

CHFA Capital Needs Assessment and Replacement Reserve Analysis

Prepared for:

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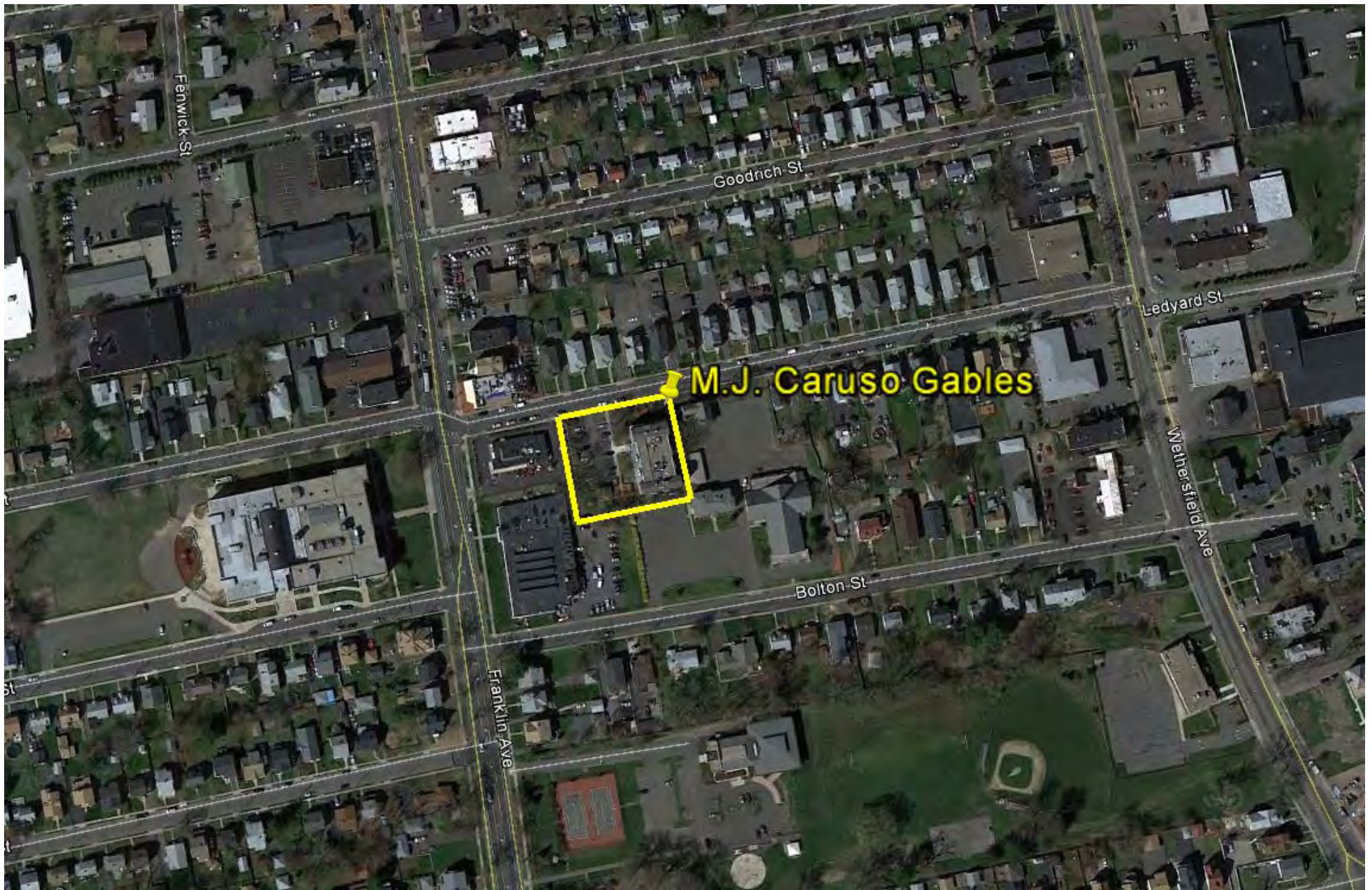
on-site-insight.com



M.J. Caruso Gables
CHFA #94035D
Imagineers, LLC
Hartford, CT

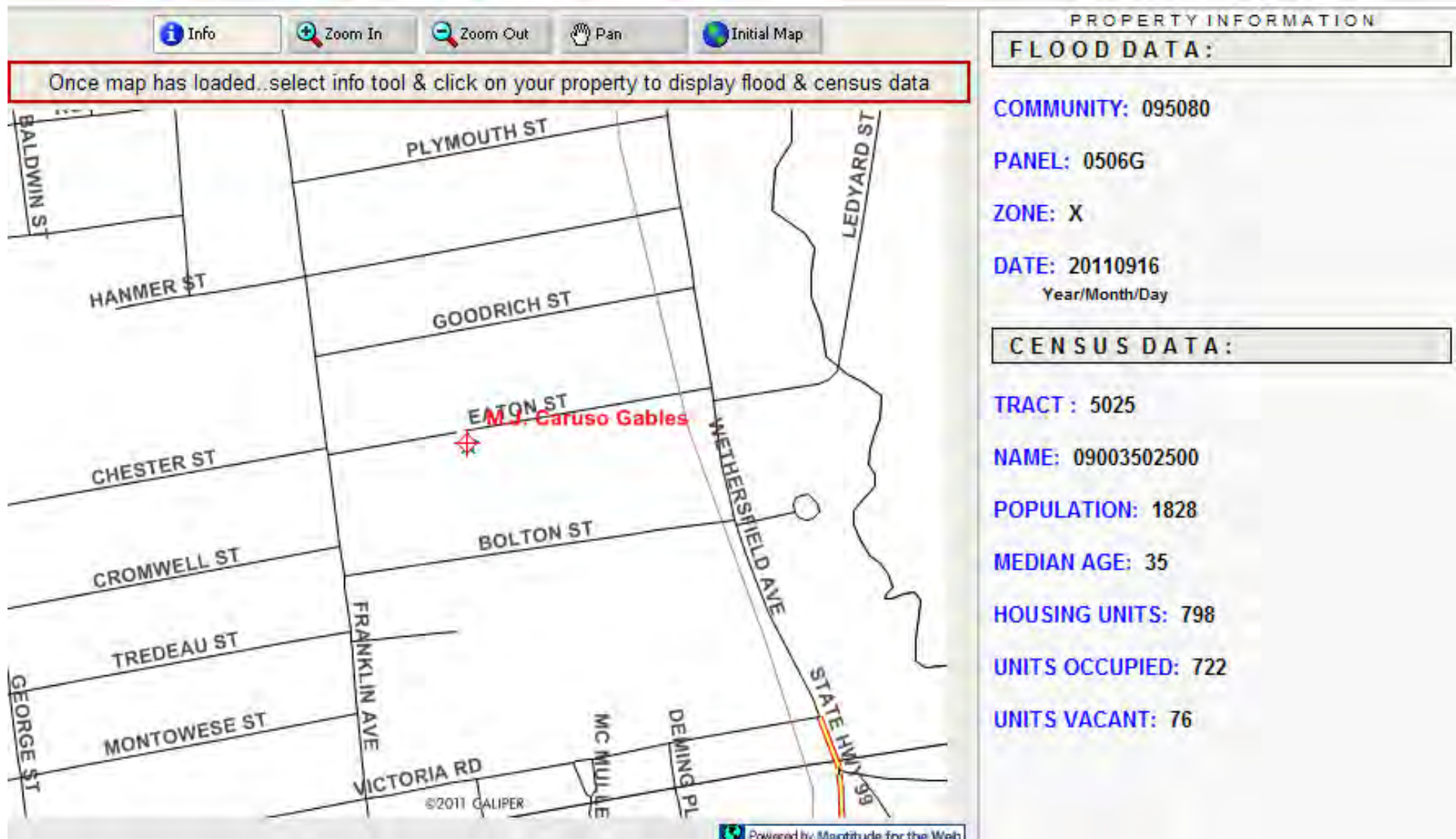
April 17, 2013

Final Report



M. J. Caruso Gables

65 Eaton Street
Hartford, CT 06114



M.J. Caruso Gables

65 Eaton Street
Hartford, CT 06114

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

Executive Summary

M.J. Caruso Gables

Hartford, CT

M.J. Caruso Gables is a residential development for the elderly that is comprised of a single residential building that contains 36 one-bedroom units. Original construction of the development dates to 1992.

Overall the development is in generally good 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:

- Original asphalt paving in the parking area is in fair condition with some cracks/wear noted; future resurfacing is shown in Year 2.
- Exterior wall surfaces are primarily masonry – wall surfaces at bay window stacks feature an exterior insulation and finishing system (EIFS). No near-term needs related to the masonry walls were noted. The EIFS exhibits minor cracks at some locations; allowances for repairs and painting of all EIFS surfaces are shown in Years 1 and 16.
- No condition or operational problems related to the doors or windows were noted; no near-term needs are anticipated.
- Roof coverings on the building are original and exhibit age-related wear, most notably the shingles on the pitched roof sections. Replacement of all roof coverings is shown in Year 1.
- Interior common area finishes are in generally good condition; an initial painting cycle is shown in Year 2; ceiling tile and floor covering replacement allowances are shown later in the plan based on current condition and expected useful service life.

- No problems related to the development's modular boiler plant that produces hydronic heat were observed or reported; future replacement of the boilers is shown in Year 6. Replacement of the base-mounted circulating pumps is shown concurrently.
- The freestanding domestic hot water tank and adjacent storage tank appeared to be in good condition and no problems were reported; future replacement is shown in Year 6.
- The exterior condenser unit for cooling of first floor level common areas is original; replacement is shown in Year 1.
- Replacement of the chute-fed sausage bag type waste compactors is shown in Years 5-7.
- The original zone-type fire alarm control panel is serviceable but at or near the end of its expected useful life; an upgrade/replacement allowance is shown in Year 2.
- An allowance to service the engine and transfer switch components of the emergency generator is shown Year 1; future replacement of the generator is shown in the latter part of the plan.
- No problems related to the hydraulic elevator serving the building were noted; a major system upgrade is shown in Year 16.
- Annual allowances for the as needed replacement of in-unit floor coverings are shown from Year 1 forward.
- Allowances to replace existing toilets with low-flow models are shown in Years 2 and 3. Future replacement of bathtubs, surrounds, and mixing valve assemblies are shown in Years 6-11. Sink and vanity replacement is shown in Years 5-7.
- Kitchen cabinetry is original and in fair condition; future replacement is shown in Years 5-7. Annual allowances for replacement of ranges and refrigerators are shown from Year 1 forward.
- Smoke detector and in-unit door buzzer/intercom panel replacement allowances are shown from Year 1 forward.
- Overall, the development's common areas are generally compliant with handicap accessibility standards. Among the elements that are in need of replacement and/or modification is the cabinetry in the community kitchen and lowering of the work surface in the laundry room.
- Per review of the plans, the development's unit mix includes four units that are designated as handicap accessible. For compliance, toilets in these units need to be centered at eighteen inches from the adjacent wall and cabinetry with required knee clearance under the sink and at a thirty-inch wide work surface is needed.

Additional Notes:

1. The Physical Assessment of the property was conducted on March 20th, 2013. Additional information was provided to ON-SITE INSIGHT by site staff and others. OSI was represented on this assignment by Bruce Hutchinson. We would like to thank the staff of M.J. Caruso Gables 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*.



Asphalt paving in parking area starting to exhibit age-related cracks and deterioration



Concrete walkways are in generally good condition



Building architecture as seen at front and side elevations



Exterior walls are primarily brick veneer with an exterior insulation and finishing system (EIFS) used at the window bays



Cracks noted in EIFS at some locations



No problems related to entry doors or windows observed or reported



Missing/broken original shingles noted at various locations on pitched sections of roof surface



Flat roof section features an original adhered membrane covering



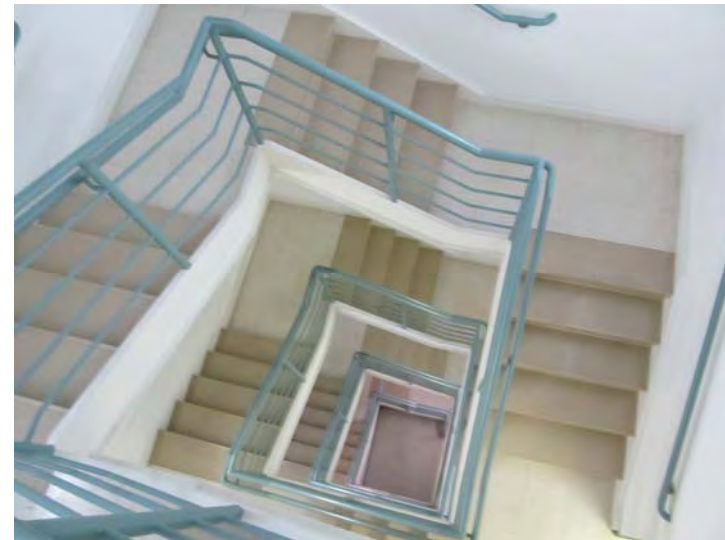
Entry lobby – Note ramp to left for handicap access between entry door and elevator level



Community room



Typical finishes in common hallways



Typical stairway – Finishes are in good overall condition



Hydronic heat for the facility is produced by an original, Hydrotherm, natural gas-fired modular boiler plant



Base-mounted circulation pumps for distribution of hydronic heat



Freestanding natural gas-fired domestic hot water tank (on left) and adjacent 500-gallon storage tank



Original exterior condenser unit provides cooling capacity for select interior common areas



Original chute-fed sausage bag waste compactor units –
No problems observed or reported



Original zone-type fire alarm control panel is serviceable
but at or near the end of its expected useful life



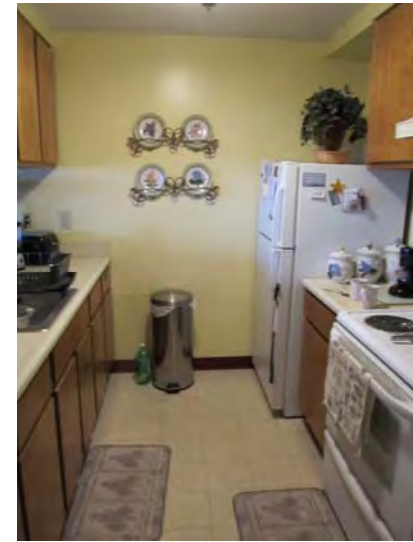
Original, natural gas-fired, generator provides
emergency power for select components/systems



Original hydro-mechanical and controller/dispatcher
equipment for elevator – Full service contract in
place and no problems observed or reported



Typical finishes in unit living areas



Typical finishes and equipment in unit kitchens



Handicap accessible unit kitchens include knee clearance space under the sink



Typical finishes and fixtures in unit bathrooms

Comprehensive Capital Needs Assessment Schedule

Summary

Owner Sponsor Name:	Imagineers, LLC
Project Name:	M.J. Caruso Gables
Project City / Town:	Hartford, CT

Current Year:	2013
Budget Effective Date:	January 1, 2013
Report Date:	March 28, 2013

Number of Units:	36
Total Square Feet:	36,675
Default Inflation Rate:	3.0%

Beginning Replacement Reserve Balance:	\$216,385
Annual Replacement Reserve Contribution:	\$14,288
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	0	41,414	0	0	0	0	4,158	0	0	0	0	4,821	0	0	0	0	5,588	0	0	0	0
2	Building Exterior	0	0	15,288	0	0	0	0	0	0	0	0	0	143,947	0	0	0	0	23,818	0	0	0	0	0
3	Roofing	0	0	47,700	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4	Lobby - Mail Area	0	0	0	945	0	0	0	4,214	0	0	0	0	0	3,847	0	0	0	0	0	0	0	0	0
5	Community Room	0	4,435	0	2,379	0	0	0	14,453	0	0	0	0	0	12,034	0	0	0	0	0	0	0	0	0
6	Common Hallways	0	0	0	6,842	0	0	0	14,989	0	0	0	0	0	9,195	0	0	0	0	0	0	0	0	0
7	Common Stairways	0	0	0	5,238	0	0	0	0	0	0	0	0	0	19,732	0	0	0	0	0	0	0	0	0
8	Common Laundry	0	250	0	388	0	0	0	980	0	0	0	0	0	1,120	0	0	0	0	0	0	0	0	0
9	Common Area Restrooms	0	0	0	307	0	0	0	649	0	0	0	0	0	809	0	0	0	0	0	0	0	0	0
10	Building Boilers	0	0	0	0	0	0	0	107,581	0	0	0	0	0	0	0	0	0	17,605	0	0	0	0	0
11	Building Mechanical	0	0	6,500	0	0	0	10,692	11,013	11,343	0	0	0	0	0	0	0	0	22,902	0	0	0	0	0
12	Building Electrical	0	0	5,500	31,518	0	0	0	0	0	0	0	0	0	0	0	0	0	70,109	0	0	0	0	0
13	Building Elevator	0	0	0	0	0	0	0	7,535	0	0	0	0	0	0	0	0	0	140,217	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	5,457	5,620	5,789	5,963	6,142	6,326	6,516	6,711	6,912	7,120	7,333	7,553	7,780	8,013	8,254	8,501	8,756	9,019	9,290	9,568	0
16	Unit Kitchens	0	10,574	3,207	3,303	3,402	3,504	35,346	36,406	37,498	3,944	4,063	4,184	4,310	4,439	4,572	4,710	4,851	4,996	5,146	5,301	5,460	5,623	0
17	Unit Bathrooms	0	6,000	1,592	9,242	9,519	1,740	12,395	26,817	27,621	16,865	17,370	17,892	18,428	2,204	2,270	2,338	2,409	2,481	2,555	2,632	2,711	2,792	0
18	Unit Electrical	0	0	1,404	1,446	1,490	1,534	1,580	1,628	1,676	1,727	1,779	1,832	1,887	1,943	2,002	2,062	2,124	2,187	2,253	2,321	2,390	2,462	0
19	Unit Mechanical	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20	Annual Planned Expenditures	0	21,259	86,648	108,643	20,200	12,741	66,155	232,591	88,814	29,247	30,124	31,028	175,905	67,697	16,625	17,123	17,637	292,817	24,299	19,272	19,851	20,446	0
21	Annual Provision (indexed at 3%)			14,288	14,717	15,158	15,613	16,081	16,564	17,061	17,573	18,100	18,643	19,202	19,778	20,372	20,983	21,612	22,261	22,928	23,616	24,325	25,054	
22	Outside Capital			900,000																				
23	Cumulative Reserve Balance	216,385	195,126	1,022,766	928,840	923,799	926,671	876,598	660,571	588,818	577,144	565,120	552,735	396,032	348,113	351,860	355,720	359,695	89,139	87,768	92,111	96,586	101,194	

Site Improvements

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Building Exterior

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Lobby / Mail Area

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Community Room

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Common Hallways

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Page 16

Common Stairways

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Common Laundry

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[illegible]

Common Area Restrooms

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Building Boilers

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[illegible]

Building Mechanical

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MJ Caruso Gables - SS 3/29/2013

Building Electrical

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Building Elevator

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Building Structural

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Unit Living

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MJ Caruso Gables - SS 3/29/2013

Unit Bathrooms

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Unit Kitchens

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Unit Electrical

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MJ Caruso Gables - SS 3/29/2013

Unit Mechanical

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[illegible]

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.