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FACILITY RESERVE STUDY

ASSESSMENT

CITY OF GOLETA
130 Cremona Drive, Suite B
Goleta, California 93117
Robert Morgenstern

FACILITY RESERVE STUDY
of
CORPORATION YARD

6735 Hollister Avenue
Goleta, California 93117

PREPARED BY:

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EMG Project #: 92184.10R-007.052
Date of Report: September 7, 2010
On site Date: August 9, 2010

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Immediate Repairs Report
Corporation Yard
9/7/2010

Report Section	ID	Cost Description	Quantity	Unit	Unit Cost	Subtotal	Deficiency Repair Estimate *
5.3	51978	Concrete drainage swale, add at paving	75	LF	$31.26	$2,345	**$2,345**
Immediate Repairs Total							**$2,345**

* Location Factor (1.0) included in totals.

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Replacement Reserves Report
Corporation Yard
9/7/2010

Report Section	ID	Cost Description	Lifespan (EUL)	Observed Age (EAge)	Remaining Life (RUL)	Quantity	Unit	Unit Cost	Subtotal	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	Deficiency Repair Estimate
3.2	51443	ADA - Install signage indicating Van Accessible Parking, wall mounted	15	0	15	1	Sign	$73.57	$74																$74					**$74**
5.2	51445	Repair and seal coat asphalt (up to 10000 SF)	5	3	2	6300	SF	$0.50	$3,150			$3,150					$3,150					$3,150					$3,150			**$12,600**
5.3	51978	Concrete drainage swale, add at paving	0	0	0	75	LF	$31.26	$2,345	$2,345																				**$2,345**
7.1	51441	Replace Unitary Space Heater, 25 to 50 MBH	20	3	17	2	EA	$1,500.00	$3,000																		$3,000			**$3,000**
7.1	51453	Fan coil unit 3 ton, replace	20	3	17	1	EA	$1,514.00	$1,514																		$1,514			**$1,514**
7.1	51437	Heat pump air to air 3-ton	20	3	17	1	EA	$4,130.00	$4,130																		$4,130			**$4,130**
8.1	51979	Replace carpet - standard commercial	8	3	5	120	SY	$50.18	$6,022						$6,022								$6,022							**$12,043**
Totals, Unescalated										**$2,345**	**$0**	**$3,150**	**$0**	**$0**	**$6,022**	**$0**	**$3,150**	**$0**	**$0**	**$0**	**$0**	**$3,150**	**$6,022**	**$0**	**$74**	**$0**	**$11,794**	**$0**	**$0**	**$35,705**
Location Factor (1.00)										**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**
Totals, Escalated (3.0%, compounded annually)										**$2,345**	**$0**	**$3,342**	**$0**	**$0**	**$6,981**	**$0**	**$3,874**	**$0**	**$0**	**$0**	**$0**	**$4,491**	**$8,843**	**$0**	**$115**	**$0**	**$19,494**	**$0**	**$0**	**$49,483**

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CERTIFICATION

The City of Goleta retained EMG to perform this Facility Reserve Study (FRS) in connection with developing a Capital Expenditures Budget for the Corporation Yard, 6735 Hollister Avenue, Goleta, California, the "Property". It is our understanding that the primary interest of Goleta is to locate and evaluate materials and building system defects that might significantly affect the value of the property and to determine if the present Property has conditions that will have a significant impact on its continued operations.

It is our understanding that EMG will evaluate the Property's building systems and components noting obvious visual defects and evaluating the life cycle of building materials. EMG will develop cost estimates to complete discussed repairs and/or replacements during the evaluation term.

The conclusions and recommendations presented in this report are based on the brief review of the plans and records made available to our Project Manager during the site visit, interviews of available property management personnel and maintenance contractors familiar with the Property, appropriate inquiry of municipal authorities, our Project Manager's walk-through observations during the site visit, and our experience with similar properties.

No testing, exploratory probing, dismantling or operating of equipment or in depth studies were performed unless specifically required under Section 2 of this report. This assessment did not include engineering calculations to determine the adequacy of the Property's original design or existing systems. Although walk-through observations were performed, not all areas were observed (See Section 4.1 for areas observed). There may be defects in the Property, which were in areas not observed or readily accessible, may not have been visible, or were not disclosed by management personnel when questioned. The report describes property conditions at the time that the observations and research were conducted.

This report has been prepared on behalf of and exclusively for the use of the City of Goleta for the purpose stated within Section 2.2 of this report. The report, or any excerpt thereof, shall not be used by any party other than the City of Goleta or for any other purpose than that specifically stated in our agreement or within Section 2 of this report without the express written consent of EMG.

Any reuse or distribution of this report without such consent shall be at the City of Goleta and the recipient's sole risk, without liability to EMG.

Prepared by: Arthur Balourdas, Project Manager

Reviewed by:

Matthew Anderson
Program Manager

1. EXECUTIVE SUMMARY

1.1. PROPERTY INFORMATION AND GENERAL PHYSICAL CONDITION

The property information is summarized in the table below. More detailed descriptions may be found in the various sections of the report and in the Appendices.

Property Information	
Address:	6735 Hollister Avenue, Goleta, California 93117
Year constructed:	Circa 1960, Rehabilitated 2007
City Department:	Public Works
Site area:	2.32 Acres
Gross floor area:	4,000 Square Feet
Number of buildings:	1
Number of stories:	1
Parking type and number of spaces:	7 spaces in open lots.
Building construction:	Metal frame, prefabricated.
Roof construction:	Gabled, corrugated metal.
Exterior Finishes:	Corrugated metal
Heating and/or Air-conditioning:	Split system heat pump in office area, gas-fired space heaters in storage area.
Fire and Life/Safety:	Fire extinguishers, internally illuminated exit signs, battery back-up emergency lighting.
Date of visit:	August 9, 2010
Point of Contact (POC):	Robert Morgenstern
Assessment and Report Prepared by:	Arthur Balourdas
Reviewed by:	Matthew Anderson Program Manager

Generally, the property appears to have been constructed within industry standards in force at the time of construction. The property appears to have been well maintained since it was first occupied and is in good overall condition.

The property has had no major capital improvements.

1.2. SPECIAL ISSUES AND FOLLOW-UP RECOMMENDATIONS

As part of the FRS, a limited assessment of accessible areas of the building was performed to determine the presence of mold, conditions conducive to mold growth, and/or evidence of moisture. Property personnel were interviewed concerning any known or suspected mold, elevated relative humidity, water intrusion, or mildew-like odors. Sampling is not a part of this assessment.

There are no visual indications of the presence of mold growth, conditions conducive to mold growth, or evidence of moisture in representative readily accessible areas of the property.

1.3. OPINIONS OF PROBABLE COST

Cost estimates are attached at the front of this report (following the cover page).

These estimates are based on Invoice or Bid Document/s provided either by the Owner/facility and construction costs developed by construction resources such as *R.S. Means* and *Marshall & Swift,* EMG's experience with past costs for similar properties, city cost indexes, and assumptions regarding future economic conditions.

1.3.1. Methodology

Based upon site observations, research, and judgment, along with referencing Expected Useful Life (EUL) tables from various industry sources, EMG opines as to when a system or component will most probably necessitate replacement. Accurate historical replacement records, if provided, are typically the best source of information. Exposure to the elements, initial quality and installation, extent of use, the quality and amount of preventive maintenance exercised, etc., are all factors that impact the effective age of a system or component. As a result, a system or component may have an effective age that is greater or less than its actual chronological age. The Remaining Useful Life (RUL) of a component or system equals the EUL less its effective age. Projections of Remaining Useful Life (RUL) are based on continued use of the Property similar to the reported past use. Significant changes in tenants and/or usage may affect the service life of some systems or components.

Where quantities could not be derived from an actual take-off, lump sum costs or allowances are used. Estimated costs are based on professional judgment and the probable or actual extent of the observed defect, inclusive of the cost to design, procure, construct and manage the corrections.

1.3.2. Immediate Repairs

Immediate repairs are opinions of probable costs that require immediate action as a result of: (1) material existing or potential unsafe conditions, (2) material building or fire code violations, or (3) conditions that, if not addressed, have the potential to result in, or contribute to, critical element or system failure within one year or will most probably result in a significant escalation of its remedial cost.

1.3.3. Replacement Reserves

Replacement Reserves are for recurring probable expenditures, which are not classified as operation or maintenance expenses. The replacement reserves should be budgeted for in advance on an annual basis. Replacement Reserves are reasonably predictable both in terms of frequency and cost. However, Replacement Reserves may also include components or systems that have an indeterminable life but, nonetheless, have a potential for failure within an estimated time period.

Replacement Reserves exclude systems or components that are estimated to expire after the reserve term and are not considered material to the structural and mechanical integrity of the subject property. Furthermore, systems and components that are not deemed to have a material effect on the use of the Property are also excluded. Costs that are caused by acts of God, accidents, or other occurrences that are typically covered by insurance, rather than reserved for, are also excluded.

Replacement costs are solicited from ownership/property management, EMG's discussions with service companies, manufacturers' representatives, and previous experience in preparing such schedules for other similar facilities. Costs for work performed by the ownership's or property management's maintenance staff are also considered.

EMG's reserve methodology involves identification and quantification of those systems or components requiring capital reserve funds within the assessment period. The assessment period is defined as the effective age plus the reserve term. Additional information concerning system's or component's respective replacement costs (in today's dollars), typical expected useful lives, and remaining useful lives were estimated so that a funding schedule could be prepared. The Replacement Reserves Schedule presupposes that all required remedial work has been performed or that monies for remediation have been budgeted for items defined in the Immediate Repair and Short Term Cost Estimate.

2. PURPOSE AND SCOPE

2.1. PURPOSE

EMG was retained by the client to render an opinion as to the Property's current general physical condition on the day of the site visit.

Based on the observations, interviews and document review outlined below, this report identifies significant deferred maintenance issues, existing deficiencies, and material code violations of record at municipal offices that affect the Property's use. Opinions are rendered as to its structural integrity, building system condition and the Property's overall condition. The report also notes building systems or components that have realized or exceeded their typical expected useful lives.

The physical condition of building components is typically defined as being in one of three categories: Good, Fair, and Poor. For the purposes of this report, the following definitions are used:

Good	=	Satisfactory as-is. Requires only routine maintenance during the assessment period. Repair or replacement may be required due to a system's estimated useful life.
Fair	=	Satisfactory as-is. Repair or replacement is required due to current physical condition and/or estimated remaining useful life.
Poor	=	Immediate repair, replacement, or significant maintenance is required.

2.2. SCOPE

The standard scope of the Facility Reserve Study includes the following:

- Visit the Property to evaluate the general condition of the building and site improvements, review available construction documents in order to familiarize ourselves with, and be able to comment on, the in-place construction systems, life safety, mechanical, electrical, and plumbing systems, and the general built environment.
- Identify those components that are exhibiting deferred maintenance issues and provide cost estimates for Immediate and Replacement Reserves based on observed conditions, maintenance history and industry standard useful life estimates. This will include the review of documented capital improvements completed within the last five-year period and work currently contracted for, if applicable.
- Provide a full description of the Property with descriptions of in-place systems and commentary on observed conditions.
- Provide a general statement of the subject Property's compliance to Title III of the Americans with Disabilities Act. This will not constitute a full ADA survey, but will help identify exposure to issues and the need for further review.
- Perform a limited assessment of accessible areas of the building(s) for the presence of mold, conditions conducive to mold growth, and/or evidence of moisture. EMG will also interview Project personnel regarding the presence of any known or suspected mold, elevated relative humidity, water intrusion, or mildew-like odors. Potentially affected areas will be photographed. Sampling will not be considered in routine assessments.

- List the current utility service providers.
- Review maintenance records and procedures with the in-place maintenance personnel.
- Observe a representative sample of the interior tenant spaces/units, including vacant spaces/units, in order to gain a clear understanding of the property's overall condition. Other areas to be observed include the exterior of the property, the roofs, interior common areas, and mechanical, electrical and elevator equipment rooms.
- Appropriate inquiries of municipal officials regarding the existence of pending unresolved building, zoning or fire code violations on file, and a determination of the current zoning category, flood plain zone, and seismic zone for the Property.
- Provide recommendations for additional studies, if required, with related budgetary information.
- Tenant responsibility for maintenance, repair or replacement of finishes, fixtures, or equipment is not addressed by this scope of services.
- Provide an Executive Summary at the beginning of this report with a Project-At-A-Glance cost estimate as a quick, user-friendly summary of the Property's condition and the assigned costs by category. These costs are tied to the report sections where reference to the issues are clearly defined and expanded.

2.3. PERSONNEL INTERVIEWED

The following personnel from the facility and government agencies were interviewed in the process of conducting the FRS:

Name and Title	Organization	Phone Number
Bob Morgenstern Public Works Manager	City of Goleta	805.968.6769
John Shields Public Works Staff	City of Goleta	805.331.3363
Greg Nordyke Code Enforcement Officer	City of Goleta	805.961.7556
Dave Zanaboni Fire Captain	County of Santa Barbara Fire Department Station #14	805.681.5514

The FRS was performed with the assistance of the city staff members noted above who were cooperative and provided information that appeared to be accurate based upon subsequent site observations. The on site contacts are completely knowledgeable about the subject property and answered most questions posed during the interview process.

2.4. DOCUMENTATION REVIEWED

Prior to the FRS, relevant documentation was requested that could aid in the knowledge of the subject property's physical improvements, extent and type of use, and/or assist in identifying material discrepancies between reported information and observed conditions. The review of submitted documents does not include comment on the accuracy of such documents or their preparation, methodology, or protocol.

Although Appendix E provides a summary of the documents requested or obtained, the following list provides more specific details about some of the documents that were reviewed or obtained during the site visit.

- Tenant improvement construction plans prepared by Subic & Associates, Inc. and dated 5/21/07.

2.5. PRE-SURVEY QUESTIONNAIRE

A Pre-Survey Questionnaire was sent to the POC prior to the site visit. The questionnaire is included in Appendix E. Information obtained from the questionnaire has been used in preparation of this report.

2.6. WEATHER CONDITIONS

Clear, with temperatures in the 70s (°F) and light winds.

3. CODE INFORMATION AND ACCESSIBILITY

3.1. CODE INFORMATION, FLOOD ZONE AND SEISMIC ZONE

According to Greg Nordyke of the City of Goleta Code Enforcement Office, there are no outstanding building code violations on file. The Building Department does not have an annual inspection program. They only inspect new construction, work that requires a building permit, and citizen complaints. A copy of the original Certificate of Occupancy was requested but was not available.

According to Captain Dave Zanaboni of the Santa Barbara County Fire Department, there are no outstanding fire code violations on file.

According to the Flood Insurance Rate Map, published by the Federal Emergency Management Agency (FEMA) and dated September 30, 2005, the property is located in Zone X, defined as areas outside the 500-year flood plain with less than 0.2% annual probability of flooding. Annual Probability of Flooding of Less than one percent.

According to the 1997 Uniform Building Code Seismic Zone Map of the United States, the property is located in Seismic Zone 4, defined as an area of high probability of damaging ground motion.

3.2. ADA ACCESSIBILITY

Generally, Title III of the Americans with Disabilities Act (ADA) prohibits discrimination by entities to access and use of "areas of public accommodations" and "commercial facilities" on the basis of disability. Regardless of its age, these areas and facilities must be maintained and operated to comply with the Americans with Disabilities Act Accessibility Guidelines (ADAAG).

Buildings completed and occupied after January 26, 1992 are required to comply fully with the ADAAG. Existing facilities constructed prior to this date are held to the lesser standard of compliance to the extent allowed by structural feasibility and the financial resources available. As an alternative, a reasonable accommodation pertaining to the deficiency must be made.

During the FRS, a limited visual observation for ADA accessibility compliance was conducted. The scope of the visual observation was limited to those areas set forth in *EMG's Abbreviated Accessibility Checklist* provided in Appendix D of this report. It is understood by the Client that the limited observations described herein does not comprise a full ADA Compliance Survey, and that such a survey is beyond the scope of EMG's undertaking. Only a representative sample of areas was observed and, other than as shown on the Abbreviated Accessibility Checklist, actual measurements were not taken to verify compliance. The scope of the visual observation did not include any areas within tenant spaces.

At a city owned building, the entire building is considered as a public accommodation including the site and all interior areas.

The facility does not appear to be accessible with Title III of the Americans with Disabilities Act. Elements as defined by the ADAAG that are not accessible as stated within the priorities of Title III, are as follows:

- Signage indicating the accessible parking space for vans is not provided.

  Estimated Cost: 1 @ $74 each = ... $74

A full measured ADA Compliance Survey may reveal additional aspects of the property that are not in compliance.

4. EXISTING BUILDING ASSESSMENT

4.1. OCCUPANT TYPES

All 4,000 square feet of the building are occupied by the City of Goleta Public Works Department.

4.2. AREAS NOT OBSERVED

Most of the interior areas were observed in order to gain a clear understanding of the property's overall condition.

All areas of the property were available for observation during the site visit.

5. SITE IMPROVEMENTS

5.1. UTILITIES

The following table identifies the utility suppliers and the condition and adequacy of the services.

Site Utilities		
Utility	**Supplier**	**Condition & Adequacy**
Sanitary sewer	Goleta West Sanitary District	Good
Storm sewer	Goleta Department of Public Works	Good
Domestic water	Goleta Water District	Good
Electric service	Southern California Edison	Good
Natural gas service	The Gas Company	Good

Observations/Comments:

- The utilities appear to be adequate for the property. There are no unique, on site utility systems such as, septic systems, water or waste water treatment plants, or propane gas tanks.
- See Section 7.4 for descriptions and comments regarding the emergency electrical generator.

5.2. PARKING, PAVING, AND SIDEWALKS

Coromar Road, a private road, leads from Hollister Avenue to the property. The parking area is accessed directly from Coromar Road on the west side of the property. The parking areas and loading areas are paved with asphaltic concrete.

Concrete steps with metal handrails lead to the main entrance door. A disabled access ramp with metal handrails leading to the main entrance and a ramp leading to the roll-up doors are constructed of concrete. A concrete apron provides access to the storage yard driveway at the south end of the property.

Based on a physical count, parking is provided for 7 cars. The parking ratio is 1.75 spaces per thousand square feet of floor area. All of the parking stalls are located in an open lot. There is one handicapped-accessible parking stall.

The pavement edges do not have curbing. Surface runoff is directed to the adjacent access road and landscaped areas, which border the paved areas.

Observations/Comments:

- The asphalt pavement is in fair to good condition. There is isolated cracking and surface deterioration. In order to maximize the pavement life, pothole patching, crack sealing, seal coating, and re-striping of the asphalt paving will be required during the assessment period. The cost of this work is included in the Replacement Reserves.
- The concrete pavement, ramps and stair are in good condition. There are no significant signs of cracks or surface deterioration. Routine maintenance will be required during the assessment period.

5.3. DRAINAGE SYSTEMS AND EROSION CONTROL

Storm water from the roof, landscaped areas, and paved areas flows over the surface and into the municipal storm water system.

Observations/Comments:

- There is evidence of storm water runoff from Coromar Road to the west. The condition should be corrected in order to prevent damage to the property. A concrete swale or other structure should be installed along the west side of the parking lot as a continuation of the gutter along the road to redirect storm water down Coromar Road. The cost of this work is included in the Immediate Repairs cost table.
- Otherwise, the storm water system appears to provide adequate runoff capacity. There is no evidence of major ponding or erosion.

5.4. TOPOGRAPHY AND LANDSCAPING

The topography around the building and storage yard are relatively flat. The property slopes moderately down from the east side building and storage yard to the east property line.

The landscaping consists of trees and shrubs. A raised concrete planter is located near the building entrance.

Surrounding properties include medium industrial developments, and the Santa Barbara airport.

Observations/Comments:

- The topography and adjacent uses do not appear to present conditions detrimental to the property.
- The landscape materials are in good condition and will require routine maintenance during the assessment period.

5.5. GENERAL SITE IMPROVEMENTS

Property identification is provided by a monument sign adjacent to Hollister Avenue at Coromar Road and a building-mounted sign.

Exterior building illumination is provided by light fixtures surface-mounted on the exterior walls.

An emergency generator is in an enclosure constructed of chain link fence with vinyl slats which is located at the south end of the building.

A storage yard is located to the south of the building and has a perimeter fence. The fence is constructed of chain link and has rolling metal gates.

Observations/Comments:

- The property identification signs are in good condition. Routine maintenance will be required over the assessment period.
- The fencing and gates are in good condition and will require routine maintenance during the assessment period.

6. BUILDING ARCHITECTURAL AND STRUCTURAL SYSTEMS

6.1. FOUNDATIONS

Based on structures of similar size, configuration, and geographic location, it is assumed that the foundations consist of reinforced concrete slabs-on-grade with integral perimeter footings bearing directly on the soil.

Observations/Comments:

- The foundations and footings could not be directly observed during the site visit. There is no evidence of movement that would indicate excessive settlement.

6.2. SUPERSTRUCTURE

The building has structural steel columns, which support the roof diaphragms. The roof is constructed of metal roofing, which is supported by steel beams and joists.

Observations/Comments:

- The superstructure is exposed in some areas, which allows for limited observation. Walls and floors appear to be plumb, level, and stable. There are no significant signs of deflection or movement.

6.3. ROOFING

The roof is classified as a low-slope gabled roof. The roof is finished with corrugated metal. The roof is insulated with fiberglass batts.

The roof drains over the eaves to sheet metal gutters and downspouts, which discharge to paved and landscaped areas.

There is no attic. The roof structure is exposed in the shop area. A suspended ceiling conceals the roof structure in the office area.

Observations/Comments:

- The roof finish is original. Information regarding roof warranties or bonds were requested but are not available.

- The roof material is in good condition. Routine maintenance will be required during the assessment period.
- There is no evidence of active roof leaks.
- There is no evidence of fire retardant treated plywood (FRT).
- Roof drainage appears to be adequate.

6.4. EXTERIOR WALLS

The building is clad with factory finished corrugated metal siding.

Building sealants (caulking) are located between dissimilar materials, at joints, and around window and door openings.

Observations/Comments:

- The exterior finishes are in good condition and will require routine maintenance during the evaluation period.
- The sealant is flexible, smooth, and in good condition and will require routine maintenance during the assessment period.

6.5. EXTERIOR AND INTERIOR STAIRS

Not applicable. There are no exterior or interior stairs.

6.6. EXTERIOR WINDOWS AND DOORS

The windows are aluminum-framed, single-glazed, sliding units with the exception of two aluminum-framed, single-glazed, jalousie units at the storage room portion at the rear of the building.

The main entrance doors are fully-glazed aluminum doors in aluminum frames. The main entrance doors have pull handles and panic hardware. The storage room door is a partially glazed, painted metal door set in a metal frame. The storage room door has a cylindrical lockset with lever handle hardware.

A total of two overhead doors are located along the west side of the building. The overhead doors are sectional metal doors.

Observations/Comments:

- There is no evidence of window leaks or window condensation. The windows are in good condition and will require routine maintenance during the assessment period.
- The exterior doors and door hardware are in good condition and will require routine maintenance during the assessment period.

- The overhead doors are in good condition and will require routine maintenance during the assessment period.

6.7. PATIO, TERRACE, AND BALCONY

Not applicable. There are no patios, terraces, or balconies.

7. BUILDING MECHANICAL AND PLUMBING SYSTEMS

7.1. BUILDING HEATING, VENTILATING, AND AIR-CONDITIONING (HVAC)

Heating and cooling are provided in the office area by an electric air-to-air split system heat pump. The fan coil unit is concealed above the ceiling of the office area. The heat pump unit is pad-mounted on grade. The type of refrigerant could not be determined but is assumed to be R-22.

Air distribution in the office areas is provided to supply air registers by ducts concealed above the ceilings. Return air grilles are located adjacent to the fan coil units. The heating and cooling system are controlled by local thermostats.

The storage area is heated by two gas-fired space heaters that are suspended from the ceiling. The units are individually controlled by integral thermostats.

Observations/Comments:

- The HVAC equipment in the office areas appears to be in good condition. Based on its estimated Remaining Useful Life (RUL), the heat pump will require replacement during the assessment period. Assuming the use of R-22 refrigerant in the unit, due to the future unavailability of R-22 refrigerant and the incompatibility of the existing fan coil unit with the new refrigerants, the fan coil unit will require replacement at the same time as the condensing unit. The cost of this work is included in the **Replacement Reserves.**
- The space heaters appear to be in good condition. Based on its estimated Remaining Useful Life (RUL), the space heaters will require replacement during the assessment period. The cost of this work is included in the **Replacement Reserves.**

7.2. BUILDING PLUMBING AND DOMESTIC HOT WATER

The plumbing systems include the incoming water service, the cold water piping system, and the sanitary sewer and vent system. The risers and the horizontal distribution piping are copper. The soil and vent systems are ABS.

The water meter is located in a vault adjacent to the public streets.

Domestic hot water is supplied by one 40-gallon electric water heater. The water heater is located in the janitorial closet.

The restrooms have commercial-grade fixtures and accessories including water closets and lavatories.

Observations/Comments:

- The plumbing system appears to be well maintained and in good condition. The water pressure appears to be adequate. The plumbing systems will require routine maintenance during the assessment period.
- The water heater appears to be in good condition. Based on its estimated Remaining Useful Life (RUL), the water heater will require replacement during the assessment period. The cost to replace the water heater is relatively insignificant, and the work can be performed as part of the property management's routine maintenance program. The cost of this work is not included in the cost tables.
- There is no evidence that the property uses polybutylene piping for the domestic water distribution system.

7.3. BUILDING GAS DISTRIBUTION

Gas service is supplied from the gas main on the adjacent access road. The regulator is located along the exterior wall of the building. The gas distribution piping within the building is malleable steel (black iron).

Observations/Comments:

- The pressure and quantity of gas appear to be adequate.
- The gas regulator appears to be in good condition and will require routine maintenance during the assessment period.
- Only limited observation of the gas distribution piping can be made due to hidden conditions. The gas piping appears to be in good condition.

7.4. BUILDING ELECTRICAL

The electrical supply lines run underground and feed the building main panel from the meter at the adjacent property.

The main electrical service size is 100 amp 227/480 volt single-phase three wire alternating current (AC). A step-down transformer is located in the storage area of the building and provides 120/240 volt single-phase three-wire alternating current (AC). Circuit breaker panels are located in the storage area of the building.

A diesel-powered 63.5 KVA emergency electrical generator is located adjacent to the south end of the building. The generator provides back-up power for emergency operations. The fuel tank is an above-ground tank and is attached to the generator.

Observations/Comments:

- The on site electrical systems up to the meter are owned and maintained by the respective utility company.
- The electrical service and capacity appear to be adequate for the property's demands.
- The switchgear, circuit breaker panels, and electrical meters appear to be in good condition and will require routine maintenance during the assessment period. According to the POC the property is not responsible for the maintenance of the electrical system with the exception of interior fixtures.

- The generator is in good condition and is reportedly tested on a regular basis. The generator will require routine maintenance over the assessment period.

7.5. BUILDING ELEVATORS AND CONVEYING SYSTEMS

Not applicable. There are no elevators or conveying systems.

7.6. FIRE PROTECTION AND SECURITY SYSTEMS

The fire protection system consists of fire extinguishers. The fire extinguishers are located throughout the common areas. The nearest fire hydrant is located along the property's access road and is approximately 100 feet from the building.

Common areas and corridors are equipped with battery back-up exit lights, and illuminated exit signs

Observations/Comments:

- The fire extinguishers are serviced annually and appear to be in good condition. The fire extinguishers were serviced and inspected within the last year.
- Exit sign and emergency light replacement is considered to be routine maintenance.

8. INTERIORS

8.1. INTERIOR FINISHES

The following table generally describes the interior finishes in tenant units:

Typical Tenant Unit Finishes			
Room	**Floor**	**Walls**	**Ceiling**
Offices	Carpet	Painted drywall	Suspended T-bar system with acoustical tiles
Restrooms/Locker Rooms	Sheet vinyl	Painted drywall w/FRP wainscot	Painted drywall
Storage Area	Sealed concrete	Painted drywall	None

The interior doors are stained solid-core wood doors set in metal frames. The interior doors have cylindrical locksets with lever handle hardware.

The conference room is equipped with an employee kitchen consisting of plastic laminate cabinets, a refrigerator and stainless steel sink.

Observations/Comments:

- The interior finishes in the building are in good condition. Based on its estimated remaining useful life the carpeting will require replacement later in the evaluation period. The cost of this work is included in the **Replacement Reserves.**
- The walls and ceiling will require painting during the assessment period. Painting is considered routine maintenance. The cost of this work is not included in the cost tables.
- The interior doors and door hardware are in good condition and will require routine maintenance during the assessment period.
- The employee kitchen cabinets are in good condition and will require routine maintenance during the assessment period.

8.2. COMMERCIAL KITCHEN EQUIPMENT

Not applicable. There are no commercial kitchen facilities.

9. ACCESSORY STRUCTURES

Not applicable. There are no accessory structures.

10. APPENDICES

APPENDIX A: Photographic Record
APPENDIX B: Site Plan
APPENDIX C: Supporting Documentation
APPENDIX D: EMG Abbreviated Accessibility Checklist
APPENDIX E: Pre Survey Questionnaire
APPENDIX F: Terminology
APPENDIX G: Resumes for Report Reviewer and Field Observer

APPENDIX A:
PHOTOGRAPHIC RECORD

Draft - For Discussion Purposes Only

EMG

EMG PHOTOGRAPHIC RECORD

Project No.: 92184.10R-007.052 **Project Name: Corporation Yard**

Photo #1:	Front elevation

Photo #2:	Right side elevation

Photo #3:	Rear elevation

Photo #4:	Overview of roof

Photo #5:	Parking and area of runoff from adjacent property

Photo #6:	Accessible parking space

EMG

EMG PHOTOGRAPHIC RECORD

Project No.: 92184.10R-007.052 **Project Name: Corporation Yard**

Photo #7:	Disabled access ramp

Photo #8:	Loading ramp

Photo #9:	Entry to storage area

Photo #10:	Dumpsters

Photo #11:	Storage yard gate

Photo #12:	Pavement condition

Draft - For Discussion Purposes Only

EMG

EMG PHOTOGRAPHIC RECORD

Project No.: 92184.10R-007.052 **Project Name: Corporation Yard**

Photo #13:	Emergency generator

Photo #14:	Open office area and entrance doors

Photo #15:	Conference room

Photo #16:	Employee kitchen

Photo #17:	Bathroom lavatory

Photo #18:	Bathroom toilet

Draft - For Discussion Purposes Only

EMG

EMG PHOTOGRAPHIC RECORD

Project No.: 92184.10R-007.052 **Project Name: Corporation Yard**

Photo #19:	Accessible shower in locker room

Photo #20:	Storage area with gas-fired space heaters

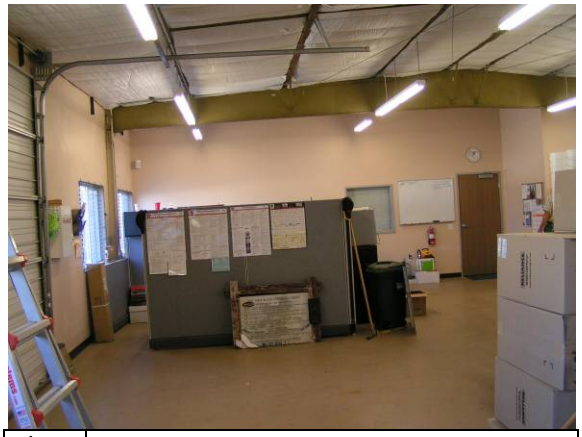

Photo #21:	Storage area

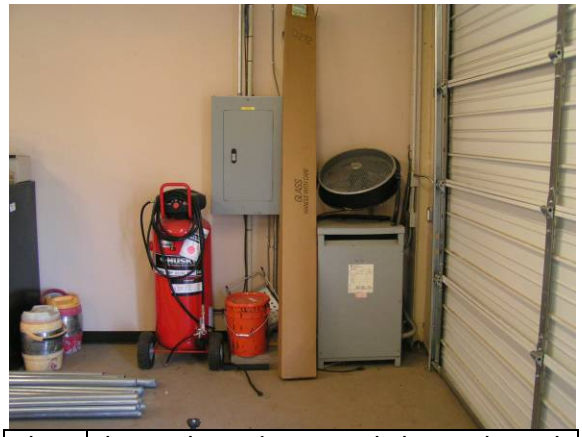

Photo #22:	Electrical transformer and electrical panel

Photo #23:	Exterior heat pump unit

Photo #24:	Domestic water heater

APPENDIX B:
SITE PLAN

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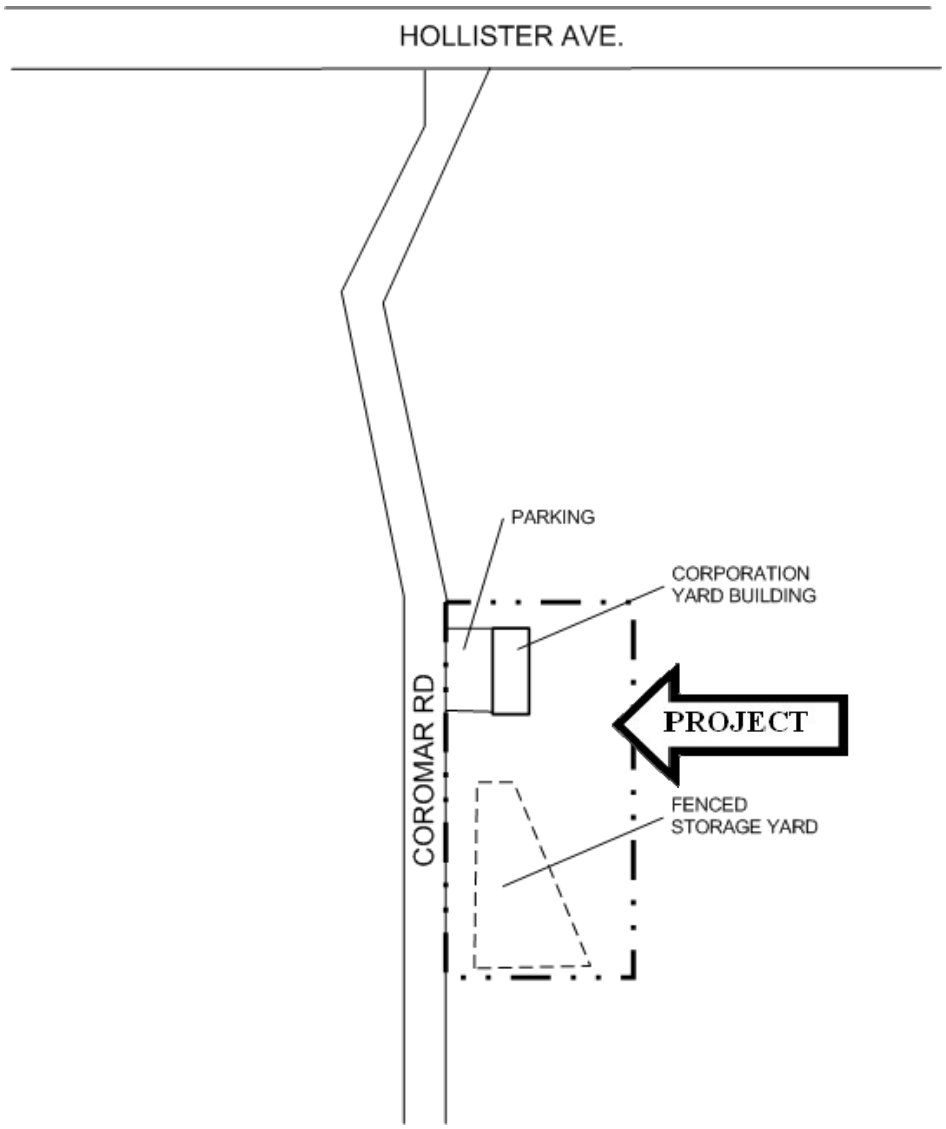
Field Sketch



EMG		**Project Number:** **92184.10R-007.052**
N		**Project Name:** **Corporation Yard**
	Not drawn to scale. The north arrow indicator is an approximation of 0° North.	**On-Site Date:** **August 9, 2010**

APPENDIX C:
SUPPORTING DOCUMENTATION

Flood Map
Assessor's Plat

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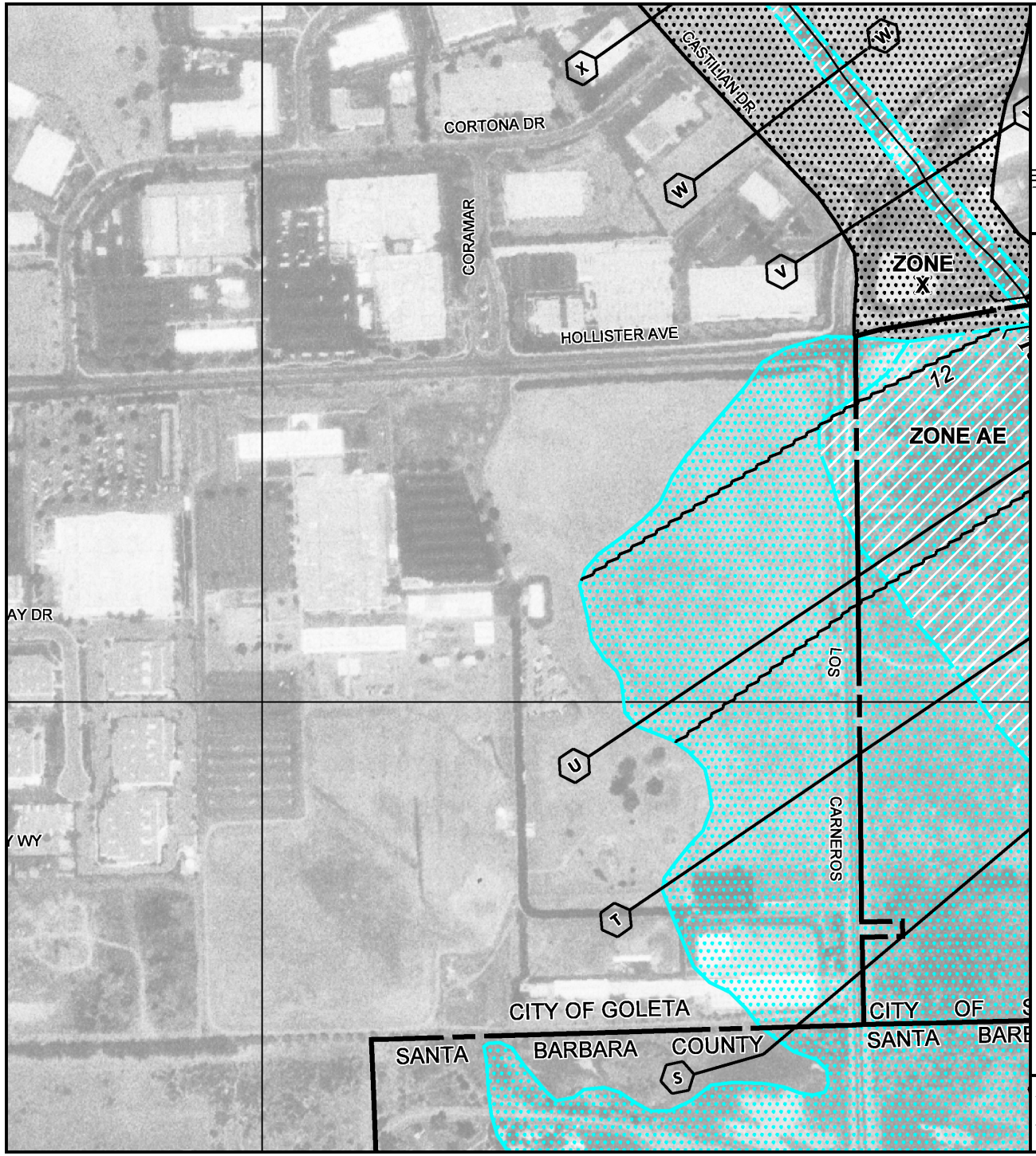

MAP SCALE 1" = 500'

250 0 500 1000 FEET

METE

NFIP

NATIONAL FLOOD INSURANCE PROGRAM

PANEL 1361F

FIRM

FLOOD INSURANCE RATE MAP

SANTA BARBARA COUNTY, CALIFORNIA

AND INCORPORATED AREAS

PANEL 1361 OF 1835

(SEE MAP INDEX FOR FIRM PANEL LAYOUT)

CONTAINS:

COMMUNITY	NUMBER	PANEL	SUFFIX
SANTA BARBARA, CITY OF	060335	1361	F
SANTA BARBARA COUNTY	060331	1361	F
GOLETA, CITY OF	060771	1361	F

Notice to User: The **Map Number** shown below should be used when placing map orders; the **Community Number** shown above should be used on insurance applications for the subject community.

MAP NUMBER
06083C1361F

EFFECTIVE DATE
SEPTEMBER 30, 2005

Federal Emergency Management Agency

This is an official copy of a portion of the above referenced flood map. It was extracted using F-MIT On-Line. This map does not reflect changes or amendments which may have been made subsequent to the date on the title block. For the latest product information about National Flood Insurance Program flood maps check the FEMA Flood Map Store at www.msc.fema.gov

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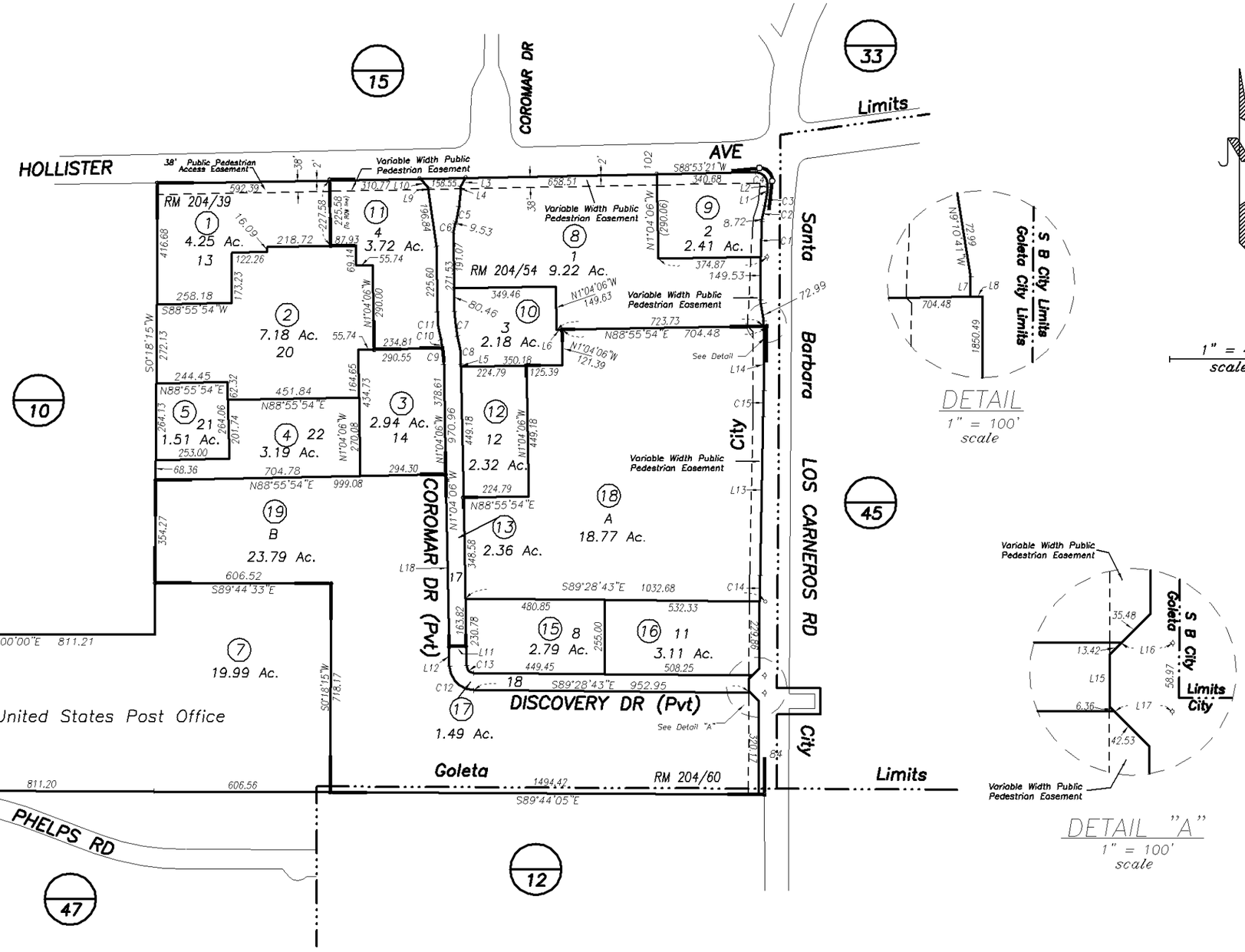
POR. RANCHO LOS DOS PUEBLOS

073–61

LINE TABLE		
NO.	BEARING	DISTANCE
L 1	S3°39'26"W	19.31
L 2	S0°17'03"W	12.05
L 3	S27°55'46"W	38.10
L 4	S1°09'23"E	8.21
L 5	N1°04'06"W	9.38
L 6	S88°55'54"W	19.25
L 7	N0°17'03"E	17.20
L 8	N88°55'54"E	10.50
L 9	N43°09'48"W	44.86
L 10	N01°09'23"E	7.50
L 11	N88°55'54"E	59.00
L 12	S01°04'06"E	66.94
L 13	S01°05'47"W	545.00
L 14	N00°17'03"E	222.80
L 15	S00°16'21"W	44.99
L 16	N89°28'43"W	44.64
L 17	N89°28'43"W	49.64
L 18	S1°04'06"E	592.35

CURVE TABLE		
NO.	RADIUS	LENGTH
C1	2064.50	121.54
C2	172.25	45.66
C3	171.25	45.40
C4	40.00	63.81
C5	333.47	52.86
C6	323.47	30.19
C7	415.00	84.63
C8	479.00	97.81
C9	(420.00)	56.28
C10	420.00	29.48
C11	474.00	96.67
C12	84.00	129.62
C13	25.00	38.58
C14	6350.50	90.02
C15	6349.50	90.01



DETAIL
1" = 100'
scale

1" = 400'
scale

DETAIL "A"
1" = 100'
scale

08/20/2009 R.M. Bk. 204, Pg. 60–63 , Tract 32,041
04/27/2009 R.M. Bk. 204, Pg. 54–57 , Tract 32,035
11/14/2008 R.M. Bk. 204, Pg. 39–42 , Tract 32,034

N O T I C E

Assessor Parcels are for tax assessment purposes only and do not indicate either parcel legality or a valid building site.

City of Goleta
Assessor's Map Bk, 073 –Pg, 61
County of Santa Barbara, Calif.

09/09 6 into 8 thru 13 & 15 thru 19

APPENDIX D:
EMG ABBREVIATED ACCESSIBILITY CHECKLIST

Property Name: Corporation Yard
Date: August 9, 2010
Project Number: 92184.10R-007.052

EMG Abbreviated Accessibility Checklist					
	Building History	**Yes**	**No**	**N/A**	**Comments**
1.	Has the management previously completed an ADA review?		✓		
2.	Have any ADA improvements been made to the property?		✓		
3.	Does a Barrier Removal Plan exist for the property?		✓		
4.	Has the Barrier Removal Plan been reviewed/approved by an arms-length third party such as an engineering firm, architectural firm, building department, other agencies, etc.?			✓	
5.	Has building ownership or management received any ADA related complaints that have not been resolved?		✓		
6.	Is any litigation pending related to ADA issues?		✓		
	Parking	**Yes**	**No**	**N/A**	**Comments**
1.	Are there sufficient parking spaces with respect to the total number of reported spaces?	✓			
2.	Are there sufficient van-accessible parking spaces available (96" wide/ 96" aisle for van)?	✓			
3.	Are accessible spaces marked with the International Symbol of Accessibility? Are there signs reading "Van Accessible" at van spaces?	✓	✓		No "Van Accessible" sign.
4.	Is there at least one accessible route provided within the boundary of the site from public transportation stops, accessible parking spaces, passenger loading zones, if provided, and public streets and sidewalks?	✓			
5.	Do curbs on the accessible route have depressed, ramped curb cuts at drives, paths, and drop-offs?	✓			
6.	Does signage exist directing you to accessible parking and an accessible building entrance?			✓	

	Ramps	Yes	No	N/A	Comments
1.	If there is a ramp from parking to an accessible building entrance, does it meet slope requirements? (1:12)	✓			
2.	Are ramps longer than 6 ft complete with railings on both sides?	✓			
3.	Is the width between railings at least 36 inches?	✓			
4.	Is there a level landing for every 30 ft horizontal length of ramp, at the top and at the bottom of ramps and switchbacks?	✓			
	Entrances/Exits	**Yes**	**No**	**N/A**	**Comments**
1.	Is the main accessible entrance doorway at least 32 inches wide?	✓			
2.	If the main entrance is inaccessible, are there alternate accessible entrances?			✓	
3.	Can the alternate accessible entrance be used independently?			✓	
4.	Is the door hardware easy to operate (lever/push type hardware, no twisting required, and not higher than 48 inches above the floor)?	✓			
5.	Are main entry doors other than revolving door available?	✓			
6.	If there are two main doors in series, is the minimum space between the doors 48 inches plus the width of any door swinging into the space?			✓	
	Paths of Travel	**Yes**	**No**	**N/A**	**Comments**
1.	Is the main path of travel free of obstruction and wide enough for a wheelchair (at least 36 inches wide)?	✓			
2.	Does a visual scan of the main path reveal any obstacles (phones, fountains, etc.) that protrude more than 4 inches into walkways or corridors?		✓		
3.	Are floor surfaces firm, stable, and slip resistant (carpets wheelchair friendly)?	✓			
4.	Is at least one wheelchair-accessible public telephone available?			✓	
5.	Are wheelchair-accessible facilities (toilet rooms, exits, etc.) identified with signage?	✓			
6.	Is there a path of travel that does not require the use of stairs?	✓			

	Paths of Travel	Yes	No	N/A	Comments
7.	If audible fire alarms are present, are visual alarms (strobe light alarms) also installed in all common areas?			✓	
	Elevators	**Yes**	**No**	**N/A**	**Comments**
1.	Do the call buttons have visual signals to indicate when a call is registered and answered?			✓	
2.	Are there visual and audible signals inside cars indicating floor change?			✓	
3.	Are there standard raised and Braille marking on both jambs of each host way entrance?			✓	
4.	Do elevator doors have a reopening device that will stop and reopen a car door if an object or a person obstructs the door?			✓	
5.	Do elevator lobbies have visual and audible indicators of car arrival?			✓	
6.	Does the elevator interior provide sufficient wheelchair turning area (51″ x 68″)?			✓	
7.	Are elevator controls low enough to be reached from a wheelchair (48 inches front approach/54 inches side approach)?			✓	
8.	Are elevator control buttons designated by Braille and by raised standard alphabet characters (mounted to the left of the button)?			✓	
9.	If a two-way emergency communication system is provided within the elevator cab, is it usable without voice communication?			✓	
	Restrooms	**Yes**	**No**	**N/A**	**Comments**
1.	Are common area public restrooms located on an accessible route?	✓			
2.	Are pull handles push/pull or lever type?	✓			
3.	Are there audible and visual fire alarm devices in the toilet rooms?			✓	
4.	Are corridor access doors wheelchair-accessible (at least 32 inches wide)?			✓	
5.	Are public restrooms large enough to accommodate a wheelchair turnaround (60″ turning diameter)?	✓			
6.	In unisex toilet rooms, are there safety alarms with pull cords?			✓	
7.	Are stall doors wheelchair accessible (at least 32″ wide)?			✓	

	Restrooms	Yes	No	N/A	Comments
8.	Are grab bars provided in toilet stalls?	✓			
9.	Are sinks provided with clearance for a wheelchair to roll under (29″ clearance)?	✓			
10.	Are sink handles operable with one hand without grasping, pinching or twisting?	✓			
11.	Are exposed pipes under sink sufficiently insulated against contact?	✓			
12.	Are soap dispensers, towel, etc. reachable (48″ from floor for frontal approach, 54″ for side approach)?	✓			
13.	Is the base of the mirror no more than 40″ from the floor?	✓			

APPENDIX E:
PRE SURVEY QUESTIONNAIRE

Draft - For Discussion Purposes Only

PROPERTY CONDITION ASSESSMENT :PRE-SURVEY QUESTIONNAIRE

This questionnaire must be completed by the property owner, the owner's designated representative, or someone knowledgeable about the subject property. ***The completed form must be presented to EMG's Field Observer on the day of the site visit***. If the form is not completed, EMG's Project Manager will require ***additional time*** during the on-site visit with such a knowledgeable person in order to complete the questionnaire. During the site visit, EMG's Field Observer may ask for details associated with selected questions. This questionnaire will be utilized as an exhibit in EMG's final Property Condition Report.

Name of person completing questionnaire:	**Bob Morgenstern**
Association with property:	**Public Works Manager, City of Goleta**
Length of association with property:	**1 year**
Date Completed:	**August 9, 2010**
Phone Number:	**805-968-6769**
Property Name:	**Corporation Yard**
EMG Project Number:	**9214.10R-007.052**

Directions: Please answer all questions to the best of your knowledge and in good faith. Please provide additional details in the Comments column, or backup documentation for any *Yes* responses.

INSPECTIONS		DATE LAST INSPECTED	LIST ANY OUTSTANDING REPAIRS REQUIRED
1	Elevators	NA	
2	HVAC, Mechanical, Electric, Plumbing	NA	
3	Life-Safety/Fire	NA	
4	Roofs	NA	

QUESTION		RESPONSE
5	List any major capital improvement within the last three years.	Complete interior improvements done in 2007 including parking lot.
6	List any major capital expenditures planned for the next year.	None
7	What is the age of the roof(s)?	Original
8	What building systems (HVAC, roof, interior/exterior finishes, paving, etc.) are the responsibilities of the tenant to maintain and replace?	All maintained by the City.

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Mark the column corresponding to the appropriate response. Please provide additional details in the Comments column, or backup documentation for any *Yes* responses. (**NA** indicates "*Not Applicable*", **Unk** indicates "*Unknown*")

QUESTION		RESPONSE				COMMENTS
		Y	N	Unk	NA	
9	Are there any unresolved building, fire, or zoning code issues?		X			
10	Are there any "down" or unusable units?		X			
11	Are there any problems with erosion, stormwater drainage or areas of paving that do not drain?	X				At northwest corner of property.
12	Is the property served by a private water well?		X			
13	Is the property served by a private septic system or other waste treatment systems?		X			
14	Are there any problems with foundations or structures?		X			
15	Is there any water infiltration in basements or crawl spaces?		X			
16	Are there any wall, or window leaks?		X			
17	Are there any roof leaks?		X			
18	Is the roofing covered by a warranty or bond?		X			
19	Are there any poorly insulated areas?				X	
20	Is Fire Retardant Treated (FRT) plywood used?		X			
21	Is exterior insulation and finish system (EIFS) or a synthetic stucco finish used?		X			
22	Are there any problems with the utilities, such as inadequate capacities?		X			
23	Are there any problems with the landscape irrigation systems?				X	
24	Has a termite/wood boring insect inspection been performed within the last year?				X	
25	Do any of the HVAC systems use R-11, 12, or 22 refrigerants?			X		

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Mark the column corresponding to the appropriate response. Please provide additional details in the Comments column, or backup documentation for any *Yes* responses. (**NA** indicates "*Not Applicable*", **Unk** indicates "*Unknown*")

QUESTION		RESPONSE				COMMENTS
		Y	N	Unk	NA	
26	Has any part of the property ever contained visible suspect mold growth?		X			
27	Is there a mold Operations and Maintenance Plan?		X			
28	Have there been indoor air quality or mold related complaints from tenants?		X			
29	Is polybutylene piping used?		X			
30	Are there any plumbing leaks or water pressure problems?		X			
31	Are there any leaks or pressure problems with natural gas service?		X			
32	Does any part of the electrical system use aluminum wiring?			X		
33	Do Residential units have a less than 60-Amp service?				X	
34	Do Commercial units have less than 200-Amp service?			X		
35	Are there any recalled fire sprinkler heads (Star, GEM, Central, Omega)?				X	
36	Is there any pending litigation concerning the property?		X			
37	Has the management previously completed an ADA review?		X			
38	Have any ADA improvements been made to the property?		X			
39	Does a Barrier Removal Plan exist for the property?		X			
40	Has the Barrier Removal Plan been approved by an arms-length third party?				X	
41	Has building ownership or management received any ADA related complaints?		X			
42	Does elevator equipment require upgrades to meet ADA standards?				X	
43	Are there any problems with exterior lighting?		X			

Draft - For Discussion Purposes Only

Mark the column corresponding to the appropriate response. Please provide additional details in the Comments column, or backup documentation for any *Yes* responses. (**NA** indicates "*Not Applicable*", **Unk** indicates *"Unknown"*)

QUESTION		RESPONSE				COMMENTS
		Y	N	Unk	NA	
44	Are there any other significant issues/hazards with the property?		X			
45	Are there any unresolved construction defects at the property?		X			

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PROPERTY CONDITION ASSESSMENT: DOCUMENT REQUEST

On the day of the site visit, provide EMG's Field Observer access to all of the available documents listed below. Provide copies if possible.

Your timely compliance with this request is greatly appreciated.

- All available construction documents (blueprints) for the original construction of the building or for any tenant improvement work or other recent construction work.
- A site plan, preferably 8 1/2" X 11", which depicts the arrangement of buildings, roads, parking stalls, and other site features.
- For commercial properties, provide a tenant list which identifies the names of each tenant, vacant tenant units, the floor area of each tenant space, and the gross and net leasable area of the building(s).
- For apartment properties, provide a summary of the apartment unit types and apartment unit type quantities, including the floor area of each apartment unit as measured in square feet.
- For hotel or nursing home properties, provide a summary of the room types and room type quantities.
- Copies of Certificates of Occupancy, building permits, fire or health department inspection reports, elevator inspection certificates, roof or HVAC warranties, or any other similar, relevant documents.
- The names of the local utility companies which serve the property, including the water, sewer, electric, gas, and phone companies.
- The company name, phone number, and contact person of all outside vendors who serve the property, such as mechanical contractors, roof contractors, fire sprinkler or fire extinguisher testing contractors, and elevator contractors.
- A summary of recent (over the last 5 years) capital improvement work which describes the scope of the work and the estimated cost of the improvements. Executed contracts or proposals for improvements. Historical costs for repairs, improvements, and replacements.
- Records of system & material ages (roof, MEP, paving, finishes, and furnishings).
- Any brochures or marketing information.
- Appraisal, either current or previously prepared.
- Current occupancy percentage and typical turnover rate records (for commercial and apartment properties).
- Previous reports pertaining to the physical condition of property.
- ADA survey and status of improvements implemented.
- Current / pending litigation related to property condition.

APPENDIX F: TERMINOLOGY

The following are definitions of terms utilized in this report.

TERMINOLOGY	
Actual Knowledge	Information or observations known first hand by EMG.
ADA	The Americans with Disabilities Act
Ancillary Structures	Structures that are not the primary improvements of the Property but which may have been constructed to provide support uses.
Appropriate Inquiry	A requests for information from appropriate entity conducted by a Freedom of Information Letter (FOIL), verbal request, or by written request made either by fax, electronic mail, or mail. A good-faith one time effort conducted to obtain the information in light of the time constraints to deliver the FRS.
ASTM	American Society for Testing and Materials
Base Building	That portion of the building (common area) and its systems that are not typically subject to improvements to suit tenant requirements.
Baseline	A minimum scope level of observation, inquiry, research, documentation review, and cost estimating for conducting a Facility Reserve Study as normally conducted by EMG.
BOMA	Building Owners & Managers Association
Building	Referring to the primary building or buildings on the Property, which are within the scope of the FRS as defined under Section 2.
Building Codes	A compilation of rules adopted by the municipal, county and/or state governments having jurisdiction over the Property that govern the property's design &/or construction of buildings.
Building Department Records	Information concerning the Property's compliance with applicable Building, Fire and Zoning Codes that is readily available for use by EMG within the time frame required for production of the Property Condition Assessment.
Building Systems	Interacting or interdependent components that comprise a building such as structural, roofing, side wall, plumbing, HVAC, water, sanitary sewer and electrical systems.
BUR	Built Up Roof
Client	The entity identified on the cover of this document as the Client.
Commercial Real Estate	Real property used for industrial, retail, office, agricultural, other commercial, medical, or educational purposes, and property used for residential purposes that has more than four (4) residential dwelling units.
Commercial Real Estate Transaction	The transfer of either a mortgage, lease, or deed; the re-financing of a commercial property by an existing mortgagee; or the transferring of an equity interest in commercial property.
Component	A piece of equipment or element in its entirety that is part of a system.
Consultant	The entity or individual that prepares the Facility Reserve Study and that is responsible for the observance of, and reporting on the physical condition of Commercial Property.
Dangerous or Adverse Conditions	Situations which may pose a threat or possible injury to the Project Manager, or those situations which may require the use of special protective clothing, safety equipment, access equipment, or any precautionary measures.
Deferred Maintenance	Deficiencies that result from postponed maintenance, or repairs that have been put off until a later time and that require repair or replacement to an acceptable condition relative to the age of the system or property.
Dismantle	To take apart; disassemble; tear down any component, device or piece of equipment that is bolted, screwed, secured, or fastened by other means.
DWV	Drainage Waste Ventilation

TERMINOLOGY	
EIFS	Exterior Insulation and Finish System
EMS	Energy Management System
Engineering	Analysis or design work requiring extensive formal education, preparation and experience in the use of mathematics, chemistry, physics, and the engineering sciences as provided by a Professional Engineer licensed to practice engineering by any state of the 50 states.
Expected Useful Life (EUL)	The average amount of time in years that a system or component is estimated to function when installed new.
FEMA	Federal Emergency Management Agency
FFHA	Federal Fair Housing Act
Fire Department Records	Information generated or acquired by the Fire Department having jurisdiction over the Property, and that is readily available to EMG within the time frame required for production of the FRS.
FIRM	Flood Insurance Rate Maps
FM	Factory Mutual
FOIA	U.S. Freedom of Information Act (5 USC 552 et seq.)
FOIL	Freedom of Information Letter
FRT	Fire Retardant Treated
FRS	Facility Reserve Study that includes a Property Condition Assessment, the Purpose and Scope of which is defined in Section 2 of this report.
Guide	A series of options or instructions that do not recommend a specific course of action.
His	Referring to either a male or female Project Manager, or individuals interviewed by the Project Manager.
HVAC	Heating, Ventilating & Air-conditioning
IAQ	Indoor Air Quality
Immediate Repairs	Physical deficiencies that require immediate action as a result of: (i) existing or potentially material unsafe conditions, (ii) significant negative conditions impacting tenancy/marketability, (iii) material building code violations, or (iv) poor or deteriorated condition of critical element or system, or (v) a condition that if left "as is", with an extensive delay in addressing same, has the potential to result in or contribute to critical element or system failure within one (1) year.
Interviews	Interrogatory with those knowledgeable about the Property.
Material	Having significant importance or great consequence to the asset's intended use or physical condition.
MEP	Mechanical, Electrical, and Plumbing
NFPA	National Fire Protection Association
Observations	The results of the Project Manager's Walk-through Survey.
Observe	The act of conducting a visual, unaided survey of items, systems or conditions that are readily accessible and easily visible on a given day as a result of the Project Manager's walk-through.
Obvious	That which is plain or evident; a condition that is readily accessible and can be easily seen by the Project Manager as a result of his Walk-through without the removal of materials, moving of chattel, or the aid of any instrument, device, or equipment.
Owner	The entity holding the deed to the Property that is the subject of the FRS.

TERMINOLOGY	
Physical Deficiency	Patent, conspicuous defects, or significant deferred maintenance of the Property's material systems, components, or equipment as observed during the Project Manager's Walk-through Survey. Material systems, components, or equipment that are approaching, have realized, or have exceeded their typical Expected Useful Life (EUL); or, that have exceeded their useful life result of abuse, excessive wear and tear, exposure to the elements, or lack of proper or adequate maintenance. This definition specifically excludes deficiencies that may be remedied with routine maintenance, miscellaneous repairs, normal operating maintenance, and conditions that do not present a material deficiency to the Property.
PML	Probable Maximum Loss
Practically Reviewable	Information that is practically reviewable means that the information is provided by the source in a manner and form that, upon examination, yields information relevant to the property without the need for extraordinary analysis of irrelevant data.
Practice	A definitive procedure for performing one or more specific operations or functions that does not produce a test result.
Primary Improvements	The site and building improvements that are of fundamental importance with respect to the Property.
Project Manager	The individual Professional Engineer or Registered Architect having a general, well rounded knowledge of all pertinent site and building systems and components that conducts the on site visit and walk-through observation.
Property	The site and building improvements, which are specifically within the scope of the FRS to be prepared in accordance with the agreement between the Client and EMG.
Readily Accessible	Those areas of the Property that are promptly made available for observation by the Project Manager without the removal of materials or chattel, or the aid of any instrument, device, or equipment at the time of the Walk-through Survey.
Reasonably Ascertainable	Information that is publicly available, provided to EMG's offices from either its source or an information research/retrieval concern, practically reviewable, and available at a nominal cost for either retrieval, reproduction or forwarding.
Recreational Facilities	Spas, saunas, steam baths, swimming pools, tennis courts, playground equipment, and other exercise, entertainment, or athletic facilities.
Remaining Useful Life (RUL)	The consultant's professional opinion of the number of years before a system or component will require replacement or reconditioning. The estimate is based upon observation, available maintenance records, and accepted EUL's for similar items or systems. Inclement weather, exposure to the elements, demand on the system, quality of installation, extent of use, and the degree and quality of preventive maintenance exercised are all factors that could impact the RUL of a system or component. As a result, a system or component may have an effective age greater or less than its actual age. The RUL may be greater or less than its Expected Useful Life (EUL) less actual age.
Replacement Costs	Costs to replace the system or component "in kind" based on Invoices or Bid Documents provided by the current owner or the client, construction costs developed by construction resources such as *Means* and *Dodge*, EMG's experience with past costs for similar properties, or the current owner's historical incurred costs.
Replacement Reserves	Major recurring probable expenditures, which are neither commonly classified as an operation or maintenance expense. Replacement Reserves are reasonably predictable both in terms of frequency and cost. However, they may also include components or systems that have an indeterminable life but nonetheless have a potential liability for failure within the reserve term.

TERMINOLOGY	
RTU	Rooftop Unit
RUL	Remaining Useful Life (See definition)
Shut-Down	Equipment or systems that are not operating at the time of the Project Manager's Walk-through Survey. Equipment or systems may be considered shutdown if it is not in operation as a result of seasonal temperatures.
Significant	Important, material, and/or serious.
Site Visit	The visit to the property by EMG's Project Manager including walk-through visual observations of the Property, interviews of available project personnel and tenants (if appropriate), review of available documents and interviews of available municipal personnel at municipal offices, all in accordance with the agreement for the Property Condition Assessment.
Specialty Consultants	Practitioners in the fields of engineering, architecture; or, building system mechanics, specialized service personnel or other specialized individuals that have experience in the maintenance and repair of a particular building component, equipment, or system that have acquired detailed, specialized knowledge in the design, assessment, operation, repair, or installation of the particular component, equipment, or system.
Structural Component	A component of the building, which supports non-variable forces or weights (dead loads) and variable forces or weights (live loads).
Suggested Remedy	A preliminary opinion as to a course of action to remedy or repair a physical deficiency. There may be alternate methods that may be more commensurate with the Client's requirements. Further investigation might make other schemes more appropriate or the suggested remedy unworkable. The suggested remedy may be to conduct further research or testing, or to employee Specialty Consultants to gain a better understanding of the cause, extent of a deficiency (whether observed or highly probable), and the appropriate remedy.
Survey	Observations as the result of a walk-through scan or reconnaissance to obtain information by EMG of the Property's readily accessible and easily visible components or systems.
System	A combination of interacting or interdependent components assembled to carry out one or more functions.
Technically Exhaustive	The use of measurements, instruments, testing, calculations, exploratory probing or discover, and/or other means to discover and/or troubleshoot Physical Deficiencies, develop scientific or Engineering findings, conclusions, and recommendations. Such efforts are not part of this report unless specifically called for under Section 2.2.
Term	Reserve Term: The number of years that Replacement Reserves are projected for as specified in the Replacement Reserves Cost Estimate.
Timely Access	Entry provided to the Project Manager at the time of his site visit.
UST	Underground Storage Tank
Walk-through Survey	The Project Manager's site visit of the Property consisting of his visual reconnaissance and scan of readily accessible and easily visible components and systems. This definition connotes that such a survey should not be considered in depth, and is to be conducted without the aid of special protective clothing, exploratory probing, removal of materials, testing, or the use of special equipment such as ladders, scaffolding, binoculars, moisture meters, air flow meters, or metering/testing equipment or devices of any kind. It is literally the Project Manager's walk of the Property and observations.

APPENDIX G:
RESUMES FOR REPORT REVIEWER AND FIELD OBSERVER

Draft - For Discussion Purposes Only

MATTHEW F. ANDERSON, RA

Program Manager

Education

- Denmark's International Studies Program, Copenhagen Denmark, 1981
- Bachelor of Architecture from California Polytechnic State University, 1982

Project Experience

- ***Hotel Portfolio Purchase, National*** -- Mr. Anderson led the engineering review team during the review of a 21 property hotel purchase. The properties were in locations throughout the eastern part of the country.

- ***Hotel Portfolio Sale*** – Mr. Anderson led the engineering review team during the sale of 32 national and international hotels by one company to multiple buyers. The scope of work was completed in 30 days.

- ***Multi Family Portfolio Purchase*** - Mr. Anderson led the engineering review team during the evaluation of 4 apartment complexes containing over 1,400 units. The evaluations included individual reviews of over 900 apartments. During substantial renovation work after the sale EMG provided construction monitoring for the purchaser.

- ***Office Portfolio Purchase*** - Mr. Anderson led the engineering review team during the evaluation of 45 medical office buildings located throughout the country. After the purchase the reports were modified in accordance with a national lender's guidelines as part of the financing package.

- ***Childcare Facilities –*** Mr. Anderson has provided multiple types of services to various organizations over a number of years. His work has included review of sites prior to purchase to identify deferred maintenance, defense of claims by property owners of leased properties, and corporate training to corporate staff members in ADA assessments.

Industry Tenure

- A/E: 1982
- EMG: July, 1998-2006
  2008 to present

Related Experience

- Multifamily Housing Portfolios
- Instructor at ADA training seminars
- Project Manager Trainer

Industry Experience

- Healthcare
- Hospitality
- Retail
- Multi-Family

Special Skills & Training

- EPA Asbestos Assessor Training. 1999
- Trained in HUD MAP Program process

Active Licenses/Registration

- California Registered Architect since 1985

Regional Location

- Santa Rosa, CA

Draft - For Discussion Purposes Only

ARTHUR M. BALOURDAS

Project Manager

Education

- Master of Architecture, University of Illinois at Chicago, 1982
- BS, Architecture, The Ohio State University, 1980

Project Experience

- ***U.S. Department of Housing and Urban Development (HUD), San Francisco, California –*** Under two consecutive five-year Technical Disciplines contracts with the U.S. Department of Housing and Urban Development (HUD), Mr. Balourdas performed, and managed the performance of, construction monitoring inspections and technical disciplines review of plans, specifications and costs of new and rehabilitation multi-family developments receiving government cash advance grants (Section 202/811) and mortgage insurance (Section 221d). The work was performed for the San Francisco regional office of HUD for projects the states of California, Hawaii and Nevada.
- ***HUD 223f Multi-family Property Condition Assessments, California –*** Mr. Balourdas performed property condition assessments/capital needs assessments for 100's of multi-family units undergoing refinancing utilizing Section 223f government mortgage. Assessments were performed for multiple clients including GMAC, Bank of America, PFC, and others.
- ***Simply Kids Convalescent Hospital, Elk Grove, California–*** As a Project Manager, Mr. Balourdas performed a property condition assessment of this 106 bed convalescent care hospital. He reviewed the condition of the building structure and systems and developed a thorough report. His work helped EMG complete this project on schedule and within the budget.
- ***Hampstead Partners, La Jolla, California –*** As the Director of Architecture and Planning for affordable housing developer Hampstead Partners, Mr. Balourdas was responsible for the preparation and management of rehabilitation plans for numerous multi-family housing project acquisitions and rehabilitations throughout the US. Mr. Balourdas' duties included managing physical due diligence investigations, preparation of conceptual and final rehabilitation plans, acting as the owner's representative during construction and performing construction administration and monitoring for the projects.

Industry Tenure

- A/E: 1980
- EMG: 2010

Related Experience

- Multifamily Housing Condition Assessment reports
- Commercial Condition Assessment reports
- Construction Document Review
- Construction Monitoring and Administration
- Site Planning
- Architectural Design

Industry Experience

- Office
- Industrial
- Housing/Multi-family
- Housing/Subsidized and Affordable Multi-family
- Hospitality
- Retail/Wholesale

Active Licenses/Registration

- California Registered Architect C15734, Maryland Registered Architect 13268, DC Registered Architect ARC 101100, NCARB Certified, 2003
- California State Office of Emergency Services Disaster Damage Assessment Inspector

Special Skills & Training

- Fluent in Greek

Regional Location

- San Diego, CA