

CHFA Capital Needs Assessment and Replacement Reserve Analysis

Prepared for:

Connecticut Housing Finance Authority
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and

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Grasso Gardens I
CHFA # 85066D
Groton Housing Authority
Groton, CT

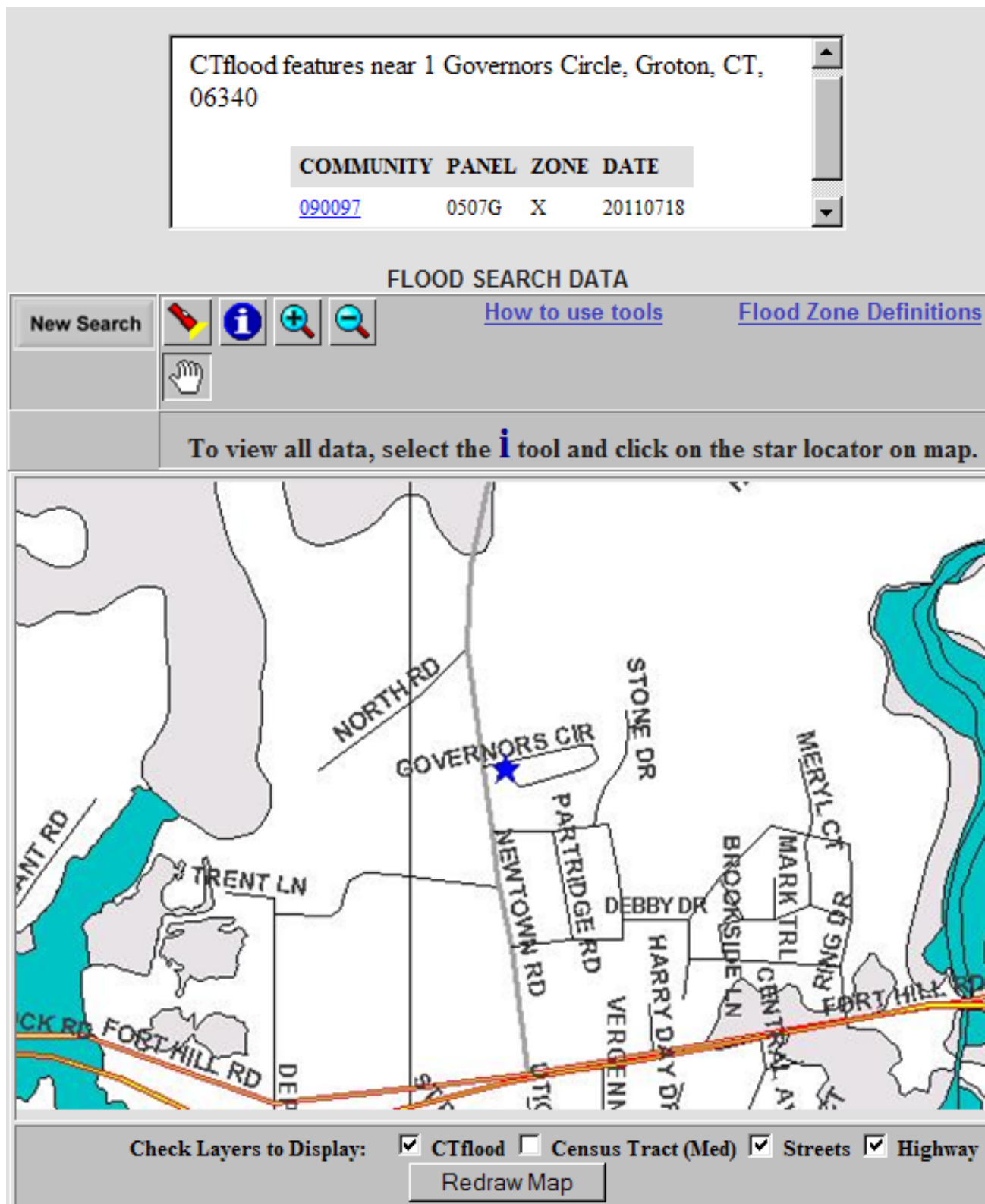
January 31, 2013

Final Report



Grasso Gardens I

1-53 Governors Circle
Groton, CT 06340



Grasso Gardens I

1-53 Governors Circle
Groton, CT 06340

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

Executive Summary

Grasso Gardens I

Groton, CT

Grasso Gardens I is a residential development for the elderly that is comprised of ten residential buildings and one community building. The development includes 40 one-bedroom units. Original construction of the development dates to 1980.

Overall the development is in 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:

- The asphalt covered paving exhibits widespread cracking and settlement. Costs to replace the roadways and parking areas are shown in Year 1. Currently, the parking area feature one (1) fully compliant parking space. After the resurfacing work four (4) compliant spaces should be striped with 60-inch access aisles.
- Costs to replace the wood framed fixed windows at the community building are shown in Year 1. All the original wood casement windows are shown for replacement in Year 2-4 of the plan.
- Unit entry doors are mostly original. Though the doors were observed to be in fair overall condition, they have exceeded their expected useful lives. Gradual replacement is shown over the first ten years of the plan.
- The composite shingle roofing is ten years old. Minimal staining was observed; no leaks were reported. Future replacement costs are shown starting in Year 10. Concurrent with roof replacement, an allowance to replace approximately 33% of the gutters and downspouts.

- The vinyl composite tile throughout the community building is shown for replacement in Year 1 of the plan. Future painting costs are shown in Years 5 and 15 for all interior common areas.
- The design/layout of the community kitchen is appropriate for meeting UFAS standards. However, the current cabinetry, sink, and appliances are not compliant. Costs are shown in Year 1 to replace the existing cabinetry and appliances.
- Costs to replace the existing laundry equipment with compliant models and to provide a work surface are shown in Year 1.
- The public restrooms are largely compliant with UFAS standards. Costs to install grab bars and to insulate pipes are shown in Year 1.
- Costs to replace all the community building fire detection devices are shown every seven years starting in Year 1.
- An addition was added to the community building in 1987. The connection of the new and old section exhibits a crack that runs through the flooring (VCT) and walls (drywall). The crack is believed to be due to settlement of the addition after construction. Costs for a structural assessment are shown in Year 1.
- Dwelling units feature VCT flooring throughout. Most of the flooring is original to the development. Costs to replace the VCT in dwelling units are shown through the first five years of the plan.
- Costs to reglaze tubs and replace anti-scalding mixing valves are shown through the first fifteen years of the plan. No major problems were observed with respect to the tubs. That said, the tubs are original to the property. Costs to replace the cast iron tubs and tile surrounds are shown starting in Year 15 of the plan. Costs to replace toilets are shown throughout the plan. The original metal medicine cabinets exhibit age related wear and are shown being replaced in the first five years of the plan.
- Kitchens cabinets were observed to be in fair overall condition. That said, the cabinetry is original to the property and will require replacement in the near term. Cost to replace the laminated particleboard cabinets are shown in the first eight years of the plan. Costs to replace the original kitchen exhaust fans are shown over the same period. An allowance for appliance replacement is shown throughout the plan.
- No problems were reported with respect to the circuit breaker panels. The panels are approaching their expected useful lives. Replacement costs are shown starting in Year 2.

Additional Notes:

1. The Physical Assessment of the property was conducted on December 7th, 2012. Additional information was provided to ON-SITE INSIGHT by site staff and others. OSI was represented on this assignment by Daniel Iles. 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*.



The property sign



View the site as seen from the entrance



Cracking original asphalt



View of a laundry drying area



The community building DHW tank



Door opener at the community building



Typical building architecture



View of the maintenance garage



Front elevation of the Community building



Typical residential building



Community room



Public restroom (one of two)



The laundry room



The community kitchen area



Typical unit kitchen area



Unit bathroom



Unit tub and surround



Unit electric domestic hot water tank



Recently install split system
heat pump unit register



"Newer" thermostat control and heat pump control

Comprehensive Capital Needs Assessment Schedule

Summary

Owner Sponsor Name:	Groton Housing Authority
Project Name:	Grasso Gardens I
Project City / Town:	Groton

Current Year:	2013
Budget Effective Date:	January 1, 2013
Report Date:	December 6, 2012

Number of Units:	40
Total Square Feet:	
Default Inflation Rate:	3.0%

Beginning Replacement Reserve Balance:	\$137,993
Annual Replacement Reserve Contribution:	\$1,442
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	58,040	6,474	4,814	2,310	12,327	2,451	2,524	2,600	2,678	14,290	2,841	2,926	3,014	3,104	16,566	38,426	3,392	3,494	3,599	19,204	0
2	Building Exterior	0	0	6,040	30,937	31,865	63,603	6,107	5,490	5,655	9,176	5,999	6,179	2,016	0	40,164	0	0	3,079	3,171	3,266	3,364	3,465	0
3	Roofing	0	0	0	0	0	0	0	0	0	0	0	43,843	45,158	46,513	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	12,762	0	0	0	2,536	0	0	0	0	0	258	0	0	0	3,408	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	2,780	0	530	0	299	0	0	0	0	0	0	0	0	0	401	0	0	0	0	0	0
9	Common Area Restrooms	0	0	677	0	345	0	302	0	0	0	0	0	0	0	0	0	406	0	0	0	0	0	0
10	Building Boilers	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1,497	0	0	0	0	0	0	0	0
11	Building Mechanical	0	0	797	0	0	0	0	0	0	7,013	0	0	0	0	0	0	0	1,242	0	0	0	9,998	0
12	Building Electrical	0	0	1,520	0	0	0	0	0	0	1,869	0	0	0	0	0	0	2,299	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	2,000	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	14,664	15,104	15,557	16,024	16,504	765	788	812	836	861	887	914	941	969	998	1,028	1,059	1,091	1,124	1,157	0
16	Unit Kitchens	0	0	15,317	14,747	15,189	15,645	16,114	16,597	17,095	17,608	3,530	6,396	6,588	6,786	6,989	7,199	7,415	4,342	4,472	4,606	4,745	4,887	0
17	Unit Bathrooms	0	0	12,867	6,653	6,852	7,058	7,270	3,589	3,697	3,808	3,922	4,040	3,301	3,400	3,502	3,607	12,387	9,954	17,474	17,998	18,538	11,203	0
18	Unit Electrical	0	0	0	20,703	5,198	5,354	5,515	5,680	5,851	6,026	25,462	6,393	6,585	0	0	0	0	23,681	0	0	0	27,355	0
19	Unit Mechanical	0	0	2,830	2,915	3,002	3,092	3,185	3,281	3,379	17,419	17,941	18,480	3,803	3,917	41,818	43,072	44,364	45,695	4,541	23,409	24,112	24,835	0
20	Annual Planned Expenditures	0	0	130,294	97,532	83,354	113,086	70,158	37,854	38,989	66,331	60,369	100,482	71,437	64,455	97,924	57,951	88,244	127,446	34,110	53,865	55,481	102,105	0
21	Annual Provision (indexed at 3%)			1,442	1,486	1,530	1,576	1,623	1,672	1,722	1,774	1,827	1,882	1,938	1,997	2,057	2,118	2,182	2,247	2,315	2,384	2,456	2,529	
22	Outside Capital			1,400,000																				
23	Cumulative Reserve Balance	137,993	137,993	1,409,141	1,313,095	1,231,271	1,119,761	1,051,226	1,015,044	977,777	913,221	854,679	756,079	686,580	624,121	528,254	472,421	386,358	261,159	229,364	177,883	124,858	25,283	

Site Improvements

Number of Units:	40
Total Square Feet:	0
Default Inflation Rate:	3.0%

12357 - Grasso Gardens I - FINAL SS 2/1/2013

Building Exterior

Owner Sponsor Name:	Groton Housing Authority
Project Name:	Grasso Gardens I
Project City / Town:	Groton

Current Year:	2013
Budget Effective Date:	January 1, 2013
Report Date:	December 6, 2012

Number of Units:	40
Total Square Feet:	0
Default Inflation Rate:	3.0%

	Component	Current Total Replacement Cost	Expected Annual Rate of Inflation	Current Age	Total Expected Useful Life	Initial Replacement Year	Planned Expenditures by Year																												
							Code	Emergency	Code	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	Exterior Doors	2,725		33	40	2020			0	0	0	0	0	0	0	3,351	0	0	0	0	0	0	0	0	0	0	0	0							
2	Glass Doors (Sliders)	690		26	30	2017			0	0	0	0	777	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0							
3	Exterior Walls - Masonry					2013			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0							
4	Exterior Walls - EIFS					2013			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0							
5	Ext. Walls - Vinyl Siding					2013			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0							
6	Ext. Walls - Wood Siding	25,695		6	9	2016			0	0	0	28,078	0	0	0	0	0	0	0	0	36,635	0	0	0	0	0	0	0	0						
7	Windows	1,304		33	30	2013			1,304	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0							
8	Exterior Soffits and Fascia					2013			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0							
9	Caulking					2013			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0							
10	Unit Balconies / Decks					2013			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0							
11	Railings					2013			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0							
12	Painted Wood Soffits	2,475		6	9	2016			0	0	0	2,704	0	0	0	0	0	0	0	3,529	0	0	0	0	0	0	0	0	0						
13	Garage Door	1,500		5	15	2023			0	0	0	0	0	0	0	0	0	2,016	0	0	0	0	0	0	0	0	0	0							
14	Other					2013			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0							
15	Other					2013			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0							
16	Other					2013			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0							
17	Unit Door	27,600		33	30	2013			2,760	2,843	2,928	3,016	3,106	3,200	3,296	3,394	3,496	3,601	0	0	0	0	0	0	0	0	0	0							
18	Storm Doors	19,760		varies	30	2013			1,976	2,035	2,096	2,159	2,224	2,291	2,359	2,430	2,503	2,578	0	0	0	0	0	0	3,079	3,171	3,266	3,364	3,465						
19	Windows	75,900		33	35	2014			0	26,059	26,841	27,646	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0							
20																																			
21																																			
22																																			
23																																			
24																																			
25																																			
26																																			
27	Annual Planned Expenditures						0	0	6,040	30,937	31,865	63,603	6,107	5,490	5,655	9,176	5,999	6,179	2,016	0	40,164	0	0	3,079	3,171	3,266	3,364	3,465	0						
28	Cumulative Reserve Balance						137,993	137,993	1,409,141	1,313,095	1,231,271	1,119,761	1,051,226	1,015,044	977,777	913,221	854,679	756,079	686,580	624,121	528,254	472,421	386,358	261,159	229,364	177,883	124,858	25,283							

Roofing

Owner Sponsor Name:	Groton Housing Authority
Project Name:	Grasso Gardens I
Project City / Town:	Groton

Current Year:	2013
Budget Effective Date:	January 1, 2013
Report Date:	December 6, 2012

Number of Units:	40
Total Square Feet:	0
Default Inflation Rate:	3.0%

[illegible]

Lobby / Mail Area

Owner Sponsor Name:	Groton Housing Authority
Project Name:	Grasso Gardens I
Project City / Town:	Groton

Current Year:	2013
Budget Effective Date:	January 1, 2013
Report Date:	December 6, 2012

Number of Units:	40
Total Square Feet:	0
Default Inflation Rate:	3.0%

[illegible]

Community Room

Owner Sponsor Name:	Groton Housing Authority
Project Name:	Grasso Gardens I
Project City / Town:	Groton

Current Year:	2013
Budget Effective Date:	January 1, 2013
Report Date:	December 6, 2012

Number of Units:	40
Total Square Feet:	0
Default Inflation Rate:	3.0%

[illegible]

Common Hallways

Number of Units:	40
Total Square Feet:	0
Default Inflation Rate:	3.0%

12357 - Grasso Gardens I - FINAL SS 2/1/2013

Comprehensive Capital Needs Assessment Schedule

Common Area Restrooms

Owner Sponsor Name:	Groton Housing Authority
Project Name:	Grasso Gardens I
Project City / Town:	Groton

Current Year:	2013
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Number of Units:	40
Total Square Feet:	0
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	Component	Current Total Replacement Cost	Expected Annual Rate of Inflation	Current Age	Total Expected Useful Life	Initial Replacement Year	Planned Expenditures by Year																														
							Code	Emergency	Code	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	Walls	228		6	10	2017				0	0	0	0	257	0	0	0	0	0	0	0	0	0	345	0	0	0	0	0								
2	Ceilings	40		6	10	2017				0	0	0	0	45	0	0	0	0	0	0	0	0	61	0	0	0	0	0	0								
3	Sinks					2013				0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0								
4	Toilets					2013				0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0							
5	Partitions					2013				0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0							
6	Accessories					2013				0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0						
7	Floor	325		33	35	2015				0	0	345	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0						
8	GFI Outlet					2013				0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0					
9	Other					2013				0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0					
10	Other					2013				0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0				
11	Other					2013				0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0				
12	Other					2013				0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
13	Other					2013				0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
14	Other					2013				0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
15	Other					2013				0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
16	Other					2013				0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
17	ADA Upgrades	677		33	20	2013				677	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
18																																					
19																																					
20																																					
21																																					
22																																					
23																																					
24																																					
25																																					
26																																					
27	Annual Planned Expenditures						0	0	677	0	345	0	302	0	0	0	0	0	0	0	0	0	406	0	0	0	0	0	0	0	0	0	0	0	0	0	
28	Cumulative Reserve Balance						137,993	137,993	1,409,141	1,313,095	1,231,271	1,119,761	1,051,226	1,015,044	977,777	913,221	854,679	756,079	686,580	624,121	528,254	472,421	386,358	261,159	229,364	177,883	124,858	25,283									

Building Electrical

Owner Sponsor Name:	Groton Housing Authority
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Project City / Town:	Groton

Current Year:	2013
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Report Date:	December 6, 2012

Number of Units:	40
Total Square Feet:	0
Default Inflation Rate:	3.0%

[illegible]

Building Elevator

Number of Units:	40
Total Square Feet:	0
Default Inflation Rate:	3.0%

12357 - Grasso Gardens I - FINAL SS 2/1/2013

Comprehensive Capital Needs Assessment Schedule

Building Structural

Owner Sponsor Name:	Groton Housing Authority
Project Name:	Grasso Gardens I
Project City / Town:	Groton

Current Year:	2013
Budget Effective Date:	January 1, 2013
Report Date:	December 6, 2012

Number of Units:	40
Total Square Feet:	0
Default Inflation Rate:	3.0%

[illegible]

Unit Bathrooms

Number of Units:	40
Total Square Feet:	0
Default Inflation Rate:	3.0%

12357 - Grasso Gardens I - FINAL SS 2/1/2013

Comprehensive Capital Needs Assessment Schedule

Unit Kitchens

Owner Sponsor Name:	Groton Housing Authority
Project Name:	Grasso Gardens I
Project City / Town:	Groton

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Number of Units:	40
Total Square Feet:	0
Default Inflation Rate:	3.0%

	Component	Current Total Replacement Cost	Expected Annual Rate of Inflation	Current Age	Total Expected Useful Life	Initial Replacement Year	Planned Expenditures by Year																												
							Code	Emergency	Code	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	Walls					2013				0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0						
2	Ceilings					2013				0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0						
3	Floors					2013				0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0						
4	Cabinets					2013				0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0						
5	Countertops					2013				0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0						
6	Sink					2013				0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0						
7	Kitchen Exhaust Fan					2013				0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0						
8	GFI Outlet					2013				0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0						
9	Vent Hood					2013				0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0						
10	Refrigerators					2013				0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0						
11	Stove					2013				0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0						
12	Range					2013				0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0						
13	Dishwasher					2013				0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0						
14	Disposal					2013				0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0						
15	Other					2013				0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0						
16	Other					2013				0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0						
17	Cabinets	81,000		33	25	2013				10,125	10,429	10,742	11,064	11,396	11,738	12,090	12,452	0	0	0	0	0	0	0	0	0	0	0	0						
18	Countertops	12,688		1	10	2022				0	0	0	0	0	0	0	0	0	2,760	2,842	2,928	3,015	3,106	3,199	0	0	0	0	0						
19	Refrigerator	26,800		varies	15	2013				1,787	1,841	1,896	1,953	2,011	2,072	2,134	2,198	2,264	2,332	2,402	2,474	2,548	2,624	2,703	2,784	2,868	2,954	3,042	3,134						
20	Range	20,000		varies	20	2013				1,000	1,030	1,061	1,093	1,126	1,159	1,194	1,230	1,267	1,305	1,344	1,384	1,426	1,469	1,513	1,558	1,605	1,653	1,702	1,754						
21	Kitchen Exhaust	11,240		33	20	2013				1,405	1,447	1,491	1,535	1,581	1,629	1,678	1,728	0	0	0	0	0	0	0	0	0	0	0	0						
22	ADA Upgrades	1,000		33	20	2013				1,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0						
23																																			
24																																			
25																																			
26																																			
27	Annual Planned Expenditures							0		0	15,317	14,747	15,189	15,645	16,114	16,597	17,095	17,608	3,530	6,396	6,588	6,786	6,989	7,199	7,415	4,342	4,472	4,606	4,745	4,887	0				
28	Cumulative Reserve Balance							137,993		137,993	1,409,141	1,313,095	1,231,271	1,119,761	1,051,226	1,015,044	977,777	913,221	854,679	756,079	686,580	624,121	528,254	472,421	386,358	261,159	229,364	177,883	124,858	25,283					

Unit Electrical

Number of Units:	40
Total Square Feet:	0
Default Inflation Rate:	3.0%

12357 - Grasso Gardens I - FINAL SS 2/1/2013

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.