

Copper Junction
Copper Mountain, Colorado
RA Current Assessment Funding Model Summary

Report Date	October 01, 2013
Budget Year Beginning	October 01, 2013
Budget Year Ending	September 30, 2014
Total Units	36

<i>Report Parameters</i>	
Inflation	2.00%
Interest Rate on Reserve Deposit	1.00%
Tax Rate on Interest	30.00%
Contingency	3.00%
2013 Beginning Balance	\$187,784.00

Current Assessment Funding Model Summary of Calculations

Required Monthly Contribution	\$1,685.00
<i>\$46.81 per unit monthly</i>	
Average Net Monthly Interest Earned	<u>\$116.30</u>
Total Monthly Allocation to Reserves	\$1,801.30
<i>\$50.04 per unit monthly</i>	

Copper Junction
RA Current Assessment Funding Model Projection

Beginning Balance: \$187,784

Year	Current Cost	Annual Contribution	Annual Interest	Annual Expenditures	Projected Ending Reserves	Fully Funded Reserves	Percent Funded
2013	733,877	20,220	1,396		209,400	451,077	46%
2014	748,555	20,827	1,535	2,035	229,727	595,786	38%
2015	763,526	21,451	1,065	89,716	162,527	634,903	25%
2016		342,781	<i>Funding required for window replacements</i>				
2016	778,796	22,095	1,173	350,268	178,308	408,029	43%
2017	444,736	22,758	628	101,207	100,486	255,403	39%
2018	453,630	23,441	200	84,738	39,388	207,489	18%
2019	462,703	24,144	264	14,896	48,900	231,306	21%
2020	471,957	24,868	408	4,198	69,978	267,328	26%
2021		81,723	<i>Funding required for roof replacement</i>				
2021	481,396	26,111	209	136,088	41,933	168,816	24%
2022	491,024	27,417	399		69,749	209,360	33%
2023	500,845	28,788	433	23,675	75,294	227,050	33%
2024	510,861	30,227	594	7,025	99,091	263,018	37%
2025	521,079	31,739	629	26,627	104,832	280,270	37%
2026	531,500	33,326	230	90,061	48,327	233,260	20%
2027	542,130	34,992	225	35,272	48,271	242,598	19%
2028	552,973	36,741	345	19,091	66,266	269,625	24%
2029	564,032	38,579	593	2,739	102,699	314,888	32%
2030	575,313	40,507	138	105,018	38,326	256,467	14%
2031	586,819	42,533	318	16,042	65,134	289,476	22%
2032	598,556	44,659	590	5,325	105,059	335,083	31%
2033	610,527	46,892	916		152,867	387,998	39%
2034	622,737	49,237	535	103,391	99,248	336,306	29%
2035	635,192	51,699	771	17,364	134,354	373,211	35%
2036	647,896	54,284	1,072	11,125	178,584	418,248	42%
2037	660,854	56,998	1,296	24,931	211,947	450,933	47%
2038	674,071	59,848	1,500	30,712	242,583	479,313	50%
2039	687,552	62,840	1,787	22,134	285,076	518,123	55%
2040	701,303	65,982	2,209	6,239	347,028	575,138	60%
2041	715,329	69,281	2,133	80,784	337,659	557,505	60%
2042	729,636	72,746	849	256,112	155,142	359,851	43%

**Copper Junction
RA Detail Report by Category**

Asphalt - Overlay - 2025		8,500 sq. ft.	@ \$2.47
Asset ID	1002	Asset Cost	\$20,995.00
		Percent Replacement	100%
	Streets/Asphalt	Future Cost	\$26,626.74
Placed in Service	September 2006	Assigned Reserves	<i>none</i>
Useful Life	20		
Replacement Year	2025	Monthly Assessment	\$21.60
Remaining Life	12	Interest Contribution	<u>\$0.08</u>
		Reserve Allocation	\$21.68

The useful life range of the Asphalt driveway is usually 15-25 years, dependent upon regular patching, crack sealing and sealcoating. The onsite manager believes the existing overlay was installed in 2006 and still appears to be in very good condition, with only minimal surface deterioration.

The replacement cost includes milling followed by a 2" overlay.

Cost Basis: Craftsman and A-Peak Asphalt 970-468-8644

Asphalt - Repair - 2016		8,500 sq. ft.	@ \$0.43
Asset ID	1001	Asset Cost	\$3,655.00
		Percent Replacement	100%
	Streets/Asphalt	Future Cost	\$3,878.72
Placed in Service	September 2013	Assigned Reserves	\$913.75
Useful Life	4		
Replacement Year	2016	Monthly Assessment	\$9.87
Remaining Life	3	Interest Contribution	<u>\$0.57</u>
		Reserve Allocation	\$10.44

Crack seal repairing and seal coating should be conducted every 3-5 years to ensure the integrity, longevity and appeal of the asphalt surfaces. Currently, the asphalt surface is in very good condition and appears to have been patched and sealcoated recently (2013), although some deterioration (pitting) was observed in areas.

Cost Basis: SHOA database and A-Peak Asphalt 970-468-8644

Streets/Asphalt - Total Current Cost	\$24,650
Assigned Reserves	\$914
Fully Funded Reserves	\$9,312

Copper Junction
RA Detail Report by Category

Roofing - Replace - 2021			155 squares	@ \$450.00
Asset ID	1003		Asset Cost	\$69,750.00
			Percent Replacement	100%
	Roofing		Future Cost	\$81,723.24
Placed in Service	October 1996		Assigned Reserves	<i>none</i>
Useful Life	25			
Replacement Year	2021		Monthly Assessment	\$100.85
Remaining Life	8		Interest Contribution	<u>\$0.38</u>
			Reserve Allocation	\$101.23

The asphalt shingles appear to be about 15 years old and in good condition, although multiple areas were indicative of advanced wear from snow and ice accumulation. The useful life of this roofing material would normally span 20-25 years. The Placed in Service date has been adjusted to coincide with estimated age.

Detailed inspections by an experienced roofing company are suggested every 1-3 years, with repairs and maintenance promptly conducted, per their recommendations, to extend the overall useful life.

The budget includes tearoff, replacement with 30yr Architectural shingles and all flashing.

Cost Basis: Turner Morris 970-262-1700

Roofing - Total Current Cost	\$69,750
Assigned Reserves	\$0
Fully Funded Reserves	\$47,430

Copper Junction
RA Detail Report by Category

Exterior Painting - 2018

		30,800 sq. ft.	@ \$2.15
Asset ID	1013	Asset Cost	\$66,220.00
		Percent Replacement	100%
	Painting	Future Cost	\$73,112.23
Placed in Service	September 2011	Assigned Reserves	<i>none</i>
Useful Life	8		
Replacement Year	2018	Monthly Assessment	\$145.89
Remaining Life	5	Interest Contribution	<u>\$0.55</u>
		Reserve Allocation	\$146.44

Component includes all wood siding, trim, fascia, belly boards, beams, pillars, railings and posts. The painted wood surfaces generally appear to be in very good condition, having been last painted in 2011, according to management. The *Useful Life* of this component should range from 5-10 years, dependant upon proper mainenance, particularly of the more exposed areas to environmental conditions.

Cost Basis: SHOA database

Interior Painting - 2018

		13,000 sq. ft.	@ \$0.51
Asset ID	1010	Asset Cost	\$6,630.00
		Percent Replacement	100%
	Painting	Future Cost	\$7,320.06
Placed in Service	August 2009	Assigned Reserves	<i>none</i>
Useful Life	10		
Replacement Year	2018	Monthly Assessment	\$14.61
Remaining Life	5	Interest Contribution	<u>\$0.06</u>
		Reserve Allocation	\$14.66

Includes the painted walls (and wallpaper), ceilings, doors, floors and railings of the residential common hallways, entryways, lobbies and stairwells.

The general condition appears to be very good to like new, with only minimal scratches and markings evident, considering the last major painting was conducted in 2009. Although the life expectancy is 10-15 years, onsite management has indicated that touch-up painting is regularly conducted as necessary, further extending the useful life.

The East Wing has approx 3400 SF of painted surfaces, West Wing 4200 SF, Elevator lobbies 1800 SF, and the Stairwells at 1800 SF each wing.

Cost Basis: SHOA database and Craftsman

Copper Junction
RA Detail Report by Category

Interior Staining - 2018

		2,500 sq. ft.	@ \$1.56
Asset ID	1011	Asset Cost	\$3,900.00
		Percent Replacement	100%
	Painting	Future Cost	\$4,305.92
Placed in Service	August 2009	Assigned Reserves	<i>none</i>
Useful Life	10		
Replacement Year	2018	Monthly Assessment	\$8.59
Remaining Life	5	Interest Contribution	<u>\$0.03</u>
		Reserve Allocation	\$8.62

Includes the stained/varnished wood trim, molding, doors and walls of the interior hallways and lobbies. This component is established similarly to, and to coincide with, the interior painting (ID# 1010).

Cost Basis: SHOA database and Craftsman

Painting - Total Current Cost	\$76,750
Assigned Reserves	\$0
Fully Funded Reserves	\$30,097

Copper Junction
RA Detail Report by Category

Interior Carpet - Replace - 2023			
Asset ID	1012	210 sq. yd.	@ \$39.00
		Asset Cost	\$8,190.00
		Percent Replacement	100%
		Future Cost	\$9,983.56
Placed in Service	Interior Components August 2009	Assigned Reserves	<i>none</i>
Useful Life	15		
Replacement Year	2023	Monthly Assessment	\$9.79
Remaining Life	10	Interest Contribution	<u>\$0.04</u>
		Reserve Allocation	\$9.82

Includes the glue-down commercial carpeting in all interior hallways and lobbies, which appears to be in very good condition. The *Useful Life* is expected to be 10-15 years, depending on regular commercial cleaning and minor repairs.

Cost includes tearout and installation of glue-down interior/exterior commercial carpet.

Cost Basis: Craftsman and All Flooring Design (Breckenridge) 970-547-8311

Interior Components - Total Current Cost	\$8,190
Assigned Reserves	\$0
Fully Funded Reserves	\$2,730

Copper Junction
RA Detail Report by Category

Siding - Repair T 1-11 - 2017			
		25,000 sq. ft.	@ \$3.10
Asset ID	1004	Asset Cost	\$15,500.00
		Percent Replacement	20%
	Building Components	Future Cost	\$16,777.70
Placed in Service	September 2013	Assigned Reserves	<i>none</i>
Useful Life	10		
Adjustment	-5	Monthly Assessment	\$42.00
Replacement Year	2017	Interest Contribution	<u>\$0.16</u>
Remaining Life	4	Reserve Allocation	\$42.16

The initial installation of the textured plywood siding is unknown, however it generally appears to be in very good condition. The on-site property manager indicated that deteriorated sections of such are replaced periodically, as needed, therefore the Placed in Service date represents the current condition and a contingency is established for major repairs every 10 years, commencing 2017.

Cost Basis: Craftsman

Siding - Replace Cedar Lap - 2021			
		5,800 sq. ft.	@ \$8.00
Asset ID	1005	Asset Cost	\$46,400.00
		Percent Replacement	100%
	Building Components	Future Cost	\$54,364.99
Placed in Service	June 2002	Assigned Reserves	<i>none</i>
Useful Life	20		
Replacement Year	2021	Monthly Assessment	\$67.09
Remaining Life	8	Interest Contribution	<u>\$0.25</u>
		Reserve Allocation	<u>\$67.34</u>

According to the onsite manager, the cedar lap siding was installed about 11 years ago. This component appears to be in very good condition and well maintained.

Cost includes tearoff, disposal and replacement with similar product.

Cost Basis: Craftsman

Siding - Stone Repair - 2014			
		1,330 sq. ft.	@ \$1.50
Asset ID	1006	Asset Cost	\$1,995.00
		Percent Replacement	100%
	Building Components	Future Cost	\$2,034.90
Placed in Service	June 2002	Assigned Reserves	\$1,841.54
Useful Life	5		
Adjustment	8	Monthly Assessment	\$1.83
Replacement Year	2014	Interest Contribution	<u>\$1.08</u>
Remaining Life	1	Reserve Allocation	\$2.91

The current condition of the natural stone veneer is largely like-new, with some observable

Copper Junction
RA Detail Report by Category

Siding - Stone Repair continued...

loose stones and missing mortar in isolated places (particularly on the west side and around the base of the pillars).

As the *Useful Life* is beyond this study's scope, a contingency only is established for more major repairs every 5 years, commencing 2014.

Walkways - Concrete Repairs - 2016

		1,700 sq. ft.	@ \$2.00
Asset ID	1016	Asset Cost	\$3,400.00
		Percent Replacement	100%
	Building Components	Future Cost	\$3,608.11
Placed in Service	September 2013	Assigned Reserves	\$850.00
Useful Life	10		
Adjustment	-6	Monthly Assessment	\$9.18
Replacement Year	2016	Interest Contribution	<u>\$0.53</u>
Remaining Life	3	Reserve Allocation	\$9.71

Includes the concrete walkways, some of which are exposed aggregate, mostly serving the commercial units and which appear to be in fair to good condition, with some delamination and moisture damage observable, particularly around railing posts and lower landings to steps. The *Useful Life* of this component is expected to be about 20-25 years, or even longer depending upon periodic repairs. A contingency is thus established for periodic repairs, rather than full replacement.

Walkways - Repair - 2015

		2,340 sq. ft.	@ \$4.80
Asset ID	1015	Asset Cost	\$11,232.00
		Percent Replacement	100%
	Building Components	Future Cost	\$11,685.77
Placed in Service	June 2011	Assigned Reserves	\$6,739.20
Useful Life	4		
Adjustment	1	Monthly Assessment	\$24.46
Replacement Year	2015	Interest Contribution	<u>\$4.04</u>
Remaining Life	2	Reserve Allocation	\$28.50

Includes the waterproofing surface of the residential walkways which, according to onsite management, are resurfaced every 4 years or so and were last completed in 2011 for \$10,670. As the current condition appears to be very good, with only some minor delamination, the next resurfacing has been scheduled for 2015.

Cost Basis: John Rohrer 303-838-4300

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RA Detail Report by Category

Windows - Replace Residential - 2016			
Asset ID	1014	97 Each	@ \$3,330.00
		Asset Cost	\$323,010.00
		Percent Replacement	100%
	Building Components	Future Cost	\$342,780.80
Placed in Service	September 2013	Assigned Reserves	\$80,752.50
Useful Life	4		
Replacement Year	2016	Monthly Assessment	\$871.84
Remaining Life	3	Interest Contribution	<u>\$50.57</u>
		Reserve Allocation	\$922.41

This component is for replacement of all residential building windows, both individual Unit and commons, at the request of the onsite property management. There are 63 mostly fixed pane individual windows of varying sizes, which would likely be replaced by aluminum/wood clad, such as Jeld Wen, for a budget of approximately \$73,000. Also included are the "storefront" aluminum clad windows enclosing the balconies, of which there are 34 units. Removal of old and installation of new such windows would be approximately \$250,000.

Useful Life is adjusted to permit budgeting process only.

Cost Basis: Architectural Window Specialists (ARC) - RJ Haynes 720-879-7933

Building Components - Total Current Cost	\$401,537
Assigned Reserves	\$90,183
Fully Funded Reserves	\$121,123

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RA Detail Report by Category

Boilers - Replace - 2017

		3 Each	@ \$26,000.00
Asset ID	1009	Asset Cost	\$78,000.00
		Percent Replacement	100%
	Mechanical	Future Cost	\$84,429.71
Placed in Service	October 1972	Assigned Reserves	\$66,053.49
Useful Life	25		
Adjustment	20	Monthly Assessment	\$41.30
Replacement Year	2017	Interest Contribution	<u>\$38.81</u>
Remaining Life	4	Reserve Allocation	\$80.12

Includes the two 3,000,000 BTU Bryan Flexible gas tube boilers for residential heating (Mod#s CL300WWT; S/Ns 38637 and 38638), as well as the Teledyne Laars 1010000 BTU gas fired high altitude hot water boiler (Mod# PW1010IN09K1A, S/N P2091369).

Although the boilers were installed about 40 years ago, they currently remain fully operational, although extremely inefficient, and, according to Joe from All Phase Plumbing, with regular maintenance and repairs, could still function for many years yet. However, once a control unit fails, the boiler is beyond repair and will need to be replaced.

This component provides for eventual replacement of the 3 boilers with 4 wall-mounted 400,000 BTU Triangle Tube high efficiency boilers.

Cost Basis: Joe Curiazza - All Phase Plumbing 970-389-5571

Elevator - Repair - 2015

		1 Each	@ \$75,000.00
Asset ID	1007	Asset Cost	\$75,000.00
		Percent Replacement	100%
	Mechanical	Future Cost	\$78,030.00
Placed in Service	September 2013	Assigned Reserves	\$25,000.00
Useful Life	15		
Adjustment	-12	Monthly Assessment	\$265.57
Replacement Year	2015	Interest Contribution	<u>\$15.64</u>
Remaining Life	2	Reserve Allocation	\$281.21

Includes the Dover 2000lb 5-landing elevator (Mod# 590AG1) and associated power unit (Mod# EP-095-25).

An elevator generally lasts beyond the 30-year scope of this study, provided regular servicing is conducted by a qualified contractor and according to the manufacturer's specifications. Nevertheless, every 10-15 years, major repairs or overhauls can be expected (such as cab refurbishment, valve and cylinder replacements, repairs or replacement of pump motor, hydraulic equipment, power unit, controller, door operator etc). A visual inspection of the cab and the hydraulic pump motor indicates that the elevator appears to be in fair condition, with the last test being conducted on 9/28/12, however, most of the major components of the elevator are more than 30 years old and are likely to require imminent attention, according to Chris Oetting of Thyssen Krupp. Therefore a budget has been created to fund a

Copper Junction
RA Detail Report by Category

Elevator - Repair continued...

"modernization" as suggested by Mr. Oetting. The Placed in Service date has been adjusted to current status.

Cost Basis: Thyssen Krupp - Chris Oetting 970-930-0342

Mechanical - Total Current Cost	\$153,000
Assigned Reserves	\$91,053
Fully Funded Reserves	\$96,067

Copper Junction
RA Detail Report by Category

Detail Report Summary

Total of All Assets

Assigned Reserves	\$182,150.48
Monthly Contribution	\$1,634.45
Monthly Interest	\$112.81
Monthly Allocation	\$1,747.26

Contingency at 3.00%

Assigned Reserves	\$5,633.52
Monthly Contribution	\$50.55
Monthly Interest	\$3.49
Monthly Allocation	\$54.04

Grand Total

Assigned Reserves	\$187,784.00
Monthly Contribution	\$1,685.00
Monthly Interest	\$116.30
Monthly Allocation	\$1,801.29

**Copper Junction
RA Spread Sheet**

Description	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Asphalt - Overlay										
Asphalt - Repair				3,879				4,198		
Boilers - Replace					84,430					
Elevator - Repair			78,030							
Exterior Painting						73,112				
Interior Carpet - Replace										
Interior Painting						7,320				
Interior Staining						4,306				
Roofing - Replace									81,723	
Siding - Repair T 1-11										
Siding - Replace Cedar Lap										
Siding - Stone Repair		2,035					2,247			
Walkways - Concrete Repairs				3,608						
Walkways - Repair			11,686					12,649		
Windows - Replace Residential				342,781						
Year Total:	2,035	89,716	89,716	350,268	101,207	84,738	14,896	4,198	136,088	

**Copper Junction
RA Spread Sheet**

Description	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Asphalt - Overlay			26,627							
Asphalt - Repair		4,545				4,919				5,325
Boilers - Replace										
Elevator - Repair								105,018		
Exterior Painting				85,663						
Interior Carpet - Replace	9,984									
Interior Painting						8,923				
Interior Staining						5,249				
Roofing - Replace										
Siding - Repair T 1-11					20,452					
Siding - Replace Cedar Lap										
Siding - Stone Repair		2,481					2,739			
Walkways - Concrete Repairs				4,398						
Walkways - Repair	13,692				14,820				16,042	
Windows - Replace Residential										
Year Total:	23,675	7,025	26,627	90,061	35,272	19,091	2,739	105,018	16,042	5,325

**Copper Junction
RA Spread Sheet**

Description	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042
Asphalt - Overlay										
Asphalt - Repair				5,764				6,239		138,516
Boilers - Replace										
Elevator - Repair										
Exterior Painting		100,367								117,596
Interior Carpet - Replace						13,437				
Interior Painting						10,877				
Interior Staining						6,398				
Roofing - Replace										
Siding - Repair T 1-11					24,931					
Siding - Replace Cedar Lap									80,784	
Siding - Stone Repair		3,024					3,338			
Walkways - Concrete Repairs				5,361						
Walkways - Repair			17,364							
Windows - Replace Residential							18,796			
Year Total:	103,391	17,364	17,364	11,125	24,931	30,712	22,134	6,239	80,784	256,112