

## ELIGIBLE RESERVE FOR REPLACEMENT ITEMS

The below list includes items for which a complete replacement will, generally, be considered eligible under standard multifamily properties.

### Appliances

Ranges  
Refrigerators  
Dishwashers  
Microwave Ovens  
Clothes Washers and Dryers  
Garbage Disposals  
Exhaust Fans  
Air Conditioners

### Exterior

Doors  
Windows with integral screens  
Roofs, complete replacement  
Gutter/downspout, complete replacement  
Paint, complete exterior  
Storm Windows and Storm Doors  
Screens  
Siding, complete or extensive replacement  
Electrical Fixtures  
Signs

### Plumbing/Systems

Toilets  
Bathtubs/Sinks and fixtures  
Kitchen sinks and fixtures  
Laundry tubs and fixtures  
Water Heaters  
Furnaces and Boilers

### Interior

Carpet (entire room/hallway)  
Flooring – tile, linoleum or wood  
Drapes, shades, and/or blinds  
Smoke and/or Carbon Monoxide Detectors (entire building)  
Cabinet replacement  
Common area painting  
Furnishings

### Miscellaneous

Elevator, complete or extensive repairs  
Seal coating asphalt  
Resurfacing asphalt  
Concrete work, complete or extensive repairs  
Swimming pool, complete or extensive repairs  
Sprinkler system & irrigation, complete replacement  
Office Computers  
Health/Safety items  
Major Rehabilitation of Grounds  
Fuel Oil Storage Tanks  
Garbage Compactors and Dumpsters

### Heating Systems

Central Heating Boilers  
Furnaces  
Major Valves & Pumps for Central Heating Systems  
Heat Pump Systems, Including Compressor Replacement  
Oil and Gas Burners for Central Systems

The listing above is provided as a guideline. Eligible items are not limited to those listed. Another determination of Reserve for Replacement eligibility depends on whether the repair or replacement is considered to be routine maintenance. This is quite often a judgment call from Multifamily Asset Management. In general, the replacement of small individual items will be considered a repair. If a large number of these individual items are replaced over a short period of time, it may be considered a “program” for replacement; and therefore, eligible. For example a replacement of three kitchen faucets to be repairs. If all kitchen faucets are replaced throughout the property, we would consider this a program; and therefore, eligible. The unit size and/or financial status of a property would influence the determination of eligible items. Please refer to the Regulatory Agreement or loan documents on specific project requirements under Reserve for Replacements.

Items covered by insurance or guarantees are not eligible for reimbursement from the Reserve for Replacement.

Questions on Reserve for Replacement items or related matters can be directed to the assigned property Portfolio Manager with Multifamily Asset Management.