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(970) 927-9845

**Wilson
Building
Consultants
Inc.**

April 19, 1999

Seymour Sievert
First Choice Properties
0402 Park Ave.
Basalt, CO 81621

Re: Replacement study - Centennial Condominiums

Dear Seymour:

As you requested, I've updated my 1/24/95 replacement study of the Centennial Condominiums, in Aspen. The purpose of the study is to estimate major repair and replacement costs of commonly owned property components. This report is intended to identify existing deficiencies, or potential problems, apparent from a visual inspection of the readily accessible areas and systems, excluding latent and concealed defects and deficiencies. No equipment, items or systems were dismantled. This report is not intended to be technically exhaustive, and conclusions reported are objective, professional opinions based on observation and experience. Nor is it intended to be a warranty or guarantee, expressed or implied, of adequacy or performance of structures, systems, or their component parts.

Since the last inspection, the Centennial project has aged four years. It is now 14-years old. Visible wear-and-tear on the buildings and site appears to be no more than normal. Efforts made to mitigate past deficiencies appear to have been effective.

Added eave overhangs appears to have greatly reduced siding degradation from roof drainage. The overhangs must be maintained to remain effective, however. Some tweaking is needed where two overhangs meet, perpendicularly, at interior corners. Walls are water streaked, at the affected corners, from water circumventing the overhangs. These leaks must be eliminated, or the water will cause localized siding distortions. Localized distortion quickly becomes widespread damage as a destructive water-intrusion cycle develops. Distorted siding permits water intrusion, which causes more distortion and permits more water intrusion...

An inspection of the crawl spaces, over the winter, revealed dramatic improvements in perceptible humidity levels, with the installation of a ground cover. Reduced crawl-space humidity typically increases building durability, in general. Excessive drainage from window "weep" holes, at isolated locations, indicates indoor-humidity levels may still be too high in some units. Unvented bathrooms and/or clothes dryers commonly increase indoor-humidity levels, which creates condensation on the windows that ultimately drains out the weep holes and down the siding. As above, this condition

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threatens siding under the windows.

The condition of the asphalt pavement appears to be the most significant current concern. Those portions of pavement that have "alligatored" should be replaced immediately. With further delay there is a risk of increased pavement damage. The substrate might also deteriorate with continued exposure, which will compound repair costs. The remaining pavement should be sealed immediately, and scheduled for replacement within the next two years.

Curbs along the roads and parking areas are also cracked at isolated locations. The cracks range from insignificant to serious. The insignificant cracks can be ignored, but seriously cracked curbs should be replaced. In most cases these curbs are located along the drainage flow, and the cracks have resulted from freeze/thaw damage. Replacing seriously damaged curbs will maintain drainage.

There are also varying degrees of sidewalk damage ranging from minor cracking to differential settling. Sidewalk sections that have settled up to two inches are a trip hazard. The worst of these, along normal circulation routes, should be replaced immediately. Replacement of other cracked sidewalks may be phased, or even delayed indefinitely. Sealing existing cracks will delay the need for replacement.

Failed seals in window panes continues to be widespread. There is no urgency, but some windows should be scheduled for replacement each year.

Other components included on the attached replacement schedule are self-explanatory. Replacement costs of \$81,700 should be anticipated for the current year. Estimated replacement costs for the next 5 years total \$ 804,700. If I may provide additional information, or further evaluate specific conditions, please call. Thank you for the opportunity to provide this service.

Yours Truly,

A handwritten signature in black ink, appearing to read "J. Wilson", written in a cursive style.

James J. Wilson
President

REPLACEMENT COST STUDY WILSON BUILDING CONSULTANTS, INC.

CLIENTS: Centennial Homeowners Association

PROPERTY LOCATION: Centennial Condominiums, Aspen

DATE: April 19, 1999

Component durability estimates are considered average values from established industry standards. The age of components is estimated from their observed condition, and may require adjustment based on actual age.

Cost estimates are based on complete, in-kind replacement of a quality similar to existing components. Replacement of some systems could be phased, but no such alternatives were considered. Cost estimates are based on present costs, and have not been adjusted to reflect future costs.

<u>Component</u>	<u>Estimated Years of Remaining Useful Life</u>	<u>(Durability)</u>	<u>Estimated Replacement Cost</u>
Site Controls/Sensors	2	(10 - 15)	\$ 2,500
Landscaping			
Lawn sprinklers	5	(10 - 15)	20,000
Roads and Parking			
Replace damaged pavement (Teal Ct. and Free Silver Ct.)	2	(10 - 15)	150,000
Curb and Gutter	0	(10 - 15)	54,000
Replace existing damage	25	(40 - Life)	0
Seal	2	(30 - 40)	1,000
Paint (parking stalls)	0	(1 - 3)	5,000
Paint (parking stalls)	0	(1 - 3)	1,000
Walkways			
Replace existing damage	25	(30 - 40)	0
Replace existing damage	0	(30 - 40)	3,500
Retaining Walls			
Replace existing damage	25	(40 - Life)	0
Replace existing damage	5	(40 - Life)	10,000
Roofing			
Lower roofs	15	(20 - Life)	207,000
Lower roofs	5	(20 - Life)	21,000
Exterior Doors			
Replace existing damage (SGDs)	10	(10 - 40)	53,000
Replace existing damage (SGDs)	1	10 - 20)	3,200
Windows			
Replace existing damage	6	(10 - 20)	275,000
Replace existing damage	1	(10 - 20)	15,000
Exterior Paint and Caulk	2	(4 - 6)	<u>189,000</u>
CURRENT YEAR TOTAL			<u>\$ 81,700</u>
5-YEAR TOTAL			<u>\$ 804,700</u>