

Appendix P

Capital Needs Assessment

Jim Raznoff
CNA Provider

Capital Needs Assessment Project Summary



Date: 12/19/2019

Project: Highland Manor Apartments

Provider

Name: Jim Raznoff
Addr1: 515 South 12th Avenue
Addr2:
City: Bozeman
State: MT Zip Code: 59715
Phone: 406-589-6261
Email: raznoffjim@gmail.com

Owner

Name: Highland Manor Limited Partnership
Addr1: P.O. Box 4720
Addr2:
City: Bozeman
State: MT Zip Code:
Phone: 406-399-0753
Email: highlandmanorhavre@gmail.com

Site Information / Unit Mix

Type: Family
Year Built: 1986 and 1993
Last Renovated:
1 Bedroom Apts: 7
2 Bedroom Apts: 25
3 Bedroom Apts: 0
4 Bedroom Apts: 0
Fully Acc. Apts: 1
Total Dwelling Units: 32

Project

Name: Highland Manor Apartments
Addr1: 1315 Jefferson Avenue
Addr2: 1325 Jefferson Avenue
City: Havre
State: MT Zip Code: 59501
County: Hill
Phone: 406-357-0753
Email: highlandmanorhavre@gmail.com

Inspection Report

Date: 10/15/2019
Inspector: Jim Raznoff, Architect/CNA Provider

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Jeff Shulund, a general partner with the Highland Manor Limited Partnership (Owner), contracted Jim Raznoff (CNA Provider) to inspect and evaluate the current physical conditions of the two adjacent residential properties at 1315 and 1325 Jefferson Avenue, Havre Montana. These CNA services incorporate observations and findings into two separate preliminary As-Is CNA reports. The reports dated 11/22/2019 were reviewed by the USDA Rural Development Montana (Agency) and reported on 12/13/2019. The CNA Provider incorporated the Agency's review comments and consolidated the capital needs of the two properties into this single report dated 12/19/2019. Additional equipment replacements have been listed. The *Comments* columns in the Materials and Conditions worksheets are edited to provide greater clarity where Agency review comments are fully addressed. The intended use of this CNA is to enable the Agency underwrite the sale, transfer and assumption of the combined property to a prospective buyer.

Observed physical conditions, personal disclosures of building events, and certain Agency requirements influence the development, form and content of this Consolidated Properties As-is Capital Needs Assessment. Some warrant mentioning in the Capital Needs Summary.

The Agency requires an accessibility compliance report, *Self-Evaluation and Transition Plan* (SETP). The recommended corrective actions for the SETP report are included in the CNA reports (see the line Site and Architectural worksheets). The major accessibility finding is that the Highland Manor properties currently have one accessible apartment that is nearly compliant with Section 504 of the Rehabilitation Act of 1974; the other 31 apartments are not accessible in design. The Agency requirement for properties occupied after June 1982 is to provide 5% of the apartments that are fully accessible; the consolidated properties provide 3%. The site manager's office is located on the 2nd level of Highland Manor 2. The corrective action recommended in the SETP is to remodel one ground level 2BR apartment at Highland Manor 2 into a 1BR fully accessible apartment, converting the 2nd bedroom into the site manager's office. A personal conversation with a physically disabled tenant confirmed locations of existing barriers between common spaces. Three designated H/C parking spaces are relocated with improvements. Accessibility compliance is scheduled in year 3; estimated costs are \$11,120 for site improvements, \$3,280 to improve Apartment 21, the existing handicap unit, and \$13,470 to remodel one additional required fully accessible unit, Apartment 22.

Property improvements have gradually deteriorated with seasonal high ground water levels, a sloping site with newer adjacent building development along the higher east property line relatively close to both Highland Manor

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buildings, and poor soil profile characteristics. A mid-winter flood (12/2016) through the foundation wall at a bedroom in Apartment #5 (a garden level dwelling unit at the SE corner of Highland Manor 1) was reported by the Owner that required emergency installation of an interior below grade drain tile and sump pit with above grade discharge pipe system inside Apartment #5 (1/2017). The exterior side of the foundation wall is the location of 16 electrical meters feeding power to all the Highland Manor 1 apartments. Concrete floor saw-cutting inside Apartment #5 severed below grade electrical feed wires to apartments #1, 2, 9, and 10; it was reported the severed wiring was highly corroded from ground moisture and had to be extensively replaced (2/2017); the CNA Provider's conversation with the repair electrical contractor (10/15/2019) left open the question of what the condition of any remaining subgrade electrical wiring might be.

Recommended actions include: additional ground swales and storm water, ground water collection piping located between the east property line and the two buildings to minimize moisture at the east foundation walls, as well as the conversion of excessive paved parking between the two buildings into a green landscaped area for greater absorption. Consultation with a professional civil engineering would provide more specific actions, and professional electrical contractor investigation of existing electrical service feed lines at Highland Manor 1. Capital Needs are listed on rows 8 & 12 of the Site Materials and Conditions Worksheet scheduled for year 3 at a cost of \$39,750.

Scaled drawings for Highland Manor 2 was provided to the CNA Provider that allowed for accurate estimates of material quantities. Drawings for Highland Manor 1 were not available. The two buildings are similar in layout and size and area; the CNA Provider used quantities from the Highland Manor 2 drawings for Highland Manor 1 material quantities.

Historical costs for actual onsite material replacement provided by the Owner to the CNA Provider were quite limited; RS Means 2019 Building Cost data has been strictly used in this report.

The CNA Provider carefully manages scheduled replacement of each listed building and site component according to actual observed conditions, expected useful life of materials and equipment, and assumptions of actual age. The duration of scheduled replacements for most interior components within the 32 apartments in this CNA has been purposely spread over the 20-year term, as if the current owner continues to manage, maintain the properties, and makes material and equipment changes *as needed*, not all at once, early in the 20-year term. This longer-term gradual schedule of replacements is realistic although may not be a desired outcome. The selected approach to the duration of replacement of materials and equipment has an effect on the grand total capital costs through accumulation of greater inflation costs.

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The grand total capital needs (in inflated dollars) found for the two Highland Manor properties with their 32 apartments over the 20-year term are estimated at **\$1,561,728** (\$48,804 per dwelling unit).

Health and Safety

Cracked fiberglass bath/shower in Apt. 24 leaks water onto concrete slab wetting the corridor floor. The site manager was contacted today and reports the fiberglass tub had to be repaired immediately; this work is reported as complete. Therefore, it is no longer considered a critical need. The fire/smoke damaged bathroom and bedroom at Apartment 17 has been remediated and rebuilt to new condition. None of the Materials and Conditions worksheets list or schedule replacements under Health & Safety but replacement of the bath/shower unit in Apartment 24 is specifically scheduled in 2020, year 1, in the Mechanical & Electrical worksheet.

Site The property is covered with a 3-foot layer of clay shale topsoil. This material is geotechnically classified as expansive when wet as it is compressed by building development (buildings, parking lots). The site slopes from east to west and there is considerable seasonal moisture runoff from the adjacent residential development to the east. Roof downspouts add to the seasonal runoff. Peripheral sidewalks and all pavement surfaces have deteriorated over time due to these conditions; what was asphalt surfaced is now primarily recently refurbished gravel surfaces (9/2019). The City of Havre Public Works Department provided the CNA Provider their utility service records including the Owner's private buried water drainage piping system located in the east and west parking lots on the HM2 property; these drain pipes connect to a 4" schedule 40 PVC pipe located in the Jefferson Avenue boulevard and connect to the 8" storm drain at the corner of Jefferson and 13th street. The Owner also installed foundation groundwater collection pits at various points along the building foundation wall and along the east parking lot/sidewalk. The Owner has used garden hoses to direct sump pit discharge downhill toward Jefferson Avenue (see photograph pages).

Recommended site improvements (generally scheduled for year 3) are listed in the Site Materials & Conditions worksheet:

Earthwork for positive surface drainage and installation of ground and roof storm water collection piping from the east yard area and building downspouts to connect to existing onsite storm water piping; \$8,030.

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Repairs to the most deteriorated sidewalk sections; \$925.

Converting the east parking area with topsoil, landscaping around a relocated playground with new equipment is recommended for purposes to: improve the livability and use of this central exterior area; eliminate excessive parking surface that has deteriorated (80 parking spaces were counted); address the improvements noted above; the Owner supports this concept originated by the prospective buyer; scheduled for year 3, \$43,156 lump sum.

Repaying the west parking lot areas including: 3 relocated Handicap designated parking spaces and signage; complete paint striping, and resetting of 38 wheel stops for 38 total parking spaces; a new onsite public transit vehicle drop-off space. For layout refer to conceptual site plan, page 6 of SETP; paving consists of scheduled for a 2" thick asphalt binder + 2" topping; \$56,684 lump sum.

Relocating 5 posts for vehicle head bolt heater switched outlets; extending electric conduits from the existing east parking area to the west parking area (page 6, SETP); these electrical outlets would continue to service vehicles for 10 apartments in Highland Manor 2; \$2,150.

Replace existing project sign board facing 13th Street with new medium density overlay board; \$500.

Replace lamp and ballast for existing high-pressure sodium post light fixtures at west parking lots, and soffit mounted LED light fixtures at each of 4 building entrances; scheduled for years 8 and 18; \$3,800 each year.

Grand total of all Site capital needs is \$119,544 (uninflated) or \$130,012 (inflated over the term).

Architectural Exterior building surfaces are generally in fair to good condition. Recommended improvements listed and scheduled in the Architectural Materials and Conditions worksheet include:

Exterior paint on existing hardboard siding is scheduled to be repainted for years 7 and 17; \$9,623.

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Roof shingles are scheduled for replacement in year 20; \$41,789. Rain gutters and downspouts are scheduled for replacement year 15; \$6,192.

The Owner has begun replacement program of clad wood windows with vinyl sliding windows; the site manager reports some of these recent installations are not professional and required further service calls to correct deficiencies. Continuance of this ongoing program by qualified window professionals is scheduled years 4-11. Interior common area materials and equipment are scheduled for replacement throughout years 4-11; \$25,200 lump sum.

Within the buildings' interior common spaces, all wall, ceiling, and flooring finishes are listed and scheduled for replacement as needed in various years throughout the term. Recommended corridor flooring is 42 oz heavy traffic carpet tiles (20 year expected useful life, year 10); stair carpet is sheet carpet (7 year EUL, years 7 & 14); and for laundry rooms a resilient sheet vinyl (15 year EUL, year 9); wall and ceiling paint (years 9 & 19); lump sum for all these finishes is \$41,328.

The coin-operated laundry equipment is the personal property of the Owner (i.e., not project property). Replacement of the equipment in each building laundry room are scheduled as project property; \$28,800 total for both laundry rooms years 2 & 12.

Apartment entry doors appear to have new passcode locksets. Replacement of metal faced insulated door blanks are scheduled for years 4 – 19 as needed; \$21,600 total over the term.

Grand total of Architectural capital needs is \$184,155 (uninflated) or \$263,435 (inflated over the term).

Mechanical and Electric RD's automated MS Excel template for the CNA requires listing of most mechanical and electrical items in the Materials and Conditions-Mechanical & Electrical worksheet; except for kitchen and bath exhaust fans, and smoke detectors which are listed in the Dwelling Units worksheet. Recommended capital needs listed in the M&E worksheet include:

Hot water heaters are scheduled for 2 apartments per year, years 1-10, 13-20; \$90,450.

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Electric baseboard heaters are scheduled for 2 apartments per year, years 1-16; and in the corridors and vestibules, year 4; total over the term is \$44, 234.

Replacement tub/shower units are scheduled in 2 apartments per year, years 1-16; \$85,600 total over the term.

Replacement bath sinks are scheduled in 2 apartments per year, years 1-16; \$33,920 total over the term.

Replacement toilets are scheduled in 2 apartments per year, years 1-16; \$15,200 total over the term.

Replacement light fixtures such as LED scheduled in 2 apartments per year, years 1-16; \$46,560.

Replacement outlets and switches scheduled in 2 apartments per year, years 1-16; \$71,360.

Grand total Mechanical & Electrical capital needs over the term are \$387,324 (uninflated) or \$494,803 (inflated).

Dwellings

A fire started on August 26, 2019 in the bathroom ceiling of Apartment 17, Highland Manor 2. It's reported cause is with a faulty exhaust fan/light fixture; it was extinguished by the local fire department prior to any extensive spread of flames. Structural damage occurred within a localized area within the floor/ceiling assembly. Smoke and water damage occurred in the bathroom; smoke damage also occurred in the adjacent living room, bedroom, and in subfloor of the bathroom in Apartment 25 located directly above the exhaust fan. All affected burned structural members have been removed and replaced with reinforcement wood framing; unburned, smoke affected surfaces have been professionally replaced and/or remediated. The 10/15/2019 observation notes the restoration of finish surfaces in Apartments 17 appear to be complete and satisfactory. The cracked fiberglass tub in Apartment 24 is scheduled in 2020, year 1.

A flooding event occurred on the floor of the corner bedroom of Unit 5, Highland Manor 1 sometime during 12/2016. The suspected cause could have been from early winter temperature and snow events in Havre causing melting under the snow buildup at the SE corner of the building and resulting in a rapid abundance of trapped melt water (similar to an ice dam over a poorly ventilated roof eave) along the foundation wall outside Apartment 5; the trapped melt water found an entry point through the electrical penetrations in the foundation wall directly into the bedroom; this easily could have been an

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isolated sudden winter event that occasionally happens in the region. The corrective features were not carefully observed due to the tenant's belongings.

These and many other items are listed in Dwellings Materials and Conditions worksheet. Capital needs for Dwelling include:

Remodel of Apartment 22 and minor updates to Apartment 21 to satisfy accessibility requirements as described in the accompanying *Consolidated Self-Evaluation and Transition Plan*; year 3, \$16,750.

Interior walls and ceilings are painted in 4 apartments per year, years 1-8, 11-18; \$51,331 over the 20-year term.

Flooring is replaced with a 20-year composite vinyl plank flooring in 4 apartments per year, years 3-10; \$159,186.

Kitchen cabinetry and countertops are replaced in 2 apartments per year, years 3-17; \$188,880.

Interior doors are replaced as needed, averaging 1 apartment per year, years 1-20; \$22,200.

Kitchen appliances, ranges and refrigerators, are replaced in 2 apartments per year, years 1-20; \$54,000.

Bath exhaust fans are replaced on a more active schedule due to the recent fire, in 8 apartments per year, years 1-4, 16-20; \$12,736.

Bath vanity mirrors and towel bars are replaced in 2 apartments per year, years 1-20; \$6,400.

Kitchen rangehoods are replaced in 2 apartments per year, years 1-20; \$13,000.

Smoke detectors are replaced in 3 apartments per year, years 1-20; \$5,400.

Total Dwelling Units capital needs over the 20 year term, with inflation is \$673,477.

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Accessibility A thorough property accessibility review following Agency policy guidance has been developed and reported by the CNA Provider in the SETP. Capital needs are scheduled in the Materials and Conditions Site and Architectural worksheets. Renovations to the site include parking lot improvements scheduled in year 3; \$11, 120. Remodeling of apartments 21 and 22 are scheduled in year 3; \$16,750.

Environmental No environmental concerns were observed by the CNA Provider.

How Replacement Costs are Determined *Building Construction Costs with RSMeans Data* (2019) provided the unit costs for building and property improvements. Quantity and type of building and site materials were extracted from *Highland Manor – Phase II* design drawings, prepared by architects L'Heureux, Page, Werner, PC (July 29, 1992) which was supplied directly by the Owner. The CNA Provider's observations made on October 15, 2019 were used to assign current condition of materials and remaining useful life. Discussion with the Owners and Site Manager provided insight to recent maintenance improvements. Extracted data, unit costs, ages, and duration of actions are inputted by the CNA Provider into the USDA Rural Development automated spreadsheet that automatically provides the Expected Useful Life and Replacement Costs increased by inflation over the 20-year term.

Recommendations The purpose of this paragraph in the Capital Needs Assessment is to allow this CNA Provider expression directly to the Owners, any prospective future owner, and the Agency a view toward best management practices. Aside from routine estimation of material quantities, remaining useful life, and costs, the goal here is to provide an eye to the future possibility for a sustainable and greater living environment for the occupants of the 32 dwelling units at Highland Manor Apartments.

After observation of the physical conditions the CNA Provider focused on resolving the difficult site conditions presented by local environmental challenges of the property's soils, site and building design. Another focus is for resolving any barriers to accessibility that should be removed for compliance to Agency requirements. The logical replacement of all the existing improvements remains in the balance, requiring considerable thought in the development of this assessment.

The cause of the flooding event in Apartment 105 can be avoided with improved site development. The Owners have impressively have provided remedial improvements; portions of these are temporary measures in useful life. The deterioration of aged sidewalks and parking areas requires near total replacement of site improvements. A civil

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engineering professional's assistance would likely guide the Owners to better managing ground and surface migration across the site, and more sustainable use of the exterior areas. The recommended east yard landscaping for this is a concept to address greater groundwater and surface storm water management.

The reported deterioration of below grade electrical wiring concurrent with flooding in Apartment 105 should be further investigated by professionals to determine if further replacement of wiring is appropriate.

The Self Evaluation and Transition Plan identifies barriers to fully compliant access to the common use facilities afforded by Section 504 of the Rehabilitation Act. Recommendations include providing an additional fully accessible dwelling unit, improving access and usage of the parking, garbage collection, mail delivery, and playground areas, the laundry and site manager's office. The SETP's conceptual site accessibility route is one of many possible solutions to Section 504 compliance. Undoubtedly there are other and better solutions.

The recent fire event in the bathroom ceiling of one apartment appears to be a combination of age of equipment and specific conditions induced by tenant use. Replacement of the bath exhaust fan throughout all apartments should be continued in an accelerated schedule as a precaution.

The cracked and leaking fiberglass tub/shower unit in one apartment supports the recommendation for full replacement of bath fixtures to more sturdy equipment.

The existing parking areas exceed actual needs for the tenants and their guests. The deteriorated east parking lot is located conveniently for a few tenants but duplicates actual needs met by the west parking area. The conversion of this area to an exterior tenant use area is recommended for multiple reasons including a quieter area for tenants for living. Cost difference between conversion into a landscaped area from an improved parking area are minimal.

Needs Funded by Third Party Funding application by the prospective buyer is currently being developed for submittal to the State of Montana Board of Housing. The publication of this CNA precedes any results of that application.

Acknowledgements Assistance in the gathering of information to prepare this report was provided by the Shulund family, site manger LuAnn Brabson, electrician Dave Schine, City of Havre staff Jeff Jensen and Shawn Solomon, tenant Dianne Andrews, staff at Hill County Senior Center, and USDA-Rural Development's Cindy Donnell and Katina Eucher.

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**Capital Needs Assessment
Inspected Units**



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Unit Number	Size	Fully Accessible unit?	Comments
1	2BR	No	HWH 8 years old; wall damage outside of tub/shower; original cabinetry
2	2BR	No	Not inspected
3	2BR	No	Not inspected
4	1BR	No	Newer kitchen range; HWH replaced 7 years ago HWH has no pan beneath unit for pressure discharge; water closet replaced 9 years ago; edge laminate of vanity top is chipped off; newer kitchen range; new carpet and vinyl flooring; sump pit located in BR closet; bedroom flooded in 2016; repaired in 2017
5	2BR	No	Not inspected
6	2BR	No	Not inspected
7	2BR	No	older carpet is stained; wall edge in living room is damaged; vinyl is original; laminate is loose on backsplash of countertop behind sink; older kitchen range
8	1BR	No	Not inspected
9	2BR	No	Not inspected
10	2BR	No	Newer kitchen countertop; hwh replaced 2 years ago
11	2BR	No	Not inspected
12	1BR	No	Newer carpet; original windows; newer vanity top
13	2BR	No	Older kitchen range; older carpl
14	2BR	No	New appliances; newer flooring
15	2BR	No	Newer flooring
16	1BR	No	Inspected; Structural, plumbing, electrical and wall/ceiling repairs from the smoke/fire event August 2019 in the bath ceiling and adjacent bedroom are complete. Bath flooring installation underway. Newer refrigerator. HWH with drip pan installed 2014.
17	2BR	No	Inspected. New carpet and vinyl
18	2BR	No	Inspected. This is the only H/C accessible unit at Highland Manor. Mostly compliant with UFAS but lacks shelf in reach range above countertops. Sink pipe insulation needed.
19	1BR	No	Inspected
20	2BR	No	Inspected
21	2BR	Yes	Did not inspect. New stove reported.
22	2BR	No	Not inspected
23	2BR	No	Inspected. New carpet and vinyl flooring.
24	1BR	No	Inspected. New carpet and vinyl flooring.
25	2BR	No	Not inspected
26	2BR	No	Inspected
27	1BR	No	Did not inspect. New rangehood reported.
28	2BR	No	Not inspected
29	2BR	No	Did not inspect. New rangehood reported.
30	2BR	No	Did not inspect. New rangehood reported.
31	2BR	No	Did not inspect. New carpet and vinyl reported.
32	2BR	No	Did not inspect. New carpet and vinyl reported.
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Capital Needs Assessment Materials and Conditions - Site



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Item	EUL	AGE	RUL	Cond	Action	DUR	QTY	Unit	Unit Cost	Total Cost	Comments
Storm Water: drain lines	50	47	3	Poor	Construct	1	1	ea	8030	8030	Add 228 LF ground and rain water collection piping to existing onsite storm drain
Paving pedestrian: concrete	50	47	3	Poor	Replace	1	150	ea	6.15	924.995	Replace deteriorated onsite sidewalk sections
Paving vehicular: asphalt pavement	25	22	3	Poor	Replace	1	14800	SF	3.83	56684	Replace deteriorated asphalt and paint striping at west parking lot; reset all 38 remaining wheel stops
Electric distribution lines	40	37	3	Fair	Construct	1	1	lump sum	2150	2150	Relocate all 5 vehicle headbolt heater post mounts including replacement of all 8 outlets, extension of wiring from east to west parking area; replace all other 24 duplex outlets in post mounts located in west parking lot
Storm Water: earthwork, swales, drainways, erosion controls	50	47	3	Poor	Construct	1	6650	SF	4.77	31720.5	Convert east parking area to irrigated yard, sod, 5 trees
Tot Lot: playground equipment	20	17	3	Poor	Replace	1	1	lump sum	11435	11435	Swingset, modular set with ladder, decks, bridge and slide tunnel
Signage: entrance wood	15	12	3	Good	Maintain	1	1	ea	500	500	Repaint project sign on existing posts & board years 3 and 18
Lighting: building mounted lighting	10	2	8	Fair	Replace	1	1	lump sum	3800	3800	Replace 4 bldg entry lamps & 2 pole mounted HPS lamp and ballasts years 8 & 18

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Capital Needs Assessment Capital Needs Over the Term - Site



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Item	H & S	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	Total
Storm Water: drain lines	0	0	0	8030	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	8030
Paving pedestrian: concrete	0	0	0	925	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	925
Paving vehicular: asphalt pavement	0	0	0	56684	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	56684
Electric distribution lines	0	0	0	2150	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	2150
Storm Water: earthwork, swales, drainways, erosion controls	0	0	0	31721	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	31721
Tot Lot: playground equipment	0	0	0	11435	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	11435
Signage: entrance wood	0	0	0	500	0	0	0	0	0	0	0	0	0	0	0	0	0	0	500	0	0	1000
Lighting: building mounted lighting	0	0	0	0	0	0	0	0	3800	0	0	0	0	0	0	0	0	0	3800	0	0	7600
Uninflated Totals	0	0	0	111444	0	0	0	0	3800	0	0	0	0	0	0	0	0	0	4300	0	0	119544
Inflation Factor (3%)	1.0000	1.0000	1.0300	1.0609	1.0927	1.1255	1.1593	1.1941	1.2299	1.2668	1.3048	1.3439	1.3842	1.4258	1.4685	1.5126	1.5580	1.6047	1.6528	1.7024	1.7535	
Inflated Totals	0	0	0	118231	0	0	0	0	4674	0	0	0	0	0	0	0	0	0	7107	0	0	130012

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Capital Needs Assessment Materials and Conditions - Architectural



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Item	EUL	AGE	RUL	Cond	Action	DUR	QTY	Unit	Unit Cost	Total Cost	Comments
Paints & Stains: wood waterproofing and sealants	10	2	8	Fair	Maintain	1	10024	SF	0.96	9623.04	Paint & caulk exterior
Roofing: asphalt dimensional shingle 30 yr+	25	5	20	Good	Replace	1	173	SQ	241	41789.4	Replace roof shingles both buildings year 20
Gutters/Downspouts: aluminum/vinyl	20	5	15	Fair	Replace	1	1	total	6192	6192	Replace 520 LF gutters, 174 LF downspouts year 15
Floors: vinyl plank (> 3mm thick)	20	10	10	Fair	Replace	1	208	SY	59	12272	Replace corridor carpet with 42 oz carpet tiles year 10
Floors: carpet	7	0	7	Fair	Replace	1	28	SY	77.8	2178.4	Replace stair carpet both buildings years 7 and 14
Floors: resilient tile or sheet floor (vinyl, linoleum)	15	4	11	Good	Replace	1	272	SF	6.75	1836	Replace laundry room vinyl both buildings year 9
Walls: paints, stains, clear finishes, interior	10	1	9	Good	Maintain	1	12562	SF	0.91	11431.4	Paint common area walls & ceilings both bldgs years 2 and 12
Appliances: clothes washer/dryer	10	8	2	Fair	Replace	1	12	ea	1200	14400	Replace coin operated equipment in each laundry room years 2 and 12
Windows: vinyl	30	26	4	Fair	Replace	7	28	ea	540	15120	Replace 4 bedroom windows each year as needed, years 4 - 10
Windows: vinyl	30	26	4	Fair	Replace	8	16	ea	630	10080	Replace 2 livingroom windows each year as needed, years 4 - 11
Doors: common exterior door, solid wood /metal clad	25	21	4	Fair	Replace	16	32	ea	675	21600	Replace 2 apt entry doors each year as needed years 4 - 19

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Capital Needs Assessment
Capital Needs Over the Term - Architectural



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Item	H & S	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	Total
Paints & Stairs: wood waterproofing and sealants	0	0	0	0	0	0	0	0	9623	0	0	0	0	0	0	0	0	0	9623	0	0	19246
Flooring: asphalt dimensional shingle 30 yr+	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	41789	41789
Gutters/Downspouts: aluminum/vinyl	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	6192	0	0	0	0	0	6192
Floors: vinyl plank (> 3mm thick)	0	0	0	0	0	0	0	0	0	0	12272	0	0	0	0	0	0	0	0	0	0	12272
Floors: carpet	0	0	0	0	0	0	0	2178	0	0	0	0	0	0	2178	0	0	0	0	0	0	4357
Floors: resilient tile or sheet floor (vinyl, linoleum)	0	0	0	0	0	0	0	0	0	0	0	1836	0	0	0	0	0	0	0	0	0	1836
Walls: paints, stains, clear finishes, interior	0	0	0	0	0	0	0	0	0	11431	0	0	0	0	0	0	0	0	0	11431	0	22863
Appliances: clothes washer/dryer	0	0	14400	0	0	0	0	0	0	0	0	0	14400	0	0	0	0	0	0	0	0	28800
Windows: vinyl	0	0	0	0	2160	2160	2160	2160	2160	2160	2160	0	0	0	0	0	0	0	0	0	0	15120
Windows: vinyl	0	0	0	0	1260	1260	1260	1260	1260	1260	1260	1260	0	0	0	0	0	0	0	0	0	10080
Doors: common exterior door, solid wood /metal clad	0	0	0	0	1350	1350	1350	1350	1350	1350	1350	1350	1350	1350	1350	1350	1350	1350	1350	1350	0	21600
Uninflated Totals	0	0	14400	0	4770	4770	4770	6948	14393	16201	17042	4446	15750	1350	3528	7542	1350	1350	10973	12781	41789	184155
Inflation Factor (3%)	1.0000	1.0000	1.0300	1.0609	1.0927	1.1255	1.1593	1.1941	1.2299	1.2668	1.3048	1.3439	1.3842	1.4258	1.4685	1.5128	1.5580	1.6047	1.6528	1.7024	1.7535	
Inflated Totals	0	0	14832	0	5212	5369	5530	8297	17702	20523	22236	5975	21802	1925	5182	11408	2103	2166	18137	21760	73278	263435

Jim Raznoff
CNA Provider

Capital Needs Assessment Materials and Conditions - Mechanical & Electrical



Date: 12/19/2019

Project: Highland Manor Apartments

Item	EUL	AGE	RUL	Cond	Action	DUR	QTY	Unit	Unit Cost	Total Cost	Comments
DHW: gas or electric, residential unit	12	11	1	Fair	Replace	10	30	per apt	1675	50250	Replace HWH in 2 apts @ year as needed
HVAC: baseboard heater, electric	30	29	1	Fair	Replace	16	32	per apt	1286	41152	Replace baseboard heaters in 2 apts @ year as needed
HVAC: baseboard heater, electric	30	26	4	Poor	Replace	1	sum 1 total		3082	3082	Replace baseboard heaters in corridors and vestibules year
Plumbing: tub/shower units or integrated assemblies	30	29	1	Poor	Replace	16	32	per apt	2675	85600	Replace tub/shower unit in 2 apts @ year as needed years 1 - 16, Apt 24 in 2020
Plumbing: bath tubs & sinks: fiberglass, stainless steel or enameled	30	29	1	Fair	Replace	16	32	per apt	1060	33920	Replace sink & vanity cabinet in 2 apts @ year as needed years 1 - 16
Plumbing: toilets/bidets/urinals	40	39	1	Fair	Replace	16	32	per apt	475	15200	Replace toilets in 2 apts @ year as needed years 1 - 16
Lighting: tenant spaces	20	19	1	Fair	Replace	16	32	per apt	1455	46560	Replace light fixtures in 2 apts @ year as needed years 1 - 16
Electric: switches & outlets	35	34	1	Fair	Replace	16	32	per apt	2230	71360	Replace switches & outlets in 2 apts @ year as needed years 1 - 16

Jim Raznoff
CNA Provider

Capital Needs Assessment Capital Needs Over the Term - Mechanical & Electrical



Project: Highland Manor Apartments

Date: 12/19/2019

Item	1 H & S	2 2020	3 2021	4 2022	5 2023	6 2024	7 2025	8 2026	9 2027	10 2028	11 2029	12 2030	13 2031	14 2032	15 2033	16 2034	17 2035	18 2036	19 2037	20 2038	2039	Total
Plumbing: gas or electric, residential unit	0	5025	5025	5025	5025	5025	5025	5025	5025	5025	5025	0	0	5025	5025	5025	5025	5025	5025	5025	5025	90450
HVAC: baseboard heater, electric	0	2572	2572	2572	2572	2572	2572	2572	2572	2572	2572	2572	2572	2572	2572	2572	2572	0	0	0	0	41152
HVAC: baseboard heater, electric	0	0	0	0	3082	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	3082
Plumbing: tub/shower units or integrated assemblies	0	5350	5350	5350	5350	5350	5350	5350	5350	5350	5350	5350	5350	5350	5350	5350	5350	0	0	0	0	85600
Plumbing: bath tubs & sinks: fiberglass, stainless steel or enameled	0	2120	2120	2120	2120	2120	2120	2120	2120	2120	2120	2120	2120	2120	2120	2120	2120	0	0	0	0	33920
Plumbing: toilets/bidets/urinals	0	950	950	950	950	950	950	950	950	950	950	950	950	950	950	950	950	0	0	0	0	15200
Lighting: tenant spaces	0	2910	2910	2910	2910	2910	2910	2910	2910	2910	2910	2910	2910	2910	2910	2910	2910	0	0	0	0	46560
Electric: switches & outlets	0	4460	4460	4460	4460	4460	4460	4460	4460	4460	4460	4460	4460	4460	4460	4460	4460	0	0	0	0	71360
Uninflated Totals	0	23387	23387	23387	26469	23387	23387	23387	23387	23387	18362	18362	23387	23387	23387	23387	5025	5025	5025	5025	5025	387324
Inflation Factor (3%)	1.0000	1.0000	1.0300	1.0609	1.0927	1.1255	1.1593	1.1941	1.2299	1.2668	1.3048	1.3439	1.3842	1.4258	1.4685	1.5128	1.5580	1.6047	1.6528	1.7024	1.7535	
Inflated Totals	0	23387	24089	24811	28923	26322	27112	27925	28763	29626	30515	24677	25417	33344	34345	35375	36436	8064	8306	8555	8811	494803

Jim Raznoff
CNA Provider

Capital Needs Assessment Materials and Conditions - Dwelling Units



Date: 12/19/2019

Project: Highland Manor Apartments

Item	EUL	AGE	RUL	Cond	Action	DUR	QTY	Unit	Unit Cost	Total Cost	Comments
Accessibility Compliance	50	47	3	Good	Construct	1	1 ea		3280	3280	Remodel Apt #21 into 1BR plus Office
Accessibility Compliance	50	47	3	Good	Construct	1	1 ea		13470	13470	Remodel Apt #22 into 2BR fully accessible apartment
Walls: paints, stains, clear finishes, interior	10	9	1	Fair	Maintain	6	8868 SF		0.52	4611.36	Paint 1 1BR apartments years 1-6 & 11-16
Walls: paints, stains, clear finishes, interior	10	9	1	Fair	Maintain	8	40488 SF		0.52	21053.8	Paint 3 2BR apartments @ year, years 1-8, 11-18
Floors: vinyl plank (> 3mm thick)	20	17	3	Fair	Replace	6	3342 SF		8.9	29743.8	Replace flooring in 1 1BR apts @ year, years 3-8
Floors: vinyl plank (> 3mm thick)	20	17	3	Fair	Replace	8	14544 SF		8.9	129442	Replace flooring in 3 2BR apts @ year, years 3-10
Cabinets & vanities	20	17	3	Fair	Replace	15	30 per apt		5600	168000	Replace kitchen cabinetry in 2 apts @ year, years 3-17
Countertops: plastic laminates, wood	15	12	3	Fair	Replace	15	30 per apt		580	17400	Replace countertops in 2 apts @ year, years 3-20
Doors: interior, hollow core doors	20	19	1	Fair	Replace	20	100 per apt		222	22200	Replace apt doors in 1 apt @ year, years 1-20
Appliances: range, cooktop, wall oven	15	14	1	Fair	Replace	15	30 per apt		620	18600	Replace kitchen range in 2 apts @ year, years 1-20
Appliances: refrigerator/freezer	12	11	1	Fair	Replace	12	24 per apt		730	17520	Replace refrigerator in 2 apts @ year, years 1-20
Bath/kitchen vent/exhaust fans	15	14	1	Poor	Replace	4	32 per apt		199	6368	Replace bath fan in 8 apts @ year years 1-4, 16-19
Bath: mirrors & medicine cabinets	15	14	1	Fair	Replace	15	30 per apt		160	4800	Replace medicine cabinet towel bars in 2 apts @ year, years 1-20
Bath/kitchen vent/exhaust fans	15	14	1	Poor	Replace	15	30 per apt		325	9750	Replace kitchen rangehood in 4 apts @ year years 6-13
Detector: smoke or CO, dwelling unit	10	9	1	Fair	Replace	10	30 per apt		90	2700	Replace smoke detectors in 3 apts @ year, years 1-20

Jim Raznoff
CNA Provider

Capital Needs Assessment Capital Needs Over the Term - Dwelling Units



Project: Highland Manor Apartments

Date: 12/19/2019

Item	H & S	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	Total
Accessibility Compliance	0	0	0	3280	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	3280
Accessibility Compliance	0	0	0	13470	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	13470
Walls: paints, stains, clear finishes, interior	0	769	769	769	769	769	769	0	0	0	0	769	769	769	769	769	769	0	0	0	0	9223
Walls: paints, stains, clear finishes, interior	0	2632	2632	2632	2632	2632	2632	2632	2632	0	0	2632	2632	2632	2632	2632	2632	2632	2632	0	0	42108
Floors: vinyl plank (> 3mm thick)	0	0	0	4957	4957	4957	4957	4957	4957	0	0	0	0	0	0	0	0	0	0	0	0	29744
Floors: vinyl plank (> 3mm thick)	0	0	0	16180	16180	16180	16180	16180	16180	16180	16180	0	0	0	0	0	0	0	0	0	0	129442
Cabinets & vanities	0	0	0	11200	11200	11200	11200	11200	11200	11200	11200	11200	11200	11200	11200	11200	11200	11200	0	0	0	168000
Countertops: plastic laminates, wood	0	0	0	1160	1160	1160	1160	1160	1160	1160	1160	1160	1160	1160	1160	1160	1160	1160	1160	1160	1160	20880
Doors: interior, hollow core doors	0	1110	1110	1110	1110	1110	1110	1110	1110	1110	1110	1110	1110	1110	1110	1110	1110	1110	1110	1110	1110	22200
Appliances: range, cooktop, wall oven	0	1240	1240	1240	1240	1240	1240	1240	1240	1240	1240	1240	1240	1240	1240	1240	1240	1240	1240	1240	1240	24800
Appliances: refrigerator/freezer	0	1460	1460	1460	1460	1460	1460	1460	1460	1460	1460	1460	1460	1460	1460	1460	1460	1460	1460	1460	1460	29200
Bath/kitchen vent/exhaust fans	0	1592	1592	1592	1592	0	0	0	0	0	0	0	0	0	0	0	1592	1592	1592	1592	0	12736
Bath: mirrors & medicine cabinets	0	320	320	320	320	320	320	320	320	320	320	320	320	320	320	320	320	320	320	320	320	6400
Bath/kitchen vent/exhaust fans	0	650	650	650	650	650	650	650	650	650	650	650	650	650	650	650	650	650	650	650	650	13000
Detector: smoke or CO, dwelling unit	0	270	270	270	270	270	270	270	270	270	270	270	270	270	270	270	270	270	270	270	270	5400
Uninflated Totals	0	10042	10042	60290	43540	41948	41948	41179	41179	33590	33590	20810	20810	20810	20810	20810	22402	21634	10434	7802	6210	529882
Inflation Factor (3%)	1.0000	1.0000	1.0300	1.0609	1.0927	1.1255	1.1593	1.1941	1.2299	1.2668	1.3046	1.3439	1.3842	1.4258	1.4686	1.5126	1.5580	1.6047	1.6528	1.7024	1.7535	
Inflated Totals	0	10042	10344	63961	47577	47213	48629	49170	50645	42551	43828	27967	28806	29670	30561	31477	34902	34716	17245	13282	10889	673477

Jim Raznoff
CNA Provider

**Capital Needs Assessment
Executive Summary**



Project: Highland Manor Apartments

Date: 12/19/2019

Item	H & S	1 2020	2 2021	3 2022	4 2023	5 2024	6 2025	7 2026	8 2027	9 2028	10 2029	11 2030	12 2031	13 2032	14 2033	15 2034	16 2035	17 2036	18 2037	19 2038	20 2039	Total
Site	0	0	0	11,444	0	0	0	0	3800	0	0	0	0	0	0	0	0	0	4300	0	0	\$119,544
Architecture	0	0	14400	0	4770	4770	4770	6948	14393	16201	17042	4446	15750	1350	3528	7542	1350	1350	10973	12781	41789	\$184,155
Mech & Electric	0	23387	23387	26469	23387	23387	23387	23387	23387	23387	23387	18362	18362	23387	23387	23387	23387	5025	5025	5025	5025	\$387,324
Dwelling Units	0	10042	10042	60290	43540	41948	41948	41179	41179	33590	33590	20810	20810	20810	20810	20810	22402	21634	10434	7802	6210	\$529,892
Uninflated Totals	0	33,429	47,829	195,121	74,779	70,105	70,105	71,515	82,759	73,179	74,019	43,618	54,922	45,547	47,726	51,739	47,139	28,009	30,732	25,608	53,024	\$1,220,905
Inflation Factor (3%)	1.0000	1.0000	1.0000	1.0609	1.0927	1.1255	1.1593	1.1941	1.2289	1.2688	1.3048	1.3439	1.3842	1.4288	1.4685	1.5128	1.5580	1.6047	1.6528	1.7024	1.7535	
Inflated Totals	0	33,429	49,264	207,004	81,713	78,904	81,271	85,382	101,783	92,700	96,578	58,619	76,025	64,940	70,087	78,260	73,441	44,946	50,795	43,597	82,979	\$1,561,728

Immediate Capital Needs:		Non-Inflated	Inflated
Total Capital Needs Over the Term:		\$0	\$1,561,728
Grand Total Capital Needs:		\$1,220,905	\$1,561,728
Capital Needs Per Unit		\$38,153	\$48,804
Units:	32		

Jim Raznoff
CNA Provider

Capital Needs Assessment
Photos Page 1



Project: Highland Manor Apartments

Date: #####



Highland Manor 1 north entrance provides level access to the 1st floor apartments.



View of Highland Manor 1 west wall and parking area from Jefferson Avenue. Note the curbside storm water pipe connections between the onsite stormwater piping to the City stormwater system



Highland Manor 1 south wall entrance accesses a split entry level.



Highland Manor 1 electrical service entry at the southeast building corner. Note the downspout termination, garden hose discharge for the sump pit. This is the point of melt water entry into the bedroom of Apartment 105.

Jim Raznoff
CNA Provider

Capital Needs Assessment
Photos Page 2



Project: Highland Manor Apartments

Date: #####



Left: Highland Manor 2 south building entrance provides access to a split level. Center: Highland Manor 2 south wall. Right: Highland Manor 2 east wall.

Left: Highland Manor 2 south building entrance provides access to a split level. Center: Highland Manor 2 south wall. Right: Highland Manor 2 east wall.



Highland Manor 2 north entrance provides level access to the 1st floor apartments.



Highland Manor 2 west wall.

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Capital Needs Assessment
Photos Page 3



Project: Highland Manor Apartments

Date: #####



Highland Manor east parking lot showing recent road mix repair work. Three separate views are facing north from Apartment 219.

Highland Manor east parking lot showing recent road mix repair work. Three separate views are facing north from Apartment 219.



View of east parking lot, Highland Manor 2 sidewalk. This is the accessible route to trash collection area and mailboxes. Note post mounted headbolts, garden hose discharge for sump pit.



Equipment storage building and bike rack at east parking area.

Jim Raznoff
CNA Provider

Capital Needs Assessment
Photos Page 4



Date: #####

Project: Highland Manor Apartments



City sidewalk and west parking lot with trash collection area for Highland Manor 1. This view faces west along 13th Street West.



West parking lot and sidewalk to Highland Manor 1. This view faces south.



West parking lot serving Highland Manor 1 tenants. This view faces east.



West parking lot and Jefferson Street boulevard. This view faces south.

Jim Raznoff
CNA Provider

Capital Needs Assessment
Photos Page 5



Project: Highland Manor Apartments

Date: #####

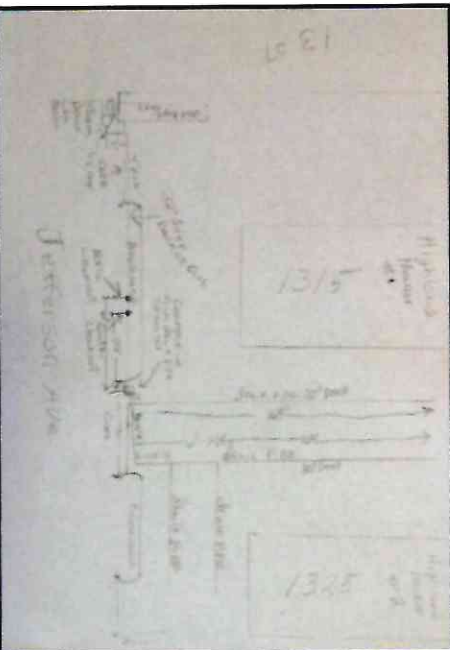


Mail boxes for all Highland Manor tenants is located curbside in the Jefferson Avenue boulevard and is part of the accessible route. This view faces south.

Views of west parking lot and trash collection area for Highland Manor 2 tenants. These views face east.



Have Public Works utility services plan for Highland Manor 1 and Highland Manor 2. Note this also delineates the private onsite storm water collection piping.



Have Public Works record of the Highland Manor Apartments private onsite storm water collection piping.

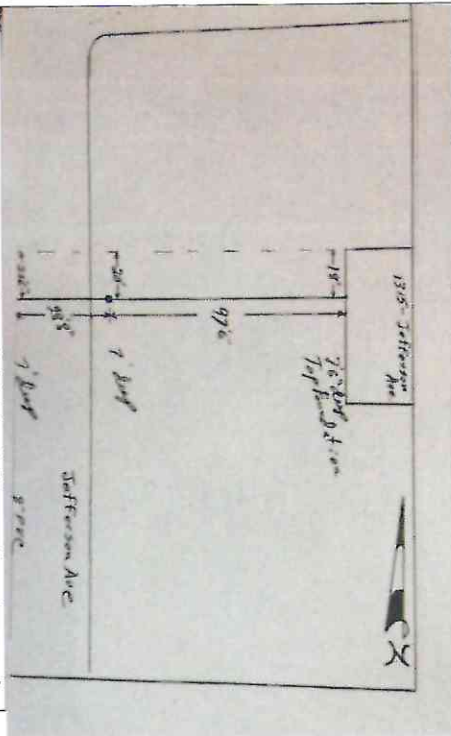
Jim Raznoff
CNA Provider

Capital Needs Assessment
Photos Page 6

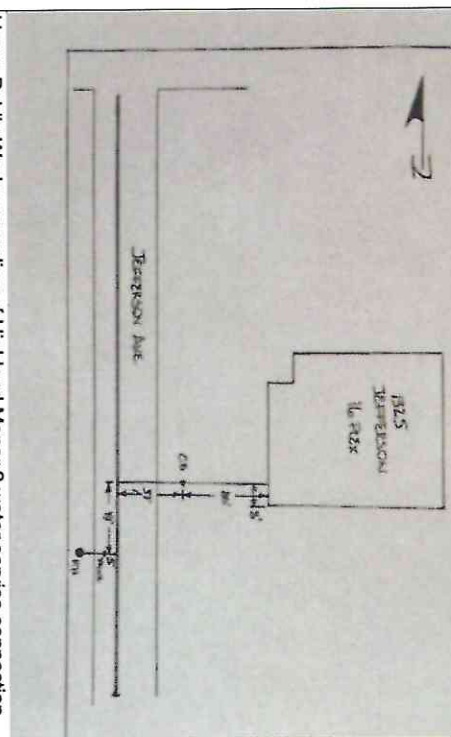


Project: Highland Manor Apartments

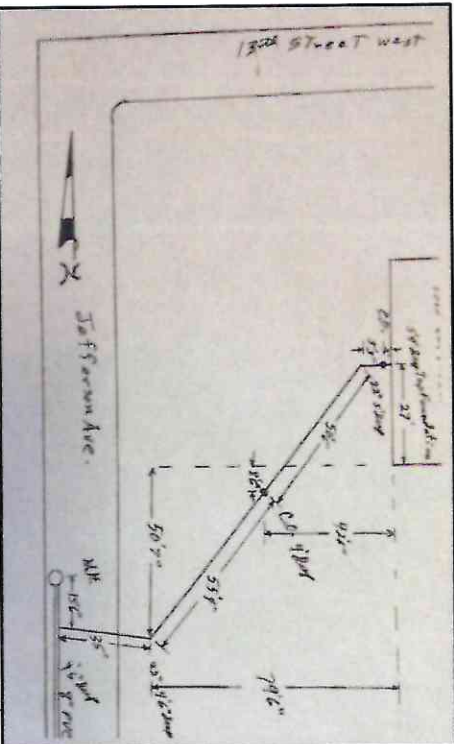
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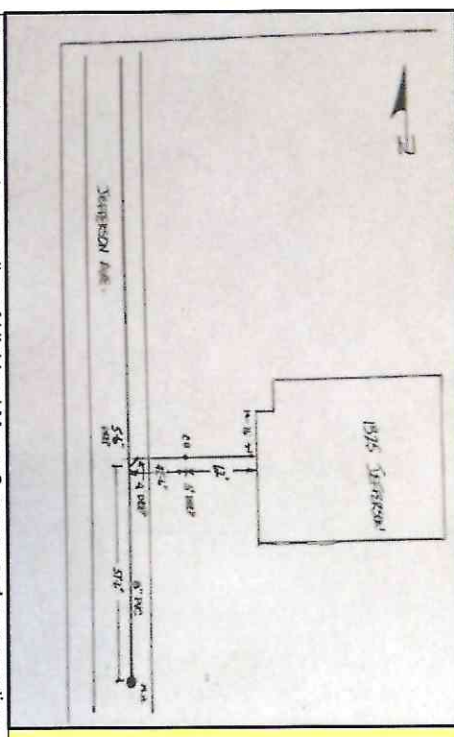
Have Public Works recording of Highland Manor 1 water service connection.



Have Public Works recording of Highland Manor 2 water service connection.



Have Public Works recording of Highland Manor 1 sewer service connection.



Have Public Works recording of Highland Manor 2 sewer service connection.

Jim Raznoff
CNA Provider

Capital Needs Assessment
Photos Page 7



Project: Highland Manor Apartments

Date: #####



Left 3 photographs are views of the bathroom ceiling in Highland Manor Apartment 17 taken the following day of the bath exhaust fan fire incident. Photo credit: LuAnn Brabson, Site Manager

Right photograph is of the remediated and repaired ceiling in Apartment 17 taken on 10/15/2019.



These are the bathroom fixtures and accessories in Highland Manor 1 Apartment 11. Left: Note the toilet is newer. Center: The vanity and sink are original.

Right: This is the medicine cabinet in Highland Manor Apartment 4.

Jim Raznoff
CNA Provider

Capital Needs Assessment
Photos Page 8



Project: Highland Manor Apartments



This is an original 33-year age vanity top and sink in Highland Manor 1 Apartment 4. Note the delamination on the backsplash.



This is a newer vanity top and sink in Highland Manor 1 Apartment 13.

Date: #####



This is the handicapped accessible Apartment 21. The tenant has limited mobility and is unable to reach upper wall storage. Left: Note the tenant provided shelving unit; it blocks access to the food prep area.



Center and Right: Views of the bathroom and kitchen in handicapped accessible Apartment 21. Note the tenant-provided storage drawers in the bathroom.



Jim Raznoff
CNA Provider

Capital Needs Assessment
Photos Page 9



Project: Highland Manor Apartments

Date: #####



This is the original 33-year old kitchen cabinetry in Highland Manor 1 Apartment 1. Left: Wall cabinetry around the passthrough to the dining area; Center: Base cabinetry. Right: Rangehood.

This is the original 33-year old kitchen cabinetry in Highland Manor 1 Apartment 1. Left: Wall cabinetry around the passthrough to the dining area; Center: Base cabinetry. Right: Rangehood.



This is the Shuland's washer and dryer equipment in Highland Manor 1 common laundry room. This room is located on the 2nd floor.



This is the clothes folding area in the Highland Manor 1 laundry room.

Consolidated Self Evaluation and Transition Plan for Highland Manor I and II

1315-1325 Jefferson Avenue, Havre MT 59501

November, 2019

Prepared by Jim Raznoff, Architect, CNA Provider

INTRODUCTION: This provides the Owners of Highland Manor I, its adjacent property Highland Manor II, and USDA Rural Development Montana a record for a Consolidated Self Evaluation and Transition Plan (SETP) to assist their current intended effort to underwrite a transfer of ownership, preservation and revitalization of the properties. This document is prepared concurrently with two Capital Needs Assessments. This utilizes USDA-RD's ***Civil Rights Laws' Accessibility Requirements that Apply to the Multi-Family housing (MFH) Program*** (HB-2-3560, Appendix 5, 20 pages). Jim Raznoff inspected and collected physical data at the properties on October 15, 2019.

Highland Manor I (HM I) was first occupied in 1986. Highland Manor II (HM II) was first occupied 1994. These are adjacent properties with a shared center parking area for tenants; each consist of one two-story wood frame structure with 8 dwelling units on the first and second floor levels. These were financed through USDA-RD's Section 515 Rural Rental Housing program. Both properties have one building entrance without steps or need of a ramp to the ground floor apartments (that is, Highland Manor I apartments #1-8 accessed from the north exterior wall, and Highland Manor II apartments #17-24 also accessed from its north exterior wall). Second building entrances are located on the south exterior wall of each building but require use of stairways. Both properties are subject to compliance with the Uniform Federal Accessibility Standards (UFAS) that implements Section 504 of the Rehabilitation Act of 1973, implementation date for Rural Development was 6/10/82; Section 515 projects funded after that date must have accessible common areas and 5% fully accessible dwelling units. In addition, Highland Manor II is also subject to Americans with Disabilities Act (applicable to its public spaces only); parking must include a space that is van accessible with an 8' wide access aisle, located on the shortest distance to all essential facilities.

SELF EVALUATION

A) **PERSONS CONSULTED:** The tenant at Apartment 21 (Dianne Andrews, H/C designated unit) was temporarily located in an Assisted Living Facility in Missoula MT at the time of the property inspection. She was contacted by phone October 18 and discussed her difficulties in using the kitchen, bathroom in Apartment 21, the laundry room equipment, and accessing the trash bin. This confirmed the inspector's observations made at the H/C apartment, at the laundry room, and along the accessible route. She also recommended the Havre Senior Center as an interested party to consult. A second tenant with limited mobility was identified but was not available for consultation. A phone conversation with an administrative staff member at the Havre Senior Center was made on October 18.

B) **PHYSICAL AREAS EXAMINED** and **PROBLEMS IDENTIFIED:**

The above-mentioned *Accessibility Requirements for MFH Program* is used as guidance for the Self Evaluation of the Highland Manor properties. The following provides the results of the site and building inspections conducted by Jim Raznoff on October 15, 2019.

Parking. Problems identified: The HM I designated accessible parking space is located at the east end of the center parking lot 30 feet from the south building entrance and 200 feet of the north building entrance. The building's south entrance is a split-level entryway; the north entrance is level with Apartments 1-8 (there are no fully accessible apartments at HMI). The surface of the HM I parking space is highly deteriorated from lack of maintenance (as is most other onsite paved surfaces) and is non-conforming with multiple accessibility requirements. The two HM II designated parking spaces are located at the north building entrance. However, these surfaces are cracked, unlevel, lacking painted striping, and an 8' wide access aisle. The Capital Needs Assessment and the Transition Plan include schedules for replacement.



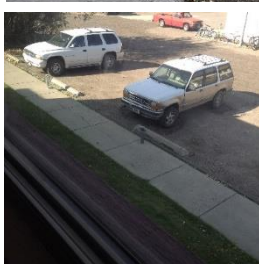
Highland Manor I and II, Havre Montana

Parking Accessibility Checklist:

Highland Manor I	Highland Manor II	#	UFAS and ADAAG Requirement
Yes (1)	Yes (2)	1	Proper number of accessible spaces? (min. 1/accessible unit + 1 visitor/office space; UFAS 4.1.1(5)(d))
No access aisle	No access aisle	2	Proper width (8' wide min.) and access aisle adjacent? (5' wide min. for HMI, 8' wide for HMII; UFAS 4.6.3 and ADAAG 4.6.6)
Yes	Yes	3	Correct slope of accessible parking/access aisle? (2%; UFAS 4.6.3)
No (short post)	No (short post)	4	Visible designation sign? (not obscured by vehicle due to height of sign post; UFAS 4.6.4)
	Yes	5	Shortest distance? (Closest space to accessible apartment, office; UFAS 4.6.2)
No (paving deteriorated)	Unlevel (deteriorated)	6	Surface is stable, firm, slip resistant? (UFAS 4.5.3)

Walkways. Problems identified: Existing walkways, including those along the accessible route, vary in condition from good to poor. Some cracks have not been patched. Those that have been patched will not have a long-term service life. The accessible route to the mailboxes and trash cans are across deteriorated asphalt or loose gravel areas and are considered to be practicably impassible for persons with a higher level of mobility disabilities.

Common Areas. Problems identified: As noted in *Walkways* above, the mailboxes and dumpster/trash areas do not have a stable firm surface. The playground is not on the accessible route. For interior common areas, the Office location on the 2nd level of Highland Manor II is not on the accessible route.



Common Areas Accessibility Checklist:

Highland Manor I	Highland Manor II	#	UFAS Requirement
No	No	7	Playground: Is the play area connected to the accessible route? (UFAS 4.1.1)
No	No	8	Mailboxes: Is there a 30" by 48" clear space provided? Are some boxes within 9" - 54" reach range? (UFAS 4.1.1, 4.2)
No	No	9	Dumpster/trash areas: on accessible route, opening within reach range? (9" - 54"; UFAS 4.1.1)
No	No	10	Office: on the accessible route? (UFAS 4.1.1)
No-No	Yes-No	11	Laundry and equipment: on the accessible route? Equipment accessible?

Residential Units. Problems identified: HMI does not meet the 5% of total units fully accessible, a minimum of 1 for 16 units. Even when combined with Highland Manor II, 5% of total units fully accessible (for 32 units), 2 apartments would be the minimum requirement. In Apartment 21, the fully accessible unit at HMII, the wall cabinet storage above the working countertop surface is not within the reachable range; the kitchen sink pipes are not insulated; and the refrigerator does not provide 50% of the freezer space within reachable range. These are readily correctable deficiencies.

Residential Units Accessibility Checklist:

Highland Manor I	Highland Manor II	#	UFAS Requirement
No	No	1	Minimum 5% of total units are fully accessible? (UFAS 4.1.4(11))
No	No	2	Wall cabinet storage above work surface 48" max. height or at least one shelf? (UFAS 4.34.6.10)
No	No	3	Sink pipes insulated/covered? (UFAS 4.34.6.5 (8))
No	No	4	Refrigerator meets requirements (50% of freezer space in reach range? (UFAS 4.34.6.8)

C) RECORD OF MODIFICATIONS MADE and REMEDIAL STEPS TAKEN:

Date of Action	Modification & Remedial Actions
10/2019	Road mix placed and compacted in some areas of the central parking and driveways

End of the Self Evaluation

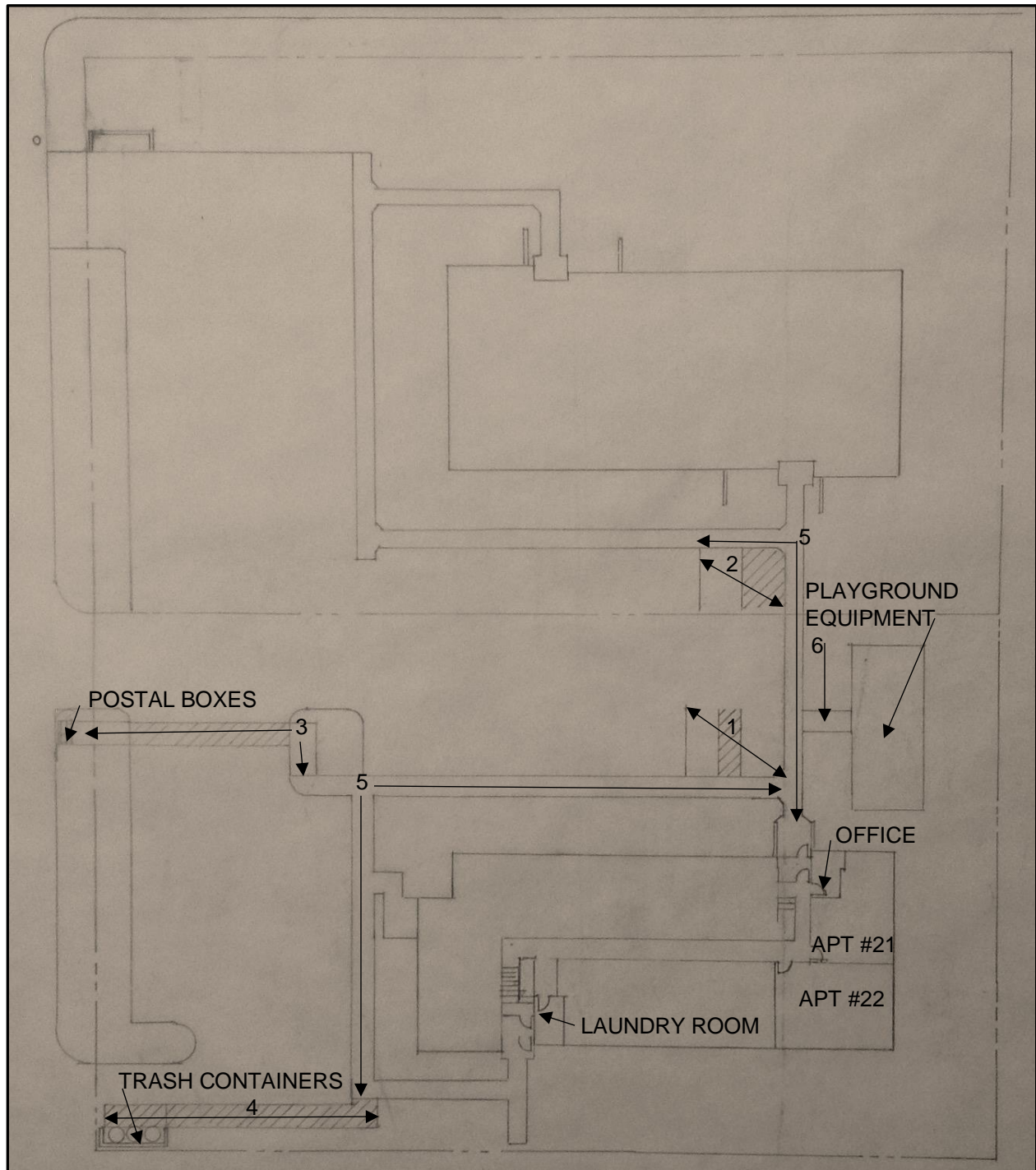
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TRANSITION PLAN

1. **Recommended Accessible Design Concepts:** The following recommendations would remove physical obstacles, resolve problems identified and other non-conformance issues. These provide the basis for both this SETP and the associated CNA's.
2. The first primary structural/architectural problem to address is determining a practical location within the two properties for the one additional fully accessible unit. A remodel of an apartment within Highland Manor I apartment building would be impractical due to problems with its existing 2nd level laundry room location; its north building entrance provides a poor site location by not being central to other essential accessible features while its south more central building entrance occurs at a split level requiring tenants to utilize stairs to access the two floor levels. The second structural/architectural problem to consider is determining an accessible location for the Office. Both Laundry Rooms washers and dryers are top-loading. Front loading laundry equipment should be provided at HM II laundry room. It is recommended a laundry closet with equipment hook-ups be located within each H/C unit (but not the equipment) would be a convenient option to using the laundry room. Providing a laundry closet would require wall and floor demolition and extension of plumbing, electrical services at considerable cost. Without significant funding this recommendation would likely not be implemented and therefore is not included in Transition Plan. The following recommended actions would resolve these problems. Relocate the Office into the 2nd bedroom of Apartment #21, and by a remodel of Apartment #22 into a fully accessible 1BR unit. The Office would be ideally located by the north entrance to HM II providing an optimal easy to find public location along the accessible route. This would change Apartment 21 into a 1BR accessible unit. Conversion of the 2BR Apartment #22 into a fully accessible unit would provide full accessibility into a 2BR unit. Other solutions are possible. If upon a transfer of ownership and future Owners' revitalization efforts are successful, then other broader scope solutions could become available providing even more preferred outcomes. If transfer of ownership fails, then this modest solution would remain valid.
Correcting Parking problems: The current H/C designated parking at the east end of the parking area (facing the north wall of Highland Manor II) would be renovated to provide the minimum required accessible parking. These would be two 8' wide with one 5' wide access aisle placed between the parking spaces. A third van accessible parking space is required for public use to visit the onsite office. This must be located along the accessible route by the south east entry to Highland Manor I. Estimated cost: \$9,420.
Correcting Walkway and Exterior Common Area problems: Limited replacement of existing sidewalks would provide correction to cracked surface issues. Installation of new sidewalks to essential common facilities including the south trash collection area, the postal boxes located along the Jefferson Street curb, and from the existing connecting sidewalk between HM I and HM II to the playground would correct the identified accessible route problems. Estimated cost: \$9,330.

Highland Manor I and II, Havre Montana

Site Accessibility Improvements Plan (accessible route is highlighted in yellow)



Highland Manor I and II, Havre Montana

#	Parking/Walkway/Exterior Common Area Accessibility Improvements Notes	Cost, \$
1	Remove existing paving, gravel base and any clay layers to 2' depth; replace with drainage, gravel courses, and concrete pavement for H/C car/truck parking spaces, 5' wide access aisle (for apartments 21, 22), flush and level with adjacent sidewalks; provide taller signpost and sign, paint markings and symbols	5650
2	Remove paving and replace concrete pavement for H/C van-accessible parking space, 8' wide access aisle (for office), flush and level with adjacent sidewalks; provide taller signpost and sign; paint markings and symbol	3770
3	Remove paving and replace with concrete sidewalk for access to mailboxes, less than 5% slope longitudinally, and 2% cross-slope; paint markings	1860
4	Remove paving and replace with concrete sidewalk for access to trash bin along south property line; paint markings	2400
5	Remove asphalt paving and replace with concrete sidewalk at driveway between Highland Manor I and II; provide striping for loading area for local transit vans and delivery trucks	4700
6	Extend concrete sidewalk from adjacent walkway into playground area, 5' wide	370

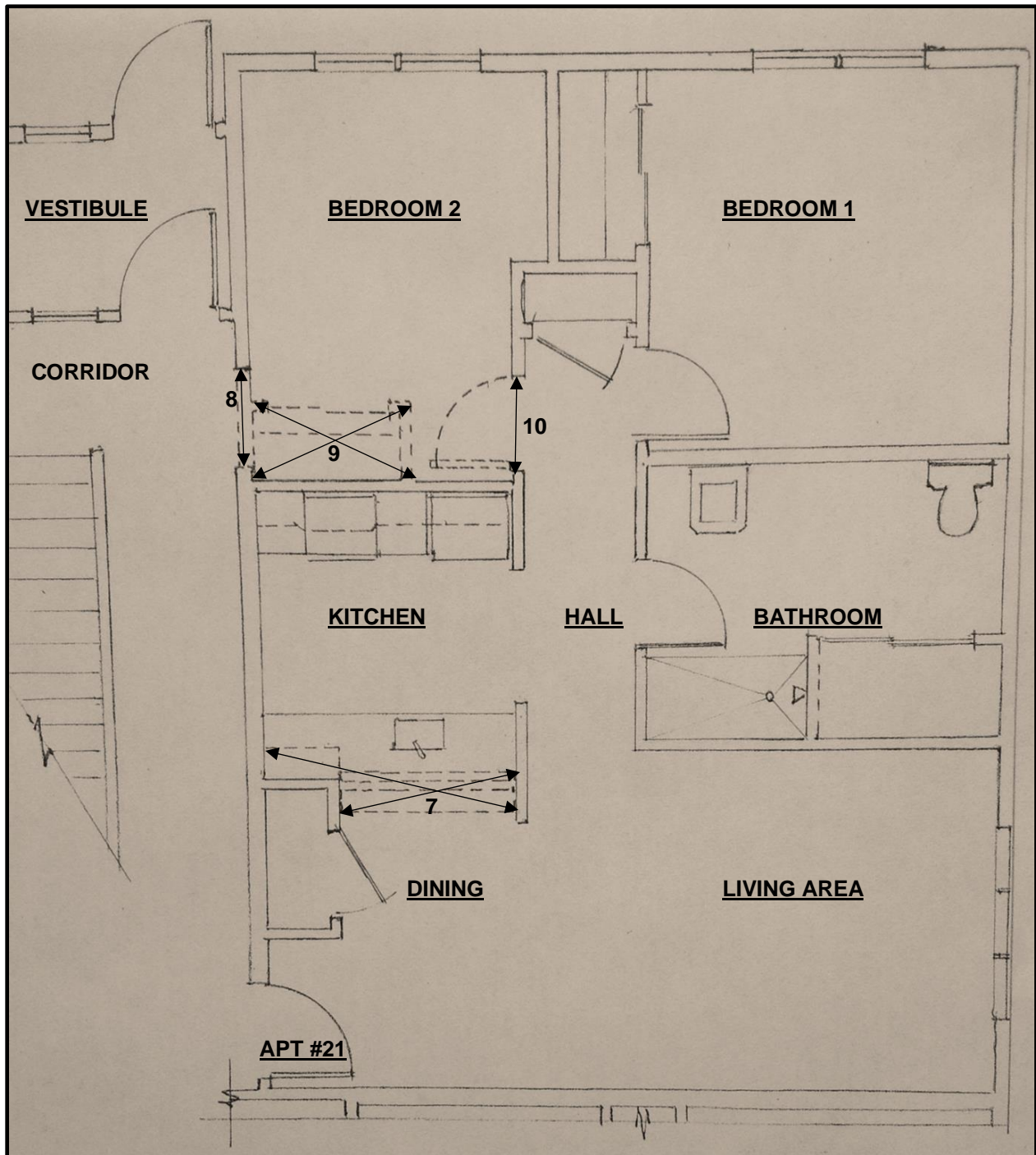
Correcting Interior Common Area and H/C apartment accessibility

problems: Apartment #21 would be renovated into a fully accessible 1BR apartment with its current BR2 changed into the Site Manager Office. Minor adjustment to the kitchen wall cabinetry would increase access to the storage on the south wall, and a side-by-side refrigerator would provide greater access to the freezer compartment. Estimated cost is \$2,960.

Apartment #22 would be renovated into a fully accessible 2BR apartment. The cabinetry on the west wall would be replaced. The Bathroom would provide full access to the existing bathtub/shower and new water closet and lavatory by removing closet walls, widening the door, relocating the water closet. The Hall linen closet would be located at the end of the Hall similar to the layout of Apartment #21. Estimated cost \$10,920.

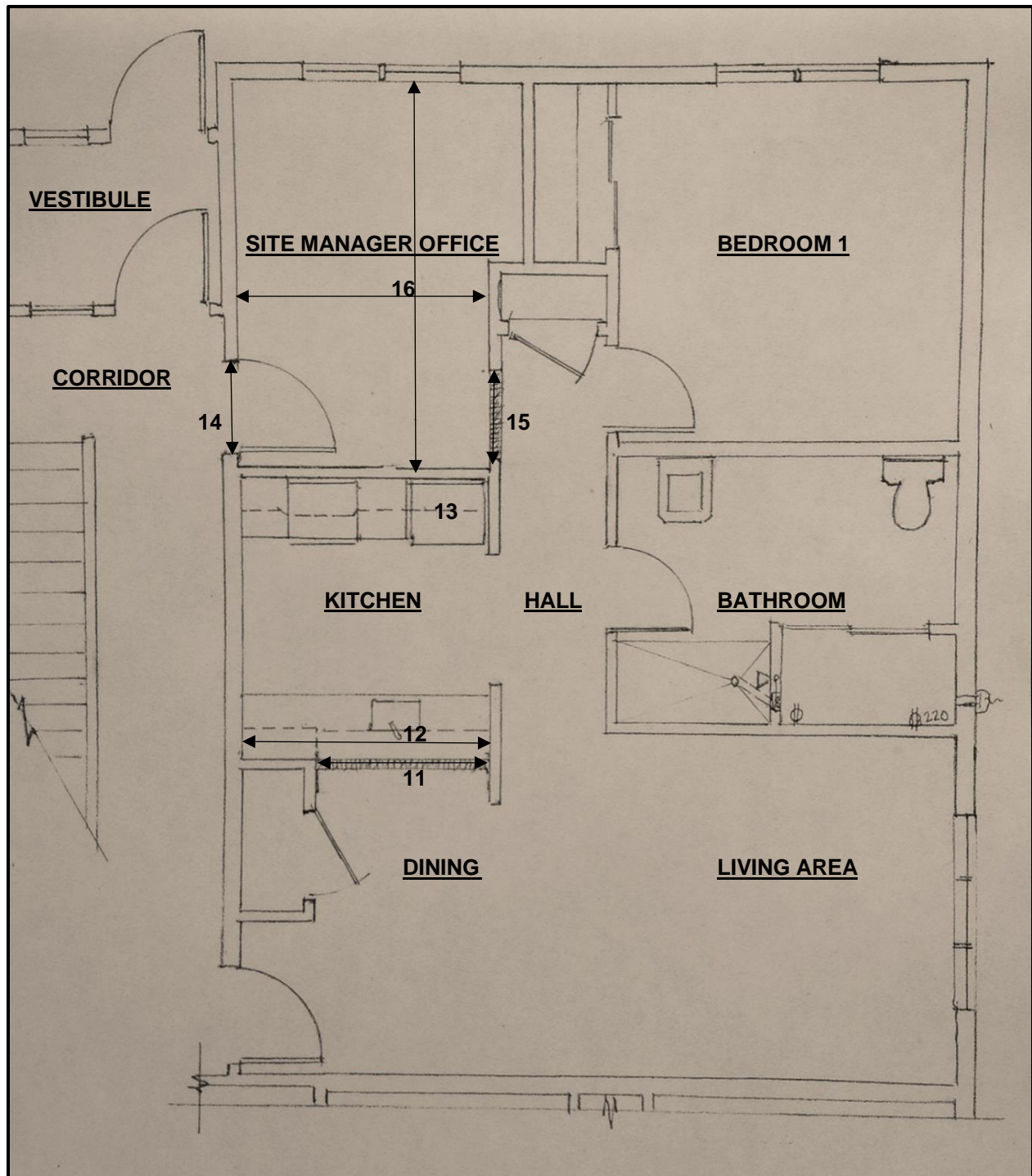
Highland Manor I and II, Havre Montana

Demolition Plan for Apartment #21 (Highland Manor II)



Highland Manor I and II, Havre Montana

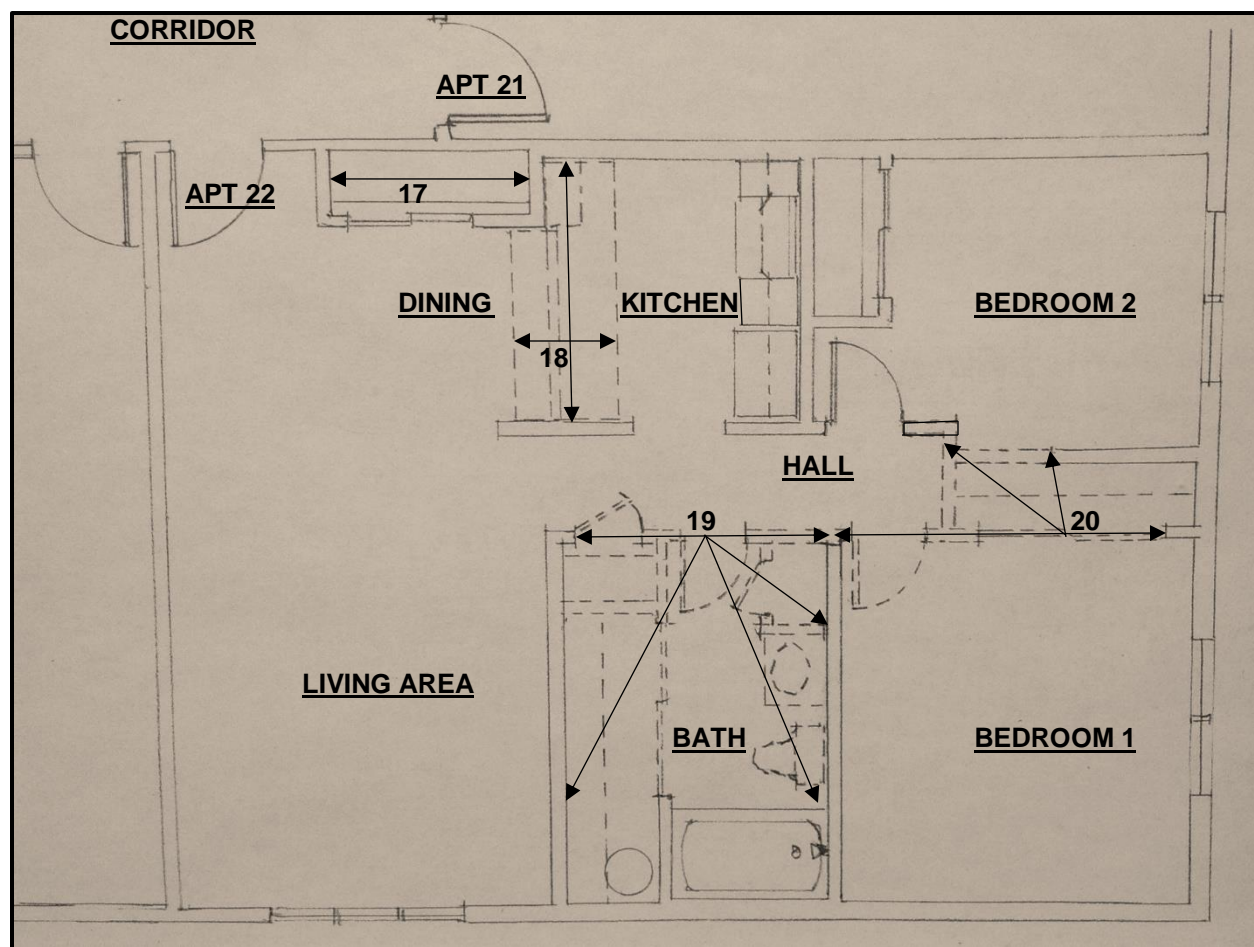
Accessibility Improvements Plan for Apartment #21/Site Manager Office



Highland Manor I and II, Havre Montana

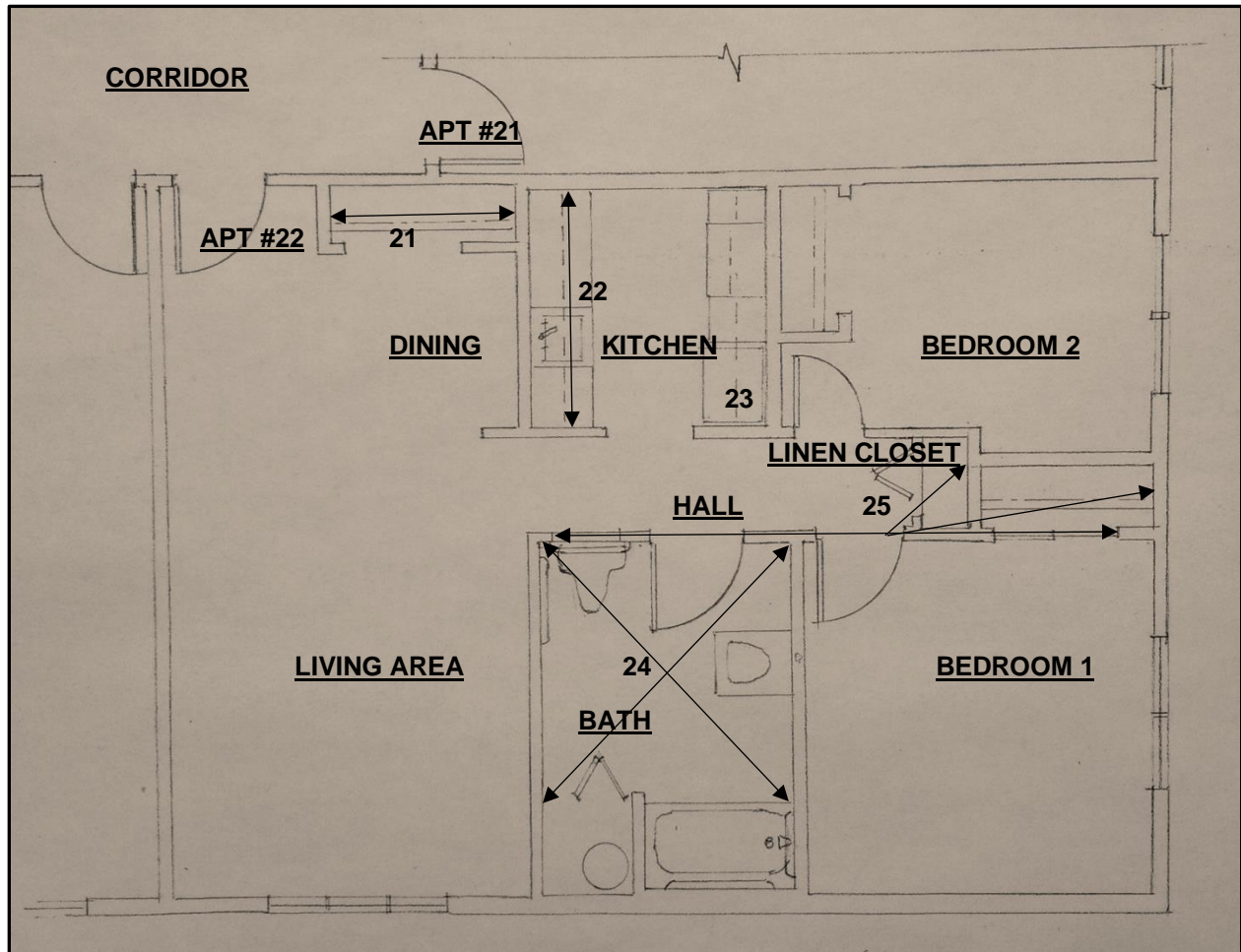
#	Notes for Apartment #21 Demolition and Accessibility Improvements Plans	Cost \$
7	Remove lunch countertop at kitchen/dining pass-through; remove kitchen wall cabinet beside pass-through	150
8	Partial deconstruction of wall framing between Corridor and Bedroom 2	50
9	Deconstruct Bedroom 2 closet door assembly, side, front closet walls, ceiling and floor finishes	120
10	Deconstruct door assembly at Bedroom 2/Hall	70
11	Construct and finish wall assembly at kitchen/dining pass-through	200
12	Re-install existing kitchen wall cabinet and new shelving (west wall)	180
13	Install new refrigerator with side or lower freezer compartment	700
14	Install new entry door in wall opening between Corridor and Office	550
15	Construct wall between Office/Hall (framing, sound insulation, and drywall finish); install wall base	400
16	Install carpet flooring in Office	830

Demolition Plan for Apartment #22



Highland Manor I and II, Havre Montana

Accessibility Improvements Plan for Apartment #22



Highland Manor I and II, Havre Montana

#	Notes for Apartment #22 Demolition and Accessibility Improvements Plans	Cost \$
17	Remove shelf and rod in Dining Area coat closet	50
18	Remove countertop and trim at kitchen-dining passthrough opening; remove kitchen sink, cabinets and countertop (west wall)	850
19	Remove Hall and Bath closet door assemblies; deconstruct closet wall assemblies; electrical switch wiring; remove finish flooring in Bath; remove lavatory and water closet	3000
20	Deconstruct Hall, BR1 closet, and BR2 wall assemblies including Bath, BR1 entry and closet door assemblies	340
21	Re-install Dining area coat closet shelf and rod to 54" height	200
22	Construct wall assembly @ Kitchen/Dining passthrough and complete wall finishes; install new kitchen base cabinetry (food prep, sink, countertop @ 34" above floor, wall cabinetry and shelving (west wall)	3200
23	Install new refrigerator with side or lower freezer compartment	700
24	Install plumbing services to water closet; rewire electrical switches and fixtures in Bath; install and complete wall and ceiling finishes in Bath; install new flooring in Bath	3820
24	Construct Hall wall assemblies, Linen closet and BR1 closet walls and complete wall and ceiling finishes; install new Linen closet and BR1 doors; install new flooring in Hall, Linen closet, and BR1 closet	1620

3. **Schedule for implementation:** The recommended schedule for implementation is as soon as possible. Recommended actions would not be structurally impractical or cause undue financial burden to the Owners. Corrections should be completed within 2 to 3 years allowing USDA-RD, the current and prospective owners to proceed with normal administrative procedures for property transfer and underwriting actions.
4. **Persons responsible for implementation:** The property owner (in 2023) would be responsible.

End of Transition Plan

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