

*Seymour  
8 pages*The logo for Wilson Building Consultants Inc. features a stylized graphic of three horizontal lines on the left, with a diagonal line extending from the top right of the top line down to the bottom right of the bottom line. The company name is written in a bold, sans-serif font to the right of this graphic.

**Wilson  
Building  
Consultants  
Inc.**

**47 Original Lane  
Basalt, CO 81621  
(303) 927-9845**

January 24, 1995

Mark Erickson  
First Choice Properties  
PO Box 6028  
Snowmass Village, CO 81615

Re: Replacement study - Centennial Condominiums

Dear Mark:

I've concluded a replacement study for the purpose of estimating major repair and replacement costs of commonly owned property components of the Centennial Condominiums, in Aspen, as you requested. The purpose of this report is to identify potential problems, or existing deficiencies, apparent from a visual inspection of the readily accessible areas of the included 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.

The centennial project is 10-years old. During that time, wear-and-tear on the buildings appear to be above normal, primarily due to design deficiencies. Efforts being made to mitigate design problems should be effective. The added overhangs should better protect the exterior walls; and improved attic ventilation, and properly vented clothes dryers should reduce interior humidity levels. Where possible, homeowners, or the homeowners association, should also consider venting bathroom fans to the outside. Another improvement, with a very high cost-benefit ratio was suggested in the replacement schedule - a plastic ground cover.

No instrument readings were taken, but perceptible humidity levels in the

Mr. Mark Erickson  
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crawl spaces remain high. Exterior grades around the buildings are generally inadequate to control perimeter drainage, so it goes under the buildings. It would be impractical to modify exterior grading, but an effective way to control moisture levels, with insufficient crawl-space ventilation, is to apply a vapor barrier to the ground surface. Laying 6-mil, polyethylene (visqueen) plastic over the ground, in the crawl spaces, will prevent most of the ground moisture from affecting the buildings. A tight seal isn't necessary, a 6-inch overlap should be sufficient. Care should also be taken to control errant lawn-sprinkler heads, and to not over water the lawn.

As you probably know, and can see in the "durability" column on the replacement schedule, buildings ranging in age from 10 - 20 years are at the first major threshold of normal deterioration. Systems and equipment which fail (from aging) during this time must be replaced. This threshold is sometimes referred to as "fifteen-year-itis", and should be budgeted.

Window glazing was considered on the replacement schedule. When the seal between insulating glass panes pops, condensation occurs on the cold, exterior, glass pane, and the window loses any insulating value it may have had. Replacing the window unit is sometimes more cost effective than replacing the glass. Homeowners should also expect to begin replacing water heaters, kitchen appliances and possibly electric-baseboard heaters, as they fail in the next few years. These expenses were not included in the study.

Metal roofing is generally very durable. For purposes of the replacement study, it was anticipated that the roofing would have to be replaced once over the assumed 60-year life of the building. In-service conditions for the lower roof panels is somewhat extreme, considering the frequent pounding they receive from snow shed from the upper levels. For this reason, the expected useful life was reduced, and the replacement cost considered independent of the upper roof levels.

The color of the roofing panels may begin to fade, and after twenty years, begin to chip, peel or flake. If this occurs without damage to the roof panels, paint can be field applied. The original, factory paint job is likely warranted for twenty years, but even a good quality, field-applied paint

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can only be expected to last 7 years. Painting is a relatively inexpensive way of extending the useful life of roof that only looks bad.

Substantial snow accumulations and ice damming were observed at a few isolated roof locations. Metal roofing is neither waterproof nor weather-resistant to standing water. Snow-melt cable has evidently been installed in an attempt to reduce the ice damming. Unfortunately, snow-melt cable is difficult to protect from sliding snow on metal roofs and the cables are pulling off. This dilemma appears to be inherent to the design of the roof pitches with no obvious solutions. Snow accumulated against the siding may leak into the exterior walls or affect the condition of the siding; and ice damming may occasionally develop into roof leaks. Until a solution is devised, the conditions will likely be a chronic maintenance problem.

Please find the replacement schedule and invoice for services rendered enclosed. Thank you for the opportunity to provide this service. If I may provide additional information, or evaluate any specific conditions, please call me.

Yours Truly,



James J. Wilson  
President

**REPLACEMENT COST STUDY**  
**WILSON BUILDING CONSULTANTS, INC.**

CLIENTS: Centennial Homeowners Association

PROPERTY: Centennial Condominiums, Aspen

DATE: January 24, 1995

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 in-kind replacement of a quality similar to existing components. No 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 (Durability)</u>		<u>Estimated Replacement Cost</u>
Pavement overlay (Teal Ct. & Free Silver Ct.)	7	(10 - 15)	\$ 278,860
Seal	0	(1 - 3)	8,445
Paint (Parking Stalls)	0	(1 - 3)	725
Walkways	30	(30 - 40)	
Replace existing damage	2	(30 - 40)	5,060
Rebuild retaining wall (212 Teal Ct.)	2	(40 - Life)	5,000
Install plastic ground cover in crawl spaces	0	(30 - 40)	5,474
Roofing	15	(20 - Life)	155,835
Lower roofs	10	(20 - Life)	15,498
Sliding Glass Doors	10	(10 - 20)	39,525
Replace existing damage	1	(10 - 20)	4,650
Windows	10	(10 - 20)	207,900
Replace existing damage	1	(10 - 20)	23,265
Exterior Paint (stain) & Caulk	2	(4 - 6)	142,042
<b>TOTAL</b>			<b><u>\$ 892,279</u></b>

ESTIMATED REPLACEMENT COSTS  
BY  
FIRST CHOICE PROPERTIES & MANAGEMENT, INC.

CLIENT: THE CENTENNIAL OWNERS' ASSOCIATION

DATE: FEBRUARY 1, 1995

First Choice Properties & Management felt that James Wilson, certified building engineer, of Wilson Building Consultants, did an excellent job on the Centennial replacement study, particularly with the thoroughness of his analysis and estimates of useful life.

However, we felt that some of his estimated replacement costs were high. Indeed, if his figures were accurate, additional replacement funding would be necessary. Therefore, we procured actual bids for several of the items on his list, and made reasonable estimates based on our experience for bids which have not yet been received.

Below are the components from the Wilson Replacement Study with First Choice Properties' estimated replacement costs:

<u>COMPONENT</u>	<u>REMAINING USEFUL LIFE</u>	<u>ESTIMATED REPLACEMENT COST</u>
Pavement overlay (includes stripe painting)	7	\$61,000
Seal (much more complete job than replacement study)	0	34,300
Walkway repair	2	5,060
Rebuild retaining wall	2	5,000
Install plastic ground cover	0	5,474
Roofing (we don't think we'll to do anything but paint)	15	N/A
Sliding glass doors	10	N/A
Windows	10	N/A
Exterior painting & staining (\$11,000 per building X 7 = \$77,000 --> twice in 10 yrs.)	2	<u>154,000</u>
TOTAL		\$264,834 =====

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WILSON BUILDING CONSULTANTS, INC.**

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PROPERTY: Centennial Condominiums, Aspen

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Seal	0	(1 - 3)	8,445	<del>10,000</del>
Paint (Parking Stalls)	0	(1 - 3)	725	<del>10,000</del> 34,330
Walkways	30	(30 - 40)		Included in paving bid.
Replace existing damage	2	(30 - 40)	5,060	OK
Rebuild retaining wall (212 Teal Ct.)	2	(40 - Life)	5,000	OK
Install plastic ground cover in crawl spaces	0	(30 - 40)	5,474	OK
Roofing	15	(20 - Life)	155,835	
Lower roofs	10	(20 - Life)	15,498	> Don't think we will have to do anything but paint
Sliding Glass Doors	10	(10 - 20)	39,525	
Replace existing damage	1	(10 - 20)	4,650	N/A.
Windows	10	(10 - 20)	207,900	
Replace existing damage	1	(10 - 20)	23,265	> N/A.
Exterior Paint (stain) & Caulk	2	(4 - 6)	142,042	10,000 Per Bid. 7 Bids.
<b>TOTAL</b>			<u>\$ 892,279</u>	

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BY  
FIRST CHOICE PROPERTIES & MANAGEMENT, INC.**

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<b>TOTAL</b>		<b>\$264,834</b> =====

*1997*

*CAPTION ON THESE \$*  
*H & H*  
*D. VANCE*  
*CIRROS*  
*DR. HADDOY*  
*PLASTER*  
*ASPH. PAINT WORKS*