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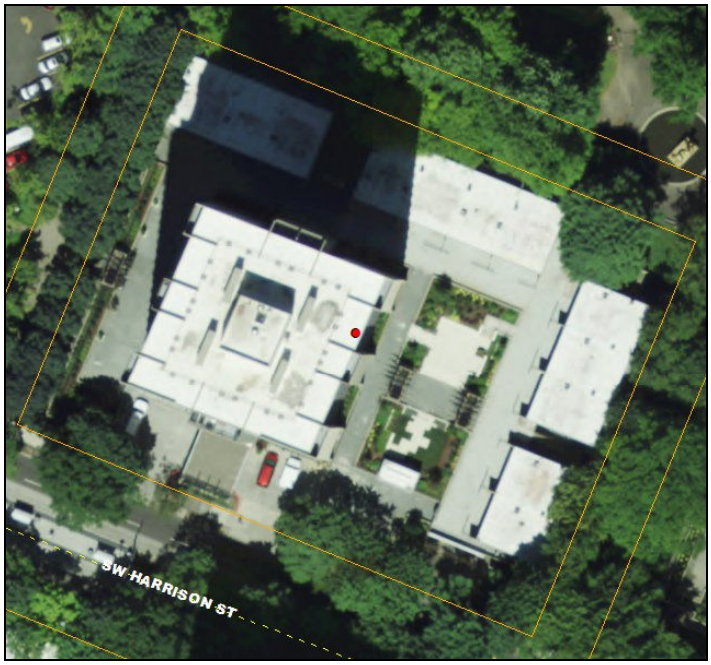
Condition Assessment Report



Of

Harrison West Condominiums
255 SW Harrison Street
Portland, OR 97201

September 17, 2008

For

Home Owners Association Board
Harrison West Condominiums
255 SW Harrison Street
Portland, OR 97201

By

AIRO-LLC

Architectural Investigative Reports & Opinions
525 Taggert Road NW #63 - Salem OR 97304 Office/Fax: 503.585.0872 sam@airo-llc.com

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September 17, 2008

Mr. Darryl Andrews, Chair
Home Owners Association Board
Harrison West Condominiums
255 SW Harrison Street
Portland, OR 97201

Re: Harrison West Condominiums
Condition Assessment Report

Dear Mr. Andrews:

In response to your request, *Architectural Investigative Reports & Opinions* (*AIRO*) performed inspections on July 15, July 16, August 13, August 22, and August 26, 2008, of the Harrison West Condominiums, located at 255 SW Harrison Street, Portland, OR 97201.

The intent of our investigation was to describe, evaluate and record the condition of the exterior envelope enclosure system, miscellaneous common area components, and the mechanical, plumbing and electrical infrastructure systems to aid in the establishment of a Reserve Study, Maintenance Plan and subsequent Home Owners Association (HOA) dues.

Partial sets of original building plans and site plans were available for review. The project was not reviewed for conformance with the Americans with Disabilities Act of 1990, for conformance with Federal, State, County, or Municipal codes, or for any existing environmental conditions, including the possible presence of asbestos, lead or PCB containing materials, detrimental or not, that may have been present or that may be currently present, on or adjacent to the Subject Property, or for the presence of any pest infestations or mold growth. No quantity take-offs were performed.

Statements of building components Remaining Useful Life (RUL) indicated in the body of the report are derived from industry standards and Expected Useful Life

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(EUL) tables published by numerous trade publications, manufacturers' literature and governmental agencies and may be modified from direct visual observation by our inspectors. RUL of building components may be extended by a variety of conditions found on site including 1) evidence of routine maintenance procedures, 2) quality of materials utilized, 3) current material condition, 4) quality of construction detailing, and 5) quality of equipment utilized, among others. Therefore, it is possible that the life of various components may be extended repetitively and may exceed that noted in the tables and by industry standards for the material or equipment in question, if conditions found on-site warrant it.

Our inspector employed no *invasive* techniques (removing siding, trim boards under windows, etc.) during this assessment; such techniques are utilized to better determine the extent of any suspected damage or underlying defects and were not part of this review. Criteria for creation of this report are based upon applicable industry standards for weatherproofing and construction.

Respectfully submitted,

Samuel R. Sampson, AIA
Owner

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Property Description

Subject Property Name: Harrison West Condominiums

Address: 255 SW Harrison Street, Portland, OR 97201

Number of Buildings: 5, Multi-Family residential structures including 1, 25-story, and 4, 2-story buildings

Number of Units: 196, Residential units (1, HOA owned unit has been converted to a Conference/Meeting room facility)

Vacant Units: Unknown

Date of Construction: 1965

Date of Survey: July 16, 2008

Weather Condition: Sunny, approximately 76°

On-site Contact Name: Mr. Jeff Rams, Maintenance Supervisor
Mr. Matt LaPenna, Maintenance Engineer

Site: *Note: For the purposes of orientation, the property line running along SW Harrison Street will be referred to as the south property line; the tower building will be referred to as building #1, with the townhouse building located in the northwest corner of the site designated building #2, and continuing counter-clockwise, townhouse buildings #3 & 4 flank the northeast corner, with building #5 located in the southeast corner of the Subject Property. Although requested inspections included units on all levels of the tower, building #1 and at least 1-unit in each townhouse building, especially those with a south or western exposure, access was gained to only the following 17-units. Units inspected in the tower, building #1, include: #10-C, #26-B, #23-C, #22-D, #21-C, #17-C, #17-A,*

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#10-A, #9-D, #8-A, #7-A, #6-C, & #4-B. Townhouse units inspected include: building #2, unit #1, building #3, unit #4, building #4, unit #9, & building #5, unit #11.

The site consists of 5, multi-family residential structures, including 1, twenty-five-story cast-in-place concrete, rectangular tower structure, and 4, two-story cast-in-place concrete, rectangular townhouse structures, situated on a single parcel containing an unknown number of acres, according to www.portlandmaps.com and the improvements described below. The structures appear to have lot line setbacks at all perimeter property lines. The 4, townhouse buildings are situated across an "L"-shaped plaza/courtyard from the tower building with 2, located along the east property line, and 2, located along the north property line; it appears that SW Montgomery Street was vacated to accommodate a pedestrian mall along the plaza/courtyard at the north property line and that both SW 2nd and SW 3rd Avenues, at the west and east sides of the Subject Property, have both been similarly vacated. There is a multi-level on-site parking garage (2, intermediate levels of parking are provided that connect the 2, primary levels of parking by ramps) provided for 164 vehicles, all of which are covered by the tower and townhouse buildings and plazas; the entrance to the covered parking is accessed from SW Harrison Street at the south side. There are precast concrete wheel bumpers at the 8, visitor parking stalls that flank (4, on each side) the main entrance to the tower, building #1; no accessible stalls were observed, but no commercial facilities exist on site. The site is flanked by a pedestrian park to the north, with a parking lot to the west, the Harrison East residential tower to the east and the Harrison Tower Apartments structure located to the south side. There are

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concrete retaining walls, raised concrete planters and metal fencing at the south and west property lines. There are no commercial tenants located at the Subject Property. A common area lobby in the tower, building #1, is accessed from the main pedestrian entrance at the south side and is serviced by a porte cochere off SW Harrison Street; the lobby serves the 3, residential condominiums on the first floor (the 4th residential condominium has been converted for use as a meeting/conference room) and the passenger elevators providing access to the 180, residential condominiums located on floors #2 through #26 (there is no 13th floor); the common area plaza services the townhouse buildings and entry doors are accessible from the north and east plaza/courtyards and service the 12, residential condominiums housed within the 4, separate townhouse buildings. The site is extensively landscaped and irrigated and each building has planter strips or raised concrete planters with ornamental plantings at all sides including the plaza/courtyard façade; there are street trees or bushes in tree planting strips (formerly irrigated) on all four sides of the development and in concrete planters (currently irrigated) around the development and within the plaza/courtyard (also irrigated) between the buildings. There are no other outbuildings; however, a concrete enclosure structure houses the freight elevator that is located at the southeast corner of the tower building, which connects with the underground parking garage, where owners can access the modified cab of elevator #3 to facilitate moving by providing access to the floor of their choice.

Buildings: The Subject Property consists of 4, two-story cast-in-place concrete-framed rectangular structures that house 12, townhouse units at grade and 1, twenty-

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five-story cast-in-place concrete-framed rectangular structure that houses 184, residential units on floors #1 through #26. Architectural plans reviewed did not indicate the Gross Square Feet (GSF) of either the tower building or the townhouse buildings.

Site Improvements

Access & Parking: There is one entry drive accessing the underground parking garage located at the southeast side of the tower building; there is no on-street parking provided, however, there are a total of 8, visitor stalls (4, on each side) located either side of the porte cochere on the south side of the tower building. The parking garage accommodates 164 covered parking stalls. There are 3, levels below the main floor, including levels #B, #B-2, and #B-3. Level #B contains the laundry room and storage lockers and lies wholly within the tower footprint; no parking is provided on this level. The parking garage has an intermediate parking level just inside the entrance gate, with ramps that connect to the street entrance and parking level #B-2; a second intermediate parking level is located below the first intermediate level and connects by ramps, primary parking level #B-2 to primary parking level #B-3.

Condition: Good

Recommended Action: No Action Required

Remaining Useful Life: N/A

Paving & Drainage: There are public concrete sidewalks in the rights-of-way at the perimeter of the site and common area concrete paving at the porte cochere and freight

loading area at the south side of the site. A concrete plaza extends around the tower, building #1 and between the tower building and the townhouse buildings #2, #3, #4 and #5; concrete staircases, landings, entrances and exits provide access to and from the plaza and parking garage. The parking garage is poured concrete slab and wall construction with structural concrete precast "T"-floor/roof beams; there are catch basin floor drains located in the garage slab and plaza pavement that are connected to city storm drain lines located in the municipal rights-of-way. There are precast concrete wheel bumpers at the 8, visitor parking stalls; composite rubber speed bumps are placed at various locations throughout the parking garage. The plaza construction consists of a concrete wearing slab over a rubber drainage membrane, over a concrete structural slab; the wearing slab appears to have an Isoflex fluid applied waterproof coating by Lympall that was reapplied in 2006, according to management.

Condition: Good to Poor; the public sidewalk along SW Harrison Street is in poor condition with many previous patches and panel pours breaking up and cracking and there are numerous tripping hazards where panel pours have settled differentially and displacement exceeds 1" in height.

The garage entry ramp has cracked and is beginning to settle differentially; ramp slabs are settling differentially at cold joints and require grinding and filling. The curb-cut apron into the parking garage is also cracked and should be filled.

There are cracks in the curb-cut apron at the east entrance into the porte cochere and the crown of the

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apron is separating from the driveway slab pour and needs to be filled. The driveway slabs are cracking at the porte cochere in a few locations and need to be filled.

The concrete plaza was re-coated with what appears to be an Isoflex fluid applied waterproof membrane by Lympall in 2006, according to management, and appears to be in good condition. However, due to long-term creep in the concrete construction, several areas appear to pond standing water, leaving unsightly stains on the surface; a few area drains appear to have been added since original construction was completed, to reduce the ponds and staining. Stains are particularly noticeable adjacent to planters, where planters drain directly onto the surface of the plaza. Management indicated that leaks into the parking garage are a recurring issue that hasn't been solved. There are integral open trench drains at the perimeter of all concrete planters that receive runoff from the plaza surface; trench drains also appear to have been coated with the liquid applied waterproof membrane, but many are peeling, particularly at the west side of the plaza and standing water is evident in many trenches. There is an expansion joint that runs east to west through the east plaza that is covered with a rubber flashing, is secured by a continuous metal bar, that has an area drain installed in it; the slabs on either side of this joint have been caulked, but, together with the peeling trenches, may be responsible for some of the leaking into the garage below.

Retaining walls at the west side of the development are stained from efflorescence that emanates from the cold joint at the top of the walls where a concrete lid is installed to enclose the parking garage below;

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runoff from plaza inundations and irrigation water introduced into the planters above, appears to be making its way from the trench drains at the foot of the planters into and under the concrete lid, surfacing to daylight at the joint.

The sidewalk that connects the northwest parking garage exit door to the public sidewalk along the west side of the development has settled and created tripping hazards exceeding 1" in height and there is some graffiti on the sidewalk surface.

Minor hairline cracks in the concrete slabs were observed in the building parking garage slabs.

Recommended Action: Immediate Repairs are required for filling cracks exceeding ⅛" in width in the concrete flatwork, including sidewalks, driveways and garage slabs, throughout the development; for grinding edges of differentially displaced concrete slabs to remove tripping hazards in the concrete flatwork throughout the development; for contacting the City of Portland regarding the need for immediate replacement of the public sidewalk along SW Harrison Street (management indicates they have clarified that sidewalk replacement will be by the City of Portland); and for removing graffiti from the northwest sidewalk.

Water leakage into the parking garage appears to be ubiquitous and short of injecting epoxy into cracks visible from inside the garage areas where leaking is most apparent, it appears that the re-coated liquid applied waterproof membrane at the plaza and the lining of planters with rubber sheet membranes, both installed in 2006, has to a great extent, made the problem manageable; however, Immediate Repairs

are also required to re-coat the open trench drains with the liquid applied waterproof membrane where peeling.

Efflorescence stains on the west retaining walls should be removed with a product compatible with the painted surface and periodically repainted.

Replacement Reserves are required for re-painting traffic markings and stall striping throughout the porte cochere area and the parking garage; for recoating the plaza open trench drains and plaza deck with the coated liquid applied waterproof membrane; and for replacing the porte cochere concrete flatwork, including curbs, curb-cuts and entry aprons. Hairline cracks in all flatwork should be monitored for movement and filled if cracks widen beyond ⅛" in width.

Remaining Useful Life: 3 years remaining for re-striping traffic markings and parking stalls, 5 years thereafter; 3 years remaining for recoating the plaza and trench drains with the coated liquid applied waterproof membrane, 5 years thereafter; 3 years remaining for removing the efflorescence and repainting the concrete retaining walls at the west side, 5 years thereafter; 10 years remaining for replacing the porte cochere area concrete flatwork (including the freight elevator loading area), 40 years thereafter; assuming Immediate Repairs and Replacement Reserves are completed and routine maintenance is performed.

Utilities: Municipal utilities provide domestic water and sanitary sewer services to the Subject Property and local utility suppliers provide electric and telecommunication services to the site.

Condition: Good

Recommended Action: No Action Required

Remaining Useful Life: N/A

Walks & Curbs:

See comments under the 'Paving & Drainage' section above, for comments pertaining to all concrete flatwork. There are concrete curbs between planter strips and public sidewalks at the north, west and east sides of the Subject Property; there are concrete curbs, part of the retaining walls, at both sides of the parking garage entry ramp. There are also concrete curbs at the public sidewalk located along SW Harrison Street on the south side. Concrete curbing also exists at the porte cochere entry drives and along the central planter.

Condition: Good to Fair; porte cochere curbing is in good condition with some cracks that need filling; the curbing at the top of both sides of the parking garage entry ramp are cracked at the crown (see Fences & Walls section below).

Recommended Action: Immediate Repairs are required for filling cracks in the porte cochere curbing; curbs at the north, west and east sides of the Subject Property are integral with public sidewalks and are a responsibility of the City of Portland (see Fences & Walls section below).

Replacement Reserves are required for replacing the concrete curbing at the porte cochere entry drives.

Remaining Useful Life: 10 years for replacing porte cochere concrete curbing, 40 years thereafter; assuming Immediate Repairs and Replacement Reserves are completed and routine maintenance is performed.

Lighting:

High intensity light fixtures reminiscent of antique gas lamps are pole mounted at public sidewalks and provide perimeter lighting of the site; these fixtures are not HOA owned, according to management. A few high-intensity wall mounted lamps have been placed above the freight elevator, at visitor parking stalls, throughout the parking garage and at other miscellaneous locations. All other exterior lighting consists of wall or soffit mounted low intensity pedestrian light fixtures that provide lighting to the plaza, staircases, entries and exits, and residential lobby entry doors; neither wall nor soffit mounted light fixtures are present at residential decks (see "Amenities" & "Common Area Interior Finishes" sections below for all common area lobbies, hallways, meeting, laundry and other support space lighting fixtures).

Condition: Good; most exterior and parking garage high intensity and pedestrian light fixtures appear to have been replaced in 2006.

Recommended Action: Replacement Reserves are required for both high intensity building-mounted site and parking garage lighting fixtures and for pedestrian building-mounted lighting fixtures; the antique pole-mounted fixtures occurring in the public rights-of-way at the perimeter of the Subject Property are the City of Portland responsibility, according to management.

Remaining Useful Life: 23 years remaining for high intensity site and parking garage lighting fixtures, 25 years thereafter; 13 years remaining for building mounted pedestrian lighting fixtures, 15 years thereafter; assuming Replacement Reserves are completed and routine maintenance of light fixtures is performed.

Landscape & Irrigation:

The site is heavily landscaped and has planter strips and/or raised concrete planter boxes with ornamental plantings and groundcover at the perimeter of the site and in the central plaza/courtyard; there are also street trees, bushes and/or ground-cover in sidewalk planting strips. The landscape irrigation system is limited to concrete planters and the plaza groundcover and ornamental plantings.

Condition: Good; the irrigation system was upgraded during conversion activities in 2006 and solenoid controllers and valves were replaced; galvanized supply piping is original but considered to be in good condition due to the system being drained in winter.

Recommended Action: Replacement Reserves are required for replacing the irrigation system.

Remaining Useful Life: 28 years remaining for the irrigation system, 30 years thereafter, assuming Replacement Reserves are completed and routine maintenance is performed.

Fences & Walls:

There are painted metal tube security grilles set between bearing walls at the perimeter of the parking garage and at staircase entries and exits to and from the parking garage and at the plaza between

buildings and the freight elevator enclosure. Additionally, decks have painted metal guardrails at all buildings and the townhouse buildings have low-height powder-coated metal entry fences at the entry doors. Concrete retaining walls are located at the south and west property lines adjacent to perimeter planters; also, there are raised concrete planter beds throughout the facility plaza. The tower, building #1, has banks of storage lockers that are partitioned off from the laundry room, at level #B, with woven wire fabric, posts and gates that are accessible from the common area hallway servicing the elevator lobby; painted 2x4 wood partitions with wire fencing also separate the storage lockers from the common area corridors adjacent to the laundry room. There are low height retaining walls at the parking garage entry ramp.

Condition: Good; the raised concrete retaining wall planter beds in the plaza are in good condition; the woven wire fabric, posts and gates and the painted 2x4 wood partitions with wire fencing at the storage lockers are in good condition; the painted plywood storage lockers that are partitioned off from the laundry room, at level #B, appear to be in good condition; painted metal security grilles at parking garages and entry/exit staircases, plaza entries and perimeter and plaza fencing are beginning to show signs of corrosion and rust is forming where the painted finishes have been compromised. Powder-coated low height fences appear to be in good condition but the beginning of minor corrosion was noted in a few locations. The retaining walls along the western property line are stained from efflorescence created from water seepage from the planters located above; planters were re-lined with rubber membranes in 2006, but seepage at retaining

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walls was not corrected satisfactorily (see "Paving & Drainage" section above). Retaining walls at the parking garage entry ramp are cracked on both sides and cracks need to be filled.

Recommended Action: Immediate Repairs are required for filling cracks at the parking garage ramp retaining walls and curb-caps; and for spot coating both the painted metal security grilles and the powder-coated low height fences where corrosion is beginning.

Replacement Reserves are required for periodically refinishing the metal grilles and for replacement of the powder-coated low height fences at townhouse entries; for repainting the painted plywood storage lockers and 2x4 wood partitions; and for periodically repainting the concrete retaining walls throughout the site (concrete retaining walls should be scheduled for repainting concurrently with exterior building walls).

Remaining Useful Life: 3 years remaining for re-coating the metal security grilles and guardrails, 5 years thereafter; 30 years remaining for replacing the painted metal tube security grilles and guardrails, 50 years thereafter; 30 years remaining for replacing the powder-coated low height fences, 50 years thereafter; 30 years remaining for replacing the woven wire fabric, posts and gates at the storage lockers, 40 years thereafter; 30 years remaining for replacing concrete retaining walls and planters, 30 years thereafter; 20 years remaining for replacing the garage ramp retaining walls, 30 years thereafter; assuming Immediate Repairs and Reserve Replacements are completed and routine maintenance is performed.

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Signage: Stand-off metal lettering with a brushed silver finish is applied to both sides of the porte cochere, on the piers, that identifies the project as "Harrison West" and on the front, indicates the project address as "255 SW Harrison Street" and on the front walls adjacent to the townhouse entry doors indicating unit number; sidewall- or post-mounted metal and/or plastic laminated sign plaques exist adjacent to or on service doors and at visitor parking stalls located on either side of the porte cochere and at the freight elevator enclosure. Unit signage is provided for each residential unit and consists of metal or plastic surface mounted numerals adhered to the wall adjacent to each entry door. In a few other locations, such as utility rooms, surface mounted signage consists of surface applied engraved plastic labels.

Condition: Good

Recommended Action: Replacement Reserves are required for replacing all signage letters, numerals, and plaques throughout the facility.

Remaining Useful Life: 30 years remaining for replacing signage letters, numerals, and plaques, 30 years thereafter; assuming Replacement Reserves are completed and routine maintenance is performed.

Amenities: There are combination wooden and metal trellises at the porte cochere front planter, at either side of the porte cochere at the visitor's parking stalls, at the west entry and at two locations in the plaza at the east side; additionally, there are two wooden benches, one at the north central plaza exit stairs and one at the southwest corner of the west plaza.

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There is an anodized metal flagpole set on a concrete base in the planter in front of the southeast wall of the plaza.

The plaza has raised concrete planters, with two central raised platforms, one at each end of the east plaza; the south raised platform includes a partial grass groundcover. There are no water features present.

There is a common area lobby with loose furniture, including 4-leather armchairs, 1-large coffee table, and 2-small end tables, 1-throw rug, 1-glass globe chandelier, and approximately 202-small, 18-medium and 8-large postage boxes, located adjacent to the elevator lobby that serves the tower, building #1, at the south side. The lobby flooring appears to be slate tile and includes wall base. The lobby walls and ceilings are painted concrete, plaster or gypsum wallboard. Walls above and below postage boxes are plastic laminate. Other light fixtures consist of surface mounted sconce fixtures with halogen lamps and recessed spots with fluorescent lamps.

There is a community meeting/conference room located within a former unit at the northeast corner of the tower, building #1; the conference suite includes the original kitchen with appliances, a couch, arm chair with foot stool and side table, a small folding conference table and approximately 25-30 folding chairs. The conference/meeting suite is serviced by two original bathrooms and is self-contained with an electric water heater of approximately 54-gallons, and an electric forced-air furnace and air-conditioner. The community meeting/conference room flooring is vinyl sheeting and carpet and includes vinyl wall base. The walls

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and ceilings are painted concrete, plaster or gypsum wallboard. Bathrooms have plastic laminate countertops on painted wood cabinets, with porcelain lavatories and water closets, with ceramic tiled shower stalls. The kitchen has melamine cabinets with a plastic laminate countertop and matching dishwasher, oven with range top, exhaust hood, and refrigerator/freezer. Light fixtures consist of surface mounted fluorescent strip fixtures with acrylic lenses and incandescent lamps are installed above mirrors in bathrooms.

There is an original reception room east of the lobby in the main tower, building #1, that has been converted into the fire alarm panel room (the original fire panel, located on the hallway wall in front of the current fire alarm panel room, has been deactivated) and is serviced by Fire Systems West, a vendor; the panel was last serviced on April 14, 2008.

There is a laundry room located on level #B that contains approximately 12-electric dryers and 10-washers all by Speed Queen, 1-laundry sink set in a plastic laminate cabinet, 1-stainless steel waste receptacle, 1-flat screen T.V. by Visio, 2-electric water heaters by Bradford White each of 119-gallons capacity, 1-exhaust fan, 1-air conditioner, 4-fabric armchairs, 2-end tables, 1-rolling bookcase, 1- 3x4 bulletin board, 1-battery powered wall clock, and 3-art hangings. Walls and ceilings are painted and flooring is vinyl cementitious tile (VCT). Light fixtures consist of surface mounted fluorescent strip fixtures with acrylic lenses.

There is a storage locker area adjacent to the laundry room that has painted plywood lockers enclosed with woven wire mesh and wire fencing on a painted 2x4

wood frame, with a chain link gate. Light fixtures consist of surface mounted fluorescent strip fixtures with acrylic lenses.

There is a maintenance office and shop located in the parking garage that has an over/under washer-dryer, a laundry tray, refrigerator/freezer, microwave and coffee maker. It was noted that the engineering/maintenance department is without computers to aid in keeping records, carrying out maintenance plans, making maintenance decisions, ordering materials, and scheduling of personnel, vendors and maintenance contractors.

Condition: Good to Fair; the combination wooden and metal trellises appear to be in good to fair condition. However, the wood components are splitting and checking and are open to the elements and the top surfaces and end grain conditions have not been covered with a sheet metal cap; this condition may be allowing direct water intrusion into wooden posts and trellis components that may be rotting where unprotected wood-to-wood substrates are in direct contact. Exposure to the elements will hasten deterioration.

The anodized metal flagpole and concrete base in the planter in front of the southeast wall of the plaza appears to be in good condition.

The wooden bench at the north central plaza exit stairs is in poor condition and has dry rot in several locations, and the bench located at the southwest corner of the west plaza is in fair condition, but boards have warped and joints are closed which will hasten deterioration.

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The raised concrete planters in the plaza with two central raised platforms are in good condition; the grass ground-cover and plantings appear to be in good condition.

The common area lobby furniture, postage boxes, light fixtures and floor, ceiling and wall finishes all appear to be in good condition.

The community meeting/conference room furniture, light fixtures, kitchen appliances, bathroom fixtures, cabinets, mechanical equipment and floor, ceiling and wall finishes all appear to be in good condition.

The fire alarm panel room, equipment, light fixtures, and floor, ceiling and wall finishes all appear to be in good condition.

The laundry room dryers, washers, laundry sink, furniture, mechanical equipment, light fixtures and floor, ceiling and wall finishes all appear to be in good condition.

The storage locker area painted wooden lockers enclosed with woven wire fencing and a gate, with painted 2x4 wood frame and wire fencing, all appear to be in good condition; painted walls, ceilings and floors are in good condition (see Fences & Walls section above for woven wire fencing).

The maintenance office and shop over/under washer-dryer, laundry tray, and refrigerator/freezer, microwave, coffee maker, and floor, ceiling and wall finishes all appear to be in good condition.

Recommended Action: Immediate Repairs are required for replacing the wooden benches at the

north central plaza exit stairs and at the southwest corner of the west plaza; and for provision of at least two personal computers with software for record keeping, planning maintenance staff, material, vendor and contractor activities.

Replacement Reserves are required for replacing the wooden components of the combination wooden and metal trellises; for repainting/refinishing of the wood and metal components of the combination wooden and metal trellises; for replacing the anodized metal flagpole and concrete base in the planter in front of the southeast wall of the plaza; for replacing the wooden benches at the north central plaza exit stairs and at the southwest corner of the west plaza; for replacing the common area lobby furniture; for replacing the common area lobby and corridor light fixtures; for repainting the common area lobby ceiling and wall finishes; for replacing the community meeting/conference room furniture, light fixtures, kitchen appliances, bathroom fixtures, cabinets, water heater, and mechanical equipment; for repainting the community meeting/conference room ceiling and wall finishes; for replacing the community meeting/conference room sheet vinyl and carpet flooring; for replacing the fire alarm panel room equipment; for replacing the laundry room dryers, washers, laundry sink, furniture, mechanical equipment, water heaters and light fixtures; for repainting the laundry room ceiling and walls; for replacing the laundry room sheet vinyl flooring; for repainting of the storage locker area painted wooden lockers; for replacing the storage locker area painted wooden lockers; for replacing the storage locker area light fixtures for repainting the maintenance office and shop ceiling and walls; and for replacing the maintenance office and shop over/under washer-

dryer, laundry tray, refrigerator/freezer, microwave and coffee maker; for replacing the maintenance office and shop light fixtures; and for replacing the common area hallway carpet flooring.

Remaining Useful Life: 3 years remaining for refinishing the wooden and metal components of the combination wooden and metal trellises, 3-5 year intervals thereafter; 5 years remaining for replacing the wooden components of the combination wooden and metal trellises, 10 years thereafter; 20 years remaining for replacing the anodized metal flagpole and concrete base in the planter in front of the southeast wall of the plaza, 50 years thereafter; 4 years remaining for replacing the common area lobby furniture; 7 years thereafter; 4 years remaining for replacing the common area lobby chandelier light fixture, 7 years thereafter; 3 years remaining for repainting the common area lobby ceiling and wall finishes, 5 years thereafter; 4 years remaining for replacing the community meeting/conference room furniture, light fixtures, kitchen appliances, bathroom fixtures, cabinets, and mechanical equipment, 7 years thereafter; 3 years remaining for repainting the community meeting/conference room ceiling and wall finishes, 5 years thereafter; 13 years remaining for replacing the laundry room sheet vinyl flooring, 15 years thereafter; 5 years remaining for replacing the meeting/conference room carpet flooring, 7 years thereafter; 8 years remaining for replacing the fire alarm panel room equipment, 10 years thereafter; 8 years remaining for replacing the laundry room dryers, washers, laundry sink, furniture, mechanical equipment, and light fixtures, 10 years thereafter; 3 years remaining for repainting the laundry room ceiling and walls, 5 years thereafter; 13 years remaining for replacing the

laundry room sheet vinyl flooring, 15 years thereafter; 3 years remaining for repainting of the storage locker area painted wooden lockers, 5 years thereafter; 20 years remaining for replacing the storage locker area painted wooden lockers, 30 years thereafter; 3 years remaining on other loose furniture throughout the facility, 5-7 years thereafter; 10 years remaining on the refrigerator/freezer and televisions, 15 thereafter; 5 years remaining on the microwave and coffee maker, 10 years thereafter; 5 years remaining on the common area hallway carpet flooring, 7 years thereafter; assuming Immediate Repairs and Reserve Replacements are completed and routine maintenance is performed.

Building Improvements

Foundation: There are 3, levels below the main floor, including levels #B, #B-1, and #B-2. Level #B contains the laundry room and storage lockers and lies wholly within the tower footprint; no parking is provided on this level. The parking garage has an intermediate parking level at the entrance gate, with ramps that connect to the street entrance and parking level #B-1; a second intermediate parking level is located below the first intermediate level and connects by ramps, level #B-1 to level #B-2. The tower, building #1, parking garage has concrete slabs-on-grade and concrete structural slabs over precast concrete structural "T" beams at the upper levels, with concrete perimeter foundation walls with perimeter and interior strip, spot, or spread footings supporting bearing walls. The tower building is comprised of concrete bearing walls that extend through the parking garage to strip foundations

below the parking garage slabs-on-grade. Townhouse buildings #2 through #5 also have concrete bearing walls extending to perimeter and strip footings set below concrete slabs-on-grade at the lowest parking garage level.

Condition: Good

Recommended Action: No Action Required

Remaining Useful Life: 30 years remaining, 50 years thereafter; assuming routine maintenance is performed.

Structure:

There is a poured-in-place concrete superstructure at the tower, building #1, which extends to the penthouse units on the 26th floor, with the elevator core structure extending beyond, to the elevator penthouse level located above the tower roof. The tower, building #1, has concrete slabs-on-grade at level #B-2; all other floors of the tower, building #1, and the townhouses, buildings #2 through #5, have poured concrete structural floor slabs supported by concrete poured-in-place bearing walls and/or beams, at each floor level. All buildings culminate with concrete structural roof slabs supported by concrete poured-in-place bearing walls and/or beams. There is a plaza set just below the ground level of the tower, building #1, which is the roof structure of the parking garage where its perimeter extends beyond the tower footprint. The garage roof structure functions as a plaza and is comprised of a concrete wearing slab set on a rubber waterproof membrane installed over a concrete structural slab supported primarily by precast concrete structural "T" beams; the wearing slab has a fluid-applied waterproof membrane that redirects runoff from the

plaza to the storm water system; the parking garage floors are not coated.

Condition: Good

Recommended Action: No Action Required

Remaining Useful Life: 30 years remaining, 50 years thereafter; assuming routine maintenance is performed.

Floor Construction:

The parking garage has concrete slabs-on-grade at level #B-3, with concrete structural floor slabs at levels #B & #B-2. Levels #1- #26 of the tower, building #1, also has concrete structural floor slabs.

The townhouses, buildings #2 through #5 also have concrete structural floor slabs at levels #1 & #2, with the first floors located above the parking garage.

It is unknown whether the finish flooring has been installed over a gypcrete or lightweight concrete topping slab, or whether one exists over the structural concrete floor slabs.

Condition: Good

Recommended Action: No Action Required

Remaining Useful Life: 30 years remaining, 50 years thereafter; assuming routine maintenance is performed.

Exterior Wall Construction & Facades:

The tower, building #1 and the townhouses, buildings #2 through #5 all have exterior painted

poured-in-place concrete walls. There are anodized metal window and door frames at all facades of the tower, building #1, and at the front and rear walls of the townhouses, buildings #2 through #5. There are concrete poured-in-place decks at the tower, building #1 (the townhouses, buildings #2 through #5, appear to have precast concrete decks); all buildings have painted metal railings attached to the inside face of low-height concrete walls at the deck fronts. All doors at the tower building are recessed under roof or deck overhangs that provide protection from the elements. All windows at the tower building are slightly recessed within rough opening of the exterior walls and are caulked at the perimeter and have painted or factory-finished head and sill flashing to provide protection from the elements. The tower decks are stacked, forming vertical banks that are partially recessed within the greater wall volumes. All windows and doors at the townhouse buildings are recessed under roof overhangs that provide protection from the elements; there are no openings at the end walls.

There is a plaza that surrounds the tower building on three sides and separates the tower building from the townhouse buildings, and the townhouse buildings from each other; there are entry staircases between the townhouse buildings that also function as exit stairs from the parking garage levels below. The plaza includes raised planters and small level changes that accommodate a lawn groundcover at the south end of the east plaza that terminates with the freight elevator enclosure, and a raised platform that terminates with a raised planter on the north end; the raised platforms and stairs are clad with stone tile. The east plaza also includes two trellis structures that accommodate raised planters and

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have both wooden and metal trellis components; metal components are coated to match the window and door frames. The trellises on the east plaza form a pedestrian mall that leads to the east entrance of the tower, from the east plaza entry between townhouse buildings #4 & #5. There are two painted metal gates at the south end of the east plaza, one located between the freight elevator enclosure and townhouse building #5, providing an entrance to the plaza only at the southeast corner, and one between the tower building and the freight elevator enclosure at the southeast corner of the tower, providing a south entrance to the east plaza; there is a third southern entrance and exit to the east plaza and parking garage at the southeast corner of the plaza. There is an entry to the east plaza and exit from the parking garage at the northeast corner of the east plaza. There is an entry to the north plaza and exit from the parking garage at the north central plaza; there is an exit only from the parking garage at the northwest corner of the development. There are openings under the plaza at the east and north sides, below the townhouses, buildings #2 through #5, that provide light and fresh air to the parking garage; openings have painted metal security grilles and doors that protect the parking garage and the plaza from unauthorized entry. The west plaza has a trellis structure at the west entry and a coated metal gate and fence provides security; there is a second gated and secure entrance at the southeast corner of the west plaza providing security to and from the visitor's parking stalls at the west side of the porte cochere.

All buildings are painted in different buff tones with the lighter tones generally placed on recessed surfaces, and soffits; the tower, building #1, has

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decorative vertical stripes, with upper tower floors also coated in lighter buff tones.

The tower, building #1 has a porte cochere entrance on the south side with a central trellis and planter between piers separating the entrance from the public sidewalk; there are also trellises on either side of the tower main entrance, in front of the visitor's parking stalls that flank the porte cochere on the west and east sides.

Townhouse entry walls are adorned with unit numerals and pedestrian light fixtures that are surfaced mounted and provide lighting to the plaza adjacent to unit entries. Miscellaneous exterior cladding components include painted or factory-finished sheet metal parapet panels that occur as fascias below building roofs. Soffits at residential decks are painted concrete and at building entries appear to be painted exterior veneer plaster and are strip vented.

Condition: Good; all buildings were repainted in 2006, according to management, and appear to be in good condition. Window and door frames, also replaced in 2006, are caulked on all sides and window frames include painted or factory-finished metal flashing at heads and sills. Proper weatherboard sequencing of construction material wall components at fenestrations could not be verified.

Recommended Action: Replacement Reserves are required for repainting all buildings (see "Fences & Walls" section above, for coated metal security grilles, and "Amenities" section above, for wood trellises, and

"Windows" section below, for comments relating to window replacement).

Remaining Useful Life: 3-5 years remaining for repainting all buildings; 5-7 years thereafter; assuming Replacement Reserves are completed and routine maintenance is performed.

Windows:

Dark anodized metal framed windows with double-insulating glazing; windows at the tower, building #1, are combination awning- and/or casement-type operable units (casement windows at decks act as doors) and include floors #2 through #26. At the 1st floor tower, building #1, window frames are combination sliding- and/or casement-type operable units (sliding option occurs at living rooms only). Window frames at the tower decks have painted or factory-finished sheet metal flashings at heads; sills are set approximately ½"-1" above the finished deck surface and are caulked. Where no decks are present at the tower building, window frames are set within the rough openings, recessed approximately 1"-2", with painted or factory-finished sheet metal flashings at the heads and sills; head flashings appear to be caulked at the top edge and both jambs are caulked.

Windows at the townhouses, buildings #2 through #5, are combination awning- and/or casement-type operable units as well. Flashing and caulking for both windows at decks, and at windows where no decks are present, are similar to conditions at the tower. Frames at decks are set approximately ½"-1" above the deck surface.

All windows in all buildings are recessed substantially and protected from the elements by overhangs or the

deck above, except at the windows where no decks are present at the tower building only.

There are painted or anodized metal sash frames with awning-type operable and fixed panels, with translucent glazing at the maintenance supervisor's office and shop that are substantially recessed under the townhouse units in building #3 and set into the rough wall openings.

Proper weatherboard sequencing of construction material components with window frames could not be verified.

Condition: Good; no water leaks were observed or reported.

Recommended Action: Replacement Reserves are required for double-insulating glass panel replacement; and for replacement of all window frames.

Remaining Useful Life: 28 years remaining for replacement of all existing window frames, 30 years thereafter; assuming Replacement Reserves are completed and routine maintenance is performed. Due to the large number of double-insulating glass panels present at the Subject Property, a limited number of insulating glass panels should be scheduled for replacement each year as a part of routine maintenance.

Doors: There are solid glass vision panel department store-type entry doors with integral, self-closing pivot hinges top and bottom at the main entrance to the tower, building #1. There are flush panel metal

doors set in metal frames at the tower and townhouse unit entry doors, at secondary entrances (some with wired glass relites), at utility/equipment rooms and common area stairwells (most with automatic closers); there are wood stile and rail doors with obscure glass panels set in wood frames at the laundry room closet, there are metal or wood louvered doors set in metal frames at the fire access staircase entries, and there are wood flush panel doors set in wood frames at interior partition doors and wood louvered doors set in wood frames at the meeting/conference room and at the maintenance staff restroom (see "Windows" section above for description of deck doors). There is an automatic metal double-acting overhead panel door at the parking garage entry. Elevator entry doors are metal flush panel sliders. All exterior doors are recessed within the exterior enclosure walls, are caulked, and are not subjected to the elements; deck doors are protected by the deck above or roof structure. Proper weatherboard sequencing of construction material components with exterior door frames could not be verified.

Condition: Good; no water leaks were observed or reported.

Recommended Action: Replacement Reserves are required for repainting all exterior and interior metal doors and frames, for all common area interior wood doors and frames (the automatic metal double-acting overhead panel door at the parking garage entry appears to be stainless steel and requires no refinishing); for replacing all metal and wood interior and exterior doors and hardware, including closers; and for replacing the automatic metal double-acting

overhead panel door electric motor/operator at the parking garage entry.

Remaining Useful Life: 15 years remaining for replacing all metal and wood interior and exterior common area doors and frames, 30 years thereafter; 5-7 years remaining for re-painting and re-caulking of exterior metal doors and frames, and for finishes on common area wood doors; 15 years remaining for replacing the electric motor/operator at the parking garage entry door, 20 years thereafter; assuming Replacement Reserves are completed and routine maintenance is performed.

Roof:

New single-ply reinforced thermoplastic polyolefin (TPO) roofing membrane by Firestone, in a white color, over concrete roof decks occur at all buildings was installed in 2006, according to management. Sheet metal coping, flashing, and screened internal roof and exterior overflow drains are present; screened internal roof drains discharge runoff to internal down-leaders that are tight-lined to underground storm drain lines; overflows direct runoff through parapet penetrations that discharge runoff to daylight. Roof membranes are typically extended up under sheet metal copings at parapets and roof access door frames and thresholds. The townhouse buildings each have a single central roof drain with no overflow drains; the townhouse parapets are only approximately 6" high allowing overflow to escape over the parapet top (this condition may result in water damage to townhouse units where runoff overflow may enter the assembly under parapet sheet metal caps). The porte cochere entry roof has the same TPO membrane but includes gravel ballast over the top to prevent wind damage and glare. Concrete residential decks have internal

area drains that are connected to pipes cut at ends to allow runoff to discharge to daylight.

Condition: Good; management indicates that there have been some leaking problems with the roof membranes; some seam welds have failed and some penetrations in the membranes have occurred but have been patched on all buildings. A roofing membrane warranty is in place and the roof is inspected twice annually by Carlson Roofing, the installing contractor. No other roof leaks were reported or observed.

Recommended Action: Replacement Reserves are required for new roofing membranes at all buildings.

Remaining Useful Life: 18 years remaining for the current roofing membranes, 20 years thereafter; assuming Replacement Reserves are completed and routine maintenance is performed.

Stairs & Decks:

Exterior concrete staircases were observed at plaza entry gates and at plaza and parking garage entry/exits; the tower building main entry stairs and some plaza stairs and platforms have stone tile coverings. There are interior concrete common area staircases servicing the tower building's common area corridors, one each at the west and east sides of the building that connect residential floors with the first floor; separate concrete staircases, at the east and west sides, connect the parking garage levels with the first floor. There is also a firemen's access staircase, housed within a concrete shaft that is accessible from both the east and west side entries that provides access from level #B-3 to the elevator machine room penthouse and the roof. There are painted steel stairs with stringers supporting

expanded steel-mesh treads, with painted steel handrails and unpainted concrete landings in the firemen's access staircase. There are short concrete staircases consisting of a few treads only, that connect the east and west entries to the plaza/courtyards. The townhouse buildings have interior staircases accessing the first and second floors that are the responsibility of each individual owner.

There are exterior decks at each unit of the tower building, except at the first floor, that are accessible from either or both the living room and master bedrooms. Exterior decks have painted metal guardrails bolted to the inside face of the perimeter wall. Decks are poured-in-place concrete slabs set approximately ½"-1"below the interior floor level, appear to be covered by an Isoflex liquid applied water resistant membrane coating by Lympall and are sloped to drain away from the exterior building wall. The deck membrane extends to the front and end walls and up to the window frame sills set on the sub-floor; window sills are caulked. Area drains set in the decks are connected to drain pipes that extend to daylight from the soffits of the deck below. The townhouse decks appear to be precast concrete welded to steel angle inserts at the end walls; decks are also set at approximately ½"-1"below the interior floor level, appear to be covered by an Isoflex liquid applied water resistant membrane coating by Lympall and are sloped to drain away from the exterior building wall; however, proper weatherboard sequencing of the construction material component assemblies could not be verified. All decks are recessed under the deck or roof above and are protected from the elements.

Condition: Good to Poor; some additional drains have been added at the tower decks where concrete creep or differential settlement has occurred creating pools of standing water during inundations, however, decks are generally in good condition. Exposed aggregate stairs at the plaza entry gates and at plaza and parking garage entry/exits have badly spalled and are losing aggregate, previous repairs to treads and nosings are apparent and are again cracking, some treads have exposed steel rebar, and some landings or sidewalk aprons have cracks with some differential settlement creating tripping hazards.

Recommended Action: Immediate Repairs are recommended to fill cracks in the treads and concrete flatwork exceeding ⅛"in width throughout the exterior staircases, to fill in chunks of missing concrete at exposed steel rebar locations, and to grind down differentially settled flatwork to flush surfaces.

Replacement Reserves are required to replace or resurface all exposed aggregate treads throughout the exterior staircases with stone tile and to periodically re-apply the Isoflex liquid applied water resistant membrane coating by Lympall at the residential decks at all buildings.

Remaining Useful Life: 3 years remaining for recoating the unit decks with the coated liquid applied waterproof membrane, 5 years thereafter; assuming Immediate Repairs and Replacement Reserves are completed and routine maintenance is performed.

Common Area Interior Finishes:

There are common area entrances, lobbies, hallways and stairs at the first floor level; hallways servicing elevators and stairs are also at floor levels #2, through #26 (there is no 13th floor). There are 3, cable traction passenger elevators, in the tower building core, located adjacent to the main entrance lobby that are also accessible from the plazas that surround the tower and extend between the townhouse buildings that provide access to the residential condominiums; the passenger elevators access all 25, floors of the tower building, including level #B and the parking garage levels #B-2 and #B-3, and have stainless steel entry doors and plastic laminate and stainless steel interior cab finishes with carpeted floors and panelized ceiling panels with recessed spot down-lights. The elevator lobby at the first floor has stone tile flooring, painted concrete, plaster, or drywall walls (some walls appear to have a plastic laminate finish), with stone tile base and painted concrete, plaster, or drywall ceilings. Elevator lobby and corridor walls at levels #2, through #26 are painted concrete, plaster, or drywall walls with carpet base and painted concrete, plaster, or drywall ceilings with painted flat wood trim and molding; common area corridors are carpeted.

The elevator equipment machine room is located in the elevator penthouse above the 26th floor and has un-painted concrete walls with a painted concrete floor; ceilings are unpainted concrete structure.

The primary tower exit staircases have unpainted concrete landings, risers and treads, have no wall base and painted concrete, plaster, or drywall walls and ceilings; metal handrails are painted. All common area corridors at floors #2-#26 access the

staircases, the residential entry doors and the elevator lobbies. There are two staircases at the west side of the tower; the left one accesses levels #1-#B-3, while the right one accesses levels #1-#26, with access to the roof. There are also two staircases at the east side of the tower; the left one accesses levels #1-#B-3, while the right one accesses levels #1-#26, with access to the roof. There is also a firemen's staircase accessible from either the west or east side, that accesses levels #B-3-#26, the elevator machine room and the elevator penthouse roof, by ship's ladder from the machine room. The firemen's staircase has unpainted concrete ceilings, walls and floors; steel stair stringers and handrails are painted, treads are unpainted expanded metal mesh, while concrete landings are unpainted.

The maintenance office and shop, and most mechanical, electrical, freight elevator machine room, fire sprinkler riser rooms and utility rooms have painted concrete floors, walls and ceilings. The refuse compactor room has painted walls and ceiling but unpainted concrete floor. The emergency generator room walls and ceiling are unpainted, but the concrete floor is painted (see "Amenities" section above for finishes in other common area rooms).

Condition: Good to Fair; all room surfaces and finishes are in good to fair condition.

Recommended Action: Replacement Reserves are required for periodic re-painting of the common area hallway, lobby and staircase concrete, plaster, or gypsum board walls, and ceilings (where applicable); for replacing carpet floor coverings and carpet or rubber base at hallways and lobbies; for replacing corridor and lobby wall sconce halogen and

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fluorescent spot down-light fixtures, suspended ceiling light fixtures, illuminated exit signage, emergency egress light fixtures; and for miscellaneous loose common area furniture.

Remaining Useful Life: 5 years remaining for repainting walls, ceilings and floors, 7 years thereafter; 5 years remaining for repainting common area corridor painted wood trim, 7 years thereafter; 5 years remaining for replacing common area carpet flooring, 7 years thereafter; 5 years remaining for replacing wall sconce halogen and fluorescent spot down-light fixtures, suspended ceiling light fixtures, illuminated exit signage, and emergency egress light fixtures, 10 years thereafter, assuming Replacement Reserves are completed and routine maintenance is performed.

Building Mechanical, Plumbing & Electrical Systems

Vertical Conveyance Systems:

There are 3, vertical conveyance system cable-traction elevators by Westinghouse in the tower building, each with a 2,500-lbs. capacity. Fire department emergency controls including a keyed power lockout device are installed adjacent to the elevator call buttons. One of the passenger elevators has a modified cab that offers extended ceiling height to accommodate moving activities. There is also 1, 3500-lbs. capacity hydraulic freight elevator by Westinghouse that provides access to the parking garage from a loading area at grade adjacent to the southeast corner of the tower building. There is an elevator power command transfer switch by Onan,

which converts power control to the emergency generator for cars #2 & #3, during an emergency call.

Condition: Good to Poor; logs dated 2008 indicate recent inspections; current certificates are on file with management. Management indicates that the passenger elevator control panels and cabs were replaced during the 2006 conversion and they appear to be in good condition; elevator hallway call buttons are original, according to management. The cable traction elevator electronic operators were modernized in 1999; all other cable traction elevator components are original. The freight elevator accordion doors are damaged from impact and need to be repaired or replaced; otherwise, the freight elevator appears to be in good condition.

Recommended Action: Immediate Repairs are required to repair or replace the freight elevator accordion doors.

Replacement Reserves are required for the passenger elevator cab doors and finishes, electronic controls, shaft way equipment, shaft way doors, shaft way rails, lift machinery and for the Onan elevator power command transfer switch; and for the freight elevator cab doors and finishes, electronic controls, shaft way equipment, shaft way doors, shaft way railings, and hydraulic lift machinery.

Remaining Useful Life: 13 years remaining for the current passenger elevator cab finishes and cab electronic controllers, 15 years thereafter; 15 years remaining for cable traction shaft way hoist rails, cables, and traveling equipment, 25 years thereafter; 18 years remaining on cable traction shaft way doors, 20 years thereafter, 28 years remaining for cable

traction elevator machinery lifts and controllers, 30 years thereafter; 28 years remaining on the hydraulic lift machinery, 30 years thereafter; assuming Immediate Repairs and Replacement Reserves are completed and routine maintenance is performed.

Solid Waste Compactors:

There is one solid waste hydraulic compactor located in the parking garage that is tied to a trash chute that services each floor in the tower building; townhouse residents deliver waste directly to the dumpster in the compactor room. There is an electric motor that powers the hydraulic compaction machine in the compactor; there is a fire sprinkler head at the top of the trash chute, but no sanitizing unit is present. The compactor is serviced by a vendor that maintains the equipment. There is a floor drain in the compactor room that removes waste water.

Condition: Good; however, sanitation is compromised by the lack of a disinfectant system with automatic siphon valve.

Recommended Action: Immediate Repairs are recommended for installing an ozone disinfectant system with automatic siphon valve in the existing trash chute.

Replacement Reserves are required for the trash compactor and compactor hydraulic pump and motor.

Remaining Useful Life: 10 years for replacing the compactor, 20 years thereafter, assuming Immediate Repairs and Replacement Reserves are completed and routine maintenance is performed.

Plumbing:

Plumbing supply lines are mostly hidden from view, but partially exposed in kitchen and bathroom cabinets; buildings of this era generally have galvanized iron supply piping. There is both stainless steel mesh clad flexible and chromium metal rigid supply piping from the wall to chromium-finished fixture controls in residential and common area restrooms. Visible sanitary waste lines are chromium metal, ABS, polybutylene, and may also consist of PVC, ABS, or cast iron where hidden. Domestic hot water for the residential units is provided by 1 or 2, 54-gallon electric-fired heaters that are located within the unit they serve and are the responsibility of each owner. There are 2, electric water heaters, each of 119-gallon capacity located in the laundry room (see "Amenities" section above). There are 2, domestic water booster pumps rated at 10- and 15-HP, with automatic controls monitoring the water discharge and suction pressures, and shut-off switches for all three of the water pumps located in the mechanical room that provide additional pressure to the supply lines.

Condition: Good to Fair; management indicates that original galvanized iron supply piping is corroding internally and imparting rust to supply water when fixtures remain unused for a period of time. This was corroborated in several of the unoccupied units inspected. Supply and waste piping from the wall to the fixtures were replaced throughout the facility during the 2006 conversion, according to management. Common area hot water tanks appear to be in good condition; management indicates all common area water heaters were replaced in 2003, while unit water heaters were replaced during conversion activities in 2006 (unit heaters are the owners' responsibility). The 2, domestic water

booster pumps, the automatic controls monitoring the water discharge and suction pressures, and the shut-off switches for all three of the water pumps are reportedly in good condition, but management indicates that there are no backup pumps stockpiled. Also, all three valves on the domestic low- and high-pressure water supply lines are in poor condition, according to management.

Recommended Action: *Further investigation is warranted.* Hot and cold water distribution lines (including exterior domestic and fire water supply lines extending from meters) and plumbing waste and vent lines have a 50 year expected life; approximately 7 years remain on current systems. Immediate Repairs are required for replacing all three sets of valves on the domestic low- and high-pressure water supply lines; for providing backup pumps for the water supply lines; and for contacting a sub-contractor to evaluate supply and waste piping condition to determine that original galvanized piping can be coated to halt further rust deterioration within the piping. Based on evaluation results, Immediate Repairs may also be required to flush out and coat piping interior walls with a protective coating.

If piping cannot be coated, Replacement Reserves are required for full replacement of primary building supply and waste piping throughout the facility (extending to exterior supply meters and waste substructures). Replacement Reserves are also required for replacing the 10- and 15-HP high pressure domestic water supply line pumps and the automatic controls monitoring the water discharge and suction pressures and the shut-off switches for both water pumps, located in the mechanical room,

floor #1 of the tower building. Replacement Reserves are also required for replacing automatic controls monitoring the water discharge and suction pressures and the shut-off switches for all three of the water pumps

Remaining Useful Life: 7 years remaining for original hot and cold water distribution lines and plumbing waste and vent lines, 50 years thereafter; 13 years remaining for electric-fired water heaters, 15 years thereafter; 8 years remaining for water supply booster pumps, 20 years thereafter; 10 years remaining for automatic controls monitoring the water discharge and suction pressures and the shut-off switches for both water pumps, 15 years thereafter; assuming Immediate Repairs and Replacement Reserves are completed and routine maintenance is performed.

HVAC:

Common area hallways and lobbies in the tower building are heated by in-line electric strip heaters and fan units, including fire dampers, installed in ductwork located in the basement mechanical room, which provide treated and/or fresh-air that feed vertical mechanical shafts tied to wall mounted supply grilles in the corridors. The same system provides supply-air to each residential unit by infiltration from the common area corridors accessing each unit under the entry doors (known as "crack method"); no cooling is provided to lobbies or common area corridors. Exhaust air from each residential unit's bathroom and kitchen fans in the tower building is expelled by mechanical shafts that contain water supply shut-off valves accessible by fire doors by Milcor that are installed on the common area corridor walls. Units in both the tower and townhouse buildings are heated by individual electric

forced-air furnaces located inside unit closets and cooled by electric condensers installed on unit decks; townhouse condensers are located on the roof. Management indicates that many owners exercised options to upgrade both furnaces and condensers to new units by Carrier during conversion activities in 2006. Furnaces and condensers in all units are the responsibility of each owner. Electric 10 -KW space-heaters by Electromode, suspended from ceilings are installed in various support spaces in the tower building, including the storage lockers and maintenance office and shop; the maintenance office also has 1, wall mounted electric forced-air heater. The parking garage level #B-2 has 3, in-line fan units installed within ducts that exhaust automotive fumes through exterior grilles in the concrete lid adjacent to planters at the west side and directly to the exterior at the east side. The northwest exhaust duct fan unit runs continuously, while the other two cycle on and off as needed and determined by carbon monoxide detectors installed within the ductwork. There is an elevator penthouse air-conditioner by Lennox, with a condenser located outside on the exterior sidewall of the penthouse enclosure. There are exhaust fans located in four separate rooftop enclosure cabinets that expel air from the residential unit bathrooms and kitchens; electrical controls for the exhaust fans are located in the mechanical chase adjacent to the firemen's staircase at the rooftop. There are rooftop exhaust fans that ventilate the firemen's staircase, the electrical closets, and the trash chute. There is also an air conditioner located in the laundry room. There is an exhaust fan behind the water heaters in the laundry room. There is also an in-line ductwork supply air fan unit in the mechanical room that supplies fresh air to the emergency generator room for cooling requirements.

Condition: Good; Common area hallways and lobbies in-line electric strip heaters and fan units, support space suspended electric space-heaters, the maintenance room wall mounted electric forced-air heater, garage in-line automotive fume exhaust fan units, the elevator penthouse air-conditioner and condenser, the tower rooftop enclosure exhaust fans and electrical controls, the elevator penthouse rooftop firemen's staircase, electrical closet, and trash chute exhaust fans, and the laundry room air conditioner are all reportedly in good condition and functioning. The exhaust fan behind the water heater in the laundry room does not work and needs replacement, according to management. The in-line ductwork supply-air fan unit, in the mechanical room, that supplies fresh air to the emergency generator room, for cooling requirements, is functioning and in good condition and includes fire dampers within ductwork.

Many of the Milcor fire doors that provide access to the mechanical shafts that contain water supply shut-off valves that are installed on the common area corridor walls, do not open readily and should be repaired or replaced to restore easy access to the shut-off valves.

Recommended Action: Immediate Repairs are required for repairing or replacing the Milcor fire doors that provide access to the mechanical shafts that contain water supply shut-off valves that are installed on the common area corridor walls; and for replacing the laundry room exhaust fan.

Replacement Reserves are required for replacing the in-line electric strip heaters and fan units installed in

ductwork located in the basement mechanical room; for replacing the suspended electric space heaters from ceilings in various support spaces in the tower building, including the storage lockers, maintenance office and shop; and for replacing the wall mounted electric forced-air heater in the maintenance office; for replacing the 3, in-line automotive exhaust fan units in the parking garage; for replacing the elevator penthouse air-conditioner and condenser; for replacing the tower rooftop enclosure exhaust fans and electrical controls; for replacing the elevator penthouse rooftop firemen's staircase, electrical closet, and trash chute exhaust fans; and for replacing the laundry room air conditioner.

Remaining Useful Life: 23 years for in-line electric strip heaters and fan units, 25 years thereafter; 15 years for suspended electric space heaters, 25 years thereafter; 15 years for wall mounted electric forced-air heater, 25 years thereafter; 23 years for the 3, in-line automotive exhaust fan units in the parking garage, 25 years thereafter; 13 years for the elevator penthouse air-conditioner and condenser, 15 years thereafter; 23 years for tower rooftop enclosure exhaust fans and electrical controls, 25 years thereafter; 23 years for the elevator penthouse rooftop firemen's staircase, electrical closet, and trash chute exhaust fans, 25 years thereafter; 13 years for the laundry room air conditioner, 15 years thereafter; assuming Replacement Reserves are completed and routine maintenance is performed.

Electrical:

There is a utility-locked primary transformer room located in the basement of the tower building parking garage; primary service capacity to the development consists of a main service panel rated at 1,200-amps, 208/120 or 240/120 volt, 3-phase, 4-

wire. Service capacities of residential condominium electrical sub-panels are rated at 225-amp, 120/240 or 208/120 volt, 1-phase, 3-wire, but disconnect switches located adjacent to electrical meters indicate only 150-amp maximum is supplied. There is a diesel-fired emergency power generator with a power transfer switch by Onan located in the electrical room in the basement of the parking garage of the tower building; a diesel fuel storage tank is located in the parking garage of the tower building on level #B-2. Ground fault interrupter (GFI) convenience outlets were observed at wet counter locations in the residential unit kitchens and bathrooms.

Condition: Good; building power wiring, switchgear, metering, and residential unit sub-panels appear to be original equipment. Management indicates that the emergency generator is also original, but tested weekly and is in reportedly good condition.

Recommended Action: Replacement Reserves are required for replacing the building power wiring, switchgear, metering, residential unit sub-panels, emergency generator, diesel fuel tank and related equipment.

Remaining Useful Life: 7 years remaining for building power wiring, switchgear, metering, and residential unit sub-panels, 50 years thereafter; 15 years for the emergency generator, 35 years thereafter; 15years remaining for the diesel fuel tank; 25 years thereafter; assuming Replacement Reserves are completed and routine maintenance is performed.

Fire Protection & Life Safety Systems:

Systems installations include fire sprinkler heads in each residential unit, the laundry room and other support areas; dry pressurized lines serve heads located in the covered parking garage soffits. Other devices include an amplifier for the speakers and annunciators of the fire system, a fire control communications panel, elevator stop control panel, fire alarm bells, strobe lights, pull stations, emergency egress exit lighting, illuminated exit signage, ceiling/wall applied ionization detectors, in-duct fire dampers, handheld fire extinguishers and the fire suppression system with stairway standpipes; garage fire sprinkler heads are connected to dry lines pressurized with compressed air.

Condition: Good

Recommended Action: Replacement Reserves are required for replacing the fire system amplifier for the speakers and annunciators; for replacing the fire control communications panel; for replacing the elevator stop control panel; for replacing fire alarms with strobe lights; for replacing pull stations; for replacing emergency egress exit lighting; for replacing illuminated exit signage; for replacing ceiling/wall applied ionization detectors; for replacing in-duct fire dampers; for replacing handheld fire extinguishers; for replacing tower fire suppression riser systems with stairway standpipes; for replacing the garage fire suppression riser system (level #B-2) and the dry line air compressor; for replacing the garage and tower fire sprinkler heads; for replacing the 20-HP fire pump and the automatic controls monitoring the water discharge and suction pressures and the shut-off switch; and for replacing

the fire control panel located in the fire sprinkler riser room adjacent to the parking garage in the tower building.

Remaining Useful Life: 8 years for replacing the fire alarm system amplifier, 10 years thereafter; 8 years for replacing the fire control communications panel, 10 years thereafter; 8 years for replacing the elevator stop control panel, 10 years thereafter; 8 years for replacing the fire alarms with strobe lights, 10 years thereafter; 8 years for replacing the pull stations, 10 years thereafter; 8 years for replacing the emergency egress exit lighting, 10 years thereafter; 8 years for replacing the illuminated exit signage, 10 years thereafter; 8 years for replacing the ceiling/wall applied ionization detectors, 10 years thereafter; 8 years for replacing the in-duct fire dampers, 10 years thereafter; 8 years for replacing handheld fire extinguishers, 10 years thereafter; 7 years for replacing tower fire suppression riser systems with stairway standpipes, 50 years thereafter; 7 years for replacing the garage fire suppression riser system (level #B-2) and the dry line air compressor, 50 years thereafter; 7 years for replacing the garage and tower fire sprinkler heads, 10 years thereafter; 8 years for replacing the 20-HP fire pump and the automatic controls monitoring the water discharge and suction pressures and the shut-off switch, 20 years thereafter; 8 years for replacing the fire control panel located in the fire sprinkler riser room, 10 years thereafter; assuming Replacement Reserves are completed and routine maintenance is performed.

Security Systems:

There is a closed circuit television (CCTV) system at secure entry doors with 14-remote cameras and monitors located in a secure closet at the first floor;

the closet also contains the magnetic key fob entry system for use at secondary entrances to the tower building. There is a key pad entry system with intercom that is connected to each unit located at the main entrance; a fire department knox box is located adjacent and above the key pad entry system.

Condition: Good; all systems are functioning and reportedly in good condition, according to management.

Recommended Action: Replacement Reserves are required for periodic replacement and/or repair of monitors and cameras, as a part of routine maintenance.

Remaining Useful Life: N/A

End of Report

CONSULTANT ROLE AND DISCLAIMER

AIRO's inspection techniques consist of examining selected locations of building envelopes where, in our experience, problems are likely to appear. However, because we do not perform invasive inspections, remove any exterior cladding, windows, doors, roofing, flashing, or any other building components and do not examine concealed conditions, it is possible that deleterious conditions may exist within the construction that are not apparent on the surface. Therefore, without conducting intrusive inspections, there remains the possibility that damage or defects to your property have not been detected or reported on. This report is intended solely for use by our client and should be reproduced only in its entirety with this disclaimer included.

Note: Photographs documenting items discussed in this report have been issued separately.