, Acts of God and unforeseen circumstances. Certain components that may be working when we made our inspection might deteriorate or break in the future without notice.
4. To prepare this report, we used historic data on capital activities and costs, blueprints (when available), and current prices for capital actions. We have not independently verified this information, have assumed that it is reliable, but assume no responsibility for its accuracy.
5. Unless otherwise noted in the report, we assume that all building components meet code requirements in force when the property was built.
6. If accessibility issues are referenced in the report, the site elements, common areas, and dwelling units at the development were examined for compliance with the requirements of the Uniform Federal Accessibility Standards (UFAS), and for Massachusetts properties, the Massachusetts Architectural Accessibility Board (AAB). The methodology employed in undertaking this examination is adapted from a Technical Assistance Guide (TAG-88-11) titled "Supplemental Information About the Section 504 Transition Plan Requirements" published by the Coordination and Review section of the U.S. Department of Justice Civil Rights Division, and the AAB Rules and Regulations, 521 CMR effective July 10, 1987. The Guide also incorporates the requirements of UFAS, published April 1, 1988 by the General Services Administration, the Department of Defense, the Department of Housing and Urban Development, and the U.S. Postal Service. Changes in legislation and/or regulations may make some observations moot.
7. Response Actions and estimated costs of responses were developed by ON-SITE INSIGHT, Inc. If additional structural work is necessary, costs for some Response Actions may exceed estimates. Whenever the Response Action is to remove, reposition, or modify walls, a competent structural engineer should be retained before any work is done, because such investigation may disclose that a Response Action is either more costly than estimated, or is not possible.
8. Conclusions reached in this report assume current and continuing responsible ownership and competent property management.
9. Regular updates of this plan are recommended to ensure careful monitoring of major building systems and to adjust the program to accommodate unanticipated circumstances surrounding the buildings, operations, and/or occupants.