Grayson Place at Third Avenue Homeowners Association, Inc.

Third Avenue and Harrison Street Denver, CO 80206

Annual Budget at Build-out with Twenty Year Reserve Study

Study Base Year: 2011 Date Prepared: July 17, 2011

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Grayson Place at Third Avenue Condominium Association, Inc. Annual Budget at Build-out

ALLOCATION PER UNIT 0.00% 0.0000% 16.67%

Item	CATEGORY	PER	PER	PER	PER MONTH	PER YEAR	NOTES
	OPERATING EXPENSE		PARKING UNIT	DWELLING UNIT			
1	Electric Power	\$ -	\$ -	\$ 48.01	\$ 288.00	\$ 3,456.00	1
2	Gas	\$ -	\$ -	\$ 5.00	\$ 30.00	\$ 360.00	2
3	Grounds Maintenance	\$ -	\$ -	\$ 68.07	\$ 408.33	\$ 4,900.00	3
4	Grounds Repair	\$ -	\$ -	\$ 18.06	\$ 108.33	\$ 1,300.00	4
5	Housekeeping	\$ -	\$ -	\$ 33.34	\$ 200.00	\$ 2,400.00	5
6	Trash Removal	\$ -	\$ -	\$ -	\$ -	\$ -	6
7	Water and Sewer	\$ -	\$ -	\$ 11.41	\$ 68.46	\$ 821.47	7
8	Fire Monitoring	\$ -	\$ -	\$ 19.34	\$ 116.00	\$ 1,392.00	8
9	Back Flow Testing	\$ -	\$ -	\$ 7.64	\$ 45.83	\$ 550.00	9
10	Administrative Expense	\$ -	\$ -	\$ 1.00	\$ 6.00	\$ 72.00	10
11	Legal Expense	\$ -	\$ -	\$ 6.95	\$ 41.67	\$ 500.00	11
12	Taxes	\$ -	\$ -	\$ 0.35	\$ 2.08	\$ 25.00	12
13	Audit and Tax Preparation	\$ -	\$ -	\$ -	\$	\$ -	13
14	Insurance Expense	\$ -	\$ -	\$ 59.80	\$ 358.75	\$ 4,305.00	14
15	Late Fee Processing	\$ -	\$ -	\$ -	\$	\$ -	15
16	Miscellaneous	\$ -	\$ -	\$ 16.67	\$ 100.00	\$ 1,200.00	16
17	Management Fee - Total	\$ -	\$ -	\$ 83.35	\$ 500.00	\$ 6,000.00	17
18	Postage	\$ -	\$ -		\$ 2.64		18
19	Building Maintenance	\$ -	\$ -	\$ 44.80	\$ 268.75	\$ 3,225.00	19
	TOTAL OPERATING EXPENSES	\$ -	\$ -	\$ 424.23	\$ 2,544.85	\$ 30,538.15	
	RESERVE EXPENSES						
20	Roof Membrane Replace						20
21	Roof Tile Roof Replace						21
22	Concrete Curb, Gutter, Parking Surfaces, Patio						22
	House Boiler for Laars Pennant Snow Pro ice melt						
23	system						23
	Major Landscape Repair and Replace						24
25	Major Pumping Systems Repair and Replace						25
	Building Exterior Repair						26
	HVAC Units						27
	Exterior Doors						28
	Garage Door			See Rese	erve Plan for Calculati	on Detail	29
	Garage Ventilation						30
	Major Paint Fencing, Gutter, Railings						31
32	Door and Wood Trim Detail Stain						32
							33
	TOTAL DECEDUE EVENUES		*	.	f 400.00	ф <u>года</u> о	
	TOTAL RESERVE EXPENSES	-	-	\$ 82.02			
	TOTAL EXPENSES	-	-	\$ 506.24	\$ 3,036.85	\$ 36,442.15	

Reserves as a percentage of assessment Number of units as basis for budget 16.2% 0 6

MONTHLY UNIT ASSESSMENT: \$ - \$ 506.24

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<u>Grayson Place at Third Avenue Homeowners Association, Inc.</u> <u>Annual Budget at Build-out</u>

	Notes	_
	Notes	-
	Number of Units	6
1	Electric Power Electricity for common areas including, garage, exterior and interior common area lighting. Sump pump 1 and 2, oil and gas separation unit and pump, sewage ejector pump. Snow melt pump 1, 2, 3. Garage Unit heaters 1, 2, 3, 4. Garage exhaust vent 1, 2. Garage overhead door. Landscape fountain pump. Irrigation system. UNIT ELECTRIC BY OWNER.	\$ 3,456.00 \$ 288.00
2	Gas House Boiler for Laars Pennant Snow Pro ice melt system	\$ 360.00 \$ 30.00
3	Grounds Maintenance Landscaped common area in acres: Seasonal contracted maintenance for mow, fertilization, weed, insect, spring-winter prep and pruning Seasonal contracted snow removal	\$ 4,900.00 0.19 \$ 2,800.00 \$ 2,100.00
4	Grounds Repair Sprinklers, mulch, fountain winterization and start-up	\$ 1,300.00
5	Housekeeping Monthly contracted service to clean grounds, garage, stair 1, 2 internal common areas, empty common area trash, pick up loose trash, vacuum carpeting and wipe down surfaces. Yearly carpet cleaning	\$ 2,400.00 \$ 200.00 \$ -
6	Trash Removal Monthly dumpster rental Number of dumpsters required Trash pickup charge - each	\$ - \$ - 0 \$ -
7	Water and Sewer Water is used to irrigate common areas and feed fountain Landscaped common area in acres The weekly per acre irrigation requirement in acre-inches Irrigation season in weeks: Acre-feet required for season Acre-feet to gallons	\$ 821.47 0 0.19 1.25 22 0.435 141,880.96
	Domestic use water BY OWNER Gallons per unit, per day Total domestic use water in gallons	0.00
	Total water use in Gallons Cost of water per 1,000 gallons is Total cost of water	141,880.96 \$ 3.08 \$ 436.99

	Sewer expense Domestic use per unit, per month	\$ 5.34 \$ 384.48
	Total yearly sewer expense	Ф 304.40
8	Fire Monitoring Fire monitoring	\$ 1,392.00
	Monthly monitoring per panel - fire	\$ 21.00
	Monthly telephone cost - 2 lines per panel Number of panels - fire	\$ 60.00
	Annual inspection	\$ 420.00
	Total annual fire	\$ 1,392.00
	Burglar monitoring	
	Monthly monitoring - burglar	
	Number of panels - burglar Total annual	
•		* 550.00
9	Back Flow Testing Number of Back Flow Prevention Valves	\$ 550.00 2
	Cost for annual testing per meter	\$ 275.00
10	Administrative Expense	\$ 72.00
	includes postage, printing, copying and related expense per unit,	
	per month	\$ 1.00
11	Legal Expense	\$ 500.00
	for filings, collections or covenant enforcement and legal opinions required by the Board.	
12	Taxes	\$ 25.00
	State and Federal income tax	
13	Audit and Tax Preparation	\$ -
	Tax preparation is included in Management fee. Add for third party tax preparation and/or audit if required by Board	
14	Insurance Expense	\$ 4,305.00
	Policy premiums for hazard insurance, fidelity, liability, and	
	directors and officers insurance in common areas (per unit)	\$ 717.50
15	Late Fee Processing	\$ -
	Monthly	\$ -
16	Miscellaneous	\$ 1,200.00
	Monthly	\$ 100.00
17	Management Fee - Total	\$ 6,000.00
	Base management fee	\$ 500.00
	Website maintenance	\$ -
	Twenty-year reserve plan Additional management charges	\$ - \$ -
	Additional management enarges	Ψ -
18	Postage	\$ 31.68
	monthly mailings per unit	\$ 0.44

19	Building Maintenance	\$ 3,225.00
	Snow Melt System - Glycol Recharge and inspect	\$ 200.00
	Garage door inspection and repair	\$ 250.00
	Pumping system Sump, Sewage ejection, Glycol	\$ 450.00
	Fire and sprinkler inspection and repair	\$ 350.00
	Roof repair	\$ 600.00
	Building exterior	\$ 600.00
	Lighting maintenance and replace	\$ 100.00
	HVAC - 8 AC units, 3 Garage unit heaters	\$ 425.00
	Garage exhaust vents and louvers inspect and maintain	\$ 250.00
	Garage exhaust vents and louvers inspect and maintain	\$ 250

RESERVE PLAN NOTES

20	Roof Membrane Replace Replace building roof every 30 years. 60 mil single-ply roofing membrane	\$ 28,302.40
	Cost per square foot	\$ 4.90
	Total square feet	5,776
21	Roof Tile Roof Replace	\$ 33,430.50
	Replace standing seam roof every 30 years	
	Cost per square foot	\$ 8.50
	Total square feet	3,933

22 Concrete Curb, Gutter, Parking Surfaces, Patio

23

Reserve plan includes a detailed take off of all concrete surfaces. There is a total of 18,169 square feet of concrete in various configurations. Concrete is expected to fail at a rate of 5% every 7 years due to cracking, Spaulding and heaving. Reserve plan takes into consideration different cost for each type of concrete installed. See assumption detail for additional information. 7,047.30 Driveway and Parking Garage, Stair 1 and 2 11,220 5% Failure 561 Cost per Square ft 4.39 Sub total curb and gutter 2,462.79 Sidewalk and Patio 13,405 5% Failure 670 Cost per square ft 6.84 Sub total curb and gutter 4,584.51 House Boiler for Laars Pennant Snow Pro ice melt system 9,850.00 Boiler rebuild/replace and labor every 15 years

24 Major Landscape Repair and Replace \$ 1,250.00 Allowance for major repairs or replacement of landscaping materials every 5 years

25 Major Pumping Systems Repair and Replace \$ 1,250.00

Allowance for major repair and preventative maintenance every 10 years

26 Building Exterior Repair \$ 5,950.00

Allowance for major repair and replace of building exterior detail and fencing every 10 years

27	HVAC Units Allowance for major repair and replace of AC units. Base cost of \$1,200 per unit for 8 units.	\$ 9,600.00
28	Exterior Doors Allowance to replace exterior doors every 15 years. 6 common area doors - NO UNIT DOORS PENDING CC&R REVIREW.	\$ 3,100.00
29	Garage Door Allowance for major repair and preventative maintenance every 10 years of garage door and opening mechanism.	\$ 1,940.00
30	Garage Ventilation Allowance for major repair and preventative maintenance every 15 years of garage ventilation system.	\$ 1,180.00
31	Major Paint Fencing, Gutter, Railings Allowance for external painting of certain exterior elements every 7 years	\$ 3,250.00
32	Door and Wood Trim Detail Stain	\$ 850.00

Grayson Place at Third Avenue Homeowners Association, Inc.

Twenty Year Reserve Plan - Exhibit A
Provided by: Stillwater Community Management, LLC
Revised: 7/13/2011
Study Type: Full, With-Site-Visit/Off Site Review

		Base		cle]	1	2	3	4	5	6	7	8	9	10	11	12
Component	Cost	Year	Term	Start	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Roof Membrane Replace	28,302	2011	30	2011													
Roof Tile Roof Replace	33,431	2011	30	2011													
Concrete Curb, Gutter, Parking Surfaces,																	
Patio	7,047	2011	7	2011								7,555					
House Boiler for Laars Pennant Snow																	
Pro ice melt system	9,850	2011	15	2011													
Major Landscape Repair and Replace	1,250	2011	5	2011						1,314					1,381		
Major Pumping Systems Repair and																	
Replace	1,250	2011	10	2011											1,381		
Building Exterior Repair	5,950	2011	10	2011											6,573		
HVAC Units	9,600	2011	8	2011									10,395				
Exterior Doors	3,100	2011	15	2011													
Garage Door	1,940	2011	10	2011											2,143		
Garage Ventilation	1,180	2011	15	2011													
Major Paint Fencing, Gutter, Railings	3,250	2011	7	2011								3,484					
Door and Wood Trim Detail Stain	850	2011	4	2011					885				920				958
Total Scheduled Expenditures					-	-	-	-	885	1,314	-	11,039	11,315	-	11,478	-	958
Carryover of previous Year					-	5,934	12,071	18,361	24,807	30,526	35,969	42,877	38,914	34,735	41,930	37,823	45,256
Forecast Interest Earned					30	90	151	215	280	337	392	462	423	381	454	413	488
Added to Reserves					5,904	6,048	6,139	6,231	6,324	6,420	6,516	6,614	6,713	6,814	6,916	7,020	7,125
End of Year Reserve Balance					5,934	12,071	18,361	24,807	30,526	35,969	42,877	38,914	34,735	41,930	37,823	45,256	51,911
Number of Units					6	6	6	6	6	6	6	6	6	6	6	6	6
Monthly Unit Contribution					82.00	84.00	85.26	86.54	87.84	89.16	90.50	91.86	93.24	94.64	96.06	97.50	98.96
Estimated Rate of Inflation					1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%
Estimated Rate of Interest					1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
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Grayson Place at Third Avenue Homeowners As

Twenty Year Reserve Plan - Exhibit A
Provided by: Stillwater Community Management, LLC
Revised: 7/13/2011
Study Type: Full, With-Site-Visit/Off Site Review

	Base		Cycle		13	14	15	16	17	18	19	20	21	22	23	24	25
Component	Cost	Year	Term	Start	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
Roof Membrane Replace	28,302	2011	30	2011													
Roof Tile Roof Replace	33,431	2011	30	2011													
Concrete Curb, Gutter, Parking Surfaces,																	
Patio	7,047	2011	7	2011		8,100							8,685				
House Boiler for Laars Pennant Snow																	
Pro ice melt system	9,850	2011	15	2011			11,436										
Major Landscape Repair and Replace	1,250	2011	5	2011			1,451					1,525					1,603
Major Pumping Systems Repair and																	
Replace	1,250	2011	10	2011								1,525					
Building Exterior Repair	5,950	2011	10	2011								7,260					
HVAC Units	9,600	2011	8	2011				11,257								12,189	
Exterior Doors	3,100	2011	15	2011			3,599										
Garage Door	1,940	2011	10	2011								2,367					
Garage Ventilation	1,180	2011	15	2011			1,370										
Major Paint Fencing, Gutter, Railings	3,250	2011	7	2011		3,736							4,005				
Door and Wood Trim Detail Stain	850	2011	4	2011				997				1,037				1,079	
Total Scheduled Expenditures					-	11,836	17,856	12,254	-	-	-	13,714	12,690	-	-	13,268	1,603
Carryover of previous Year					51,911	59,698	55,836	46,026	41,833	49,965	58,295	66,825	61,846	57,962	66,852	75,956	72,009
Forecast Interest Earned					555	634	596	498	457	539	622	708	659	621	710	802	763
Added to Reserves					7,232	7,340	7,451	7,562	7,676	7,791	7,908	8,027	8,147	8,269	8,393	8,519	8,646
End of Year Reserve Balance					59,698	55,836	46,026	41,833	49,965	58,295	66,825	61,846	57,962	66,852	75,956	72,009	79,816
Number of Units					6	6	6	6	6	6	6	6	6	6	6	6	6
Monthly Unit Contribution					100.44	101.95	103.48	105.03	106.61	108.21	109.83	111.48	113.15	114.85	116.57	118.32	120.09
Estimated Rate of Inflation					1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%
Estimated Rate of Inflation					1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
					1.070	1.070	1.070	1.070	1.070	1.070	1.070	1.070	1.070	1.070	1.070	1.070	1.070
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Grayson Place at Third Avenue Homeowners As

Twenty Year Reserve Plan - Exhibit A
Provided by: Stillwater Community Management, LLC
Revised: 7/13/2011
Study Type: Full, With-Site-Visit/Off Site Review

	Base		Cycle		26	27 28		29 30		31	32	33	34	35	36	37	38
Component	Cost	Year		Start	2037	2038	2039	2040		2042		2044	2045	2046	2047	2048	2049
Roof Membrane Replace	28,302	2011	30	2011					38,147								
Roof Tile Roof Replace	33,431	2011	30	2011		ĺ			45,059								
Concrete Curb, Gutter, Parking Surfaces,																	
Patio	7,047	2011	7	2011			9,311							9,983			
House Boiler for Laars Pennant Snow																	
Pro ice melt system	9,850	2011	15	2011					13,276								
Major Landscape Repair and Replace	1,250	2011	5	2011					1,685					1,771			
Major Pumping Systems Repair and																	
Replace	1,250	2011	10	2011					1,685								
Building Exterior Repair	5,950	2011	10	2011					8,020								
HVAC Units	9,600	2011	8	2011							13,199						
Exterior Doors	3,100	2011	15	2011					4,178								
Garage Door	1,940	2011	10	2011					2,615								
Garage Ventilation	1,180	2011	15	2011					1,590								
Major Paint Fencing, Gutter, Railings	3,250	2011	7	2011			4,294							4,604			
Door and Wood Trim Detail Stain	850	2011	4	2011			1,123				1,169				1,216		
Total Scheduled Expenditures					-	-	14,728	-	116,255	-	14,368	-	-	16,358	1,216	-	-
Carryover of previous Year					79,816	89,434	99,281	94,633	104,802	- 1,044	8,447	3,808	13,635	23,707	17,671	26,868	37,526
Forecast Interest Earned					842	939	1,038	992	1,095	37	132	87	186	287	228	320	428
Added to Reserves					8,776	8,908	9,042	9,177	9,315	9,454	9,596	9,740	9,886	10,035	10,185	10,338	10,493
End of Year Reserve Balance					89,434	99,281	94,633	104,802	- 1,044	8,447	3,808	13,635	23,707	17,671	26,868	37,526	48,446
Number of Units					6	6	6	6	6	6	6	6	6	6	6	6	6
Monthly Unit Contribution					121.89	123.72	125.58	127.46	129.37	131.31	133.28	135.28	137.31	139.37	141.46	143.58	145.73
Estimated Rate of Inflation					1.5%	1.5%	1.5%	1.5%		1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%
Estimated Rate of Interest					1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
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