

# 2019 Capital Walk Process

- Please note CMS and Ops capital will be in separate files. **CMS Capital Inspection Sheets** (sample attached) are organized by property name and located here: U:\Capital Inspection Sheet  
*Please note my common drive is U, which may be different than yours.*
  - 1) CMS Project Manager will be responsible to create a file for each community this week.
  - 2) Life and Safety Projects- removed from the inspection sheets as they need to be addressed right away versus 2020.
  - 3) Asset Preservation Projects
    - Prior to the walk, please have your onsite team fill out the blue column labeled “Ops Comment”.
    - Ops and CMS- please take and provide pictures and provide as much detail as possible on the inspection sheets.
    - Please do not include any wish list projects and only include projects that need to be addressed in 2020. CMS will address the long term capital needs.
    - Please note any projects that were previously cancelled do not carry over to this year, please reevaluate and resubmit.
    - CMS is responsible to fill out the rest of the inspection sheet.
    - Certain columns are blacked out to eliminate confusion of who can budget. For example, only CMS can budget for elevator.
    - After the walk is completed, please do not add any projects to the walk sheet. If you would like to add something, contact your CMS Project Manager. If you disagree with your Project Manager, noted it in the Ops comment section and bring it the one-on-one RPM meeting in May/June.
  - 4) Rev-gen and Asset Positioning Projects
    - Please only add projects that are not on the rev-gen tracker (attached), please fill out the “Ops comment” prior to the walk.
    - Redev will try to attend some of these walks to assist in the assessment of these projects.
    - Redev will review and determine if the project is rev-gen or an asset preservation project by reviewing year over year rent growth. If your community achieved rent growth at or above the submarket, the project will automatically be categorized as rev-gen unless you have evidence that you will experience declining rent growth in the future.
  - 5) Schedule of Capital Walks- CMS will contact each community and RPM to schedule the capital walks. If you are unable to make the walk, we highly encourage you to walk with your onsite team in advance and provide consolidated notes in the walk sheet.
  - 6) Please note there are 4 items that Ops may need to budget from the capital walks, these include:
    - Tools/ minor equipment/ shut off valves- Ops to budget if partial or one-off replacement, CMS to budget if community wide or large portions.
    - Water heater- *same reason as Tools*
    - HVAC Apts- *same reason as Tools*
    - Site Signage- *same reason as Tools*
- **OPS capital** (organized by RPM name)- I will work with Christine Grant to set up separate folders for Ops capital sheets as they do not need to be filled out now until Ops budget season starts.
- Between May and June, CMS and Redev will meet together with each RPM to go over the walk sheet for each community.