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**Subject:** Capital Project Summary 2016

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**Date:** Friday, August 12, 2016 10:57 AM

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**Several Northface owners have asked for information that is to be presented at the special owners' meeting on 8-20-16 regarding the capital projects facing the Association, so the Board is sending the following summary.**

**Should you have any further questions or commentaries, you are encouraged to attend the meeting to obtain further responses.**

## NORTHFACE RESORT CONDOMINIUM ASSOCIATION

### Capital Project Summary

**Background:** As you are all aware, Northface Resort Condominiums is more than 30 years old; and it is showing signs of it's age. In the past, the Board has done an admirable job of keeping our condo fees low and any assessments to a minimum.

Last year, the Board was made aware of needed exterior repairs that needed to be completed in the short term. We have spent the last eight months evaluating the scope of repairs needed, the approach (repairs vs replacements), obtaining bids, determining a schedule and how finance it. We have also considered the future needs of the property---- beyond the proposed plan----what will be coming in the horizon; and why it makes sense to complete the current needed repairs in the short term.

In May, the Board walked the entire property; and it was determined that exterior wood rot has escalated in some areas beyond the feasibility of repairs. The following needs were determined:

- All deck structures are original construction and now need to be replaced.
  - This has been completed on fronts (lawn side) of Buildings 2 & 3, where more than 50% of the joists were rotted
  - Support posts are rotting
  - Sections are sagging
  - The railings are not to code
  - The emergency staircases on the fronts of Buildings 2 and 3 are not to code
  - The life span of the pine materials that were used in the original construction have exceeded their life expectancy.
- All parking lot stair cases need to be replaced
  - Support posts are rotting
  - Sections are sagging
  - The railings are not to code
  - The stair treads (width)and the risers (height) are not to code
- There is additional wood rot that needs to be replaced on the buildings.
  - Including exterior window trim and siding areas
- All buildings need to be painted (these are overdue)
- The parking lot needs to be sealcoated and crackfilled.
  - The seal coat has worn off in many places and we are seeing spider cracks in many places and a

sinkhole has developed in the asphalt near one of the buildings.

After assessing the condition of each building and the common elements above, the following priorities were determined:

Priority			Condition Rating	Est. Price	Plan Year
4	Building 1	Front decks	4	\$ 17,500	2018
		Parking lot decks			
3		& stairs	3	\$ 16,000	2018
1	Building 2	Front decks	1	\$ 28,000	2016
		Parking lot decks			
2		& stairs	2	\$ 26,000	2017
1	Building 3	Front decks	1	\$ 28,000	2016
		Parking lot decks			
2		& stairs	2	\$ 26,000	2017
3	Building 4	Front decks	3	\$ 17,500	2018
		Parking lot decks			
2		& stairs	2	\$ 16,000	2017
	<b>Subtotal: Decks &amp; Stairs</b>			<b>\$ 175,000</b>	2016-
4	Misc Wood Replacement		4	\$ 25,000	2018
5	Paint		5	\$ 60,000	2018
	Parking Lot Repair: seal coat, crack fill				2016-
3	repair		3	\$ 20,000	2017
	<b>Total Needed: Exterior Repairs</b>			<b>\$ 280,000</b>	

To pay for this work, the Association will need to use reserve funds, the painting fund, and have a special assessment.

The assessment is proposed to be \$2500 per unit. The proposed payment plan would be an initial payment of \$500 per unit due and payable October 1, 2016; and quarterly payments of \$250 per unit due on the first day of the quarter for the next two years per the following schedule:

Oct 1, 2016:	\$500
Jan 1, 2017:	\$250
Apr 1, 2017:	\$250
Jul 1, 2017:	\$250
Oct 1, 2017:	\$250
Jan 1, 2018:	\$250
Apr 1, 2018:	\$250
Jul 1, 2018:	\$250
Oct 1, 2018:	\$250

The above information and capital project plan will be discussed in further detail and decided upon at the special owners' meeting scheduled for **10 a.m. on Saturday, August 20, 2016**, at the Gibson Center, North Conway, NH. If you are unable to attend the meeting, you are encouraged to send in the proxy statement sent to you previously so a quorum is met at the meeting and a vote can be taken.

Executive Board

Northface Resort Condominiums

ExBd-NFRCA/b

8-9-16