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Reserve Fund Study

Sample

(A photograph of the front of the property is usually inserted here)

123 Any Drive
Toronto, Ontario

May 27, 2002

Prepared for:
MTCC #123
c/o Mr. John Doe
Any Company
123 Any Drive
Toronto ON M5A 4K2

Professional Engineers
Ontario

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May 27, 2002

Reserve Fund Study For MTCC #123

Property: 123 Any Drive, Toronto, Ontario

1.0 SUMMARY

The present annual contribution of $11,995 to the reserve fund is not considered adequate. Based on the given average rate of return of 3.0 percent for the reserve fund investment and the current annual inflation rate of 1.8 percent, annual contributions of $28,000 to the reserve fund should be adequate. The contributions must be indexed to annual inflation.

The general condition and maintenance of the property appears to be satisfactory. Areas where there is potential for shortening the life expectancy of the common components include the following:

- There is one roof drain per garage roof. Ideally, there should be at least two roof drains per roof area, in case one of the roof drains becomes clogged.
- Some metal chimneys are missing rain caps.
- The lack of ballast reducing fabric in some areas of the flat roofs.

Improvements to these areas will help maximize the common-element component life expectancies.

2.0 INTRODUCTION

2.1 Authorization and Scope

As per the request of Mr. John Doe of Any Company and in accordance with our Proposal dated September 18, 2001, a Reserve Fund Study was prepared for MTCC #123.

This study complies with Ontario Regulation 48/01 General, made under the Condominium Act, 1998 and is of the Comprehensive classification.

This study is intended for the exclusive use of our client. Use of the information obtained within this study by another party is not intended and, therefore, we accept no responsibility for such use.

The Reserve Fund Study is not technically exhaustive. While some comments on building construction may be made with respect to life expectancies, this study is not a technical evaluation of the property.

Before any major repairs or replacements are undertaken, we recommend that a detailed condition survey be performed and a plan of action developed.

The site inspection was carried out on May 27, 2002. Our inspection was limited to components that were readily visible and not obstructed by storage, vegetation, etc.

Only the items specifically addressed in this study were examined. No comment is offered on fire regulation, building code and building bylaw compliance, or on environmental concerns.

2.2 Property Description

The subject property consists of a 41-unit townhouse complex. The townhouses are divided into five building blocks.

It was reported that the complex was completed and owners moved in1974.

For the purpose of this report, Any Drive is considered to be at the north end of the complex.

A more detailed description of the building components is provided in Section 3.0 of this study.

2.3 Document Review

As part of the reserve fund study, a request to review all building plans, specifications, warranties and records, as well as the corporation declaration and by-laws, was made. The following was available for our review:

- Corporation declaration
- Corporation by-laws
- A general site layout plan showing water supply lines, sanitary sewers and storm sewers.

Corporation declaration

The corporation declaration reviewed was not signed or dated. It appears that this was to be completed in 1974. Salient information gathered from the declaration include:

Article 9.(g) - Owners have exclusive use of enclosed patio or yard with the letter "A" designation shown on the drawing. However, no drawing with such designation was provided for our review.

10A (b) – There is an allowance if 25 percent or more of the units require a common repair, then such repair may be deemed to be part of the corporation's responsibility.

Schedule D – This provides the unit boundary definition. The unit boundaries were noted as follows:

Vertical Unit Boundaries

(A) The backside of the drywall surface

(B) In the basement, the interior face of the poured concrete walls

(C) In the garage, the unfinished line and face of the 2-inch-by-4-inch studs, the interior surface of the exterior concrete block walls, and the unfinished surface of concrete block walls dividing units from other units as well as the unfinished exterior surface of the garage doors. This implies replacement of garage doors is the responsibility of the unit owners.

(D) The unfinished interior surface of all other exterior doors windows and window frames. This implies replacement of all entry doors and windows is the responsibility of the corporation.

Horizontal unit boundaries (A) In the basement, ground floor and garage; the upper surface of the concrete floor slabs

(B) The backside face of the drywall ceiling on the second floor and the lower line in face of the 1-inch-by-6-inch joists in the garage.

(C In the vicinity of the recessed entryways, the lower limit is the line in face of upper side of floor joists.

Bylaws

There is a bylaw 1, which is not dated. This bylaw contains no salient information for our purposes.

3.0 COMPONENT DESCRIPTION

In this section, the components included in this study are listed, along with a description and recommendations for eventual repair or replacement. On-site conditions that may have an effect on life expectancy or performance are also noted, where applicable. Improvements to these conditions will help to extend the life expectancy of the components.

A1 – Flat roofs

The main roofs of the two and three storey building structures with mansard roofs consist of an asphalt membrane. The membrane is covered with an inch and a half of expanded polystyrene foam insulation, ballast-reducing fabric membrane and stone ballast.

This study allows for the eventual replacement of the roof membrane. It is anticipated that the existing membrane, insulation, ballast reducing fabric and the ballast will be removed and replaced.

A2 –Unit garage roofs

The unit garage roofs of the buildings with mansard roofs are covered by a built-up asphalt and gravel membrane. There is only one drain for this roof. There should be at least two roof drains per roof area, in case one becomes clogged. A second roof drain should be provided when reroofing.

This study allows for the eventual replacement of this roof. It is anticipated at that time that the existing membrane and the insulation below will be removed down to the roof deck.

A3-A7 –Asphalt Shingle roofs

All sloped and mansard roofs in this complex are covered with asphalt shingles. There are two layers of shingles on most sloped roofs and all mansard roofs, and a single layer on four units with sloped roofs.

The study allows for the replacement of the asphalt shingles. It is anticipated that the old layers will be removed before reshingling.

A8 – Roof sheathing

This study allows for the replacement of 5 percent of the plywood roof sheathing of the two-storey building structure with a sloped roof.

A9 – Eavestrough and downspouts

The buildings are equipped with standard prepainted eavestroughs and downspouts. The eaves troughs and down spouts appear to have been updated.

This study allows for the eventual replacement of the eavestroughs and downspouts.

A10 –A19 Windows

Most windows are aluminum-framed with two separate single pane sliders. The windows above garage doors of the three-storey buildings are wood-framed, single glazed units. The fixed portion of bathroom, living room and kitchen windows are aluminum-framed, double-glazed units. The operable portions are horizontal sliders of two separate, single panes.

This study allows for the eventual replacement of these windows.

The painting and caulking around the windows is considered a maintenance item and would typically come from the operating budget.

A20 – Aluminium siding

The walls of the second floor of two-storey buildings with sloped roofs are clad with plain aluminium siding.

This study allows for the eventual replacement of this siding. When updating the siding proves necessary, it is anticipated that removal and disposal of the existing siding material will be necessary.

A21– Embossed aluminium siding

The third-floor walls and a portion of the second floor walls of the three-storey building with sloped roofs are clad with wood grained-embossed aluminium siding.

This study allows for the eventual replacement of this siding. When updating the siding proves necessary, it is anticipated that removal and disposal of the existing siding material will be necessary.

A22 – Vertical wood siding

There is vertical tongue and groove wood siding adjacent to the front entrance doors of the three-storey buildings.

This study allows for the eventual replacement of this siding.

A23 – Wood soffit and fascia

The buildings are equipped with wood soffit and fascia.

This study allows for the eventual replacement of the wood soffit and fascia.

A24 – Poured concrete foundation walls

The foundation walls of the buildings are poured concrete. Spalling of concrete was noted at several locations.

This study allows for contingency amounts for repairs to the foundation walls.

A25 – Brick wall rehabilitation

Most of the main floor walls of the buildings are clad with brick veneer. The brickwork has a life expectancy beyond this study.

This study allows for contingency amounts for repairs to 10 % of the total brickwork.

A26 – Front entrance doors

The front entrance doors of the units are six panel wood units. Some of these doors are equipped with windows, while others have been equipped with aluminium storm doors.

This study allows for the eventual replacement of the front entrance doors. The repainting of the front doors is not included in the study. Not included in this study are storm doors which appear to have been added at a later date.

A27 – Rear exit doors

The rear exit doors are plain wood units with aluminium storms. However, the rear exit door of Unit 9 has been replaced with a sliding door.

This study allows for the eventual replacement of these doors. Not included in the study is maintenance such as painting and recaulking around these doors and replacement of the aluminum storms.

A28 – Mailboxes and unit number plaques

Each unit in this complex has been equipped with a metal mailbox and a unit number plaque.

This study allows a contingency amount for the replacement of the mailboxes and unit number plaques.

A29, A30 – Concrete steps (front & rear entrance)

There are 4-foot wide concrete steps leading to each of the front and rear doors.

This study allows a contingency amount for the replacement of 50 % of these steps.

A31 – Patio stones

There are 8-foot by 10-foot patio stone porches in the rear yards of each unit.

This study allows for the eventual replacement of these patio stone porches. Additionally, five of the 41 units have replaced the patio stone porches with pressure-treated porches.

A32 – Wood posts

There is a 4 X 4-inch wood post supporting the front porch roofs. Nineteen of the 41 units were equipped with porch roofs.

This study allows for the eventual replacement of these wood posts.

A33 – Landscaping contingency

There are various vegetation forms on the property, including trees, bushes and flowers.

The study allows contingency amounts every 5 years for rehabilitation to these landscaping components.

A34 – Concrete sidewalks

There is a concrete sidewalk along the main roadways in the complex. These sidewalks were noted to have settled substantially.

This study allows for the eventual replacement of these concrete sidewalks.

A35 – Concrete curbing

There is a concrete curbing on either side of the asphalt roadway. Saw-cut control joints have been provided in the concrete curbing.

This study allows for contingency amounts for the rehabilitation of 10 % of the total concrete curbing. It is assumed that asphalt paving renewal for the roadways will occur at the same time.

A36 – Wood retaining wall

There is a pressure-treated wood retaining wall at the southeast side of the property.

The study allows for the eventual replacement of this wall.

A37 – Creosote treated wood retaining wall

There is a creosote treated wood retaining wall along the west parking area.

The study allows for the eventual replacement of this wall.

A38 – Dry laid masonry block retaining wall

There are two dry laid masonry block retaining walls. One is located at the east side of unit 14 and the other is located at the east side of unit 41.

The study allows for the eventual replacement of these walls.

A39 – Asphalt roadways

There is asphalt paving for the roadway throughout the complex and at one visitor area.

The study allows for the eventual replacement of the asphalt surface. It is expected that the existing asphalt material will be removed and a proper granular base provided when repaving.

A40 – Asphalt paving at west visitor's parking

There is asphalt paving for the west visitor's parking. Conditions such as asphalt deterioration, depressions and cracking were noted throughout this area. It was indicated by Mr. John Doe that it is the intention of the condominium corporation to replace this asphalt paved area with landscaping.

The study allows for the replacement of the west visitor parking area with landscaping.

A41 – Asphalt driveways

There are asphalt driveways leading into each garage. The asphalt driveways of the units are relatively newer than the asphalt roadways.

The study allows for the eventual replacement of the asphalt driveways. It is expected that the existing asphalt material will be removed and a proper granular base provided when repaving.

A42 – Chain link fence

There is a 5-foot chain-link fence surrounding the majority of this property. There is also a 6 ½ - foot chain link along the southeast end of this property. This fence appears to be owned by the adjacent property.

The study allows only for the eventual replacement of the 5-foot chain-link fence.

A43 – Rear yard wood fence

There is a pressure-treated wood fence enclosing the rear yards of each unit. These fences are approximately 6 feet high and equipped with gates for entry.

The study allows for the eventual replacement of these fences.

E-1 – Exterior lighting

There are exterior lighting fixtures mounted to the walls of the buildings.

The study allows for the eventual replacement of these lighting fixtures. The study contemplates the installation of light fixtures of a similar quality.

E2 – Front and rear light fixtures

Each unit has at least one light fixture at the front and rear. However, various types of light fixtures were noted throughout.

The study allows for the eventual replacement of these lighting fixtures.

SS1 – Site Services

There are numerous underground site services at the property, including storm sewers, sanitary sewers, gas lines, domestic water supply lines, cable TV, Bell telephone and hydro lines.

Additionally, each building unit is equipped with a water meter shutoff valve and a water meter. All downspouts are equipped with clay storm pipes. There is also one fire hydrant on this property.

While a complete replacement of these site services will not likely be necessary within the time frame of this study, a contingency amount for major rehabilitation to these services is included.

4.0 CAPITAL RENEWAL PROJECTIONS

Appendix B contains the capital renewal projections for the property. This chart summarizes the remaining life expectancy and replacement cost of the components, and provides a starting point for calculating what the annual contributions should be. It should be noted that the calculations in this table do not contemplate interest or inflation.

The following explains each of the terms in the Capital Renewal Projections chart:

Term	***Definition***
Report Reference Number	This relates to the report reference for the description of the item.
Item Description	This indicates the component being replaced or rehabilitated
Year of Acquisition	This is the year that the building component was acquired. This year is based on known information or is estimated where no information was available.
Present Age	This is the present age of the system or component.
Quantity	This is the amount or number of components of this system noted from our site survey or document review.
Units	These are the corresponding units for the quantities noted from the site survey or from the document review.
Typical Life	This is the typical life expectancy of the component.
Estimated Life Remaining	This is the estimated remaining life of the component, based on the on-site conditions.
Present Cost of Replacement	This gives a present replacement cost, or cost for major rehabilitation, of the item.

5.0 RESERVE FUND CASH FLOW PROJECTIONS

The charts in Appendices C and D show the reserve fund balance over the next 30 years. These values incorporate an assumed annual inflation rate and the given interest rate for the Reserve Fund investment. Appendix C shows the cash flow over the next 30 years for the recommended contribution level. In order to illustrate the current situation, Appendix D illustrates the reserve fund cash flow over the next 30 years at the present contribution level. These cash flows consider the effect of interest and inflation.

The following provides an explanation for each of the terms in the cash flow projections:

Term	***Definition***
Opening Balance	This is the amount of money in the reserve fund at the beginning of the year. This amount was given as $124,792.
Annual Contribution	This is the annual contribution to the reserve fund. The contribution amounts are increased annually by the inflation rate of 1.8%.
Interest Income	In years without an expenditure, this is the interest generated by the opening balance for the entire year, plus interest generated by the annual contribution. In years where there is an expenditure, the interest is calculated based on the expenditure occurring at the half-way point in the year. The interest income is calculated based on the given interest rate.
Total Contribution	This is the sum of the annual contribution and the interest generated by the reserve fund balance.
Renewal Costs	These two columns show the expenditures required, as per the capital renewal projections. These figures are given in 2002 dollars and in inflated dollars, to the year of expenditure.
Closing Balance	This is the balance of the fund at the end of the year. The closing balance equals the annual contribution, plus the interest income, less any renewal costs in that year.

6.0 DATA ANALYSIS

The goal of the study is to ensure there are sufficient funds available for major repairs and replacements. However, since the study covers a finite time period, it is equally important to know what the balance should approximately be at the end of the study period. A balance that is too low at the end of the study period could penalize future owners, as insufficient funds may have been accumulated by the present owners. To have too high a balance at the end of the study period would penalize the present owners.

To ensure the closing balance at the end of the study period is appropriate, the cash flow was projected to 100 years in the future. The Reserve Fund balance was verified not to fall below $10,000 and not to become excessive at the recommended contribution level.

Thus, starting total annual contributions of $28,000 or $2,333 per month should prove sufficient to meet both criteria. This cash flow is illustrated in Appendix C.

Annual contributions of $11,995 (the present contribution level) result in a deficit starting in the Year 2013 and continues until the end of the study period. This is illustrated in the cash flow in Appendix D.

A schedule of common element component renewals for the next 30 years is provided in Appendix E.

The inflation rate used in the study was taken from that published by Statistics Canada. The interest rate used in the study was given as the interest rate for the current condominium reserve fund investment.

7.0 CLOSING COMMENTS

The information contained in this study is time-sensitive. This study is required to updated every three years. Please contact our office in three years for an update.

Please find photographs documenting the common components in Appendix A.

We trust this information is of value. Should you have any questions, please feel free to contact me directly.

Sincerely,

Richard Weldon, P.Eng.

RW:dz

Sample RFS text.doc

Appendix A

PHOTOGRAPHS

123 Any Drive
Toronto, Ontario

(Photographs of the various areas discussed in the report would be found here)

APPENDIX B

Capital Renewal Projections

123 Any Drive
Toronto, Ontario

Appendix B: Capital Renewal Projections

MTCC #123 **27-May-02**

Report Ref. #	Item Description	Year of Acquisition	Present Age	Quantity	Units	Typical Life (years)	Est. Life Remaining (years)	Present Cost of Replacement
Roof								
A1	Asphalt Roof Membrane Replacement - 2 & 3 Storey Units	1974	28	10500	sq ft	25	3	$ 63,000
A2	Asphalt Roof Membrane Replacement - Garage Roofs	1974	28	852	sq ft	25	3	$ 5,112
A3	Asphalt Shingle Replacement - 3 Storey Units	1987	15	16320	sq ft	20	3	$ 32,640
A4	Asphalt Shingle Replacement - 2 Storey Units	1987	15	10900	sq ft	20	1	$ 21,800
A5	Asphalt Shingle Replacement on mansard - 2 Storey Units	1987	15	1040	sq ft	20	11	$ 2,080
A6	Asphalt Shingle Replacement on mansard - 3 Storey Units	1987	15	5928	sq ft	20	11	$ 11,856
A7	Asphalt Shingle Replacement - Garbage Shed	1974	28	130	sq ft	15	0	$ 390
A8	Roof Sheathing - Replacement Contingency	1974	28	545	sq ft	50	2	$ 2,725
A9	Aluminum eaves trough and Downspout Replacement	1992	10	2060	linear ft	30	20	$ 10,300
Exterior								
A10	Window Replacement - Above Garage Doors	1974	28	224	sq ft	40	12	$ 3,360
A11	Window Replacement - Basements	1992	10	492	sq ft	30	12	$ 9,840
A12	Window Replacement - Bedrooms	1992	10	2496	sq ft	30	17	$ 49,920
A13	Window Replacement - Bathrooms	1992	10	330	sq ft	30	16	$ 6,600
A14	Window Replacement - Bedrooms	1992	10	60	sq ft	30	16	$ 1,200
A15	Window Replacement - Rear	1992	10	252	sq ft	30	16	$ 5,040
A16	Window Replacement - Front	1992	10	78	sq ft	30	16	$ 1,560
A17	Window Replacement - Kitchen	1992	10	216	sq ft	30	16	$ 4,320
A18	Window Replacement - Living Room	1992	10	468	sq ft	30	16	$ 9,360
A19	Window Replacement - Living Room	1992	10	2240	sq ft	30	15	$ 44,800
A20	Plain Aluminum Siding - Replacement	1974	28	7180	sq ft	40	11	$ 71,800
A21	Embossed Aluminum Siding - Replacement	1974	28	5720	sq ft	40	13	$ 57,200
A22	Vertical Wood Siding Replacement - 3 Storey Units	1974	28	200	sq ft	40	12	$ 1,200
A23	Wood Soffit & Fascia Replacement	1974	28	3760	linear ft	40	12	$ 37,600
A24	Foundation Wall Repairs - Contingency	1974	28	1000	sq ft	100	27	$ 10,000
A25	Brick Wall Rehabilitation	1974	28	1000	sq ft	50	22	$ 10,000
A26	Front Entrance Door Replacement	1974	28	41	each	40	14	$ 28,700
A27	Rear Exit Door Replacement	1974	28	40	each	40	15	$ 20,000
A28	Mail Boxes and Unit Number Plaques	1974	28	41	sets	30	15	$ 6,000
A29	Concrete Step Replacement Contingency - Front Entrance	1974	28	20	each	60	10	$ 3,000
A30	Concrete Step Replacement Contingency - Rear Entrance	1974	28	20	each	60	10	$ 4,000
A31	Patio Stone Replacement	1974	28	4320	sq ft	40	20	$ 17,280
A32	Wood Post Replacement-Front Porch Roof	1974	28	19	each	25	5	$ 3,800
Site Work								
A33	Landscaping - Contingency	1974	28	1	set	25	15	$ 10,000
A34	Concrete Sidewalk Rehabilitation	1974	28	2616	sq ft	35	6	$ 32,700
A35	Concrete Curb Rehabilitation	1974	28	130	linear ft	45	10	$ 1,950
A36	Pressure Treated Wood Retaining Wall Replacement	1985	17	92	sq ft	25	10	$ 2,760
A37	Creosote Treated Wood Retaining Wall Replacement	1974	28	195	sq ft	25	1	$ 5,850
A38	Dry Block Retaining Wall Replacement	1985	17	229	sq ft	50	33	$ 6,870
A39	Asphalt Paving Replacement - Roadways	1990	12	16000	sq ft	20	13	$ 48,000
A40	Asphalt Paving Replacement @ west side of property	1982	20	2484	sq ft	20	1	$ 8,694
A41	Asphalt Paving Replacement - Driveways	1992	10	7954	sq ft	20	11	$ 23,862
A42	Chain Link Fence Replacement	1985	17	814	linear ft	40	25	$ 12,210
A43	Pressure Treated Wood Fence Replacement	1997	5	1624	linear ft	25	20	$ 48,720
Electrical								
E1	Building Exterior Light Replacement	1974	28	7	each	35	7	$ 1,050
E2	Light Fixtures Replacement-Front & Rear Entrance	1974	28	82	each	50	X	$ 4,100
Site Services								
SS1	Site Services - Contingency	1974	28	1	set	50	22	$ 15,000
	TOTALS:							$ 778,249

Note: These costs do not take into account routine maintenance and outstanding repair costs.
All repairs/replacements to be covered 100% by the Reserve Fund

APPENDIX C

Reserve Fund Cash Flow Projection
at Recommended Annual Contribution

123 Any Drive
Toronto, Ontario

Appendix C: Reserve Fund Cash Flow Projections at Recommended Contribution Level

MTCC#123 **27-May-02**

INFLATION RATE: **1.80%**
INTEREST RATE: **3.00%** **2002 ANNUAL CONTRIBUTION: $28,000 ($2,333.33 per month)**

Note: The Annual Contribution has been increased annually by the inflation rate.

Year	Opening Balance	Annual Contribution	Interest Income	TOTAL CONTRIBUTION	RENEWAL COSTS 2002 ($)	RENEWAL COSTS Inflated ($)	Closing Balance
2002	$ 124,792	$ 28,000	$ 4,158	$ 32,158	$ 400	$ 400	$ 156,550
2003	$ 156,550	$ 28,504	$ 4,569	$ 33,073	$ 36,344	$ 36,998	$ 152,625
2004	$ 152,625	$ 29,017	$ 4,972	$ 33,989	$ 2,725	$ 2,824	$ 183,789
2005	$ 183,789	$ 29,539	$ 4,362	$ 33,902	$ 100,752	$ 106,291	$ 111,400
2006	$ 111,400	$ 30,071	$ 3,769	$ 33,840	$ 1,500	$ 1,611	$ 143,629
2007	$ 143,629	$ 30,612	$ 4,706	$ 35,318	$ 3,800	$ 4,155	$ 174,793
2008	$ 174,793	$ 31,163	$ 5,165	$ 36,329	$ 32,700	$ 36,394	$ 174,727
2009	$ 174,727	$ 31,724	$ 5,700	$ 37,424	$ 1,050	$ 1,190	$ 210,961
2010	$ 210,961	$ 32,295	$ 6,813	$ 39,109	$ -	$ -	$ 250,070
2011	$ 250,070	$ 32,877	$ 7,969	$ 40,846	$ 1,500	$ 1,761	$ 289,154
2012	$ 289,154	$ 33,468	$ 8,967	$ 42,435	$ 11,710	$ 13,997	$ 317,593
2013	$ 317,593	$ 34,071	$ 8,038	$ 42,109	$ 109,598	$ 133,361	$ 226,341
2014	$ 226,341	$ 34,684	$ 6,344	$ 41,028	$ 52,000	$ 64,413	$ 202,956
2015	$ 202,956	$ 35,308	$ 4,628	$ 39,937	$ 105,200	$ 132,659	$ 110,234
2016	$ 110,234	$ 35,944	$ 3,265	$ 39,209	$ 30,200	$ 38,768	$ 110,674
2017	$ 110,674	$ 36,591	$ 2,278	$ 38,869	$ 81,190	$ 106,101	$ 43,442
2018	$ 43,442	$ 37,250	$ 1,302	$ 38,551	$ 28,080	$ 37,356	$ 44,637
2019	$ 44,637	$ 37,920	$ 894	$ 38,814	$ 49,920	$ 67,606	$ 15,845
2020	$ 15,845	$ 38,603	$ 1,054	$ 39,657	$ -	$ -	$ 55,502
2021	$ 55,502	$ 39,298	$ 2,223	$ 41,521	$ 1,500	$ 2,105	$ 94,918
2022	$ 94,918	$ 40,005	$ 1,812	$ 41,817	$ 76,300	$ 109,013	$ 27,721
2023	$ 27,721	$ 40,725	$ 777	$ 41,502	$ 30,494	$ 44,352	$ 24,871
2024	$ 24,871	$ 41,458	$ 813	$ 42,271	$ 25,000	$ 37,016	$ 30,126
2025	$ 30,126	$ 42,204	$ 799	$ 43,003	$ 32,640	$ 49,198	$ 23,931
2026	$ 23,931	$ 42,964	$ 1,328	$ 44,292	$ 1,500	$ 2,302	$ 65,921
2027	$ 65,921	$ 43,737	$ 2,348	$ 46,085	$ 12,210	$ 19,073	$ 92,933
2028	$ 92,933	$ 44,525	$ 3,316	$ 47,841	$ 5,850	$ 9,302	$ 131,472
2029	$ 131,472	$ 45,326	$ 4,381	$ 49,707	$ 10,000	$ 16,188	$ 164,991
2030	$ 164,991	$ 46,142	$ 3,958	$ 50,100	$ 68,112	$ 112,244	$ 102,848
2031	$ 102,848	$ 46,972	$ 3,752	$ 50,725	$ 1,500	$ 2,516	$ 151,056

APPENDIX D

Reserve Fund Cash Flow Projection
at Present Annual Contribution

123 Any Drive
Toronto, Ontario

Appendix D: Reserve Fund Cash Flow Projections at Present Contribution Level

MTCC#123 ***(Note deficit at year 2013)*** **27-May-02**

INFLATION RATE: **1.80%**
INTEREST RATE: **3.00%** **2002 ANNUAL CONTRIBUTION: $11,995 ($999.58 per month)**

Note: The Annual Contribution has been increased annually by the inflation rate.

Year	Opening Balance	Annual Contribution	Catch-Up Amount	TOTAL CONTRIBUTION	Interest Income	RENEWAL COSTS 2002 ($)	RENEWAL COSTS Inflated ($)	Closing Balance
2002	$ 124,792	$ 11,995	$ -	$ 11,995	$ 3,918	$ 400	$ 400	$ 140,305
2003	$ 140,305	$ 12,211		$ 12,211	$ 3,837	$ 36,344	$ 36,998	$ 119,355
2004	$ 119,355	$ 12,431		$ 12,431	$ 3,725	$ 2,725	$ 2,824	$ 132,686
2005	$ 132,686	$ 12,654		$ 12,654	$ 2,576	$ 100,752	$ 106,291	$ 41,626
2006	$ 41,626	$ 12,882		$ 12,882	$ 1,418	$ 1,500	$ 1,611	$ 54,315
2007	$ 54,315	$ 13,114		$ 13,114	$ 1,764	$ 3,800	$ 4,155	$ 65,038
2008	$ 65,038	$ 13,350		$ 13,350	$ 1,605	$ 32,700	$ 36,394	$ 43,599
2009	$ 43,599	$ 13,590		$ 13,590	$ 1,494	$ 1,050	$ 1,190	$ 57,494
2010	$ 57,494	$ 13,835		$ 13,835	$ 1,932	$ -	$ -	$ 73,262
2011	$ 73,262	$ 14,084		$ 14,084	$ 2,383	$ 1,500	$ 1,761	$ 87,967
2012	$ 87,967	$ 14,338		$ 14,338	$ 2,644	$ 11,710	$ 13,997	$ 90,952
2013	$ 90,952	$ 14,596		$ 14,596	$ 947	$ 109,598	$ 133,361	$ (26,866)
2014	$ (26,866)	$ 14,858		$ 14,858	$ (1,549)	$ 52,000	$ 64,413	$ (77,970)
2015	$ (77,970)	$ 15,126		$ 15,126	$ (4,102)	$ 105,200	$ 132,659	$ (199,606)
2016	$ (199,606)	$ 15,398		$ 15,398	$ (6,339)	$ 30,200	$ 38,768	$ (229,314)
2017	$ (229,314)	$ 15,675		$ 15,675	$ (8,236)	$ 81,190	$ 106,101	$ (327,976)
2018	$ (327,976)	$ 15,957		$ 15,957	$ (10,160)	$ 28,080	$ 37,356	$ (359,535)
2019	$ (359,535)	$ 16,245		$ 16,245	$ (11,556)	$ 49,920	$ 67,606	$ (422,453)
2020	$ (422,453)	$ 16,537		$ 16,537	$ (12,426)	$ -	$ -	$ (418,341)
2021	$ (418,341)	$ 16,835		$ 16,835	$ (12,329)	$ 1,500	$ 2,105	$ (415,941)
2022	$ (415,941)	$ 17,138		$ 17,138	$ (13,856)	$ 76,300	$ 109,013	$ (521,673)
2023	$ (521,673)	$ 17,446		$ 17,446	$ (16,054)	$ 30,494	$ 44,352	$ (564,633)
2024	$ (564,633)	$ 17,760		$ 17,760	$ (17,228)	$ 25,000	$ 37,016	$ (601,116)
2025	$ (601,116)	$ 18,080		$ 18,080	$ (18,500)	$ 32,640	$ 49,198	$ (650,735)
2026	$ (650,735)	$ 18,405		$ 18,405	$ (19,280)	$ 1,500	$ 2,302	$ (653,911)
2027	$ (653,911)	$ 18,737		$ 18,737	$ (19,622)	$ 12,210	$ 19,073	$ (673,869)
2028	$ (673,869)	$ 19,074		$ 19,074	$ (20,070)	$ 5,850	$ 9,302	$ (684,167)
2029	$ (684,167)	$ 19,417		$ 19,417	$ (20,477)	$ 10,000	$ 16,188	$ (701,414)
2030	$ (701,414)	$ 19,767		$ 19,767	$ (22,430)	$ 68,112	$ 112,244	$ (816,321)
2031	$ (816,321)	$ 20,123		$ 20,123	$ (24,226)	$ 1,500	$ 2,516	$ (822,940)

APPENDIX E

Schedule of Renewals

123 Any Drive
Toronto, Ontario

MTCC #123

Appendix E: Schedule of Renewals
(2002 Dollars)

27-May-02

Report Ref. #	Item Description	Years out																													
		Immed 2002	1 2003	2 2004	3 2005	4 2006	5 2007	6 2008	7 2009	8 2010	9 2011	10 2012	11 2013	12 2014	13 2015	14 2016	15 2017	16 2018	17 2019	18 2020	19 2021	20 2022	21 2023	22 2024	23 2025	24 2026	25 2027	26 2028	27 2029	28 2030	29 2031	30 2032
Roof																																
A1	Asphalt Roof Membrane Replacement - 2 & 3 Storey Units				63000																									63000		
A2	Asphalt Roof Membrane Replacement - Garage Roofs				5112																									5112		
A3	Asphalt Shingle Replacement - 3 Storey Units				32640																				32640							
A4	Asphalt Shingle Replacement - 2 Storey Units		21800																				21800									
A5	Asphalt Shingle Replacement on mansard - 2 Storey Units												2080																			
A6	Asphalt Shingle Replacement on mansard - 3 Storey Units												11856																			
A7	Asphalt Shingle Replacement - Garbage Shed	400															390															390
A8	Roof Sheathing - Replacement Contingency			2725																												
A9	Aluminum eaves trough and Downspout Replacement																					10300										
Exterior																																
A10	Window Replacement - Above Garage Doors													3360																		
A11	Window Replacement - Basements													9840																		
A12	Window Replacement - Bedrooms																		49920													
A13	Window Replacement - Bathrooms																	6600														
A14	Window Replacement - Bedrooms																	1200														
A15	Window Replacement - Rear																	5040														
A16	Window Replacement - Front																	1560														
A17	Window Replacement - Kitchen																	4320														
A18	Window Replacement - Living Room																	9360														
A19	Window Replacement - Living Room																44800															
A20	Plain Aluminum Siding - Replacement												71800																			
A21	Embossed Aluminum Siding - Replacement														57200																	
A22	Vertical Wood Siding Replacement - 3 Storey Units													1200																		
A23	Wood Soffit & Fascia Replacement													37600																		
A24	Foundation Wall Repairs - Contingency																												10000			
A25	Brick Wall Rehabilitation																							10000								
A26	Front Entrance Door Replacement															28700																
A27	Rear Exit Door Replacement																20000															
A28	Mail Boxes and Unit Number Plaques																6000															
A29	Concrete Step Replacement Contingency - Front Entrance											3000																				
A30	Concrete Step Replacement Contingency - Rear Entrance											4000																				
A31	Patio Stone Replacement																					17280										
A32	Wood Post Replacement-Front Porch Roof						3800																									3800
Site Work																																
A33	Landscaping - Contingency																10000															
A34	Concrete Sidewalk Rehabilitation							32700																								
A35	Concrete Curb Rehabilitation											1950																				
A36	Pressure Treated Wood Retaining Wall Replacement											2760																				
A37	Creosote Treated Wood Retaining Wall Replacement		5850																									5850				
A38	Dry Block Retaining Wall Replacement																															
A39	Asphalt Paving Replacement - Roadways														48000																	
A40	Asphalt Paving Replacement @ west side of property		8694																				8694									
A41	Asphalt Paving Replacement - Driveways												23862																			
A42	Chain Link Fence Replacement																										12210					
A43	Pressure Treated Wood Fence Replacement																					48720										
Electrical																																
E1	Building Exterior Light Replacement								1050																							
E2	Light Fixtures Replacement-Front & Rear Entrance					1500					1500					1500					1500					1500					1500	
Site Services																																
SS1	Site Services - Contingency																							15000								
	TOTALS:	$ 400	$ 36,344	$ 2,725	$ 100,752	$ 1,500	$3,800	$ 32,700	$ 1,050	$ -	$ 1,500	$ 11,710	$ 109,598	$ 52,000	$ 105,200	$ 30,200	$ 81,190	$28,080	$ 49,920	$ -	$1,500	$76,300	$30,494	$ 25,000	$ 32,640	$ 1,500	$12,210	$ 5,850	$ 10,000	$ 68,112	$1,500	$ 4,190

Note: These costs do not take into account routine maintenance and outstanding repair costs.
Also, these figures do not take into account the effects of inflation or interest.