

## DUE DILIGENCE COST ANALYSIS EXAMPLE

REAL INFORMATION for CLIENT- Name and Address Omitted for Privacy

### COST ANALYSIS

#### 5-10 YEARS -For Large and Expensive Items

INTERIOR ITEMS	IMMEDIATE	1 - 2 YEARS	3 - 4 YEARS	only	DISCRIPTION AND COMMENTS
Electrical System	\$ -	\$ -	\$ -	\$ -	Appears in satisfactory condition
Plumbing	\$ -	\$ -	\$ -	\$ -	Appears in satisfactory condition
Hot Water Tanks	\$ 2,000.00	\$ 16,000.00	\$ 18,000.00		4 tanks total. Cleaning and PM now. 2 replaced < 2 yrs. 4 replaced in < 4 yrs.
Commercial HVAC	\$ 16,000.00	\$ 32,000.00	\$ 32,000.00		Most equipment is original. Poor shape. Replace 2 units in <1 yr. 4 more replaced in < 2 yrs. 4 remaining replaced in <4 yrs.
Apartment Unit HVAC	\$ 18,000.00	\$ 45,000.00	\$ 40,000.00		Poor condition and failing. 10 already replaced. \$1800 each/repl. 10 more replaced in <1 yr. 25 more replaced in < 2 yrs. Balance of units < 4 yrs.
Natural Gas	\$ -	\$ -	\$ -	\$ -	Appears in satisfactory condition
Security System	\$ -	\$ -	\$ -	\$ 25,000.00	Will want to update in 5-10 yrs.
Sprinkler	\$ -	\$ 5,000.00	\$ 20,000.00	\$ 75,000.00	Useful life of black steel sprinkler pipe in "wet system is 20-25 years. Now 17 years old. Some leaks in 1-2 years, more in 3-4 years w. pipe replacement. In 5-10 years the system will have exceeded its life expectancy. This pricing does not include replacement of the system.
Generator	\$ 500.00	\$ 1,000.00	\$ 2,000.00	\$ 10,000.00	PM needed now. Some repairs in < 2 yrs. More repairs in < 4 yrs. Replacement in 5 -10.
Commercial Kitchen Equipment	\$ 3,500.00	\$ 12,000.00	\$ 25,000.00	\$ 50,000.00	Clean and PM now. Repairs in < 2 yrs. Some replacement in < 4 yrs. Balance in < 10 yrs.
Neighborhood Kitchen	\$ 3,000.00	\$ 5,000.00	\$ 15,000.00	\$ -	Repairs now. Replacement of 1 appliance < 2 yrs. Replacement of 3 appliances < 4 yrs.
Neighborhood Laundry	\$ 2,000.00	\$ 2,000.00	\$ 4,000.00	\$ -	1 set replacement < 1 yr. 1 set replacement < 3 yrs. 2 set replacements <4 yrs.
<b>Total Interior</b>	<b>\$ 45,000.00</b>	<b>\$ 118,000.00</b>	<b>\$ 156,000.00</b>	<b>\$ 160,000.00</b>	

#### 5-10 YEARS -For Large and Expensive Items

EXTERIOR ITEMS	IMMEDIATE	1 - 2 YEARS	3-4 YEARS	only	DISCRIPTION AND COMMENTS
Roof	\$ -	\$ -	\$ 3,000.00	\$ 15,000.00	Roofing in good condition. Some repairs < 4 yrs. More < 10 yrs.
Gutters and Downspouts	\$ -	\$ 1,000.00	\$ 1,000.00	\$ 8,000.00	In good condition. Some repairs in < 2 yrs. More in < 4 yrs. More repair and some replacement < 10 yrs.
Windows	\$ -	\$ 1,500.00	\$ 1,500.00	\$ 3,000.00	Standard Maint and PM in 1, 4, 7, and 10 years.
Facia, Soffit, Shutters & Siding	\$ 500.00	\$ 1,000.00	\$ 2,000.00	\$ 3,000.00	Clean Now. Clean and repairs in 2, 5, 7 years.
Exterior Shed	\$ 2,000.00		\$ 2,000.00	\$ 6,000.00	Fix and Paint Now and < 4 yrs. Replace in < 10 yrs.
Exterior Painting	\$ 3,000.00		\$ 3,000.00	\$ 4,000.00	Prep and Paint Now, and < 4 yrs., and < 10 yrs.
Exterior Pressure Washing	\$ 3,000.00		\$ 3,500.00	\$ 4,000.00	PW all now, and < 4 yrs., and < 10 yrs.
Landscaping	\$ 12,000.00		\$ 5,000.00	\$ 5,000.00	Landscaping needs pretty major facelift to get back yard soil stabilized, filter cloth cut, and landscaping looking good front and back. Landscape upgrade in < 4 yrs. and again in < 10 yrs.
Landscaping Sprinkler System	\$ 5,000.00		\$ 2,000.00	\$ 5,000.00	Does not work now. Needs major repair. More repairs in < 4 yrs. and again in < 10 yrs.
Concrete	\$ 1,500.00	\$ 5,000.00	\$ -	\$ 5,000.00	Dumpster pad and drive replaced in < 2 yrs. Repairs and replacements in < 10 yrs.
Sidewalks	\$ 1,000.00		\$ 1,000.00	\$ 2,000.00	Two blocks need replacing now since at entrance. Some repair in < 4 yrs. And again < 10 yrs..
Parking Areas	\$ 5,000.00	\$ 2,000.00	\$ 35,000.00	\$ 15,000.00	Major repair < 1 yr. Crack fill and repair < 2 yrs. Full overlay < 4 yrs. Maint and repair < 10 yrs.
Parking Drains	\$ 2,000.00		\$ 5,000.00	\$ 2,000.00	Need drain stabilization in < 1 yr. More drain repairs in < 4 yrs.
Exterior Lighting	\$ 2,000.00	\$ 500.00	\$ 1,000.00	\$ 2,000.00	Need to pole lights now. Again in <2 yrs., < 4 yrs., < 7 yrs., < 10 yrs.
Exterior Fencing			\$ 3,000.00	\$ 10,000.00	Some repair in < 4 yrs. More in < 10 yrs.
<b>Total Exterior</b>	<b>\$ 37,000.00</b>	<b>\$ 11,000.00</b>	<b>\$ 68,000.00</b>	<b>\$ 89,000.00</b>	
<b>TOTAL COST INT AND EXT</b>	<b>\$ 82,000.00</b>	<b>\$ 129,000.00</b>	<b>\$ 224,000.00</b>	<b>\$ 249,000.00</b>	