



In the life of every building comes that 30 year mark where much stuff comes due for renewal.

Big, complex maintenance projects – the kind you only have to do every 30-40 years. Roofs, paint (again,) doors and windows, breezeways, scuppers and gutters - and in our case, the 30-year old (formerly) waterproof membranes lying underneath our plaza decks and raised planter beds.

Fifteen membranes (if you don't count the interior planter boxes!) Some of it is big ticket stuff. And not necessarily convenient to have done while you're living there - as Sequoia folks know all too well. In 2017 their planter boxes were demolished in order to renew two of those fifteen membranes.

The Quintet's build date was 1991-1992. Our buildings and the infrastructure that provides electrical, plumbing and waste removal - are all at that 30 year mark.

This is a moment all condos are confronted with, when

faced with these once-every-thirty-years repairs - to learn just how much money has been saved to do them.

Thousands of condos built during the 1980's and 1990's are now facing the consequences of how well previous owners did - or did not – recognize the need, and save for, this 30 year moment in time. Many have been disappointed – and now the work is coming due.

The fact that our Reserves account is funded at 13% of “Fully Funded” is a prime indicator that we have, to some extent, fallen into the same trap. When the new maintenance recommendations are added, we fall to 6% PFF.

Not a good financial metric for an HOA. It's not beyond fixing, but it's time to fix it.

And in the way of condos everywhere, the current owners are handed the bill.

Here are a few of the projects the Reserves Committee is wrestling with.....

Consider the beauty of our ***sloped, tiled roofs.***

Those glazed, cement tiles are expected to last up to 50 years without requiring much maintenance.

RDH Building Sciences, after their visual inspection

of these roofs last October, says we should be prepared to replace them at the 40 year point – 10 years from now, not 20 (as we're saving for.)

Roofs are kind of important parts of the building, especially for those on the fifth floor. So - how well have we saved for this particular project?

Oops. Not all that well, actually.

Our annual Reserves contributions for this component (asset I.D. #1004, on page 57 of our 2021 Reserves Study) provides for the replacement of just 25% of these tiles at their expected 50 year end of life. RDH just told us - expect to do it sooner. 75% of this major roofing project is *unfunded.*

And far beyond the HOA's control, the latest cost estimate (\$1.95 million) has sky-rocketed far beyond the figure used in planning - \$400,000.

Bottom line? We're saving so as to have just \$100,000 set aside for this work in 2042. This maintenance project appears to be underfunded by a cool \$1.85 million.

We can explore other options - replace the concrete tiles with solar

panels? Charge our vehicles while keeping the beer cold?

Or go cheap and re-roof with asphalt shingles? What *other* as-yet unimagined options might be out there?

Painting to some degree has suffered from a lack of long-term planning. For instance, we haven't saved to strip and re-coat the floors of our breezeways. Or repair their ceilings and soffits.

The HOA years ago made the decision our in-house staff could handle it, so it hasn't been a funded component in the Reserve Study.

Now, at the 30 year point, these corridors all need to be stripped and recoated with better water-proofing and safer non-skid. Re-sloped in areas to better direct rainwater toward the drains.

Standing water and poor traction are a potential safety hazard, and - made worse by that standing water - the original waterproof floor coating is leaking, with water seeping through the hollow-core concrete floor and damaging the steel studs and ceilings in the corridor below. It's becoming a more frequent repair issue in multiple buildings.

At this point, it's far beyond the capability of our in-house maintenance staff.

At \$129,000 per building, that's a \$645,000 project – 100% not funded.

Curbs and sidewalks

Our 1.6 miles (8,448') of curbs were removed from the Reserve Study in 2012 – at the direction of the HOA – so are not funded in our maintenance plan. Neither is a re-do of our poured (plain white) concrete sidewalks. The attractive *stamped* concrete sidewalks (which are most of our sidewalks) are forecast to last nine more years. We're saving enough to replace 10% of them at that time. 1.6 miles of sidewalks...we're saving to replace 845' of it when it's 40-years old. And nothing for the curbs.

RDH determined the **waterproof membranes** below our parking lot plaza decks are leaking, allowing water into our building foundations and the garages below. These membranes, similar to the ones in the planter boxes, have not previously been recognized as a component that would need renewal at some point, so we haven't been saving for it. They're leaking and need replacement – a

\$500,000 project that is 100% not funded.

Condos and HOA's across our great nation are learning that decisions to ignore or extend the expected life cycle of building components is fraught with danger.

It is an often-used and well-intentioned device to minimize HOA dues, but almost invariably exposes the HOA to financial distress. We're beginning to see cracks in our financial planning (as well as the curbs.)

Now's the time to set our Reserves and Maintenance plan on the path to better financial health. It's on HOA members to do this – it's not a Kin Living responsibility.

Batter up! Who wants to help?



An important thing to keep in mind during any discussion of our buildings and other infrastructure...the professionals tell us The Quintet's cool, damp and foggy hilltop environment, heavily shaded and almost 1,000 ft above sea level, means few of our building materials will last for 100% of their "industry expected" life span.