

PHYSICAL NEEDS ASSESSMENT

MURRAY DUPLEXES
1419-1457 Murray Road
McKinleyville, California 95519



PREPARED FOR

Redwood Community Action Agency
904 G Street
Eureka, California 95501

January 24, 2019



PHYSICAL PROPERTY ANALYSIS, LLC

2126 Englewood Drive
Lemon Grove, CA 91945
619.303.0697

www.physicalpropertyanalysis.com

January 24, 2019

Ms. Beth Matsumoto
Redwood Community Action Agency
904 G Street
Eureka, CA 95501

Dear Ms. Matsumoto,

Physical Property Analysis, LLC (PPA), is pleased to present the enclosed *Physical Needs Assessment* (PNA) for the Murray Duplexes (the Property). During the process of this PNA, PPA met with the Subject Property management, representatives of the owner, and other agents and reviewed the current and historical conditions for the Subject Property. To the best of PPA's ability, a comprehensive due diligence process was attempted and achieved. The Report was completed according to the terms and conditions authorized by you.

This Report is addressed to the Redwood Community Action Agency (the *Client*), such other persons and/or entities as may be designated by the *Client* and their respective successor or assigns. There are no third-party beneficiaries (intended or unintended) to this Report, except as expressly stated herein.

As an independent contractor, PPA is not an employee of either the issuer or the borrower, and its compensation was not based on the findings or recommendations made in the Report or on the closing of any business transaction.

As always, feel free to contact me with any questions you may have at (619) 303-0697 or sspeer@physicalpropertyanalysis.com.

Respectfully,



M. Samantha Speer
Owner and Project Manager



PHYSICAL PROPERTY ANALYSIS, LLC

2126 Englewood Drive
Lemon Grove, CA 91945
619.303.0697

www.physicalpropertyanalysis.com

REPORT CONTENTS

SECTION 1 - EXECUTIVE SUMMARY.....	4
1.1 Property Description.....	4
1.2 Overall Condition Assessment.....	5
1.3 Property Useful Life Table.....	5
1.4 Cost Estimates.....	7
1.5 Project Team.....	7
SECTION 2 - LIFE SAFETY, CRITICAL, DEFERRED MAINTENANCE, ITEMS OF NOTE AND REPLACEMENT RESERVES	8
2.1 Immediate Repair / Life Safety Issues	8
2.2 Critical Repair Items.....	8
2.3 Deferred Maintenance Items.....	8
2.4 Items of Note.....	11
2.5 Replacement Reserve Items.....	12
SECTION 3 - PROPERTY CHARACTERISTICS.....	13
3.1 Site Components.....	14
3.2 Architectural Components.....	17
3.3 Mechanical / Electrical / Plumbing Components	21
3.4 Dwelling Unit Components and Observations	24
SECTION 4 - MOISTURE AND MICROBIAL GROWTH AND PEST MANAGEMENT.....	26
4.1 Moisture and Microbial Growth.....	26
4.2 Pest Management.....	26
SECTION 5 - SPECIAL HAZARDS, ZONING, BUILDING CODE VIOLATIONS AND REGULATORY COMPLIANCE	27
5.1 Special Hazard Assessment.....	27
5.2 Zoning and Code Information	28
5.3 Regulatory Compliance	28
SECTION 6 - AREAS OF ADDITIONAL ASSESSMENT.....	33
6.1 Known Problematic Building Materials	33
6.2 Work In Progress.....	33
SECTION 7 - SECTION 7 REFERENCES.....	34
7.1 Fannie Guide.....	34
7.2 Methodology.....	34
7.3 Limitations.....	36
Appendix A - Photographs	
Appendix B - Location Map, Aerial Photo and Site Plan Collection	
Appendix C - Structural Risk Evaluation Questionnaire	
Appendix D - Pre-Site Visit Questionnaire	
Appendix E - Record of all Documents Reviewed, Interviews, and Supporting Information	
Appendix F - Property Evaluator Qualifications	

SECTION I - EXECUTIVE SUMMARY

The following assessment summarizes the conclusions representing the best professional judgment of Physical Property Analysis, LLC (PPA). The assessment is based upon information and data available to us during the course of this assignment. Factual information regarding operations, conditions, and test data provided by the Property owner, and/or their representative(s) has been assumed to be correct and complete. Additionally, the conclusions presented herein are based solely upon the conditions that existed at the time of the assessment. Note that on-site observation of the Property consisted of readily visible, accessible areas only.

This report is prepared solely for the use and benefit of the Redwood Community Action Agency in accordance with the Fannie Mae Selling and Servicing Guide Part III A 2013 and Form 4099, Instructions to the PNA Evaluator, dated July 2018, and Housing and Community Development (HCD) guidelines as part of a financing transaction. This report is not intended to provide advice or guidance with regard to the purchase of the real estate referenced herein. The on-site Property Evaluator and the Report Reviewer meet the requirements of Form 4099.

I.1 Property Description

The Property is located in a residential neighborhood approximately 1/8th of a mile east of Highway 101, at the northeast intersection of Murray Road and Little Pond Street in McKinleyville, Humboldt County, California. Adjacent properties include a vacant lot to the west, a creek bed to the north, and single-family residences to the south and east. The site is located on a main thoroughfare with good street visibility, and the main entrance from Murray Road is easily identified.

The Property and surrounding areas are flat in topography with a slight slope to the north. The site is landscaped with trees, bushes, and lawn areas. On-site buildings include ten, one-story wood-framed duplex structures. Asphalt paved parking and drive aisles are located at the perimeters of the buildings. Limited pedestrian walkways are poured in place concrete or asphalt. There are one, one-bedroom one bathroom, and 19 two-bedroom one-bathroom rental units. The estimated building area is 9,600 square feet. There are no common areas or amenities at the Property.

The exterior finishes consist of painted wood, composite, and hardboard siding, and wood trim components. The roofs are pitched and finished with three-tab asphalt composition shingles. Exterior windows are dual glazed aluminum framed single hung assemblies. Unit entry doors are solid wood in wood frames. The interior walls and ceilings are constructed with painted gypsum board. The apartment unit interior finishes include sheet vinyl, vinyl tile, ceramic tile, and carpeting, stained wood and particle board cabinets, laminate counters, and residential grade plumbing fixtures.

Units are provided with gas-fired gravity wall heaters. Domestic hot water is provided by individual 40-gallon gas-fired water heaters. The units are individually metered for electricity and 60-amp service is provided. Copper branch wiring, circuit breakers, and GFCI outlets were observed. Life/safety systems include smoke and carbon monoxide detectors and fire extinguishers.

Our survey of the Property was conducted January 11, 2019. The weather at the time of our survey was sunny and approximately 60 degrees. At the Property, we met with Mr. Jeff Cloney, Maintenance Technician with RCHDC the property management company, and Ms. Beth Matsumoto, Senior Project Manager with RCHDC, who escorted us through a representative number of dwelling units and common areas. The Property representatives had a strong knowledge of the history of the physical asset.

1.2 Overall Condition Assessment

The Property was originally developed in 1945 and was partially renovated in 2001. The Property has been in use for some time and is showing signs of wear and tear and its age. As part of the renovation project, the duplex structures were raised off the soil and concrete stem walls and interior footings were added below the structures.

The Client provided PPA with a Needs Assessment report, dated August 28, 2014. The report was issued by JMB Architecture of Willow Creek, California. Any significant findings within the JMB report are discussed in the appropriate sections herein. It should be noted that the JMB report addressed several properties, including the Murray Duplexes.

Maintenance is completed on an as-needed basis; however, the Property is showing signs of age and deferred maintenance issues were observed during the survey. It was reported that a significant rehabilitation project is planned in the near future including modifications to foundations, waterproofing, structural modifications, and work on the exteriors, interiors, and replacement and upgrade to the mechanical, electrical, and plumbing systems for the structures. Many of the items observed during PPA's survey can be adequately addressed as part of the planned rehabilitation.

The Property is in overall fair condition, and is equivalent when compared to properties of similar age and construction type. However, if the repairs described in the report are made, the planned rehabilitation is completed, the structures and systems receive continued preventative maintenance, and if the various components and/or systems are replaced or repaired on a timely basis, it is our opinion that the estimated useful life of the Property, in its current use, is at least an additional 60 years.

Based on the age and observed conditions, it should be assumed that additional substrate repairs and replacements may be required upon opening of walls, removal and demolition, and replacement of fixtures. All quantities should be verified by field count and the provided costs should be considered preliminary only and be used as a starting point. Pricing obtained through the competitive bidding process may vary greatly from costing provided here-in.

1.3 Property Useful Life Table

See the following Property Useful Table.

PNA Report Section	Item	EUL	AGE	RUL	RUL: EUL Ratio	Rating	Action Required During Loan Term	Immediate Needs	Replacement Reserve Per Unit Uninflated
						1 - 5, NA	(Yes/No/NA)		
SITE IMPROVEMENTS									
3.1.2	Landscaping	30	29	1	0.03	3	Yes	\$30,000	\$500
3.1.2	Storm Drainage	40	74	1	0.03	5	Yes	\$60,000	
3.1.3	Site Water Lines	50	25	1	0.02	3	Yes	Included below	
3.1.3	Site Sanitary Lines	50	25	1	0.02	3	Yes	\$30,000	
3.1.3	Utilities (gas and electric lines/mains)	50	74	1	0.02	3	Yes	Included below	
3.1.4	Parking Pavement	25	74	1	0.04	4	Yes	\$27,000	\$675
3.1.4	Seal Coat and Striping	5	4	1	0.20	3	Yes	Included above	\$1,733
3.1.4	Sidewalks	50	74	1	0.02	4	Yes	\$48,000	\$300
3.1.5	Fencing/Retaining Walls	40	74	1	0.03	3-4	Yes	\$25,000	\$450
3.1.5	Signage / Furnishings / Amenities	15-20	5	10	0.05	2-4	Yes	\$10,000	\$475
STRUCTURAL SYSTEMS AND BUILDING ENVELOPE									
3.2.2	Foundations	50	56	40	0.8	3-4	Yes	\$538,000	
3.2.4	Structural System (framing)	50	56	40	0.8	1-4	Yes	\$53,000	
3.2.5	Exterior Walls, Siding, Paint	8	7	1	0.1	3	Yes	\$130,000	\$5,100
3.2.6	Roof Coverings	20	25	1	0.1	4	Yes	\$110,400	\$4,416
3.2.6	Roof Drainage	10	9	1	0.1	4	Yes	\$8,000	
3.2.6	Interior Stairs	30	NA	--	--				
3.2.7	Balconies, Stairs and Upper Level Walkways	30	NA	--	--				
3.2.8	Windows and Frames	30	28	2	0.5	4	No	\$67,500	\$2,375
3.2.8	Exterior Doors and Frames	25	24	1	0.0	3	Yes	\$54,000	\$1,300
3.2.10	Common Area Finishes	N/A							
3.2.11	Site Lighting	10	9	1	0.1	3	Yes	\$6,000	
MECHANICAL, ELECTRICAL & PLUMBING									
3.3.1	Domestic Water Distribution	50	56	1	0.0	2	Yes	included below	
3.3.1	Water Heaters	10	9	1	0.1	3	Yes	\$14,400	\$3,800
3.3.2	Sanitary waste system	50	56	1	0.0	3	Yes	\$30,000	
3.3.3	Heating Equipment	20	varies	1	0.1	3-4	Yes	\$30,000	\$1,700
3.3.3	Air Conditioning Equipment	20	NA	--	--				
3.3.3	Ventilation Equipment	15	varies	1	0.1	5	Yes	\$13,000	
3.3.3	Gas Distribution System	40	20	20	0.5	1	No		
3.3.4	Electrical	50	56	1	0.0	2-3	Yes	\$67,000	
VERTICAL TRANSPORTATION SYSTEMS									
3.3.6	Elevator Machinery	40	NA	--	--				
3.3.6	Elevator Cab Finishes	20	NA	--	--				
FIRE/LIFE SAFETY									
3.3.5	Fire Suppression	varies	1	0	0.0	1	No		
3.3.5	Fire Alarms	5	varies	varies	0.1	1	Yes	\$10,000	
3.3.7	Security Alarms	20	5	15	0.8	1	No		
INTERIOR ELEMENTS									
3.4.2	Unit Interiors	varies	varies	varies	varies	2-4	Yes	\$408,000	\$3,750
3.4.4	Appliances	varies	14	varies	varies	2-4	Yes	\$40,000	\$2,375
3.4.3	Cabinetry and Countertops	20	varies	varies	varies	2-4	Yes	\$140,000	\$3,188
Total Immediate Repairs								\$1,949,300	
Total Replacement of Capital Items Per Unit									\$32,136

I.4 Cost Estimates

The opinion of probable costs for life safety, critical items, and deferred items, and a 55-year replacement reserve estimates are as follows:

Immediate Repairs: Life Safety Items (may impact health or safety)	\$10,000
Immediate Repairs: Critical Items (Recommend Completion within 6 months)	\$619,000
Immediate Repairs: Deferred Maintenance (Recommended Completion with 12 months)	\$1,320,300
Grand Total of Immediate Repairs	\$1,949,300
Replacement Reserve (uninflated per unit)	\$584
Replacement Reserve (inflated per unit)	\$766

The cost estimates for the repair or replacement of all systems or components are based on parts and equipment that meet the most stringent of either minimum specifications mandated by applicable federal, state and local building codes and regulations for renovations or the minimum guidelines established by the Environmental Protection Agency (EPA).

Estimated costs were obtained from the R.S. Means Cost Guide, HVAC and electrical supply vendors, and retail pricing as listed by national vendors such as The Home Depot and Lowes.

No contingency factors are included in our cost estimates, since it is assumed that contingency amounts will be added by the Property owner and/or lender. The reserve replacements include the approximate total costs to complete the anticipated repairs and replacements over the loan term. It is the opinion of PPA that a general contractor may be required to complete the repairs outlined in our replacement reserve schedule.

I.5 Project Team

The project team consisted of the following individuals:

M. Samantha Speer, Project Manager

SECTION 2 - LIFE SAFETY, CRITICAL, DEFERRED MAINTENANCE, ITEMS OF NOTE AND REPLACEMENT RESERVES

2.1 Life Safety Issues

Life Safety concerns are items that have the potential to impact the health or safety of individuals living at, working at, or visiting the Property.

- Management reported ongoing issues with mildew, and potential mold growth was observed in some crawlspace areas that were accessed. Anticipate some level of remediation, at a minimum replacing framing and finishes and cleaning of mold in the structures, during rehab.

2.2 Critical Repair Items

Critical repair items are issues that PPA. recommends be addressed within the next six (6) months to prevent additional substantial deterioration to a particular system, to address an immediate need observed, or to extend the life of a system critical to the operation of the Property.

- Ongoing issues with significant ponding water at walkways, parking areas and landscaping reported. Regrade to promote water flow away from structures and walkways. Add drains at landscaped and paved areas that tie into subsurface system. Connect downspouts via tight lines to subsurface drainage.
- There are areas of damaged walkways throughout the Property. Locations are uneven and present trip hazards. Replace any damaged or uneven walkways, and add new concrete walkways where needed to provide a safe path of travel throughout the site.
- Due to reported lack of code conforming access and clearances at the crawlspaces, lack of vapor barrier, and evidence of floor movement in a portion of the units, a detailed inspection and redesign or upgrade to the structural foundation systems is recommended. Reinforcement of the existing structures, addition of a vapor barrier, excavation to provide adequate access and clearances, improved ventilation, replace rotted wood components, add mechanical ventilation if deemed necessary. Design and feasibility analysis required. Evidence of standing water, mold growth on soil and insulation, as well a lack of insulation, were observed.
- Due to lack of vapor barrier in the crawl spaces, and evidence of wood damage at limited floor areas, a full wood destroying pest survey is recommended.

2.3 Deferred Maintenance Items

Deferred maintenance items are typically major non-recurring capital items PPA recommends be addressed within the next 12 months to prevent failure or substantial deterioration of a particular system, to address an issue management has identified as a major non-recurring capital expense that PPA. agrees must be completed, or to extend the life of a system critical to the operation of the Property.

- Provide improved property identification signage, site map, and unit signage throughout.
- Replace damaged wood fencing at perimeter and units.
- The paving at the attached carports, open parking areas, and drive aisles is poorly sloped, or otherwise damaged. Regrade to promote proper water flow. Following repairs, seal and restripe all parking areas.
- Provide a conforming path of travel throughout the site including transition warnings at walkways that connect to parking areas and ramps. Provide accessible access to units.
- Regrade around buildings to promote proper water drainage. Remove overgrowth and replant as needed following walkway demolition and drainage improvements.
- Based on the age, anticipate at least partial site water and waste line replacements during rehab.
- Given the age of the siding, the plan to significantly rehab the structures, and for improved long-term durability, removal and replacement of any damaged siding, waterproofing and other exterior trim elements is recommended.
- Prepare and paint all exteriors including carports and exterior trim elements.
- The roof coverings have reached the end of their useful life based on surface wear and age. Replace with a minimum 35-year dimensional shingle. Replace all flashings. Consider radiant barrier for improved insulation factor.
- Replace roof drainage components and extend leaders or add tight lines as part of the drainage upgrades.
- Remove and replace the exterior doors with insulated metal fixtures for improved insulation of the units and durability. Provide new door locks and hardware. Front and rear entry doors at each unit. Replace water heater closet doors with more durable system.
- Replace exterior windows with Low E vinyl framed assemblies.
- Based on the extent of work required, and that there exists structural damage at the floors, it is assumed that additional framing and structural repairs may be required. A general allowance for framing repairs and modifications has therefore been included.
- Replace any water heaters that are five years or older in age. Utilize high efficiency systems for improved energy usage.
- Anticipate partial replacements of sanitary waste and domestic water lines in conjunction with plumbing fixtures, shower, and toilet replacements.

- Install new high efficiency gas-fired furnaces in all units. Include new Energy Star programmable thermostats.
- Remove and replace all building mounted lighting. Utilize high efficiency fixtures such as LED for improved energy efficiency.
- Install new electrical panels and subpanels, GFCI, ARC Fault, outlets and switches.
- Replace all unit lighting with LED for improved energy efficiency.
- Add audible/visual (strobe alarms) in designated accessible units. Provide accommodations for the hearing and visually impaired. Replace fire extinguishers, smoke and carbon monoxide detectors.
- Due to reported moisture issues in the units, and in an effort to improve ventilation for the structures, installation of humidistat-controlled ventilation fans is recommended.
- Remove unit carpeting and vinyl and install a vinyl plank (or similar system) throughout the unit interiors for improved durability and reduced potential issues with bug infestations. Anticipate subfloor preparation.
- Replace interior doors with recessed panel, laminated fixtures with new hardware and lever handles. Replace closet doors with durable bypass system.
- Remove and replace the older and original cabinets, vanities, and counters. Consider a solid wood face frame cabinet and solid surface counter for improved durability.
- Replace toilets, faucets, shower heads for improved water usage efficiency for the Property.
- Replace mirrors, medicine cabinets, towel bars, toilet paper holders.
- The tubs and enclosures are stained, worn and in need of refurbishment and in some cases complete replacement. The existing accessible unit shower can be refurbished.
- Provide Energy Star rated refrigerators and range hoods at all units. Replace ranges that exceed five years in age.
- Improve insulation at interior and perimeter walls during interior renovations.
- As part of the replacement of the cabinets and plumbing fixtures, as well as the foundation repairs, extensive drywall replacements and painting of the units will be required.
- Though FHAA does not apply to the Property, it is presumed that some level of fair housing conformance will be required due to the extent of rehab planned. A general allowance has been provided for fair housing and other accessibility conformance within the unit interiors.

2.4 Items of Note

Items of Note do not have a substantial cost to correct (typically less than \$3,000) and should be addressed by management as part of their routine maintenance procedures. Costs are not included for these items.

- Based on the date of construction, it is likely that asbestos and lead based paint are present. Sampling to confirm is recommended prior to any of the above recommended repairs. Proper handling and disposal of asbestos containing building materials and lead based paint will be required if identified. An increase in costs should be expected.

Physical Needs Assessment
Life Safety, Immediate and Short-Term Estimates

Murray Duplexes
January 24, 2019



PHYSICAL PROPERTY ANALYSIS, LLC

Assessment Date(s):	January 11, 2019
Age(s):	74
Total Leasable SF:	9,600
Total Gross SF:	9,600
Apartment Buildings:	10
Stories:	1
Dwelling Units:	20
Parking Spaces:	46
Interior Stairways/Hallways:	No
Covered Common Breezeways:	No
Roof Age:	25+
Roof Structure:	Pitched

Life Safety Issues: Items that may impact the health or safety of residents, employees or visitors					
Item	Quantity	Unit	Unit Cost	Total Cost	Brief Description
Mold	10	Bldgs	\$1,000	\$10,000	Management reported ongoing issues with mildew, and potential mold growth was observed in some crawlspace areas that were accessed. Anticipate some level of remediation, at a minimum replacing framing and finishes and cleaning of mold in the structures during rehab.
Total				\$10,000	

Critical Repair Items: Recommend completion within 6 months					
Item	Quantity	Unit	Unit Cost	Total Cost	Brief Description
Drainage	1	Allowance	\$60,000	\$60,000	Regrade to promote water flow away from structures and walkways. Add drains at landscaped and paved areas that tie into subsurface system. Connect downspouts via tight lines to subsurface drainage.
Pedestrian walkways	3,500	SF	\$8.00	\$28,000	There are areas of damaged walkways throughout the Property. Locations are uneven and present trip hazards. Replace any damaged or uneven walkways, and add new concrete walkways where needed to provide a safe path of travel throughout the site.
Foundations	9,600	SF	\$55.00	\$528,000	Due to reported lack of code conforming access and clearances at the crawlspaces, lack of vapor barrier, and evidence of floor movement in a portion of the units, a detailed inspection and redesign or upgrade to the structural foundation systems is recommended. Reinforcement of the existing structures, addition of a vapor barrier, excavation to provide adequate access and clearances, improved ventilation, replace rotted wood components, add mechanical ventilation if deemed necessary. Design and feasibility analysis required. Evidence of standing water, mold growth on soil and insulation, as well as a lack of insulation, were observed.
Wood Destroying Pests	20	Units	\$150	\$3,000	Due to lack of vapor barrier in the crawl spaces, and evidence of wood damage at limited floor areas, a full wood destroying pest survey is recommended.
Total				\$619,000	

Deferred Maintenance: Recommended completion within 12 months					
Item	Quantity	Unit	Unit Cost	Total Cost	Brief Description
Signage	1	Allowance	\$10,000	\$10,000	Provide improved property identification signage, site map, and unit signage throughout.
Fencing	1	Allowance	\$25,000	\$25,000	Replace damaged wood fencing at perimeter and units.
Parking areas	9,000	SF	\$3.00	\$27,000	The paving at the attached carports, open parking areas, and drive aisles is poorly sloped, or otherwise damaged. Regrade to promote proper water flow. Following repairs, seal and restripe all parking areas.
Accessibility, Path of Travel	1	Allowance	\$20,000	\$20,000	Provide a conforming path of travel throughout the site including transition warnings at walkways that connect to parking areas and ramps. Provide accessible access to units.
Landscaping	1	Allowance	\$30,000	\$30,000	Regrade around buildings to promote proper water drainage. Remove overgrowth and replant as needed following walkway demolition and drainage improvements.
Site water / waste lines	1	Allowance	\$30,000	\$30,000	Based on the age, anticipate at least partial site water and waste line replacements during rehab.
Siding, trim, exteriors	20	Units	\$5,000	\$100,000	Given the age of the siding, the plan to significantly rehab the structures, and for improved long term durability, removal and replacement of any damaged siding, waterproofing and other exterior trim elements is recommended.
Exterior painting	20	Units	\$1,500	\$30,000	Prepare and paint all exteriors including carports and exterior trim elements where a prefinished material is not utilized.

Physical Needs Assessment
Life Safety, Immediate and Short-Term Estimates

Murray Duplexes
January 24, 2019



PHYSICAL PROPERTY ANALYSIS, LLC

Assessment Date(s):	January 11, 2019
Age(s):	74
Total Leasable SF:	9,600
Total Gross SF:	9,600
Apartment Buildings:	10
Stories:	1
Dwelling Units:	20
Parking Spaces:	46
Interior Stairways/Hallways:	No
Covered Common Breezeways:	No
Roof Age:	25+
Roof Structure:	Pitched

Roofing	11,040	SF	\$10.00	\$110,400	The roof coverings have reached the end of their useful life based on surface wear and age. Replace with a minimum 35 year dimensional shingle. Replace all flashings. Consider radiant barrier for improved insulation factor.
Roof drainage	1,000	SF	\$8.00	\$8,000	Replace roof drainage components and extend leaders or add tight lines as part of the drainage upgrades.
Exterior doors	60	Each	\$900	\$54,000	Remove and replace the exterior doors with insulated metal fixtures for improved insulation of the units and durability. Provide new door locks and hardware. Front and rear entry doors at each unit. Replace water heater closet doors with more durable system.
Exterior windows	100	Each	\$675	\$67,500	Replace exterior windows with Low E vinyl framed assemblies.
Framing	1	Allowance	\$50,000	\$50,000	Based on the extent of work required, and that there exists structural damage at the floors, it is assumed that additional framing and structural repairs may be required. A general allowance for framing repairs and modifications has therefore been included.
Water heaters	12	Each	\$1,200	\$14,400	Replace all water heaters that exceed five years in age.
Sanitary waste / domestic water lines	20	Units	\$1,500	\$30,000	Anticipate partial replacements in conjunction with plumbing fixtures, shower, and toilet replacements.
HVAC	20	Units	\$1,500	\$30,000	Install new high efficiency gas-fired furnaces in all units. Include new Energy Star programmable thermostats.
Exterior lighting	20	Units	\$300	\$6,000	Remove and replace all building mounted lighting. Utilize high efficiency fixtures such as LED for improved energy efficiency.
Electrical	20	Units	\$2,500	\$50,000	Install new electrical panels and subpanels, GFCI, ARC Fault, outlets and switches.
Interior lighting	20	Units	\$850	\$17,000	Replace all unit lighting with LED for improved energy efficiency.
Fire/life/safety	20	Units	\$500	\$10,000	Add audible/visual (strobe alarms) in designated accessible units. Provide accommodations for the hearing and visually impaired. Replace fire extinguishers, smoke and carbon monoxide detectors.
Bathroom ventilation	20	Units	\$650	\$13,000	Due to reported moisture issues in the units, and in an effort to improve ventilation for the structures, installation of humidistat controlled ventilation fans is recommended.
Unit flooring	20	Units	\$4,000	\$80,000	Remove unit carpeting and vinyl and install a vinyl plank (or similar system) throughout the unit interiors for improved durability and reduced potential issues with bug infestations. Anticipate subfloor preparation.
Interior doors	20	Units	\$800	\$16,000	Replace interior doors with recessed panel, laminated fixtures with new hardware and lever handles. Replace closet doors with durable bypass system.
Cabinets, vanities, counters	20	Units	\$7,000	\$140,000	Remove and replace the older and original cabinets and counters. Consider a solid wood face frame cabinet and solid surface counter for improved durability.
Plumbing fixtures	20	Units	\$1,500	\$30,000	Replace toilets, faucets, shower heads for improved water usage efficiency for the Property.
Bathroom accessories	20	Units	\$600	\$12,000	Replace mirrors, medicine cabinets, towel bars, toilet paper holders.
Tub/surrounds	20	Units	\$3,000	\$60,000	The tubs and enclosures are stained, worn and in need of refurbishment and in some cases complete replacement. The existing accessible unit shower can be refurbished.
Appliances	20	Units	\$2,000	\$40,000	Provide Energy Star rated refrigerators and range hoods at all units. Replace ranges that exceed five years in age.
Insulation	15,000	SF	\$2.00	\$30,000	Improve insulation at interior and perimeter walls during interior renovations.
Drywall repairs, paint	20	Units	\$5,000	\$100,000	As part of the replacement of the cabinets and plumbing fixtures, as well as the foundation repairs, extensive drywall replacements and painting of the units will be required.

Physical Needs Assessment
Life Safety, Immediate and Short-Term Estimates

Murray Duplexes
January 24, 2019



PHYSICAL PROPERTY ANALYSIS, LLC

Assessment Date(s):	January 11, 2019
Age(s):	74
Total Leasable SF:	9,600
Total Gross SF:	9,600
Apartment Buildings:	10
Stories:	1
Dwelling Units:	20
Parking Spaces:	46
Interior Stairways/Hallways:	No
Covered Common Breezeways:	No
Roof Age:	25+
Roof Structure:	Pitched

Accessibility/Code, Units	20	Units	\$4,000	\$80,000	Though FHAA does not apply to the Property, it is presumed that some level of fair housing conformance will be required due to the extent of rehab planned. A general allowance has been provided for fair housing and other accessibility conformance within the unit interiors.
---------------------------	----	-------	---------	----------	---

Total	\$1,320,300
--------------	--------------------

The above items are planned to be completed as part of the rehabilitation of the Property.

Items of Note:		Non-life safety items with an aggregate cost of less than \$3,000 to address and can be addressed by on-site staff (costs not included)
Item	Brief Description	
Asbestos / Lead Paint	Based on the date of construction, it is likely that asbestos and lead based paint are present. Sampling to confirm is recommended prior to any of the above recommended repairs. Proper handling and disposal of asbestos containing building materials and lead based paint will be required if identified an increase in costs should be expected.	

Life Safety Total:	\$10,000
Immediate Total:	\$619,000
Short Term Total:	\$1,320,300
Grand Total:	\$1,949,300
<i>Total Per Unit</i>	<i>\$52,684</i>

2.5 Replacement Reserve Items

Replacement reserves are those items for which action is anticipated during the term.

Physical Needs Assessment
Replacement Reserves

Murray Duplexes
January 24, 2019



Assessment Date(s):	January 11, 2019
Age(s):	74
Total Leasable SF:	9,600
Total Gross SF:	9,600
Apartment Buildings:	10
Stories:	1
Dwelling Units:	20
Parking Spaces:	46
Interior Stairways/Hallways:	No
Covered Common Breezeways:	No
Roof Age:	25+
Roof Structure:	Pitched

Item	EUL (YR)	EFF AGE (YR)	RUL (YR)	Total Quantity	Unit	Unit Cost	Total Cost	YEAR															
								15	16	17	18	19	20	21	22	23	24	25	26	27	28		
SITE																							
Asphalt Pavement Repairs / Replacements	25	0	25	9,000	SF	\$1.50	13,500																
Asphalt Repairs, Seal Coat and Striping	5	0	6	99,000	SF	\$0.35	34,650																
Concrete Sidewalk	50	0	50	1,000	SF	\$6.00	6,000																
Site Fencing	15	0	15	3	Allow	\$3,000	9,000																
Landscaping / Irrigation Repairs	30	0	30	1	Allow	\$10,000	10,000																
Mailboxes	10	3	7	100	Each	\$95	9,500																
ARCHITECTURE																							
Exterior Walls - Paint/Finish	10	0	10	120	Units	\$850	102,000																
Window - Replacement	30	0	30	100	Each	\$475	47,500																
Exterior doors, units	25	0	25+	40	Each	\$650	26,000																
Pitched Roof - Replacement, min 35 year shingle	35	0	35	11,040	SF	\$8.00	88,320																
MEP / HVAC / LIFE-SAFETY																							
Gas Water Heaters - Individual	10	varies	5+	80	EA	\$950	76,000																
Wall heaters	20	0	20+	40	EA	\$850	34,000																
DWELLING UNITS																							
Vinyl Plank Flooring	15+	0	15+	50	Units	\$1,300	65,000																
Bathroom plumbing fixtures	20+	0	20+	40	Units	\$250	10,000																
Vanity / top replacement	10	0	10+	38	Units	\$625	23,750																
Kitchen cabinet refurbishment	20	0	20+	40	Units	\$1,000	40,000																
Refrigerator	10	0	10+	50	Ea	\$550	27,500																
Range / Oven Gas	15	varies	15+	40	Ea	\$500	20,000																

Total Uninflated	\$642,720	\$7,582	\$8,047	\$6,482	\$4,582	\$4,582	\$49,510	\$12,575	\$9,110	\$9,110	\$4,860	\$12,448	\$9,163	\$7,598	\$5,698
Annual Inflation Factor @ 1.0%		114.00%	115.00%	116.00%	117.00%	118.00%	119.00%	120.00%	121.00%	122.00%	123.00%	124.00%	125.00%	126.00%	127.00%
Total, Inflated @ 1.0%	\$843,000	\$8,643	\$9,254	\$7,519	\$5,361	\$5,407	\$58,916	\$15,090	\$11,023	\$11,114	\$5,977	\$15,436	\$11,454	\$9,574	\$7,237

Cost Per Unit Over 55 Years (uninflated) \$584

Cost Per Unit Over 55 Years (inflated) \$766

Physical Needs Assessment
Replacement Reserves

Murray Duplexes
January 24, 2019



Assessment Date(s):	January 11, 2019
Age(s):	74
Total Leasable SF:	9,600
Total Gross SF:	9,600
Apartment Buildings:	10
Stories:	1
Dwelling Units:	20
Parking Spaces:	46
Interior Stairways/Hallways:	No
Covered Common Breezeways:	No
Roof Age:	25+
Roof Structure:	Pitched

Item	EUL (YR)	EFF AGE (YR)	RUL (YR)	Total Quantity	Unit	Unit Cost	Total Cost	YEAR													
								29	30	31	32	33	34	35	36	37	38	39	40	41	42
								2048	2049	2050	2051	2052	2053	2054	2055	2056	2057	2058	2059	2060	2061
SITE																					
Asphalt Pavement Repairs / Replacements	25	0	25	9,000	SF	\$1.50	13,500														
Asphalt Repairs, Seal Coat and Striping	5	0	6	99,000	SF	\$0.35	34,650			3,465					3,465					3,465	
Concrete Sidewalk	50	0	50	1,000	SF	\$6.00	6,000														
Site Fencing	15	0	15	3	Allow	\$3,000	9,000		3,000												
Landscaping / Irrigation Repairs	30	0	30	1	Allow	\$10,000	10,000		10,000												
Mailboxes	10	3	7	100	Each	\$95	9,500									1,900					
ARCHITECTURE																					
Exterior Walls - Paint/Finish	10	0	10	120	Units	\$850	102,000		20,400											20,400	
Window - Replacement	30	0	30	100	Each	\$475	47,500		47,500												
Exterior doors, units	25	0	25+	40	Each	\$650	26,000	839	839	839	839	839	839	839	839	839	839	839	839	839	839
Pitched Roof - Replacement, min 35 year shingle	35	0	35	11,040	SF	\$8.00	88,320							88,320							
MEP / HVAC / LIFE-SAFETY																					
Gas Water Heaters - Individual	10	varies	5+	80	EA	\$950	76,000	1,490	1,490	1,490	1,490	1,490	1,490	1,490	1,490	1,490	1,490	1,490	1,490	1,490	1,490
Wall heaters	20	0	20+	40	EA	\$850	34,000											4,250	4,250	4,250	4,250
DWELLING UNITS																					
Vinyl Plank Flooring	15+	0	15+	50	Units	\$1,300	65,000	1,585	1,585	1,585	1,585	1,585	1,585	1,585	1,585	1,585	1,585	1,585	1,585	1,585	1,585
Bathroom plumbing fixtures	20+	0	20+	40	Units	\$250	10,000	278	278	278	278	278	278	278	278	278	278	278	278	278	278
Vanity / top replacement	10	0	10+	38	Units	\$625	23,750	516	516	516	516	516	516	516	516	516	516	516	516	516	516
Kitchen cabinet refurbishment	20	0	20+	40	Units	\$1,000	40,000												20,000		
Refrigerator	10	0	10+	50	Ea	\$550	27,500	598	598	598	598	598	598	598	598	598	598	598	598	598	598
Range / Oven Gas	15	varies	15+	40	Ea	\$500	20,000	392	392	392	392	392	392	392	392	392	392	392	392	392	392

Total Uninflated	\$642,720	\$5,698	\$86,598	\$9,163	\$5,698	\$5,698	\$5,698	\$94,018	\$9,163	\$7,598	\$5,698	\$9,948	\$50,348	\$13,413	\$9,948
Annual Inflation Factor @ 1.0%		128.00%	129.00%	130.00%	131.00%	132.00%	133.00%	134.00%	135.00%	136.00%	137.00%	138.00%	139.00%	140.00%	141.00%
Total, Inflated @ 1.0%	\$843,000	\$7,294	\$111,712	\$11,912	\$7,465	\$7,522	\$7,579	\$125,985	\$12,371	\$10,334	\$7,807	\$13,729	\$69,984	\$18,779	\$14,027

Cost Per Unit Over 55 Years (uninflated) \$584

Cost Per Unit Over 55 Years (inflated) \$766

SECTION 3 - PROPERTY CHARACTERISTICS

The physical condition of site and building systems and related components is typically defined based on a 1 through 5 rating, using the following conditions:

Category 1 - No substantial concerns observed. No further action required.

- Life Safety: No issues are observed.
- Deferred Maintenance: No observable or reported signs of deferred maintenance.
- Routine Maintenance: The Property has superior maintenance practices in place that appear to be extending the remaining useful life of the system or its components.
- Remaining Useful Life: The remaining useful life of the system or component will exceed the Mortgage Loan term by more than 10 years due to the high quality of materials or Property maintenance practices.

Category 2 - Some minor issues are noted. Limited follow-up is required.

- Life Safety: Either no issues are observed or minor issues are observed.
- Deferred Maintenance: Isolated issues or minor items are observed that can be addressed by in-house maintenance staff or with limited expense.
- Routine Maintenance: The Property's maintenance practices appear to be addressing issues on a proactive basis, ensuring good overall system performance.
- Remaining Useful Life: The remaining useful life of the system or component will exceed the Mortgage Loan term by at least 3 years due to the quality of the materials or Property maintenance practices.

Category 3 - Substantial and/or critical issues noted. Documented follow-up IS required.

- Life Safety: Some issues are observed that require immediate attention, but that do not require capital expenditures.
- Deferred Maintenance: Concerns are observed that cannot be addressed by in-house maintenance staff, and that would appear to materially affect the Property Evaluator's cost estimates for repairs.
- Routine Maintenance: The Property's maintenance practices appear to be a combination of proactive and reactive practices, with some limited number of systems or components requiring attention.
- Remaining Useful Life: The remaining useful life of the system or component is between 3 and 5 years from the date of the PNA Report. The quality of materials and maintenance is below average.

Category 4 - Overall condition showing signs of deterioration. Documented follow-up with possible action plan required.

- Life Safety: Issues are observed that require immediate attention and capital expenditures or repairs on an immediate basis.
- Deferred Maintenance: Issues are observed affecting one major system or several components of different systems that will materially affect the Property Evaluator's cost estimates for expenditures for capital improvement or repairs within the next 12 months.
- Routine Maintenance: The Property's maintenance practices appear to be reactive and are not addressing system or component condition concerns in a timely manner.

- Remaining Useful Life: The remaining useful life of the system or component is less than 3 years from the date of the PNA Report. The quality of materials is substandard, the system or component has exceeded its estimated useful life, or materials are poorly maintained.

Category 5 - Severe deferred maintenance observed. Substantial follow-up and action plan are required.

- Life Safety: Significant issues are observed that will require significant expenditures to be included in the Property Evaluators cost estimates for repairs or capital improvement replacements on an immediate basis.
- Deferred Maintenance: Excessive deferred maintenance is observed at multiple systems or components that will require significant expenditures to be included in the Property Evaluators cost estimates for repairs or capital improvement replacements on an immediate basis.
- Routine Maintenance: Inadequate maintenance practices are in place that do not address either on-going maintenance to ensure the Estimated Useful Life is achieved or maintenance to ensure functionality of the system
- Remaining Useful Life: The useful life of the system or component has been exceeded. The quality of original materials is poor, the system has exceeded its estimated useful life by a significant margin, and maintenance is poor.

The systems or components are additionally identified as follows if further action is recommended:

RM = Routine Maintenance - items are those that can typically be addressed by in-house maintenance staff or have a cost that should be included as a routine budget item.

IR = Immediate Repair - items require immediate attention (Life Safety, Critical Repair and Deferred Maintenance items) and are addressed in detail in Section 2 of this report.

RR = Replacement Reserve - items that are generally non-routine and should be anticipated to require expenditures over the term of the loan.

3.1 Site Components

3.1.1 Site Configuration and Size

No. of Parcels	Parcel Size	Configuration
1	2.02	Irregular

3.1.2 Landscaping, Grading and Drainage

Item	Description	Category	Action
Landscaping	The site is landscaped with trees, grass, bushes and an irrigation system.	3	IR, RR
Drainage	Surface flow to storm drain inlets at paved areas.	5	IR, RM
Detention/Retention	NA	-	--
Topography	The site is generally flat in topography with a gradual slope to the north.	1	RM
Comments	Repair landscaping following repairs to drainage and paving. Significant drainage issues reported at various landscaped and paved locations require repairs.		

3.1.3 Site Water and Sanitary Lines

Item	Type	Comments	Category	Action
Water Lines	Copper	Observed and reported	3	IR, RM
Sanitary Lines	Cast iron	Observed and reported	3	IR, RM
Comments	Based on the age, anticipate some replacements during rehab.			

3.1.4 Flatwork: Parking Areas and Walkways

Item	Description	Category	Action
Ingress/Egress	Two vehicular entrance drives from the south perimeter.	1	RM
Walkable Neighborhood?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Sidewalks connected to neighborhood walkways?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Pavement	<input checked="" type="checkbox"/> Asphalt <input type="checkbox"/> Concrete <input type="checkbox"/> Brick Pavers	No. of Spaces 46	3-4 IR, RR
	<input checked="" type="checkbox"/> Alligator cracking <input checked="" type="checkbox"/> Surface ravelling <input type="checkbox"/> Potholes <input type="checkbox"/> Transverse Longitudinal Cracks <input type="checkbox"/> Cracking - general		
Garages / Carports	Currently there are seven attached wood framed carports.	2	RM
Sidewalks	<input checked="" type="checkbox"/> Concrete <input checked="" type="checkbox"/> Asphalt <input type="checkbox"/> Brick Pavers <input type="checkbox"/> Flagstone	4	IR, RM
	<input checked="" type="checkbox"/> Moderate cracking <input type="checkbox"/> Severe cracking <input checked="" type="checkbox"/> Trip Hazard(s) <input type="checkbox"/> Impervious <input type="checkbox"/> Pervious		
Patios	<input type="checkbox"/> Concrete <input type="checkbox"/> Asphalt <input type="checkbox"/> Brick Pavers <input type="checkbox"/> Flagstone	--	--
	<input type="checkbox"/> Moderate cracking <input type="checkbox"/> Severe cracking <input type="checkbox"/> Trip Hazard(s)		

Pool Decks	<input type="checkbox"/> Concrete <input type="checkbox"/> Brick Pavers	--	--
	<input type="checkbox"/> Moderate cracking <input type="checkbox"/> Severe cracking <input type="checkbox"/> Trip Hazard(s)		
Bicycle Storage	<input type="checkbox"/> Bike Rack <input type="checkbox"/> Storage Room <input type="checkbox"/> None observed	--	--
Comments	The asphalt paving needs repairs and partial replacements. Pedestrian walkway damage requires repairs. The path of travel throughout the site needs improvement. Anticipate asphalt paving repairs and maintenance during the 55-year term.		

3.1.5 Site Fencing / Retaining Walls

Item	Description	Category	Action
Fencing	<input checked="" type="checkbox"/> Chain link <input checked="" type="checkbox"/> Wood <input type="checkbox"/> Vinyl <input type="checkbox"/> Wrought Iron <input type="checkbox"/> Metal	3-4	IR, RR
	<input checked="" type="checkbox"/> Partial perimeter <input type="checkbox"/> Full perimeter		
Retaining Walls	<input type="checkbox"/> Railroad tie <input type="checkbox"/> Concrete block <input type="checkbox"/> Stone <input type="checkbox"/> Concrete	--	--
Comments	Wood perimeter and unit fencing is worn and needs replacement. Consider utilizing a maintenance free material when replacing the site fencing.		

3.1.6 Site Utilities

Item	Provider
Water	McKinleyville Community Services District (MCSD)
Electricity	Pacific Gas & Electric (PG&E)
Natural Gas	PG&E
Sanitary Sewer	MCSD
Storm Sewer	MCSD
Special Utility Systems	Not applicable

3.2 Architectural Components

3.2.1 Apartment Structure(s)

3.2.2 Foundations

Item	Description	Category	Action
Construction Plans	The original construction blue prints were not available for review.		
Foundation Type	Reinforced concrete perimeter footings and wood framed raised foundations.		
Condition	Fair to Poor	4	IR, RM
Moisture	Evidence reported and observed.		
Comments	No evidence of differential settlement observed or reported. Subfloor damage and lack of code conforming clearance at the foundations reported. Lack of moisture barrier. Moisture and mold growth observed. Hidden conditions could not be verified. Immediate repairs are recommended.		

3.2.3 Crawl Spaces

Item	Description	Category	Action
Crawl Space	<input type="checkbox"/> Accessible <input checked="" type="checkbox"/> Not accessible <input type="checkbox"/> Other - see below	--	--
Comments	See notes above regarding foundation.		

3.2.4 Framing (Floors, Walls, Roof)

Item	Description	Category	Action
Floors	Raised wood framed.	3-4	IR, RM
Walls	Wood framed.	I	RM
Roof	Wood joist, beams and plywood decking.	I	RM
Comments	See above regarding foundations. Issues with termites reported. Further investigation and repairs are commended. Hidden conditions could not be verified.		

3.2.5 Cladding (Exterior Wall Finishes)

Item	Description	Category	Action
Material	<input type="checkbox"/> Brick veneer <input type="checkbox"/> Vinyl siding <input type="checkbox"/> Aluminim siding <input type="checkbox"/> EIFS <input checked="" type="checkbox"/> Hardie Board siding <input type="checkbox"/> Composition board <input type="checkbox"/> Split faced block <input type="checkbox"/> Concrete block <input type="checkbox"/> T1-11 Plywood <input type="checkbox"/> Stucco <input type="checkbox"/> Wood shake <input checked="" type="checkbox"/> Wood clapboard	3	IR, RR
Soffits	Painted wood.	3	IR, RR
Fascia	Painted wood.	3	IR, RR
Trim	Painted wood.	3	IR, RR
Weatherization	None provided.	--	--
Comments	The building exteriors are finished with painted composite, hardi, and wood siding. Exterior repairs, replacement of some siding, painting and replacements of termite and dry rot damage are recommended. Anticipate painting during the 55-year term.		

3.2.6 Roof Systems

Item	Description	Category	Action
Roof Type	<input checked="" type="checkbox"/> Pitched <input type="checkbox"/> Flat <input type="checkbox"/> Low-slope <input type="checkbox"/> Mansard <input type="checkbox"/> See Below	4	IR, RR
Material	3-tab comp shingle at apartments	Color: Brown	
Age, years	20+ years		
Warranty	None		
Access	Ladder, not accessed for safety reasons		
Roof Insulation	Type / Age: Rolled batt, 74 years	4	IR
Roof drainage	Gutters and downspouts	4	IR
Ancillary Features	Parapet walls: N/A Chimneys: N/A Flashing: Galvanized metal Coping: N/A	4	IR
Green Technology	Type: N/A	SRI Rating N/A	
Comments	Remove and replace the apartment building roofing materials based on age and condition. Improve insulation for energy efficiency measures. Replace gutters, downspouts and improve drainage components due to drainage issues at the site. Connect drainage to tight lines where feasible. Based on the estimated useful life, roofing replacements are anticipated during the 55-year term.		

3.2.7 Appurtenances: Stairways, Patios, Balconies, Breezeways

Item	Description	Category	Action
First Level Unit Access	Walkways	4	IR, RM
Upper level unit access	N/A	--	--
Stair/Landing Railings	N/A	--	--
Corridors	<input type="checkbox"/> Breezeway <input type="checkbox"/> Interior <input type="checkbox"/> Carpeted <input type="checkbox"/> Vinyl tile/sheet <input type="checkbox"/> Concrete <input checked="" type="checkbox"/> None present	--	--
Balconies	N/A	Deck:	--
		Rail:	--
Patios	N/A	Type:	--
		Encl:	--
Comments	The path of travel at unit entries requires improvements.		

3.2.8 Doors and Windows

Item	Description	Category	Action
Building Entrance Door(s), (for buildings with interior access to units)	<input type="checkbox"/> Wood with wood frames <input type="checkbox"/> Metal in wood frames <input type="checkbox"/> Aluminum storefront <input type="checkbox"/> Wood with metal frames <input type="checkbox"/> Metal w/ metal frames <input type="checkbox"/> See below	--	--
Stairwell and Corridor Fire Doors	<input type="checkbox"/> Solid core wood with metal frames <input type="checkbox"/> Insulated metal with metal frames <input type="checkbox"/> See below	--	--

Common Area Doors	<input type="checkbox"/> Wood with wood frames <input type="checkbox"/> Metal in wood frames <input type="checkbox"/> Aluminum storefront <input type="checkbox"/> Wood with metal frames <input type="checkbox"/> Metal w/ metal frames <input type="checkbox"/> See below	--	--
Unit Entry Doors	<input type="checkbox"/> Metal in wood frames <input type="checkbox"/> Wood in metal frames <input checked="" type="checkbox"/> Wood in wood frames <input type="checkbox"/> Fiberglass with metal frames <input type="checkbox"/> Fiberglass with wood frames	3	IR, RM
Interior Doors	<input checked="" type="checkbox"/> Wood, flat <input type="checkbox"/> Wood, raised panel <input type="checkbox"/> Louvered closet <input type="checkbox"/> See below	3	IR, RM
Patio/Balcony Doors	<input type="checkbox"/> Vinyl double pane sliding <input type="checkbox"/> Aluminum double pane sliding <input type="checkbox"/> Aluminum single pane sliding <input type="checkbox"/> French style <input type="checkbox"/> Metal in wood frames <input type="checkbox"/> Wood in wood frames <input type="checkbox"/> See below	--	--
Weather-stripping	At exterior doors	3	IR, RM
Door Sweep	Not provided	--	--
Overhead Doors	N/A	--	--
Exterior Windows/Frames	Windows are single hung dual glazed metal assemblies.	4	IR, RR
Comments	Provide new exterior doors throughout for improved energy efficiency. Based on the age and the need for improved energy efficiency, window and replacements are recommended. Anticipate window refurbishments during the 55-year term.		

3.2.9 Common Areas and Amenities

Item	Description	Category	Action
Signage	<input type="checkbox"/> Pylon <input type="checkbox"/> Monument <input checked="" type="checkbox"/> Other - see below	3	IR, RM
Leasing Office	No	--	--
Community Room	No	--	--
Restrooms	No		
Mail Center(s)	Metal kiosk adjacent to entry drive.	2	RR
Swimming Pool	No	--	--
Laundry Room	# Rooms: 0 Owned by: No of Washers: 0 No. of Dryers: 0 ENERGY STAR: NA	--	--
Fitness Room	No	--	--
Tot Lot	No	--	--
Sports Court(s)	No	--	--
Comments	Mailbox replacements are anticipated during the 55-year term.		

3.2.10 Common Area Finishes

Item	Description	Category	Action
Leasing Office	N/A	--	--
Community Room	N/A	--	--
Interior Corridors	N/A	--	--
Laundry	N/A	--	--
Restroom	N/A	--	--
Comments	N/A		

3.2.11 Site Lighting

Item	Description	Category	Action
Exterior	Building mounted compact florescent fixtures at entries and exits.	3	IR, RM
Lighting Adequacy	Reportedly adequate	Utilization of Dark Sky technology	No
Common Areas	<input type="checkbox"/> Incandescent <input type="checkbox"/> Flourescent, T8 <input type="checkbox"/> Flourescent, T12 <input type="checkbox"/> CFLs	--	--
Units	<input type="checkbox"/> Incandescent <input type="checkbox"/> Flourescent, T8 <input checked="" type="checkbox"/> Flourescent, T12 <input checked="" type="checkbox"/> CFLs	3	IR
Comments	Upgrade to energy efficient exterior and interior lighting is recommended.		

3.3 Mechanical / Electrical / Plumbing Components

3.3.1 Water Distribution and Hot Water System

Item	Description	Category	Action
Water Piping	<input checked="" type="checkbox"/> Copper <input type="checkbox"/> CPVC <input type="checkbox"/> Galvanized <input type="checkbox"/> PEX tubing <input type="checkbox"/> Polybutylene	2	IR, RM
Fixtures	Standard or Low Flow Low Flow Devices: <input type="checkbox"/> Kitchen <input type="checkbox"/> Bathroom Faucet <input checked="" type="checkbox"/> Toilet(s) <input type="checkbox"/> Shower(s) <input type="checkbox"/> None observed	3	IR, RM
Hot Water	Energy: Natural gas Capacity: 40-gallons Age: varies Insulated: yes; interior of appliance	3	IR, RR
Comments	Partial plumbing line replacements are anticipated in conjunction with water heater and other plumbing fixture replacements. Provide energy efficient water heaters at units. Replace bathroom plumbing fixtures and water heaters as during the 55-year term.		

3.3.2 Sanitary Waste Plumbing

Item	Description	Category	Action
Piping	<input type="checkbox"/> PVC <input checked="" type="checkbox"/> Cast iron <input checked="" type="checkbox"/> ABS Recalled ABS: No Brand:	Observed: Yes 3	IR, RM
Treatment	NA		
Comments	Partial replacements are anticipated as part of replacement of plumbing fixtures in the units.		

3.3.3 Heating / Cooling / HVAC / Renewable Energy Systems

Item	Description	Category	Action
Heating	Location: Wall Mounted Energy: Natural gas Manufacturer(s): Varies Capacity: Unknown	3-4	IR, RM
Cooling	Location: Manufacturer(s): Energy: Capacity:	--	--
Maintenance	In house Filter Replacement: N/A Duct cleaning: N/A Maintenance Plan: N/A		
Unit Controls	<input checked="" type="checkbox"/> Manual thermostat <input type="checkbox"/> Programmable thermostat <input type="checkbox"/> Pre-programmed thermostat <input type="checkbox"/> Manual radiator controls <input type="checkbox"/> Programmable radiator controls <input type="checkbox"/> None <input type="checkbox"/> See below	4	IR, RM
HVAC Distribution	<input type="checkbox"/> Ducted supply and open plenum return <input type="checkbox"/> Ducted air with hot water terminal reheat coils <input type="checkbox"/> 2-pipe hot water system with fan coil terminal units <input type="checkbox"/> 4-pipe system with fan coil terminal units <input type="checkbox"/> Conditioned air supplied through a low velocity duct system <input checked="" type="checkbox"/> Ductless <input type="checkbox"/> Other - see below <input type="checkbox"/> Baseboard heat units		

Energy Management System	No		
Ventilation	<input checked="" type="checkbox"/> Bath exhaust <input type="checkbox"/> Range hood exhaust <input type="checkbox"/> Inline fan <input type="checkbox"/> Int. exhaust fan <input type="checkbox"/> Ext. exhaust fan <input type="checkbox"/> HRZ / ERV <input type="checkbox"/> None <input checked="" type="checkbox"/> See below	5	IR, RM
Ventilation Control	<input checked="" type="checkbox"/> Switch <input type="checkbox"/> Timer <input type="checkbox"/> Continuous	3	IR, RM
Vent Condition	<input type="checkbox"/> Clean <input checked="" type="checkbox"/> Dirt build up <input type="checkbox"/> Varies	3	IR, RM
Air Ducts	N/A		
Roof Fans	N/A		
Smoking Policy	Unknown		
Comments	Residential grade exhaust fans in bathrooms. Install humidistat-controlled fans for improved moisture removal in units. Install ducted range hoods in the kitchens. The gas wall heaters are inefficient. Replace with high efficiency wall heaters. Heater replacements are anticipated during the 55-year term. Replace bathroom exhaust as part of routine maintenance during the 55-year term.		

3.3.4 Electrical Service

Item	Description	Category	Action
Transformers	Pole mounted		
Branch Wiring	Copper	2	RM
Unit Meters	Individual		
Main Service Amps	Not legible	2	IR, RM
Unit Service Amps	60-amp, 120/480 volt, four wire	2	RM
Subpanels Panels	Circuit breakers	3	IR, RM
GFCI	Kitchen and bathroom	3	IR, RM
Comments	Replace outlets, switches and GFCI. Add Arc Fault at new subpanels.		

3.3.5 Fire and Life Safety Systems

Item	Description	Category	Action
Fire Extinguishers	<input checked="" type="checkbox"/> Units <input type="checkbox"/> Hallways <input type="checkbox"/> Laundry <input type="checkbox"/> Leasing Office <input type="checkbox"/> Common Areas	1	RM
Sprinkler System	--	--	--
Smoke Detectors	Battery operated in hallway and sleeping areas.	1	RM
Fire Alarm	No	--	--
CO Detectors	Yes	1	RM
Exit Signs	No	--	--
Emergency Lights	No	--	--
Emergency Call Station	No	--	--
Hydrants	<input checked="" type="checkbox"/> Along public right of way <input type="checkbox"/> Located on Property		

Comments	Fire extinguishers were last inspected by Eureka Humboldt Fire Extinguisher Co, Inc. May 15, 2018. Add audible/visual (strobe) alarms at designated accessible unit.
----------	--

3.3.6 Elevators

Item	Description	Category	Action
Machinery	Not provided	--	--
Cab	N/A	--	--
Comments			

3.3.7 Site Security

Item	Description	Condition	Action
Component	<input checked="" type="checkbox"/> Fence <input type="checkbox"/> Alarm System <input type="checkbox"/> Cameras <input type="checkbox"/> Guard(s)	3	IR, RR
Monitoring	Not provided	--	--
Comments	Replace deteriorated fencing in the near future. Utilize a more durable fencing system.		

3.4 Dwelling Unit Components and Observations

3.4.1 Summary

No. of Units: 20	No. Vacant Units: 1	No. Down Units: 0
List of Occupied Units Accessed:	1419, 1425, 1433, 1437, 1443, 1449, 1457	
List of Vacant Units Accessed:	1445	
List of Down Units Accessed:	N/A	
Comments	Vacant unit was in the process of being turned over. Other units accessed are in various condition with some original finishes observed. Interiors are dated and showing signs of wear.	

UNIT MIX			
Unit Type	# of Units	Unit Square Footage	Total Square Footage
One Bedroom / One Bathroom	1	480	480
Two Bedroom / One Bathroom	19	480	9,120
TOTAL	20		9,600

Square footage reported by Client.

3.4.2 Finishes

Item	Description	Category	Action
Walls/Ceilings	Painted drywall walls and ceilings.	2	IR, RM
Flooring - Living Areas	<input checked="" type="checkbox"/> Carpet <input type="checkbox"/> Sheet Vinyl <input type="checkbox"/> Ceramic Tile <input type="checkbox"/> Vinyl Tile <input type="checkbox"/> Marble Tile <input type="checkbox"/> Hardwood <input type="checkbox"/> Laminate <input type="checkbox"/> Other	2-4	IR, RR
Flooring – Kitchen and Bath	<input type="checkbox"/> Carpet <input checked="" type="checkbox"/> Sheet Vinyl <input type="checkbox"/> Ceramic Tile <input checked="" type="checkbox"/> Vinyl Tile <input type="checkbox"/> Marble Tile <input type="checkbox"/> Hardwood <input type="checkbox"/> Laminate <input type="checkbox"/> Other	2-4	IR, RR
Bathtub/Shower Surround	<input checked="" type="checkbox"/> Ceramic <input checked="" type="checkbox"/> Fiberglass <input checked="" type="checkbox"/> Plastic <input type="checkbox"/> Other	2-4	IR, RM
Fixtures	Residential grade faucets and shower heads.	2-4	IR, RM
Mold	None observed at interior areas. However, observed on soil in crawlspace.	5	IR, RM
Comments	<p>It is recommended that carpeting and vinyl be removed and replaced with a vinyl plank, or other hard surface flooring system, for reduced long term maintenance, pest control and durability reasons.</p> <p>The original showers and surrounds should be refurbished or replaced based on age and conditions observed. The accessible unit shower is in serviceable condition and requires minimal maintenance or repairs.</p> <p>Replace plumbing fixtures with water sense rated, or low flow fixtures, for improved water usage.</p> <p>Due to the extent of rehabilitation planned, drywall repairs, partial replacements and painting are anticipated.</p>		

3.4.3 Cabinets, Counters and Sinks

Item	Description	Category	Action
Kitchen / Bath Cabinets	<input checked="" type="checkbox"/> Wood <input type="checkbox"/> Composite Wood <input checked="" type="checkbox"/> Particle Board <input checked="" type="checkbox"/> Laminated Particle Board <input checked="" type="checkbox"/> Other	2-4	IR, RR
Kitchen Sinks	<input checked="" type="checkbox"/> Double Bowl <input type="checkbox"/> Single Bowl <input checked="" type="checkbox"/> Stainless Steel <input type="checkbox"/> Porcelain <input type="checkbox"/> Corian <input type="checkbox"/> Undermount <input checked="" type="checkbox"/> Other	2-4	IR, RM
Kitchen Countertops	<input checked="" type="checkbox"/> Laminate <input type="checkbox"/> Granite <input type="checkbox"/> Corian <input type="checkbox"/> Ceramic Tile <input type="checkbox"/> Concrete <input checked="" type="checkbox"/> Other	2-4	IR, RM
Bathroom Sinks	<input checked="" type="checkbox"/> Drop-in <input type="checkbox"/> Integral <input checked="" type="checkbox"/> Wall Hung <input type="checkbox"/> Pedestal <input type="checkbox"/> Undermount <input type="checkbox"/> Other	2-4	IR, RR
Bathroom Countertops	<input checked="" type="checkbox"/> Laminate <input type="checkbox"/> Granite <input type="checkbox"/> Corian <input type="checkbox"/> Cultured Marble <input type="checkbox"/> Fiberglass Reinforced Plastic <input type="checkbox"/> Other	2-4	RR
Comments	Kitchen cabinets, vanities, and counters are various condition and ages. Plumbing fixtures are older in most units. Replace the cabinets, counters, vanities, and sinks throughout. Additional vanity replacements and cabinet refurbishments are anticipated during the reserve term. Consider solid surface counters for reduced long term maintenance.		

3.4.4 Appliances

Item	Description	Category	Action
Management Provides	<input checked="" type="checkbox"/> Refrigerator <input checked="" type="checkbox"/> Gas range <input type="checkbox"/> Electric range <input type="checkbox"/> Dishwasher <input type="checkbox"/> Washer <input type="checkbox"/> Dryer <input type="checkbox"/> Vent hood w/ microwave <input type="checkbox"/> Other - see below <input type="checkbox"/> Garbage disposal <input checked="" type="checkbox"/> Vent hood <input type="checkbox"/> Microwave <input type="checkbox"/> Other - see below Energy Star: No	2-4	IR, RR, RM
		2-4	IR, RR
Comments	Utilize Energy Star appliances for improved efficiency. Replace refrigerators and ranges during the 55-year term. Replace range hoods as part of routine tenant turn over during the term.		

3.4.5 Cable or Internet Availability

Item	Description	Provider
Cable Available	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Other - see below	Dish network
Internet Access	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Wired <input type="checkbox"/> Wireless <input type="checkbox"/> Broadband <input type="checkbox"/> Other - see below	Dish network
Comments	Adequate utilities are reportedly provided.	

SECTION 4 - MOISTURE AND MICROBIAL GROWTH AND PEST MANAGEMENT

4.1 Moisture and Microbial Growth

Significant microbial growth was not observed during the survey; however, the Client indicated that there has been mold in the past at the unit interiors. Surface mildew was observed due to housekeeping and ventilation issues. Clean mildew growth as part of routine maintenance. Ventilation upgrades are recommended. Evidence of mold growth was observed in the crawl space areas accessed. Mold remediation may be deemed necessary if significant growth is discovered.

Mold growth in buildings is recognized by the EPA to pose a potential threat to human health, however, the extent of repercussions of prolonged exposure to mold is yet to be determined. Studies have shown that toxins produced by some molds may cause health problems in some individuals. These health risks can range from minor irritation to more serious respiratory and/or nervous system problems. It is therefore recommended that management survey the unit noted above for the presence of moisture intrusion, moisture damage and/or mold growth. If identified, all sources of moisture intrusion should be repaired and/or replaced to prevent further damage and/or future mold growth. Additionally, all dwelling units should be surveyed for mold growth upon tenant turn-over. Tenant education and disclosures should be distributed to educate tenants on conditions of mold growth and sources of water infiltration (closed windows, non-operable bathroom exhaust fans and leaks under sinks) that may result in mold growth. Unit inspections and tenant education will help eliminate the possibility of future mold growth at the Property. Moisture damaged areas and areas of mold growth should be repaired and remediated in strict compliance with EPA guidelines, which can be found at the following website: <http://www.epa.gov/iaq/molds/table1.html>.

The Environmental Protection Agency (EPA) indicates that remediation of minor mold growth (less than 10 square feet at each location) can be conducted by regular building maintenance staff during routine maintenance activities. Maintenance personnel involved with mold remediation should receive adequate training on proper clean-up methods, personal protection, and potential health hazards associated with mold. This training can be performed as part of a program to comply with the requirements of the EPA and OSHA Hazard Communication Standard (29 CFR 1910.1200). Should additional information be required on clean-up methods, consultation with a Certified Industrial Hygienist (CIH) is recommended.

4.2 Pest Management

According to property management, the Property is not part of termite bond with a preventative maintenance program in effect.

At the time of our survey we noted no current evidence of termite infestation, however, management reported that wood born beetles have been discovered and treated at buildings 1451 and 1453.

Based on the observed conditions, a full wood destroying pest survey is recommended.

SECTION 5 - SPECIAL HAZARDS, ZONING, BUILDING CODE VIOLATIONS AND REGULATORY COMPLIANCE

Although it is assumed that the noted improvements were constructed in compliance with contemporary building codes and standard building practices at the time of construction, and while the Property remains adequate for present day use, our survey does **not** include a review to determine compliance with local Building Department codes, Fire Department requirements, or Planning Department ordinances. However, the following should be noted:

5.1 Special Hazard Assessment

5.1.1 Peak Ground Acceleration

According to the State of California Department of Conservation, Ground Motion Interpolator (2008) <https://www.conservation.ca.gov/cgs/ground-motion-interpolator>, the Property has a maximum Peak Ground Acceleration (PGA) of 0.544. The Property is in an area that has a 10% or greater probability of exceeding 0.15g (or greater) PGA in 50 years. Because of this designation, a Structural Risk Evaluation Questionnaire (Form 4099.C) has been completed and is provided in the Appendix.

PROPERTY SPECIFIC RISK FACTORS FOR PROPERTIES LOCATED IN ZONES 3 OR 4	OBSERVED?
Reinforced masonry buildings and precast concrete or tilt-up buildings constructed prior to 1994	No
Reinforced concrete frame or reinforced concrete shear wall buildings constructed prior to 1976	No
Wood frame buildings on unbraced cripple walls (sometimes referred to as crawl space walls – short wood perimeter walls used to elevate a property above ground to allow access to the substructure and utility lines or to level a building built on a slope).	No
Wood frame buildings without anchorage to foundation	No
Any building with a weak (soft) story at the first level above grade	No
PROPERTIES IS SEISMIC ZONE 4 ONLY	
Buildings on sites with significant liquefaction potential (for example, areas along the coast or waterways) unless provided with deep foundations (piles or piers).	No
Tuck-under parking buildings constructed prior to 1988	No

According to Fannie Mae Guidelines, a seismic risk assessment is not required due to the lack of key risk factors. No additional detailed investigation has been made into the presence of these hazards; our conclusions are based solely on observations made during our site visit, review of available documents or interviews with others.

5.1.2 Hazards/Geographic Conditions/Catastrophic Loss Potential

For this region, the Property does not appear to be particularly prone to the following hazards or located in the following zones: wild fires, volcanoes, floods (Special Flood Hazard Area), wind zones, hurricane zones, tornado zones, or expansive soils.

A Structural Risk Evaluation (SRE) Questionnaire has been completed for the Property and is provided in Appendix C.

5.1.3 Flood Zone

Based on information provided by the Federal Emergency Map Agency, the site is located in Flood Zones A and X. Zone A is located along the north perimeter adjacent to the creek bed, Zone A is defined as an area subject to inundation by the 1-percent-annual-chance flood event generally determined using approximate methodologies. Because detailed hydraulic analyses have not been performed, no Base Flood Elevations (BFEs) or flood depths are shown. The Property structures appear to be located in Zone X, defined as an area outside the 0.2% annual chance flood plain. Community Panel Number 06023C0680G, Effective Date June 21, 2017.

5.2 Zoning and Code Information

5.2.1 Building Zoning

The Property is zoned RLI-7, AP, Residential Low Density, as designated by the County of Humboldt Planning Department. Multi-family housing is a permitted use in this zone, as long as the density does not exceed eight (8) units per acre according to PPA's brief review of the Humboldt County General Plan dated October 23, 2017.

5.2.2 Building Code Violations

PPA contacted the County of Humboldt Building Department regarding outstanding code violations. Ms. Karen Menyell of the County Building Department reported that there are no current violations on file for the Property.

5.2.3 Fire Code Violations

PPA contacted the Arcata Fire Protection District regarding outstanding fire code violations. Mr. Bill Walser, Fire Inspector indicated that annual inspections are not required based on the current property use. No outstanding issues were identified during Inspector Walser's research.

5.3 Regulatory Compliance

A screening for compliance with the following accessibility standards has been performed:

- American with Disability Act (ADA)
- Fair Housing Act Amended (FHAA)
- Uniform Federal Accessibility Standard ("UFAS" per Section 504 of the Rehabilitation Act of 1973)

This screening is intended to identify basic compliance issues and is not intended to provide a detailed analysis of compliance. Please note that the various standards have similar provisions but are not exactly the same.

5.3.1 Americans with Disabilities (ADA) compliance

Title III of the ADA prohibits discrimination on the basis of disability by private entities in places of public accommodation and requires that places of public accommodation and commercial facilities be designed, constructed and/or altered so as to be readily accessible to and usable to persons with disabilities.

Title III of ADA divides covered buildings and facilities into two (2) categories; public accommodation and commercial facilities. Portions of the property deemed to be public accommodations are subject to the ADA compliance. The ADA requires a place of public accommodation to remove architectural and communication barriers that are structural in nature in existing facilities, where such removal is readily achievable. Readily achievable is defined as easily accomplishable and able to be carried out without much difficulty or expense. Readily achievable is determined on an individual basis. No numerical formula or threshold of any kind has been set by the Justice Department. Items that are currently not readily achievable may become so in the future. No periodic assessment or self-assessment is required by the ADA. However, the Justice Department urges public accommodations to establish procedures for ongoing assessment of their compliance with the barrier removal requirements.

There are no public access areas at the Property.

The Owner of the property is responsible for deciding what building modifications for compliance are “readily achievable” based on financial constraints through consultation with legal counsel.

Because apartment projects are considered a place of residence, they typically do not fall under ADA criteria. The possible exception to this is rental offices or common area amenities (swimming pool) that are made available to the general public, not just tenants and their guests. An example of a common area amenity that may be subject to ADA criteria is a recreation center that sold memberships to the general public. A rental office may generally be considered a place of public accommodation as the public is invited into that area.

Building codes, both current and past, have included barrier free and handicapped access requirements. These requirements may or may not coincide with the precise ADA Accessibility Guidelines (ADAAG). In such cases where access features were provided according to standards other than ADAAG, barrier free access features can enable disabled access but do not necessarily provide compliance with the ADAAG.

Section 36.304 of the ADA requires a place of public accommodation to remove architectural and communication barriers that are structural in nature in existing facilities, where such removal is readily achievable. The law defines readily achievable as meaning easily accomplishable and able to be carried out without much difficulty or expense. Readily achievable is determined on an individual basis. What the readily achievable standard will mean in any particular public accommodation will depend on the individual circumstances. No numerical formula or threshold of any kind has been set by the Justice Department. In order to determine what is readily achievable, an entity should consult with a team consisting of a lawyer and an accountant.

The obligation to engage in readily achievable barrier removal is a continuing responsibility of a public accommodation. Items that are currently not readily achievable may become so in the future. No periodic assessment or self-assessment is required by the ADA. However, the Justice Department urges public accommodations to establish procedures for an ongoing assessment of their compliance with the barrier removal requirements.

ADA Evaluation Checklist					
NO.	BUILDING ACCESS	YES	NO	N/A	COMMENTS
1.	Are there accessible parking space(s) available (96" wide/60" aisle) at public access areas? (i.e. leasing office)			X	
2.	Is there at least one wheelchair accessible van parking space (96" wide/96" aisle at public access areas?			X	
3.	Are accessible parking spaces located on the shortest accessible route of travel from an accessible building entrance?			X	
4.	Does signage exist designating wheelchair accessible parking?			X	
5.	Is there a ramp from parking to an accessible building entry (1:12 slope or less)?		X		Path of travel improvements are recommended.
6.	Are public use areas accessible? If not, are there alternate accessible entries?			X	
7.	Is the accessible entry doorway at least 32" wide?			X	
8.	Is the entry door hardware easy to open (lever/push type with no twisting required, not higher than 48" above floor)?			X	
9.	Are entry doors other than revolving doors available?			X	
NO.	BUILDING INTERIOR	YES	NO	N/A	COMMENTS
1.	Are there publicly accessible restrooms present?			X	
1a.	Is the accessible restroom doorway of public restrooms at least 32" wide?			X	
1b.	Does at least one stall meet the following requirements: <ul style="list-style-type: none"> • minimum stall width of 60-inches • minimum depth of 56-inches • toilet seat height between 17- and 19-inches above the floor • flush controls a maximum of 44-inches above the floor • toilet paper dispenser 19-inches above the floor and 36-inches from the rear wall 			X	

	<ul style="list-style-type: none"> grab bars 36-inches above the floor and a minimum of 40-inches in length along the sidewalls. 				
1c.	<p>Does the sink/vanity meet the following requirements:</p> <ul style="list-style-type: none"> counter tops a maximum of 34-inches above the floor extend a minimum of 17-inches from the wall minimum clearance of 29-inches from the floor to the bottom of the apron clear floor space at least 30" x 48" in front of the counter bottom edge of the mirror a maximum of 40-inches above the floor sinks have one-handed controls (i.e. levers, push or electronic controls) 			X	
2.	Are there elevators at the Property?			X	
2a.	Are elevator controls low enough to be reached from a wheelchair (48" from approach/54" side approach)?			X	
2b.	Are there raised elevator markings in Braille and Standard alphabet for the blind?			X	
2c.	Are there audible/visual signals inside cars and at elevator landings indicating floor change?			X	
3.	Does strobe lighting exist in the corridors and restrooms?			X	
4.	If there is public access to a pool or spa, is a pool lift present?			X	

5.3.2 Fair Housing Act (FHA) Compliance

The scope of this report is limited to a very general overview of the Property improvements based upon the requirements of the Fair Housing Act (FHA) Guidelines in an attempt to identify clear and unequivocal violations of the Act. It is not intended for use or reliance as an audit for purposes of determining strict compliance, but is a tool to identify whether or not a full compliance audit may be appropriate.

Applicability

The Fair Housing Act Amended (FHAA) is a civil rights law that forbids discrimination on the basis of race, color, religion, sex, national origin, familial status and disability. The Fair Housing Act does not require any renovations to existing buildings. The Fair Housing Act design and construction requirements apply to "covered multifamily dwellings" designed and constructed "for first occupancy" after March 13, 1991.

A building was not designed or constructed for first occupancy if:

- It was occupied prior to March 13, 1991
- If the last building permit or renewal of a building permit was issued on or before June 15, 1990
- Buildings where the last building permit was issued on or before June 15, 1990 are not covered by the design and construction requirements. Even if the last building permit was issued after June 15, 1990, if the property was occupied before March 13, 1991, it is not covered. HUD adopted these dates to allow time for the requirements to be considered during the design and construction phase of new properties.
- The "first occupancy" language in the statute has been defined in HUD's Fair Housing Act regulations as "a building that has never before been used for any purpose." This means buildings that are rehabilitated are not covered by the design and construction requirements even if the rehabilitation occurs after March 13, 1991 and even if it is substantial rehabilitation.

Observations

Based on the 1945 date of construction, FHAA does not apply to the Property.

	GENERAL	YES	NO	NA	COMMENTS
1.	Was first occupancy at the property achieved after March 13, 1991?		X		
2.	Has a site analysis test been performed?			X	
3.	Is the property free of complaints about lack of accessibility?			X	
	SITE	YES	NO	N/A	COMMENTS/COST
1.	Public Sidewalks and Public Transportation Stops:			X	
1a.	Are public sidewalks provided along the perimeter of the site?			X	
1b.	Are public transportation stops available?			X	
1c.	Does it appear that adequate accessible paths of travel are provided from adjacent public walks and transportation stops into and the through the property?			X	
2.	Parking:			X	
2a.	Is there an adequate number of accessible and properly marked parking spaces provided?			X	
2b.	Does their location appear reasonable?			X	
2c.	Do the slopes/cross slopes appear too excessive?			X	
3.	Garages and Carports: Are the proper number of garages and carports provided?			X	
4.	Sidewalks and curb cuts:			X	
4a.	Are curb cuts and ramps provided?			X	
4b.	Do sidewalks appear wide enough?			X	
4c.	Do slopes/cross slopes appear excessive?			X	
4d.	Do accessible paths of travel from parking areas appear to extend to the covered dwelling units?			X	
4e.	Do accessible paths of travel appear to connect the covered family dwellings with the common facilities?			X	
	BUILDING	YES	NO	N/A	COMMENTS/COST
1.	Usable entry door:			X	
1a.	Is/are door(s) used as the accessible entrance to a covered dwelling?			X	
1b.	Does the door appear wide enough?			X	
1c.	Is lever hardware provided?			X	
1d.	Does the threshold appear to meet the guidelines?			X	
2.	Elevators:			X	
2a.	Is an elevator provided?			X	
2b.	Does it appear to meet the ANSI accessibility guidelines?			X	
	DWELLING UNIT	YES	NO	N/A	COMMENTS/COST
1.	Clearance and doors:			X	
1a.	Does it appear that adequate access is provided through the dwelling unit?			X	
1b.	Do the doors providing access through the unit appear to be wide enough?			X	
2.	Do the light switches, electrical outlets and environmental controls appear to be in accessible locations?			X	
3.	Does it appear that adequate clear floor space is provided at the sink, refrigerator/freezer, range or cook top, oven, dishwasher and trash compactor?			X	
4.	Does it appear that adequate clearance is provided in "U" shaped kitchens?			X	
5.	Does it appear that sufficient maneuvering space is provided to access the lavatory, tub or shower and water closet and close the door?			X	
6.	Have bathroom walls been properly reinforced to accept grab bars when needed?			X	
	COMMON SPACE AREAS	YES	NO	N/A	COMMENTS/COST
1.	Parking:			X	
1a.	Are an adequate number of accessible parking spaces provided and are these properly marked?			X	
1b.	Does their location appear reasonable?			X	
1c.	Do the slopes/cross slopes appear excessive?			X	
3.	Recreational Facilities: If recreational facilities are provided, does it appear that sufficient accessible facilities are provided?			X	
4.	Laundry: If provided, does it appear that adequate access is provided to laundry facilities?			X	
5.	Common Area Restrooms: Do common area restrooms appear accessible (doors, clearances, lavatories, shower, water closets, urinals, etc.)?			X	

5.3.3 Accessibility Per UFAS in Federally Assisted Housing

Section 504 of the Rehabilitation Act of 1973 applies to programs of the Federal government. Some forms of HUD-FHA participation in a transaction “trigger” Section 504 compliance. The HUD-FHA 223f Pilot program is a trigger. UFAS compliance is mandated by Section 504. UFAS is a Federal accessibility standard that pre-dates ADA but contains many similar provisions. Projects subject to this regulation constructed after August 10, 1982 are required to have 5% of the units are fully accessible. Common areas must also be accessible. Projects constructed before that are “encouraged” to provide 5% fully accessible units during renovation/rehabilitation/repair as deemed feasible and practical.

The Property is not subject to UFAS guidelines. However, a rehabilitation is planned, and code and municipal required accessibility modifications should be implemented during rehab. Areas that may require upgrade include; parking areas, path of travel to and throughout a certain percentage of units, conforming clearances, fixtures, and finishes, cabinet heights, counter heights, and life/safety equipment in a portion of the units.

5.3.4 Benchmarking Disclosure, Energy Audit, Retro-Commissioning Laws and Requirements

The following are prevailing local, state or federal laws or requirements to conduct energy audits or retro-commissioning studies:

There State of California has begun to require Benchmarking for multi-family housing in excess of 50,000 square feet in area (<http://www.energy.ca.gov/benchmarking/>). Therefore, this requirement is not applicable for the Property.

SECTION 6 - AREAS OF ADDITIONAL ASSESSMENT

6.1 Known Problematic Building Materials

	Identified (Yes / No)	Action Recommended (Yes / No)
Fire Retardant Treated Plywood (FRTP)	No	
Compressed Wood or Composite Board Siding	Yes	Yes
Exterior Insulation and Finishing (EIFS)	No	
Problem Drywall (aka "Chinese Drywall")	No	
Unit electrical capacity less than 60 amps	No	
Aluminum Branch Wiring	No	
Electrical Overload Protection - Fused Subpanels	No	
Federal Pacific Electric Stab-Lok panels	No	
Ground Fault Circuit Interrupter (GFCI) in wet / exterior locations	Yes	No
Polybutylene Water Distribution Lines	No	
Galvanized Steel Water Distribution Lines	No	
Recalled fire sprinkler heads (Central, Omega, Gem, Star)	No	
Recalled Cadet Brand Electric in-Wall Heaters	No	
Recalled General Electric / Hotpoint dishwashers	No	
Microbial Growth	Yes	Yes
Wood Destroying Organisms	Yes	Yes
Include any additional Known Problematic Materials identified but not included above:	N/A	

6.2 Work In Progress

Item	Quantity	Cost (\$)	% Complete	Comments
None				

SECTION 7 - REFERENCES

7.1 Fannie Mae Guide

This report was prepared in general accordance with Fannie Mae Selling and Servicing Guide Part III A 2013 and Form 4099, Instructions to the PNA Evaluator, dated July 2018, and HCD guidelines.

Estimated costs for immediate repairs were obtained from the R.S. Means handbook, HVAC and electrical supply vendors and retail pricing as listed by national vendors such as The Home Depot, Menards and Lowes.

Municipalities contacted include the Humboldt County Assessor, Building, Planning and Fire Departments.

Maintenance and management personnel were interviewed while on-site.

The Pre-Survey Questionnaire was completed by management and is attached within the appendices.

7.2 Methodology

Assessment Methodology - Physical Needs Assessment

Significant damage may be present at hidden conditions that cannot be discovered without destructive testing which is beyond the scope of this evaluation. The observations and resulting report are, therefore, not intended to warrant or guarantee the performance of any building components or systems.

This report does not confirm the presence or absence of asbestos, PCB'S, or toxic soils on this Property.

This evaluation is based on the evaluator's judgment of the physical condition of the improvements and estimated expected remaining useful life of those improvements. The actual performance of individual components may vary from a reasonably expected standard and may be affected by circumstances, which occur after the date of evaluation. The evaluation is based solely on visual observations.

No original construction blue prints, geotechnical reports, construction documents, or other related material were available for review. No representation is made as to the status of title, legality of lots or zoning of the project, nor is any representation made as to the advisability or inadvisability of the purchase of, investment in, or financing of the subject.

Although it is assumed that the noted improvements were constructed in compliance with contemporary building codes and standard building practices at the time of construction, and while the Property remains adequate for present day use, the survey does not include a detailed review to determine compliance with local Building Department codes, Fire Department requirements, or Planning Department ordinances.

This report does not constitute a structural or pest control inspection. However, if termite damage or other pest control problems were observed, it has been noted in the report.

Due to the limitation of the survey and investigation process, and the necessary use of unverified data furnished by others, PPA cannot assume liability if actual conditions vary from the information contained herein.

The staff of PPA has prepared whose seal(s) this report for the Client under the professional supervision of the principal and/or senior staff and signatures appear hereon. PPA, nor any staff member assigned to this investigation has any interest or contemplated interest, financial or otherwise, in the subject or surrounding properties, or in any entity which owns, leases, or occupies the subject or surrounding properties or which may be responsible for issues identified during the course of this investigation, and has no personal bias with respect to the parties involved.

The information contained in this report has received appropriate technical review and approval. The conclusions represent professional judgments and are founded upon the findings of the investigations identified in the report and the interpretation of such data based on experience and expertise according to the existing standard of care.

The investigation was prepared in accordance with the Client's scope of work for the use and benefit of the Client, its successors, and assignees. It is based, in part, upon documents, writings, and information owned, possessed, or secured by the Client. Neither this report, nor any information contained herein shall be used or relied upon for any purpose by any other person or entity without the express written permission of the Client.

The consultant understands that the Client may wish to transfer its interest in this site to others and hereby grants express permission for participating lenders, rating agencies and future holders of the secured interest to rely upon the results of this investigation to the full extent provided under its contractual agreement with the Client. The consultant hereby acknowledges that this statement of limitations supersedes any other warranty or limitation, either expressed or implied.

Assessment Activities - Physical Needs Assessment

The purpose of our observation and resulting report is to assess the general condition of the buildings and site in general accordance with Fannie Mae Selling and Servicing Guide Part III A 2013 and Form 4099, Instructions to the PNA Evaluator, dated July 2018 and HCD guidelines. The specific objectives are to:

- Identify and locate significant defects, deficiencies and items of deferred maintenance.
- Identify obvious and significant deficiencies concerning common building and safety code compliance.
- Establish a conservative cost estimate to correct such defects, deficiencies, deferred maintenance and violations.
- Establish a conservative replacement reserve sufficient to address capital needs at the Property during the term of 55 years.
- Provide a summary of the physical attributes of the Property.

Cost Estimation Methodology- Physical Needs Assessment

Repairs and improvement cost estimates are based on approximate quantities and costs or furnished information that is assumed to be accurate. A detailed survey of quantities for cost estimating is not included. Statements of the estimated costs to repair, replace, or upgrade the improvements are those which PPA considers to be probable for the current local market. Such statements do not constitute a warranty or a representation that all items, which may need repair or attention, are included, nor that the actual cost of performing repairs will not vary from the estimate. Overhead and profit for possible contractor installations are not included.

PPA bears no control over the cost of labor, materials, equipment or services furnished by others, over contractors' methods of determining prices, or over competitive bidding and market conditions. Opinions of probable construction costs provided herein reflect adjusted industry averages and are made on the basis of PPA. experience and qualifications. PPA. cannot and does not guarantee that proposals, bids or construction costs will not vary from opinions of probable costs prepared by same.

The estimated costs detailed in this report are based on a survey of representative building areas. Items of deferred maintenance and the effective ages of building components observed are projected onto the balance of the complex. Where actual cost information for specific items is not available from the Property management, industry costs are derived from our field experience and from reference material such as BNI, R.S. Means Co., Inc., and National Construction Estimator. General contractor overhead and profit costs, should a general contractor be required, have not been included in these estimates. General contractor fees can vary widely; an allowance of 10-15% mark-up would not be unreasonable.

When work in progress has been observed, such work is noted in the report and assumed for cost estimating purposes to be complete, unless observed to be unacceptable in quality or scope.

The purpose of the report is not to identify minor, inexpensive repairs or other maintenance items that are part of the Property owner's current operating pattern and budget, so long as these items appear to be taken care of on a regular basis. However, such items are commented on if they do not appear to be routinely addressed or are in need of immediate repair.

7.3 Limitations

This report is prepared solely for the use and benefit of the Client in accordance with Fannie Mae guidelines. Our recommendations have been prepared in accordance with customary principles and practices. This warranty is in lieu of all other warranties either expressed or implied. PPA is not responsible for the independent conclusions, opinions or recommendations made by others based on the field exploration presented in this report.

Limitations - Physical Needs Assessment

Documents and data provided by the Redwood Community Action Agency (the Client), designated representatives of the Client, or interested parties consulted in the preparation of this report have been reviewed with the understanding that consultant assumes no responsibility or liability for their accuracy.

Our survey and this report pertain only to the current physical conditions of the premises and existing improvements, and relate only to those areas readily accessible and available for visual observation. No structural, seismic, invasive or destructive investigations were performed since it is beyond the scope of our Physical Needs Assessment. Surveyed areas typically consist of public and common areas such as parking facilities and the grounds in general, corridors and walkways, laundry facilities, accessible dwelling units and equipment rooms. No geotechnical reports, construction documents or other project related materials were available for review. No representation is made as to the status of title, legality of lots or zoning of the Property, nor is any representation made as to the advisability or inadvisability of the purchase of, investment in, or financing of the Property.

Conditions, codes, covenants and restrictions which may be part of the legal deed of title to the Property, and which may vary in description of Property boundaries, easements or dedications have not been disclosed or reviewed as part of this Assessment.

Please be advised that the roof observations and related comments are not to be interpreted as a full and comprehensive roof survey and should not be interpreted to mean the roof is free of leaks. Should a comprehensive report on the condition of the system be required, the services of a qualified roofing consultant should be considered.

Mechanical and electrical recommendations are subject to consultation of a licensed contractor prior to finalization of the work scopes.

Exhibit A
Photo Documentation



1. South perimeter of the Property as seen from across Murray Road.



2. East perimeter of the Property, view south. Note damaged wood fencing.



3. Typical site fencing.



4. Typical condition of the asphalt paving and landscaping.



5. Typical carport, fencing, and landscaping.



6. Non-conforming ramp at accessible unit entry.



7. Typical yard area and building.



8. Typical trash storage.



9. Damaged and missing site fencing.



10. Damaged walkway.



11. Vehicular entrance and mailboxes.



12. Typical building construction



13. Crawl space ventilation and concrete stem wall.



14. Typical crawl space conditions, not damaged insulation, waste, debris and moisture.



15. Debris in crawl space and mildew or mold on soil, lack of vapor barrier.



16. Typical older roofing conditions. Note exterior water heater closet.



17. Worn and missing roofing, peeling paint and damaged siding.



18. Building mounted signage, unit entry, single hung window, siding and downspout for roof drainage.



19. Peeling paint at exterior siding and trim.



20. Damaged siding and individual electrical meters.



21. Damaged siding.



22. Damaged siding



23. Damaged water heater enclosure door and typical rear entry to the units.



24. Copper water lines.



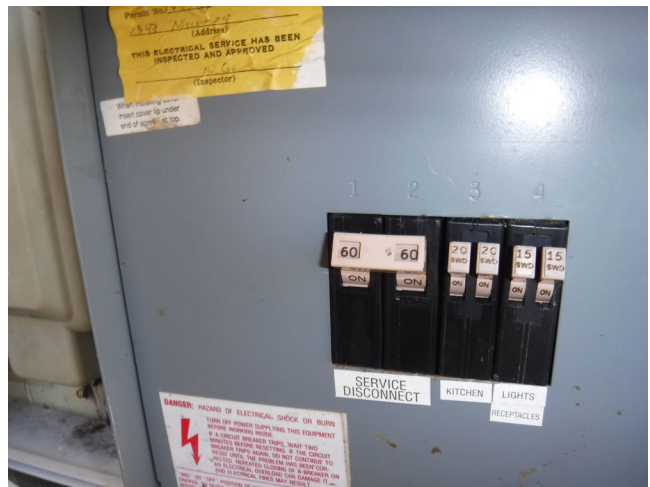
25. Typical water heater.



26. ABS waste line below bathroom sink.



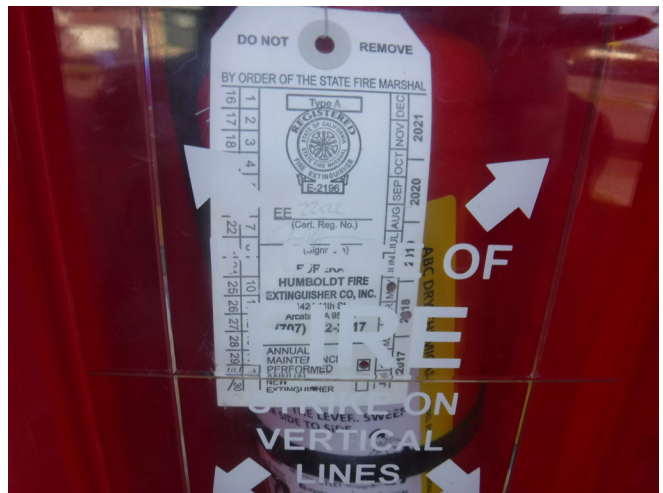
27. Rust damaged electrical subpanel at meter.



28. 60-amp electrical service to the units.



29. Copper wire observed and reported.



30. Building mounted fire extinguisher.



31. Smoke detector and light fixture at unit bedroom.



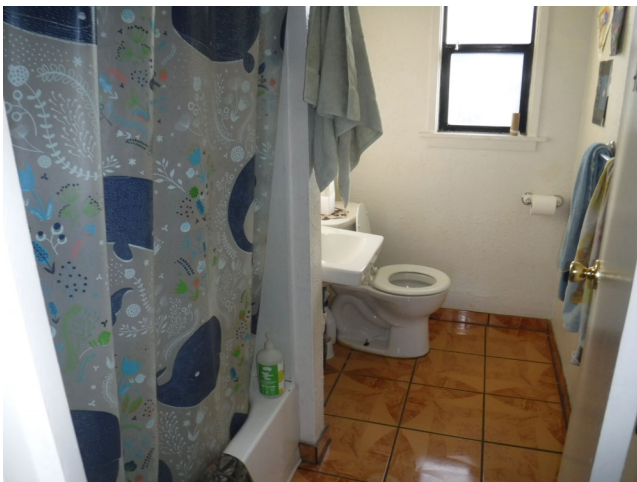
32. Typical unit heater.



33. Bathroom ventilation and typical light fixture.



34. Carbon monoxide detector.



35. Typical bathroom finishes.



36. Vacant unit bathroom being turned over.



37. Accessible unit kitchen.



38. Accessible unit shower enclosure.



39. Accessible unit bathroom sink.



40. Accessible unit toilet.



41. Standard unit kitchen finishes and fixtures.



42. Repaired damaged to interior door and carpeting at living areas.



43. Florescent lighting at unit kitchen.



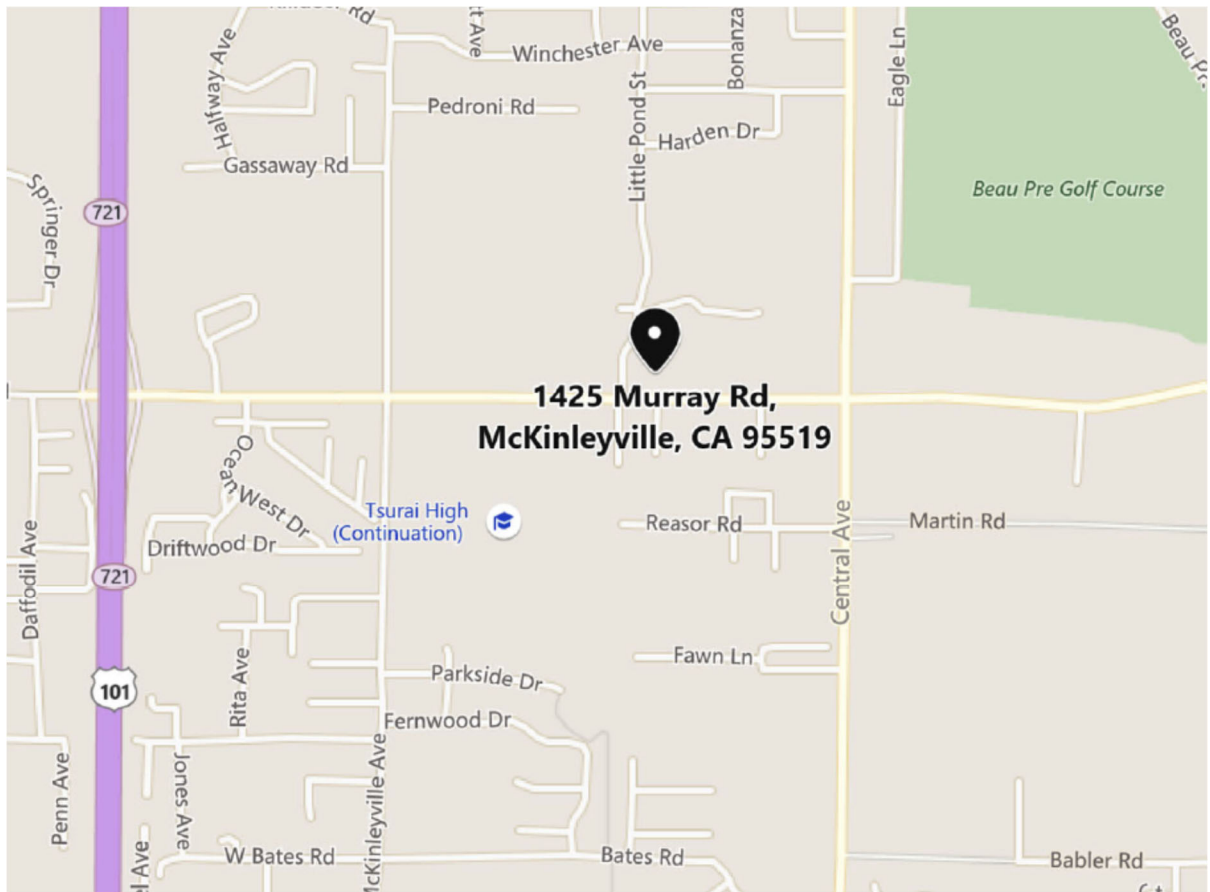
44. Peeling finish at bathroom tub.

Exhibit B
Maps



NOT TO SCALE

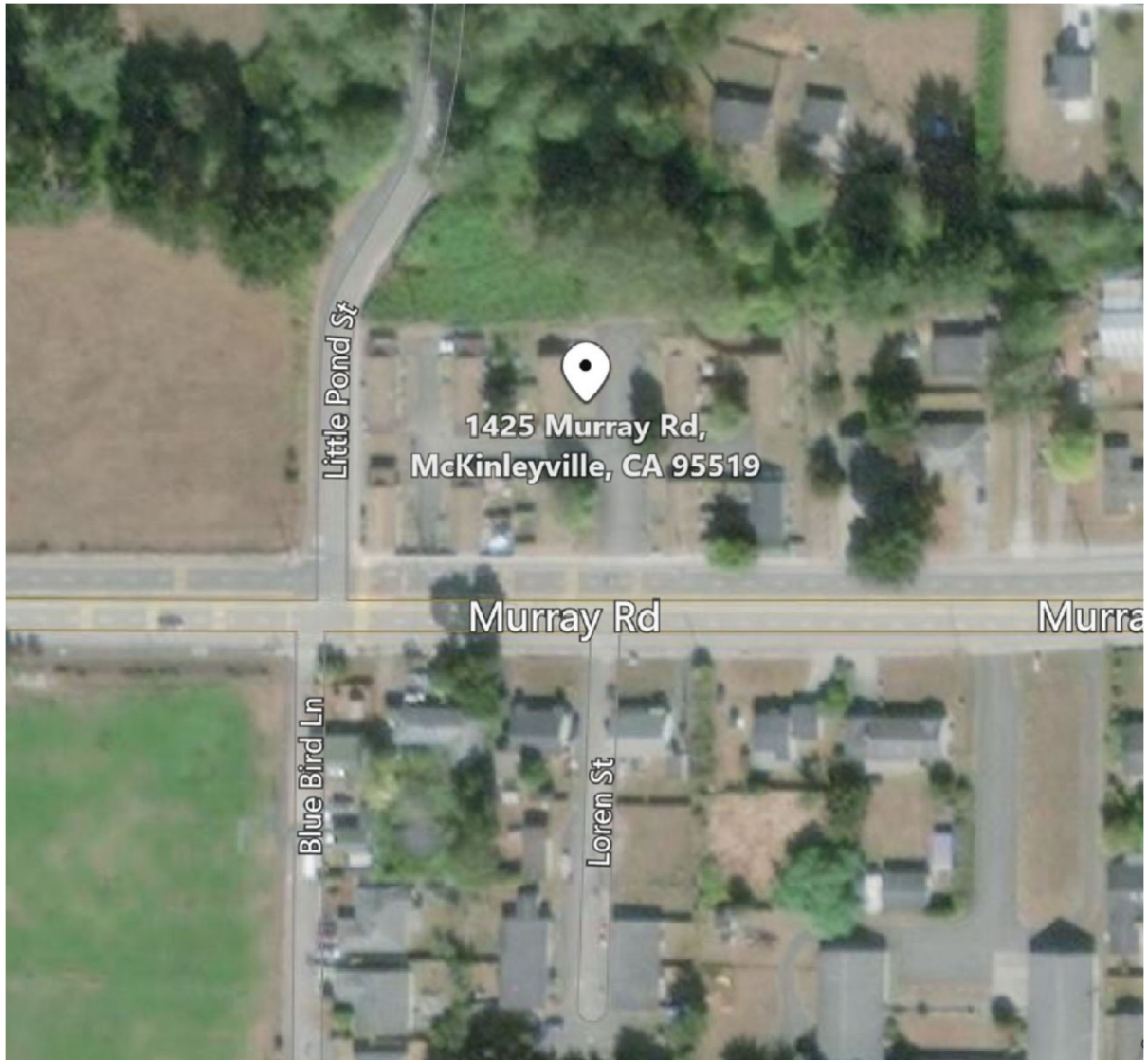
MURRAY DUPLEXES
1419-1457 Murray Road
McKinleyville, California 95519
VICINITY MAP





NOT TO SCALE

MURRAY DUPLEXES
1419-1457 Murray Road
McKinleyville, California 95519
SITE MAP

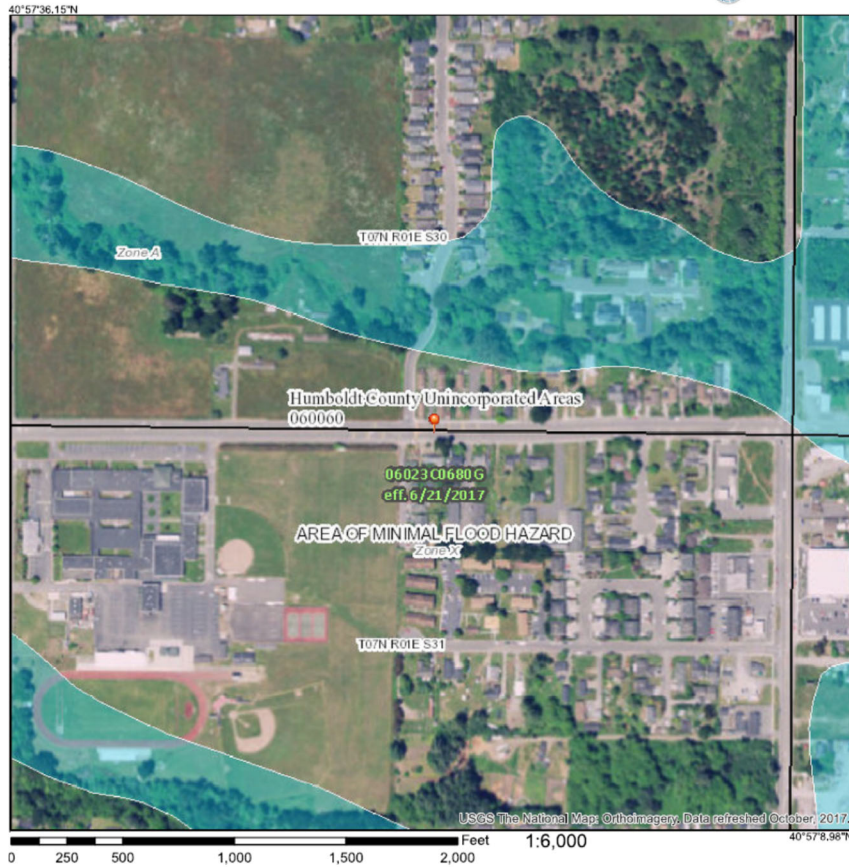




MURRAY DUPLEXES

1419-1457 Murray Road
McKinleyville, California 95519
FEMA MAP

National Flood Hazard Layer FIRMette



Legend

SEE FIS REPORT FOR DETAILED LEGEND AND INDEX MAP FOR FIRM PANEL LAYOUT

- | | |
|--|---|
| | Without Base Flood Elevation (BFE)
Zone A, V, A99 |
| | With BFE or Depth Zone AE, AO, AH, VE, AR |
| | Regulatory Floodway |
| | 0.2% Annual Chance Flood Hazard, Areas of 1% annual chance flood with average depth less than one foot or with drainage areas of less than one square mile Zone X |
| | Future Conditions 1% Annual Chance Flood Hazard Zone X |
| | Area with Reduced Flood Risk due to Levee. See Notes. Zone X |
| | Area with Flood Risk due to Levee Zone D |
| | NO SCREEN Area of Minimal Flood Hazard Zone X |
| | Effective LOMRs |
| | Area of Undetermined Flood Hazard Zone D1 |
| | Channel, Culvert, or Storm Sewer |
| | Levee, Dike, or Floodwall |
| | Cross Sections with 1% Annual Chance Water Surface Elevation |
| | Coastal Transect |
| | Base Flood Elevation Line (BFE) |
| | Limit of Study |
| | Jurisdiction Boundary |
| | Coastal Transect Baseline |
| | Profile Baseline |
| | Hydrographic Feature |
| | Digital Data Available |
| | No Digital Data Available |
| | Unmapped |
- MAP PANELS
-
- The pin displayed on the map is an approximate point selected by the user and does not represent an authoritative property location.

This map complies with FEMA's standards for the use of digital flood maps if it is not void as described below. The basemap shown complies with FEMA's basemap accuracy standards.

The flood hazard information is derived directly from the authoritative NFHL web services provided by FEMA. This map was exported on 1/28/2019 at 4:52:19 PM and does not reflect changes or amendments subsequent to this date and time. The NFHL and effective information may change or become superseded by new data over time.

This map image is void if the one or more of the following map elements do not appear: basemap imagery, flood zone labels, legend, scale bar, map creation date, community identifiers, FIRM panel number, and FIRM effective date. Map images for unmapped and unmodernized areas cannot be used for regulatory purposes.

Exhibit C
Structural Risk Evaluation Questionnaire

STRUCTURAL RISK EVALUATION QUESTIONNAIRE

QUESTION	YES/NO
1. Do any building structures on the Property consist of un-retrofitted, unreinforced masonry construction? <i>(If fully retrofitted after the year 2000, then answer "No")</i>	No
2. Are any building structures on the Property located on a 30-degree (58%) or greater slope?	No
3. Do any building structures on the Property have a weak or soft story (as defined by the International Building Code, the latest edition) at any level or story?	No
4. Do any of the building structures on the Property have reinforced Concrete Shear Walls or are Concrete Framed Buildings constructed prior to 2000?	No
5. Are any of the building structures on the Property Concrete Masonry Buildings or Concrete (tilt-up) construction built prior to 2000?	No
6. Are any of the building structures on the Property constructed with or contain adobe or hollow clay tiles?	No
7. Are any of the building structures on the Property built with non-ductile concrete framing?	No
8. Are any building structures on the Property pre-cast concrete construction with four or more stories?	No
9. Do any of the building structures on the Property consist of retrofitted, unreinforced masonry construction?	No
10. Have any of the building structures on the Property sustained previous structural earthquake damage?	No
11. Are any of the building structures on the Property high-rise (8-stories or greater) buildings constructed prior to 2000?	No
12. Are any of the building structures on the Property constructed with vertical offset shear walls?	No
13. Do any of the wood framed building structures on the Property have any of the following characteristics:	
a. Constructed prior to 1945 (i.e., structures not positively attached to the foundations and cripple walls)?	No
b. Un-retrofitted and built prior to 2000 with any type of vehicular parking under dwelling units including tuck-under parking?	No
c. Constructed with any shear walls comprised of stucco, plaster or drywall?	No
d. Constructed with any shear walls exhibiting aspect ratios greater than 4:1?	No
e. Located less than 2-feet between adjacent buildings (pounding hazard) and were constructed prior to 2000?	No
f. Consist of any deteriorating wood lateral-force resisting elements?	No
14. Do any building structures on the Property include any cantilever construction extending more than three feet?	No
15. Do any of the construction characteristics present a risk that the buildings or part of any buildings would collapse in an earthquake? If yes, describe.	No

Exhibit D
Pre-Site Visit Questionnaire

PROPERTY QUESTIONNAIRE

Property Name: Murray Duplexes

Property Address: 1419-1457 Murray Road

City, State Zip: McKinleyville, CA 95519

Property website: www.housinghumboldt.org

On-Site Property Contact: Carol Courtney

Number of years with property: 0

Maintenance Technician: Jeff Cloney

Number of years with property: 4

Management Company Name: Rural Communities Housing Development Corporation

Telephone: (707) 839-7325

Fax: Same

Email: ccourtney@rchdc.org

Property Owner/Entity: Redwood Community Action Agency

Date of construction: 1945

Date of first occupancy: Acquired with HOME in 1993

Assessor Parcel No: 511-101-22

Municipality or City/County that has jurisdiction over the property: Humboldt County

Size of the Property **in acres**: 2.12

- Provide Assessor's Parcel Map

Total parking spaces:

Open: 46

Carport Covered: 7

Garage enclosed

ADA

Van Accessible ADA

Number of buildings: 10

Number of stories: 1

Building Area: 9,600

Rentable area: 9,600

Gross building area: 9,600

Residential building area: 9,600

Commercial building area: 0

PROPERTY QUESTIONNAIRE

Number of units / tenant spaces are at the Property:

Apartments: 20

Retail

Commercial

Office

Other

Provide a unit and type count by bedroom and square feet:

<i>Unit Floor Plan</i>	<i>Quantity</i>	<i>Area (SF)</i>
2 Bedroom	9	480
1 Bedroom	1	480

DOCUMENT AND INFORMATION CHECKLIST

Please provide the following information if available (in electronic format) so we can proceed with the survey of the property.

- As-Built or original blue prints for the structures, ALTA surveys, reduced scale site plan
- Certificate of Occupancy
- Building permits for recent remodels or major repairs
- Original building permits
- Assessor's tax card
- Copies of recent annual inspections from Building, Code Enforcement, or Fire Department
- Occupancy report or rent roll that lists unit, floor plan type, area and if occupied or vacant
- Capital expenditures for last five years
- Warrantees on major systems such as roofing or HVAC
- List of floor plans and unit square footage
- Copies or prior reports (Physical Needs or Phase I environmental reports)
- Copy of recent appraisal
- Current or recent title report
- List of Furnishings, Fixtures and Equipment (including quantities) that is owned by the Property (including commercial grade kitchen equipment), if applicable

PROPERTY QUESTIONNAIRE

List, to the best of your knowledge, any deficiencies or problems with the site, parking area, amenities or utilities:

Site drainage currently flows toward buildings. During heavy rain events, the on-site DI is unable to keep up with the demand causing pooling of water around DI, which is located at a central point in the driveway. Site is in need of Low Impact Development (LID) improvements.

List, to the best of your knowledge, any structural, water infiltration, mold, roof, plumbing, HVAC, Fire Alarm or electrical deficiencies or problems:

The buildings do not have moisture barriers under each structure and there no wall insulation. There are various types of attic insulation. All buildings have issues with mildew growth. Some structures have "squishy" floors that may be caused by moistures and/or issue with subfloor connection to floor joists.

During the last five years, have any major capital improvements been made to the site or building(s)? If so, please explain, with the approximate cost:

No

Any knowledge of moisture damage, water intrusion through walls, roofs, windows, slabs, or mold infestations at the Property? List locations and plan of action. Provide copies of estimates or contracts for repairs.

All buildings have surface growth mildew. Most of the buildings have aging roofing systems with multiple layers of roofing materials.

Any knowledge of structural concerns (foundation settlement, wall cracks, dry rot, termite infestations)?

1451/1453 building is being treated for wood boring beetles.

When were the following systems last inspected? **Please provide copies of recent testing / certification for all systems**

The HOME Program inspection called out a safety concern with smoke detectors that are disarmed by tenants due to the lack of ventilation. The inspection called out the installation of over range ventilation to reduce the issues with the smoke detectors.

<u><i>Date of Inspection</i></u>	<u><i>Name of company</i></u>
----------------------------------	-------------------------------

FIRE ALARM: None

FIRE SPRINKLERS: None

ELEVATOR SYSTEMS: None

FIRE EXTINGUISHERS: 8 exterior are serviced annually. See on site record.

Provide name of utility providers

Electricity: PG&E
District (MCSD)

Water: McKinleyville Community Services

PROPERTY QUESTIONNAIRE

Storm Drainage: MCSD

Sanitary Sewer: MCSD

Natural Gas or Oil: Natural Gas

Trash Hauler: Humboldt Sanitation

Internet / Cable TV:

SPECIAL UTILITIES

List any special utility systems including (wells, septic, dry wells, sewage treatment) and who owns and maintains those systems. Provide details of system components here as well as any recent repairs or replacements.

Not applicable

If you are performing or planning any repairs or replacement work to the property that will exceed \$2,000 please explain, with the approximate cost:

Property owner, Redwood Community Action Agency, has applied for a CDBG loan to conduct major renovations within the next 6 months.

If the Property has a swimming pool or hydro spa, has the drain and pump system been upgraded to comply with the Virginia Graeme Baker Act? If not, when do you plan to complete this federally mandated upgrade?

Not applicable.

List any other concerns or problems you have recently experienced with the site, structures or other systems and finishes at the Property.

All interior cabinetry and fixtures seem to be nearing the useful life span. There are no closet doors. The majority of the windows are aluminum.

Are any of the following recalled building products present at the Property?

- Galvanized site or building water lines
- Polybutylene water lines
- ABS waste lines (site or building waste lines) installed during any of the below periods or marked with this manufacturer name
 - o **Centaur:** January 1985 through September 1985
 - o **Phoenix:** November 1985 through September 1986
 - o **Gable:** Periodically between November 1984 and December 1990
 - o **Polaris:** Periodically between January 1984 and December 1990
 - o **Apache:** Periodically between November 1984 and December 1990
- Aluminum electrical wiring (building branch wiring at outlets and switches)
- Recalled fire sprinklers (see <https://www.cpsc.gov/Recalls/2003/cpsc-central-sprinkler-company-update-voluntary-recall-to-replace-o-ring-fire>)
- LP siding (composite wood siding)
- EIFS (Exterior Insulated Finish System)
- Defective / delaminated fire retardant treated plywood (in attics)
- Cadet/Encore brand electric heaters installed 1982-1999
- GE or Hotpoint dishwashers installed 1983-1989

List here problems with systems from the above list:

Unknown

PROPERTY QUESTIONNAIRE

This information assists us in accurately completing the assessment of the property. Upon completion please email to ms.speer@cox.net or fax to 866-532-6905. Thank you for completing the questionnaire.

Exhibit E
Record of all Documents Reviewed, Interviews, and
Supporting Information

Ground Motion Interpolator (2008)

Longitude:

Latitude:

VS30: (180-1050 m/sec)

Return Period:

2% in 50 years 10% in 50 years

Spectral Acceleration:

PGA 0.2 second SA 1.0 second SA

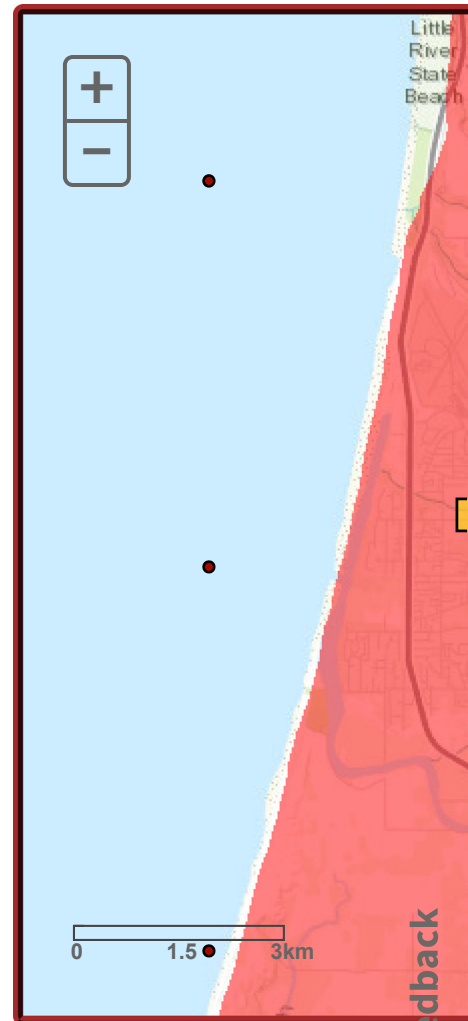
Inputs:

-124.10481, 40.95666
vs30: 270 m/sec
10% in 50 years
PGA

Result:

0.544 g

[Information and Disclaimer](#)



TRA 115002
Use Code 2110
CSD Info Arcata Fire Protection District
NCUAQMD Referral Required? No
Firm # 680
Agricultural Preserve? No
Geo Hazard # 0- Relative Stability
Fire SRA No
Fire FRA
Recorder's Ref. 1993R033536
 Insert New Address

Parcel Address

No.		Street	City	State	Zip	Link to Map
1	Additional	1419 Murray Rd	McKinleyville	CA		95519 http://maps.google.com/maps?f=q&hl=en&geocode=&q=1419 Murray Rd McKinleyville CA
2	Additional	1421 Murray Rd	McKinleyville	CA		95519 http://maps.google.com/maps?f=q&hl=en&geocode=&q=1421 Murray Rd McKinleyville CA
3	Additional	1423 Murray Rd	McKinleyville	CA		95519 http://maps.google.com/maps?f=q&hl=en&geocode=&q=1423 Murray Rd McKinleyville CA
4	Additional	1425 Murray Rd	McKinleyville	CA		95519 http://maps.google.com/maps?f=q&hl=en&geocode=&q=1425 Murray Rd McKinleyville CA
5	Additional	1427 Murray Rd	McKinleyville	CA		95519 http://maps.google.com/maps?f=q&hl=en&geocode=&q=1427 Murray Rd McKinleyville CA
6	Additional	1429 Murray Rd	McKinleyville	CA		95519 http://maps.google.com/maps?f=q&hl=en&geocode=&q=1429 Murray Rd McKinleyville CA
7	Additional	1431 Murray Rd	McKinleyville	CA		95519 http://maps.google.com/maps?f=q&hl=en&geocode=&q=1431 Murray Rd McKinleyville CA
8	Additional	1433 Murray Rd	McKinleyville	CA		95519 http://maps.google.com/maps?f=q&hl=en&geocode=&q=1433 Murray Rd McKinleyville CA
9	Additional	1435 Murray Rd	McKinleyville	CA		95519 http://maps.google.com/maps?f=q&hl=en&geocode=&q=1435 Murray Rd McKinleyville CA
10	Additional	1437 Murray Rd	McKinleyville	CA		95519 http://maps.google.com/maps?f=q&hl=en&geocode=&q=1437 Murray Rd McKinleyville CA
11	Additional	1439 Murray Rd	McKinleyville	CA		95519 http://maps.google.com/maps?f=q&hl=en&geocode=&q=1439 Murray Rd McKinleyville CA
12	Additional	1441 Murray Rd	McKinleyville	CA		95519 http://maps.google.com/maps?f=q&hl=en&geocode=&q=1441 Murray Rd McKinleyville CA
13	Additional	1443 Murray Rd	McKinleyville	CA		95519 http://maps.google.com/maps?f=q&hl=en&geocode=&q=1443 Murray Rd McKinleyville CA
14	Additional	1445 Murray Rd	McKinleyville	CA		95519 http://maps.google.com/maps?f=q&hl=en&geocode=&q=1445 Murray Rd McKinleyville CA
15	Additional	1447 Murray Rd	McKinleyville	CA		95519 http://maps.google.com/maps?f=q&hl=en&geocode=&q=1447 Murray Rd McKinleyville CA
16	Additional	1449 Murray Rd	McKinleyville	CA		95519 http://maps.google.com/maps?f=q&hl=en&geocode=&q=1449 Murray Rd McKinleyville CA
17	Additional	1451 Murray Rd	McKinleyville	CA		95519 http://maps.google.com/maps?f=q&hl=en&geocode=&q=1451 Murray Rd McKinleyville CA
18	Additional	1453 Murray Rd	McKinleyville	CA		95519 http://maps.google.com/maps?f=q&hl=en&geocode=&q=1453 Murray Rd McKinleyville CA
19	Additional	1457 Murray Rd	McKinleyville	CA		95519 http://maps.google.com/maps?f=q&hl=en&geocode=&q=1457 Murray Rd McKinleyville CA
20	Primary	1455 Murray Rd	McKinleyville	CA		95519 http://maps.google.com/maps?f=q&hl=en&geocode=&q=1455 Murray Rd McKinleyville CA

PARCEL ADDRESS

OWNER INFO

Last Title Change 11/23/1993
Name Redwood Community Action Agency Inc
O-Address 1
O-Address 2 904 G St
O-City Eureka
O-State CA
O-Zip 95501
O-Zip4
O-Phone Number

O-E-mail Address

Permit Table

No.	Application Number	Permit Number	File Location	Project Type	Project Description
1	46117	18-424-M-7	Issued	M - Mechanical	Replace wall furnace in existing residence.
2	40046	15-1201-M-7	Issued	M - Mechanical	install new gas wall furnace as replacement into ex unit
3	37857	14-845-P-7	Issued	P - Plumbing	remove & install new 40 gal water heater
4	34568	12-770-R-7	ARCHIVED	R - Roof	Re-roof to existing two residence on parcel
5	26981	08-0021M7		M - Mechanical	Replace Wall Heater W/New 35,000 Btu Unit In Ex Duplex
6	26685	07-1464P7		P - Plumbing	Replace Ex Gas Line For Unit #1443 Only
7	20772	04-1276A7	ARCHIVED	A - Addition	Assess And Repair Fire Damage To One Unit In Apartment Complex
8	20759	04-1102E7		E - Electrical	Electrical Service Repair To Duplex (1419 And 1421 Murray Road)
9	15880	01-1350PM7		-	Install 2 New Heaters 35,000 Btu & 1 Water Heater Into Existing Duplex'S
10	12865	00-0032P7		-	Replace Existing Gas Water Heater In Existing Residence
11	9082	97-1278PM7		PM - Plumbing/Mechanical	Install 5 Ranges, 2 Wtr Htrs, & 6 Wall Htrs In 8 Exist Units - All Gas Appls
12	6304	96-0403E7		E - Electrical	Add Elect Outlts/Lts/Swtchs/Smk Dtctrs To Ex Duplex - Supplemental To 96-384
13	6084	96-0384A7		A - Addition	Interior Repair To Ex Duplex Per Rcaa Report Replace 4 Porches Demo 1 Crpt
14	5766	95-1687A7		A - Addition	Res Repairs To Ex Duplex As Per Rcaa Report (Plumbing/Electrical/Siding/Etc)
15	5388	95-1481A7		A - Addition	Res Repair To Ex Duplexes (2) As Per Report & Replace Back Steps
16	4277	95-0719A7		A - Addition	Termite Rpr Rewire & Re-Plumb Windows Drs Porches Of 2 Ex Duplexes (4 Unit)
17	3389	94-1374A7		A - Addition	Interior Rehab Of 4 Units (2 Sets Of Duplexes) And 2 Carports (See Report)

Subject **re: Murray Duplexes, McKinleyville**
From Bill Walser <bwalser@arcatafire.org>
To <sspeer@physicalpropertyanalysis.com>
Date 2019-01-29 09:25 AM

In regards to your request for information about Murray Duplexes, McKinleyville (1419 thru 1457 Murray Rd) our agency does not do annual inspections of the facility. The Occupancy Classification for the parcel is R-3 which does not fall under the state mandated inspection requirements.

Checking our old computer occupancy files I did not locate any outstanding issues for the property. The only contacts that would be listed would be of complaint, medical aid, or response request matters; not inspections.

Hope this helps.

Bill

Bill Walser

Fire Inspector

Arcata Fire District

2149 Central Ave.

McKinleyville, CA 95519

707-825-2000

bwalser@arcatafire.org

Tuesday thru Thursday 8:00am-2:00pm

This message is covered by the Electronic Communications Privacy Act, currently 18 USC §§ 2510-2521, and is legally privileged. The information contained in this message is exclusively intended for the individual or entity named above. If the reader of this message is not the intended recipient, or the employee or agent responsible to deliver it to the intended recipient, you are hereby notified that any dissemination, distribution or copying of this communication is strictly prohibited. If you have received this communication in error, please notify the sender immediately and destroy the original message with all attachments.

Subject **Request for Research, Murray Duplexes, McKinnleyville**
From M. Samantha Speer <sspeer@physicalpropertyanalysis.com>
To <info@arcatafire.org>
Date 2019-01-28 12:17 PM

Hello,

Physical Property Analysis has been hired by the owner to complete a physical needs assessment of the referenced property.

The range of addresses is 1419-1457 Murray Road

The APN is 511-101-22

As part of our assessment we need to verify the following:

Are Fire Department annual inspections completed for the property.

Are there any open violations for the Property?

We appreciate your assistance.

--

M. SAMANTHA SPEER
Owner and Consultant



WWW.PHYSICALPROPERTYANALYSIS.COM

619.990.8392

866.532.6905 FAX

This message is intended for the individual or entity named above. If you are not the intended recipient, please do not read, copy, use or disclose this communication to others. Please notify the sender by reply and delete this message from your system. Thank you.

Subject **FW: Request for Research, 1419-1457 Murray Road McKinleyville, California 95519**
From Meynell, Karen <KMeynell@co.humboldt.ca.us>
To sspeer@physicalpropertyanalysis.com <sspeer@physicalpropertyanalysis.com>
Date 2019-01-28 02:28 PM

- 511-101-022 permit info.xls (~35 KB)

Hello Samantha,

Please see the attached list of permits dating back to 1993. Prior to that year, the permits are not computerized. You may be able to get additional information from the Assessor's office. Alternately, we have permit lists from 1972 to 1992 in our lobby. When permits are finalized we purge the paperwork. It is unlikely that we have more information than what is contained with the attachment. In order to be sure, you would have to request for each file to be pulled from our storage facility and brought to the Building Department for your viewing. We pull files every Friday. I find no current violations for this parcel.

Please let me know if you have additional questions.

Thanks,



Karen Meynell

Permit Supervisor

[Planning and Building Department](#)

3015 H Street | Eureka, CA 95501

Phone: 707-445-7245 | Fax: 707-445-7446

Email: kmeynell@co.humboldt.ca.us

From: Moxon, Delilah

Sent: Monday, January 28, 2019 11:39 AM

To: Meynell, Karen <KMeynell@co.humboldt.ca.us>

Subject: FW: Request for Research, 1419-1457 Murray Road McKinleyville, California 95519

From: M. Samantha Speer <sspeer@physicalpropertyanalysis.com>
Sent: Monday, January 28, 2019 11:16 AM
To: Moxon, Delilah <DMoxon@co.humboldt.ca.us>
Subject: Request for Research, 1419-1457 Murray Road McKinleyville, California 95519

Hello,

Physical Property Analysis has been hired by the property owners to complete a physical assessment of the Murray Duplexes in McKinleyville.

It is our understanding that the County has jurisdiction for building permits, violations, zoning, etc., for the property.

Is it possible to obtain copies of building permits via email?

If not, do you have any records that confirm the original date of construction, dates of any major rehabs, and/or any currently open building permits?

Also, do you have any information regarding the building square footage?

Lastly, can you confirm if there are records of open code violations on file?

The APN is 511-101-22, the address is above in the subject line.

We appreciate your assistance in this matter.

M. SAMANTHA SPEER
Owner and Consultant



WWW.PHYSICALPROPERTYANALYSIS.COM

619.990.8392

866.532.6905 FAX

This message is intended for the individual or entity named above. If you are not the intended recipient, please do not read, copy, use or disclose this communication to others. Please notify the sender by reply and delete this message from your system. Thank you.

Exhibit F
Property Evaluator Qualifications

M. Samantha Speer
Owner, Lead Project Manager

SUMMARY

In 1992, beginning in the due diligence industry by working for a San Diego based nationwide consulting firm, Ms. Speer performed various training tasks, marketing, report template development, QA/QC of reports, and client management. Her background experience also includes construction loan monitoring, Capital Needs / Property Condition and Phase I Environmental Assessments, budget development and tracking, and other due diligence and design consulting services.

As the former Director of Due Diligence for an architectural firm based in Northern California, Samantha developed her management and supervisory skills, performed real estate inspections and produced condition assessment reports, reviewed reports, and also conducted design consulting services. She attended various affordable housing conferences on an annual basis to assist with marketing efforts for the company. Ms. Speer's responsibilities also included evaluating properties for accessibility deficiencies (ADA, FHAA, UFAS/Section 504), as well as, rehabilitation scope of work and budget development for several market rate and tax credit multi-family properties. Construction monitoring during multi-family rehabilitation projects, and acting as a limited scope owner's representative during rehab projects, were also a part of her duties.

Ms. Speer has completed various types of "green" property condition assessments, including evaluating potential sustainability, and energy and water savings measures, to be completed as part of rehabilitation or long-term capital repairs. The assessments included reviewing energy audits completed by others, and incorporating their findings into the assessment report recommendations.

PROJECTS

Ms. Speer has been involved with various types of site assessments using tax credit regulations, ASTM, HUD, USDA and other lender specific protocols. Example properties include multi-family housing (affordable and market rate), industrial facilities, commercial and retail centers, mobile home parks, hotels, golf courses, maintenance facilities, and cellular telephone communication facilities. Clients included lenders, developers, non-profit agencies, housing authorities, and management companies.

EDUCATION

Building Construction Technology, Architecture and Interior Design, San Diego Mesa College
Bachelor of Arts, Psychology, California State University of Long Beach, 1991

PROFESSIONAL CERTIFICATIONS

AHERA Building Inspector, #0417BIR182792

OTHER PROFESSIONAL TRAINING

Bay Area LISC, Green Physical Needs Assessment Training
ASTM Environmental Site Assessments for Commercial Real Estate – E1527-13
HUD RAD PNA Training, Washington DC
Various International Code Council seminars
Purdue University Center for Urban and Industrial Pest Management, Termites and Other Wood Destroying Pests Correspondence Course

PROFESSIONAL ASSOCIATIONS

American Society of Interior Designers
San Diego Housing Federation
Southern California Association of Non-profit Housing