RESERVE STUDY

Park Tower Condominium Association

Inspected: June 16, 2026 • Revised on: September 15, 2026

Chicago, IL



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Park Tower Condominium Association
Chicago, Illinois

Dear Board of Directors of Park Tower Condominium Association:

At the direction of the Board that recognizes the need for proper reserve planning, we have conducted a *Reserve Study* of Park Tower Condominium Association in Chicago, Illinois and submit our findings in this report. The effective date of this study is the date of our visual, noninvasive inspection, June 16, 2026.

This *Reserve Study exceeds* the Association of Professional Reserve Analysts (APRA) standards fulfilling the requirements of a "Level II Reserve Study Update."

An ongoing review by the Board and an Update of this Reserve Study are necessary to ensure an equitable funding plan since a Reserve Study is a snapshot in time. We recommend the Board budget for an Update to this Reserve Study in two- to three-years. We look forward to continuing to help Park Tower Condominium Association plan for a successful future.

As part of our long-term thinking and everyday commitment to our clients, we are available to answer any questions you may have regarding this study.

Respectfully submitted on September 15, 2026 by

Reserve Advisors, LLC

Visual Inspection and Report by: Andrew K. McGowan, RS[1]
Review by: Alan M. Ebert, RS, PRA[2], Director of Quality Assurance



1 RS (Reserve Specialist) is the reserve provider professional designation of the Community Associations Institute (CAI) representing America's more than 300,000 condominium, cooperative and homeowners associations.
[2] PRA (Professional Reserve Analyst) is the professional designation of the Association of Professional Reserve Analysts. Learn more about APRA at http://www.apra-usa.com.

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1. RESERVE STUDY EXECUTIVE SUMMARY

Client: Park Tower Condominium Association (Park Tower)
Location: Chicago, Illinois
Reference: 91089

Property Basics: Park Tower Condominium Association is a highrise style development which consists of 728 residential and 16 commercial units in a 54-story building. The building was built in 1974 and was converted to condominiums in 1979.

Reserve Components Identified: 126 Reserve Components.

Inspection Date: June 16, 2026. We conducted previous inspections in 1992, 1994, 1996, 2007, 2014, 2016, 2020 and 2022.

Funding Goal: The Funding Goal of this Reserve Study is to maintain reserves above an adequate, not excessive threshold during one or more years of significant expenditures. Our recommended Funding Plan recognizes these threshold funding years as follows:

- 2037 due to the phased replacement of the domestic cold water, waste and vent pipes
- 2043 due to replacement of the plaza waterproofing
- 2054 due to future extensive restoration of the curtain wall system

In addition, the Reserve Funding Plan recommends a significant amount of 2057 year end accumulated reserves. We judge this amount of accumulated reserves in 2057 necessary to fund the likely subsequent modernization of the traction elevators after 2057. These future needs, although beyond the limit of the Cash Flow Analysis of this Reserve Study, are reflected in the amount of accumulated 2057 year end reserves.

Methodology: We use the Cash Flow Method to compute the Reserve Funding Plan. This method offsets future variable Reserve Expenditures with existing and future stable levels of reserve funding. Our application of this method also considers:

- Current and future local costs of replacement
- 4.0% anticipated annual rate of return on invested reserves
- 3.2% future Inflation Rate for estimating Future Replacement Costs

Sources for *Local* Costs of Replacement: Our proprietary database, historical costs and published sources, i.e., R.S. Means, Incorporated.

Unaudited Cash Status of Reserve Fund:

- $5,351,981 as of July 8, 2026 (accounting for $220,000 due from reserves per the May 2027 balance sheet) (The Fiscal Year (FY 2027) for Park Tower begins March 1, 2026 and ends February 28, 2027. For brevity, we refer to the Fiscal Year by its ending year, i.e. Fiscal Year 2026-2027 is FY 2027 or simply 2027)
- 2027 budgeted Reserve Contributions of $2,259,100
- We include Operating Surplus Transfers of $168,664 in FY2027 ($68,664 from the audited 2024/2025 surplus and an additional surplus of $100,000 for a potential 2025/2026 surplus)

Project Prioritization: We note anticipated Reserve Expenditures for the next 30 years in the ***Reserve Expenditures*** tables and include a ***Five-Year Outlook*** table following the ***Reserve Funding Plan*** in Section 3. We recommend the Association prioritize the following projects in the next five years based on the conditions identified:

- Planned replacement of the remaining original domestic hot water piping systems to minimize the potential for leaks
- Phased replacement of the HVAC pipes (we defer to the results of further invasive analysis)
- Replacement of aged roofing systems as deferral may lead to water infiltration and increased costs
- Modernization of the traction elevators due to obsolescence and to limit service disruptions

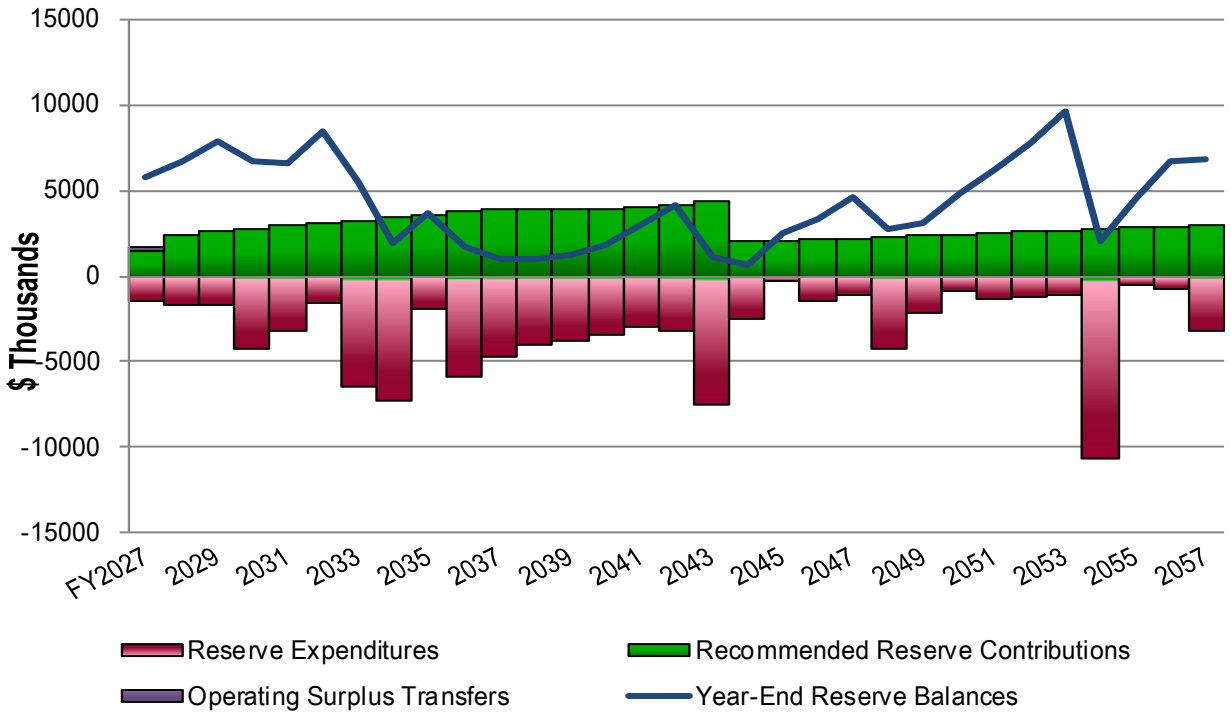
In the event replacement of HVAC pipes is recommended to be deferred by further inspections, we recommend the Association accelerate replacement of the building heat boiler systems due to potential energy cost savings.

Recommended Reserve Funding: We recommend the following in order to achieve a stable and equitable Cash Flow Methodology Funding Plan:

- Phased increases of $168,000 each year, from 2028 through 2037
- Stable contributions of $3,939,100 from 2038 through 2040
- Inflationary increases from 2041 through 2043
- Decrease to $2,000,000 by 2044
- Inflationary increases thereafter through 2057, the limit of this study's Cash Flow Analysis
- Initial adjustment in Reserve Contributions of $168,000 represents an average monthly increase of $18.82 per owner and about a two percent (2.4%) adjustment in the 2027 Total Budget of $6,862,100.

Park Tower
Recommended Reserve Funding Table and Graph

Year	Reserve Contributions ($)	Reserve Balances ($)	Year	Reserve Contributions ($)	Reserve Balances ($)	Year	Reserve Contributions ($)	Reserve Balances ($)
2028	2,427,100	6,702,674	2038	3,939,100	988,294	2048	2,268,500	2,749,510
2029	2,595,100	7,871,421	2039	3,939,100	1,174,162	2049	2,341,100	3,095,058
2030	2,763,100	6,651,134	2040	3,939,100	1,792,209	2050	2,416,000	4,831,244
2031	2,931,100	6,636,169	2041	4,065,200	2,997,995	2051	2,493,300	6,194,624
2032	3,099,100	8,502,832	2042	4,195,300	4,130,862	2052	2,573,100	7,798,743
2033	3,267,100	5,533,178	2043	4,329,500	1,092,932	2053	2,655,400	9,658,556
2034	3,435,100	1,876,741	2044	2,000,000	633,062	2054	2,740,400	1,992,388
2035	3,603,100	3,718,755	2045	2,064,000	2,501,503	2055	2,828,100	4,438,055
2036	3,771,100	1,709,383	2046	2,130,000	3,299,206	2056	2,918,600	6,763,309
2037	3,939,100	983,925	2047	2,198,200	4,556,819	2057	3,012,000	6,870,699



2. RESERVE STUDY REPORT

At the direction of the Board that recognizes the need for proper reserve planning, we have conducted a *Reserve Study* of

Park Tower Condominium Association

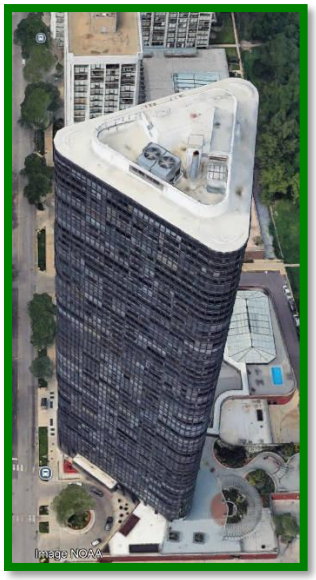
Chicago, Illinois

and submit our findings in this report. The effective date of this study is the date of our visual, noninvasive inspection, June 16, 2026. We conducted previous inspections in 1992, 1994, 1996, 2007, 2014, 2016, 2020 and 2022.

We present our findings and recommendations in the following report sections and spreadsheets:

- **Identification of Property -** Segregates all property into several areas of responsibility for repair or replacement
- **Reserve Expenditures -** Identifies reserve components and related quantities, useful lives, remaining useful lives and future reserve expenditures during the next 30 years
- **Reserve Funding Plan -** Presents the recommended Reserve Contributions and year-end Reserve Balances for the next 30 years
- **Five-Year Outlook -** Identifies reserve components and anticipated reserve expenditures during the first five years
- **Reserve Component Detail -** Describes the reserve components, includes photographic documentation of the condition of various property elements, describes our recommendations for repairs or replacement, and includes detailed solutions and procedures for replacements for the benefit of current and future board members
- **Methodology -** Lists the national standards, methods and procedures used to develop the Reserve Study
- **Definitions -** Contains definitions of terms used in the Reserve Study, consistent with national standards
- **Professional Service Conditions -** Describes Assumptions and Professional Service Conditions
- **Credentials and Resources**

IDENTIFICATION OF PROPERTY



Our investigation includes Reserve Components or property elements as set forth in your Declaration or which were identified as part of your request for proposed services. The Expenditure tables in Section 3 list the elements contained in this study. Our analysis begins by segregating the property elements into several areas of responsibility for repair and replacement.

Our process of identification helps assure that future boards and the management team understand whether reserves, the operating budget or Owners fund certain replacements and assists in preparation of the annual budget. We derive these segregated classes of property from our review of the information provided by the Association and through conversations with Management. These classes of property include:

- Reserve Components
- Long-Lived Property Elements
- Operating Budget Funded Repairs and Replacements
- Property Maintained by Owners
- Property Maintained by Others

We advise the Board to conduct an annual review of these classes of property to confirm its policy concerning the manner of funding, i.e., from reserves or the operating budget. Reserve Components are defined by CAI as property elements with:

- Park Tower responsibility
- Limited useful life expectancies
- Predictable remaining useful life expectancies
- Replacement cost above a minimum threshold

The following tables depict the items excluded from the Reserve Expenditure plan:

Excluded Components

for
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Chicago, Illinois

Operating Budget Components

Repairs normally funded through the Operating Budget and Expenditures less than $23,000 excluding limited components categorized as reserve expenses based on our conversation with Management. (These relatively minor expenditures have a limited effect on the recommended Reserve Contributions.)

The operating budget provides money for the repair and replacement of certain Reserve Components. The Association may develop independent criteria for use of operating and reserve funds.

- Air Conditioning and Heating Systems, Miscellaneous (Including Common Fan Coil Units, Baseboard Radiators and Window Units)
- Air Handling and Condensing Units, Elevator Room, High Rise (Condensing unit replaced in 2023)
- Asphalt Pavement, Crack Repair, Patch and Seal Coat Applications
- Boiler Stack (We assume timely paint applications and repairs to defer total replacement.)
- Boilers, Main, Condensate System
- Chemical Treatment Systems (The Building Engineer informs us of a desire to relocate/reconfigure the chemical treatment system area. We consider this an operating expense.)
- Column Cladding (The Association maintains the cladding through an annual service contract.)
- Doors, Automatic Openers/Closers
- Doors, Interior and Miscellaneous Exterior
- Electrical System, Thermoscans
- Elevator Cab Finishes, Refuse
- Engineer's Apartment (Classified as Operating Budget funded at the direction of Management)
- Examinations, Periodic Ground Level Inspections of the Exterior Walls as Required by the Chicago Exterior Facade Ordinance (On-going Reports)
- Exhaust Systems (Except Garage, Main Kitchen and Main Rest Room)
- Fire Hoses and Extinguishers (We assume timely testing and replacements as needed through the operating budget.)
- Floors, Terrazzo, Interim Honing
- Garage, Foyers
- Hallways, 2nd Floor and Basement, Renovations
- Landscape
- Light Fixtures, Building Exterior, Miscellaneous
- Loading Dock
- Motors
- Paint Finishes, Touch Up
- Pipes, Annual Expenditures (Including Rodding, Replacement of Horizontal Branch Pipes during Renovations and Sprinkler System Components at the
- Pipes, Garage Drains (Classified as Operating Budget Funded per Management)
- Plaza, Annual Repairs and Seal Applications
- Pool, Furnishings
- Pools, Paint Finishes and Interim Repairs
- Pumps Less Than Five-HP (horsepower)
- Racquetball Court (Classified as Operating Budget funded at the direction of Management)
- Service Areas (Including 1st floor service hallways. The Association replaced the flooring in these hallways in 2021.)
- Signage, Miscellaneous
- Snow Removal Equipment (Except Tractor)
- Soffits (Last conducted in 2026 and classified as Operating Budget funded per historical practices.)

Excluded Components

for
Park Tower
Condominium Association
Chicago, Illinois

Operating Budget Components (Continued)
• Staff Areas (Maintenance areas have recently been renovated using in-house labor. We consider similar renovations of areas such as the valet locker room an operating expense.)
• Stairwells, Paint Finishes and Light Fixtures (Classified as Operating Budget funded at the direction of Management)
• Storage Areas
• Sun Deck, Brick Pavers
• Valves, Small Diameter (Including Riser Shut Off) (We assume replacement as needed in lieu of an aggregate replacement of all of the small diameter valves as a single event.)
• Variable Frequency Drives, Interim
• Walls, Curtain Wall, Annual Repairs (Including Interior Gaskets and Handles)

Long-Lived Components

These elements may not have predictable Remaining Useful Lives or their replacement may occur beyond the scope of this study. The operating budget should fund infrequent repairs. Funding untimely or unexpected replacements from reserves will necessitate increases to Reserve Contributions. Periodic updates of this Reserve Study will help determine the merits of adjusting the Reserve Funding Plan.	Useful Life	Estimated Cost
• Electrical Systems, Wires and Bus Bars, Common	Indeterminate	N/A
• Foundation	Indeterminate	N/A
• Lobby, Revolving Doors (Replaced 2023)	to 45	$75,000
• Pipes, Interior Building, Fire Standpipes and Gas Supply	Indeterminate	N/A
• Pipes, Subsurface Utilities	Indeterminate	N/A
• Pool Structures, Main and Outdoor	Indeterminate	N/A
• Roof Anchors/Davits and Remaining Track System (Installed 2017) (We assume timely inspections, testing and repairs through the operating budget.)	Indeterminate	N/A
• Roof, Pool Enclosure (Replaced 2023)	to 40	$325,000
• Storage Tanks, Domestic Hot Water, Commercial at Main Boiler Room (2018) and Low Zone Residential at Main Boiler Room (2024)	to 45	$190,000
• Structural Frame	Indeterminate	N/A
• Trash Chute and Doors (Replaced 2005 to 2014)	Indeterminate	N/A
• Valves, Fire Standpipes (Replaced 2025)	to 50	$35,000
• Walls, Curtain Wall, Replacement (We opine that aggregate replacement of system components other than the sealants if necessary would require the use of means other than reserves to fund.)	Indeterminate	N/A

Excluded Components

for
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Condominium Association
Chicago, Illinois

Owners Responsibility Components

Certain items have been designated as the responsibility of the Owners to repair or replace at their cost, including items billed back.

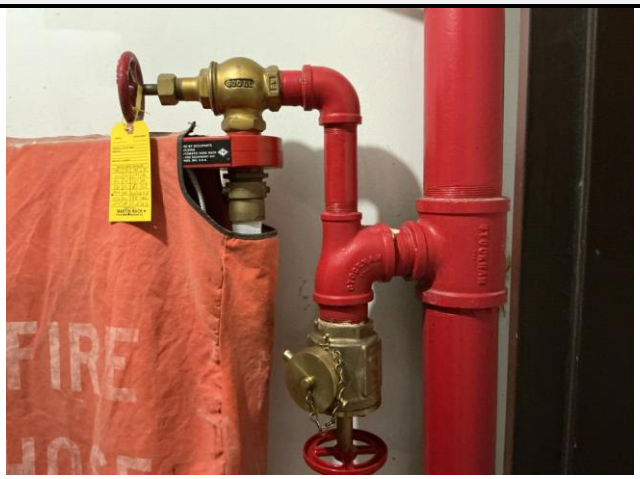
- Doors
- Electric Vehicle Charging Stations (The Association installed electric vehicle charging station infrastructure in 2021. We exclude potential costs for additional infrastructure improvement based on our conversation with Management. Future updates of this Reserve Study will again consider the need for additional funding.)
- Electrical Systems (Including Circuit Protection Panels and Wires from Meters to Units)
- Heating, Ventilating and Air Conditioning (HVAC) Units (Fan Coil Units and Fin Tube Baseboard Radiation at Corner Units)
- Interiors
- Pipes (Within Units, Horizontals)
- Walls, Curtain Wall, Screens

Others Responsibility Components

Certain items have been designated as the responsibility of Others to repair or replace.

- Commercial Interiors (Except Market and HVAC) (Including Window Systems) (Commercial Entities)
- Laundry Equipment (Vendor)
- Parking Area, Southeast (Commercial Entity)
- Sidewalk and Driveway, South Perimeter (Neighboring Entity)
- Sidewalks, Public (Municipality) (Including Utility Vault) (We assume the Association will fund any shared expenses as needed through the operating budget. We assume that the electric utility maintains the vault.)

Excluded Component Images



Replaced fire standpipe valves



Chemical treatment system adjacent to storage area

Excluded Components

for
Park Tower
Condominium Association
Chicago, Illinois

Excluded Component Images (Continued)



Column cladding



Racquetball court



Maintenance rest room

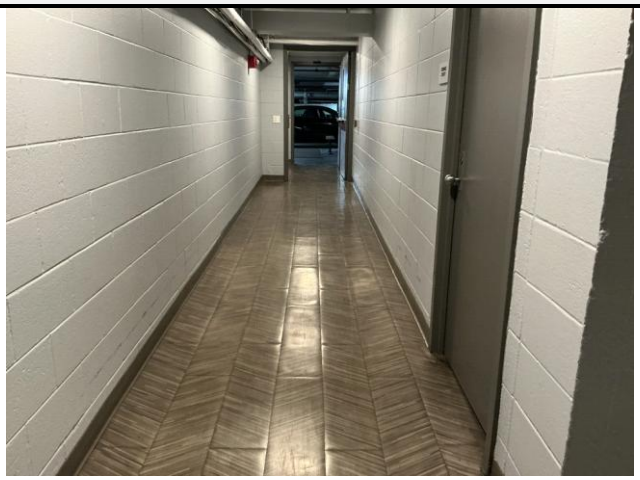


Valet locker room

Excluded Components

for
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Condominium Association
Chicago, Illinois

Excluded Component Images (Continued)



Service hallway



Electric vehicle chargers

3. RESERVE EXPENDITURES and FUNDING PLAN

The tables following this introduction present:

Reserve Expenditures

- Line item numbers
- Total quantities
- Quantities replaced per phase (in a single year)
- Reserve component inventory
- Estimated first year of event (i.e., replacement, application, etc.)
- Life analysis showing
  - useful life
  - remaining useful life
- 2027 local cost of replacement
  - Per unit
  - Per phase
  - Replacement of total quantity
- Percentage of future expenditures anticipated during the next 30 years
- Schedule of estimated future costs for each reserve component including inflation

Reserve Funding Plan

- Reserves at the beginning of each year
- Total recommended reserve contributions
- Estimated interest earned from invested reserves
- Anticipated expenditures by year
- Anticipated reserves at year end

Five-Year Outlook

- Line item numbers
- Reserve component inventory of only the expenditures anticipated to occur within the first five years
- Schedule of estimated future costs for each reserve component anticipated to occur within the first five years

The purpose of a Reserve Study is to provide an opinion of reasonable annual Reserve Contributions. Prediction of exact timing and costs of minor Reserve Expenditures typically will not significantly affect the 30-year cash flow analysis. Adjustments to the times and/or costs of expenditures may not always result in an adjustment in the recommended Reserve Contributions.

Financial statements prepared by your association, by you or others might rely in part on information contained in this section. For your convenience, we have provided an electronic data file containing the tables of ***Reserve Expenditures*** and ***Reserve Funding Plan***.

Years 2027 to 2042

RESERVE EXPENDITURES

Park Tower
Condominium Association
Chicago, Illinois

Explanatory Notes:
1) **3.2% is the estimated Inflation Rate for estimating Future Replacement Costs.**
2) **FY2027 is Fiscal Year beginning March 1, 2026 and ending February 28, 2027.**

Line Item	Total Quantity	Per Phase Quantity	Units	Reserve Component Inventory	Estimated 1st Year of Event	Life Analysis, Years Useful	Remaining	Unit Cost (2027)	Per Phase Cost (2027)	Total Cost (2027)	Percentage of Future Expenditures	RUL = 0 FY2027	1 2028	2 2029	3 2030	4 2031	5 2032	6 2033	7 2034	8 2035	9 2036	10 2037	11 2038	12 2039	13 2040	14 2041	15 2042
				Exterior Building Elements																							
1.260	1	1	Allowance	Lighting System, Main Roof Level	2044	to 20	17	60,000.00	60,000	60,000	**0.1%**																
1.400	10,300	10,300	Square Feet	Roofs, Tower, Main and Mechanical Penthouse, Modified Bitumen	2037	15 to 20	10	75.00	772,500	772,500	**3.2%**											1,058,511					
1.401	800	800	Square Feet	Roof, Lobby Canopy, Thermoplastic	2031	15 to 20	4	50.00	40,000	40,000	**0.1%**					45,371											
1.402	900	900	Square Feet	Roofs, 2nd Floor Walkway (Incl. Gutter System), Thermoplastic	2040	15 to 20	13	82.00	73,800	73,800	**0.1%**														111,146		
1.403	2,200	2,200	Square Feet	Roofs, 2nd Floor, Racquetball Court and Exercise Room	2046	15 to 20	19	46.00	101,200	101,200	**0.2%**																
1.404	2,600	2,600	Square Feet	Roof, 2nd Floor, Center/East, Thermoplastic	2037	15 to 20	10	43.00	111,800	111,800	**0.4%**											153,193					
1.405	9,500	9,500	Square Feet	Roof, 2nd Floor, Northwest, Thermoplastic	2030	15 to 20	3	40.00	380,000	380,000	**1.2%**				417,660												
1.406	2,100	2,100	Square Feet	Roof, 2nd Floor, Southwest, Thermoplastic	2033	15 to 20	6	43.00	90,300	90,300	**0.3%**						109,085										
1.407	15,000	15,000	Square Feet	Roof, 2nd Floor, Concrete, Waterproof Coating and Repairs	2037	10 to 15	10	16.00	240,000	240,000	**0.8%**											328,858					
1.408	2	1	Allowance	Roof, 2nd Floor, Sun Deck, Furnishings, Phased (2027 is Additional)	2027	to 20	0 to 10	20,000.00	20,000	40,000	**0.1%**	14,500										27,405					
1.410	1,800	1,800	Square Feet	Roof, 2nd Floor, Sun Deck, Pergolas, Replacement	2037	to 25	10	100.00	180,000	180,000	**0.3%**											246,643					
1.412	2,300	2,300	Square Feet	Roof, 2nd Floor, Sun Deck, Planters	2037	to 30	10	135.00	310,500	310,500	**0.4%**											425,460					
1.414	1	1	Allowance	Roof, 2nd Floor, Sun Deck, Wood Decking (Incl. Pergolas, Siding), Repairs/Paint	2034	to 6	7	52,000.00	52,000	52,000	**0.4%**								64,828						78,314		
1.415	1	1	Allowance	Roof, 2nd Floor, Sun Deck, Wood Decking (Incl. Siding), Replacement	2028	to 25	1	225,000.00	225,000	225,000	**0.7%**		232,200														
1.417	340	340	Linear Feet	Roof, 2nd Floor, Sun Deck, Steel Railings (Incl. East of Pool Enclosure)	2035	to 45	8	275.00	93,500	93,500	**0.1%**									120,295							
1.419	3,900	3,900	Square Feet	Roof, 2nd Floor, Membrane (Beneath Decking and Pavers)	2028	15 to 20	1	41.00	159,900	159,900	**0.5%**		165,017														
1.420	4,700	4,700	Square Feet	Roof, Pool Enclosure, Inspections, Sealants and Repairs	2034	10 to 15	7	13.50	63,450	63,450	**0.4%**								79,102								
1.660	7,000	7,000	Square Feet	Walls, Concrete, Mechanical Penthouse, Repairs and Coating	2028	to 12	1	13.00	91,000	91,000	**0.4%**		93,912									128,682					
1.729	1	1	Allowance	Walls, Curtain Wall, Inspections and Infiltration Remediation (2027 Includes Evaluation)	2027	N/A	0	75,000.00	75,000	75,000	**1.3%**	116,000			82,433			90,602							112,953		120,298
1.730	203,000	203,000	Square Feet	Walls, Curtain Wall, Inspections, Extensive Sealants and Capital Repairs	2034	to 20	7	19.50	3,958,500	3,958,500	**14.8%**								4,935,016								
1.820	23,000	11,500	Square Feet	Walls, Masonry, Inspections and Systematic Repairs, Phased (2027 is South)	2027	to 8	0 to 4	7.00	80,500	161,000	**1.1%**	80,000				91,309				103,570			117,477				
1.844	5,500	5,500	Square Feet	Walls, Siding, Metal, Racquetball Court, Exercise Room and Mall Atrium	2037	to 45	10	42.50	233,750	233,750	**0.3%**										320,294						
1.981	4,300	4,300	Square Feet	Windows and Doors, Lobby, Party Room and Aerobic Exercise Room	2039	to 60	12	140.00	602,000	602,000	**0.9%**												878,522				
1.982	2,100	2,100	Square Feet	Windows and Doors, 2nd Floor Walkway and Weight Exercise Room	2039	to 45	12	130.00	273,000	273,000	**0.4%**												398,400				
1.983	1,700	1,700	Square Feet	Windows and Doors, Pool	2039	to 45	12	155.00	263,500	263,500	**0.4%**												384,536				
1.984	1	1	Allowance	Windows and Doors, Mall (Entrances)	2039	to 60	12	66,000.00	66,000	66,000	**0.1%**												96,316				
1.985	1	1	Allowance	Windows and Doors, Mall, Skylight	2031	to 40	4	92,000.00	92,000	92,000	**0.1%**					104,353											
				Interior Building Elements																							
2.073	1	1	Allowance	Concrete Floors, Near Term Repairs	2027	N/A	0	37,200.00	37,200	37,200	**0.0%**	37,200															
2.100	4	4	Each	Elevator Cab Finishes, Traction, Passenger (2027 is Refinishing)	2027	to 20	0	35,000.00	140,000	140,000	**0.3%**	15,000															
2.101	2	2	Each	Elevator Cab Finishes, Traction, Service	2042	to 20	15	30,000.00	60,000	60,000	**0.1%**																96,238
2.102	2	2	Each	Elevator Cab Finishes, Hydraulic, Garage/Mall	2034	to 20	7	26,000.00	52,000	52,000	**0.2%**								64,828								
2.155	1	1	Allowance	Exercise Equipment, Cardiovascular	2027	to 5	0	63,200.00	63,200	63,200	**0.8%**	63,200					73,980				86,599						101,371
2.165	1	1	Allowance	Exercise Equipment, Strength Training	2030	to 15	3	82,000.00	82,000	82,000	**0.2%**				90,127												
2.180	1	1	Allowance	Exercise Rooms, Renovations	2033	to 15	6	77,000.00	77,000	77,000	**0.3%**							93,018									
2.200	6,200	6,200	Square Yards	Floor Coverings, Carpet, Hallways	2036	8 to 12	9	100.00	620,000	620,000	**2.1%**										823,207						
2.300	2,800	2,800	Square Feet	Floor Coating, 2nd Floor Walkway and Pool Area	2036	to 15	9	14.00	39,200	39,200	**0.1%**										52,048						
2.301	52	52	Floors	Floor Coverings, Vinyl, Service Elevator Foyers/Trash Areas, Residential Floors	2048	to 25	21	1,900.00	98,800	98,800	**0.2%**																
2.560	620	620	Each	Light Fixtures, Hallways	2048	to 25	21	400.00	248,000	248,000	**0.5%**																
2.600	1	1	Allowance	Lobby, Renovations	2029	to 20	2	150,000.00	150,000	150,000	**0.5%**			159,754													

Years 2043 to 2057

RESERVE EXPENDITURES

Park Tower
Condominium Association
Chicago, Illinois

Line Item	Total Quantity	Per Phase Quantity	Units	Reserve Component Inventory	Estimated 1st Year of Event	Life Analysis, Years Useful	Remaining	Unit Costs, $ (2027)	Per Phase (2027)	Total (2027)	Percentage of Future Expenditures	16 2043	17 2044	18 2045	19 2046	20 2047	21 2048	22 2049	23 2050	24 2051	25 2052	26 2053	27 2054	28 2055	29 2056	30 2057
				Exterior Building Elements																						
1.260	1	1	Allowance	Lighting System, Main Roof Level	2044	to 20	17	60,000.00	60,000	60,000	**0.1%**		102,496													
1.400	10,300	10,300	Square Feet	Roofs, Tower, Main and Mechanical Penthouse, Modified Bitumen	2037	15 to 20	10	75.00	772,500	772,500	**3.2%**															1,987,419
1.401	800	800	Square Feet	Roof, Lobby Canopy, Thermoplastic	2031	15 to 20	4	50.00	40,000	40,000	**0.1%**								82,545							
1.402	900	900	Square Feet	Roofs, 2nd Floor Walkway (Incl. Gutter System), Thermoplastic	2040	15 to 20	13	82.00	73,800	73,800	**0.1%**															
1.403	2,200	2,200	Square Feet	Roofs, 2nd Floor, Racquetball Court and Exercise Room	2046	15 to 20	19	46.00	101,200	101,200	**0.2%**				184,117											
1.404	2,600	2,600	Square Feet	Roof, 2nd Floor, Center/East, Thermoplastic	2037	15 to 20	10	43.00	111,800	111,800	**0.4%**														278,710	
1.405	9,500	9,500	Square Feet	Roof, 2nd Floor, Northwest, Thermoplastic	2030	15 to 20	3	40.00	380,000	380,000	**1.2%**							759,866								
1.406	2,100	2,100	Square Feet	Roof, 2nd Floor, Southwest, Thermoplastic	2033	15 to 20	6	43.00	90,300	90,300	**0.3%**										198,463					
1.407	15,000	15,000	Square Feet	Roof, 2nd Floor, Concrete, Waterproof Coating and Repairs	2037	10 to 15	10	16.00	240,000	240,000	**0.8%**							479,915								
1.408	2	1	Allowance	Roof, 2nd Floor, Sun Deck, Furnishings, Phased (2027 is Additional)	2027	to 20	0 to 10	20,000.00	20,000	40,000	**0.1%**					37,551										51,454
1.410	1,800	1,800	Square Feet	Roof, 2nd Floor, Sun Deck, Pergolas, Replacement	2037	to 25	10	100.00	180,000	180,000	**0.3%**															
1.412	2,300	2,300	Square Feet	Roof, 2nd Floor, Sun Deck, Planters	2037	to 30	10	135.00	310,500	310,500	**0.4%**															
1.414	1	1	Allowance	Roof, 2nd Floor, Sun Deck, Wood Decking (Incl. Pergolas, Siding), Repairs/Paint	2034	to 6	7	52,000.00	52,000	52,000	**0.4%**				94,606						114,287					
1.415	1	1	Allowance	Roof, 2nd Floor, Sun Deck, Wood Decking (Incl. Siding), Replacement	2028	to 25	1	225,000.00	225,000	225,000	**0.7%**									479,176						
1.417	340	340	Linear Feet	Roof, 2nd Floor, Sun Deck, Steel Railings (Incl. East of Pool Enclosure)	2035	to 45	8	275.00	93,500	93,500	**0.1%**															
1.419	3,900	3,900	Square Feet	Roof, 2nd Floor, Membrane (Beneath Decking and Pavers)	2028	15 to 20	1	41.00	159,900	159,900	**0.5%**						309,829									
1.420	4,700	4,700	Square Feet	Roof, Pool Enclosure, Inspections, Sealants and Repairs	2034	10 to 15	7	13.50	63,450	63,450	**0.4%**			111,858											158,177	
1.660	7,000	7,000	Square Feet	Walls, Concrete, Mechanical Penthouse, Repairs and Coating	2028	to 12	1	13.00	91,000	91,000	**0.4%**						176,325									
1.729	1	1	Allowance	Walls, Curtain Wall, Inspections and Infiltration Remediation (2027 Includes Evaluation)	2027	N/A	0	75,000.00	75,000	75,000	**1.3%**		128,120		136,451		145,323		154,773		164,837					
1.730	203,000	203,000	Square Feet	Walls, Curtain Wall, Inspections, Extensive Sealants and Capital Repairs	2034	to 20	7	19.50	3,958,500	3,958,500	**14.8%**												9,265,790			
1.820	23,000	11,500	Square Feet	Walls, Masonry, Inspections and Systematic Repairs, Phased (2027 is South)	2027	to 8	0 to 4	7.00	80,500	161,000	**1.1%**	133,251				151,144				171,439				194,459		
1.844	5,500	5,500	Square Feet	Walls, Siding, Metal, Racquetball Court, Exercise Room and Mall Atrium	2037	to 45	10	42.50	233,750	233,750	**0.3%**															
1.981	4,300	4,300	Square Feet	Windows and Doors, Lobby, Party Room and Aerobic Exercise Room	2039	to 60	12	140.00	602,000	602,000	**0.9%**															
1.982	2,100	2,100	Square Feet	Windows and Doors, 2nd Floor Walkway and Weight Exercise Room	2039	to 45	12	130.00	273,000	273,000	**0.4%**															
1.983	1,700	1,700	Square Feet	Windows and Doors, Pool	2039	to 45	12	155.00	263,500	263,500	**0.4%**															
1.984	1	1	Allowance	Windows and Doors, Mall (Entrances)	2039	to 60	12	66,000.00	66,000	66,000	**0.1%**															
1.985	1	1	Allowance	Windows and Doors, Mall, Skylight	2031	to 40	4	92,000.00	92,000	92,000	**0.1%**															
				Interior Building Elements																						
2.073	1	1	Allowance	Concrete Floors, Near Term Repairs	2027	N/A	0	37,200.00	37,200	37,200	**0.0%**															
2.100	4	4	Each	Elevator Cab Finishes, Traction, Passenger (2027 is Refinishing)	2027	to 20	0	35,000.00	140,000	140,000	**0.3%**		239,157													
2.101	2	2	Each	Elevator Cab Finishes, Traction, Service	2042	to 20	15	30,000.00	60,000	60,000	**0.1%**															
2.102	2	2	Each	Elevator Cab Finishes, Hydraulic, Garage/Mall	2034	to 20	7	26,000.00	52,000	52,000	**0.2%**													121,718		
2.155	1	1	Allowance	Exercise Equipment, Cardiovascular	2027	to 5	0	63,200.00	63,200	63,200	**0.8%**					118,662					138,902					162,595
2.165	1	1	Allowance	Exercise Equipment, Strength Training	2030	to 15	3	82,000.00	82,000	82,000	**0.2%**			144,560												
2.180	1	1	Allowance	Exercise Rooms, Renovations	2033	to 15	6	77,000.00	77,000	77,000	**0.3%**						149,198									
2.200	6,200	6,200	Square Yards	Floor Coverings, Carpet, Hallways	2036	8 to 12	9	100.00	620,000	620,000	**2.1%**						1,201,338									
2.300	2,800	2,800	Square Feet	Floor Coating, 2nd Floor Walkway and Pool Area	2036	to 15	9	14.00	39,200	39,200	**0.1%**							78,386								
2.301	52	52	Floors	Floor Coverings, Vinyl, Service Elevator Foyers/Trash Areas, Residential Floors	2048	to 25	21	1,900.00	98,800	98,800	**0.2%**						191,439									
2.560	620	620	Each	Light Fixtures, Hallways	2048	to 25	21	400.00	248,000	248,000	**0.5%**						480,535									
2.600	1	1	Allowance	Lobby, Renovations	2029	to 20	2	150,000.00	150,000	150,000	**0.5%**					281,634										

Years 2027 to 2042

RESERVE EXPENDITURES

Park Tower
Condominium Association
Chicago, Illinois

Explanatory Notes:
1) **3.2% is the estimated Inflation Rate for estimating Future Replacement Costs.**
2) **FY2027 is Fiscal Year beginning March 1, 2026 and ending February 28, 2027.**

Line Item	Total Quantity	Per Phase Quantity	Units	Reserve Component Inventory	Estimated 1st Year of Event	Life Analysis, Years Useful	Remaining	Unit Cost (2027)	Per Phase Cost (2027)	Total Cost (2027)	Percentage of Future Expenditures	RUL = 0 FY2027	1 2028	2 2029	3 2030	4 2031	5 2032	6 2033	7 2034	8 2035	9 2036	10 2037	11 2038	12 2039	13 2040	14 2041	15 2042
2.700	728	728	Units	Mailboxes (Residential)	2039	to 35	12	180.00	131,040	131,040	**0.2%**													191,232			
2.711	1	1	Allowance	Mall, Corridors, Renovations (Furniture is Near Term)	2027	to 25	0	100,000.00	100,000	100,000	**0.3%**	23,100		106,502													
2.712	1	1	Allowance	Mall, Market, Renovations	2028	to 15	1	120,000.00	120,000	120,000	**0.6%**		123,840												180,725		
2.713	1	1	Allowance	Mall, Office, Renovations	2032	to 10	5	44,000.00	44,000	44,000	**0.2%**						51,505										70,575
2.714	2	2	Each	Mall, Rest Rooms, Renovations	2038	to 25	11	26,500.00	53,000	53,000	**0.1%**												74,947				
2.800	220,000	220,000	Square Feet	Paint Finishes, Hallways (Incl. Elevator Foyer Wall Coverings)	2036	8 to 12	9	1.80	396,000	396,000	**1.3%**										525,790						
2.840	2	1	Allowance	Party Room, Renovations (Incl. Kitchen), Phased (2027 is Pocket Door)	2027	to 20	0 to 2	40,000.00	40,000	80,000	**0.3%**	12,500		42,601				48,321									
2.900	2	2	Each	Rest/Locker Rooms, 2nd Floor, Renovations	2040	to 25	13	35,000.00	70,000	70,000	**0.1%**														105,423		
2.911	1	1	Allowance	Signage, Hallways	2048	to 25	21	90,000.00	90,000	90,000	**0.2%**																
				Building Services Elements																							
3.020	2	2	Each	Air Handling Units, S-1 and S-2, Residential Corridors, Total Replacement	2038	to 60	11	450,000.00	900,000	900,000	**1.3%**												1,272,680				
3.023	1	1	Each	Air Handling Unit, S-3, Lobby, Total Replacement (Incl. Return Air Fan)	2038	to 60	11	275,000.00	275,000	275,000	**0.4%**												388,874				
3.024	1	1	Each	Air Handling Units, S-4, Laundry Room	2028	to 35	1	55,000.00	55,000	55,000	**0.1%**		56,760														
3.025	1	1	Each	Air Handling Units, S-5, Basement	2028	to 35	1	65,000.00	65,000	65,000	**0.1%**		67,080														
3.026	1	1	Each	Air Handling Unit, S-6, Mall Corridors	2027	to 35	0	75,000.00	75,000	75,000	**0.1%**	75,000															
3.027	1	1	Each	Air Handling Units, S-7, Party Room	2027	to 35	0	60,000.00	60,000	60,000	**0.1%**	60,000															
3.028	1	1	Each	Air Handling Unit, S-8, Pool (Incl. Return Air Fan)	2027	to 30	0	90,000.00	90,000	90,000	**0.3%**	90,000															
3.030	1	1	Each	Air Handling Unit, Racquetball Court, Rooftop Unit	2046	to 25	19	28,000.00	28,000	28,000	**0.1%**																
3.033	1	1	Each	Air Handling Unit, Elevator Room, Low Rise	2048	to 25	21	18,000.00	18,000	18,000	**0.0%**																
3.105	2	2	Each	Boilers, Building Heat, 29,291-MBH	2033	to 60	6	1,375,000.00	2,750,000	2,750,000	**3.5%**							3,322,086									
3.106	1	1	Allowance	Boilers, Building Heat, Feed Water System (Tank and Pumps)	2033	to 35	6	80,000.00	80,000	80,000	**0.1%**							96,643									
3.160	4	4	Each	Boilers, Domestic Hot Water, Residential, High Zone, 800-MBH	2031	to 15	4	56,000.00	224,000	224,000	**0.7%**					254,078											
3.161	3	3	Each	Boilers, Domestic Hot Water, Residential, Low Zone, 1,255-MBH	2034	to 15	7	61,000.00	183,000	183,000	**0.6%**								228,144								
3.162	2	2	Each	Boilers, Domestic Hot Water, Commercial, 660-MBH	2028	to 15	1	35,000.00	70,000	70,000	**0.4%**		72,240												108,796		
3.170	1	1	Allowance	Building Automation System (2027 is Remaining)	2027	to 15	0	205,500.00	205,500	205,500	**1.0%**	75,000															329,615
3.200	2	2	Each	Chillers, 600-tons, Capital Repairs	2046	to 10	19	75,000.00	150,000	150,000	**0.7%**																
3.205	2	2	Each	Chillers, 600-tons, Replacement	2036	to 35	9	1,000,000.00	2,000,000	2,000,000	**2.8%**										2,655,506						
3.260	1	1	Each	Cooling Tower, Residential, 1,051-tons, Capital Repairs (Liner, Fill, Baffles)	2038	10 to 15	11	80,000.00	80,000	80,000	**0.3%**												113,127				
3.265	1	1	Each	Cooling Tower, Residential, 1,051-tons, Replacement	2043	to 35	16	800,000.00	800,000	800,000	**1.4%**																
3.266	1	1	Each	Cooling Tower, Commercial, Replacement	2049	to 35	22	100,000.00	100,000	100,000	**0.2%**																
3.273	1	1	Allowance	Duct Cleaning (2027 is Remaining)	2027	to 10	0	65,000.00	65,000	65,000	**0.4%**	16,250										89,066					
3.300	1	1	Allowance	Electrical System, Main Panels	2041	to 70+	14	700,000.00	700,000	700,000	**1.1%**														1,087,962		
3.320	2	2	Each	Elevators, Hydraulic, Garage/Mall, Pumps and Controls	2035	to 30	8	109,000.00	218,000	218,000	**0.3%**									280,475							
3.321	2	2	Each	Elevators, Hydraulic, Garage/Mall, Cylinders	2046	to 45	19	70,000.00	140,000	140,000	**0.3%**																
3.322	1	1	Each	Elevator, Hydraulic, Refuse, Controls	2050	to 30	23	165,000.00	165,000	165,000	**0.4%**																
3.323	1	1	Each	Elevator, Hydraulic, Refuse, Pump and Cylinder	2042	to 30	15	85,000.00	85,000	85,000	**0.1%**																136,337
3.360	4	4	Each	Elevators, Traction, Passenger, Controls and Equipment	2030	to 30	3	520,000.00	2,080,000	2,080,000	**2.4%**				2,286,138												
3.361	2	2	Each	Elevators, Traction, Service, Controls and Equipment	2031	to 30	4	585,000.00	1,170,000	1,170,000	**1.4%**					1,327,103											
3.380	2	2	Each	Exhaust Fans, Main Kitchen and Rest Room (2027 is Kitchen Rebuild)	2027	to 45	0	110,000.00	220,000	220,000	**0.3%**	25,000										301,453					
3.393	7	7	Each	Expansion Tanks (Main Building Heating and Cooling System)	2034	to 60	7	39,000.00	273,000	273,000	**0.4%**								340,346								
3.460	2	2	Each	Heat Exchangers, Building Heating, Main	2033	to 35	6	185,000.00	370,000	370,000	**0.5%**							446,972									

RESERVE EXPENDITURES

Park Tower
Condominium Association
Chicago, Illinois

Line Item	Total Quantity	Per Phase Quantity	Units	Reserve Component Inventory	Estimated 1st Year of Event	Life Analysis, Years Useful	Remaining	Unit Costs, $ (2027)	Per Phase (2027)	Total (2027)	Percentage of Future Expenditures	16 2043	17 2044	18 2045	19 2046	20 2047	21 2048	22 2049	23 2050	24 2051	25 2052	26 2053	27 2054	28 2055	29 2056	30 2057
2.700	728	728	Units	Mailboxes (Residential)	2039	to 35	12	180.00	131,040	131,040	**0.2%**															
2.711	1	1	Allowance	Mall, Corridors, Renovations (Furniture is Near Term)	2027	to 25	0	100,000.00	100,000	100,000	**0.3%**								206,364							
2.712	1	1	Allowance	Mall, Market, Renovations	2028	to 15	1	120,000.00	120,000	120,000	**0.6%**										263,739					
2.713	1	1	Allowance	Mall, Office, Renovations	2032	to 10	5	44,000.00	44,000	44,000	**0.2%**										96,704					
2.714	2	2	Each	Mall, Rest Rooms, Renovations	2038	to 25	11	26,500.00	53,000	53,000	**0.1%**															
2.800	220,000	220,000	Square Feet	Paint Finishes, Hallways (Incl. Elevator Foyer Wall Coverings)	2036	8 to 12	9	1.80	396,000	396,000	**1.3%**						767,306									
2.840	2	1	Allowance	Party Room, Renovations (Incl. Kitchen), Phased (2027 is Pocket Door)	2027	to 20	0 to 2	40,000.00	40,000	80,000	**0.3%**					75,102				85,187						
2.900	2	2	Each	Rest/Locker Rooms, 2nd Floor, Renovations	2040	to 25	13	35,000.00	70,000	70,000	**0.1%**															
2.911	1	1	Allowance	Signage, Hallways	2048	to 25	21	90,000.00	90,000	90,000	**0.2%**						174,388									
				Building Services Elements																						
3.020	2	2	Each	Air Handling Units, S-1 and S-2, Residential Corridors, Total Replacement	2038	to 60	11	450,000.00	900,000	900,000	**1.3%**															
3.023	1	1	Each	Air Handling Unit, S-3, Lobby, Total Replacement (Incl. Return Air Fan)	2038	to 60	11	275,000.00	275,000	275,000	**0.4%**															
3.024	1	1	Each	Air Handling Units, S-4, Laundry Room	2028	to 35	1	55,000.00	55,000	55,000	**0.1%**															
3.025	1	1	Each	Air Handling Units, S-5, Basement	2028	to 35	1	65,000.00	65,000	65,000	**0.1%**															
3.026	1	1	Each	Air Handling Unit, S-6, Mall Corridors	2027	to 35	0	75,000.00	75,000	75,000	**0.1%**															
3.027	1	1	Each	Air Handling Units, S-7, Party Room	2027	to 35	0	60,000.00	60,000	60,000	**0.1%**															
3.028	1	1	Each	Air Handling Unit, S-8, Pool (Incl. Return Air Fan)	2027	to 30	0	90,000.00	90,000	90,000	**0.3%**												210,666			
3.030	1	1	Each	Air Handling Unit, Racquetball Court, Rooftop Unit	2046	to 25	19	28,000.00	28,000	28,000	**0.1%**				50,942											
3.033	1	1	Each	Air Handling Unit, Elevator Room, Low Rise	2048	to 25	21	18,000.00	18,000	18,000	**0.0%**						34,878									
3.105	2	2	Each	Boilers, Building Heat, 29,291-MBH	2033	to 60	6	1,375,000.00	2,750,000	2,750,000	**3.5%**															
3.106	1	1	Allowance	Boilers, Building Heat, Feed Water System (Tank and Pumps)	2033	to 35	6	80,000.00	80,000	80,000	**0.1%**															
3.160	4	4	Each	Boilers, Domestic Hot Water, Residential, High Zone, 800-MBH	2031	to 15	4	56,000.00	224,000	224,000	**0.7%**				407,533											
3.161	3	3	Each	Boilers, Domestic Hot Water, Residential, Low Zone, 1,255-MBH	2034	to 15	7	61,000.00	183,000	183,000	**0.6%**						354,589									
3.162	2	2	Each	Boilers, Domestic Hot Water, Commercial, 660-MBH	2028	to 15	1	35,000.00	70,000	70,000	**0.4%**												163,851			
3.170	1	1	Allowance	Building Automation System (2027 is Remaining)	2027	to 15	0	205,500.00	205,500	205,500	**1.0%**															528,692
3.200	2	2	Each	Chillers, 600-tons, Capital Repairs	2046	to 10	19	75,000.00	150,000	150,000	**0.7%**				272,901										373,940	
3.205	2	2	Each	Chillers, 600-tons, Replacement	2036	to 35	9	1,000,000.00	2,000,000	2,000,000	**2.8%**															
3.260	1	1	Each	Cooling Tower, Residential, 1,051-tons, Capital Repairs (Liner, Fill, Baffles)	2038	10 to 15	11	80,000.00	80,000	80,000	**0.3%**											181,452				
3.265	1	1	Each	Cooling Tower, Residential, 1,051-tons, Replacement	2043	to 35	16	800,000.00	800,000	800,000	**1.4%**	1,324,235														
3.266	1	1	Each	Cooling Tower, Commercial, Replacement	2049	to 35	22	100,000.00	100,000	100,000	**0.2%**							199,965								
3.273	1	1	Allowance	Duct Cleaning (2027 is Remaining)	2027	to 10	0	65,000.00	65,000	65,000	**0.4%**					122,041										167,226
3.300	1	1	Allowance	Electrical System, Main Panels	2041	to 70+	14	700,000.00	700,000	700,000	**1.1%**															
3.320	2	2	Each	Elevators, Hydraulic, Garage/Mall, Pumps and Controls	2035	to 30	8	109,000.00	218,000	218,000	**0.3%**															
3.321	2	2	Each	Elevators, Hydraulic, Garage/Mall, Cylinders	2046	to 45	19	70,000.00	140,000	140,000	**0.3%**				254,708											
3.322	1	1	Each	Elevator, Hydraulic, Refuse, Controls	2050	to 30	23	165,000.00	165,000	165,000	**0.4%**								340,500							
3.323	1	1	Each	Elevator, Hydraulic, Refuse, Pump and Cylinder	2042	to 30	15	85,000.00	85,000	85,000	**0.1%**															
3.360	4	4	Each	Elevators, Traction, Passenger, Controls and Equipment	2030	to 30	3	520,000.00	2,080,000	2,080,000	**2.4%**															
3.361	2	2	Each	Elevators, Traction, Service, Controls and Equipment	2031	to 30	4	585,000.00	1,170,000	1,170,000	**1.4%**															
3.380	2	2	Each	Exhaust Fans, Main Kitchen and Rest Room (2027 is Kitchen Rebuild)	2027	to 45	0	110,000.00	220,000	220,000	**0.3%**															
3.393	7	7	Each	Expansion Tanks (Main Building Heating and Cooling System)	2034	to 60	7	39,000.00	273,000	273,000	**0.4%**															
3.460	2	2	Each	Heat Exchangers, Building Heating, Main	2033	to 35	6	185,000.00	370,000	370,000	**0.5%**															

Years 2027 to 2042

RESERVE EXPENDITURES

Park Tower
Condominium Association
Chicago, Illinois

Explanatory Notes:
1) **3.2% is the estimated Inflation Rate for estimating Future Replacement Costs.**
2) **FY2027 is Fiscal Year beginning March 1, 2026 and ending February 28, 2027.**

Line Item	Total Quantity	Per Phase Quantity	Units	Reserve Component Inventory	Estimated 1st Year of Event	Life Analysis, Years Useful	Remaining	Costs, $ Unit (2027)	Per Phase (2027)	Total (2027)	Percentage of Future Expenditures	RUL = 0 FY2027	1 2028	2 2029	3 2030	4 2031	5 2032	6 2033	7 2034	8 2035	9 2036	10 2037	11 2038	12 2039	13 2040	14 2041	15 2042
3.461	3	3	Each	Heat Exchangers, Remaining (Pool Air Handler, Fin Tubes, Low Level)	2033	to 35	6	67,000.00	201,000	201,000	**0.3%**							242,814									
3.555	1	1	Allowance	Life Safety System, Control Panels (Incl. Detectors)	2036	to 15	9	100,000.00	100,000	100,000	**0.4%**										132,775						
3.560	1	1	Allowance	Life Safety System, Devices (Audio Fixtures, Voice Panels at Stairwells)	2036	to 25	9	225,000.00	225,000	225,000	**0.3%**										298,744						
3.563	1	1	Allowance	Life Safety System, Smoke Damper System, Actuators	2028	to 50	1	220,000.00	220,000	220,000	**0.2%**		227,040														
3.580	470	470	Each	Light Fixtures, Exit and Emergency (Incl. Remote Emergency)	2043	to 25	16	330.00	155,100	155,100	**0.3%**																
3.598	1	1	Allowance	Pipes, Risers, Building Heating, Cooling and Condensate, Invasive Study	2027	N/A	0	38,300.00	38,300	38,300	**0.0%**	38,300															
3.600	2,292	287	Each	Pipes, Riser Sections, Building Heating, Cooling and Condensate, Phased	2029	to 80+	2 to 9	3,500.00	1,002,750	8,022,000	**10.0%**			1,067,953	1,102,127	1,137,395	1,173,792	1,211,353	1,250,117	1,290,120	1,331,404						
3.604	2	1	Allowance	Pipes, Riser Sections, Domestic Hot Water, Remaining Phased, Phased	2027	to 70+	0 to 1	469,250.00	469,250	938,500	**1.0%**	445,000	493,500														
3.605	2,754	344	Each	Pipes, Riser Sections, Domestic Cold Water, Waste and Vent, Phased	2037	to 70+	10 to 17	3,200.00	1,101,600	8,812,800	**14.1%**											1,509,458	1,557,760	1,607,609	1,659,052	1,712,142	1,766,930
3.700	2	2	Each	Pumps, Building Cooling, Commercial at Cooling Tower, 7.5-HP (Incl. Controls, VFDs)	2040	to 25	13	23,000.00	46,000	46,000	**0.1%**														69,278		
3.701	1	1	Each	Pump, Building Cooling, Residential, Cooling Tower, 75-HP (Incl. Controls)	2054	to 30	27	80,000.00	80,000	80,000	**0.2%**																
3.702	2	2	Each	Pumps, Building Heating, Commercial, 10-HP (Incl. Controls)	2028	to 30	1	25,000.00	50,000	50,000	**0.2%**		51,600														
3.703	3	3	Each	Pumps, HVAC, Residential, Fan Coil Loop/Dual Temperature, 100-HP (Incl. Controls, VFDs)	2049	to 35	22	98,500.00	295,500	295,500	**0.6%**																
3.704	2	2	Each	Pumps, Building Heating, Residential, Fin Tubes, 15-HP (Incl. Controls)	2048	to 30	21	35,000.00	70,000	70,000	**0.1%**																
3.705	3	3	Each	Pumps, Domestic Cold Water, 30- to 60-HP (Incl. Controls, VFDs)	2038	to 25	11	95,000.00	285,000	285,000	**0.4%**												403,015				
3.706	2	2	Each	Pumps, Fire Suppression, 40- to 100-HP (Incl. Controls) (2027 is Jockey Pump)	2027	to 60	0	115,000.00	230,000	230,000	**0.3%**	9,000		244,956													
3.707	2	2	Each	Pumps, Gas Booster, 10-HP (Incl. Controls)	2040	to 25	13	39,000.00	78,000	78,000	**0.1%**														117,471		
3.708	2	2	Each	Pumps, Sewage Ejection, 10-HP (Incl. Controls)	2039	to 25	12	17,500.00	35,000	35,000	**0.1%**													51,077			
3.820	3	1	Allowance	Security System, Camera System, Phased	2031	to 15	4 to 12	30,500.00	30,500	91,500	**0.4%**					34,595				39,241				44,510			
3.821	2	1	Allowance	Security System, Fob Reader System, Phased	2030	to 15	3 to 10	19,000.00	19,000	38,000	**0.1%**				20,883							26,035					
3.861	1	1	Each	Storage Tank, Domestic Hot Water, High Zone	2028	to 45	1	145,000.00	145,000	145,000	**0.2%**		149,640														
3.900	1	1	Each	Trash Compactor	2039	to 25	12	17,500.00	17,500	17,500	**0.0%**													25,538			
3.920	30	5	Each	Valves, Large Diameter (Fire Pumps, Main Water, Main Mech.), Phased (2027 is Isolation)	2027	to 50	0 to 25	10,000.00	50,000	300,000	**0.3%**	135,000					58,529										
				Property Site Elements																							
4.045	1,750	1,750	Square Yards	Asphalt Pavement, East and North (Shared), Total Replacement	2037	15 to 20	10	40.00	70,000	70,000	**0.3%**											95,917					
4.140	1	1	Allowance	Concrete, On-Grade at Site (Sidewalks, Pavement, Curbs), Partial	2029	to 50	2 to 30+	28,000.00	28,000	28,000	**0.2%**			29,821						36,024						43,518	
4.245	300	300	Linear Feet	Fence, Steel, East Perimeter	2057	to 35	30	125.00	37,500	37,500	**0.1%**																
4.959	1	1	Allowance	Plaza, Waterproof Membrane and Concrete, Interim Repairs/Sealants (Incl. Circle Drive)	2030	to 6	3	50,000.00	50,000	50,000	**0.3%**				54,955						66,388						
4.960	11,000	11,000	Square Feet	Plaza, Waterproof Membrane and Concrete, Replacement (Incl. Circle Drive)	2043	to 30	16	126.00	1,386,000	1,386,000	**2.4%**																
4.961	1,500	1,500	Square Feet	Plaza, Waterproof Membrane, Planters (Except at Lobby Entrance)	2034	to 30	7	130.00	195,000	195,000	**0.3%**								243,104								
4.971	1	1	Each	Tractor (Incl. Attachments)	2027	to 15	0	33,200.00	33,200	33,200	**0.2%**	33,200															53,252
				Pool Elements																							
6.553	1	1	Allowance	Hot Tub (Jacuzzi), Insert	2029	to 20	2	42,000.00	42,000	42,000	**0.1%**			44,731													
6.600	3	1	Allowance	Mechanical Equipment, Phased	2030	to 15	3 to 11	24,000.00	24,000	72,000	**0.3%**				26,379				29,921				33,938				38,495
6.800	2,100	2,100	Square Feet	Pool, Main/Indoor, Vinyl Liner and Repairs	2030	to 15	3	80.00	168,000	168,000	**0.9%**				184,650												269,466
6.801	1	1	Allowance	Pool, Outdoor (Kiddie Pool), Renovation	2031	8 to 12	4	35,000.00	35,000	35,000	**0.2%**					39,700											
				Garage Elements																							
7.300	63,000	63,000	Square Feet	Concrete, Elevated Floor, Inspections and Capital Repairs (1P Level)	2033	to 10	6	2.80	176,400	176,400	**0.9%**							213,097								
7.360	63,000	3,780	Square Feet	Concrete, On-grade, Partial (2P Level) (Incl. Drain Repairs), Partial	2033	to 90	6 to 30+	36.00	136,080	2,268,000	**0.7%**							164,389								218,268

Years 2043 to 2057

RESERVE EXPENDITURES

Park Tower
Condominium Association
Chicago, Illinois

Line Item	Total Quantity	Per Phase Quantity	Units	Reserve Component Inventory	Estimated 1st Year of Event	Life Analysis, Years Useful	Remaining	Unit (2027)	Costs, $ Per Phase (2027)	Total (2027)	Percentage of Future Expenditures	16 2043	17 2044	18 2045	19 2046	20 2047	21 2048	22 2049	23 2050	24 2051	25 2052	26 2053	27 2054	28 2055	29 2056	30 2057
3.461	3	3	Each	Heat Exchangers, Remaining (Pool Air Handler, Fin Tubes, Low Level)	2033	to 35	6	67,000.00	201,000	201,000	**0.3%**															
3.555	1	1	Allowance	Life Safety System, Control Panels (Incl. Detectors)	2036	to 15	9	100,000.00	100,000	100,000	**0.4%**									212,967						
3.560	1	1	Allowance	Life Safety System, Devices (Audio Fixtures, Voice Panels at Stairwells)	2036	to 25	9	225,000.00	225,000	225,000	**0.3%**															
3.563	1	1	Allowance	Life Safety System, Smoke Damper System, Actuators	2028	to 50	1	220,000.00	220,000	220,000	**0.2%**															
3.580	470	470	Each	Light Fixtures, Exit and Emergency (Incl. Remote Emergency)	2043	to 25	16	330.00	155,100	155,100	**0.3%**	256,736														
3.598	1	1	Allowance	Pipes, Risers, Building Heating, Cooling and Condensate, Invasive Study	2027	N/A	0	38,300.00	38,300	38,300	**0.0%**															
3.600	2,292	287	Each	Pipes, Riser Sections, Building Heating, Cooling and Condensate, Phased	2029	to 80+	2 to 9	3,500.00	1,002,750	8,022,000	**10.0%**															
3.604	2	1	Allowance	Pipes, Riser Sections, Domestic Hot Water, Remaining Phased, Phased	2027	to 70+	0 to 1	469,250.00	469,250	938,500	**1.0%**															
3.605	2,754	344	Each	Pipes, Riser Sections, Domestic Cold Water, Waste and Vent, Phased	2037	to 70+	10 to 17	3,200.00	1,101,600	8,812,800	**14.1%**	1,823,472	1,881,823													
3.700	2	2	Each	Pumps, Building Cooling, Commercial at Cooling Tower, 7.5-HP (Incl. Controls, VFDs)	2040	to 25	13	23,000.00	46,000	46,000	**0.1%**															
3.701	1	1	Each	Pump, Building Cooling, Residential, Cooling Tower, 75-HP (Incl. Controls)	2054	to 30	27	80,000.00	80,000	80,000	**0.2%**												187,259			
3.702	2	2	Each	Pumps, Building Heating, Commercial, 10-HP (Incl. Controls)	2028	to 30	1	25,000.00	50,000	50,000	**0.2%**												117,037			
3.703	3	3	Each	Pumps, HVAC, Residential, Fan Coil Loop/Dual Temperature, 100-HP (Incl. Controls, VFDs)	2049	to 35	22	98,500.00	295,500	295,500	**0.6%**							590,896								
3.704	2	2	Each	Pumps, Building Heating, Residential, Fin Tubes, 15-HP (Incl. Controls)	2048	to 30	21	35,000.00	70,000	70,000	**0.1%**						135,635									
3.705	3	3	Each	Pumps, Domestic Cold Water, 30- to 60-HP (Incl. Controls, VFDs)	2038	to 25	11	95,000.00	285,000	285,000	**0.4%**															
3.706	2	2	Each	Pumps, Fire Suppression, 40- to 100-HP (Incl. Controls) (2027 is Jockey Pump)	2027	to 60	0	115,000.00	230,000	230,000	**0.3%**															
3.707	2	2	Each	Pumps, Gas Booster, 10-HP (Incl. Controls)	2040	to 25	13	39,000.00	78,000	78,000	**0.1%**															
3.708	2	2	Each	Pumps, Sewage Ejection, 10-HP (Incl. Controls)	2039	to 25	12	17,500.00	35,000	35,000	**0.1%**															
3.820	3	1	Allowance	Security System, Camera System, Phased	2031	to 15	4 to 12	30,500.00	30,500	91,500	**0.4%**	50,486				57,266				64,955					73,677	
3.821	2	1	Allowance	Security System, Fob Reader System, Phased	2030	to 15	3 to 10	19,000.00	19,000	38,000	**0.1%**		32,457							40,464						
3.861	1	1	Each	Storage Tank, Domestic Hot Water, High Zone	2028	to 45	1	145,000.00	145,000	145,000	**0.2%**															
3.900	1	1	Each	Trash Compactor	2039	to 25	12	17,500.00	17,500	17,500	**0.0%**															
3.920	30	5	Each	Valves, Large Diameter (Fire Pumps, Main Water, Main Mech.), Phased (2027 is Isolation)	2027	to 50	0 to 25	10,000.00	50,000	300,000	**0.3%**										109,891					
				Property Site Elements																						
4.045	1,750	1,750	Square Yards	Asphalt Pavement, East and North (Shared), Total Replacement	2037	15 to 20	10	40.00	70,000	70,000	**0.3%**										153,848					
4.140	1	1	Allowance	Concrete, On-Grade at Site (Sidewalks, Pavement, Curbs), Partial	2029	to 50	2 to 30+	28,000.00	28,000	28,000	**0.2%**					52,572						63,508				
4.245	300	300	Linear Feet	Fence, Steel, East Perimeter	2057	to 35	30	125.00	37,500	37,500	**0.1%**															96,477
4.959	1	1	Allowance	Plaza, Waterproof Membrane and Concrete, Interim Repairs/Sealants (Incl. Circle Drive)	2030	to 6	3	50,000.00	50,000	50,000	**0.3%**						96,882						117,037			
4.960	11,000	11,000	Square Feet	Plaza, Waterproof Membrane and Concrete, Replacement (Incl. Circle Drive)	2043	to 30	16	126.00	1,386,000	1,386,000	**2.4%**	2,294,238														
4.961	1,500	1,500	Square Feet	Plaza, Waterproof Membrane, Planters (Except at Lobby Entrance)	2034	to 30	7	130.00	195,000	195,000	**0.3%**															
4.971	1	1	Each	Tractor (Incl. Attachments)	2027	to 15	0	33,200.00	33,200	33,200	**0.2%**															85,414
				Pool Elements																						
6.553	1	1	Allowance	Hot Tub (Jacuzzi), Insert	2029	to 20	2	42,000.00	42,000	42,000	**0.1%**					78,858										
6.600	3	1	Allowance	Mechanical Equipment, Phased	2030	to 15	3 to 11	24,000.00	24,000	72,000	**0.3%**				43,664			49,527					56,178			
6.800	2,100	2,100	Square Feet	Pool, Main/Indoor, Vinyl Liner and Repairs	2030	to 15	3	80.00	168,000	168,000	**0.9%**												393,243			
6.801	1	1	Allowance	Pool, Outdoor (Kiddie Pool), Renovation	2031	8 to 12	4	35,000.00	35,000	35,000	**0.2%**	57,935													84,547	
				Garage Elements																						
7.300	63,000	63,000	Square Feet	Concrete, Elevated Floor, Inspections and Capital Repairs (1P Level)	2033	to 10	6	2.80	176,400	176,400	**0.9%**	291,994										400,102					
7.360	63,000	3,780	Square Feet	Concrete, On-grade, Partial (2P Level) (Incl. Drain Repairs), Partial	2033	to 90	6 to 30+	36.00	136,080	2,268,000	**0.7%**									289,806					

Years 2027 to 2042

RESERVE EXPENDITURES

Park Tower
Condominium Association
Chicago, Illinois

Explanatory Notes:

1) **3.2% is the estimated Inflation Rate for estimating Future Replacement Costs.**
2) **FY2027 is Fiscal Year beginning March 1, 2026 and ending February 28, 2027.**

Line Item	Total Quantity	Per Phase Quantity	Units	Reserve Component Inventory	Estimated 1st Year of Event	Life Analysis, Years Useful	Remaining	Unit Cost (2027)	Per Phase Cost (2027)	Total Cost (2027)	Percentage of Future Expenditures	RUL = 0 FY2027	1 2028	2 2029	3 2030	4 2031	5 2032	6 2033	7 2034	8 2035	9 2036	10 2037	11 2038	12 2039	13 2040	14 2041	15 2042
7.400	2	2	Each	Doors and Operators, Vehicular	2033	10 to 15	6	32,000.00	64,000	64,000	**0.4%**							77,314									
7.401	6	6	Each	Doors and Operators, Fire	2032	to 50	5	24,000.00	144,000	144,000	**0.2%**						168,563										
7.455	1	1	Allowance	Exhaust System, Carbon Monoxide Detection System	2037	to 10	10	35,000.00	35,000	35,000	**0.2%**											47,958					
7.460	1	1	Allowance	Exhaust System, Fans and Louvers	2033	to 30	6	110,000.00	110,000	110,000	**0.1%**							132,883									
7.500	126,000	126,000	Square Feet	Fire Suppression System	2040	to 60	13	4.50	567,000	567,000	**0.9%**														853,924		
7.600	200	200	Each	Light Fixtures	2040	to 30	13	300.00	60,000	60,000	**0.1%**														90,362		
7.660	150,000	150,000	Square Feet	Paint Finishes	2043	to 20	16	1.20	180,000	180,000	**0.3%**																
7.799	26,000	26,000	Square Feet	Traffic Coating, Elevated Floor, Overlay at Drive Lanes (1P Level)	2033	to 10	6	8.30	215,800	215,800	**0.8%**							260,693									
7.800	63,000	63,000	Square Feet	Traffic Coating, Elevated Floor, Total Replacement (1P Level)	2043	to 20	16	9.00	567,000	567,000	**1.0%**																
7.900	1	1	Allowance	Unit Heaters (or Air Handling Units), Original	2031	to 30	4	150,000.00	150,000	150,000	**0.2%**					170,141											
7.901	1	1	Allowance	Unit Heaters (or Air Handling Units), Installed 2019	2047	to 30	20	28,000.00	28,000	28,000	**0.1%**																
	1	1	Allowance	2027 Remaining Reserve Expenditures	2027	N/A	0	42,000.00	42,000	42,000	**0.0%**	42,000															
	1	1	Allowance	Reserve Study Update with Site Visit	2029	N/A	2	13,000.00	13,000	13,000	**0.0%**			13,000													
				Anticipated Expenditures, By Year ($96,116,922 over 30 years)								1,405,250	1,732,829	1,709,317	4,265,351	3,204,046	1,526,369	6,509,271	7,235,405	1,869,726	5,885,862	4,716,849	3,973,024	3,795,217	3,378,647	2,952,419	3,200,845

Years 2043 to 2057

RESERVE EXPENDITURES

Park Tower
Condominium Association
Chicago, Illinois

Line Item	Total Quantity	Per Phase Quantity	Units	Reserve Component Inventory	Estimated 1st Year of Event	Life Analysis, Years Useful	Remaining	Unit Costs, $ (2027)	Per Phase (2027)	Total (2027)	Percentage of Future Expenditures	16 2043	17 2044	18 2045	19 2046	20 2047	21 2048	22 2049	23 2050	24 2051	25 2052	26 2053	27 2054	28 2055	29 2056	30 2057
7.400	2	2	Each	Doors and Operators, Vehicular	2033	10 to 15	6	32,000.00	64,000	64,000	**0.4%**		109,329											154,601		
7.401	6	6	Each	Doors and Operators, Fire	2032	to 50	5	24,000.00	144,000	144,000	**0.2%**															
7.455	1	1	Allowance	Exhaust System, Carbon Monoxide Detection System	2037	to 10	10	35,000.00	35,000	35,000	**0.2%**					65,715										90,045
7.460	1	1	Allowance	Exhaust System, Fans and Louvers	2033	to 30	6	110,000.00	110,000	110,000	**0.1%**															
7.500	126,000	126,000	Square Feet	Fire Suppression System	2040	to 60	13	4.50	567,000	567,000	**0.9%**															
7.600	200	200	Each	Light Fixtures	2040	to 30	13	300.00	60,000	60,000	**0.1%**															
7.660	150,000	150,000	Square Feet	Paint Finishes	2043	to 20	16	1.20	180,000	180,000	**0.3%**	297,953														
7.799	26,000	26,000	Square Feet	Traffic Coating, Elevated Floor, Overlay at Drive Lanes (1P Level)	2033	to 10	6	8.30	215,800	215,800	**0.8%**											489,467				
7.800	63,000	63,000	Square Feet	Traffic Coating, Elevated Floor, Total Replacement (1P Level)	2043	to 20	16	9.00	567,000	567,000	**1.0%**	938,552														
7.900	1	1	Allowance	Unit Heaters (or Air Handling Units), Original	2031	to 30	4	150,000.00	150,000	150,000	**0.2%**															
7.901	1	1	Allowance	Unit Heaters (or Air Handling Units), Installed 2019	2047	to 30	20	28,000.00	28,000	28,000	**0.1%**					52,572										
	1	1	Allowance	2027 Remaining Reserve Expenditures	2027	N/A	0	42,000.00	42,000	42,000	**0.0%**															
	1	1	Allowance	Reserve Study Update with Site Visit	2029	N/A	2	13,000.00	13,000	13,000	**0.0%**															
				Anticipated Expenditures, By Year ($96,116,922 over 30 years)								7,468,852	2,493,381	256,418	1,444,921	1,093,116	4,217,666	2,109,028	833,709	1,343,993	1,240,670	1,134,530	10,632,778	507,284	810,828	3,169,322

RESERVE FUNDING PLAN

CASH FLOW ANALYSIS
Park Tower
Condominium Association
Chicago, Illinois

Individual Reserve Budgets & Cash Flows for the Next 30 Years

		FY2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042
Reserves at Beginning of Year	*(Note 1)*	5,351,981	5,766,311	6,702,674	7,871,421	6,651,134	6,636,169	8,502,832	5,533,178	1,876,741	3,718,755	1,709,383	983,925	988,294	1,174,162	1,792,209	2,997,995
Recommended Reserve Contributions		1,506,067	2,427,100	2,595,100	2,763,100	2,931,100	3,099,100	3,267,100	3,435,100	3,603,100	3,771,100	3,939,100	3,939,100	3,939,100	3,939,100	4,065,200	4,195,300
Operating Surplus Transfers		168,664															
Total Recommended Reserve Contributions	*(Note 2)*	**1,674,731**	**2,427,100**	**2,595,100**	**2,763,100**	**2,931,100**	**3,099,100**	**3,267,100**	**3,435,100**	**3,603,100**	**3,771,100**	**3,939,100**	**3,939,100**	**3,939,100**	**3,939,100**	**4,065,200**	**4,195,300**
Estimated Interest Earned, During Year	*(Note 3)*	144,849	242,092	282,964	281,964	257,981	293,932	272,517	143,868	108,640	105,390	52,292	38,292	41,985	57,594	93,005	138,411
Anticipated Expenditures, By Year		(1,405,250)	(1,732,829)	(1,709,317)	(4,265,351)	(3,204,046)	(1,526,369)	(6,509,271)	(7,235,405)	(1,869,726)	(5,885,862)	(4,716,849)	(3,973,024)	(3,795,217)	(3,378,647)	(2,952,419)	(3,200,845)
Anticipated Reserves at Year End		$5,766,311	$6,702,674	$7,871,421	$6,651,134	$6,636,169	$8,502,832	$5,533,178	$1,876,741	$3,718,755	$1,709,383	$983,925 *(NOTE 5)*	$988,294	$1,174,162	$1,792,209	$2,997,995	$4,130,862

(continued)

Individual Reserve Budgets & Cash Flows for the Next 30 Years, Continued

	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056	2057
Reserves at Beginning of Year	4,130,862	1,092,932	633,062	2,501,503	3,299,206	4,556,819	2,749,510	3,095,058	4,831,244	6,194,624	7,798,743	9,658,556	1,992,388	4,438,055	6,763,309
Total Recommended Reserve Contributions	**4,329,500**	**2,000,000**	**2,064,000**	**2,130,000**	**2,198,200**	**2,268,500**	**2,341,100**	**2,416,000**	**2,493,300**	**2,573,100**	**2,655,400**	**2,740,400**	**2,828,100**	**2,918,600**	**3,012,000**
Estimated Interest Earned, During Year	101,423	33,511	60,859	112,624	152,529	141,857	113,476	153,894	214,074	271,689	338,943	226,210	124,851	217,481	264,712
Anticipated Expenditures, By Year	(7,468,852)	(2,493,381)	(256,418)	(1,444,921)	(1,093,116)	(4,217,666)	(2,109,028)	(833,709)	(1,343,993)	(1,240,670)	(1,134,530)	(10,632,778)	(507,284)	(810,828)	(3,169,322)
Anticipated Reserves at Year End	$1,092,932 *(NOTE 5)*	$633,062	$2,501,503	$3,299,206	$4,556,819	$2,749,510	$3,095,058	$4,831,244	$6,194,624	$7,798,743	$9,658,556	$1,992,388 *(NOTE 5)*	$4,438,055	$6,763,309	$6,870,699 *(NOTE 4)*

Explanatory Notes:

1) Year 2027 starting reserves are as of July 8, 2026; FY2027 starts March 1, 2026 and ends February 28, 2027.

2) Reserve Contributions for 2027 are the remaining budgeted 8 months; 2028 is the first year of recommended contributions.

3) **4.0%** is the estimated annual rate of return on invested reserves; 2027 is a partial year of interest earned.

4) Accumulated year 2057 ending reserves consider the need to fund for subsequent modernization of the traction elevators shortly after 2057, and the age, size, overall condition and complexity of the property.

5) Threshold Funding Years (reserve balance at critical point).

*Refer to the Reserve Expenditures pages for the full list of reserve elements

FIVE-YEAR OUTLOOK

Park Tower
Condominium Association
Chicago, Illinois

Line Item	Reserve Component Inventory	RUL = 0 FY2027	1 2028	2 2029	3 2030	4 2031	5 2032
	Exterior Building Elements						
1.401	Roof, Lobby Canopy, Thermoplastic					45,371	
1.405	Roof, 2nd Floor, Northwest, Thermoplastic				417,660		
1.408	Roof, 2nd Floor, Sun Deck, Furnishings, Phased (2027 is Additional)	14,500					
1.415	Roof, 2nd Floor, Sun Deck, Wood Decking (Incl. Siding), Replacement		232,200				
1.419	Roof, 2nd Floor, Membrane (Beneath Decking and Pavers)		165,017				
1.660	Walls, Concrete, Mechanical Penthouse, Repairs and Coating		93,912				
1.729	Walls, Curtain Wall, Inspections and Infiltration Remediation (2027 Includes Evaluation)	116,000			82,433		
1.820	Walls, Masonry, Inspections and Systematic Repairs, Phased (2027 is South)	80,000				91,309	
1.985	Windows and Doors, Mall, Skylight					104,353	
	Interior Building Elements						
2.073	Concrete Floors, Near Term Repairs	37,200					
2.100	Elevator Cab Finishes, Traction, Passenger (2027 is Refinishing)	15,000					
2.155	Exercise Equipment, Cardiovascular	63,200					73,980
2.165	Exercise Equipment, Strength Training				90,127		
2.600	Lobby, Renovations			159,754			
2.711	Mall, Corridors, Renovations (Furniture is Near Term)	23,100		106,502			
2.712	Mall, Market, Renovations		123,840				
2.713	Mall, Office, Renovations						51,505
2.840	Party Room, Renovations (Incl. Kitchen), Phased (2027 is Pocket Door)	12,500		42,601			
	Building Services Elements						
3.024	Air Handling Units, S-4, Laundry Room		56,760				
3.025	Air Handling Units, S-5, Basement		67,080				
3.026	Air Handling Unit, S-6, Mall Corridors	75,000					
3.027	Air Handling Units, S-7, Party Room	60,000					
3.028	Air Handling Unit, S-8, Pool (Incl. Return Air Fan)	90,000					
3.160	Boilers, Domestic Hot Water, Residential, High Zone, 800-MBH					254,078	
3.162	Boilers, Domestic Hot Water, Commercial, 660-MBH		72,240				
3.170	Building Automation System (2027 is Remaining)	75,000					
3.273	Duct Cleaning (2027 is Remaining)	16,250					
3.360	Elevators, Traction, Passenger, Controls and Equipment				2,286,138		
3.361	Elevators, Traction, Service, Controls and Equipment					1,327,103	
3.380	Exhaust Fans, Main Kitchen and Rest Room (2027 is Kitchen Rebuild)	25,000					
3.563	Life Safety System, Smoke Damper System, Actuators		227,040				

FIVE-YEAR OUTLOOK

Park Tower
Condominium Association
Chicago, Illinois

Line Item	Reserve Component Inventory	RUL = 0 FY2027	1 2028	2 2029	3 2030	4 2031	5 2032
3.598	Pipes, Risers, Building Heating, Cooling and Condensate, Invasive Study	38,300					
3.600	Pipes, Riser Sections, Building Heating, Cooling and Condensate, Phased			1,067,953	1,102,127	1,137,395	1,173,792
3.604	Pipes, Riser Sections, Domestic Hot Water, Remaining Phased, Phased	445,000	493,500				
3.702	Pumps, Building Heating, Commercial, 10-HP (Incl. Controls)		51,600				
3.706	Pumps, Fire Suppression, 40- to 100-HP (Incl. Controls) (2027 is Jockey Pump)	9,000		244,956			
3.820	Security System, Camera System, Phased					34,595	
3.821	Security System, Fob Reader System, Phased				20,883		
3.861	Storage Tank, Domestic Hot Water, High Zone		149,640				
3.920	Valves, Large Diameter (Fire Pumps, Main Water, Main Mech.), Phased (2027 is Isolation)	135,000					58,529
	Property Site Elements						
4.140	Concrete, On-Grade at Site (Sidewalks, Pavement, Curbs), Partial			29,821			
4.959	Plaza, Waterproof Membrane and Concrete, Interim Repairs/Sealants (Incl. Circle Drive)				54,955		
4.971	Tractor (Incl. Attachments)	33,200					
	Pool Elements						
6.553	Hot Tub (Jacuzzi), Insert			44,731			
6.600	Mechanical Equipment, Phased				26,379		
6.800	Pool, Main/Indoor, Vinyl Liner and Repairs				184,650		
6.801	Pool, Outdoor (Kiddie Pool), Renovation					39,700	
	Garage Elements						
7.401	Doors and Operators, Fire						168,563
7.900	Unit Heaters (or Air Handling Units), Original					170,141	
	2027 Remaining Reserve Expenditures	42,000					
	Reserve Study Update with Site Visit			13,000			
	Anticipated Expenditures, By Year ($13,843,162 over 5 years)	1,405,250	1,732,829	1,709,317	4,265,351	3,204,046	1,526,369

4. RESERVE COMPONENT DETAIL

The Reserve Component Detail of this *Reserve Study* includes enhanced solutions and procedures for select significant components. This section describes the Reserve Components, documents specific problems and condition assessments, and may include detailed solutions and procedures for necessary capital repairs and replacements for the benefit of current and future board members. We advise the Board use this information to help define the scope and procedures for repair or replacement when soliciting bids or proposals from contractors. *However, the Report in whole or part is not and should not be used as a design specification or design engineering service*.

Exterior Building Elements



Southwest elevation



North elevation

Lighting System, Main Roof Level

Line Item: 1.260

Quantity: The main roof level includes light bar systems.

History: Installed in 2024 using in-house labor.

Condition: Reported satisfactory



Main roof lighting system

Useful Life: Up to 20 years

Priority: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Roofs (Including Sun Deck Components)

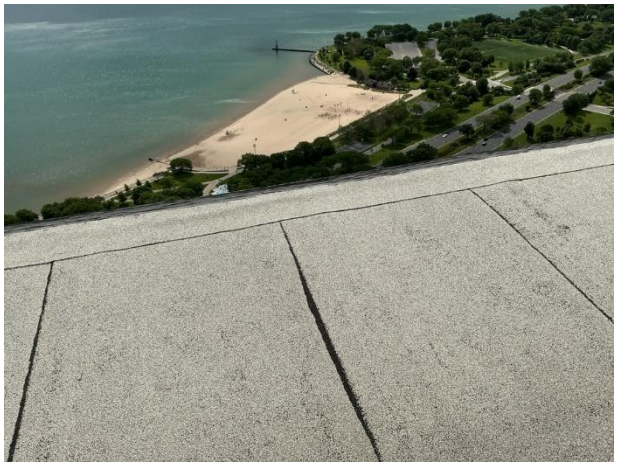
Line Items: 1.400 through 1.419

Quantity, History and Condition: Park Tower maintains the following flat membrane roofing systems *excluding* the 2nd floor roofs and sun deck components:

- **Tower, Main and Mechanical Penthouse** – 10,300 square feet of modified bitumen roofing, replaced 2017, good to fair overall with isolated depressions, granular loss and previous repairs evident
- **Lobby Canopy** – 800 square feet of flat membrane roofing, replaced 2012



Main roof



Sealant repairs along main roof perimeter



Mechanical penthouse roof



Cooling tower roof

Park Tower maintains the following 2nd floor sun deck and roof components:

- **2nd Floor Walkway** – 900 square feet of thermoplastic roofing, installed 2021, reported satisfactory condition (includes a gutter system)
- **2nd Floor, Racquetball Courts and Exercise Room** – 2,200 square feet of flat membrane roofing, replaced 2026, reported satisfactory condition
- **2nd Floor, Center/East** – 2,600 square feet of thermoplastic roofing, replaced 2018, good to fair overall
- **2nd Floor, Northwest** – 9,500 square feet of thermoplastic roofing, installed 2012, fair overall, exhibits areas that lack drainage, previous repairs and membrane bulge, the Building Engineer informs us of installation concerns
- **2nd Floor, Southwest** – 2,100 square feet of thermoplastic roofing, replaced approximately 2016, fair overall with areas that lack drainage and extensive previous repairs evident
- **2nd Floor, Concrete** – approximately 15,000 square feet of concrete roofing systems at the 2nd floor with a surface applied waterproof coating, surface coating replaced in 2024, good overall with isolated rust stains evident
- **2nd Floor, Sun Deck, Furnishings** – various furnishings including benches, chairs, fire pits, tables and furniture sets, we include costs for near term purchase of additional furnishings and subsequent replacements
- **2nd Floor, Sun Deck, Pergolas** – 1,800 square feet of wood pergolas, good to fair overall, we defer replacement based on condition
- **2nd Floor, Sun Deck, Planters** – approximately 2,300 square feet (excluding the two integral planters at the wood deck area), planters include landscaping with underlying waterproof membranes, waterproof membranes replaced from 2017 to 2019 with subsequent repairs
- **2nd Floor, Sun Deck, Wood Decking** – 3,800 square feet of wood decking and siding at the planter walls, includes two integral planters, installed 1997, significant partial replacement of the wood in 2007, paint application and repairs completed in 2023, the Building Engineer informs us of frame weathering

- **2nd Floor, Sun Deck, Steel Railings** – approximately 340 linear feet of steel railings south and east of the sun deck and east of the pool area (pool area railings include glass panels), railings are original, the inset mounts accelerate masonry damage and steel corrosion (We opine the railing construction likely contributes to the masonry wall deterioration. We recommend installation of factory finished systems with a mount design that minimizes masonry deterioration.), we defer replacement contingent upon continued paint finish applications and repairs funded through the operating budget
- **2nd Floor, Membrane (beneath decking)** – 3,900 square feet of flat membrane roofing beneath the wood decking and brick pavers, installed 2007



2nd floor northwest roof



2nd floor southwest roof (note extensive patches)



2nd floor concrete coating



2nd floor concrete roof rust seepage



2nd floor furnishings



2nd floor fire pit area



2nd floor fountain and planter



2nd floor wood decking



2nd floor planter siding displacement



2nd floor pergolas



2nd floor sun deck railings



2nd floor sun deck glass and steel railings



2nd floor drainage system

Useful Life:

- **Tower, Main and Mechanical Penthouse** – 15- to 20-years
- **Lobby Canopy** – 15- to 20-years
- **2nd Floor Walkway, Racquetball Courts and Exercise Room** – 15- to 20-years
- **2nd Floor, Center/East** – 15- to 20-years
- **2nd Floor, Northwest** – 15- to 20-years
- **2nd Floor, Southwest** – 15- to 20-years
- **2nd Floor, Concrete** – 10- to 15-years
- **2nd Floor, Sun Deck, Furnishings** – up to 20 years
- **2nd Floor, Sun Deck, Pergolas** – up to 25 years
- **2nd Floor, Sun Deck, Planters** – up to 30 years
- **2nd Floor, Sun Deck, Wood Decking** – up to 25 years (We assume paint applications and repairs up to every six years. However, future updates of this Reserve Study will adjust the future expenditures based on the materials installed.)

- **2nd Floor, Sun Deck, Steel Railings** – up to 45 years (We assume interim paint applications and repairs as needed through the operating budget.)
- **2nd Floor, Membrane (beneath decking)** – 15- to 20-years

Preventative Maintenance Notes: We recommend the Association maintain a service and inspection contract with a qualified professional and record all documentation of repairs conducted. We note the following select recommended preventative maintenance activities to maximize the remaining useful life:

- Semi-annually:
    - Note drainage issues with water ponding after 48 hours of rainfall event. Verify scuppers and drains are free of debris. Replace damaged or missing drain covers.
    - Inspect perimeter flashing for loose fasteners, deflections, and sealant damage
    - Verify membrane surface is free of ruptures or damage, and areas of extensive blistering or bubbling
    - Remove oil spills or contaminants from mechanical equipment
    - In areas of possible foot traffic, remove any sharp debris or trash and note areas of crushed insulation
    - If frequency of leaks increase or location of water infiltration is unknown, we recommend the consideration of a thermal image inspection

Priority: Defer roof membranes only upon opinion of independent professional or engineer (per Board discretion for components atop the membranes such as furnishings, pergolas and decking)

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Roof, Pool Enclosure

Line Item: 1.420

Quantity: The pool enclosure or roof includes approximately 4,700 square feet of *Kalwall* translucent panels with a steel structure. The system includes a vision skylight at the center.

History: Replaced in 2023.

Condition: Good overall condition



Pool enclosure roof



Pool enclosure skylight

Useful Life: The enclosure panels have a useful life of up to 40 years with the benefit of repairs and replacement of sealants every 10- to 15-years. The structural frame has an indeterminate remaining useful life.

Priority: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Walls, Concrete, Mechanical Penthouse

Line Item: 1.660

Quantity: The Park Tower mechanical penthouse exterior includes approximately 7,000 square feet of concrete structural components.

History: The Association completed concrete repairs and coating applications in 2018.

Condition: Fair overall condition with systemic cracks evident.

Useful Life: We recommend concrete inspections, coating applications and repairs up to every 12 years.

Priority: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. Our estimate of cost anticipates the following work per repair event:

- Complete inspection
- Partial depth replacement of a limited amount of concrete
- Crack repairs as needed
- Coating application

Walls, Curtain Wall (Including Sealants)

Line Items: 1.729 and 1.730

Quantity: The envelope of the building comprises approximately 203,000 square feet of curtain wall system at the residential units. The system includes:

- Single pane glazing (fixed and operable windows)
    - Owners have the option to install insulating glass, such as provided by *Signa Systems*.
- Aluminum frames, frame covers and mullions
- Factory finished spandrel panels
- Approximately 228,000 linear feet of wet sealants at metal/metal and metal/glass interfaces

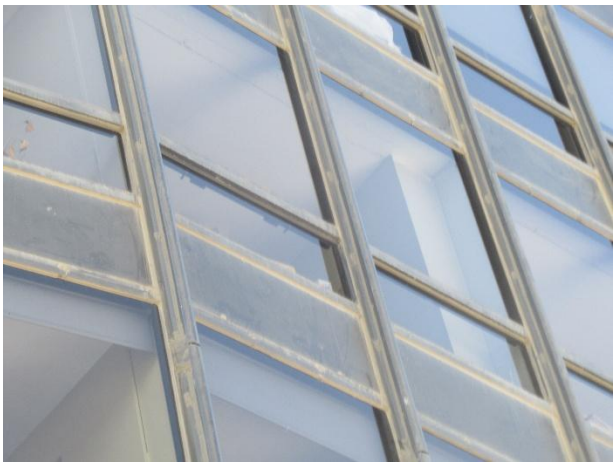
History: The Association completed an extensive restoration of the curtain wall system, including replacement of the sealants, in 2010. Recent curtain wall system expenditures primarily relate to inspections and remediation of water infiltration.

Condition: Management continues to inform us of limited water infiltration from the curtain wall system, primarily during driving rains. We continue to include periodic expenditures for inspections and water infiltration remediation prior to extensive curtain wall system restorations. We partially base the expenditures on information provided by Management, including an increased cost in 2027 for further inspection.

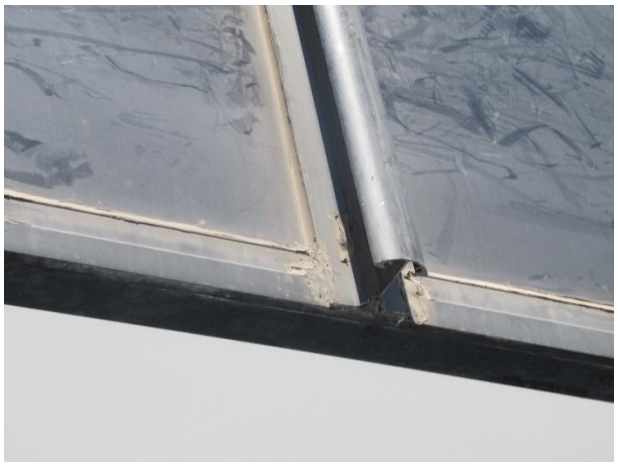
Following our inspection, *Wiss, Janney, Elstner Associates, Inc. (WJE)* conducted the additional inspection and limited repairs. We base our timing of expenditures in part on recommendations provided by *WJE* which do not anticipate major sealant replacements for approximately 7- to 10-years.

The curtain wall system exhibits isolated areas of exterior sealant deterioration. The weather stripping at unit interiors varies greatly in condition.

The spandrel panels and frames exhibit dirt/pollutant build-up and finish deterioration. The spandrel panel conditions detract from the overall building aesthetics.



Curtain wall overview



Metal/metal sealants



Channel opening



Frame finish deterioration



Frame and spandrel finish deterioration with sealant application



Frame finish deterioration

Useful Life: Properly maintained curtain walls have an indeterminate remaining useful life with the benefit of timely maintenance and repairs. We recommend inspections, extensive sealant replacements and repairs up to every 20 years. We recognize that select sealants may achieve a longer useful life and thus we include partial replacement of sealants during each event.

We opine that aggregate replacement of system components other than the sealants if necessary, would require the use of means other than reserves to fund.

Preventative Maintenance Notes: We note the following select recommended preventative maintenance activities to maximize the remaining useful life:

- Annually:
  - Inspect and repair broken glazing, failed sealants, loose components and fasteners
  - Inspect anchors to verify their structural integrity
  - Verify all internal drains are unobstructed

Priority: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. The exact amount of repairs and thus the exact cost is indeterminate pending the physical inspection of the elevations at the time of the expenditures. Rather than complete replacement, we assume the following activities per event:

- Complete inspection of the curtain wall
- Replacement of the majority of the sealants
- Replacement of a limited amount of glazings
- Invasive inspection of a limited amount of anchors and refastening of aluminum components as needed
- Cleaning of the spandrel panels
- Touch-up finish applications
- Engineering fees
- General conditions
- Mobilization and access
- Scaffolding
- Sidewalk protection

Walls, Masonry

Line Item: 1.820

Quantity: Approximately 23,000 square feet of the base structure exterior walls

History: The Association completed significant restoration of the masonry walls at the west elevation concurrent with replacement of the plaza from 2016 to 2017.

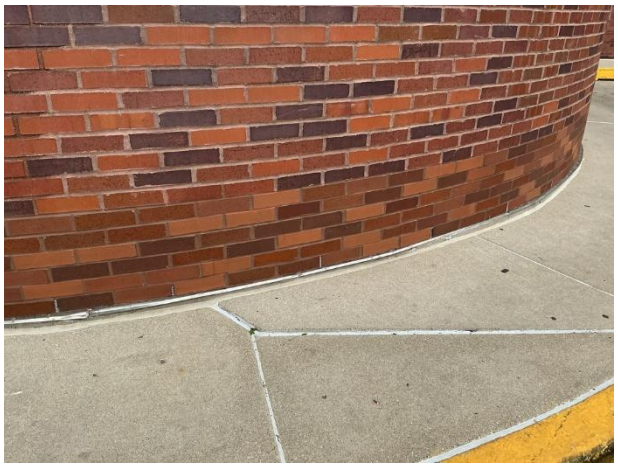
The Association installed base through wall flashings at the bike room and garage perimeters in 2021.

The Association also completed masonry repairs to sections of north elevation wall at the 2nd floor roof area in approximately 2024.

The Association plans to conduct near-term repairs at the south elevation. We include planned costs.

Condition: Conditions vary significantly with the following evident:

- Face brick masonry
- Parapet wall caps include varied flashing/weep systems
- Parapet wall caps exhibit areas of joint deterioration
- Flashing at the base of the masonry is evident (through wall flashing is not evident at locations other than the base of the walls)
- Masonry exhibits periodic areas of joint deterioration, cracks, spall and damage
- Sealant deterioration is evident at control joints



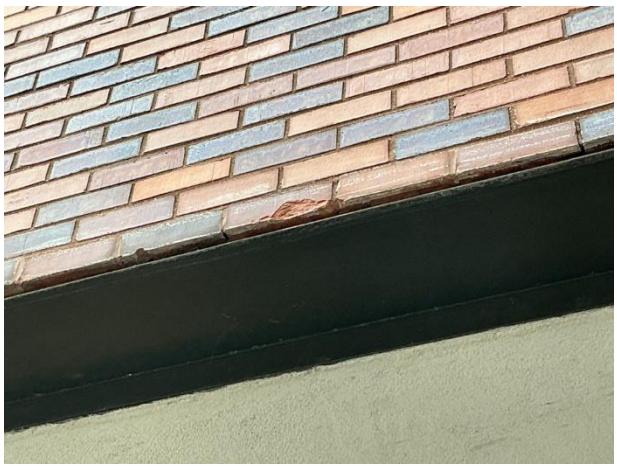
Replaced masonry and flashing installation



Masonry repairs



Mortar deterioration (east elevation shown)



Masonry spall



Coating cracks and perimeter sealant failure



Mortar deterioration
(2nd floor parapet wall shown)



Masonry deterioration
(near garage entrance shown)



Mortar deterioration below coping

Useful Life: Based on the observed conditions and repair history, we advise phased inspections of the masonry and related masonry repairs up to every four years to forestall deterioration (complete repair cycle up to every eight years).

Component Detail Notes: Repointing is a process of raking and cutting out defective mortar to a depth of not less than ½ inch nor more than ¾ inch and replacing it with new mortar. Face grouting is the process of placing mortar over top of the existing mortar. We advise against face grouting because the existing, often deteriorated mortar does not provide a solid base for the new mortar. New mortar spalls at face grouted areas will likely occur. One purpose of a mortar joint is to protect the masonry by relieving stresses within the wall caused by expansion, contraction, moisture migration and settlement. Repointed mortar joints are more effective if the mortar is softer and more permeable than the masonry units, and no harder or less permeable than the existing mortar. The masonry contractor should address these issues within the proposed scope of work

Priority: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. the following activities:

- Complete inspection of the masonry
- Repointing of up to fifteen percent (15%) of the masonry
- Replacement of a limited amount of masonry
- Flashing and weep installation/replacement at caps and shelf angles as needed
- Parapet wall cap joint repairs as needed

Walls, Siding, Metal

Line Item: 1.844

Quantity: The exterior elevations of the racquetball court and mall atrium include approximately 5,500 square feet of metal siding.

History: Age appear to vary. The Association plans to conduct near term partial paint finish applications through the operating budget.

Condition: Fair overall condition with color variation and isolated rust evident. Paint finish applications introduce a costly cyclical expenditure. We recommend the Association consider replacement in the future to reduce maintenance costs.



Metal siding planned for near term paint finish application



Metal siding at racquetball court



Metal siding paint deterioration at racquetball court

Useful Life: Up to 45 years although we recognize the Association may apply periodic paint finish applications to defer total replacement

Priority: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Windows and Doors

Line Item: 1.981 through 1.985

Quantity, History and Condition:

- **Lobby, Revolving Doors** – two total, replaced in 2023, good overall with isolated damage evident (we consider remediation of the damage an operating expense)
- **Lobby, Party Room and Aerobic Exercise Room** – 4,300 square feet of single pane aluminum frame systems at the 1st and 2nd floors, primarily original
- **2nd Floor Walkway and Weight Exercise Room** – 2,100 square feet of dual pane aluminum frame systems, likely date to 1997, we note corrosion at the steel frames of the transom windows and recommend near term paint finish applications funded through the operating budget
- **Pool** – 1,700 square feet of dual pane aluminum frame systems, sliding glass doors, conditions and ages vary with recent door replacements
- **Mall** – Management informs us the commercial entities are responsible for their window systems, the Association maintains the common entrance areas, the common entrance areas comprise aluminum frame systems, primarily original, fair overall
- **Mall, Skylight** – dual pane aluminum frame system, reported satisfactory condition, the Building Engineer does not report a recent history of leaks

The Association constructed an enclosure at the north lobby door in 2016. We do not anticipate subsequent replacement of this interior door system during the next 30 years.



Lobby revolving doors



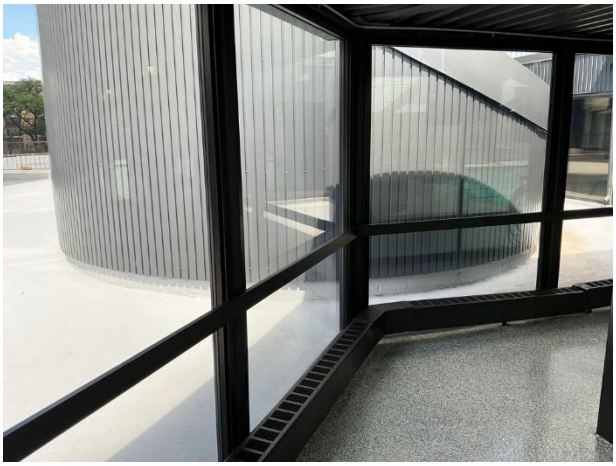
Lobby window system



Lobby window detail with minor seal displacement



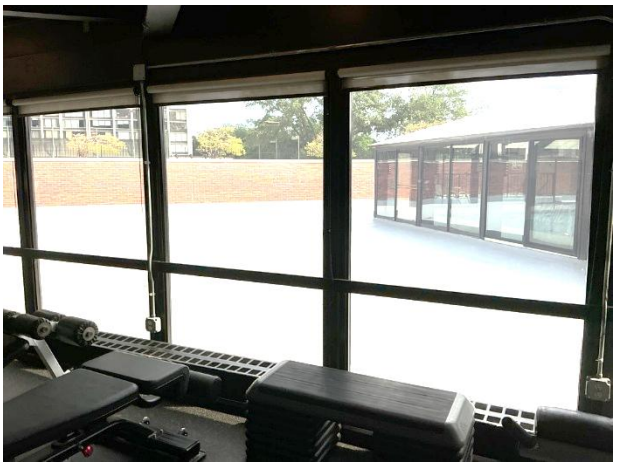
Aerobic exercise room windows



2nd floor walkway windows



Pool walkway window frame corrosion



Exercise room windows



Mall entrance door assemblies



Mall entrance door detail



Mall skylight

Useful Life:

- **Lobby, Revolving Doors** – up to 45 years (We do not recommend the Association budget for subsequent replacement during the next 30 years.)
- **Lobby, Party Room and Aerobic Exercise Room** – up to 60 years
- **2nd Floor Walkway and Weight Exercise Room** – up to 45 years
- **Pool** – up to 45 years
- **Mall** – up to 60 years
- **Mall, Skylight** – up to 40 years

Preventative Maintenance Notes: We note the following select recommended preventative maintenance activities to maximize the remaining useful life:

- Annually:
    - Inspect and repair loose weather stripping and/or lock damage
    - Inspect for broken glass and damaged screens
    - Record instances of water infiltration, trapped moisture or leaks
- As-needed:

- Verify weep holes are unobstructed and not blocked with dirt or sealant, if applicable
- Conduct paint finish applications of steel frames

Priority: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Interior Building Elements

Concrete Floors

Line Item: 2.073

Component Detail Notes: The concrete pool and mechanical equipment room floors exhibit areas of deterioration. We include near term planned costs for repairs.



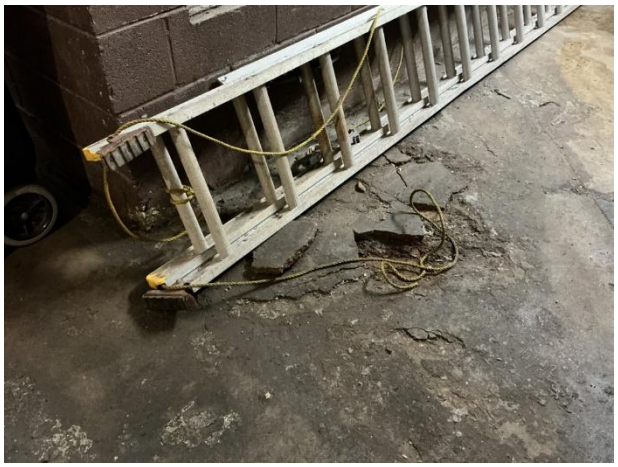
Concrete pool equipment room floor to be repaired



Concrete pool equipment room floor to be repaired



Concrete pool equipment room floor to be repaired



Mechanical equipment room floor to be repaired

Priority: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Elevator Cab Finishes

Line Items: 2.100 through 2.102

Quantity, History and Condition: The building includes the following elevator cab finishes:

- **Traction, Passenger** – four elevators, replaced 2024, good overall, we include planned near term refinishing (we recommend the Association fund any subsequent refinishing through the operating budget)
- **Traction, Service** – two elevators, partial renovations conducted in 2024 including wall panels replaced using in-house labor, fair overall
- **Hydraulic, Garage/Mall** – two elevators, fair overall



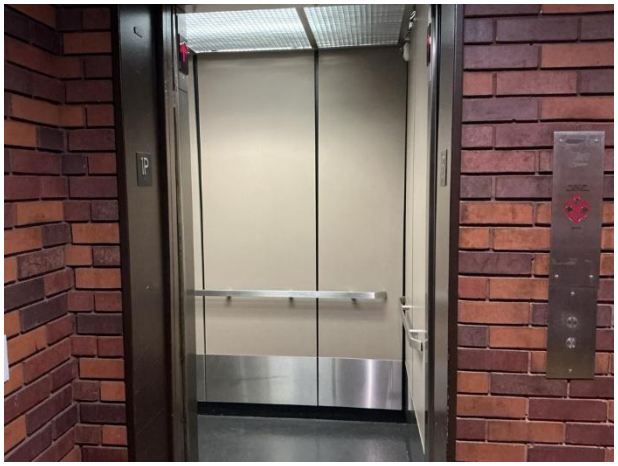
Passenger elevator cab finishes



Metal damage



Elevator cab #5 finishes



Hydraulic garage mall elevator cab finishes

Useful Life: Up to 20 years

Priority: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Exercise Equipment

Line Items: 2.155 and 2.165

Quantity: The aerobic exercise room contains the following types of cardiovascular aerobic training equipment:

- Ellipticals
- Stationary cycles
- Stepper
- Rowing machine
- Treadmills

The weight exercise room contains the following types of strength training equipment:

- Benches
- Dumbbells
- Weight training machines

History and Condition: The cardiovascular equipment was replaced in 2022. The strength training equipment was primarily replaced in 2016 with a varied history of interim repairs and replacements. We include costs for near-term cardiovascular equipment replacements.



Cardiovascular exercise equipment



Strength training exercise equipment

Useful Life: The useful life of cardiovascular equipment is up to every five years. The useful life of strength training equipment is up to every 15 years.

Priority: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Exercise Rooms, Renovation

Line Item: 2.180

Quantity: The exercise room components include:

- Floor coverings: rubber
- Paint finishes
- Mirrors
- Light fixtures

History: The Association completed an extensive renovation of the aerobic and weight exercise rooms in 2016, including expansion of the weight area.

Condition: Fair overall condition with isolated damage evident.



Cardio room ceiling tile system



Cardio room flooring

Useful Life: Renovation up to 15 years

Priority: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Floor Coverings, Carpet, Hallways

Line Item: 2.200

Quantity: Approximately 6,200 square yards at the residential hallways including a limited quantity of tile floor coverings at the 55th floor (Contractor measurements will vary from the actual floor area due to standard roll lengths, patterns and installation waste.)

History: Replaced from 2023 through 2024.

Condition: Good overall condition



Typical residential hallway carpet floor coverings



2nd floor carpet floor coverings



Limited tile floor coverings at 55th floor

Useful Life: 8- to 12-years for the carpet

Priority: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

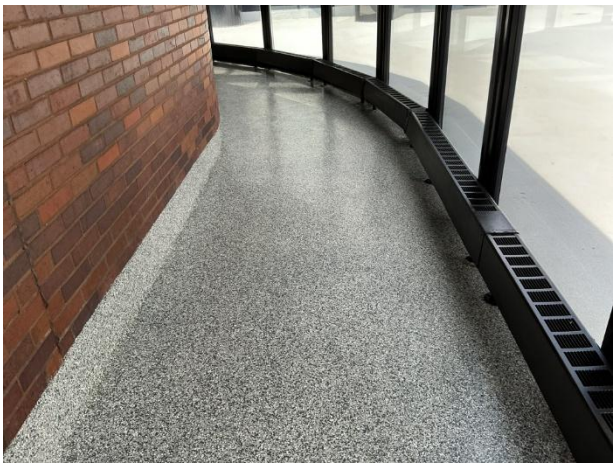
Floor Coating, 2nd Floor Walkway and Pool Area

Line Item: 2.300

Quantity: 2,800 square feet at the 2nd floor walkway and pool area (epoxy surface coating)

History: Surface coating installed in 2023

Condition: Good to fair overall condition with isolated wear evident.



2nd floor walkway coating



Pool deck coating wear

Useful Life: Up to 15 years for the coating applications

Priority: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Floor Coverings, Vinyl, Service Elevator Foyers/Trash Areas

Line Item: 2.301

Quantity: Vinyl flooring at the 52 residential floor service elevator foyers/trash areas

History: Replaced from 2023 through 2024.

Condition: Good overall condition



Vinyl floor coverings

Useful Life: Up to 25 years (The adjacent storage room flooring has an indeterminate remaining useful life.)

Priority: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Light Fixtures, Hallways

Line Item: 2.560

Quantity: Approximately 620 interior ceiling mounted light fixtures located throughout the hallways

History: Replaced from 2023 through 2024.

Condition: Good overall condition



Ceiling mounted light fixture

Useful Life: Up to 25 years

Priority: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Lobby, Renovation

Line Item: 2.600

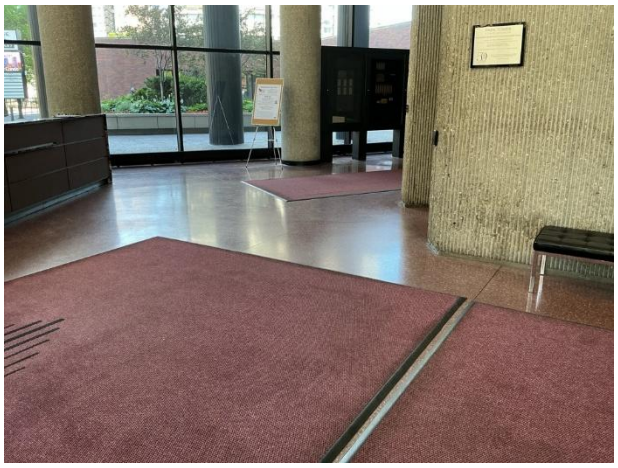
Quantity: The lobby components include:

- Floor coverings: terrazzo

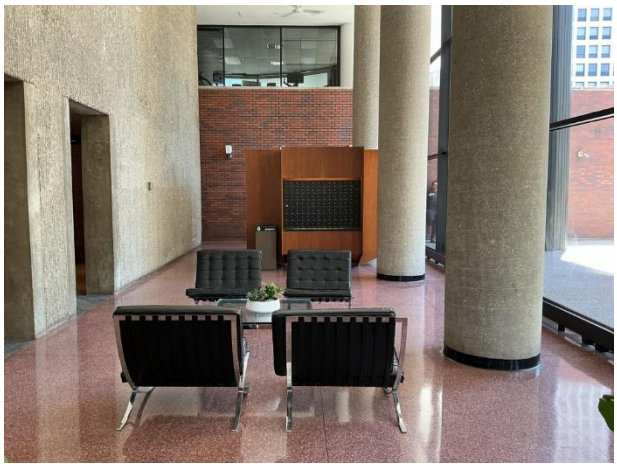
- Wall coverings at the mailbox area and stone along the hallway
- Paint finishes
- Front desk area
- Furnishings and rugs
- Light fixtures

History: The ages of the lobby components vary. The Association replaced the front desk in 2011. The Association installed wall coverings at the mailbox area and renovated the package room in 2022.

Condition: Reported satisfactory. We partially base our renovation cost on information provided by Management.



Lobby



Lobby sitting area



Lobby hallway

Useful Life: Systematic renovations up to every 20 years (including honing of the terrazzo floors). The scope and cost of lobby renovations may vary greatly based on the direction of the Board. We assume interim limited repairs and renovations as needed through the operating budget.

Priority: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Mailboxes

Line Item: 2.700

Quantity: 728 residential unit mailboxes

History: Original

Condition: Fair overall condition with limited capacities. We defer replacement at the request of the Board.



Mailboxes

Useful Life: Up to 35 years

Priority: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Mall, Renovation

Line Items: 2.711 through 2.714

Quantity, History and Condition: The Association maintains the following at the mall:

- **Corridors** – 5,500 square feet of terrazzo floor and ceiling tile system with light fixtures, the ceiling tile system exhibits areas of stains/damage, the Association replaced the runners in 2023, we continue to include an allowance in the near term to replace the furnishings
- **Market (Store)** – concrete floor, ceiling tile system, light fixtures and paint finishes, the unit is currently vacant and thus we defer renovation although timing and scope of renovation will likely be dictated by a tenant agreement

- **Office** – systematic renovation in 2012, carpet replacement and paint application completed in 2022, good overall condition
- **Rest Rooms** – two total, renovated in 2019 (including replacement of the flooring) using in-house labor, good overall condition



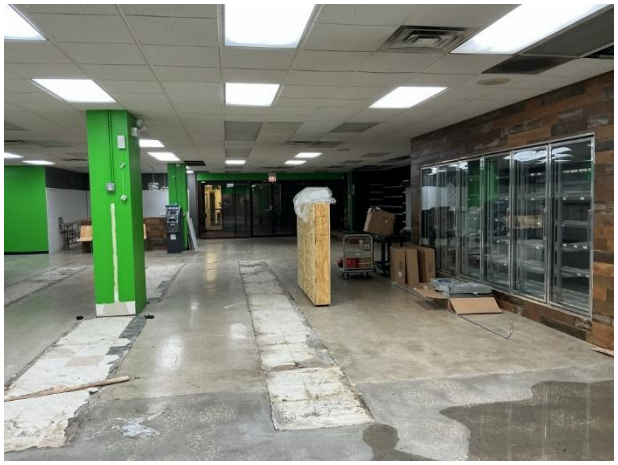
Mall corridor



Mall corridor ceiling tile system



Mall corridor furniture



Former market space



Former market cooler



Former market air handling unit



Office



Mall rest room

Useful Life:

- **Corridors** – renovations up to every 25 years
- **Market (Store)** – renovations up to every 15 years
- **Office** – systematic renovations up to every 10 years
- **Rest Rooms** – renovations up to every 25 years

Priority: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Paint Finishes, Hallways (Including Wall Coverings)

Line Item: 2.800

Quantity: The residential hallways have approximately 220,000 square feet of paint finishes on the walls, trim and ceilings. The hallways also include vinyl wall coverings at the elevator foyers.

History: Replaced from 2023 through 2024.

Condition: Good to fair overall condition with isolated damage evident.



Paint finishes overview



Wall damage



Wall coverings at elevators

Useful Life: 8- to 12-years

Priority: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Party Room, Renovation

Line Item: 2.840

Quantity: The 2nd floor party room components include:

- Floor coverings: • Tile and wood laminate
- Paint finishes
- Light fixtures
- Furnishings
- Kitchen

History: The floor coverings were replaced in 2013. We include a near-term cost for installation of a pocket door at the closet.

Condition: The party room appears aged. We defer renovations based on reported priorities.



Party room



Party room kitchen

Useful Life: Renovation up to 20 years (We assume interim renovations as needed through the operating budget.)

Priority: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Rest/Locker Rooms, 2nd Floor, Renovation

Line Item: 2.900

Quantity: The 2nd floor rest/locker room components include:

- Floor coverings: tile
- Wall finishes: tile
- Paint finishes
- Light fixtures
- Plumbing fixtures
- Partitions
- Saunas

History: Renovated in 2019.

Condition: Good overall condition with the exception of frequent sauna repairs reported by the Building Engineer.



Rest room



Sauna

Useful Life: Renovation up to 25 years

Priority: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Signage, Hallways

Line Item: 2.911

Quantity: The hallways include unit and informational signage.

History: Replaced from 2023 through 2024.

Condition: Good overall condition



Hallway signage

Useful Life: Up to 25 years

Priority: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

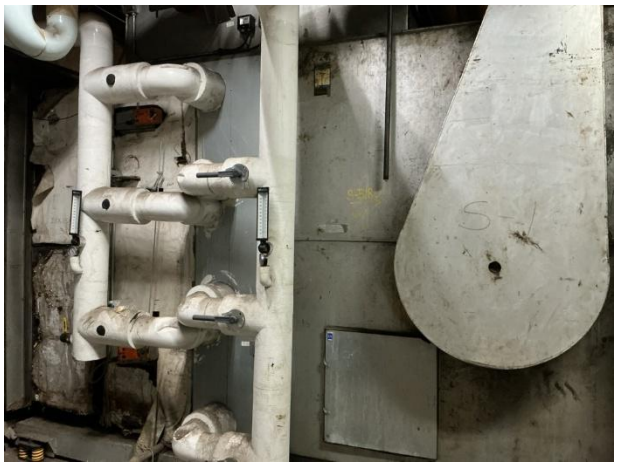
Building Services Elements

Air Handling Systems

Line Items: 3.020 through 3.033

Quantity, History and Condition:

- **S-1 and S-2, Residential Corridors** – two units, 37,800-CFM (Cubic Feet per Minute) each, S1 interior coils replaced in approximately 2019 and exterior coils replaced in 2024, the Association replaced the S2 coils and the system circulating pump in 2024, reported in satisfactory overall condition (Based on the history of varied repairs and the overall age of the units, we include total replacement of the corridor and lobby air handling units during the next 30 years. However, we recognize the Association may continue to replace components as needed.)
- **S-3, Lobby** – one unit, 18,950-CFM, original coils, system includes a return air fan, the lobby coils are in reported satisfactory condition
- **S-4, Laundry Room** – one unit, 2,910-CFM each, coils replaced in 2014, reported in likely need of near-term replacement
- **S-5, Basement** – one unit, 4,245-CFM each, we include near term replacement in consideration of planned replacements and reported condition of the laundry room unit
- **S-6, Mall Corridors** – one unit, 9,215-CFM, the Association plans to conduct near term replacement
- **S-7, Party Room** – one unit, 2,900-CFM each, the Association plans to conduct near term replacement
- **S-8, Pool** – one unit, includes a return air fan, 9,370-CFM, coils replaced 2012, the Association plans to conduct near term replacement
- **Racquetball Courts** – one *American Standard* packaged rooftop unit for the racquetball court and strength training exercise room, replaced 2024, 7.5-tons cooling and 200-MBH heating, reported satisfactory
- **Elevator Room, Low Rise** – one *Daikin* unit, replaced 2025, reported satisfactory



S-1 corridor air handling unit



S-2 corridor air handling unit



S-3 lobby air handling unit



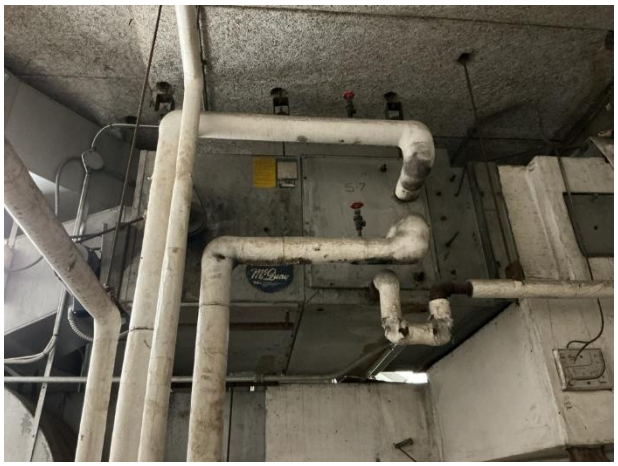
S-4 laundry air handling unit



S-5 basement air handling unit



S-6 mall corridors air handling unit



S-7 party room air handling unit



S-8 pool supply air handling unit



S-8 pool return fan



Racquetball court air handling unit



Low rise elevator air handling unit

Useful Life:

- **S-1 and S-2, Residential Corridors** – For purposes of this Reserve Study, we include total replacement of the units up to every 60 years. Future updates of this Reserve Study will again consider the need for interim capital intensive component replacements.

- **S-3, Lobby** – For purposes of this Reserve Study, we include total replacement of the unit up to every 60 years.
- **S-4, Laundry Room** – up to 35 years
- **S-5, Basement** – up to 35 years
- **S-6, Mall Corridors** – up to 35 years
- **S-7, Party Room** – up to 35 years
- **S-8, Pool** – up to 30 years
- **Racquetball Courts** – up to 25 years
- **Elevator Room, Low Rise** – up to 25 years

Component Detail Notes: The Association may choose to rebuild an air handling unit prior to complete replacement. However, this activity becomes less desirable as air handing units age due to the scarcity of parts. We regard interim replacement of belts, motors and filters as normal maintenance.

Preventative Maintenance Notes: The required preventative maintenance may vary in frequency and scope based on the unit's age, operational condition, or changes in technology. We note the following select recommended preventative maintenance activities to maximize the remaining useful life:

- Monthly:
  - Change or clean air filters as needed
- Semi-annually:
  - Lubricate motors and bearings
  - Change or clean air filters as needed
  - Inspect base pan, cabinet and clear obstructions as necessary
- Annually:
  - Clean drain pans, clean fan assembly, inspect fan drive system and controls
  - Inspect and clean accessible ductwork as needed
  - Replace belts
  - Clear burners of debris if applicable

Priority: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Boilers, Building Heat

Line Items: 3.105 and 3.106

Quantity: Two *Cleaver Brooks* gas-fired steam boilers (The system also includes a feed water tank and pumps.)

History: The boilers are original. The Association replaced the burners and controls in 2013. The Association replaced the front and back refractories and tubes as needed at both boilers in 2021. The Association replaced approximately 20 tubes in 2024.

The boiler feed water system tank is possibly original. The Association replaced the feed water system controls and pumps in 2015.

Condition: Reported satisfactory.

The Association has considered near-term replacement/redesign with high efficiency systems. We concur with this due to utility cost savings. However, we defer replacement due to the extensive cost and other funding priorities such as elevator modernization, curtain wall restoration and potential building heating pipe replacements. We recommend the Association consider acceleration of replacement if funding becomes available due to deferral of other projects.

We partially reduce the unit cost based on information previously provided to Management by a contractor familiar with the boiler system at Park Tower.

The boilers are maintained under a service contract by *Hayes*.



Building heat boiler



Feed water system

Useful Life: Up to 60 years for the boilers and up to 35 years for complete replacement of the feed water tank/pumps.

In our experience, the majority of Associations replace their dated boiler systems prior to 60 years of age, primarily in consideration of improved energy efficiencies. The system was likely original designed to provide domestic water and building heat. *Complete replacement may allow for replacement with energy efficient and lesser capacity systems*.

Preventative Maintenance Notes: The Association informs us preventative maintenance is conducted on a regular basis. We recommend the Association obtain and adhere to the manufacturer's recommended maintenance plan. The required preventative maintenance may vary in frequency and scope based on the unit's age, operational condition, or changes in technology. We note the following select recommended preventative maintenance activities to maximize the remaining useful life:

- Weekly:
  - Inspect for leaking water around boilers
  - Check temperature readings
  - Verify vent is unobstructed
  - Conduct boiler blowdown to minimize corrosion and remove suspended solids in system
  - Clean pilot and burner assemblies
- Monthly:
  - Check water and pressure levels
  - Check controls and switches for proper operating
  - Check and inspect condensate drain
  - Check all gaskets for tight sealing
- Annually:
  - Conduct full inspection of burners and flues
  - Clean and inspect tubes to reduce scaling
  - Inspect any pressure relief valves
  - Clean and recondition feed water pumps
  - Inspect electrical terminals and controls
  - Seal doors/access panels
  - Adjust air/fuel ratios as needed

Priority: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Boilers, Domestic Hot Water

Line Items: 3.160 through 3.162

Quantity, History and Condition:

- **Residential High Zone** – four *Lochinvar* boilers, 800-MBH each, replaced 2016, reported satisfactory
- **Residential Low Zone** – three *Lochinvar* boilers with a capacity of 1,255-MBH each, replaced from 2019 to 2021, reported satisfactory
- **Commercial** – two *A.O. Smith* boilers with capacities of 660-MBH, replaced 2005, reported satisfactory although we continue to include near term replacement due to age



High zone domestic water boilers



Low zone domestic water boilers



Commercial domestic water boilers

Useful Life: Up to 15 years

Preventative Maintenance Notes: The Association informs us preventative maintenance is conducted on a regular basis. We recommend the Association obtain and adhere to the manufacturer's recommended maintenance plan. The required preventative maintenance may vary in frequency and scope based on the unit's age, operational condition, or changes in technology. We note the following select recommended preventative maintenance activities to maximize the remaining useful life:

- Weekly:
  - Inspect for leaking water around boilers
  - Check temperature readings
  - Verify vent is unobstructed
  - Conduct boiler blowdown to minimize corrosion and remove suspended solids in system
  - Clean pilot and burner assemblies
- Monthly:
  - Check water and pressure levels
  - Check controls and switches for proper operating
  - Check and inspect condensate drain

- Check all gaskets for tight sealing
- Annually:
  - Conduct full inspection of burners and flues
  - Clean and inspect tubes to reduce scaling
  - Inspect any pressure relief valves
  - Inspect electrical terminals and controls

Priority: Defer only upon opinion of independent professional or engineer

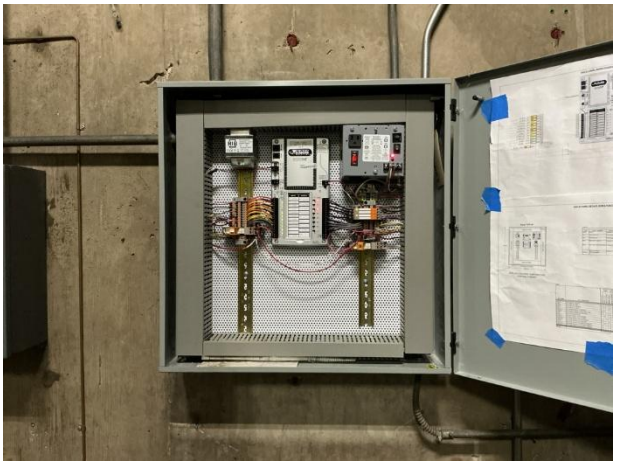
Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. Our estimate of cost includes an allowance for replacement of controls.

Building Automation System

Line Item: 3.170

History: The building automation system was in the process of being upgraded at the time of our inspection. We include near-term remaining costs.

Condition: Reported satisfactory



Replaced building automation system panel



Old building automation system panel to be replaced

Useful Life: Up to 15 years

Component Detail Notes: The building automation system (or energy management system) monitors and controls the mechanical systems.

Preventative Maintenance Notes: We recommend the Association obtain and adhere to the manufacturer's recommended maintenance plan and maintain a maintenance contract with a qualified professional. We recommend the Association periodically inspect for loose wiring and verify controls and sensors are operational to maximize the remaining useful life.

Priority: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

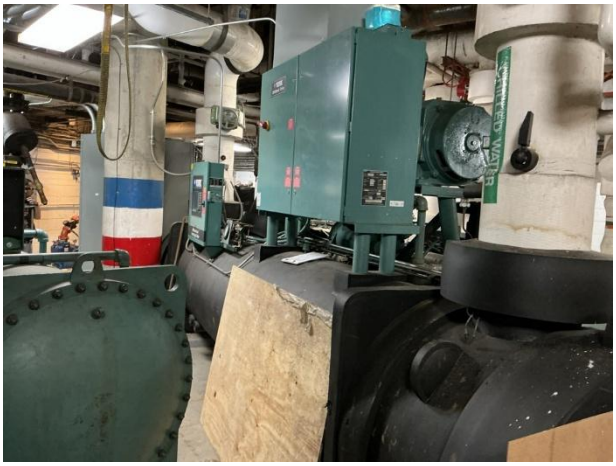
Chillers

Line Items: 3.200 and 3.205

Quantity: Two *York* 600-ton capacity chillers. The chillers use R-123 refrigerant.

History: Replaced in 2000. Tear downs were conducted in 2025. The Association also purchased spare refrigerant due to the phase out.

Condition: Reported satisfactory



Chiller



Spare refrigerant

Useful Life: Replacement up to every 35 years with capital repairs up to every 10 years

Component Detail Notes: Proper maintenance includes the following:

- Eddy current tests. The eddy current test compares known discontinuities in the magnetic fields between a known calibration tube and the actual tube being tested. The test probes create the two necessary magnetic fields in each tube for the comparison.
- Capital repairs or partial machine disassembly (invasive inspection of interior machine components or tear down inspections) to evaluate the condition of the chiller tubes for defects such as permeability and cracks.

Preventative Maintenance Notes: The Association informs us preventative maintenance is conducted on a regular basis. We recommend the Association obtain and adhere to the manufacturer's recommended maintenance plan. The required preventative maintenance may vary in frequency and scope based on the unit's age, operational condition, or changes in technology. We note the following select recommended preventative maintenance activities to maximize the remaining useful life:

- Daily
  - Check pressure at evaporator, condenser, oil tank and oil discharge
  - Check oil level and compile logs
  - Check motor operating temperatures
  - Routine visual and audial assessments to determine if any unusual noises or vibrations are coming from the unit
- Weekly:
  - Check water quality and chemical levels
  - Inspect for refrigerant leaks and adjust levels accordingly
- Quarterly:
  - Clean all water strainers in the water piping system
- Semi-Annually:
  - Lubricate bearings, balls joints, pivot points and valve O-rings
  - Drain contents of rupture disk and purge discharge
  - Apply oil to exposed metal to prevent corrosion
- Annually:
  - Test compressor and motor
  - Check oil and replace if needed (oil useful life of one- to five-years)
  - Inspect starter contracts
  - Inspect for scaling in the condenser and evaporator
  - Brush tubes with machine (condenser side annually, evaporator side every three years)
  - Check for refrigerant or oil leaks
  - Purge the unit
  - Clean and repair exterior painted surfaces
  - Conduct vibration analysis test
- Three-Year Cycles:
  - Clean all water strainers in the water piping system
  - Conduct eddy current test

Priority: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. Our estimate of cost includes an allowance for replacement of the controls.

Cooling Towers

Line Items: 3.260 through 3.266

Quantity: One *Evapco* cooling tower with multiple cells for the residential unit system and one *CTS* cooling tower for the commercial system

History: The residential unit system cooling tower was replaced in 2008. The Association replaced the fill and baffles and installed a liner in the residential cooling tower in 2023.

The Association replaced the commercial unit system cooling tower in 2018.

Condition: Reported satisfactory with exception of one residential cooling tower variable frequency drive. We include planned costs for replacement of the drive in **"2027 Remaining Reserve Expenditures"**.



Residential cooling tower



Residential cooling tower variable frequency drives



Commercial cooling tower

Useful Life: Replacement up to every 35 years with capital repairs every 10- to 15-years (We assume capital repairs to the commercial cooling tower through the operating budget.)

Component Detail Notes: Proper maintenance includes the following:

- Keeping all areas free of debris and build-up
- Effective water treatment program
- Seasonal testing of valves and controls for proper operation
- Inspection, adjustment and repairs of mechanical components as recommended by the manufacturer
- Annual inspection of components for corrosion or decay
- Capital repairs every 10- to 15-years

Capital repairs include a complete inspection of the cooling tower, pumps, motor drives and controls, replacement of the fill media, spray nozzles and any corroded areas, application of an internal protective coating and structural repairs. In addition, capital repairs may include partial or complete replacement of the baffles, motors, pumps, controls and valves.

Preventative Maintenance Notes: The Association informs us preventative maintenance is conducted on a regular basis. We recommend the Association obtain and adhere to the manufacturer's recommended maintenance plan. The required preventative maintenance may vary in frequency and scope based on the unit's age, operational condition, or changes in technology. We note the following select recommended preventative maintenance activities to maximize the remaining useful life:

- Daily:
  - Routine visual and audial assessments to determine if any unusual noises or vibrations are coming from the unit
  - Check basin water and operating oil levels and adjust as needed
  - Check surroundings and ensure paths to the cooling tower are clear of obstructions and trip hazards
- Weekly:
  - Inspect air inlet louvers/shields for blockages
  - Check for water leakage
- Monthly:
  - Inspect for fill media for displacement, damage, dry spots and obstructions. Dry spots may indicate cracks or clogs with the spray nozzles.
  - Check oil seals and oil static levels
  - Check make-up valve, bleed rate and belt condition
  - Conduct water treatment analysis
- Quarterly:
  - Inspect cold water basin and spray nozzles
  - Inspect the fill media for scale buildups. Descaling will increase energy conservations.
  - Flush water distribution system, drain basin and piping
  - Adjust belt tension
  - Lubricate fan shaft bearings and motor base
  - Check motor voltage and current
  - Clean fan motor exterior
  - Check fan drain holes for obstructions
  - Check fan clearance and balance
- Annually:
  - Complete inspection of components for corrosion or decay
  - Check drive alignment
  - Coat steel shafts with corrosion inhibitor as needed
  - Pressure wash components including fill and basin
- Seasonal

- Drain and sanitize

Priority: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Duct Cleaning

Line Item: 3.273

History and Condition: Duct cleaning was in progress at the time of our inspection and reportedly had not been conducted in several years. We include near-term remaining costs.

Useful Life: Up to 10 years

Priority: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Electrical System

Line Item: 3.300

History: The main distribution panels are primarily original to construction. The Building Engineer informs us of a varied history of partial component replacements including circuit protection panels and transformers.

The Association recently installed infrastructure for electric vehicle charging stations. The Association replaced the lobby circuit protection panels in 2023 and the fuse type garage circuit protection panels in 2024.

Condition: Reported satisfactory overall



Main electrical system panels



Penthouse mechanical switchboard



Basement mechanical switchboard



Transformers added to support electrical vehicle charging

Useful Life: Up to and sometimes beyond 70 years

Component Detail Notes: The system includes:

- Breaker type circuit protection panels for low ampacity circuits
- Copper wires
- 70-Amps on average to the units
- 4,000-Amp main distribution panels

We give a brief overview of electrical system components in the following sections of this narrative:

Primary Switchgear - The primary switchgear is located where the electric supply comes into the building. Switchgear can include associated controls, regulating, metering and protective devices, and is used for the transmission, distribution and conversion of electric power for use within the building. Switchgear components have a useful life of up to and sometimes beyond 70 years. Replacement is often determined by a desired upgrade of the entire electrical system.

Transformer - A transformer is an electric device with two or more coupled windings used to convert a power supply from one voltage to another voltage. Transformers within a building lower the supplied electrical voltage to a level that can be utilized by the building's equipment and unit owners. Transformers do not utilize mechanical components and therefore have a long useful life. However, the Association should anticipate periodic replacement of a limited quantity of transformers.

Distribution Panel - The distribution panel is an electric switchboard or panel used to control, energize or turn off electricity in total or for individual circuits. The panel also distributes electricity to individual and controllable circuits. One or more distribution panels may exist and further distribute electricity to individual panel boards for each unit. The distribution panel is enclosed in a box and contains circuit breakers, fuses and switches. Distribution panels have a useful life of up to and sometimes beyond 70 years.

Bus Bar - A bus bar is an electric conductor that serves as a common connection for two or more circuits and carries a large current. The metal enclosure contains factory assembled conductors, usually copper or aluminum bars or tubes. Bus bars typically convey electricity in a vertical riser to the multiple stories in the building. This component has an indefinite useful life and would rarely require replacement in total unless an upgrade of the capacity of the electrical system is desired.

Circuit Protection - Once electricity is distributed throughout the building and is at a usable voltage level, the electricity is divided into circuits. Each circuit requires circuit protection. Circuit protection is necessary to prevent injury and fires, and minimize damage to electrical components and disturbances to the electrical system. Abnormalities in the circuit can include overloads, short circuits and surges. Circuit protection devices are commonly referred to as circuit breakers and fuses. For the protection of the circuits in the units and common areas, we recommend the use of only circuit breakers as they are safer than fuses. However, the use of fuses is common for equipment like emergency systems and individual items of equipment. Fuses with a low capacity rating can easily be replaced with fuses of a higher rating resulting in an unprotected, overloaded and unsafe circuit. The circuit protection panels have a useful life of up to and sometimes beyond 70 years.

Conductors - Conductors are the electrical wires that convey electricity to the units, light fixtures, receptacles and appliances. Conductors in typical high and low capacity circuits are copper, as is reported by the Association. Copper conductors have an indefinite useful life.

Conductor Insulation and Conduit - Conductor insulation provides protection against the transfer of electricity. Conductor insulation can eventually become brittle and damaged from rodents or heat from many years of service. Conductor conduit is a pipe or tube used to enclose insulated electric wires to protect them from damage. Steel conductor conduit, although galvanized, will eventually rust if used in damp conditions. The useful life of conductor insulation and conduit is indeterminate.

Preventative Maintenance Notes: We recommend the Association obtain and adhere to the manufacturer's recommended maintenance plan. We also recommend the Association maintain a maintenance contract with a qualified professional. The required preventative maintenance may vary in frequency and scope based on the unit's age, operational condition, or changes in technology. We note the following select recommended preventative maintenance activities to maximize the remaining useful life:

- Annually:
  - Inspect system for signs of electrical overheating, deterioration, and/or panel corrosion
  - Clean and vacuum exterior and interior switchboards
- Five-Year Cycles:

- Check power meters, lamps, indicators, and transformers for deficiencies
- Inspect wiring, relays, power supply units, and timers
- Verify surge protection is intact

- As-needed:
  - Test outlets and ground-fault circuit interrupters (GFCI's) for faulty components
  - Examine the insulation at switchgears for signs of deterioration or cracking
  - Ensure all conductors are clean and dry with no moisture build-up
  - Check and inspect for loose wire connections
  - Clean and clear dust and debris away from system components
  - Check for flickering or dimming light fixtures as these could indicate a short in the wiring, arcing, or an over-extension of the electrical system
  - Conduct thermal image scanning if system experiences numerous or consistent outages
  - Keep an accurate record of all repairs to the electrical system

Priority: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. We recommend the Association budget to replace the main switchgear, distribution and circuit protection panels. Updates of this Reserve Study will consider possible changes in the scope and times of component replacements based on the conditions, including the need for replacement of the wires.

We recommend the Association conduct thermoscans of the distribution panels and circuit protection panels, and inspections of the transformers for any indications of arcing, burning or overheating on a regular basis, funded through the operating budget. Verification of the integrity of all connection points minimizes the potential for arcing and fires.

Elevators, Hydraulic

Line Items: 3.320 through 3.323

Quantity and History: Park Tower utilizes two hydraulic passenger elevators for the garage/mall (#7 and #8). The garage/mall hydraulic elevator system components were replaced from 2006 to 2007, including the pumps, controls and cylinders.

Park Tower also utilizes a hydraulic elevator to transport refuse containers (#9). The pump and cylinder were replaced in 2015. The Association replaced the main control systems for the refuse elevator in 2021.

Condition: Reported satisfactory without frequent service interruptions.



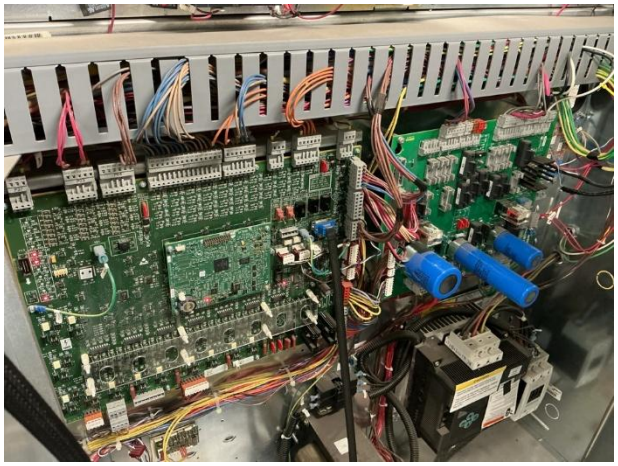
Hydraulic elevator equipment for mall and garage



Mall garage elevator controls



Refuse elevator power unit casing



Refuse elevator controls

Useful Life: Pumps and controls have a useful life of up to 30 years. Cylinders have a useful life of up to 45 years.

Component Detail Notes: Major components in a hydraulic elevator system include the pump, controls, cylinder, fluid reservoir and a valve between the cylinder and reservoir. Once activated by the elevator controls, the pump forces hydraulic fluid from the reservoir into the cylinder. The piston within the cylinder rises lifting the elevator cab. The elevator cab lowers at a controlled rate when the controls open the valve.

Preventative Maintenance Notes: The required preventative maintenance may vary in frequency and scope based on the unit's age, operational condition, or changes in technology. We note the following select recommended preventative maintenance activities to maximize the remaining useful life:

- Ongoing:
  - Maintain a maintenance contract with a qualified professional for the elevator(s) and follow the manufacturer's specific recommended maintenance plan adhering to local, state, and/or federal inspection guidelines
- As-needed:

- Keep an accurate log of all repairs and inspection dates
- Inspect and adjust misaligned door operators
- Check for oil leaks or stains near the pump housing and confirm oil levels are adequate
- Clear and remove any items located in the elevator machine room(s) not associated with the elevator components (These rooms should never be used for storage)
- Lubricate the hydraulic cylinders
- Inspect electrical components for signs of overheating or failure
- Inspect spring buffers in elevator pit for signs of corrosion or loose attachments
- Ensure air temperature and humidity of machine/pump housing room meets the designated specified range for proper operation
- Ensure all call buttons are in working condition
- Check elevator cabs for leveling accuracy to prevent tripping hazards

Priority: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. We anticipate the following hydraulic elevator system components will require replacement:

- Cab control panels
- Door operators
- Hallway panels/buttons
- Microprocessor based controllers
- Pumps (Power Unit) (15-HP at the refuse elevator)

These costs may vary based on the desired scope of the actual replacements, changes in technology and requirements of local codes or ordinances at the actual times of replacements. However, we judge our estimated costs sufficient to budget appropriate reserves at this time. The Association should require the contractor to verify that elevator component replacements include all of the necessary features for the latest in elevator code compliance.

Elevators, Traction

Line Items: 3.360 and 3.361

Quantity: The building utilizes four *Otis* traction passenger elevators (#1 through #4) and two traction service elevators (#5 and #6).

History: The Association replaced the controls and restored the machines from 2003 to 2007.

Condition: Reported satisfactory with intermittent service interruptions. The Building Engineer informs us the motors are discontinued.

Based on our experience and reported conditions, we recommend the Association plan for accelerated replacement compared to our previous reserve study.

The elevators are maintained under a service contract by *Otis*.



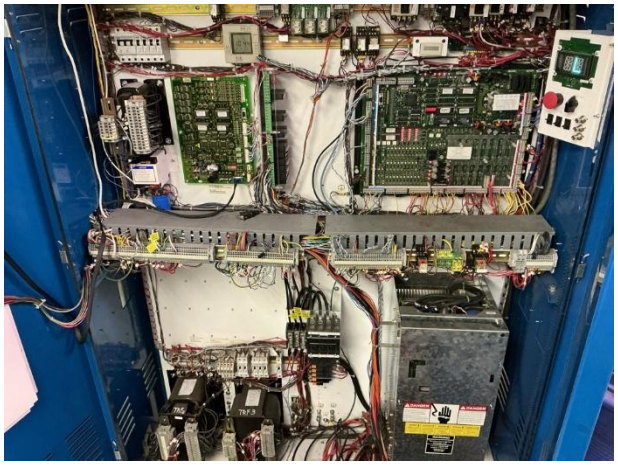
High rise traction elevator hoist and motor



High rise traction elevator controls



Low rise traction elevator hoist and motor



Low rise traction elevator controls

Useful Life: Up to 30 years however, the scarcity of parts, and the potential frequency and duration of service interruption makes controls replacement more desirable as the components age.

Component Detail Notes: The elevators utilize programmable logic computer controls.

Preventative Maintenance Notes: The required preventative maintenance may vary in frequency and scope based on the unit's age, operational condition, or changes in technology. We note the following select recommended preventative maintenance activities to maximize the remaining useful life:

- Ongoing:
  - Maintain a maintenance contract with a qualified professional for the elevator(s) and follow the manufacturer's specific recommended maintenance plan adhering to local, state, and/or federal inspection guidelines

- As-needed:
  - Keep an accurate log of all repairs and inspection dates
  - Inspect and adjust misaligned door operators
  - Clear and remove any items located in the elevator machine room(s) not associated with the elevator components (These rooms should never be used for storage)
  - Inspect electrical components for signs of overheating or failure
  - Inspect controls
  - Lubricate the hoist cables
  - Inspect hoist cables and motors for signs of wear or deterioration
  - Ensure air temperature and humidity of machine/pump housing room meets the designated specified range for proper operation
  - Ensure all call buttons are in working condition

Priority: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

We anticipate replacement of the following traction elevator system components:

- Cab control panels
- Door operators
- Hallway panels/buttons
- Hoists and motors/machines
- Cables
- Microprocessor based controllers

Exhaust Fans

Line Item: 3.380

Quantity: The Association maintains two inline exhaust fans to remove exhaust from the residential kitchens and rest rooms. The exhaust fans have capacities of 57,980- to 66,980-CFM each.

History: The fans are original with a varied history of repairs and component replacements. The motor, shaft and bearings at the rest room exhaust fan were replaced in 2023.

Condition: The rest room exhaust fan is reported in satisfactory condition. We include near-term costs for replacement of the kitchen exhaust fan shaft and bearings.



Rest room exhaust fan



Kitchen exhaust fan

Useful Life: Up to 45 years (We defer total replacement of the fans in consideration of the recent repair and component replacement projects.)

Preventative Maintenance Notes: The Association informs us preventative maintenance is conducted on a regular basis. We recommend the Association obtain and adhere to the manufacturer's recommended maintenance plan. The required preventative maintenance may vary in frequency and scope based on the unit's age, operational condition, or changes in technology. We note the following select recommended preventative maintenance activities to maximize the remaining useful life:

- Monthly:
  - Check unit for unusual noises and vibrations
- Quarterly:
  - Inspect belts for wear, adjust tension and replace as needed
  - Inspect/clean fan blades
  - Inspect/replace anti-vibration mounts as needed
  - Check motors for proper operation
  - Replace filters as applicable
- Semi-annually:
  - Lubricate fan and motor bearings if bearings are not sealed according to manufacturer's recommendation
  - Inspect/clean inlets, shafts and outlets
  - Ensure louvers and dampers are unclogged and operable

Priority: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. The Association should fund interim replacements of belts, motors and other components through the operating budget as needed.

Expansion Tanks

Line Item: 3.393

Quantity: The building includes seven large capacity expansion tanks for the high- and low-level building heating system, and the fin tube loop system. The tanks have capacities of primarily 317- to 564-gallons each.

History: Original

Condition: Reported satisfactory



Expansion tanks

Useful Life: Highly variable useful life of up to 60 years

Priority: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Heat Exchangers

Line Items: 3.460 and 3.461

Quantity: The building utilizes five shell and tube heat exchangers for the residential building heating systems, pool air handling unit and low level/commercial heating system.

The two heat exchanges for the residential fan coil loop heating system have a capacity of 2,500-GPM (gallons per minute) each. The pool air handling unit, fin tube loop and low level/commercial heating system heat exchangers have capacities of 297- to 625-GPM each.

History: The shells are primarily original. The Association replaced the bundles for the pool air handling unit, fin tube loop and low level/commercial heating system heat exchangers in 2023.

Condition: Reported satisfactory overall with the exception of select isolation valves. We include replacement of these valves in Line Item 3.920, **"Valves, Large Diameter".**

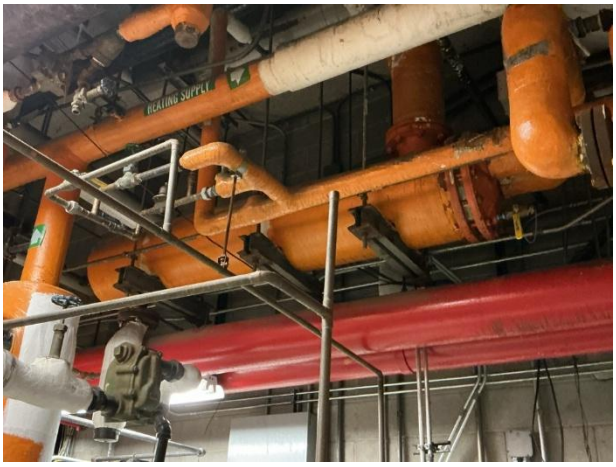
We recommend the Association budget to coordinate replacement of the heat exchangers with replacement of the boilers as a complete system redesign is likely.



Fin tube heat exchanger



Commercial heat exchanger



Pool heat exchanger



Main building heat exchangers

Useful Life: Up to 35 years

Preventative Maintenance Notes: The required preventative maintenance may vary in frequency and scope based on the type of heat exchanger, unit's age, operational condition, or changes in technology. We note the following select recommended preventative maintenance activities to conduct on an annual basis to maximize the remaining useful life:

- Remove and inspect tube bundles if possible
- Clean and inspect tubes for leaks or splits
- If sacrificial anodes are used, inspect and replace as needed
- Inspect and replace any damaged or worn gaskets

Component Detail Notes: The Association may choose to rebuild the heat exchangers prior to complete replacement. However, this activity becomes less desirable as heat exchangers age due to the scarcity of parts. We regard interim replacements of exchanger tubes as normal maintenance and base our estimates on complete replacements.

Priority: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Life Safety System

Line Items: 3.555 through 3.580

Quantity: The life safety system at Park Tower includes the following components:

- Control panel
- Audio/Visual fixtures
- Detectors
- Voice communication
- Smoke damper system
- Exit and emergency light fixtures (approximately 470 each)
- Wiring

History: The life safety system was installed in 2007. The Association replaced the main control panel system and detectors in 2023, and mounted a monitoring panel in the party room in approximately 2024.

The smoke damper system is original with isolated modifications to the windows.

The hallway exit fixtures were replaced in conjunction with hallway renovation from 2023 through 2024. The emergency light fixtures vary in age. The Association typically conducts replacements as needed using in-house labor.

Conditions: Reported satisfactory with the exception of the smoke damper system actuators. The actuators are aged and we include near term replacement. Future updates of this Reserve Study will again consider the need for additional funding in the future for replacement of the smoke damper system windows.



Control panels



Monitoring panel in party room



Audio visual fixture



Smoke damper system actuator



Smoke damper system window

Useful Life: Up to 15 years for the control panel, up to 25 years for the devices (including exit and emergency light fixtures) and up to 50 years for the smoke damper system actuators (the useful life of the windows is highly variable)

Preventative Maintenance Notes: The Association informs us preventative maintenance is conducted on a regular basis. We recommend the Association obtain and adhere to the manufacturer's recommended maintenance plan. We recommend the Association obtain and adhere to the manufacturer's recommended maintenance plan. In accordance with *NFPA 72* (National Fire Alarm and Signaling Code) we also recommend the Association maintain a maintenance contract with a qualified professional. The required preventative maintenance may vary in frequency and scope based on the age of the components, operational condition, or changes in technology. We note the following select recommended preventative maintenance activities to maximize the remaining useful life:

- Semi-annually:
  - Inspect and test all components and devices, including, but not limited to, control panels, annunciators, detectors, audio/visual fixtures, signal transmitters and magnetic door holders
  - Test backup batteries

- As-needed:
  - Ensure clear line of access to components such as pull stations
  - Ensure detectors are properly positioned and clean of debris

Priority: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. Changes in technology or building codes may make a replacement desirable prior to the end of the functional life. Our estimate of future cost considers only that amount necessary to duplicate the same functionality. Local codes or ordinances at the actual time of replacement may require a betterment as compared to the existing system. A betterment could result in a higher, but at this time unknown, cost of replacement.

Pipes

Line Items: 3.598 through 3.605

Quantity: Based on our previous review of the building plans and previous conversation with a previous Building Engineer, we estimate the following quantity of riser sections and types of pipe materials within Park Tower:

Type	Material	Risers	Floors	Riser Sections
Building Heating, Cooling And Condensate (Fan Coil Tiers)	Black Steel	45	54	2,430
Building Heating (supply and return) (Fin Tubes)	Black Steel	6	54	324
Domestic Cold Water	Galvanized steel	17	54	918
Domestic Hot Water (supply and return)	Copper and galvanized steel	34	54	1,836
Sanitary Waste and Disposal	Cast Iron	17	54	918
Vent	Cast Iron	17	54	918
			Total:	7,344

History and Condition:

- **Building Heating, Cooling and Condensate** – The black steel building heating, cooling and condensate riser sections are primarily original. The building includes building heating supply and return pipes the corner fin tube radiators. The building also includes building heating, cooling and condensate system pipes for the fan coil tiers (two pipe system).

  The Building Engineer informs us of a recent history of issues, primarily at the following locations:

  - T-connections at the vertical riser/horizontal pipes
  - Expansion joints especially at the 21st floor
  - A major repair was conducted at the 12th floor 02 tier

  The Association conducted replacement of the supply, return and condensate pipes for the 01/03 fan coil unit tier in 2024 with copper

pipes. Failure of an expansion joint and the resulting tier damage prompted the project.

We continue to include a Management provided cost in the near term to conduct an invasive analysis of these pipes to determine their condition and the timing of systematic replacement. We conservatively include near term replacements of these pipes but defer to the results of an invasive analysis. The systematic phased HVAC riser replacement events excludes the 01/03 fan coil tier.

The Association replaced the insulation at the building heating and cooling risers at the 11 and 01 tiers in approximately 2015. We exclude expenditures for subsequent replacements of insulation at the direction of Management in part as the systematic pipe replacement program includes installation of new insulation.

- **Domestic Water** – The Association began replacement of the galvanized domestic hot water risers with copper in 2010 due to leaks and occlusions. The domestic hot water riser replacement program includes the following:
    - Replacement of the supply and return domestic hot water risers
    - Replacement of the horizontal branch piping for the domestic hot water system
    - Replacement of the horizontal branch piping for the domestic cold water system
    - Insulation installation
    - Replacement of damaged finishes and cabinets in the units

  The high zone 11/12 tier pipes were being replaced at the time of our inspection. We include Management provided costs in the near term to replace the remaining original domestic hot water risers at the following locations:

    - 08/09 tier low zone kitchens
    - 09/10 tier high zone rest rooms
    - 14/12 tier low zone
    - 07/08 tier low zone rest rooms

  The presence of asbestos has been identified and abated with recent pipe replacements. Based on our conversation with Management, we include costs for asbestos abatement with all remaining pipe system replacements.

  The domestic cold water risers are primarily original and comprise galvanized steel. The Building Engineer informs us the domestic cold water pipe risers are in satisfactory condition. The Building Engineer does not report a recent history of domestic cold water pipe failures.

- **Sanitary Waste Disposal and Vent** – The cast iron sanitary waste disposal and vent riser sections are original. The Building Engineer informs us of a limited history of annual issues, including pipe deterioration and cracks.

Component Detail Notes:

Building Heating, Cooling and Condensate - The black steel pipes have a useful life of up to and sometimes beyond 80 years.

Domestic Water - The useful life of galvanized domestic supply and return pipes is up to and sometimes beyond 70 years. The first piping system usually to experience problems is domestic hot water. The rate of build-up varies based on flow rates, minerals in the water and temperature. Occlusions from deposits eventually develop, reduce water pressure and clog pipes. Galvanized pipe is zinc coated steel which slows oxidation or rusting. The galvanized pipe provides a surface texture for minerals such as calcium and magnesium (water hardness minerals) to adhere. These minerals build-up at a faster rate on galvanized piping when compared to copper piping. Also, corrosion of these pipes will eventually result in pitting of the interior surface and pinhole leaks. We recommend the Association budget funds to replace the galvanized water piping with copper piping. Copper piping is the predominant type of pipe used in new construction for domestic water piping.

Sanitary Waste Disposal and Vent - The cast iron pipes typically deteriorate from the inside out as a result of sewer gases, condensation and rust.

Valves - The piping systems include various valves. Identification of a typical useful life and remaining useful life for individual valves is difficult. Associations typically replace valves on an as needed basis in our experience.

Pipes, Remaining - We anticipate a useful life of up to and sometimes beyond 100 years for fire standpipes and gas supply lines. Therefore, we do not foresee the need to budget for replacement of these pipes within the 30-year scope of this study. Future updates of this study will revisit the need to include partial replacement of these pipes.

Preventative Maintenance Notes: The Association informs us preventative maintenance is conducted on a regular basis. We recommend the Association obtain and adhere to the manufacturer's recommended maintenance plan. The required preventative maintenance may vary in frequency and scope based on the building's age and demands of the piping systems. We note the following select recommended preventative maintenance activities to maximize the remaining useful life:

- Quarterly:
  - Inspect all visible piping for corrosion and leaks, including common areas or areas immediately surrounding pipes such as insulation, ceiling tiles or the floor for moisture, water accumulation, mold or mildew

- Annually:
  - Verify system pressure is sufficient (pressurized piping systems)
  - Check accessible valves for proper operation
  - Test backflow prevention devices
  - Inspect and obtain certification for pressure relief valves
  - Test drain line flow rates
  - Mechanically or chemically clean waste lines as needed

Priority: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. Our for a single riser section assumes replacement of all pipes located within each wall opening, associated branch piping, fittings and minimal interior finishes. However, the cost does not include temporary housing for affected residents, pipes within the units or significant interior finishes.

An invasive analysis of the piping systems will provide various replacement options. Replacement of the systems as an aggregate event will likely require the use of special assessments or loans to fund the replacements.

Although it is likely that the times of replacement and extent of repair costs may vary from the budgetary allowance, Park Tower could budget sufficient reserves for the beginning of these pipe replacements and have the opportunity to adjust its future reserves up or down to meet any changes to these budgetary estimates. Updates of this Reserve Study would incorporate changes to budgetary costs through a continued historical analysis of the rate of deterioration and actual pipe replacements to budget sufficient reserves.

We recommend the Association budget for replacement of the following items through the operating budget:

- Replacement of valves on an as-needed basis
- Minor pipe repairs and replacements
- Invasive investigation of the condition of the piping system prior to beginning more aggregate replacements
- Rodding of waste pipe systems

Pumps

***Line Items*:** 3.700 through 3.708

Quantity, History and Condition:

- **Building Cooling, Commercial** – 7.5-HP, 2 each located near the cooling tower, replaced in 2018, reported satisfactory
- **Building Cooling, Residential, Cooling Tower** – 75-HP, 1 each, replaced in 2026, reported satisfactory
- **Building Heating, Commercial** – 10-HP, 2 each, motors replaced, age of the pumps not available at the time of our inspection, we include near term replacement based on apparent age

- **HVAC, Residential, Fan Coil Loop/Dual Temperature** – 100-HP, 3 each, the two main pumps were replaced in 2023 and include variable frequency drives, the 3rd pump has an indeterminate remaining useful life as it is used as a backup and receives minimal use, reported satisfactory
- **Building Heating, Residential, Fin Tubes** – 15-HP, 2 each, replaced from 2023 through 2025, reported satisfactory
- **Domestic Cold Water** – two 60-HP each, one 30-HP, 3 total, pumps replaced from 2017 to 2021, the Association added variable frequency drives in 2024, reported satisfactory
- **Fire Suppression** – one 100-HP, one 40-HP, two total, original, controls replaced in the 1990s, the systems include jockey pumps (replacement of low zone planned in the near term, complete replacement is anticipated based on age
- **Gas Booster** – 10-HP, 2 each, replaced from 2021 through 2024, reported satisfactory
- **Sewage Ejection** – 10-HP, 2 each, replaced 2018, reported satisfactory



Commercial cooling pumps



Residential cooling tower pump



Fan coil dual temperature pumps



Fin tube pumps



Domestic water pumps



Domestic water pump variable frequency drives



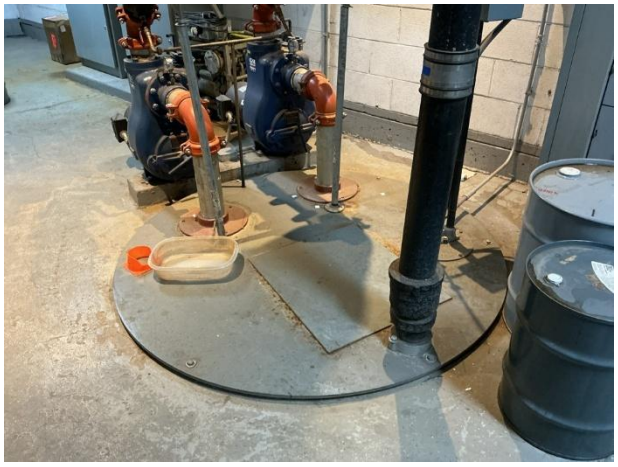
Fire suppression pumps



Fire suppression jockey pump



Gas booster pumps



Sewage ejection pumps

Useful Lives:

- **Building Cooling, Commercial** – up to 25 years
- **Building Cooling, Residential, Cooling Tower** – up to 30 years
- **Building Heating, Commercial** – up to 30 years
- **HVAC, Residential, Fan Coil Loop/Dual Temperature** – up to 35 years

- **Building Heating, Residential, Fin Tubes** – up to 30 years
- **Domestic Cold Water** – up to 25 years
- **Fire Suppression** – up to 60 years
- **Gas Booster** – up to 25 years
- **Sewage Ejection** – up to 25 years

Component Detail Notes: Major pumps included in this Reserve Study are those with a motor drive of at least five-HP. The Association should replace or repair all pumps with motor drives less than five-HP as needed and fund this ongoing maintenance activity through the operating budget. The Association may choose to rebuild pumps prior to complete replacement. However, this activity becomes less desirable as pumps age due to the scarcity of parts. We regard interim replacements of motors and component parts as normal maintenance and base our estimates on complete replacements. An exact replacement time for each individual pump is difficult, if not impossible, to estimate.

Preventative Maintenance Notes*:* The Association informs us preventative maintenance is conducted on a regular basis. We recommend the Association obtain and adhere to the manufacturer's recommended maintenance plan. The required preventative maintenance may vary in frequency and scope based on the unit's age, operational condition, or changes in technology. Valuable motor information to note in a preventative maintenance plan or schedule includes age of unit and last time of repair, horsepower and rpm (revolutions per minute), bearing type and conditions surrounding motor/pump. We note the following select recommended preventative maintenance activities to maximize the remaining useful life:

- Weekly:
  - Check/adjust controls
  - Check/adjust pressure levels
  - Check for leaks
  - Conduct churn tests
- Quarterly:
  - Inspect/clean motors
  - Inspect mountings and connections for proper alignment, torque and condition
  - Inspect/replace pump packing as needed, consider replacement with mechanical seals
  - Check for appropriate oil levels
- Semi-annually:
  - Lubricate pumps, motors and motor bearings
- Annually:
  - Clean filters if present
  - Assess proper internal component performance and replace damaged or malfunction components as necessary, and tighten fittings
  - Assess temperature and vibration performance of motors in accordance with the intended design

Priority: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Security System

Line Items: 3.820 and 3.821

Quantity: Park Tower utilizes the following security system components:

- Automated fob reading system
- Cameras
- Monitors
- Recording systems

History:

- Access system: Upgraded in 2017.
- Surveillance system: Varies; the Association will replace the server in 2026

Condition: Reported satisfactory



Security system server



Security system cameras



Access point and intercom panel

Useful Life: Up to 15 years (We assume replacement of components in a phased manner in lieu of in aggregate.)

Preventative Maintenance Notes: We recommend the Association obtain and adhere to the manufacturer's recommended maintenance plan. The required preventative maintenance may vary in frequency and scope based on the unit's age, operational condition, or changes in technology. We note the following select recommended preventative maintenance activities to maximize the remaining useful life:

- Weekly:
  - Clean card readers and other frequently used equipment of dust and other materials that may prevent proper operation
- Monthly:
  - Check access points for proper operation
  - Check cameras for proper focus, fields of view are unobstructed and camera and lenses are clean and dust-free
  - Check recording equipment for proper operation
  - Verify monitors are free from distortion with correct brightness and contrast
- Annually:
  - Check exposed wiring and cables for wear, proper connections and signal transmission
  - Check power connections, and if applicable, functionality of battery power supply systems

Priority: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Storage Tanks, Domestic Hot Water

Line Item: 3.861

Quantity: Three insulated domestic hot water storage tanks

History: The Association replaced the commercial storage tank at the main boiler room in 2018 and the low zone residential storage tank in 2024.

The high zone residential tank is original.

Condition: Reported satisfactory although we continue to include near-term replacement of the high-zone residential tank to limit service interruptions.



High rise residential storage tank



Low rise residential domestic water storage tank

Useful Life: Up to 45 years

Preventative Maintenance Notes: The required preventative maintenance may vary in frequency and scope based on the unit's age, operational condition, or changes in technology. We note the following select recommended preventative maintenance activities to conduct on an annual basis to maximize the remaining useful life:

- Inspect for leakage and corrosion
- Inspect and repair/replace valves including any pressure relief valves

Priority: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Trash Compactor

Line Item: 3.900

Quantity: One each

History: Replaced in 2019. The trash compactor room ceiling was recently renovated.

Condition: Reported satisfactory



Trash compactor

Useful Life: Up to 25 years

Preventative Maintenance Notes: The Association informs us preventative maintenance is conducted on a regular basis. We recommend the Association obtain and adhere to the manufacturer's recommended maintenance plan. The required preventative maintenance may vary in frequency and scope based on the unit's age, operational condition, or changes in technology. We note the following select recommended preventative maintenance activities to maximize the remaining useful life:

- Weekly:
  - Check hydraulic oil level with cylinder fully retracted to make sure oil is at appropriate level
  - Check hydraulic hoses for kinks, leaks or other damage
  - Check to make sure all safety guards and access covers are secure and in place
- Monthly:
  - Make sure lower door hinges and lock assembly are properly greased
  - Check all nut and bolt connections to make sure they are tight and secure
  - Clean the power unit and keep unit clear of debris
- Annually:
  - Have all electrical connections inspected by a licensed electrician to ensure proper connectivity and safe connections. The motor draw should be checked and recorded to help prevent failure.
  - The hydraulic system should be inspected and repaired, including draining and refilling the hydraulic fluid reservoir.
  - The oil filter should be changed after a maximum of 250 hours of operation. The oil filter should be changed more frequently for compactors located in hotter environments with more dust present.

Priority: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Valves, Large Diameter

Line Item: 3.920

Quantity: The building utilizes approximately 30 large diameter valves at the main water connection, fire pumps, chiller room and boiler room.

History: Varied ages. The main water valves were replaced in 2025. We included near term costs as provided by Management for replacement of the chiller and heat exchanger isolation valves.

Condition: Reported satisfactory with the exception of the planned isolation valves.



Heat exchanger valve to be replaced



Large diameter valves of varying age at fire suppression system



Mixing valve



Main water valves

Useful Life: Up to 50 years

Preventative Maintenance Notes: We note the following select recommended preventative maintenance activities to maximize the remaining useful life:

- Monthly:
  - Inspect the valves (if valve is readily accessible)

- Confirm tightness of connections/fasteners
- Confirm lack of leaks

- Semi-annually:
  - Clean the valves (including the valve stem) (if valve is readily accessible)
  - Open/close the valves to ensure operation (if valve is readily accessible)
- Annually:
  - Remove, clean and repair select valves as needed (including replacement of components as needed) (frequency and feasibility of rebuilds will vary greatly) (if valve is readily accessible)

Priority: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Property Site Elements

Asphalt Pavement, East and North

Line Item: 4.045

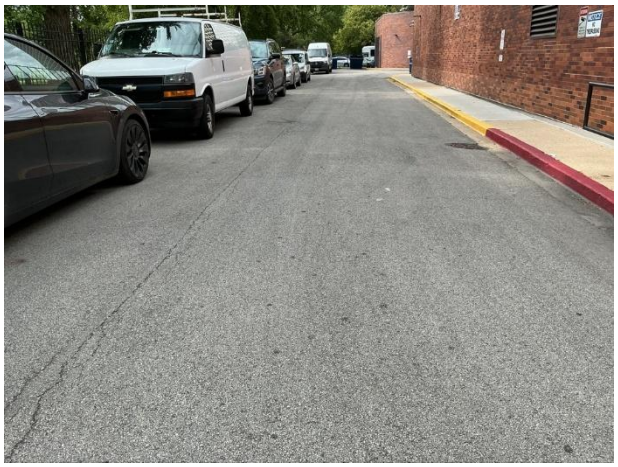
Quantity: The development includes approximately 1,750 square yards of asphalt pavement at the east and north perimeters. The Association shares responsibility of the north pavement with the adjacent building.

History: Repaved in 2022.

Condition: Good to fair overall condition with periodic cracks evident. We opine the type and amount of traffic will likely result in a diminished useful life.



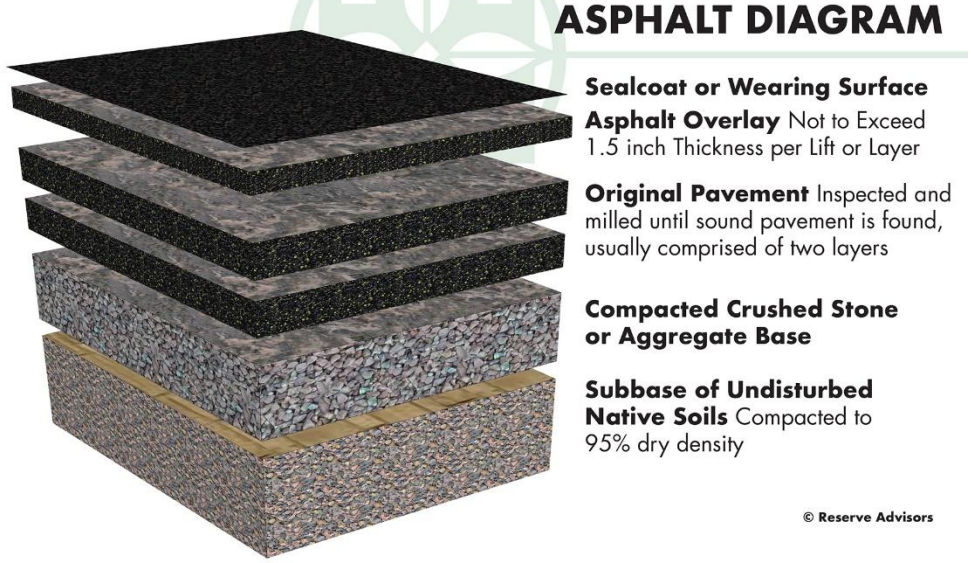
North section of pavement



East section of pavement

Useful Life: 15- to 20-years with the benefit of timely crack repairs and patching

Component Detail Notes: The initial installation of asphalt uses at least two lifts, or two separate applications of asphalt, over the base course. The first lift is the binder course. The second lift is the wearing course. The wearing course comprises a finer aggregate for a smoother, more watertight finish. The following diagram depicts the typical components although it may not reflect the actual configuration at Park Tower:



The manner of repaving is either a mill and overlay or total replacement. A mill and overlay is a method of repaving where cracked, worn and failed pavement is mechanically removed or milled until sound pavement is found. A new layer of asphalt is overlaid atop the remaining base course of pavement. Total replacement includes the removal of all existing asphalt down to the base course of aggregate and native soil followed by the application of two or more new lifts of asphalt. We recommend mill and overlayment on asphalt pavement that exhibits normal deterioration and wear. We recommend total replacement of asphalt pavement that exhibits severe deterioration, inadequate drainage, pavement that has been overlaid multiple times in the past or where the configuration makes overlayment not possible. Based on the apparent visual condition and configuration of the asphalt pavement, we recommend the total replacement method of repaving at Park Tower.

Preventative Maintenance Notes: We note the following select recommended preventative maintenance activities to maximize the remaining useful life:

- Annually:
    - Inspect for settlement, large cracks and trip hazards, and ensure proper drainage
    - Repair areas which could cause vehicular damage such as potholes
- As needed:

- Perform crack repairs and patching

Priority: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. Our costs include partial replacement of concrete curbs and gutters, and repairs to catch basins as needed.

Concrete, On-grade at Site

Line Item: 4.140

Quantity: The development includes various on-grade concrete at the site, including sidewalks, pavement and curbs/gutters.

History: The Association replaced the concrete at the northeast perimeter in 2023.

Condition: The concrete varies greatly in condition. Areas of cracks are evident, primarily at the service dock areas. We include periodic allowances for partial replacements of site concrete as the development ages.



Partial sidewalk replacement



Service dock pavement cracks

Useful Life: Up to 50 years although interim deterioration of areas is common

Preventative Maintenance Notes: We note the following select recommended preventative maintenance activities to maximize the remaining useful life:

- Annually:
  - Inspect and repair major cracks, spalls and trip hazards
  - Mark with orange safety paint prior to replacement or repair
  - Repair or perform concrete leveling in areas in immediate need of repair or possible safety hazard

Priority: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Fence, Steel, East Perimeter

Line Item: 4.245

Quantity: 300 linear feet at the east perimeter

History: Replaced in 2025.

Condition: Good overall condition with isolated damage evident.



East perimeter fence

Useful Life: Up to 35 years with the benefit of timely paint applications and repairs through the operating budget.

Preventative Maintenance Notes: We note the following select recommended preventative maintenance activities to maximize the remaining useful life:

- Annually:
  - Inspect and repair loose fasteners or sections, finish deterioration, and damage
  - Repair leaning sections and clear vegetation from fence areas which could cause damage

Priority: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Plaza

Line Items: 4.959 through 4.961

Quantity: The plaza at Park Tower is pedestrian and vehicular areas atop an underlying concrete structure. The plaza includes approximately 11,000 square feet of concrete areas, including the circle drive and the planter at the lobby entrance, and 1,500 square feet of landscape at the two main planters.

History: The Association replaced the plaza primarily from 2014 to 2016. The Association replaced the membrane at the two main planters in 2007. Areas were recaulked in 2025. The mall signage was renovated in 2023. The Association plans to modify the fence in the near term to allow better access to the fire pipes. We consider this modification an operating expense.

Condition: The concrete toppings exhibit areas of cracks and joint sealant deterioration. The concrete walls at the planters exhibit cracks. The ceiling beneath the plaza exhibits isolated evidence of water infiltration and a significant amount of previous repairs.



Concrete with light fixtures and joint sealant



Fence planned for modification



Aged and failing joint sealant



Cohesive sealant failure at joint adjacent to replaced joint sealant around column



Concrete drive



Concrete drive joint sealant



Planter



Planter wall cracks



Property identification signage



Mall signage



Evidence of previous water infiltration



Ceiling crack under plaza



Previous repair



Evidence of previous water infiltration below central plaza area

Useful Life: Waterproof membranes serving these types of areas generally have useful lives of up to 30 years with the benefit of interim capital repairs and sealant replacements up to every six years. We recognize the Association historically conducts annual repairs, cleaning and seal applications. We consider these annual repairs an operating expense. We include capital repairs which will likely include the following:

- Replacement of sealants
- Crack repairs as needed
- Replacement of a limited amount of concrete topping
- Replacement of a limited amount of membrane (leak remediation)

Component Detail Notes: Due to the non-invasive nature of our inspection, we are unable to determine the exact composition of the plaza. Based on our visual inspection, experience with similar construction and knowledge of replacement/capital repair projects of this type, we surmise the plaza comprises the following elements:

- Concrete pavement
- Concrete sidewalks with a standard finish
- Concrete sidewalks with an exposed aggregate finish
- Fences and signage
- Landscape planter at the lobby entrance and two main planters
- Sealants
- Perimeter flashing
- Underlying waterproof membrane atop the structure
- Elevated structural concrete

As the membrane ages and deteriorates, water infiltration through the structure and leaks into the space beneath will become more frequent and widespread. Deterioration of the concrete structure beneath the membrane is also probable due to membrane leaks and normal aging of the concrete.

Preventative Maintenance Notes: We recommend the Association maintain a service and inspection contract with a qualified professional and record all documentation of repairs conducted. We note the following select recommended preventative maintenance activities to maximize the remaining useful life:

- Annually:
    - Note drainage issues with water ponding after 48 hours of rainfall event. Verify drains are free of debris and irrigation system is working properly if applicable.
    - Inspect perimeter flashing and/or sealant damage
    - In accessible areas under the elevated membrane, inspect for areas of water infiltration and concrete deterioration. If frequency of leaks increases or location of water infiltration is unknown, we recommend the consideration of a thermal image inspection.

Priority: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. Our cost for replacement includes a limited amount for capital repairs to the underlying concrete structure. The exact amount of concrete structure repairs and thus the exact cost will vary based on the engineering analysis at the time of the project.

Tractor

Line Item: 4.971

Quantity: One tractor with snow removal equipment

History and Condition: We include near term planned replacement.



Tractor

Useful Life: Up to 15 years

Priority: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Pool Elements

Hot Tub (Jacuzzi)

Line Item: 6.553

Quantity: The main pool area includes a hot tub, jacuzzi or spa.

History: The insert was replaced in 2007. The Association rebuilt the surrounding platform in 2021.

Condition: Reported satisfactory



Hot tub insert

Useful Life: Up to 20 years for the hot tub insert

Priority: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Mechanical Equipment

Line Item: 6.600

Quantity: The mechanical equipment includes the following:

- Automatic chlorinators
- Controls
- Electrical panels
- Filters
- Heaters
- Interconnected pipe, fittings and valves
- Pumps

History: Varied ages. The filters were recently replaced.

Condition: Conditions vary but generally reported in satisfactory condition. We note rust at the electrical panels likely due to pool chemicals.



Pool mechanical equipment



Pool controls and electrical (note rust)



Pool filters



Pool heaters



Pool equipment basin

Useful Life: Up to 15 years

Preventative Maintenance Notes: We recommend the Association maintain a maintenance contract with a qualified professional and follow the manufacturer's specific recommended maintenance and local, state and/or federal inspection guidelines.

Priority: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the Reserve Expenditures table in Section 3. Failure of the pool mechanical equipment as a single event is unlikely. Therefore, we include phased replacements. We consider interim replacement of motors and minor repairs as normal maintenance.

Pools

Line Items: 6.800 and 6.801

Quantity, History and Condition: The main (or indoor) pool comprises a concrete structure of approximately 2,100 square feet based on the horizontal surface area. The

Association replaced the gutter system in the main pool in 2006 and installed a vinyl liner in 2017. Limited liner repairs were conducted as a result of damage during the roof replacement project. The liner exhibits discoloration.

In addition, the Association maintains an outdoor, or kiddie, pool. The tile was replaced in 2016. The Association replaced the plaster finish and lights, and completed coping repairs in 2022. The Association conducts annual paint finish applications using in-house labor. We note coping cracks and repairs. We include periodic costs for renovation including replacement of the finish with plaster, tile replacements and coping replacements.



Main pool liner



Main pool liner discoloration



Outdoor pool



Outdoor pool coping cracks

Useful Life: Up to 15 years for the main pool liner and 8- to 12-years for renovation of the outdoor (kiddie) pool although we recognize the Association may defer renovation based on continued annual paint finish applications

Component Detail Notes: Removal and replacement of the plaster/liner provides the opportunity to inspect the structures and to allow for partial repairs of the underlying surfaces as needed.

Preventative Maintenance Notes: We note the following select recommended preventative maintenance activities to maximize the remaining useful life:

- Semi-annually:
    - Inspect and repair significant finish deterioration, coping damage and structure cracks
    - Inspect main drain connection and anti-entrapment covers, pressure test circulation piping and valves
    - Test handrails and safety features for proper operation

Priority: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Garage Elements

Concrete, Elevated Floor (1P Level)

Line Item: 7.300

Quantity: The 1P, or upper, garage floor comprises approximately 63,000 square feet of elevated cast in place concrete floor structure.

History: The Association completed significant concrete repairs and replacement of the traffic coating in 2021. The Building Engineer informs us the project was completed in phased sections as evident by joints. The project primarily included:

- Repairs to the 1P elevated garage floor top and underside concrete
- Replacement of the traffic coating at the 1P garage floor
- Cracks repairs and patching at the 2P garage floor
- Drain repairs

The Association has conducted limited subsequent traffic coating repairs.

Condition: The traffic coating exhibits periodic areas of deterioration/damage, most notable along seams.

The ceiling beneath the elevated floor exhibits a significant amount of concrete repairs and isolated concrete delamination and cracks.

The Association conducted repairs following our inspection to address conditions depicted below.



Elevated garage floor overview



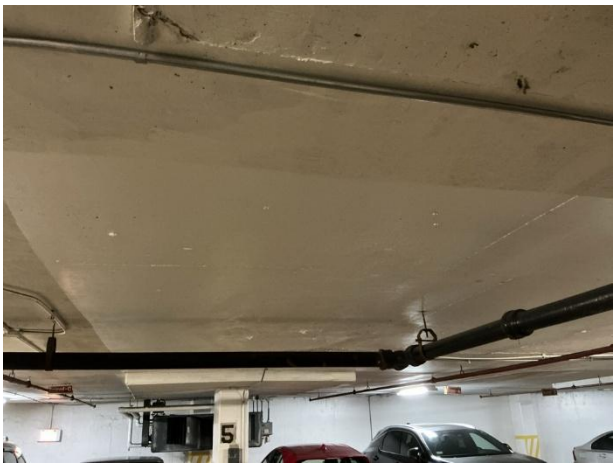
Previous repair at drain



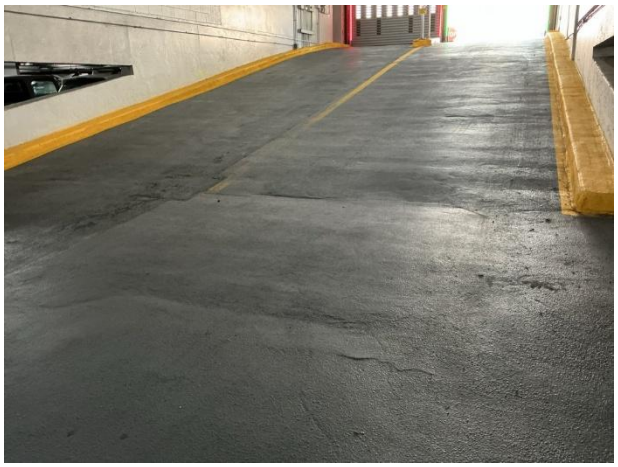
Concrete ceiling delamination
(near parking space 82 shown)



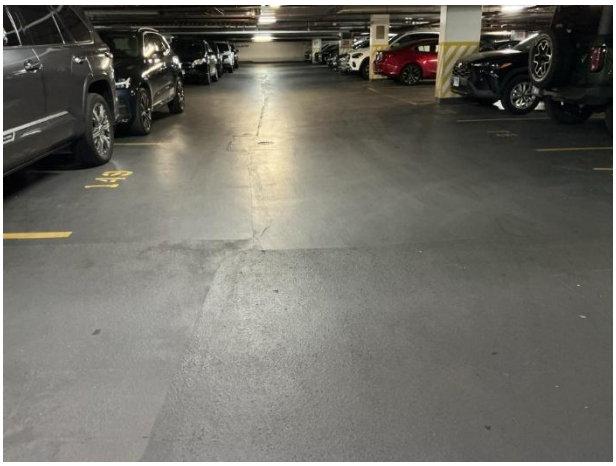
Hairline ceiling cracks
(near parking space 133 shown)



Previous ceiling repair



Garage ramp



Varied traffic coating applications



Repair around drain



Traffic coating seam



Traffic coating deterioration (near lower ramp shown)

Useful Life: Repairs to the various concrete surfaces up to every 10 years

Preventative Maintenance Notes: We note the following select recommended preventative maintenance activities to maximize the remaining useful life:

- Semi-annually:
  - Clean floors and remove vehicular oil stains
- Annually:
  - Inspect for large cracks, concrete spalls and vehicular damage at walls and columns
  - Verify drains are working properly and check for areas of extensive water ponding
  - Check for any signs of exposed rebar

Priority: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. Our cost includes:

- Complete inspection of the garage concrete

- Partial depth concrete replacement of a limited amount of the surface area of the concrete floors
- Partial depth concrete replacement of a limited amount of the surface area of the elevated structural concrete ceilings
- Remediation of structural concrete columns and beams as needed
- Crack repairs on all surfaces as needed

Concrete, On-grade (2P Level)

Line Item: 7.360

Quantity: Park Tower maintains approximately 63,000 square feet of on-grade concrete at the 2P, or lower, garage level.

Condition: Conditions vary with frequent areas of cracks, deterioration of original and repaired concrete, and surface spall evident.



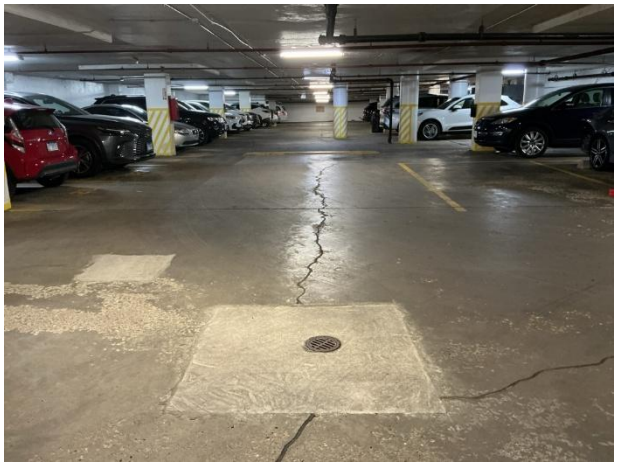
On-grade garage floor overview



Concrete spall



Partial replacements and crack repairs



Partial replacements and crack repairs

Useful Life: Up to 90 years

Preventative Maintenance Notes: We note the following select recommended preventative maintenance activities to maximize the remaining useful life:

- Semi-annually:
  - Clean floors and remove vehicular oil stains
- Annually:
  - Inspect for large cracks, concrete spalls and vehicular damage at walls and columns
  - Verify drains are working properly and check for areas of extensive water ponding

Priority: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.:

- Complete inspection of the floor
- Selective cut out and replacement of up to six percent (6%), or 3,780 square feet, of the on-grade concrete
- Crack repairs as needed

Doors and Operators

Line Items: 7.400 and 7.401

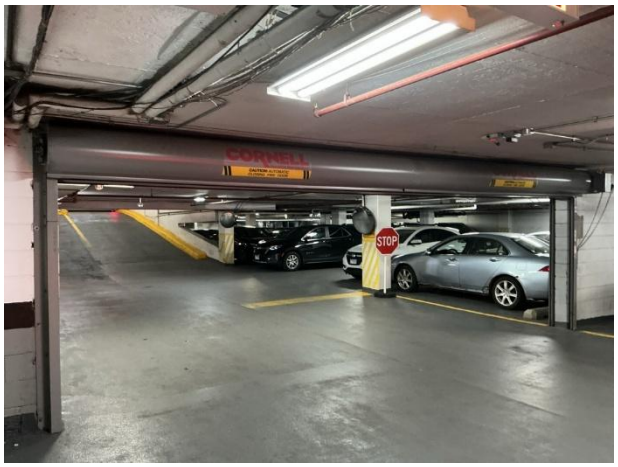
Quantity: The garage includes two vehicular doors and six rolling fire doors.

History: The Association replaced the vehicular doors with high-speed rolling doors in 2022. The fire doors are likely original. The Association installed an enclosure around the fire doors in 2009.

Condition: Reported satisfactory



High speed garage doors



Fire doors

Useful Life: 10- to 15-years for the vehicular doors and up to 50 years for the fire doors

Priority: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. The Association should fund interim replacements of components through the operating budget.

Exhaust System

Line Items: 7.455 and 7.460

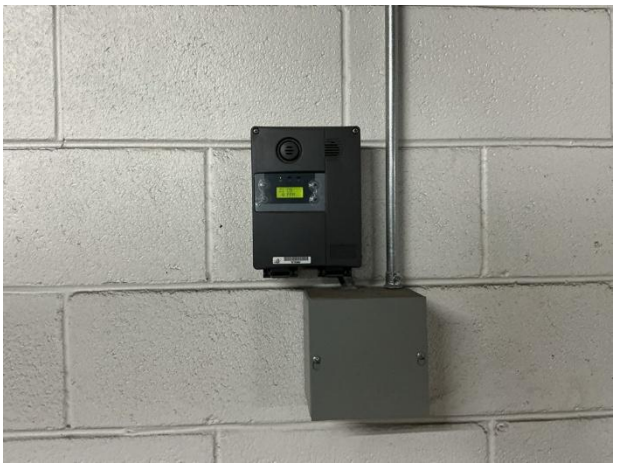
Quantity: Exhaust system includes:

- Carbon monoxide detectors (28 each)
- Exhaust fans (two, 55,500-CFM each, propeller type)
- Louvers

History:

- Exhaust fans and louvers: The Association replaced the fan motors in 2019. One louver was replaced in 2024/2025. The remaining components are likely original
- Carbon monoxide detection system: Replaced in 2026 including installation of 12 additional detectors.

Condition: Reported satisfactory



New carbon monoxide detector



Old carbon monoxide detector



Mechanical louver



Exhaust fan

Useful Life: Up to 10 years for the carbon monoxide detection system and up to 30 years for the fans and louvers

Preventative Maintenance Notes: The required preventative maintenance may vary in frequency and scope based on the unit's age, operational condition, or changes in technology. We note the following select recommended preventative maintenance activities to maximize the remaining useful life:

- Monthly:
  - Check unit for unusual noises and vibrations
- Quarterly:
  - Test carbon monoxide detectors for proper operation
  - Inspect belts for wear, adjust tension and replace as needed
  - Inspect/clean fan blades
  - Inspect/replace anti-vibration mounts as needed
  - Check motors for proper operation
  - Replace filters as applicable
- Semi-annually:
  - Lubricate fan and motor bearings if bearings are not sealed according to manufacturer's recommendation
  - Inspect/clean inlets, shafts and outlets
  - Ensure louvers and dampers are unclogged and operable

Priority: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. We regard interim repairs or partial replacements of components as normal maintenance.

Fire Suppression System

Line Item: 7.500

Quantity: Approximately 126,000 square feet of garage area (wet system)

History: The pipes are original. The heads were replaced in 2025.

Condition: Fair overall condition with pipe finish deterioration evident. We recommend the Association consider paint finish applications of the pipes to prolong their lifespan.



Fire suppression pipe finish deterioration

Useful Life: Up to 60 years for the piping

Preventative Maintenance Notes: We recommend the Association obtain and adhere to the manufacturer's recommended maintenance plan. In accordance with *NFPA 25* and local guidelines, we also recommend the Association maintain a maintenance contract with a qualified professional. The required preventative maintenance may vary in frequency and scope based on the age of the components, operational condition, or changes in technology. We note the following select recommended preventative maintenance activities to maximize the remaining useful life:

- Annually:
  - Complete full inspection of valves, hangars, pipes, fittings and heads
  - Ensure sprinkler heads and pipes are free of ornamentations and coverings
  - Check for pipe corrosion
  - Test system operation
  - Conduct paint finish applications to the pipes as needed as these protective finishes may extend the overall useful life in highly corrosive environments

Priority: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

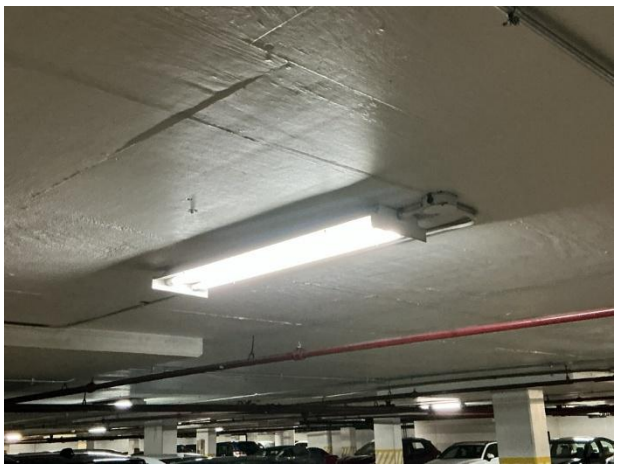
Light Fixtures

Line Item: 7.600

Quantity: Approximately 200 light fixtures

History: Retrofitted in 2010 to primarily utilize LED (Light Emitting Diode) lamps

Condition: Reported satisfactory



Garage light fixture

Useful Life: Up to 30 years

Preventative Maintenance Notes: We note the following select recommended preventative maintenance activities to maximize the remaining useful life:

- As-needed:
  - Inspect and replace/repair broken or dislodged fixtures
  - Replace burned out bulbs

Priority: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

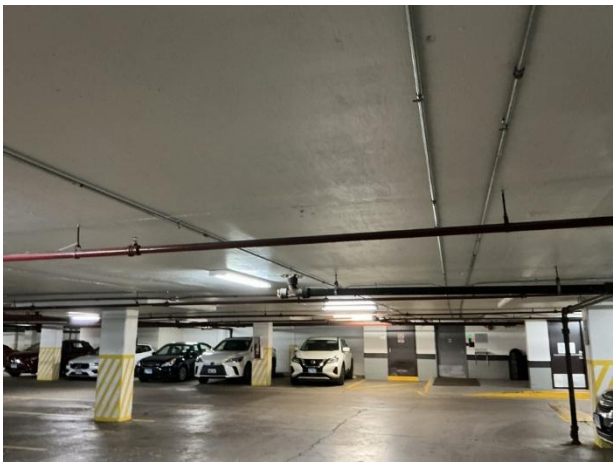
Paint Finishes

Line Item: 7.660

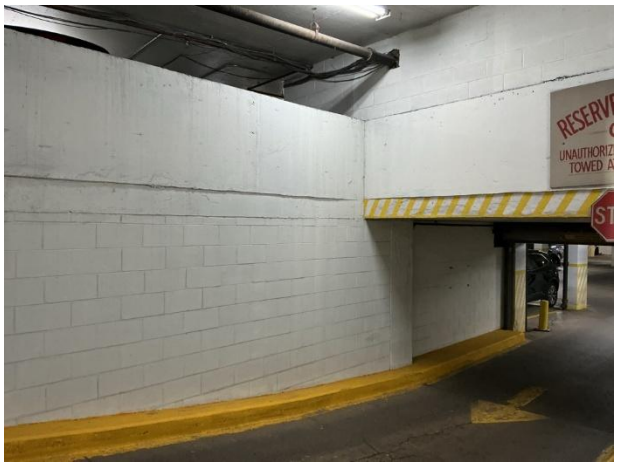
Quantity: Approximately 150,000 square feet located at the ceilings, doors, columns and walls.

History: Systematic application dates to 2008

Condition: Good to fair overall condition with isolated areas of paint deterioration and evidence of water infiltration. We consider interim partial paint finish applications an operating expense.



Garage paint finishes overview



Ramp paint finishes overview



Replaced wall section without paint finish



Area of previous water infiltration (near parking space 120 shown)

Useful Life: Up to 20 years

Priority: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Traffic Coating, Elevated Floor

Line Items: 7.799 and 7.800

Quantity: The 1P, or upper, garage floor comprises approximately 63,000 square feet of elevated cast in place concrete floor structure (26,000 square feet at the drive lanes).

History: The Association completed significant concrete repairs and replacement of the traffic coating in 2021. The Building Engineer informs us the project was completed in phased sections as evident by joints. The project primarily included:

- Repairs to the 1P elevated garage floor top and underside concrete

- Replacement of the traffic coating at the 1P garage floor
- Cracks repairs and patching at the 2P garage floor
- Drain repairs

The Association has conducted limited subsequent traffic coating repairs.

Condition: The traffic coating exhibits periodic areas of deterioration/damage, most notable along seams.

The ceiling beneath the elevated floor exhibits a significant amount of concrete repairs and isolated concrete delamination and cracks.

We accelerate repairs due to the noted conditions of the traffic coating.

Useful Life: Total replacement up to every 20 years with the benefit of interim overlayment at the drive lanes up to every 10 years

Component Detail Notes: In our experience, active periodic maintenance and protection with a traffic coating on elevated concrete structures results in a longer useful life, safer operation and a lower overall life cycle costs. Failure to maintain a traffic coating on elevated floors will result in accelerated concrete deterioration at concrete ceilings below the elevated floors and a higher overall capital investment in the parking structure over time.

Moisture-driven chemical reactions are detrimental to the integrity of an elevated structural concrete garage floor. Once it reaches the steel, moisture causes expansive corrosion, ultimately causing the concrete to expand and “pop” or spall. Left unrepaired, additional moisture will continue to infiltrate the concrete, eventually causing structural failure. This type of deterioration is progressive and costly to repair. The utilization of a traffic coating atop the concrete minimizes the infiltration of moisture into the concrete thereby minimizing future capital repairs.

Priority: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3. Expenditures assume:

- Complete inspection of the garage concrete and concrete repairs as described in the previous narratives “Concrete, On-grade” and “Concrete, Elevated Floor”
- Preparation of the concrete surface
- Application of a urethane base coat, intermediate aggregate coating and top coat to the elevated floors
- Parking and directional line striping as needed

Unit Heaters (or Air Handling Units)

Line Items: 7.900 and 7.901

Quantity: The garage includes approximately 22 original *McQuay* hot water sourced unit heaters (or air handling units) and seven *Modine* unit heaters.

History: The Association installed the *Modine* unit heaters and repaired the original unit heaters/air handling units in 2019.

Condition: Reported generally adequate heating although a portion of the original units do not function. We include replacements of the original units although the cost and timing may vary based on the desired heating capacities.



McQuay air handling unit rust



Aged McQuay unit heater



Modine unit heater

Useful Life: Up to 30 years

Preventative Maintenance Notes: The required preventative maintenance may vary in frequency and scope based on the unit's age, operational condition, or changes in technology. We note the following select recommended annual preventative maintenance activities to maximize the remaining useful life:

- Check fans, wiring, pipes, and venting for any damage that may have occurred since last use
- Make sure all supply connections are fitted properly

- Check thermostats for connectivity and cleanliness, and ensure the temperature settings are correct
- Ensure that venting is free from obstruction
- Check for any sign of condensate leakage as this could indicate improper venting or unit operation

Priority: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

2027 Remaining Reserve Expenditures

Line Item: Second to last

Component Detail Notes: Park Tower will expend $42,000 in remaining reserve expenditures in FY2027. These expenditures relate to the following:

- $6,000: Asbestos Manual
- $10,000: Other Unexpected HVAC (replacement of a cooling tower VFD)
- $6,000: Reserve Study (Remaining Payment)
- $20,000: Unexpected Fire Safety (hydrostatic testing and potential fire hose replacement)

Expenditure Detail Notes: Expenditure timing and costs are depicted in the ***Reserve Expenditures*** table in Section 3.

Reserve Study Update

An ongoing review by the Board and an Update of this Reserve Study are necessary to ensure an equitable funding plan since a Reserve Study is a snapshot in time. Many variables change after the study is conducted that may result in significant overfunding or underfunding the reserve account. Variables that may affect the Reserve Funding Plan include, but are not limited to:

- Deferred or accelerated capital projects based on Board discretion
- Changes in the interest rates on reserve investments
- Changes in the *local* construction inflation rate
- Additions and deletions to the Reserve Component Inventory
- The presence or absence of maintenance programs
- Unusually mild or extreme weather conditions
- Technological advancements

Periodic updates incorporate these variable changes since the last Reserve Study or Update. We recommend the Board budget for an Update to this Reserve Study every three years. Budgeting for an Update demonstrates the Board's objective to continue

fulfilling its fiduciary responsibility to maintain the commonly owned property and to fund reserves appropriately.

5. METHODOLOGY

Reserves for replacement are the amounts of money required for future expenditures to repair or replace Reserve Components that wear out before the entire facility or project wears out. Reserving funds for future repair or replacement of the Reserve Components is also one of the most reliable ways of protecting the value of the property's infrastructure and marketability.

Park Tower can fund capital repairs and replacements in any combination of the following:

1. Increases in the operating budget during years when the shortages occur
2. Loans using borrowed capital for major replacement projects
3. Level monthly reserve assessments annually adjusted upward for inflation to increase reserves to fund the expected major future expenditures
4. Special assessments

We do not advocate special assessments or loans unless near term circumstances dictate otherwise. Although loans provide a gradual method of funding a replacement, the costs are higher than if the Association were to accumulate reserves ahead of the actual replacement. Interest earnings on reserves also accumulate in this process of saving or reserving for future replacements, thereby defraying the amount of gradual reserve collections. We advocate the third method of *Level Monthly Reserve Assessments* with relatively minor annual adjustments. The method ensures that Owners pay their "fair share" of the weathering and aging of the commonly owned property each year. Level reserve assessments preserve the property and enhance the resale value of the homes.

This Reserve Study is in compliance with and exceeds the National standards[1] set forth by the Association of Professional Reserve Analysts (APRA) fulfilling the requirements of a "Level II Reserve Study Update." These standards require a Reserve Component to have a "predictable remaining Useful Life." Estimating Remaining Useful Lives and Reserve Expenditures beyond 30 years is often indeterminate. Long-Lived Property Elements are necessarily excluded from this analysis. We considered the following factors in our analysis:

- The Cash Flow Method to compute, project and illustrate the 30-year Reserve Funding Plan
- Local[2] costs of material, equipment and labor
- Current and future costs of replacement for the Reserve Components
- Costs of demolition as part of the cost of replacement
- Local economic conditions and a historical perspective to arrive at our estimate of long-term future inflation for construction costs in Chicago, Illinois at an annual inflation rate[3]. Isolated or regional markets of greater

[1] Identified in the APRA "Standards - Terms and Definitions" and the CAI "Terms and Definitions".
[2] See Credentials for additional information on our use of published sources of cost data.
[3] Derived from Marshall & Swift, historical costs and the Bureau of Labor Statistics.

construction (development) activity may experience slightly greater rates of inflation for both construction materials and labor.

- The past and current maintenance practices of Park Tower and their effects on remaining useful lives
- Financial information provided by the Association pertaining to the cash status of the reserve fund and budgeted reserve contribution
- The anticipated effects of appreciation of the reserves over time in accord with a return or yield on investment of your cash equivalent assets. (We did not consider the costs, if any, of Federal and State Taxes on income derived from interest and/or dividend income).
- The Funding Plan excludes necessary operating budget expenditures. It is our understanding that future operating budgets will provide for the ongoing normal maintenance of Reserve Components.

Updates to this Reserve Study will continue to monitor historical facts and trends concerning the external market conditions.

6. CREDENTIALS

HISTORY AND DEPTH OF SERVICE

Founded in 1991, Reserve Advisors is the leading provider of reserve studies, insurance appraisals, developer turnover transition studies, expert witness services, and other engineering consulting services. Clients include community associations, resort properties, hotels, clubs, non-profit organizations, apartment building owners, religious and educational institutions, and office/commercial building owners in 48 states, Canada and throughout the world.

The **architectural engineering consulting firm** was formed to take a leadership role in helping fiduciaries, boards, and property managers manage their property like a business with a long-range master plan known as a Reserve Study.

Reserve Advisors employs the **largest staff of Reserve Specialists** with bachelor's degrees in engineering dedicated to Reserve Study services. Our founders are also founders of Community Associations Institute's (CAI) Reserve Committee that developed national standards for reserve study providers. One of our founders is a Past President of the Association of Professional Reserve Analysts (APRA). Our vast experience with a variety of building types and ages, on-site examination and historical analyses are keys to determining accurate remaining useful life estimates of building components.

No Conflict of Interest - As consulting specialists, our **independent opinion** eliminates any real or perceived conflict of interest because we do not conduct or manage capital projects.

TOTAL STAFF INVOLVEMENT

Several staff members participate in each assignment. The responsible advisor involves the staff through a Team Review, exclusive to Reserve Advisors, and by utilizing the experience of other staff members, each of whom has served hundreds of clients. We conduct Team Reviews, an internal quality assurance review of each assignment, including: the inspection; building component costing; lifing; and technical report phases of the assignment. Due to our extensive experience with building components, we do not have a need to utilize subcontractors.

OUR GOAL

To help our clients fulfill their fiduciary responsibilities to maintain property in good condition.

VAST EXPERIENCE WITH A VARIETY OF BUILDINGS

Reserve Advisors has conducted reserve studies for a multitude of different communities and building types. We've analyzed thousands of buildings, from as small as a 3,500-square foot day care center to a 2,600,000-square foot 98-story highrise. We also routinely inspect buildings with various types of mechanical systems such as simple electric heat, to complex systems with air handlers, chillers, boilers, elevators, and life safety and security systems.

We're familiar with all types of building exteriors as well. Our well-versed staff regularly identifies optimal repair and replacement solutions for such building exterior surfaces such as adobe, brick, stone, concrete, stucco, EIFS, wood products, stained glass and aluminum siding, and window wall systems.

OLD TO NEW

Reserve Advisors' experience includes ornate and vintage buildings as well as modern structures. Our specialists are no strangers to older buildings. We're accustomed to addressing the unique challenges posed by buildings that date to the 1800's. We recognize and consider the methods of construction employed into our analysis. We recommend appropriate replacement programs that apply cost effective technologies while maintaining a building's character and appeal.

ANDREW K. MCGOWAN, P.E., RS
Senior Engineer

CURRENT CLIENT SERVICES



Andrew K. McGowan is a Mechanical Engineer and Advisor for ***Reserve Advisors, LLC.*** Mr. McGowan is responsible for the inspection and analysis of the condition of clients' property, recommending engineering solutions to prolong the lives of the components, forecasting capital expenditures for the repair and/or replacement of the property components, and preparation of technical reports on assignments. He is responsible for conducting Life Cycle Cost Analysis and Capital Replacement Forecast services and the preparation of Reserve Study Reports for various buildings and communities.

The following is a partial list of clients served by Andrew McGowan demonstrating his breadth of experiential knowledge of community associations in construction and related buildings systems.

Lake Summerset Association, Inc. is an expansive lake getaway of 2,219 units surrounding Lake Summerset in Davis, Illinois. The community is constantly evolving and includes a campground, maintenance compound, dam, docks and various outdoor activity centers.

Nichols Tower is a 14-story historic commercial office building converted from the *Sears Roebuck and Co.* Merchandise Building in Chicago, Illinois. The tower stands as a beacon in the community maintained by *The Foundation for Homan Square*. The building combines historic elements such as decorative masonry and terrazzo floors with new renovations to appeal to tenants.

Shoreline Towers Condominium Association stands 25-stories adjacent to Lake Michigan. The building automation system optimizes energy efficiency for high efficiency boilers and various other systems. Automatic doors meeting ADA accessibility requirements ensure everyone has access to the hospitality room, laundry room and sun deck.

The Scoville Park Residences Condominiums Association preserves a rich history. The building was originally built in 1903 as the Oak Park, Illinois YMCA which included an indoor pool and bowling alleys. Additions were added in 1909 and 1954. The building was converted to condominiums in approximately 1991 where residents can enjoy the elevated courtyard above the parking garage.

Vista Homes Building Corporation is a cooperative of 120 units in a 17-story building overlooking the Museum of Science and Industry in Chicago, Illinois. Originally built in 1925, the building has an extensive history. Upgraded electrical and piping systems help ensure the building is positioned to stand for many more years to come.

PRIOR RELEVANT EXPERIENCE

Before joining Reserve Advisors, Mr. McGowan attended The Ohio State University where he attained his Bachelor of Science degree in Mechanical Engineering. After graduation, he worked for one of the top cabinet manufacturers where he performed field visits with home construction contractors, such as *NVR, Inc.*, to determine reliable solutions to common quality issues.

EDUCATION

Ohio State University – B.S. Mechanical Engineering

PROFESSIONAL AFFILIATIONS

Professional Engineer (P.E.) - Illinois
Reserve Specialist (RS) - Community Associations Institute

ALAN M. EBERT, P.E., PRA, RS
Director of Quality Assurance

CURRENT CLIENT SERVICES:



Alan M. Ebert is the Director of Quality Assurance at Reserve Advisors and a direct, accessible resource to client boards, community managers, and stakeholders. Since entering the reserve study industry in 2007, he has conducted or personally reviewed approximately 20,000 reserve studies across the United States and internationally. He continues to perform hands-on technical reviews while leading the firm's Quality Assurance Engineers and production team to ensure accurate, consistent, and timely delivery of reports. Clients rely on Mr. Ebert for clear explanations, practical recommendations, and ongoing support before, during, and after report delivery.

SCOPE OF EXPERIENCE:

Mr. Ebert's background in geological engineering includes analysis of foundations, retaining walls, and slope stability—critical components that inform his assessment of building systems and site infrastructure. He has directed and reviewed reserve studies for a wide range of properties and building systems, including:

- High-rise and mid-rise condominium buildings with complex façades, balconies, structured parking, elevators, and life-safety systems
- Garden-style condominiums and townhome communities with extensive roofing portfolios, exterior cladding, and common-area infrastructure
- Master-planned and large-scale HOAs with private roadways, stormwater systems, lakes and water features, irrigation networks, and recreational amenities (pools, clubhouses, courts, fitness facilities)
- Historic and legacy properties with specialized envelope, structural and accessibility
- Coastal and cold-climate communities subject to salt exposure, wind-driven rain, and freeze-thaw durability demands
- Properties with on-site utilities and site structures, such as septic and wastewater systems, retaining walls, slope stabilization, bridges, and extensive hardscapes
- Mixed-use and commercial association components, including central HVAC plants and building automation systems

LEADERSHIP, QUALITY ASSURANCE, AND CLIENT SERVICE

- Oversees Quality Assurance Engineers and the Production Team to align standards, workflows, and schedules for on-time, high-quality reserve study reports
- Conducts in-depth technical reviews; standardizes methodologies, cost databases, and component life modeling to drive consistency and accuracy
- Serves as a personal resource to clients—available for planning discussions, board presentations, and Q&A to ensure clarity of findings and funding recommendations
- Tailors analyses to community goals, governing documents, and statutory requirements; collaborates with clients on phasing strategies and budget alignment

EDUCATION

- University of Wisconsin–Madison, B.S., Geological Engineering

LICENSES AND CREDENTIALS

- Licensed Professional Engineer (PE): Illinois, Colorado, North Carolina, Wisconsin (since 2012)
- Reserve Specialist (RS), Community Associations Institute (CAI)
- Professional Reserve Analyst (PRA), Association of Professional Reserve Analysts (APRA)

RESOURCES

Reserve Advisors utilizes numerous resources of national and local data to conduct its Professional Services. A concise list of several of these resources follows:

Association of Construction Inspectors, (ACI) the largest professional organization for those involved in construction inspection and construction project management. ACI is also the leading association providing standards, guidelines, regulations, education, training, and professional recognition in a field that has quickly become important procedure for both residential and commercial construction, found on the web at www.iami.org.

American Society of Heating, Refrigerating and Air-Conditioning Engineers, Inc., (ASHRAE) the American Society of Heating, Refrigerating and Air-Conditioning Engineers, Inc., devoted to the arts and sciences of heating, ventilation, air conditioning and refrigeration; recognized as the foremost, authoritative, timely and responsive source of technical and educational information, standards and guidelines, found on the web at www.ashrae.org. Reserve Advisors actively participates in its local chapter and holds individual memberships.

Community Associations Institute, (CAI) America's leading advocate for responsible communities noted as the only national organization dedicated to fostering vibrant, responsive, competent community associations. Their mission is to assist community associations in promoting harmony, community, and responsible leadership.

Marshall & Swift / Boeckh. (MS/B) the worldwide provider of building cost data, co-sourcing solutions, and estimating technology for the property and casualty insurance industry found on the web at www.marshallswift.com.

R.S. Means CostWorks, North America's leading supplier of construction cost information. As a member of the Construction Market Data Group, Means provides accurate and up-to-date cost information that helps owners, developers, architects, engineers, contractors and others to carefully and precisely project and control the cost of both new building construction and renovation projects found on the web at www.rsmeans.com.

Reserve Advisors' library of numerous periodicals relating to reserve studies, condition analyses, chapter community associations, and historical costs from thousands of capital repair and replacement projects, and product literature from manufacturers of building products and building systems.

7. DEFINITIONS

Definitions are derived from the standards set forth by the Community Associations Institute (CAI) representing America's 305,000 condominium and homeowners associations and cooperatives, and the Association of Professional Reserve Analysts, setting the standards of care for reserve study practitioners.

Cash Flow Method - A method of calculating Reserve Contributions where contributions to the reserve fund are designed to offset the variable annual expenditures from the reserve fund. Different Reserve Funding Plans are tested against the anticipated schedule of reserve expenses until the desired funding goal is achieved.

Component Method - A method of developing a Reserve Funding Plan with the total contribution is based on the sum of the contributions for individual components.

Current Cost of Replacement - That amount required today derived from the quantity of a *Reserve Component* and its unit cost to replace or repair a Reserve Component using the most current technology and construction materials, duplicating the productive utility of the existing property at current *local* market prices for *materials*, *labor* and manufactured equipment, contractors' overhead, profit and fees, but without provisions for building permits, overtime, bonuses for labor or premiums for material and equipment. We include removal and disposal costs where applicable.

Fully Funded Balance - The Reserve balance that is in direct proportion to the fraction of life "used up" of the current Repair or Replacement cost similar to Total Accrued Depreciation.

Funding Goal (Threshold) - The stated purpose of this Reserve Study is to determine the adequate, not excessive, minimal threshold reserve balances.

Future Cost of Replacement - *Reserve Expenditure* derived from the inflated current cost of replacement or current cost of replacement as defined above, with consideration given to the effects of inflation on local market rates for materials, labor and equipment.

Long-Lived Property Component - Property component of Park Tower responsibility not likely to require capital repair or replacement during the next 30 years with an unpredictable remaining Useful Life beyond the next 30 years.

Percent Funded - The ratio, at a particular point of time (typically the beginning of the Fiscal Year), of the actual (or projected) Reserve Balance to the Fully Funded Balance, expressed as a percentage.

Remaining Useful Life - The estimated remaining functional or useful time in years of a *Reserve Component* based on its age, condition and maintenance.

Reserve Component - Property elements with: 1) Park Tower responsibility; 2) limited Useful Life expectancies; 3) predictable Remaining Useful Life expectancies; and 4) a replacement cost above a minimum threshold.

Reserve Component Inventory - Line Items in ***Reserve Expenditures*** that identify a *Reserve Component*.

Reserve Contribution - An amount of money set aside or *Reserve Assessment* contributed to a *Reserve Fund* for future *Reserve Expenditures* to repair or replace *Reserve Components*.

Reserve Expenditure - Future Cost of Replacement of a Reserve Component.

Reserve Fund Status - The accumulated amount of reserves in dollars at a given point in time, i.e., at year end.

Reserve Funding Plan - The portion of the Reserve Study identifying the *Cash Flow Analysis* and containing the recommended Reserve Contributions and projected annual expenditures, interest earned and reserve balances.

Reserve Study - A budget planning tool that identifies the current status of the reserve fund and a stable and equitable Funding Plan to offset the anticipated future major common area expenditures.

Useful Life - The anticipated total time in years that a *Reserve Component* is expected to serve its intended function in its present application or installation.

8. PROFESSIONAL SERVICE CONDITIONS

Our Services - Reserve Advisors, LLC ("RA") performs its services as an independent contractor in accordance with our professional practice standards and its compensation is not contingent upon our conclusions. The purpose of our reserve study is to provide a budget planning tool that identifies the current status of the reserve fund, and an opinion recommending an annual funding plan, to create reserves for anticipated future replacement expenditures of the subject property. The purpose of our energy benchmarking services is to track, collect and summarize the subject property's energy consumption over time for your use in comparison with other buildings of similar size and establishing a performance baseline for your planning of long-term energy efficiency goals. The purpose of our Milestone Phase I is to evaluate the structural integrity of the building on the subject property and provide an inspection report summarizing our findings related to structural issues, or lack thereof.

In each case, our inspection and analysis of the subject property is limited to visual observations, is noninvasive and is not meant to nor does it include investigation into statutory, regulatory or code compliance. RA inspects sloped roofs from the ground and inspects flat roofs where safe access (stairs or ladder permanently attached to the structure) is available. Our energy benchmarking services with respect to the subject property is limited to collecting energy and utility data and summarizing such data in the form of an Energy Star Portfolio Manager Report or any other similar report, and hereby expressly excludes any recommendations with respect to the results of such energy benchmarking services or the accuracy of the energy information obtained from utility companies and other third-party sources with respect to the subject property. Our Milestone Phase I inspections are limited to a visual examination of habitable and uninhabitable areas of the building, including the primary structural members and systems. The inspection aims to determine the presence of substantial structural deterioration, and unsafe or dangerous conditions with the structure. The reserve report, Milestone Phase 1 report, and any energy benchmarking report (i.e., any Energy Star Portfolio Manager Report) (including any subsequent revisions thereto pursuant to the terms hereof, collectively, the "Report") are based upon a "snapshot in time" at the moment of inspection. RA may note visible physical defects in the Report. The inspection is made by employees generally familiar with real estate and building construction. Except to the extent readily apparent to RA, RA cannot and shall not opine on the structural integrity of or other physical defects in the property under any circumstances. Without limitation to the foregoing, RA cannot and shall not opine on, nor is RA responsible for, the property's conformity to specific governmental code requirements for fire, building, earthquake, occupancy or otherwise.

RA is not responsible for conditions that have changed between the time of inspection and the issuance of the Report. RA does not provide invasive testing on any mechanical systems that provide energy to the property, nor can RA opine on any system components that are not easily accessible during the inspection. RA does not investigate, nor assume any responsibility for any existence or impact of any hazardous materials, such as asbestos, urea-formaldehyde foam insulation, other chemicals, toxic wastes, environmental mold or other potentially hazardous materials or structural defects that are latent or hidden defects which may or may not be present on or within the property. RA does not make any soil analysis or geological study as part of its services, nor does RA investigate vapor, water, oil, gas, coal, or other subsurface mineral and use rights or such hidden conditions, and RA assumes no responsibility for any such conditions. The Report contains opinions of estimated replacement costs or deferred maintenance expenses and remaining useful lives, which are neither a guarantee of the actual costs or expenses of replacement or deferred maintenance nor a guarantee of remaining useful lives of any property element.

RA assumes, without independent verification, the accuracy of all data provided to it. Except to the extent resulting from RA's willful misconduct in connection with the performance of its obligations under this agreement, you agree to indemnify, defend, and hold RA and its affiliates, officers, managers, employees, agents, successors and assigns (each, an "RA Party") harmless from and against (and promptly reimburse each RA Party for) any and all losses, claims, actions, demands, judgments, orders, damages, expenses or liabilities, including, without limitation, reasonable attorneys' fees, asserted against or to which any RA Party may become subject in connection with this engagement, including, without limitation, as a result of any false, misleading or incomplete information which RA relied upon that was supplied by you or others under your direction, or which may result from any improper use or reliance on the Report by you or third parties under your control or direction or to whom you provided the Report. NOTWITHSTANDING ANY OTHER PROVISION HEREIN TO THE CONTRARY, THE AGGREGATE LIABILITY (IF ANY) OF RA WITH RESPECT TO THIS AGREEMENT AND RA'S OBLIGATIONS HEREUNDER IS LIMITED TO THE AMOUNT OF THE FEES ACTUALLY RECEIVED BY RA FROM YOU FOR THE SERVICES AND REPORT PERFORMED BY RA UNDER THIS AGREEMENT, WHETHER ARISING IN CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY OR OTHERWISE. YOUR REMEDIES SET FORTH HEREIN ARE EXCLUSIVE AND ARE YOUR SOLE REMEDIES FOR ANY FAILURE OF RA TO COMPLY WITH ITS OBLIGATIONS HEREUNDER OR OTHERWISE. RA SHALL NOT BE LIABLE FOR ANY SPECIAL, INDIRECT, INCIDENTAL, CONSEQUENTIAL, PUNITIVE OR EXEMPLARY DAMAGES OF ANY KIND, INCLUDING, BUT NOT LIMITED TO, ANY LOST PROFITS AND LOST SAVINGS, LOSS OF USE OR INTERRUPTION OF BUSINESS, HOWEVER CAUSED, WHETHER ARISING IN CONTRACT, TORT (INCLUDING NEGLIGENCE), BREACH OF WARRANTY, STRICT LIABILITY OR OTHERWISE, EVEN IF RA HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. IN NO EVENT WILL RA BE LIABLE FOR THE COST OF PROCUREMENT OF SUBSTITUTE GOODS OR SERVICES. RA DISCLAIMS ALL REPRESENTATIONS AND WARRANTIES WHATSOEVER, EXPRESS OR IMPLIED OR OF ANY NATURE, WITH REGARD TO THE SERVICES AND THE REPORT, INCLUDING, WITHOUT LIMITATION, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

Report - RA will complete the services in accordance with the Proposal. The Report represents a valid opinion of RA's findings and recommendations with respect to the reserve study or Milestone Phase I, as applicable, and is deemed complete. RA will consider any additional information made available to RA within 6 months of issuing the Report and issue a revised Report based on such additional information if a timely request for a revised Report is made by you. RA retains the right to withhold a revised Report if payment for services was not tendered in a timely manner. All information received by RA and all files, work papers or documents developed by RA during the course of the engagement shall remain the property of RA and may be used for whatever purpose it sees fit. RA reserves the right to, and you acknowledge and agree that RA may, use any data provided by you in connection with the services, or gathered as a result of providing such services, including in connection with creating and issuing any Report, in a de-identified and aggregated form for RA's business purposes.

Your Obligations - You agree to provide us access to the subject property for an inspection. You agree to provide RA all available, historical and budgetary information, the governing documents, and other information that we request and deem necessary to complete the Report. Additionally, you agree to provide historical replacement schedules, utility bills and historical energy usage files that RA requests and deems necessary to complete the energy benchmarking services, and you agree to provide any utility release(s) reasonably requested by RA permitting RA to obtain any such data and/or information from any utility representative or other third party. You agree to pay actual attorneys' fees and any other costs incurred to collect on any unpaid balance for RA's services.

Use of Our Report and Your Name - Use of the Report is limited to only the purpose stated herein. You acknowledge that RA is the exclusive owner of all intellectual property rights in and relating to the Report. You hereby acknowledge that any use or reliance by you on the Report for any unauthorized purpose is at your own risk and that you will be liable for the consequences of any unauthorized use or distribution of the Report. Use or possession of the Report by any unauthorized third party is prohibited. The Report in whole or in part ***is not and cannot be*** *used as a design specification for design engineering purposes or as an appraisal*. You may show the Report in its entirety to the following third parties: members of your organization (including your directors, officers, tenants and prospective purchasers), your accountants, attorneys, financial institutions and property managers who need to review the information contained herein, and any other third party who has a right to inspect the Report under applicable law including, but not limited, to any government entity or agency, or any utility companies. Without the written consent of RA, you shall not disclose the Report to any other third party. By engaging our services, you agree that the Report contains intellectual property developed (and owned solely) by RA and agree that you will not reproduce or distribute the Report ***to any party that conducts reserve studies without the written consent of RA***.

RA will include (and you hereby agree that RA may include) your name in our client lists. RA reserves the right to use (and you hereby agree that RA may use) property information to obtain estimates of replacement costs, useful life of property elements or otherwise as RA, in its sole discretion, deems appropriate.

Payment Terms, Due Dates and Interest Charges - The retainer payment for any reserve study, Milestone Phase I inspection, and/or combined services is due upon execution of this agreement and prior to the inspection by RA, and any balance is due net 30 days from the Report shipment date. If only energy benchmarking services are performed by RA, then the retainer payment is due upon execution of this agreement and any balance is due net 30 days from the Report shipment date. In any case, any balance remaining 30 days after delivery of the Report shall accrue an interest charge of 1.5% per month. Unless this agreement is earlier terminated by RA in the event you breach or otherwise fail to comply with your obligations under this agreement, RA's obligations under this agreement shall commence on the date you execute and deliver this agreement and terminate on the date that is 6 months from the date of delivery of the Report by RA. Notwithstanding anything herein to the contrary, each provision that by its context and nature should survive the expiration or early termination of this agreement shall so survive, including, without limitation, any provisions with respect to payment, intellectual property rights, limitations of liability and governing law. We reserve the right to limit or decline refunds in our sole discretion. Refunds vary based on the applicable facts and circumstances.

Miscellaneous – Neither party shall be liable for any failures or delays in performance due to fire, flood, strike or other labor difficulty, act of God, act of any governmental authority, riot, embargo, fuel or energy shortage, pandemic, wrecks or delays in transportation, or due to any other cause beyond such party's reasonable control; provided, however, that you shall not be relieved from your obligations to make any payment(s) to RA as and when due hereunder. In the event of a delay in performance due to any such cause, the time for completion or date of delivery will be extended by a period of time reasonably necessary to overcome the effect of such delay. You may not assign or otherwise transfer this agreement, in whole or in part, without the prior written consent of RA. RA may freely assign or otherwise transfer this agreement, in whole or in part, without your prior consent. This agreement shall be governed by the laws of the State of Wisconsin without regard to any principles of conflicts of law that would apply the laws of another jurisdiction. Any dispute with respect to this agreement shall be exclusively venued in Milwaukee County Circuit Court or in the United States District Court for the Eastern District of Wisconsin. Each party hereto agrees and hereby waives the right to a trial by jury in any action, proceeding or claim brought by or on behalf of the parties hereto with respect to any matter related to this agreement.