

2615 PARK AVENUE ASSOCIATES

FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2020 AND 2019

2615 PARK AVENUE ASSOCIATES

FINANCIAL STATEMENTS

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
2615 Park Avenue Associates
Minneapolis, Minnesota

We have audited the accompanying financial statements of 2615 Park Avenue Associates, which comprise the balance sheets as of December 31, 2020 and 2019, and the related statements of revenues and expenses, members equity, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of 2615 Park Avenue Associates as of December 31, 2020 and 2019, and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The replacement study on pages 21 to 25 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of the Association's management. We have applied certain limited procedures to the supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. Additionally, we have not applied procedures to determine whether the funds designated for future major repairs and replacement are adequate to meet such future costs because that determination is outside the scope of our audit.

Casey, Menden, Faust & Nelson, P.A.

August 12, 2021

2615 PARK AVENUE ASSOCIATES

BALANCE SHEETS

DECEMBER 31, 2020 AND 2019

	<u>2020</u>	<u>2019</u>
<u>ASSETS</u>		
Cash	\$ 204,768	\$ 329,441
Cash - loan restricted	32,631	32,594
Total cash	237,399	362,035
Certificates of deposit	-	-
Restricted escrows and reserves:		
Real estate tax escrow	58,034	33,177
Member accounts receivable	6,568	4,311
Member special assessment receivable	-	23,118
Prepaid expense	2,151	4,330
Other assets	-	-
Fixed assets	6,628,337	6,422,275
Accumulated depreciation	<u>(4,606,441)</u>	<u>(4,467,293)</u>
Total assets	<u><u>\$ 2,326,048</u></u>	<u><u>\$ 2,381,953</u></u>

The accompanying notes are an integral part of these financial statements

2615 PARK AVENUE ASSOCIATES

BALANCE SHEETS

DECEMBER 31, 2020 AND 2019

	<u>2020</u>	<u>2019</u>
<u>LIABILITIES AND MEMBERS'</u> <u>EQUITY (DEFICIT)</u>		
Accounts payable	\$ 26,529	\$ 52,111
Accrued payroll and related	1,152	10,492
Prepaid assessments	11,862	7,467
Accrued income taxes	4,417	2,640
Mortgage payable	1,155,225	1,324,553
Line of credit	185,000	245,000
Less: unamortized debt issuance costs	<u>(14,637)</u>	<u>(17,365)</u>
Net mortgages payable	<u>1,325,588</u>	<u>1,552,188</u>
Total liabilities	<u>1,369,548</u>	<u>1,624,898</u>
Members' equity (deficit)		
Certificate of initial capital value	357,632	357,632
Paid-in surplus	5,167,804	5,167,804
Additional paid-in capital	248,299	156,515
Treasury stock	-	(58,566)
Accumulated excess (deficit) of revenues over expenses	<u>(4,817,235)</u>	<u>(4,866,330)</u>
Total members' equity (deficit)	<u>956,500</u>	<u>757,055</u>
Total liabilities and fund balances	<u>\$ 2,326,048</u>	<u>\$ 2,381,953</u>

The accompanying notes are an integral part of these financial statements

2615 PARK AVENUE ASSOCIATES

STATEMENTS OF REVENUES AND EXPENSES

YEARS ENDED DECEMBER 31, 2020 AND 2019

	<u>2020</u>	<u>2019</u>
Revenues:		
Assessments	\$ 1,029,259	\$ 1,085,047
Less: uncollected assessments	-	-
Net assessments	<u>1,029,259</u>	<u>1,085,047</u>
Garage assessments	106,174	108,775
Rental income	-	-
Tower rental income	26,352	25,585
Tax passthrough	84,651	19,599
Comcast bulk rate	37,883	-
Vending income	-	2,477
Laundry income	5,613	6,625
Stock transfer fees	3,000	6,000
Interest	192	-
Miscellaneous	<u>27,413</u>	<u>14,702</u>
Total revenues	<u>1,320,537</u>	<u>1,268,810</u>

The accompanying notes are an integral part of these financial statements

2615 PARK AVENUE ASSOCIATES

STATEMENTS OF REVENUES AND EXPENSES

YEARS ENDED DECEMBER 31, 2020 AND 2019

	<u>2020</u>	<u>2019</u>
Expenses:		
Payroll and related	257,656	305,201
Professional fees	18,528	34,602
Other administrative	21,528	25,613
Insurance	62,048	62,393
Repairs and maintenance	312,627	280,775
Grounds and related	33,737	31,695
Utilities	164,105	148,728
Trash removal	15,369	17,241
Bank fees	-	387
Depreciation expense	159,021	170,256
Real estate taxes	125,478	115,399
Interest expense	94,624	108,502
Corporate income taxes	6,721	7,840
Major repairs and replacements	<u>-</u>	<u>-</u>
Total expenses	<u>1,271,442</u>	<u>1,308,632</u>
Excess (deficit) of revenues over expenses	49,095	(39,822)
Beginning accumulated excess (deficit) of revenues over expenses	<u>(4,866,330)</u>	<u>(4,826,508)</u>
Ending accumulated excess (deficit) of revenues over expenses	<u><u>\$ (4,817,235)</u></u>	<u><u>\$ (4,866,330)</u></u>

The accompanying notes are an integral part of these financial statements

2615 PARK AVENUE ASSOCIATES

STATEMENTS OF MEMBERS' EQUITY

YEARS ENDED DECEMBER 31, 2020 AND 2019

	Certificate of Initial Capital Value	Paid-in Surplus	Additional Paid-in Capital	Treasury Stock	Accumulated Excess (deficit) Revenues over Expenses	Total
BALANCE, at January 1, 2019	\$ 357,632	\$ 5,167,804	88,987	\$ (99,610)	\$ (4,826,508)	\$ 688,305
Sale of Unit 115	-	-	67,528	41,044	-	108,572
December 31, 2019 excess (deficit) of revenues over expenses	-	-	-	-	(39,822)	(39,822)
BALANCE, at December 31, 2019	\$ 357,632	\$ 5,167,804	\$ 156,515	\$ (58,566)	\$ (4,866,330)	\$ 757,055
Sale of Unit 603	-	-	91,784	58,566	-	150,350
December 31, 2020 excess (deficit) of revenues over expenses	-	-	-	-	49,095	49,095
BALANCE, at December 31, 2020	<u>\$ 357,632</u>	<u>\$ 5,167,804</u>	<u>\$ 248,299</u>	<u>\$ -</u>	<u>\$ (4,817,235)</u>	<u>\$ 956,500</u>

The accompanying notes are an integral part of these financial statements

2615 PARK AVENUE ASSOCIATES

STATEMENTS OF CASH FLOWS

YEARS ENDED DECEMBER 31, 2020 AND 2019

	<u>2020</u>	<u>2019</u>
Cash flows from operating activities:		
Excess (deficit) of revenues over expenses	\$ 49,095	\$ (39,822)
Adjustments to reconcile excess (deficit) of revenues over expenses to cash flows from operating activities:		
Depreciation expense	159,021	170,256
Loss (gain) on disposal of fixed assets	(11,000)	
Amortization of debt issuance costs	2,728	2,768
Decrease (increase) in operating assets:		
Allowance for doubtful accounts	-	-
Members accounts receivable	(2,257)	3,818
Special assessment receivable	23,118	57,929
Prepaid insurance	2,179	6,944
Other assets	-	1,901
Increase (decrease) in operating liabilities:		
Accounts payable	(25,581)	41,252
Accrued payroll	(9,342)	(21,379)
Prepaid assessments	4,395	(7,539)
Accrued income taxes	1,777	2,640
Net cash flows from operating activities	<u>194,133</u>	<u>218,768</u>
Cash flows from investing activities:		
Certificates of deposit, net	-	50,367
Proceeds from sale of fixed assets	11,000	-
Purchases of fixed assets	(225,934)	-
Net cash from investing activities	<u>(214,934)</u>	<u>50,367</u>

The accompanying notes are an integral part of these financial statements

2615 PARK AVENUE ASSOCIATES

STATEMENTS OF CASH FLOWS

YEARS ENDED DECEMBER 31, 2020 AND 2019

	<u>2020</u>	<u>2019</u>
Cash flows from financing activities:		
Principal payments on mortgages	(229,328)	(218,717)
Proceeds from sales of units	150,350	108,572
Redemptions of equity shares	-	-
Net cash from financing activities	<u>(78,978)</u>	<u>(110,145)</u>
Net increase (decrease) in cash, cash equivalents and restricted cash	(99,779)	158,990
Cash, cash equivalents and restricted cash - beginning of year	395,212	236,222
Cash, cash equivalents and restricted cash - end of year	<u>\$ 295,433</u>	<u>\$ 395,212</u>
Supplemental disclosure:		
Income taxes paid	<u>\$ 2,304</u>	<u>\$ 6,229</u>
Interest paid	<u>\$ 93,512</u>	<u>\$ 107,491</u>

The accompanying notes are an integral part of these financial statements

2615 PARK AVENUE ASSOCIATES

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE 1 - NATURE OF ORGANIZATION

2615 Park Avenue Associates is a nonprofit cooperative housing association incorporated in the State of Minnesota on January 31, 1947. The Cooperative is responsible for the operation and maintenance of the common property. The Cooperative consists of 112 residential units, commercial spaces and parking garages located in Minneapolis, Minnesota.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting:

The Cooperatives' financial statements are prepared in conformity with accounting principles generally accepted in the United States of America.

Unclassified Balance Sheet

The current/noncurrent distinction is deemed in practice to have little or no relevance to cooperatives. Accordingly, the Cooperative has presented an unclassified balance sheet in accordance with industry standards.

Revenue Recognition

The Association adopted ASU 2014-09 and all subsequent amendments to the ASU (collectively, "ASC 606"), which creates a single framework for recognizing revenue from contracts with customers that fall within its scope. The majority of the Cooperative's revenues come from sources that are outside the scope of ASC 606, such as rental activities under the Occupancy Agreement. Revenue streams subject to ASC 606 include: TMobile, Comcast bulk rate, parking fees, late fees, and interest income. Such fees are ancillary to the Cooperative and are recognized as revenue at the point in time such fees are incurred. The adoption of this new guidance did not have a material impact on the Association's financial statements.

Cash Equivalents

Investment instruments purchased with a maturity of three months or less are considered to be cash equivalents. Certificates of deposit and other securities with original maturities over three months are classified as short-term investments. At December 31, 2020 and 2019, there were no cash equivalents.

The following table provides a reconciliation of cash, cash equivalents and restricted cash reported within the balance sheets that sum to the total in the statements of cash flows as of December 31:

See Independent Auditor's Report

2615 PARK AVENUE ASSOCIATES

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash Equivalents (Continued)

	<u>2020</u>	<u>2019</u>
Cash and cash equivalents	\$ 204,768	\$ 329,441
Restricted cash:		
Cash - loan restricted	32,631	32,594
Tenant security deposits	-	-
Real estate tax and insurance escrow	<u>58,034</u>	<u>33,177</u>
Total cash, cash equivalents and restricted cash as shown in the statements of cash flows	<u>\$ 295,433</u>	<u>\$ 395,212</u>

ASU 2016-18 Statement of Cash Flows: Restricted Cash

The Cooperative adopted ASU 2016-18, which requires that restricted cash and cash equivalents be included in the beginning and ending cash and cash equivalents in the statements of cash flows. The adoption of ASU 2016-18 resulted in the reclassification of certain items related to restricted cash in the statements of cash flows.

Property and Equipment

Property and equipment are carried at cost. Depreciation is computed using the straight-line method. A summary is as follows

	<u>2020</u>	<u>2019</u>	<u>Years</u>
Land and land improvements	\$ 47,000	\$ 47,000	10 to 30
Building and improvements	6,309,982	6,084,047	10 to 40
Furnishings and equipment	<u>271,355</u>	<u>291,228</u>	5 to 10
Total fixed assets	6,628,337	6,422,275	
Accumulated depreciation	<u>(4,606,441)</u>	<u>(4,467,293)</u>	
Fixed assets, net	<u>\$ 2,021,896</u>	<u>\$ 1,954,982</u>	

Maintenance and repairs which neither materially add to the value of the property nor appreciably prolong its life are charged to expense as incurred. Gains or losses on disposition of property and equipment are included in income.

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2615 PARK AVENUE ASSOCIATES

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Debt Issuance Costs

Debt issuance costs of \$49,525 were incurred in connection with obtaining the Cooperative's financing. These costs are recorded at cost and are being amortized using the effective interest method over the life of the financing of 15 to 20 years. Accumulated amortization totaled \$34,888 and \$32,160 at December 31, 2020 and 2019, respectively.

Debt issuance costs, net of accumulated amortization, are reported as a reduction of the obligation to which such costs relate. Amortization of debt issuance costs is reported as a component of interest expense.

Future amortization of these fees is as follows:

2021	\$	2,729
2022		2,729
2023		2,729
2024		2,729
2025		2,729
Thereafter		992
		<u>\$ 14,637</u>

Advertising

Advertising costs primarily relate to rental of Cooperative owned units, sales of cooperative owned, and member unit sales. The Cooperative expenses advertising costs for unit sales as incurred. Advertising costs totaled \$ -0- and \$ -0-in 2020 and 2019, respectively.

Comprehensive Income

GAAP establishes standards for the reporting and disclosure of comprehensive income and its components which will be presented in association with 2615 Park Avenue Associates' financial statements. Comprehensive income is defined as the change in a business enterprise's equity during a period arising from transactions, events or circumstances relating to non-owner sources, such as unrealized gains or losses on available-for-sale securities. It includes all changes in equity during a period except those resulting from investments by or distributions to owners. Net income and comprehensive income were the same for the years ended December 31, 2020 and 2019.

See Independent Auditor's Report

2615 PARK AVENUE ASSOCIATES

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Concentrations, Risks and Uncertainties

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Assessments Receivable

Cooperative members are subject to monthly assessments to provide funds for the Cooperative's operating expenses, future capital acquisitions and major repairs and replacements. Any excess assessments at year end are retained by the Cooperative for use in future years. Assessments receivable at the balance sheet date represent fees due from unit owners and are secured by the unit owner's stock certificate. The Cooperative's policy is to pursue collections on members whose assessments are delinquent.

Management believes that all assessments receivable are collectible and has not provided for an allowance for doubtful accounts. While the ultimate uncollectible amounts may differ, Management believes that any loss would not materially impact the Cooperative's financial position. Due to uncertainties in the collection process, however, it is at least reasonably possible management's estimate will change during the next year. That change cannot be estimated.

Cash Accounts

The Cooperative maintains its checking, savings and escrows accounts with financial institutions insured by Federal Deposit Insurance Corporation (FDIC). In case of bank failure, FDIC ensures interest bearing account balances up to \$250,000. Balances as a single institution over \$250,000 may be subject to risk. The Cooperative may have such exposure in the years ended 2020 and 2019.

Lender Concentration

100% of the Cooperative's borrowings are from one financial institution at December 31, 2020 and 2019. This indebtedness is scheduled to mature June 2026.

2615 PARK AVENUE ASSOCIATES

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Concentrations, Risks and Uncertainties (Continued)

Uncertainties

In December 2019, an outbreak of a novel strain of coronavirus (COVID-19) originated in China and has since spread to other countries, including the U.S. On March 11, 2020, the World Health Organization characterized COVID-19 as a pandemic. In addition, multiple jurisdictions in the U.S. have declared a state of emergency. It is anticipated that these impacts will continue for some time. There has been no immediate impact to the Cooperative's operations. Future potential impacts may include disruptions or restrictions on the homeowners' ability to pay the required monthly assessments. Property management or maintenance functions may be affected. Changes to the operating environment may increase operating costs. Additional impacts may include the ability of homeowners to continue making monthly assessment payments as a result of job loss or other pandemic related issues. The future effects of these issues are unknown.

NOTE 3 - RESTRICTED ESCROW DEPOSITS AND FUNDED RESERVES

The mortgage agreement requires that monies be escrowed for payment of real estate taxes and an operating and replacement reserve.

Tax Escrow:

Real estate tax escrow with monthly deposits determined by National Cooperative Bank, N.A. and held by National Cooperative Bank, N.A. Disbursements made by National Cooperative Bank, N.A.

Operating and Replacement Reserve:

The Cooperative is required to maintain a general operating and replacement reserve account in an amount equal to 10% of the Cooperative's budgeted gross annual operating income. Any reduction in such general operating and replacement reserves shall be replaced within 180 days. The Cooperative's 2020 and 2019 operating budget revenues are \$1,300,148 and \$1,300,360.

A summary of the mortgagor controlled general operating and replacement reserve account is as follows:

See Independent Auditor's Report

2615 PARK AVENUE ASSOCIATES

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE 3 - RESTRICTED ESCROW DEPOSITS AND FUNDED RESERVES (Continued)

	<u>2020</u>	<u>2019</u>
Beginning Balance	\$ 32,594	\$ 118,284
Monthly deposits	-	-
Additional deposits	-	-
Interest earned	37	201
Withdrawals	<u>-</u>	<u>(85,891)</u>
Ending Balance	<u>\$ 32,631</u>	<u>\$ 32,594</u>

The lender is aware of the Cooperatives deficiency in the operating and replacement reserve. The lender is not obligated to release monies from the reserve to the Cooperative if a deficiency exists. During 2019 the lender agreed to release \$85,891 for the elevator project.

NOTE 4 - INCOME TAXES

Cooperative associations are taxed as regular corporations. Under provisions of the Internal Revenue Code the Cooperative is generally taxed only on non-patronage income, like the antenna income, at regular federal and state corporate tax rates.

The Cooperative has evaluated for uncertain tax positions and feels there are none. Federal and state taxing authorities generally have the right to examine returns for three years from the date of filing. Any interest or penalties incurred by the Cooperative would be included in operating expenses in the accompanying financial statements. No interest or penalties are reflected in the 2020 and 2019 financial statements.

NOTE 5 - LONG TERM DEBT

Long term debt consisted of the following:

2615 PARK AVENUE ASSOCIATES

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE 5 - LONG TERM DEBT (Continued)

	2020	2019
Mortgage payable - National Cooperative Bank (NCB) payable in monthly payments of \$20,860, including interest at 6.49% per annum, through May 2026, secured by all of the Cooperative's land, building and other assets.	\$ 1,155,225	\$ 1,324,553
Line of credit - National Cooperative Bank (NCB) payable in monthly principal payments of \$5,000 plus interest payments at 5.625%, through January 2024, secured by 2nd mortgage and lien on assessments.	185,000	245,000
Long-term debt	1,340,225	1,569,553
Less: unamortized debt issuance costs	(14,637)	(17,365)
Net long-term debt	\$ 1,325,588	\$ 1,552,188

Amortization of debt issuance costs of \$2,728 and \$2,728 for the years ended December 31, 2020 and 2019 is reported as interest expense in the statement of revenues and expenses. Interest expense of \$94,6242 and \$108,502 is reported in the statement of revenues and expenses for the years ended December 31, 2020 and 2019. Maturities of long term are as follows:

2021	\$	240,651
2022		252,731
2023		265,618
2024		224,367
2025		234,035
Thereafter		122,821
		\$ 1,325,588

The Cooperatives mortgage with the National Cooperative Bank places certain loan covenants on the Cooperative.

See Independent Auditor's Report

2615 PARK AVENUE ASSOCIATES

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE 5 - LONG TERM DEBT (Continued)

The Cooperative did not deliver its annual audit to the lender within 120 days as required by the covenants. The loan covenants require the Cooperative to be managed by “an independent professional management agent”. Since the inception of the mortgage the Cooperative has been self managed. The lender has not raised any concerns about this management relationship. The loan covenants require the Cooperative to “at all times maintain a minimum Debt Service Coverage Ratio of 1.0 to 1.0. The Cooperative did not meet this covenant in 2020 and 2019.

No prepayment of the mortgage payable is allowed through July 1, 2021. Prepayments after July 1, 2021 will incur prepayment penalties as follows:

<u>Prepayment Period</u>	<u>Premium</u>
July 1, 2021 through and including June 30, 2022	5%
July 1, 2022 through and including June 30, 2023	4%
July 1, 2023 through and including June 30, 2024	3%
July 1, 2024 through and including June 30, 2025	2%
July 1, 2025 through and including March 1, 2026	1%
March 2, 2026 and thereafter	0%

NOTE 6 - SPECIAL ASSESSMENTS

In September 2017, the Cooperative approved a \$296,800 special assessment to fund replacement reserves. Unit owners had the option to pay the assessment in full or finance the payments over 36 months. Assessments were levied to individual units based on percentage of ownership. The majority of the special assessment monies received through December 31, 2020 and 2019 have been used for operating expenses. The financial statements reflect \$ - 0 - and \$23,118 of special assessments receivable at December 31, 2020 and 2019, respectively.

NOTE 7 - FUTURE MAJOR REPAIRS AND REPLACEMENTS

The Cooperative's governing documents allow the board, in its discretion, to allocate a portion of net income to reserves. Accumulated funds, which are estimated at \$199,472 at December 31, 2020 are comingled with operating monies and are often used for operating purposes. The Cooperative has conducted a study of future major repairs and replacements. The Cooperative should be funding for such major repairs and replacements over the estimated useful lives of the components based on future replacement costs, considering the amounts previously accumulated in the replacement fund.

See Independent Auditor's Report

2615 PARK AVENUE ASSOCIATES

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE 7 - FUTURE MAJOR REPAIRS AND REPLACEMENTS (Continued)

Actual expenditures may vary from the estimated amounts and the variations may be material. Therefore, amounts accumulated in the replacement fund may not be adequate to meet future needs. If additional funds are needed, however, the Board of Directors of the Cooperative would need to consider increasing regular assessments, levying special assessments, incurring additional indebtedness or delaying major repairs and replacements until funds are available.

NOTE 8 - MEMBER EQUITY

Common Stock:

The Cooperative has authorized 110,000 shares of common stock with a par value of \$3.40. Member shares are proportional to the square footage of their units. At December 31, 2020 and 2019 there were 105,186 shares of common stock outstanding.

Treasury Stock:

Member-shareholders may be forced by economic conditions to surrender their shares to the Cooperative. These shares, as well as repurchased shares, are recorded as treasury stock. Treasury stock is recorded at its Initial Share Value plus any consideration paid or receivable released. Gains and losses on the sale of treasury stock are recorded to paid-in surplus. Cooperatives do not charge assessments on units while that unit is owned by the Cooperative.

A summary of activity relating to treasury stock is as follows:

	<u>2020</u>	<u>2019</u>
Beginning of year	1	2
Surrendered during year	-	-
Purchased during year	-	-
Sold during year	(1)	(1)
End of year	<u>-</u>	<u>1</u>
Rent received on held certificates	\$ -	\$ -
Average selling price on certificates sold	\$ 150,350	\$ 108,575
Average gain on certificates sold	\$ 109,306	\$ 67,528

See Independent Auditor's Report

2615 PARK AVENUE ASSOCIATES

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE 9 - PENSION PLAN

The Cooperative has a “simple IRA” pension plan that covers certain employees who qualify in accordance with the plan document and rules under ERISA. The Cooperative contributes to each eligible employee’s plan an amount equal to 5% of the employee’s salary. For 2020 and 2019, the Cooperative contributed \$ -0- and \$592, respectively.

NOTE 10 – SUBSEQUENT EVENTS

The Cooperative is in the process of applying for a new bank loan to replace its National Cooperative Bank debt and to secure additional financing for various replacement reserve expenditures in the future. This matter is in its early phases and the ultimate resolution is not known as of August 12, 2021.

Subsequent events have been evaluated through August 12, 2021, which is the date the financial statements were available to be issued.

SUPPLEMENTAL INFORMATION

2615 PARK AVENUE ASSOCIATES

SUPPLEMENTAL INFORMATION ON FUTURE MAJOR REPAIRS AND REPLACEMENTS

DECEMBER 31, 2020
(Unaudited)

In 2020 the Cooperative conducted a study to estimate the remaining useful lives and the replacement costs of the common property components. The estimates were based on estimated costs to repair or replace the common property components at the end of their useful lives assuming no annual inflation.

Estimated remaining useful lives and estimated current replacement costs have not been revised since the date of the study and do not take into account the effects of any expenditures or differences in the estimates.

The following table is based on the study and presents significant information about the components of common property.

<u>Components</u>	<u>Estimated Remaining Useful Lives (Years)</u>	<u>Estimated Current Replacement Costs</u>	<u>Designated Cash Balance at Dec. 31, 2020</u>
SEE ATTACHED SCHEDULE		<u>See Attached</u>	<u>\$ 199,472</u>

RESERVE EXPENDITURES

2615 Park Avenue Associates
 Minneapolis, Minnesota

Explanatory Notes:
 1) 2.0% is the estimated Inflation Rate for estimating Future Replacement Costs.
 2) FY2020 is Fiscal Year beginning January 1, 2020 and ending December 31, 2020.

Line Item	Total Quantity	Per Phase Quantity	Units	Reserve Component Inventory	Estimated 1st Year of Event	Life Analysis, Years		Costs, \$			Percentage of Future Expenditures	RUL = 0 FY2020	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
						Useful	Remaining	Unit (2020)	Per Phase (2020)	Total (2020)			2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Exterior Building Elements																											
1.020	1	1	Square Feet	Awning, Canvas and Frame	2029	10 to 15	9	19,000.00	19,000	19,000	0.4%										22,707						
1.130	1	1	Allowance	Canopy, Lobby Entrance, Repairs (Incl. Roof)	2033	to 20	13	9,000.00	9,000	9,000	0.1%													11,642			
1.160	1	1	Allowance	Doors and Windows, Entrances, Repairs and Refinishing	2022	6 to 8	2	4,200.00	4,200	4,200	0.2%		4,370									5,120					
1.287	1,300	1,300	Linear Feet	Roof, Anchors, Installation	2025	N/A	5	110.00	143,000	143,000	1.3%						157,884										
1.300	27,670	27,670	Square Feet	Roofs, Build-up, Initial (Incl. Removal and Reinstallation of Solar System)	2025	to 25	5	18.00	498,060	498,060	11.9%						548,898										
1.301	27,670	27,670	Square Feet	Roofs, Build-up, Subsequent	2050	to 25	30	16.50	456,555	456,555	6.8%																
1.540	14,400	3,600	Linear Feet	Sealants, Windows and Doors, Phased	2026	5 to 20	6 to 21	6.00	21,600	86,400	1.2%						24,325					26,857					
1.820	60,400	60,400	Square Feet	Walls, Masonry, Inspections and Repairs, Initial (Incl. Sealants)	2021	N/A	1	12.00	724,800	724,800	5.6%	708,050															
1.821	60,400	60,400	Square Feet	Walls, Masonry, Inspections and Repairs, Subsequent	2031	8 to 10	11	6.00	362,400	362,400	8.2%											450,599					
1.880	2,030	1,015	Square Feet	Windows, Common, Renovation, Phased	2031	45 to 55	11 to 12	65.00	65,975	131,950	1.4%											82,032	83,672				
1.981	2,030	1,015	Square Feet	Windows, Common, Storm Windows, Replacement, Phased	2031	to 25	11 to 12	25.00	25,375	50,750	0.5%											31,551	32,182				
Interior Building Elements																											
2.060	1	1	Allowance	Club Room, Renovation, Complete	2033	to 20	13	33,000.00	33,000	33,000	0.4%														42,688		
2.061	1	1	Allowance	Club Room, Renovation, Partial	2023	to 5	3	4,000.00	4,000	4,000	0.2%				4,245					4,667							
2.100	2	2	Each	Elevator Cab Finishes, Freight and Passenger, Stain Finishes and Repairs	2021	to 10	1	3,000.00	6,000	6,000	0.2%	6,120									4,667			7,460			
2.155	3	1	Allowance	Exercise Equipment, Cardiovascular, Phased	2025	5 to 15	5 to 15	3,000.00	3,000	9,000	0.2%						3,312					3,657					4,038
2.200	2,060	2,060	Square Yards	Floor Coverings, Carpet, Hallways	2027	8 to 12	7	100.00	206,000	206,000	4.4%									236,829							
2.300	65	65	Square Yards	Floor Coverings, Vinyl, Freight Elevator Lobbies	2027	10 to 15	7	60.00	3,900	3,900	0.1%									4,480							
2.520	1	1	Allowance	Kitchen, Renovation	2025	to 25	5	8,000.00	8,000	8,000	0.2%						8,833										
2.600	1	1	Allowance	Lobby, Renovation	2028	to 20	8	50,000.00	50,000	50,000	1.2%										58,583						
2.780	1	1	Allowance	Office and Meeting Room, Renovation	2020	to 20	0	10,000.00	10,000	10,000	0.2%	10,000															
2.800	79,500	26,500	Square Feet	Paint Finishes, Hallways, Phased	2021	8 to 12	1 to 3	34,450	103,350	103,350	5.7%	35,139	35,842	36,559						39,572	40,364	41,171			44,595	45,456	46,365
2.801	3	3	Each	Paint Finishes, Stairwells	2027	to 25	7	16,000.00	48,000	48,000	0.5%									55,137							
2.802	112	112	Each	Paint Finishes, Unit Entrance Doors	2021	8 to 12	1	270.00	30,240	30,240	0.9%	30,845											37,600				
2.900	1	1	Each	Rest Rooms, Renovation, Womens Room (Excl. Fixtures)	2039	to 25	19	6,000.00	6,000	6,000	0.1%																
2.901	2	2	Each	Rest Room, Renovation, Lobby and Mens Room (Excl. Fixtures)	2022	to 25	2	3,000.00	6,000	6,000	0.1%		6,242														
Building Services Elements																											
3.060	1	1	Each	Air Handling Unit, Rooftop Heating and Cooling Unit, Location Served, 5-tons	2025	15 to 20	5	12,000.00	12,000	12,000	0.3%								13,249								
3.100	2	2	Each	Boilers, Building Heat, 6,100-MBH, Capital Repairs (Incl. 2020 Rebuild)	2020	to 10	0	34,500.00	69,000	69,000	2.7%	148,108									80,844						
3.105	2	1	Each	Boilers, Building Heat, 6,100-MBH, Replacement, Phased	2048	to 60+	28 to 29	230,000.00	230,000	460,000	6.6%																
3.160	2	2	Each	Boilers, Domestic Hot Water, 400-MBH	2033	15 to 20	13	13,000.00	26,000	26,000	0.3%														33,634		
3.300	2	2	Each	Electrical System, Commercial Entities, Rewiring	2021	N/A	1	5,000.00	10,600	10,600	0.1%	10,200															
3.301	1	1	Allowance	Electrical System, Laundry Room, Wiring Relocation	2021	N/A	1	4,500.00	4,500	4,500	0.0%	4,590															
3.302	1	1	Allowance	Electrical System, Main Panels, Thermal Scams and Repairs	2024	to 70+	4	50,000.00	50,000	50,000	1.6%					54,122									65,974		
3.360	1	1	Each	Elevator, Traction, Controls and Equipment, Freight	2050	to 30	30	100,000.00	100,000	100,000	1.5%																
3.361	1	1	Each	Elevator, Traction, Controls and Equipment, Passenger	2026	to 40	6	100,000.00	100,000	100,000	0.9%								112,616								
3.365	1	1	Each	Elevators, Traction, Hoists and Motors, Freight (Incl. 2020 Remaining)	2020	to 45	0	70,000.00	70,000	70,000	0.5%	59,946															
3.366	1	1	Each	Elevators, Traction, Hoists and Motors, Passenger	2041	to 40	21	70,000.00	70,000	70,000	0.9%																
3.440	1	1	Each	Generator, Emergency, 125-KW (Includes Transfer Switch)	2031	to 35	11	92,000.00	92,000	92,000	0.9%											114,390					
3.460	1	1	Each	Heat Exchanger, Building Heat (Incl. 2021 Repairs)	2021	to 25	1	8,000.00	8,000	8,000	0.1%	1,000									9,373						
3.470	1	1	Each	Intercom Panel	2038	15 to 20	18	3,900.00	3,900	3,900	0.0%																
3.500	10	3	Each	Laundry Equipment, Washers and Dryers, Phased	2022	to 10	2 to 8	1,500.00	4,995	15,000	0.5%		5,197				5,515			5,852			6,335			6,723	

RESERVE EXPENDITURES

2615 Park Avenue Associates
Minneapolis, Minnesota

Line Item	Total Quantity	Per Phase Quantity	Units	Reserve Component Inventory	Estimated 1st Year of Event	Life Analysis, Years		Costs, \$			Percentage of Future Expenditures	16 2036	17 2037	18 2038	19 2039	20 2040	21 2041	22 2042	23 2043	24 2044	25 2045	26 2046	27 2047	28 2048	29 2049	30 2050		
						Useful	Remaining	Unit (2020)	Per Phase (2020)	Total (2020)																		
Exterior Building Elements																												
1.020	1	1	Square Feet	Awning, Canvas and Frame	2029	10 to 15	9	19,000.00	19,000	19,000	0.4%																	
1.130	1	1	Allowance	Canopy, Lobby Entrance, Repairs (Incl. Roof)	2033	to 20	13	9,000.00	9,000	9,000	0.1%																	
1.160	1	1	Allowance	Doors and Windows, Entrances, Repairs and Refinishing	2022	6 to 8	2	4,200.00	4,200	4,200	0.2%			5,899														
1.287	1,300	1,300	Linear Feet	Roof, Anchors, Installation	2025	N/A	5	110.00	143,000	143,000	1.3%																	
1.300	27,670	27,670	Square Feet	Roofs, Build-up, Initial (Incl. Removal and Reinstallation of Solar System)	2025	to 25	5	18.00	498,060	498,060	11.9%																902,167	
1.301	27,670	27,670	Square Feet	Roofs, Build-up, Subsequent	2050	to 25	30	16.50	456,555	456,555	6.8%																826,986	
1.540	14,400	3,600	Linear Feet	Sealants, Windows and Doors, Phased	2026	5 to 20	6 to 21	5.00	21,500	86,400	1.2%	29,652					32,738										36,146	
1.820	60,400	60,400	Square Feet	Walls, Masonry, Inspections and Repairs, Initial (Incl. Sealants)	2021	N/A	1	12.00	724,800	724,800	5.6%																	
1.821	80,400	60,400	Square Feet	Walls, Masonry, Inspections and Repairs, Subsequent	2031	8 to 10	11	6.00	362,400	362,400	8.2%						549,277											
1.980	2,030	1,015	Square Feet	Windows, Common, Renovation, Phased	2031	45 to 55	11 to 12	65.00	65,975	131,950	1.4%																	
1.981	2,030	1,015	Square Feet	Windows, Common, Storm Windows, Replacement, Phased	2031	to 25	11 to 12	25.00	25,375	50,750	0.5%																	
Interior Building Elements																												
2.060	1	1	Allowance	Club Room, Renovation, Complete	2033	to 20	13	33,000.00	33,000	33,000	0.4%																	
2.061	1	1	Allowance	Club Room, Renovation, Partial	2023	to 5	3	4,000.00	4,000	4,000	0.2%			5,713														
2.100	2	2	Each	Elevator Cab Finishes, Freight and Passenger, Stain Finishes and Repairs	2021	to 10	1	3,000.00	6,000	6,000	0.2%																	
2.155	3	1	Allowance	Exercise Equipment, Cardiovascular, Phased	2025	5 to 15	5 to 15	3,000.00	3,000	9,000	0.2%																	
2.200	2,060	2,060	Square Yards	Floor Coverings, Carpet, Hallways	2027	8 to 12	7	100.00	208,000	208,000	4.4%				300,193													
2.300	65	65	Square Yards	Floor Coverings, Vinyl, Freight Elevator Lobbies	2027	10 to 15	7	60.00	3,900	3,900	0.1%																	
2.520	1	1	Allowance	Kitchen, Renovation	2025	to 25	5	8,000.00	8,000	8,000	0.2%																	
2.600	1	1	Allowance	Lobby, Renovation	2028	to 20	8	50,000.00	50,000	50,000	1.2%																	
2.780	1	1	Allowance	Office and Meeting Room, Renovation	2020	to 20	0	10,000.00	10,000	10,000	0.2%																	
2.800	79,500	26,500	Square Feet	Paint Finishes, Hallways, Phased	2021	8 to 12	1 to 3	1.30	34,450	103,350	5.7%				50,187	51,191	52,215											
2.801	3	3	Each	Paint Finishes, Stairwells	2027	to 25	7	16,000.00	48,000	48,000	0.5%																	
2.802	112	112	Each	Paint Finishes, Unit Entrance Doors	2021	8 to 12	1	270.00	30,240	30,240	0.9%																	
2.900	1	1	Each	Rest Rooms, Renovation, Womens Room (Excl. Fixtures)	2039	to 25	19	6,000.00	6,000	6,000	0.1%																	
2.901	2	2	Each	Rest Room, Renovation, Lobby and Mens Room (Excl. Fixtures)	2022	to 25	2	3,000.00	6,000	6,000	0.1%																	
Building Services Elements																												
3.060	1	1	Each	Air Handling Unit, Rooftop Heating and Cooling Unit, Location Served, 5-tons	2025	15 to 20	5	12,000.00	12,000	12,000	0.3%																	
3.100	2	2	Each	Boilers, Building Heat, 6,100-MBH, Capital Repairs (Incl. 2020 Rebuild)	2020	to 10	0	34,500.00	69,000	69,000	2.7%			98,549														
3.105	2	1	Each	Boilers, Building Heat, 6,100-MBH, Replacement, Phased	2046	to 60+	28 to 29	230,000.00	230,000	460,000	6.6%																	
3.150	2	2	Each	Boilers, Domestic Hot Water, 400-MBH	2033	15 to 20	13	13,000.00	26,000	26,000	0.3%																	
3.300	2	2	Each	Electrical System, Commercial Entities, Rewiring	2021	N/A	1	5,000.00	10,000	10,000	0.1%																	
3.301	1	1	Allowance	Electrical System, Laundry Room, Wiring Relocation	2021	N/A	1	4,500.00	4,500	4,500	0.0%																	
3.302	1	1	Allowance	Electrical System, Main Panels, Thermal Scans and Repairs	2024	to 70+	4	50,000.00	50,000	50,000	1.6%																	
3.360	1	1	Each	Elevator, Traction, Controls and Equipment, Freight	2050	to 30	30	100,000.00	100,000	100,000	1.5%																	
3.361	1	1	Each	Elevator, Traction, Controls and Equipment, Passenger	2026	to 40	6	100,000.00	100,000	100,000	0.9%																	
3.365	1	1	Each	Elevators, Traction, Hoists and Motors, Freight (Incl. 2020 Remaining)	2020	to 45	0	70,000.00	70,000	70,000	0.5%																	
3.366	1	1	Each	Elevators, Traction, Hoists and Motors, Passenger	2041	to 40	21	70,000.00	70,000	70,000	0.9%																	
3.440	1	1	Each	Generator, Emergency, 125-KW (Includes Transfer Switch)	2031	to 35	11	92,000.00	92,000	92,000	0.9%																	
3.460	1	1	Each	Heat Exchanger, Building Heat (Incl. 2021 Repairs)	2021	to 25	1	8,000.00	8,000	8,000	0.1%																	
3.470	1	1	Each	Interroom Panel	2038	15 to 20	18	3,600.00	3,900	3,900	0.0%																	
3.500	10	3	Each	Laundry Equipment, Washers and Dryers, Phased	2022	to 10	2 to 8	1,500.00	4,995	15,000	0.5%																	

RESERVE EXPENDITURES

2615 Park Avenue Associates
Minneapolis, Minnesota

Explanatory Notes:

- 1) 2.0% is the estimated Inflation Rate for estimating Future Replacement Costs.
- 2) FY2020 is Fiscal Year beginning January 1, 2020 and ending December 31, 2020.

Line Item	Total Quantity	Per Phase Quantity	Units	Reserve Component Inventory	Estimated 1st Year of Event	Life Analysis, Years		Costs, \$			Percentage of Future Expenditures	RUL = 0 FY2020	1 2021	2 2022	3 2023	4 2024	5 2025	6 2026	7 2027	8 2028	9 2029	10 2030	11 2031	12 2032	13 2033	14 2034	15 2035	
						Useful	Remaining	Unit (2020)	Per Phase (2020)	Total (2020)																		
3.555	1	1	Allowance	Life Safety System, Control Panel	2039	15 to 20	19	6,000.00	6,000	6,000	0.1%																	
3.560	1	1	Allowance	Life Safety System, Emergency Devices (Incl. 2021 Rewiring by Elevators)	2021	to 25	1	103,500.00	103,500	103,500	1.6%	50,000																
3.600	112	12	Units	Pipes, Riser Sections, Building Heating, Phased	2029	to 80+	9 to 17	5,600.00	69,664	627,200	6.7%										83,255	84,920	86,618	88,351	90,118	91,920	93,759	
3.605	112	12	Units	Pipes, Domestic Water, Waste and Vent, Phased	2029	to 80+	9 to 17	7,500.00	93,300	840,000	8.9%											111,502	113,732	116,007	118,327	120,693	123,107	125,570
3.700	1	1	Each	Pump, Condensate Return (Incl. 2020 Valve Replacements)	2020	15 to 20	0	40,000.00	40,000	40,000	0.8%	4,000	40,800															
3.701	1	1	Each	Pump, Sump, Boiler Room (Incl. 2020 Budgeted)	2020	15 to 20	0	6,200.00	6,200	6,200	0.2%																	8,344
3.702	2	2	Each	Pumps, Sump, Garage	2020	15 to 20	0	6,000.00	12,000	12,000	0.4%	12,000																16,150
3.840	96	96	Each	Solar Photovoltaic System - 40 KW	2050	to 25	30	2,300.00	220,800	220,800	3.3%																	
3.860	2	2	Each	Storage Tanks, Domestic Hot Water	2048	to 30	28	8,000.00	16,000	16,000	0.2%																	
3.865	1	1	Allowance	Storage Tank, Fuel Oil 5,500 gallons	2027	to 50	7	35,000.00	35,000	35,000	0.3%										40,204							
Property Site Elements																												
4.040	330	330	Square Yards	Asphalt Pavement, Mill and Overlay	2049	15 to 20	29	15.00	4,950	4,950	0.1%																	
4.045	330	330	Square Yards	Asphalt Pavement, Total Replacement	2029	15 to 20	9	32.00	10,560	10,560	0.1%										12,620							
4.110	400	95	Linear Feet	Concrete Curbs and Gutters, Partial	2021	to 65	1 to 30+	32.00	3,640	12,800	0.1%	3,101									3,633							
4.140	8,680	1,145	Square Feet	Concrete Sidewalks, Partial	2024	to 85	4 to 30+	13.00	14,885	111,800	0.5%				15,112											19,840		
4.500	1	1	Allowance	Landscape, Partial Replacements	2020	to 5	0	10,000.00	10,000	10,000	0.8%	10,000									12,190							13,450
4.745	130	130	Square Feet	Retaining Walls, Masonry (Incl. 2020 Budgeted)	2020	to 35	0	30.00	3,900	3,900	0.1%	2,500																
4.960	430	430	Square Feet	Waterproof Membrane and Concrete Structure Repairs, Fuel Storage Vault	2027	25 to 35	7	60.00	25,800	25,800	0.2%										29,836							
Garage Elements																												
7.300	11,780	11,780	Square Feet	Concrete, Elevated Floor, Inspections and Capital Repairs	2025	10 to 15	5	4.00	47,120	47,120	1.0%						52,024											
7.360	10,740	2,150	Square Feet	Concrete, On-grade, Repairs and Perimeter Waterproof Coating (Including 2020 Budgeted)	2020	to 90	0 to 30+	19.00	40,850	204,050	1.8%	39,460										49,796						
7.400	2	2	Each	Doors and Operators	2026	8 to 15	6	6,500.00	13,000	13,000	0.5%							14,840										
7.460	1	1	Allowance	Exhaust System (Incl. 2020 Replacement of Fans)	2020	to 35	0	10,000.00	10,000	10,000	0.2%	9,000																
7.500	22,520	22,520	Square Feet	Fire Suppression System	2028	to 60	8	2.50	56,300	56,300	0.5%										55,964							
7.600	63	63	Each	Light Fixtures	2040	to 30	20	350.00	22,050	22,050	0.3%																	
7.800	11,780	11,780	Square Feet	Traffic Coating, Elevated Floors	2025	10 to 15	5	6.50	76,570	76,570	1.6%					84,539												
7.900	6	1	Each	Unit Heaters, Phased	2022	to 35	2 to 27	6,000.00	6,000	36,000	0.4%			6,242						6,692					7,609			
Anticipated Expenditures, By Year (\$12,180,474 over 30 years)												301,189	889,845	57,893	40,804	70,234	886,295	151,581	412,550	265,667	274,888	269,415	953,114	336,476	343,341	346,097	314,408	

RESERVE EXPENDITURES

2815 Park
Avenue Associates
Minneapolis, Minnesota

Line Item	Total Quantity	Per Phase Quantity	Units	Reserve Component Inventory	Estimated 1st Year of Event	Life Analysis, Years		Costs, \$			Percentage of Future Expenditures	16 2036	17 2037	18 2038	19 2039	20 2040	21 2041	22 2042	23 2043	24 2044	25 2045	26 2046	27 2047	28 2048	29 2049	30 2050											
						Useful	Remaining	Unit (2020)	Per Phase (2020)	Total (2020)																											
3.555	1	1	Allowance	Life Safety System, Control Panel	2039	15 to 20	19	6,000.00	6,000	6,000	0.1%																										
3.560	1	1	Allowance	Life Safety System, Emergency Devices (Incl. 2021 Rewiring by Elevators)	2021	to 25	1	103,500.00	103,500	103,500	1.6%																										
3.600	112	12	Units	Pipes, Riser Sections, Building Heating, Phased	2029	to 80+	9 to 17	5,600.00	69,684	627,200	6.7%	95,634	97,546																								
3.605	112	12	Units	Pipes, Domestic Water, Waste and Vent, Phased	2029	to 80+	9 to 17	7,500.00	93,300	840,000	8.9%	128,081	130,543																								
3.700	1	1	Each	Pump, Condensate Return (Incl. 2020 Valve Replacements)	2020	15 to 20	0	40,000.00	40,000	40,000	0.8%	54,911																									
3.701	1	1	Each	Pump, Sump, Boiler Room (Incl. 2020 Budgeted)	2020	15 to 20	0	6,200.00	6,200	6,200	0.2%																11,230										
3.702	2	2	Each	Pumps, Sump, Garage	2020	15 to 20	0	6,000.00	12,000	12,000	0.4%																21,736										
3.840	96	96	Each	Solar Photovoltaic System - 40 MW	2050	to 25	30	2,300.00	220,800	220,800	3.3%																399,949										
3.860	2	2	Each	Storage Tanks, Domestic Hot Water	2048	to 30	28	8,000.00	16,000	16,000	0.2%																27,856										
3.855	1	1	Allowance	Storage Tank, Fuel Oil, 6,500 gallons	2027	to 50	7	35,000.00	35,000	35,000	0.3%																										
Property Site Elements																																					
4.040	330	330	Square Yards	Asphalt Pavement, Mill and Overlay	2049	15 to 20	29	15.00	4,950	4,950	0.1%																8,790										
4.045	330	330	Square Yards	Asphalt Pavement, Total Replacement	2029	15 to 20	9	32.00	10,560	10,560	0.1%																										
4.110	400	95	Linear Feet	Concrete Curbs and Gutters, Partial	2021	to 65	1 to 30+	32.00	3,040	12,800	0.1%																5,399										
4.140	8,600	1,145	Square Feet	Concrete Sidewalks, Partial	2024	to 65	4 to 30+	13.00	14,885	111,800	0.5%								23,942																		
4.500	1	1	Allowance	Landscape, Partial Replacements	2020	to 5	0	10,000.00	10,000	10,000	0.8%					14,859					16,406						18,114										
4.745	130	130	Square Feet	Retaining Walls, Masonry (Incl. 2020 Budgeted)	2020	to 35	0	30.00	3,900	3,900	0.1%																7,064										
4.950	430	430	Square Feet	Waterproof Membrane and Concrete Structure Repairs, Fuel Storage Vault	2027	25 to 35	7	60.00	25,800	25,800	0.2%																										
Garage Elements																																					
7.300	11,780	11,780	Square Feet	Concrete, Elevated Floor, Inspections and Capital Repairs	2025	10 to 15	5	4.00	47,120	47,120	1.0%																70,018										
7.350	10,740	2,150	Square Feet	Concrete, On-grade, Repairs and Perimeter Waterproof Coating (Including 2020 Budgeted)	2020	to 50	0 to 30+	19.00	40,850	204,060	1.8%																73,994										
7.400	2	2	Each	Doors and Operatores	2026	8 to 15	6	6,500.00	13,000	13,000	0.5%			18,567													23,548										
7.460	1	1	Allowance	Exhaust System (Incl. 2020 Replacement of Fans)	2020	to 35	0	10,000.00	10,000	10,000	0.2%									14,859																	
7.500	22,520	22,520	Square Feet	Fire Suppression System	2028	to 60	8	2.50	56,300	56,300	0.5%																										
7.600	63	63	Each	Light Fixtures	2040	to 30	20	350.00	22,050	22,050	0.3%																32,765										
7.800	11,780	11,780	Square Feet	Traffic Coating, Elevated Floors	2025	10 to 15	5	6.50	76,570	76,570	1.8%																113,779										
7.900	6	1	Each	Unit Heaters, Phased	2022	to 35	2 to 27	6,000.00	6,000	36,000	0.4%		8,401						9,276					10,241													
Anticipated Expenditures, By Year (\$12,180,474 over 30 years)												308,278	236,590	141,532	518,552	377,489	795,255	23,027	36,269	104,364	105,729	100,823	79,284	531,003	422,633	2,485,849											