## Background of the Physical Condition Reviews:

- Homes constructed through government funding
- Effort to maintain the properties and uphold the overall social objectives of government programs
- Annual Financial Statement Reviews
- Client Visits
- Physical Condition Reviews

### Importance of the Physical Condition Reviews:

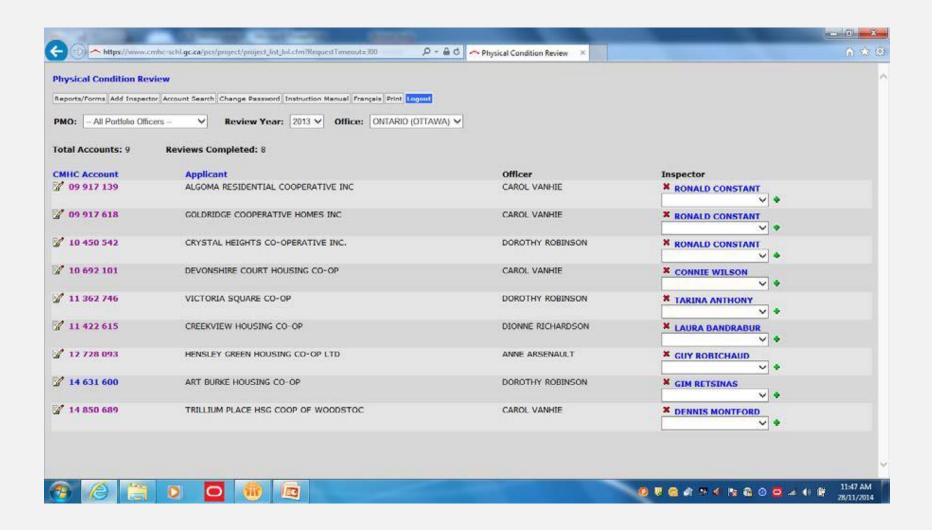
- Monitor the physical condition of projects
- Assess and records overall condition of Section 95 projects in database
- Identify potential improvements to maintenance/capital replacement
- Assist with capital replacement planning

### Objective of a Physical Condition Review:

- Identify the deficiency
- Assess the priority level of the deficiency
- Describe the cause (if not apparent)
- Briefly identify the most cost-effective means to correct
- Provide a cost estimate to correct; and
- Identify whether the work is considered maintenance or capital replacement

## Physical Condition Review – What to Report:

- Report on Deficiencies
- Sample of units to review –usually 10-20%\*
- Immediate Health & Safety Items (Verbally & in report)



Physical Condition Review – Timelines:

Deficiencies Categorized As:

- Urgent: To be addressed immediately (Health and Safety Item)
- Short Term (ST): To be addressed within 1 year;
- Medium Term (MT): To be addressed within 1 to 3 years;
- Long Term (LT): To be addressed within 3 to 5 or 5+ years

### Physical Condition Review – Timelines:

### **Assessment Categorized As:**

#### Excellent

- Unit is well maintained
- No deferred maintenance
- No repairs identified

### Above Average

- Well maintained
- Some repairs however not considered excessive
- Building components and systems working appropriately

### Average

- Repairs identified for majority of portfolio –not considered serious
- Some deferred maintenance
- No immediate threat to health and safety

### Physical Condition Review – Timelines:

### **Assessment Categorized As:**

- Below Average
  - Immediate repairs needed
  - Deferred maintenance and capital needs identified

#### Poor

- Significant evidence of deferred maintenance
- Capital repairs outstanding which impact building integrity
- Health and safety items identified
- Units require significant repairs for continued occupancy

### Defining a Deficiency:

In the context of portfolio management "satisfactory state of repair" means:

- Major building components (structural components including the building envelope, fire safety, heating, electrical, and plumbing systems) are performing and receiving regular maintenance as required by design and the authority having jurisdiction; and have not exceeded their useful lives
- Building finishes and components of a cosmetic/aesthetic nature exhibit the normal wear and tear that is expected in their design use, and have not exceeded their useful lives
- Building components do not pose a threat to the health and safety of occupants"

### Maintenance versus Replacement Reserve Items:

- Maintenance refers to annual repairs and servicing such as;
  - furnace servicing
  - cleaning eaves troughs
  - carpet cleaning
  - basic plumbing repairs
- Replacement Reserve refers to the replacement of building elements that wear out over the life of the housing unit
  - roofing
  - carpets
  - hot water heaters