# TRANSITION STUDY REPORT
# FINAL

## SAIL LOFTS
### 235 EAST LABONTE STREET
### DILLON, CO

*Prepared for:*

**John Morgan**
**BOLD SOLUTIONS**

*Prepared by: John Cona-PE*

CONA CRITERIUM ENGINEERS

**17565 MUZZLELOADER WAY**
**MONUMENT, CO 80132**

Site Visit October 28th,2020
*Draft- Submitted November 4th,2020*
*Final- submitted 2/24/21*

# TABLE OF CONTENTS



## APPENDICES

## 1.0 INTRODUCTION

John Morgan authorized Criterium-Cona Engineers to conduct a Transition Study for Sail Lofts in Dillon, CO. The development consists of 2 multi-family buildings completed in 2018 and 2020.

Construction on Building 1 (south) was completed in 2018 and is currently occupied. Building 2 (north) is nearing final completion in 2020.

The observations made in this report are from the building exteriors and common area interiors to include the garage, interior hallways, staircases and utility rooms. No roofs were accessed in the scope of this report.

This report should be read in its entirety, including review of all its attached appendices, to fully understand all of the information which has been obtained.

## 2.0 EXECUTIVE SUMMARY

### 1.1 PURPOSE

After a review of the available drawings and condominium documents, an onsite visit on 10/28/20 and discussions with John Morgan, a transition report was prepared.

In addition, as required, common areas requiring some maintenance as well as maintenance suggestions were included. See appendix A

We consider the common areas to be in good condition when compared to other developments of similar age and construction type. Issues identified during the site inspection are included in the body of this report and the enclosed photos.

## 3.0 PURPOSE & SCOPE

### 3.1 PURPOSE

This Transition Study Report has been performed in general accordance with standards outlined.

The purpose of this study is to determine required maintenance requirements and the general condition of all applicable common elements.

### 3.2 SCOPE

Criterium Engineers has reviewed available association development documentation only as it may relate to the transition inspection report.

We performed a detailed visual inspection of the exterior of the buildings, interior common areas and site grounds.

On-site investigations were performed on 10/28/30. The weather was 40 degrees and sunny. There was snow present on grassy areas and roofs of the buildings.

We have interviewed the following.

- John Morgan

## 3.3 STANDARDS OF REFERENCE

For your reference, the following definitions may be helpful:

*Excellent:* Component or system is in "as new" condition, requiring no rehabilitation and should perform in accordance with expected performance.

*Good:* Component or system is sound and performing its function, although it may show signs of normal wear and tear. Some minor rehabilitation work may be required.

*Fair:* Component or system falls into one or more of the following categories: a) Evidence of previous repairs not in compliance with commonly accepted practice, b) Workmanship not in compliance with commonly accepted standards, c) Component or system is obsolete, d) Component or system approaching end of expected performance. Repair or replacement is required to prevent further deterioration or to prolong expected life.

*Poor:* Component or system has either failed or cannot be relied upon to continue performing its original function as a result of having exceeded its expected performance, excessive deferred maintenance, or state of disrepair. Present condition could contribute to or cause the deterioration of other adjoining elements or systems. Repair or replacement is required.

*Adequate:* A component or system is of a capacity that is defined as enough for what is required, sufficient, suitable, and/or conforms to standard construction practices.

All ratings are determined by comparison to other buildings of similar age and construction type. Further, some details of workmanship and materials will be examined more closely in higher quality buildings where such details typically become more relevant.

All directions (left, right), when used, are taken from the viewpoint of an observer facing the building from the West parking lot.

# 4.0 DESCRIPTION

The Sail Lofts community consists of 2 multi-story buildings with 24 units per building. The buildings are 4-story with enclosed garage on the bottom floor.

Labonte Street is located on the east side of the buildings and Main Street is located between the buildings.

The building exteriors are stone veneer, vertical wood- (not lapped) and horizontal lapped composite siding.

The interior garages are concrete slab on grade.

The property has exterior asphalt parking lots with striping.

## 4.1 UTILITY PROVIDERS

| UTILITY | PROVIDER |
|---|---|
| Potable Water & Sewer | Town of Dillon Utilities |
| Storm Water Facilities | Town of Dillon |
| Electricity | Xcel Energy |
| Natural Gas | Xcel Energy |

## 4.2 COMMON COMPONENTS

The following were identified as common components:

- Exterior walls- wood, composite, stone veneer
- Gutters and downspouts on sloped roofs.
- Roof-sloped asphalt shingle or corrugated metal shed roofs.
- Signage- building identification signs and monument.
- Landscaping- irrigated trees, bushes and grass
- Balcony and railings
- Stormwater structures
- Electrical- supply disconnects
- Concrete sidewalks and garage floors
- Garage and storage room overhead door and opener
- Asphalt parking areas
- Exterior lighting over garages, doors, balconies
- Elevator
- Interior carpeting
- Interior ceilings and walls-common hallways
- Interior stairwells
- Garbage enclosure
- Boilers
- Hot water tanks
- Fire control system
- Communications panel
- Garage heaters (Modine) and fans

# 5.0 INSPECTION SUMMARY

The visual inspection performed on 10/28/20 identified the common elements of the Sail Lofts site. Also identified on 10/28/20 were current issues with the property that need to be corrected or maintained to ensure longevity of buildings and the site improvements.

## 6.0 SITE IMPROVEMENTS

### Description-Parking

Site Improvements include the asphalt parking lot, concrete sidewalks and curbing. The asphalt parking lot is striped and asphalt for Building 1 appears to have been installed in 2018. Building 2 parking lot appears to have been installed in 2020.

### 6.1 PARKING SITE IMPROVEMENT MAINTENANCE AND OBSERVATIONS

Asphalt surfaces must be maintained with crack seal and seal coating on a regular basis to increase the longevity.

See Maintenance Schedule for more detail.

Estimated Useful Life (EUL) for a well-maintained asphalt parking lot is 20 years before a cut and overlay is required.

## 7.0 ROOF

### Description

Roofs were not accessed for this inspection. All comments are based on ground-based observations.

Snow fencing and snow guards were observed in multiple locations.

**SLOPED**

The sloped roofs are asphalt shingle currently 0-2 years in age and assumed to be in good condition. Estimated Useful Life (EUL) for the shingle roofs is 20 years.

Soffit inlet vents were observed and no outlet vents were observable due to snow coverage.

Gutters and downspouts were installed on the sloped roofs. The downspouts outlet into underground drains and heat tape was observed.

**SLOPED SHED ROOF**

Shed roofs were built over the storage room, mechanical room, and garage entrances. The roofing material installed on the shed roofs is corrugated metal with an EUL of 25 years.

No roof leaks were disclosed at the time of the inspection.

### 7.1 ROOF MAINTENANCE AND OBSERVATIONS

See Maintenance Schedule

## 8.0 STRUCTURE

### Description

The foundation is assumed to be cast in place concrete footer and foundation stem walls. The garage floor is concrete slab on grade. Central concrete posts support columns were observed in the garage area.

## 8.1 STRUCTURE MAINTENANCE AND OBSERVATIONS

Foundation longevity can be increased by keeping the soil grade sloped away from the foundation. Recommend 6" drop of grade slope every 10ft.
Maintaining gutters and downspouts and all underground drainage inlets will increase the life of the foundation.

# 9.0 UTILITY /PLUMBING SYSTEMS

### Description

Sanitary Sewer lines are Common Elements up to the point where the City of Dillon takes responsibility which is typically close to the property line.

HOT WATER AND HEATING SYSTEM

Boilers are Triangle Tube natural gas fired with 724,000 Btu/hr. output- 2 per building

Hot water tanks- 2 Triangle Tube Smart Tank of unknown size. These tanks store hot water from the boilers.

Expansion Tank- Amptrol AX80V

Primary pumps- Magna 3, secondary pumps Grundfos

# 10.0 ELECTRICAL SYSTEMS

### Description

Electrical systems include the primary transformers, primary disconnects and meters located at exterior panels. XCEL Energy should own and maintain the exterior equipment and clarity on Xcel vs. HOA vs. homeowner electrical system ownership was not investigated in the scope of this report.

Secondary Disconnects located on the garage level in the utility rooms are typically the responsibility of the HOA.

# 11.0 PAINTING AND EXTERIORS

### Description

The exterior walls are stone veneer, vertical wood or horizontal lapped composite siding.

## 11.1 PAINTING AND EXTERIORS MAINTENANCE AND OBSERVATIONS

The exterior of the buildings should be regularly inspected for cracks and gaps in the caulking and repaired as needed.

The stone, mortar and flashing should be checked regularly for deterioration.

Painting/Staining should be performed on the wood and composite on a 7-year recurring schedule.

See maintenance schedule.

STORMWATER- The site has stormwater infrastructure comprised of gutters and downspouts. The stormwater flows into underground piping.

STORMWATER MAINTENANCE AND OBSERVATIONS
Recommend regular observation of the system inlets to ensure no blockage or damage to the system as designed. Downspouts should be maintained to provide proper flow to the system as designed.

See maintenance schedule.

## 12.0 LIMITATIONS

The observations described in this study are valid on the date of the investigation and have been made under the conditions noted in the report. We prepared this study for the exclusive use of Century Communities. Criterium Engineers does not intend any other individual or party to rely upon this study without our express written consent. If another individual or party relies on this study, they shall indemnify and hold Criterium Engineers harmless for any damages, losses, or expenses they may incur as a result of its use.

This study is limited to the visual observations made during our inspections, interviews and a review of available documents.

In the time allowed, and at reasonable cost, we could not obtain and review all documentation from the design, permitting, construction, sales and incorporation and legal records and processes. Also, a visual inspection cannot reveal the condition of concealed items. Therefore, the findings and recommendations in this report may be revised or tempered by factors which we have been unable to consider.

During our inspection we did not remove surface materials, conduct any destructive or invasive testing, move furnishings or equipment, or undertake any digging or excavation. Accordingly, we cannot comment on the condition of systems that we could not see, such as buried structures and utilities, nor are we responsible for conditions that could not be seen or were not within the scope of our services at the time of the investigation. We did not undertake to completely assess the stability of the buildings or the underlying foundation soil since this effort would require excavation and destructive testing. Likewise, this is not a seismic assessment.

We did not observe the following areas:

- Buried or concealed utilities, infrastructure or drainage systems
- Concealed foundations, structural members or systems
- Inaccessible components or appurtenances
- Interiors of mechanical and electrical enclosures.
- Systems which were not operating were not tested
- We closely observed only a representative sample of many components

In general, we cannot render an opinion on unobserved portions of the community.

However, some statements in this report regarding unobserved portions of the community may be based on our experience with similar features, or information from the documentation or from interviews of knowledgeable persons.

This study is not to be considered a warranty of condition, and no warranty is implied.

This study does not address any components under the control of other associations or entities in the wider community, nor by individual unit owners within Observatory Heights.

We did not perform any computations or other engineering analysis as part of this evaluation, nor did we conduct a comprehensive code compliance investigation. This study is not an exhaustive technical evaluation. This reserve study is not intended to be an audit, a quality inspection, a forensic study or a background check of historical records. These tasks would entail a significantly greater scope of service or level of effort than required by statute or described in our proposal of service.

In the summary table in Appendix A, we have provided cost estimates for replacement costs of common areas. These costs are based on our general knowledge of building systems and the contracting and construction industry. We did not obtain competitive quotations or estimates from contractors. Actual costs may vary significantly due to unanticipated circumstances or market fluctuations.

The Appendices are an integral part of this report and must be included in any review.

Information provided by the owner regarding financial, historical, physical, quantitative or other information related to this reserve study has been assumed to be reliable. When possible, the information provided to us was verified.

At this time, Criterium Engineers has no other business involvement with the Developer, Association or Property Manager which could result in actual or perceived conflicts of interest.

## 13.0 CONCLUSION

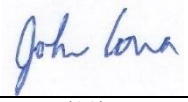
If you have any questions about our study or this report, please feel free to contact us.

We appreciate this opportunity to assist Century Communities in support of the transition process.

Thank you.

**Criterium Cona Engineers**

JOHN CONA



P.E.(CO)

Project Engineer *(Investigating & Reporting)*

# APPENDIX A

## COMMON AREA MAINTENANCE RECOMMENDATIONS

*See Photo Log*

1. **BI-ANNUALLY** – Visual inspection of gutters and down spouts for debris blockage or damage. Check for movement or damage to the outlet that does not correctly deposit water into the stormwater drainage system.
2. **ANNUALLY**- Survey all buildings and repair and seal all exterior gaps in siding, flashing, trim around windows and doors and at all weather barrier penetrations. Seal with the correct commercial grade caulk.
3. **ANNUALLY**- Inspect roofs and roof flashings for any separation or evidence of damage. Seal any cracks or gaps with commercial grade roof sealant and repair any damage.
4. **ANNUALLY-** Boiler and hot water tank inspection along with piping, air hammer tanks and valves.
5. **ANNUALLY-** Fire control system inspection, piping, valves, pumps and electronics.
6. **ANNUALLY-** Elevator inspection controls and mechanicals along with safety devices.
7. **AS NEEDED -** Inspect roofs after all significant wind or hail events
8. **ANNUALLY-** Inspect all stormwater inlets for blockage or excessive vegetation growth. Clean or repair as needed. Check exterior drain at base of stairwells for blockage.
9. **ANNUALLY-**Inspect all landscape features- trees, bushes and grass for damage, pests etc. and correct or replace as needed.
10. **ANNUALLY-** Inspect irrigation system in the spring for damage or line breaks and repair as needed. Typically perform this inspection in the spring.
11. **ANNUALLY-** Inspect and clean dryer vents to prevent buildup and fire hazard.
12. **2 YEAR CYCLE**- Inspect a representative sample of balconies and handrails for damage and handrail stability.
13. **3-YEAR CYCLE -**Inspect asphalt and concrete surfaces for deterioration and repair cracks or replace surfaces as needed.
14. **3-YEAR CYCLE-** Inspect stone veneer, mortar and flashing for damage or separation and repair as needed.
15. **5-YEAR CYCLE**- Insect underground drain pipes for blockage. Remove any observed blockage to ensure adequate flow as designed.
16. **7-YEAR CYCLE**- Paint stucco, trim and lapped siding.

*Note- inspection frequency can be increased based on site conditions or code/regulatory requirements.*

# COMPONENT USEFUL LIFE SUMMARY WITH "BALLPARK" PROJECTED COST

*Note that the costs shown are estimated current costs and are not escalated for inflation. We recommend acquiring firm bids from licensed contractors at the time the repair or replacement is required.*

**DEFINITIONS**

1.Estimated Useful Life- (EUL)
The estimated useful life (EUL) of a component is the predicted service life of that component when first installed.

*2.*Remaining Useful Life (RUL) *Note-RUL life for this report is estimated for building #1*
The remaining useful life (RUL) of a component is the predicted service life of that component observed at the time of the inspection on 9/24/2020.

**COMPONENT SUMMARY**

1. Stone Veneer
    a. $ cost repairs- see maintenance item #14- estimated at $2500 per tuckpoint cycle
    b. EUL- 35 years
    c. RUL- 33 years

2. Vertical wood siding
    a. $ cost repairs – see maintenance item #2- estimated at $1500 annually for spot repairs.
    b. $ cost replacement- over $100,000
    c. EUL- 35 years
    d. RUL- 33 years

3. Lapped composite siding
    a. $ cost repairs – see maintenance item #2- estimated at $2500 annually for caulking and spot repairs.
    b. $ cost replacement- over $150,000
    c. EUL- 40 years
    d. RUL- 38 years

4. Gutters and downspouts on sloped roofs.
    a. $ cost repairs – see maintenance item #1- estimated at $4500 bi-annually for cleaning and spot repairs.
    b. $ cost replacement- $40,000 gutters and down spouts,
    c. EUL- 22 years
    d. RUL- 20 years

5. Roof-sloped asphalt shingle or corrugated metal roofing on shed roofs.
    a. $ cost repairs – see maintenance item #3- estimated at $4500 annually for inspection and spot repairs.
    b. $ cost replacement- $1200 per square estimated- 125 Sq x2=250 SQ over $300,000 total
    c. EUL- 22 years asphalt, 30 years metal
    d. RUL- 20 years asphalt, 28 years metal

6. Signage- building identification signs and monument.
    a. $ cost replacement- $3500
    b. EUL- 15 years
    c. RUL- 13 years

7. Landscaping- irrigated trees, bushes and grass-rainbow controller
    a. $ cost repairs – see maintenance item #7- annual operating costs
    b. $ cost replacement- annual replacement in operating costs

8. Balcony and railings
    a. $ cost repairs – see maintenance item #12- estimated at $3500 for inspection and spot repairs every 2 years.
    b. $ cost replacement- $75,000 plus
    c. EUL- 25 years
    d. RUL- 23 years

9. Stormwater structures- underground drains
    a. $ cost repairs – see maintenance item #8- estimated at $2000 annually for cleaning and spot repairs.
    b. $ cost replacement- replacement of damaged or collapsed structures would include excavation to replace and potential repair to asphalt, concrete and landscaping- estimate $25,000 per occurrence.
    c. EUL- 35 years
    d. RUL- 33 years

10. Electrical- supply disconnects
    a. $ cost replacement- $4000 per unit replaced
    b. EUL- 30 years
    c. RUL- 28 years

11. Concrete sidewalks and garage floors
    a. $ cost repairs – see maintenance item #13- estimated at $5000 for spot repairs every two years. Inspect center grate drain every year in the garage floor and keep clear of obstructions.
    b. $ cost replacement- $125,000
    c. EUL- 30 years
    d. RUL- 28 years

12. Garage and storage room overhead aluminum door and opener-Liftmaster
    a. $ cost repairs – estimated at $4500 for door and opener replacement.
    b. $ cost replacement- $4500
    c. EUL- 15 years
    d. RUL- 13 years- depending on usage level.

13. Asphalt parking lot
    a. $ cost repairs – see maintenance item #13- estimated at $15,000 for crack repair and sealing.
    b. $ cost replacement- est. 18,000 sq. ft. $75,000 cut 3” and overlay.
    c. EUL- 20 years
    d. RUL- 18 years

14. Exterior lights over garages, storage and balconies.
    a. $ cost replacement - $25,000
    b. EUL- 18 years
    c. RUL- 16 years

15. Elevator-Schindler
    a. $ cost repairs – see maintenance item #6- estimated at $5000 annually for inspection and service.
    b. $ cost replacement- $100,000
    c. EUL- 25 years
    d. RUL- 23 years

16. Interior carpeting
    a. $ cost repairs – Operating cost
    b. $ cost replacement- $22,000/building
    c. EUL- 12 years
    d. RUL- 10 years

17. Interior ceilings and walls
    a. $ cost repairs – drywall- smooth or textured – operating cost
    b. EUL- 35 years
    c. RUL- 33 years

18. Garbage Enclosure
    a. $ cost repairs – operating cost
    b. $ cost replacement- $40,000
    c. EUL- 25 years
    d. RUL- 23 years

19. Boilers & hot water tanks
    a. $ cost repairs – see maintenance item #4- estimated at $5000 annually for inspection and service.
    b. $ cost replacement- $100,000
    c. EUL- 35 years boiler, 17 years hot water tank
    d. RUL- 23 years boiler, 15 years hot water tank

20. Fire control system-Honeywell
    a. $ cost repairs – see maintenance item #5- estimated at $3500 annually for inspection and service.
    b. $ cost replacement- $100,000
    c. EUL- 25 years
    d. RUL- 23 years

21. Communications Hardware.
    a. $ cost repairs – operating cost
    b. $ cost replacement- $15,000
    c. EUL- 25 years
    d. RUL- 23 years

22. Garage heaters and fans

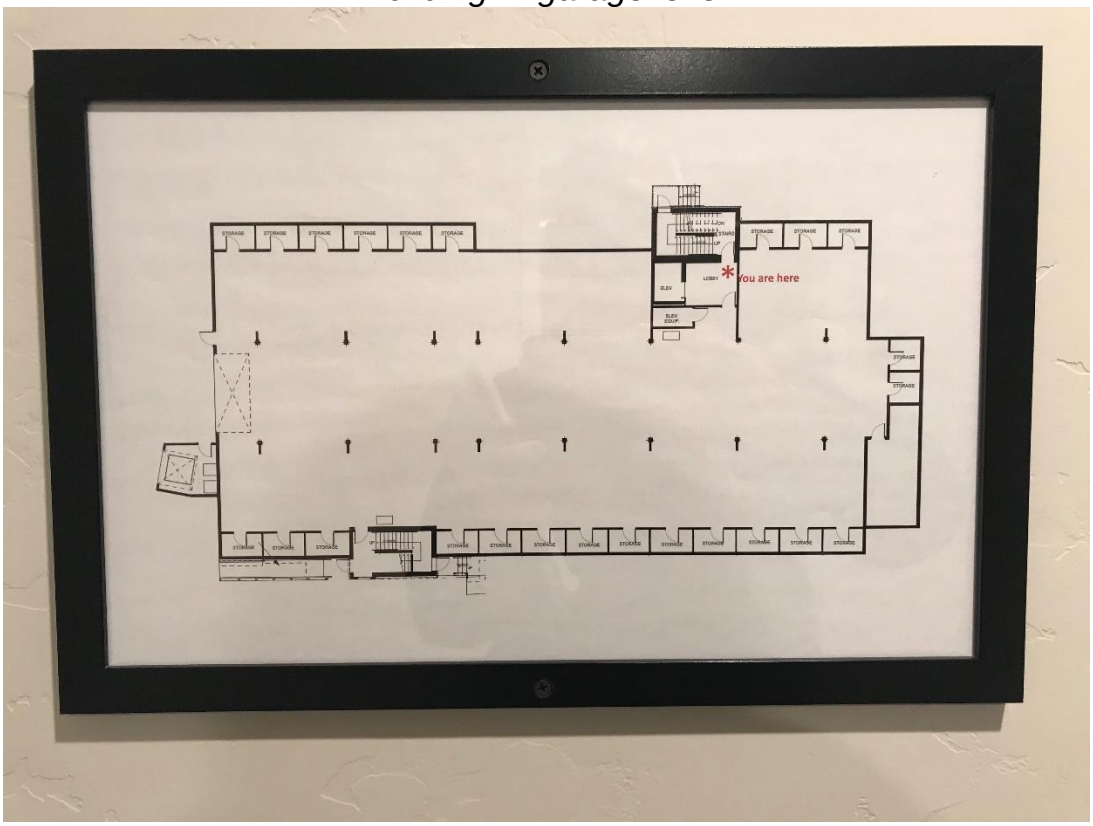
a. $ cost repairs – estimated at $2500 bi-annually for inspection and service.
b. $ cost replacement- $45,000
c. EUL- 25 years
d. RUL- 23 years

## APPENDIX B
## PHOTOGRAPHS

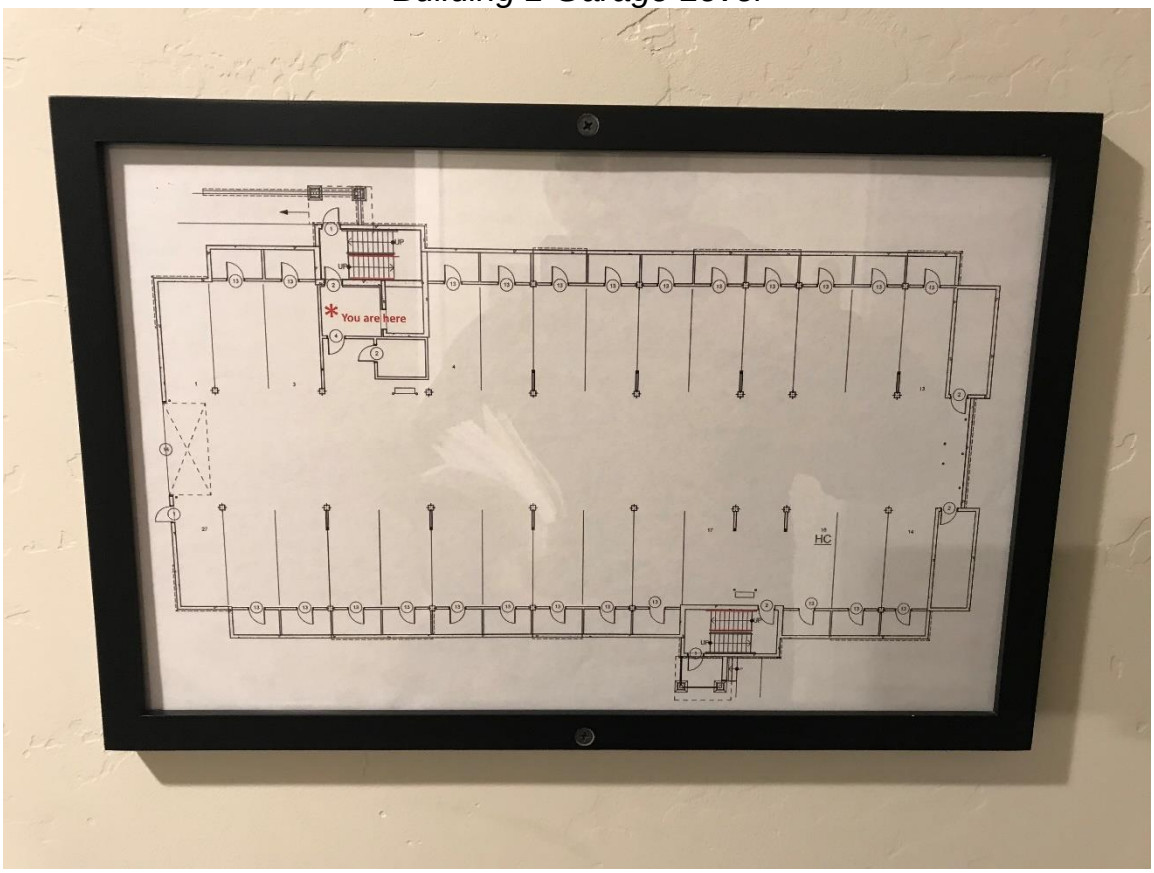
***See Photo Log***

## APPENDIX C MAPS & LAYOUTS

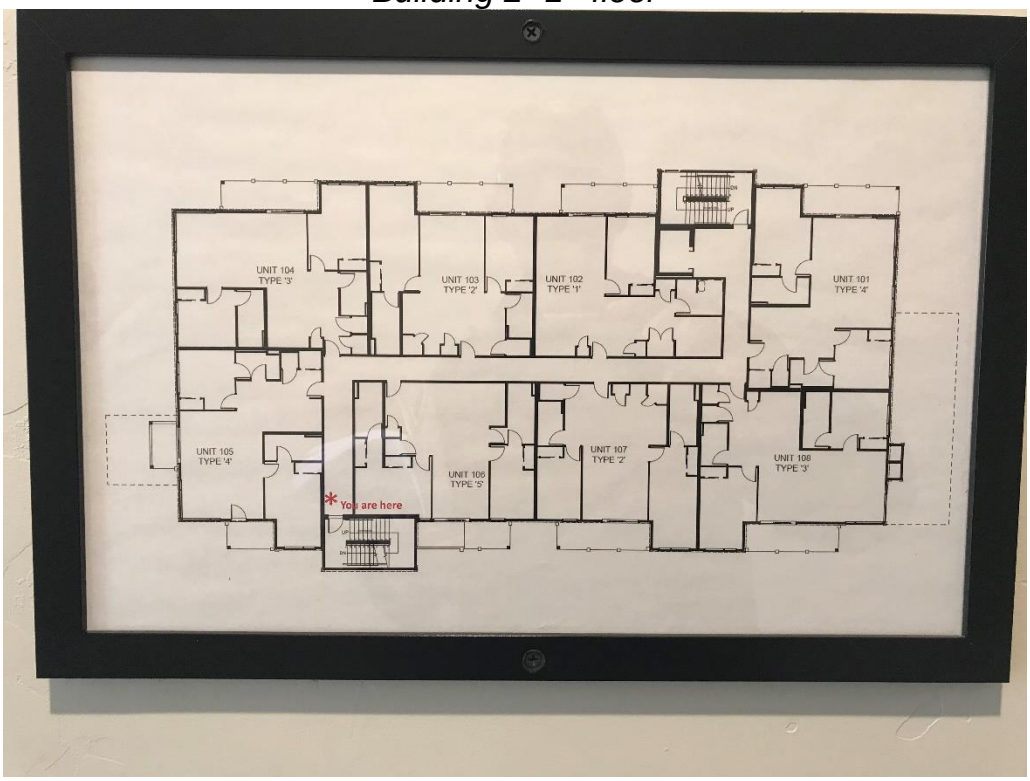
*Building 2- garage level*



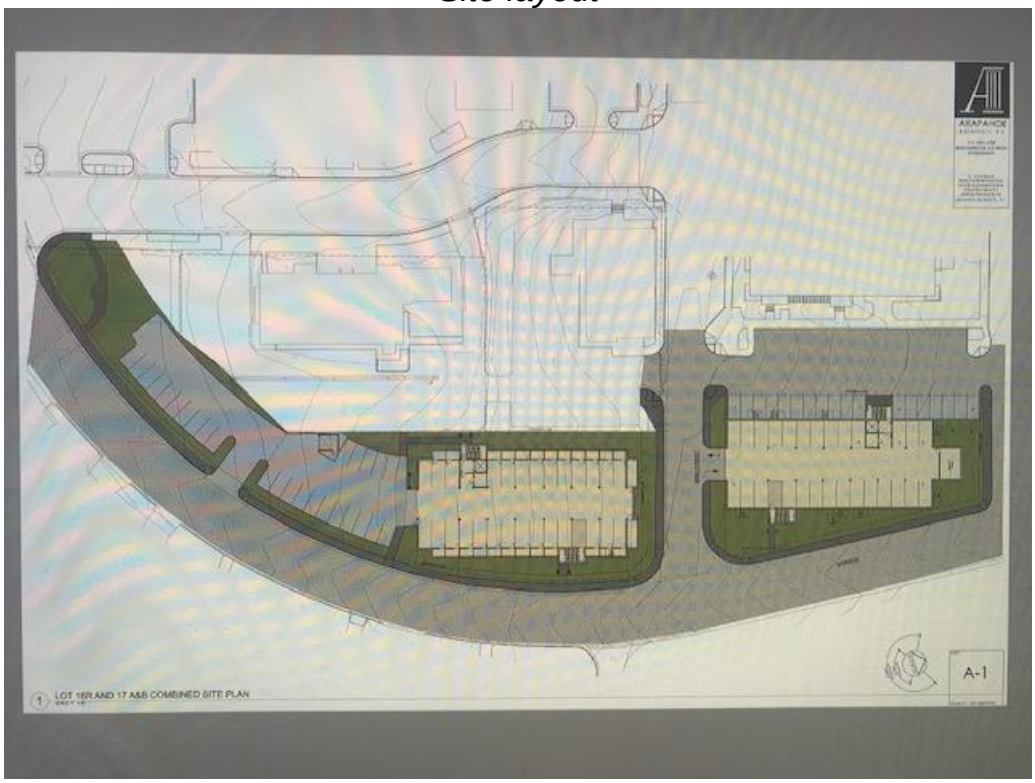

*Building 1 Garage Level*



*Building 2- 1st floor*




*Site layout*



## APPENDIX D
## REFERENCE DOCUMENTS

No Construction Drawings reviewed except for Arapahoe Architects general layout

**APPENDIX E**
**PROFESSIONAL QUALIFICATIONS**

# John Cona- P.E. President Criterium-Cona Engineers

John Cona is a Mechanical Engineer with over 30 years of experience in Engineering related services. Mr. Cona has a wide range of experience in the building materials industry with a broad background of technical and management skills.

**HIS EXPERIENCE INCLUDES**

- Production Management- Plant Manager of fired clay brick and concrete roofing tile manufacturing plants with overall Facility Management responsibility.
- Foundation stabilization design and problem solving to include piering solutions. Includes push piers, helical piers, earth anchors and internal wall bracing.
- Energy management- Energy Engineer responsible for 26 brick manufacturing plant energy audits and experience writing corporate Best Management Practices.
- Varied experience with forensic failure analysis and conflict resolution.
- Budget preparation and management. Capital project- propose, design and build with a strong background in construction quality monitoring.
- Project management- Varied experience up to 10 MM project size with concrete flatwork, foundations and heavy equipment expertise.
- Hundreds of roof inspections as a HAAG certified inspector.
- Foundation water infiltration and drainage analysis.
- Varied experience with Property Condition Assessments, Reserve Studies and Cost Segregation Studies that includes both financial and physical analysis.
- Surface mining expertise with a background evaluating drill logs for soil conditions and associated geology issues.
- Extensive experience involving Safety and Labor considerations involving OSHA and MSHA regulatory agencies.
- Permitting background with air, surface mining, SWPP and storm water management experience.

Mr. Cona has a reputation for seeing both the forest and the trees and calmly assessing a problem and focusing on developing a workable solution.

**EDUCATION AND PROFESSIONAL AFFILIATION**

Southern Illinois University, Carbondale, IL- BS -Thermal & Environmental Engineering
Licensed Professional Engineer- State of Colorado- #0036481 and State of Texas- #79714

**WHY I DO WHAT I DO**

*Building technology is always changing. Every building and every client is different and diagnosing problems requires using good judgment and capitalizing on years of experience.*

jcona@criterium-cona.com- 720-788-6680 17565 Muzzle Loader Way Monument, CO. 80132