THE STATE OF SOUTH CAROLINA
In The Court of Appeals

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SC Court of Appeals

APPEAL FROM CHARLESTON COUNTY
Court of Common Pleas

Mikell R. Scarborough, Master-in-Equity

Case No. 2012-CP-10-8447
Appellate Case No. 2014-001273

Montclair Property Owners Association, Inc. and Montclair Property Owners Association Board of Directors for and on behalf of all owners of the Montclair Horizontal Property Regime, as assignees of Montclair Associates Limited Partnership, Cremco, LLC, and Montclair Homes, LLC,..... Respondents,

v.

Church Creek Construction, LLC, ... Appellant.

RECORD ON APPEAL – VOLUME III

C. Mitchell Brown Brian P. Crotty Miles E. Coleman NELSON MULLINS RILEY & SCARBOROUGH LLP Post Office Box 11070 Columbia, SC 29211 (803) 799-2000 Thomas H. Hesse PRATT-THOMAS WALKER, PA Post Office Drawer 22247 Charleston, SC 29413-2247 (843) 727-2250 *Attorneys for Appellant*	Stephen L. Brown Joseph E. Dapore Edward D. Buckley Jr. Russell G. Hines YOUNG CLEMENT RIVERS LLP Post Office Box 993 Charleston, SC 29402 (843) 577-4000 *Attorneys for Respondents*

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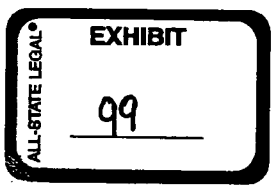
CHURCH CREEK REPAIRS BY UNIT BINDER

*Not reproduced or scanned, retained by Mr. Carlson



Calibogue Construction Company, Inc.

GENERAL CONTRACTOR
102 WAPPOO CREEK DRIVE #9, CHARLESTON, SC 29412
TELEPHONE (843) 762-9600 FAX (843) 762-0230
Email: calibogueconst@aol.com

MONTCLAIR
MT. PLEASANT, SOUTH CAROLINA

PRELIMINARY REMEDIATION & RESTORATION ESTIMATE
SCOPE OF WORK
November 15, 2010

LIMITING CONDITIONS

This scope of work is based on Construction Science and Engineering, Inc.'s (CSE) Montclair Report, dated 10/12/10 and CSE's Outline Scope of Repairs.

While reasonable efforts were made to identify existing construction deficiencies, there may be, and probably are other deficient conditions not currently identified to date.

GENERAL CONDITIONS

- Provide City of Mt. Pleasant building permit & business license.
- Provide project management and daily supervision of work.
- Provide equipment & required temporary facilities.
- Provide dumpster and offsite disposal for remediation and restoration Scope of Work repairs as required.
- Electrical and water utilities to be furnished by owner. (Estimated Owner's cost included in estimate.)
- Provide daily clean up on site.
- Provide finish cleaning and window cleaning at completion of project.
- Provide General Liability Insurance for project.

EXTERIOR WALL HARDBOARD CLADDING: - TOWNHOMES & GARDEN HOMES

- Remove and dispose of all existing hardboard cladding and wood trim below the soffit.
- Remove and replace wall sheathing within four feet (4') of outside building corners with ½" pressure treated plywood sheathing to comply with corner bracing requirements.
- Inspect wall sheathing and replace damaged sheathing with whole sheets of plywood. (Allowance)
- Inspect the condition of the exterior wall wood framing at locations where repairs to wall sheathing occur. Repair/replace damaged wall framing as required. (Allowance)
- Install a secondary 30# felt weather-resistive barrier (WRB) on all exterior walls integrated with weep flashing assemblies.
- Install new James Hardie Cedarmill Lap Siding (5/16 x 7.25") with a six-inch (6") exposure and nominal 5/4x4 Hardie Trim exterior trim.
- Install through-wall flashing at required locations.
- Paint the new siding and all exterior trim and soffit.

EXTERIOR WALL BRICK CLADDING – TOWNHOMES & GARDEN HOMES:

- Remove and dispose of 100% of the existing brick veneer cladding.
- Inspect wall sheathing and replace damaged sheathing with whole sheets of plywood. (Allowance)
- Inspect the condition of the exterior wall wood framing at locations where repairs to wall sheathing occur. Repair/replace damaged wall framing as required. (Allowance)
- Install a secondary 30# felt weather-resistive barrier (WRB) on all exterior walls integrated with weep flashing assemblies.

- Install new brick veneer with through-wall flashing assemblies, hot-dipped galvanized lintels, seismic wall ties and mortar net..

WINDOW AND DOOR REPAIRS

- Remove and replace the existing windows and sliding glass doors with new aluminum windows and sliding glass doors with proper framed opening flashing and sill pan flashing integrated with the secondary felt weather-resistive barrier.

INTERIOR REPAIRS

- Remove and replace any water intrusion damaged GWB and repair any GWB damage incurred at replaced windows or sliding glass doors.
- Paint corner to corner at walls where windows or sliding glass doors have been replaced or any patching of damaged areas.

ATTIC REPAIRS

- Provide a continuous 1-HR tenant separation wall between each unit.
- Properly protect all penetrations through the tenant separation wall.
- Provide proper fire protection on the bottom of roof deck within four feet (4') of each side of the tenant separation wall.
- Provide lateral bracing of truss web members where required.
- Provide additional holddown ties at truss bearing points were required.
- Provide ductwork for dryer vents to the exterior as required.
- Repair damaged roof truss members at Unit #1837-C in Building 23 and as required.

REAR SECOND FLOOR BALCONY REPAIRS ON GARDEN HOMES

- Remove and replace damaged wood columns as required (50%).
- Remove, store and reinstall metal guardrails.
- Provide anchors to resist code-prescribed wind loads (100%).

- Remove concrete topping at balcony decks (100%).

- Remove and replace the balcony floor framing at all second floor balconies.

- Replace balcony plywood subfloor with two (2) layers of T&G KDAT ¾" plywood.

- Install new deck edge flashing and Sealoflex liquid applied membrane waterproofing system with traffic coat anti-slip surface on all elevated balconies.

ROOFING SYSTEM REPAIRS

- Remove and dispose of existing shingle roofing and underlayment on buildings not recently repaired.

- Inspect plywood roof decks and replace damaged roof decking with whole sheets of plywood as necessary. (Allowance)

- Install new composition architectural shingles of like kind and quality to existing with proper underlayment, metal drip edge and flashings. (Roofs already replaced at Buildings 1, 3, 4, 6, 12, 16, 17, 19, 23, 29, 31, 32, 33 & 34).

MECHANICAL, ELECTRICAL AND PLUMBING ALLOWANCE

- Remove and reinstall HVAC compressors.

- Remove and reinstall electrical fixtures and electric meter bases.

- Remove and reinstall hose bibs.

- Remove and reinstall telephone, satellite, cable, etc. (Allowance).

SITE WORK

- Protect and restore landscaping as required.

Calibogue Construction Company, Inc.

GENERAL CONTRACTOR
102 WAPPOO CREEK DRIVE #9 CHARLESTON, SC 29412
TELEPHONE (843) 762-9600 FAX (843) 762-0230
Email: calibogueconst@aol.com

VIA ELECTRONIC TRANSMISSION &
U. S. MAIL

November 16, 2010

Mr. Joseph E. DaPore, Esquire
Young Clement Rivers, LLP
P. O. Box 993
Charleston, South Carolina

RE: MONTCLAIR AT TOWNE CENTER
MT. PLEASANT, SOUTH CAROLINA
BUILDINGS #2, #20, #23 & #26
PRELIMINARY REMEDIATION & RESTORATION COST ESTIMATES

Dear Joe:

I have enclosed herewith Calibogue Construction Co., Inc.'s Preliminary Remediation and Restoration Cost Estimates for the following buildings at the Montclair Condominium project in Mt. Pleasant.

1. Building #2 (5 Town Homes).....$281,204
   Average Cost/Town Home = $56, 241

2. Building #20 (5 Town Homes).....$270,170
   Average Cost/Town Home = $54,034

3. Building #23 (12 - Three BR Garden Homes).....$522,230
   Average Cost/Garden Home = $43,519

3. Building #26 (8 – Two BR Garden Homes).....$352,047
   Average Cost/Garden Home = $44,006

The estimates are based on the Outline Scope of Repairs prepared by Mr. Derek Hodgins, P.E. of Construction Science and Engineering, Inc.

Please feel free to contact our office if you have any questions or comments regarding the attached estimates.

Very truly yours,

Thomas J. Carlson (Mg)

Thomas J. Carlson, President
TJC/mg

Enclosures

cc: Mr. Derek Hodgins, P.E./Construction Science and Engineering, Inc.

MONTCLAIR AT TOWNE CENTER
TOWN HOME - BUILDING 2 (UNITS 1718 - 1726)
PRELIMINARY REMEDIATION & RESTORATION COST ESTIMATE

DIVISION # - DESCRIPTION OF WORK	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES: 5 TOWNHOUSES
DIV #1 - GENERAL CONDITIONS (SEE BELOW)	$0	$0	$0	$0	SEE BELOW
DIV #2 - EXTERIOR WALL HARDBOARD CLADDING	$0	$27,729	$69,641	$97,370	SEE DETAIL ON PAGE 3
DIV #3 - EXTERIOR WALL BRICK CLADDING	$0	$3,399	$11,511	$14,910	SEE DETAIL ON PAGE 3
DIV #4 - WINDOW & DOOR REPAIRS	$0	$36,622	$8,600	$45,222	SEE DETAIL ON PAGE 4
DIV #5 - INTERIOR REPAIRS	$0	$0	$4,500	$4,500	SEE DETAIL ON PAGE 4
DIV #6 - ATTIC REPAIR ALLOWANCE	$0	$0	$11,200	$11,200	SEE DETAIL ON PAGE 5
DIV #7 - SHINGLE ROOFING SYSTEM REPAIR	$0	$800	$21,520	$22,320	SEE DETAIL ON PAGE 6
DIV #8- MECHANICAL, ELECTRICAL & PLUMBING ALLOWANCE	$0	$0	$5,750	$5,750	SEE DETAIL ON PAGE 6
DIV #9 - SITE WORK	$0	$0	$10,000	$10,000	SEE DETAIL ON PAGE 6
DIVISIONS #1 - 9 ESTIMATE SUBTOTAL	$0	$68,551	$142,722	$211,273	
MONTCLAIR - TOWN HOME BUILDING 2 PRELIMINARY ESTIMATE SUBTOTAL				$211,273	
GENERAL CONDITIONS (10%) PRO-RATED FOR INDIVIDUAL BUILDINGS				$21,127	
MONTCLAIR - TOWN HOME BUILDING 2 PRELIMINARY ESTIMATE SUBTOTAL				$232,400	
CONTRACTOR'S FEE (10% + 10%)				$48,804	
MONTCLAIR - TOWN HOME BUILDING 2 PRELIMINARY ESTIMATE TOTAL				$281,204	

NOTES:

1 This estimate is based on Construction Science and Engineering, Inc.'s (CSE) Montclair Report, dated 10/12/10 and CSE Outline Scope of Repairs.

2 This estimate INCLUDES 100% removal and replacement of all existing hardboard siding and exterior trim below soffits with fiber cement siding and nominal 5/4 fiber cement exterior trim.

3 This estimate INCLUDES 100% removal and replacement of existing brick veneer with new brick veneer including hot-dipped galvanized lintels, seismic wall ties and thru-wall flashing at first floor level and heads and sills of penetrations.

4 This estimate INCLUDES removal and replacement of sheathing at outside corners with 1/2" pressure treated plywood to comply with corner bracing requirements.

5 This estimate INCLUDES an ALLOWANCE for removal and replacement of water intrusion/decay and/or insect damaged wall sheathing and wall framing components.

6 This estimate INCLUDES the installation of an integrated gravity water management system with a secondary weather-resistive barrier and integrated weep flashing accessories.

7 This estimate INCLUDES removal and replacement of all existing windows and sliding glass doors including proper rough opening flashing, head flashing and sill pans.

8 This estimte INCLUDES an ALLOWANCE for the repairs to and/or replacement of damaged drywall (GWB) or damages incurred as a result of the remediation procedures.

9 This estimate INCLUDES painting of the interior of exterior walls at repaired areas and all new exterior siding and exterior trim.

10 This estimate INCLUDES an ALLOWANCE for the repairs to the One-Hour tenant separation wall & ceiling in the attic as required, attic truss repairs and dryer vent duct repairs.

11 This estimate INCLUDES the removal and the replacement of the sloped shingle roofing systems with new flashing assemblies.

12 This estimate INCLUDES an ALLOWANCE for landscape protection and restoration.

13 This estimate DOES NOT include any expenses associated with moving and/or storage of interior contents offsite.

14 This estimate DOES NOT include loss of use for any portion of the estimated duration of repairs.

15 This estimate DOES NOT include any provisions for architectural and/or engineering fees.

16 This estimate is subject to revision after 30 days.

COST CODE	DIV #2 - EXTERIOR WALL HARDBOARD CLADDING	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
2001	REMOVE EXISTING HARDBORAD SIDING AND TRIM	0	0	7568	7568	7568 SF (CORR MEAS LAB - $1/SF)
2002	SIDING DUMPSTER/DISPOSAL EXPENSE	0	1000	0	1000	2.5 LOADS @ $400/LOAD (ASSUME .5/UNIT)
2003	TEMPORARY PROTECTION AT EXTERIOR WALLS		1135	1892	3027	7568 SF (CORR MEAS LAB $0.25/SF) PLUS 0.15/SF MATL
2004	REM & REPL WALL SHEATHING WITHIN 4' OF OUTSIDE CORNERS	0	1746	2448	4194	1632 SF (CORR MEAS LAB $1.50/SF) PLUS MATLS
2005	REM & REPL DAMAGED WALL SHEATHING AND FRAMING	0	0	4000	4000	ALLOWANCE: 5 UNITS @ $800/EACH
2006	INSTALL 30# FELT WEATHER-RESISTIVE BARRIER	0	908	4541	5449	7568 SF (CORR MEAS LAB $.60/SF) PLUS $.12 MATLS
2007	INSTALL NEW HARDIE CEDARMILL SIDING & 5/4 EXTERIOR TRIM	0	22704	26488	49192	7568 SF (CORR MEAS LAB $3.50/SF) PLUS $3.00/SF MATLS
2008	ALUMINUM HEAD FLASHING MATERIAL	0	236	0	236	A & R SHEET METAL QUOTE 11/3/10 (150 LF @ $1.57/LF)
2009	EXTERIOR PAINTING	0	0	22704	22704	MUDMASTER QUOTE 11/4/10
	DIV #2 - EXTERIOR WALL HARDBOARD CLADDING	**0**	**27729**	**69641**	**97370**	

COST CODE	DIV #3 - EXTERIOR WALL BRICK CLADDING	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	
3001	REMOVE ALL BRICK VENEER	0	0	1985	1985	794 SF (Z&Z MASONRY LAB $2.50/SF)
3002	BRICK DUMPSTER/DISPOSAL EXPENSE	0	150	0	150	NATURE'S CALLING - $150/LOAD
3003	TEMPORARY PROTECTION AT EXTERIOR WALLS		119	199	318	794 SF (CORR MEAS LAB $0.25/SF) PLUS 0.15/SF MATL
3004	REM & REPL WALL SHEATHING WITHIN 4' OF OUTSIDE CORNERS	0	0	0	0	INCL IN CC 2004
3005	REM & REPL DAMAGED WALL SHEATHING AND FRAMING	0	0	0	0	INCL IN CC 2005
3006	INSTALL 30# FELT WEATHER-RESISTIVE BARRIER	0	95	476	572	794 SF (CORR MEAS LAB $.60/SF) PLUS $.12 MATLS
3007	INSTALL NEW BRICK VENEER, ANCHORS & LINTELS	0	3035	8637	11672	LABOR Z&Z MASONRY PLUS MATLS
3008	ENGINEERED SEALANT JOINTS	0	0	214	214	126 LF @ $1.70/LF (SALEM QUOTE)
	DIV #3 - EXTERIOR WALL BRICK CLADDING	**0**	**3399**	**11511**	**14910**	

COST CODE	DIV #4 - WINDOW & DOOR REPAIRS	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
4001	REMOVE & REPLACE EXISTING WINDOWS (LABOR)	0	0	6600	6600	CORRECTIVE MEASURES (20 TOTAL WINDOWS)
4002	NEW WINDOW REPLACEMENT MATERIAL	0	18987	0	18987	BUCK LUMBER 9/24/10 QUOTE
4003	REMOVE & REPLACE SLIDING GLASS DOORS (LABOR)	0	0	2000	2000	CORRECTIVE MEASURES (5 SGD @ $400/EA)
4004	NEW SLIDING GLASS DOOR MATERIAL	0	15385	0	15385	BUCK LUMBER 9/24/10 QUOTE
4005	WINDOW E-Z PAN SILL FLASHING	0	2000	0	2000	20 WINDOWS @ $100/WINDOW
4006	ALUMINUM DOOR SILL PANS & ROUGH OPENING FLASHING	0	250	0	250	5 DOORS @ $50/DOOR
	DIV #4 - WINDOW & DOOR REPAIRS	**0**	**36622**	**8600**	**45222**	

COST CODE	DIV #5 - INTERIOR REPAIRS	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
5001	REMOVE AND REPLACE DAMAGED GWB	0	0	2500	2500	ALLOWANCE: 5 UNITS @ $500/UNIT
5002	REPAIR GWB AT REPLACED WINDOWS AND DOORS	0	0	500	500	ALLOWANCE: 5 UNITS @ $100/UNIT
5003	PAINT WALLS AT REPLACED WINDOWS AND DOORS	0	0	1500	1500	MUDMASTERS 11/4/10 QUOTE
	DIV #5 - INTERIOR REPAIRS	**0**	**0**	**4500**	**4500**	

COST CODE	DIV #6 - ATTIC REPAIR ALLOWANCE	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
6001	1-HR TENANT SEPARATION WALL/CEILING REPAIRS	0	0	11200	11200	JOE GATHERS QUOTE 11/12/10
6002	ATTIC TRUSS LATERAL BRACING REPAIRS	0	0	0	0	INCL IN CC 6001
6003	ATTIC TRUSS HURRICANE CLIP REPAIRS	0	0	0	0	INCL IN CC 6001
6004	ATTIC TRUSS REPAIRS	0	0	0	0	INCL IN CC 6001
6005	SECOND FLOOR DRYER DUCTWORK REPAIRS	0	0	0	0	INCL IN CC 6001
	DIV #6 - ATTIC REPAIR ALLOWANCE	**0**	**0**	**11200**	**11200**	

COST CODE	DIV #7 - SHINGLE ROOFING SYSTEM REPAIR	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
7001	REM & REPL SHINGLES, UNDERLAYMENT & METAL DRIP EDGE	0	0	20720	20720	DIAMOND, INC. 11/4/10 QUOTE
7002	REMOVE AND REPLACE GUTTER DOWNSPOUTS	0	0	800	800	40 LF/UNIT X 5 UNITS @ $4./LF GUTTER MASTERS COMP
7003	ROOFING DUMPSTER/DISPOSAL EXPENSE	0	800	0	800	2 LOADS @ $400/LOAD
	DIV #7 - SHINGLE ROOFING SYSTEM REPAIR	**0**	**800**	**21520**	**22320**	

COST CODE	DIV #8- MECHANICAL, ELECTRICAL & PLUMBING ALLOWANCE	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
8001	REMOVE & REINSTALL ELECTRIC FIXTURES & METER BASE	0	0	2500	2500	ALLOWANCE: 5 UNITS @ $500/EA
8002	REMOVE & REINSTALL HVAC CONDENSORS	0	0	2000	2000	5 UNITS @ $400/EACH
8003	REMOVE & REPLACE HOSE BIBS	0	0	250	250	5 UNITS @$50/UNIT
8004	REMOVE & REINSTALL PHONE, SATELLITE, CABLE, ETC	0	0	1000	1000	5 UNITS @ $200/UNIT
	DIV #8- MECHANICAL, ELECTRICAL & PLUMBING ALLOWANCE	**0**	**0**	**5750**	**5750**	

COST CODE	DIV #9 - SITE WORK	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
9001	LANDSCAPE PROTECTION AND RESTORATION	0	0	10000	10000	ALLOWANCE: 5 UNITS @ $2000/UNIT
	DIV #9 - SITE WORK	**0**	**0**	**10000**	**10000**	

MONTCLAIR AT TOWNE CENTER
TOWN HOME - BUILDING20 (UNITS 1832 - 1840)
PRELIMINARY REMEDIATION & RESTORATION COST ESTIMATE

DIVISION # - DESCRIPTION OF WORK	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES: 5 TOWNHOUSES
DIV #1 - GENERAL CONDITIONS (SEE BELOW)	$0	$0	$0	$0	SEE BELOW
DIV #2 - EXTERIOR WALL HARDBOARD CLADDING	$0	$24,835	$62,251	$87,086	SEE DETAIL ON PAGE 3
DIV #3 - EXTERIOR WALL BRICK CLADDING	$0	$4,011	$12,820	$16,831	SEE DETAIL ON PAGE 3
DIV #4 - WINDOW & DOOR REPAIRS	$0	$36,795	$8,000	$44,795	SEE DETAIL ON PAGE 4
DIV #5 - INTERIOR REPAIRS	$0	$0	$5,000	$5,000	SEE DETAIL ON PAGE 4
DIV #6 - ATTIC REPAIR ALLOWANCE	$0	$0	$11,200	$11,200	SEE DETAIL ON PAGE 5
DIV #7 -SHINGLE ROOFING SYSTEM REPAIR	$0	$800	$21,520	$22,320	SEE DETAIL ON PAGE 6
DIV #8- MECHANICAL, ELECTRICAL & PLUMBING ALLOWANCE	$0	$0	$5,750	$5,750	SEE DETAIL ON PAGE 6
DIV #9 - SITE WORK	$0	$0	$10,000	$10,000	SEE DETAIL ON PAGE 6
DIVISIONS #1 - 9 ESTIMATE SUBTOTAL	$0	$66,442	$136,541	$202,982	
MONTCLAIR - TOWN HOME - BUILDING 20 PRELIMINARY ESTIMATE SUBTOTAL				$202,982	
GENERAL CONDITIONS (10%) PRO-RATED FOR INDIVIDUAL BUILDINGS				$20,298	
MONTCLAIR - TOWN HOME - BUILDING 20 PRELIMINARY ESTIMATE SUBTOTAL				$223,281	
CONTRACTOR'S FEE (10% + 10%)				$46,889	
MONTCLAIR - TOWN HOME - BUILDING 20 PRELIMINARY ESTIMATE TOTAL				$270,170	

NOTES:

1 This estimate is based on Construction Science and Engineering, Inc.'s (CSE) Montclair Report, dated 10/12/10 and CSE Outline Scope of Repairs.

2 This estimate INCLUDES 100% removal and replacement of all existing hardboard siding and exterior trim below soffits with fiber cement siding and nominal 5/4 fiber cement exterior trim.

3 This estimate INCLUDES 100% removal and replacement of existing brick veneer with new brick veneer including hot-dipped galvanized lintels, seismic wall ties and thru-wall flashing at first floor level and heads and sills of penetrations.

4 This estimate INCLUDES removal and replacement of sheathing at outside corners with 1/2" pressure treated plywood to comply with corner bracing requirements.

5 This estimate INCLUDES an ALLOWANCE for removal and replacement of water intrusion/decay and/or insect damaged wall sheathing and wall framing components.

6 This estimate INCLUDES the installation of an integrated gravity water management system with a secondary weather-resistive barrier and integrated weep flashing accessories.

7 This estimate INCLUDES removal and replacement of all existing windows and sliding glass doors including proper rough opening flashing, head flashing and sill pans.

8 This estimte INCLUDES an ALLOWANCE for repairs to and/or replacement of damaged drywall (GWB) or damages incurred as a result of the remediation procedures.

9 This estimate INCLUDES painting of the interior of exterior walls at repaired areas and all new exterior siding and exterior trim.

10 This estimate INCLUDES an ALLOWANCE for the repairs to the One-Hour tenant separation wall & ceiling in the attic as required, attic truss repairs and dryer vent duct repairs.

11 This estimate INCLUDES the removal and the replacement of the sloped shingle roofing systems with new flashing assemblies.

12 This estimate INCLUDES an ALLOWANCE for landscape protection and restoration.

13 This estimate DOES NOT include any expenses associated with moving and/or storage of interior contents offsite.

14 This estimate DOES NOT include loss of use for any portion of the estimated duration of repairs.

15 This estimate DOES NOT include any provision for architectural and/or engineering fees.

16 This estimate is subject to revision after 30 days.

COST CODE	DIV #2 - EXTERIOR WALL HARDBOARD CLADDING	COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
2001	REMOVE EXISTING HARDBOARD SIDING AND TRIM	0	0	6683	6683	6683 SF (CORR MEAS LAB - $1/SF)
2002	SIDING DUMPSTER/DISPOSAL EXPENSE	0	1000	0	1000	2.5 LOADS @ $400/LOAD (ASSUME .5/UNIT)
2003	TEMPORARY PROTECTION AT EXTERIOR WALLS	0	1002	1671	2673	6683 SF (CORR MEAS LAB $0.25/SF) PLUS 0.15/SF MATL
2004	REM & REPL WALL SHEATHING WITHIN 4' OF OUTSIDE CORNERS	0	1746	2448	4194	1632 SF (CORR MEAS LAB $1.50/SF) PLUS MATLS
2005	REM & REPL DAMAGED WALL SHEATHING AND FRAMING	0	0	4000	4000	ALLOWANCE: 5 UNITS @ $800/EACH
2006	INSTALL 30# FELT WEATHER-RESISTIVE BARRIER	0	802	4010	4812	6683 SF (CORR MEAS LAB $.60/SF) PLUS $.12 MATLS
2007	INSTALL NEW HARDIE CEDARMILL SIDING & 5/4 EXTERIOR TRIM	0	20049	23391	43440	6683 SF (CORR MEAS LAB $3.50/SF) PLUS $3.00/SF MATLS
2008	ALUMINUM HEAD FLASHING MATERIAL	0	236	0	236	A & R SHEET METAL QUOTE 11/3/10
2009	EXTERIOR PAINTING	0	0	20049	20049	MUDMASTER QUOTE 11/4/10
	DIV #2 - EXTERIOR WALL HARDBOARD CLADDING	**0**	**24835**	**62251**	**87086**	

COST CODE	DIV #3 - EXTERIOR WALL BRICK CLADDING	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	
3001	REMOVE ALL BRICK VENEER	0	0	2225	2225	890 SF (Z&Z MASONRY LAB $2.50/SF)
3002	BRICK DUMPSTER/DISPOSAL EXPENSE	0	300	0	300	NATURE'S CALLING - $150/LOAD
3003	TEMPORARY PROTECTION AT EXTERIOR WALLS	0	134	223	356	890 SF (CORR MEAS LAB $0.25/SF) PLUS 0.15/SF MATL
3004	REM & REPL WALL SHEATHING WITHIN 4' OF OUTSIDE CORNERS	0	0	0	0	INCL IN CC 2004
3005	REM & REPL DAMAGED WALL SHEATHING AND FRAMING	0	0	0	0	INCL IN CC 2005
3006	INSTALL 30# FELT WEATHER-RESISTIVE BARRIER	0	107	534	641	890 SF (CORR MEAS LAB $.60/SF) PLUS $.12 MATLS
3007	INSTALL NEW BRICK VENEER, ANCHORS & LINTELS	0	3471	9612	13083	LABOR Z&Z MASONRY PLUS MATLS
3008	ENGINEERED SEALANT JOINTS	0	0	226	226	133 LF @ $1.70/LF (SALEM QUOTE)
	DIV #3 - EXTERIOR WALL BRICK CLADDING	**0**	**4011**	**12820**	**16831**	

MONTCLAIR AT TOWNE CENTER
TH - BUILDING 20
UNITS 1832 - 1840
MT. PLEASANT, SC

CALIBOGUE CONSTRUCTION CO, INC
PRELIMARY REMEDIATION COST ESTIMATE
BUILDING 20
UNITS 1832 - 1840
NOVEMBER 15, 2010

COST CODE	DIV #4 - WINDOW & DOOR REPAIRS	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
4001	REMOVE & REPLACE EXISTING WINDOWS (LABOR)	0	0	6000	6000	CORRECTIVE MEASURES (20 TOTAL WINDOWS)
4002	NEW WINDOW REPLACEMENT MATERIAL	0	19160	0	19160	BUCK LUMBER 9/24/10 QUOTE
4003	REMOVE & REPLACE SLIDING GLASS DOORS (LABOR)	0	0	2000	2000	CORRECTIVE MEASURES (5 SGD @ $400/EA)
4004	NEW SLIDING GLASS DOOR MATERIAL	0	15385	0	15385	BUCK LUMBER 9/24/10 QUOTE
4005	WINDOW E-Z PAN SILL PANS	0	2000	0	2000	20 WINDOWS @ $100/WINDOW
4006	ALUMINUM DOOR SILL PANS & ROUGH OPENING FLASHING	0	250	0	250	5 DOORS @ $50/DOOR
	DIV #4 - WINDOW & DOOR REPAIRS	**0**	**36795**	**8000**	**44795**	

COST CODE	DIV #5 - INTERIOR REPAIRS	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
5001	REMOVE AND REPLACE DAMAGED GWB	0	0	2500	2500	ALLOWANCE: 5 UNITS @ $500/UNIT
5002	REPAIR GWB AT REPLACED WINDOWS AND DOORS	0	0	500	500	ALLOWANCE: 5 UNITS @ $100/UNIT
5003	PAINT WALLS AT REPLACED WINDOWS AND DOORS	0	0	2000	2000	MUDMASTERS 11/4/10 QUOTE
	DIV #5 - INTERIOR REPAIRS	**0**	**0**	**5000**	**5000**	

MONTCLAIR AT TOWNE CENTER
TH - BUILDING 20
UNITS 1832 - 1840
MT. PLEASANT, SC

CALIBOGUE CONSTRUCTION CO, INC
PRELIMARY REMEDIATION COST ESTIMATE
BUILDING 20
UNITS 1832 - 1840
NOVEMBER 15, 2010

COST CODE	DIV #6 - ATTIC REPAIR ALLOWANCE	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
6001	1-HR TENANT SEPARATION WALL/CEILING REPAIRS	0	0	11200	11200	JOE GATHERS QUOTE 11/12/10
6002	ATTIC TRUSS LATERAL BRACING REPAIRS	0	0	0	0	INCL IN CC 6001
6003	ATTIC TRUSS HURRICANE CLIP REPAIRS	0	0	0	0	INCL IN CC 6001
6004	ATTIC TRUSS REPAIRS	0	0	0	0	INCL IN CC 6001
6005	SECOND FLOOR DRYER DUCTWORK REPAIRS	0	0	0	0	INCL IN CC 6001
	DIV #6 - ATTIC REPAIR ALLOWANCE	**0**	**0**	**11200**	**11200**	

COST CODE	DIV #7 -SHINGLE ROOFING SYSTEM REPAIR	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
7001	REM & REPL SHINGLES, UNDERLAYMENT & METAL DRIP EDGE	0	0	20720	20720	DIAMOND, INC. 11/4/10 QUOTE
7002	REMOVE AND REPLACE GUTTER DOWNSPOUTS	0	0	800	800	40 LF/UNIT X 5 UNITS @ $4./LF GUTTER MASTERS COMP
7003	ROOFING DUMPSTER/DISPOSAL EXPENSE	0	800	0	800	2 LOADS @ 400/LOAD
	DIV #7 -SHINGLE ROOFING SYSTEM REPAIR	**0**	**800**	**21520**	**22320**	

COST CODE	DIV #8- MECHANICAL, ELECTRICAL & PLUMBING ALLOWANCE	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
8001	REMOVE & REINSTALL ELECTRIC FIXTURES & METER BASE	0	0	2500	2500	ALLOWANCE: 5 UNITS @ $500/EA
8002	REMOVE & REINSTALL HVAC CONDENSORS	0	0	2000	2000	5 UNITS @ $400/EACH
8003	REMOVE & REPLACE HOSE BIBS	0	0	250	250	5 UNITS @ $50/EACH
8004	REMOVE & REINSTALL PHONE, SATELLITE, CABLE, ETC	0	0	1000	1000	5 UNITS @ $200/EACH
	DIV #8- MECHANICAL, ELECTRICAL & PLUMBING ALLOWANCE	**0**	**0**	**5750**	**5750**	

COST CODE	DIV #9 - SITE WORK	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
9001	LANDSCAPE PROTECTION AND RESTORATION	0	0	10000	10000	ALLOWANCE: 5 UNITS @ $2000/UNIT
	DIV #9 - SITE WORK	**0**	**0**	**10000**	**10000**	

MONTCLAIR AT TOWNE CENTER
GARDEN HOME - BUILDING 23 (UNITS 1835 - 1839)
PRELIMINARY REMEDIATION & RESTORATION COST ESTIMATE

DIVISION # - DESCRIPTION OF WORK	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES: 3 GARDEN QUADS - 12 UNITS (ALL 3BR)
DIV #1 - GENERAL CONDITIONS (SEE BELOW)	$0	$0	$0	$0	SEE BELOW
DIV #2 - EXTERIOR WALL HARDBOARD CLADDING	$0	$39,825	$97,283	$137,108	SEE DETAIL ON PAGE 3
DIV #3 - EXTERIOR WALL BRICK CLADDING	$0	$18,214	$55,446	$73,660	SEE DETAIL ON PAGE 3
DIV #4 - WINDOW & DOOR REPAIRS	$0	$81,697	$26,400	$108,097	SEE DETAIL ON PAGE 4
DIV #5 - INTERIOR REPAIRS	$0	$0	$13,200	$13,200	SEE DETAIL ON PAGE 4
DIV #6 - ATTIC REPAIR ALLOWANCE	$0	$0	$10,830	$10,830	SEE DETAIL ON PAGE 5
DIV #7- REAR BALCONY REPAIRS	$0	$4,830	$16,974	$21,804	SEE DETAIL ON PAGE 5
DIV #8 - ROOFING SYSTEM REPAIR	$0	$0	$2,160	$2,160	SEE DETAIL ON PAGE 6
DIV #9- MECHANICAL, ELECTRICAL & PLUMBING ALLOWANCE	$0	$0	$13,500	$13,500	SEE DETAIL ON PAGE 6
DIV #10 - SITE WORK	$0	$0	$12,000	$12,000	SEE DETAIL ON PAGE 6
DIVISIONS #1 - 10 ESTIMATE SUBTOTAL	$0	$144,567	$247,792	$392,359	
MONTCLAIR - GARDEN HOME - BUILDING 23 PRELIMINARY ESTIMATE SUBTOTAL				$392,359	
GENERAL CONDITIONS (10%) PRO-RATED FOR INDIVIDUAL BUILDINGS				$39,236	
MONTCLAIR - GARDEN HOME - BUILDING 23 PRELIMINARY ESTIMATE SUBTOTAL				$431,595	
CONTRACTOR'S FEE (10% + 10%)				$90,635	
MONTCLAIR - GARDEN HOME - BUILDING 23 PRELIMINARY ESTIMATE TOTAL				$522,230	

NOTES:

1 This estimate is based on Construction Science and Engineering, Inc.'s (CSE) Montclair Report, dated 10/12/10 and CSE Outline Scope of Repairs.

2 This estimate INCLUDES 100% removal and replacement of all existing hardboard siding and exterior trim below soffits with fiber cement siding and nominal 5/4 fiber cement exterior trim.

3 This estimate INCLUDES 100% removal and replacement of existing brick veneer with new brick veneer including hot-dipped galvanized lintels, seismic wall ties and thru-wall flashing at first floor level and heads and sills of penetrations.

4 This estimate INCLUDES removal and replacement of sheathing at outside corners with 1/2" pressure treated plywood to comply with corner bracing requirements.

5 This estimate INCLUDES an ALLOWANCE for removal and replacement of water intrusion/decay and/or insect damaged wall sheathing and wall framing components.

6 This estimate INCLUDES the installation of an integrated gravity water management system with a secondary weather-resistive barrier and integrated weep flashing accessories.

7 This estimate INCLUDES removal and replacement of all existing windows and sliding glass doors including proper rough opening flashing, head flashing and sill pans.

8 This estimte INCLUDES an ALLOWANCE for the repairs to and/or replacement of damaged drywall (GWB) or damages incurred as a result of the remediation procedures.

9 This estimate INCLUDES painting of the interior of exterior walls at repaired areas and all new exterior siding and exterior trim.

10 This estimate INCLUDES an ALLOWANCE for the repairs to the One-Hour tenant separation wall & ceiling in the attic as required, attic truss repairs and dryer vent duct repairs.

11 All Garden Quad second floor balconies are to be removed and replaced with new pressure treated lumber, two layers of 3/4" KDAT plywood decks and Sealoflex liquid applied membrane waterproofing system with traffic coat anti-slip surface. At 50% of the balconies, remove and replace the 6x6 corner posts and anchor bases.

12 This estimate INCLUDES the removal and the replacement of the sloped shingle roofing systems with new flashing assemblies.

13 This estimate INCLUDES an ALLOWANCE for landscape protection and restoration.

14 This estimate DOES NOT include any expenses associated with moving and/or storage of interior contents offsite.

15 This estimate DOES NOT include any provision for architectural and/or engineering fees.

16 This estimate DOES NOT include loss of use for any portion of the estimated duration of repairs.

17 This estimate is subject to revision after 30 days.

COST CODE	DIV #2 - EXTERIOR WALL HARDBOARD CLADDING	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
2001	REMOVE EXISTING HARDBOARD SIDING AND TRIM	0	0	9990	9990	9990 SF (CORR MEAS LAB - $1.00/SF)
2002	SIDING DUMPSTER/DISPOSAL EXPENSE	0	800	0	800	2 LOADS @ $400/LOAD
2003	TEMPORARY PROTECTION AT EXTERIOR WALLS	0	1499	2498	3996	9990 SF (CORR MEAS LAB $0.25/SF) PLUS $0.15/SF MATL
2004	REM & REPL WALL SHEATHING WITHIN 4' OF OUTSIDE CORNERS	0	5887	8568	14455	5712 SF (CORR MEAS LAB $1.50/SF) PLUS MATLS
2005	REM & REPL DAMAGED WALL SHEATHING AND FRAMING	0	0	6000	6000	ALLOWANCE: 8 UNITS @ $500/EACH
2006	INSTALL 30# FELT WEATHER-RESISTIVE BARRIER	0	1199	5994	7193	9990 SF (CORR MEAS LAB $.60/SF) PLUS $.12 MATLS
2007	INSTALL NEW HARDIE CEDARMILL SIDING & 5/4 EXTERIOR TRIM	0	29970	34965	64935	9990SF (CORR MEAS LAB $3.50/SF) PLUS $3.00 MATLS
2008	ALUMINUM HEAD FLASHING MATERIAL	0	471	0	471	300 LF (A & R SHEET METAL QUOTE 11/3/10)
2009	EXTERIOR PAINTING	0	0	29268	29268	MUDMASTER QUOTE 11/4/10
	DIV #2 - EXTERIOR WALL HARDBOARD CLADDING	**0**	**39825**	**97283**	**137108**	

COST CODE	DIV #3 - EXTERIOR WALL BRICK CLADDING	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
3001	REMOVE ALL BRICK VENEER	0	0	9653	9653	3861 SF (Z&Z MASONRY LAB $2.50/SF)
3002	BRICK DUMPSTER/DISPOSAL EXPENSE	0	450	0	450	NATURE'S CALLING - $150/LOAD (3 LOADS)
3003	TEMPORARY PROTECTION AT EXTERIOR WALLS	0	579	965	1544	3861 SF (CORR MEAS LAB $0.25/SF) PLUS $0.15/SF MATL
3004	REM & REPL WALL SHEATHING WITHIN 4' OF OUTSIDE CORNERS	0	0	0	0	INCL IN CC 2004
3005	REM & REPL DAMAGED WALL SHEATHING AND FRAMING	0	0	0	0	INCL IN CC 2005
3006	INSTALL 30# FELT WEATHER-RESISTIVE BARRIER	0	463	2317	2780	3861 SF (CORR MEAS LAB $.60/SF) PLUS $.12 MATLS
3007	INSTALL NEW BRICK VENEER, ANCHORS & LINTELS	0	16722	41736	58458	LABOR Z&Z MASONRY PLUS MATLS
3008	ENGINEERED SEALANT JOINTS	0	0	775	775	456LF @ $1.70/LF (SALEM QUOTE)
	DIV #3 - EXTERIOR WALL BRICK CLADDING	**0**	**18214**	**55446**	**73660**	

COST CODE	DIV #4 - WINDOW & DOOR REPAIRS	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
4001	REMOVE & REPLACE EXISTING WINDOWS (LABOR)	0	0	21600	21600	CORRECTIVE MEASURES (72 WINDOWS @ $300/EA)
4002	NEW WINDOW REPLACEMENT MATERIAL	0	46180	0	46180	BUCK LUMBER 9/24/10 QUOTE
4003	REMOVE & REPLACE SLIDING GLASS DOORS (LABOR)	0	0	4800	4800	CORRECTIVE MEASURES (12 SGD @ $400/EA)
4004	NEW SLIDING GLASS DOOR MATERIAL	0	27717	0	27717	BUCK LUMBER 9/24/10 QUOTE
4005	WINDOW E-Z PAN SILL FLASHING	0	7200	0	7200	72 WINDOWS @ $100/WINDOW
4006	ALUMINUM DOOR SILL PANS & ROUGH OPENING FLASHING	0	600	0	600	12 SGD @ $50/DOOR
	DIV #4 - WINDOW & DOOR REPAIRS	**0**	**81697**	**26400**	**108097**	

COST CODE	DIV #5 - INTERIOR REPAIRS	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
5001	REMOVE AND REPLACE DAMAGED GWB	0	0	6000	6000	ALLOWANCE: 12 UNITS @ $500/UNIT
5002	REPAIR GWB AT REPLACED WINDOWS AND DOORS	0	0	1200	1200	ALLOWANCE: 12 UNITS @ $100/UNIT
5003	PAINT WALLS AT REPLACED WINDOWS AND DOORS	0	0	6000	6000	MUDMASTERS 11/4/10 QUOTE
	DIV #5 - INTERIOR REPAIRS	**0**	**0**	**13200**	**13200**	

COST CODE	DIV #6 - ATTIC REPAIR ALLOWANCE	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
6001	1-HR TENANT SEPARATION WALL/CEILING REPAIRS	0	0	10830	10830	JOE GATHERS QUOTE 11/12/10
6002	ATTIC TRUSS LATERAL BRACING REPAIRS	0	0	0	0	INCL IN CC 6001
6003	ATTIC TRUSS HURRICANE CLIP REPAIRS	0	0	0	0	INCL IN CC 6001
6004	ATTIC TRUSS REPAIRS	0	0	0	0	INCL IN CC 6001
6005	SECOND FLOOR DRYER DUCTWORK REPAIRS	0	0	0	0	INCL IN CC 6001
	DIV #6 - ATTIC REPAIR ALLOWANCE	**0**	**0**	**10830**	**10830**	

COST CODE	DIV #7- REAR BALCONY REPAIRS	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
7001	REMOVE & REPLACE DAMAGED WOOD COLUMNS AS REQUIRED	0	300	1800	2100	CORRECTIVE MEASURES (1 PER QUAD
7002	REMOVE CONCRETE BALCONY SURFACES	0	0	1080	1080	CORRECTIVE MEASURES
7003	REMOVE & REPLACE BALCONY FRAMING	0	3330	7020	10350	CORRECTIVE MEASURES (BUCK QUOTE 10/29/10 MATLS)
7004	INSTALL (2) LAYERS KDAT PLYWOOD AND EDGE FLASHING	0	0	0	0	INCL IN CC 7003
7005	INSTALL SEALOFLEX LIQUID MEMBRANE WATERPROOFING	0	0	6174	6174	CAHILL CONSTRUCTION QUOTE
7006	REMOVE, STORE & REINSTALL METAL GUARDRAILS	0	0	900	900	CORRECTIVE MEASURES
7007	BALCONY DUMPSTER/DISPOSAL EXPENSE	0	1200	0	1200	3 LOADS @ $400/LOAD (1 LOAD PER QUAD)
	DIV #7- REAR BALCONY REPAIRS	**0**	**4830**	**16974**	**21804**	

COST CODE	DIV #8 - ROOFING SYSTEM REPAIR	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
8001	REM & REPL SHINGLES, UNDERLAYMENT & METAL DRIP EDGE	0	0	0	0	ROOF COMPLETED MARCH 2009
8002	REMOVE & REPLACE GUTTER DOWNSPOUTS	0	0	2160	2160	180 LF/GH = 540 LF @ $4./LF GUTTER MASTERS COMP
8003	ROOFING DUMPSTER/DISPOSAL EXPENSE (N/A)	0	0	0	0	N/A
	DIV #8 - ROOFING SYSTEM REPAIR	**0**	**0**	**2160**	**2160**	

COST CODE	DIV #9- MECHANICAL, ELECTRICAL & PLUMBING ALLOWANCE	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
9001	REMOVE & REINSTALL ELECTRIC FIXTURES & METER BASE	0	0	6000	6000	ALLOWANCE - 12 UNITS @ $500/EA
9002	REMOVE & REINSTALL HVAC CONDENSORS/HEAT PUMPS	0	0	4800	4800	12 UNITS AT $400/EACH
9003	REMOVE & REPLACE HOSE BIBS	0	0	300	300	6 AT $50 EA UNIT
9004	REMOVE & REINSTALL PHONE,SATELLITE, CABLE, ETC.	0	0	2400	2400	12 UNITS AT $200/UNIT
	DIV #9- MECHANICAL, ELECTRICAL & PLUMBING ALLOWANCE	**0**	**0**	**13500**	**13500**	

COST CODE	DIV #10 - SITE WORK	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
10001	LANDSCAPE PROTECTION AND RESTORATION	0	0	12000	12000	ALLOWANCE (6-1ST FLOOR UNITS @ $2000/UNIT)
	DIV #10 - SITE WORK	**0**	**0**	**12000**	**12000**	

MONTCLAIR AT TOWNE CENTER
GARDEN HOME - BUILDING 26 (UNITS 1852 - 1854)
PRELIMINARY REMEDIATION & RESTORATION COST ESTIMATE

DIVISION # - DESCRIPTION OF WORK	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES: 2 GARDEN QUADS - 8 UNITS (ALL 2 BR)
DIV #1 - GENERAL CONDITIONS (SEE BELOW)	$0	$0	$0	$0	SEE BELOW
DIV #2 - EXTERIOR WALL HARDBOARD CLADDING	$0	$26,298	$64,264	$90,562	SEE DETAIL ON PAGE 3
DIV #3 - EXTERIOR WALL BRICK CLADDING	$0	$12,143	$37,161	$49,304	SEE DETAIL ON PAGE 3
DIV #4 - WINDOW & DOOR REPAIRS	$0	$44,786	$15,200	$59,986	SEE DETAIL ON PAGE 4
DIV #5 - INTERIOR REPAIRS	$0	$0	$8,800	$8,800	SEE DETAIL ON PAGE 4
DIV #6 - ATTIC REPAIR ALLOWANCE	$0	$0	$6,750	$6,750	SEE DETAIL ON PAGE 5
DIV #7- REAR BALCONY REPAIRS	$0	$3,220	$11,316	$14,536	SEE DETAIL ON PAGE 5
DIV #8 - SHINGLE ROOFING SYSTEM REPAIR	$0	$800	$16,760	$17,560	SEE DETAIL ON PAGE 6
DIV #9- MECHANICAL, ELECTRICAL & PLUMBING ALLOWANCE	$0	$0	$9,000	$9,000	SEE DETAIL ON PAGE 6
DIV #10 - SITE WORK	$0	$0	$8,000	$8,000	SEE DETAIL ON PAGE 6
DIVISIONS #1 - 10 ESTIMATE SUBTOTAL	$0	$87,247	$177,251	$264,498	
MONTCLAIR - GARDEN HOME - BUILDING 26 PRELIMINARY ESTIMATE SUBTOTAL				$264,498	
GENERAL CONDITIONS (10%) PRO-RATED FOR INDIVIDUAL BUILDINGS				$26,450	
MONTCLAIR - GARDEN HOME - BUILDING 26 PRELIMINARY ESTIMATE SUBTOTAL				$290,948	
CONTRACTOR'S FEE (10% + 10%)				$61,099	
MONTCLAIR - GARDEN HOME - BUILDING 26 PRELIMINARY ESTIMATE TOTAL				$352,047	

NOTES:

1 This estimate is based on Construction Science and Engineering, Inc.'s (CSE) Montclair Report, dated 10/12/10 and CSE Outline Scope of Repairs.

2 This estimate INCLUDES 100% removal and replacement of all existing hardboard siding and exterior trim below soffits with fiber cement siding and nominal 5/4 fiber cement exterior trim.

3 This estimate INCLUDES 100% removal and replacement of existing brick veneer with new brick veneer including hot-dipped galvanized lintels, seismic wall ties and thru-wall flashing at first floor level and heads and sills of penetrations.

4 This estimate INCLUDES removal and replacement of sheathing at outside corners with 1/2" pressure treated plywood to comply with corner bracing requirements.

5 This estimate INCLUDES an ALLOWANCE for removal and replacement of water intrusion/decay and/or insect damaged wall sheathing and wall framing components.

6 This estimate INCLUDES the installation of an integrated gravity water management system with a secondary weather-resistive barrier and integrated weep flashing accessories.

7 This estimate INCLUDES removal and replacement of all existing windows and sliding glass doors including proper rough opening flashing, head flashing and sill pans.

8 This estimte INCLUDES an ALLOWANCE for the repairs to and/or replacement of damaged drywall (GWB) or damages incurred as a result of the remediation procedures.

9 This estimate INCLUDES painting of the interior of exterior walls at repaired areas and all new exterior siding and exterior trim.

10 This estimate INCLUDES an ALLOWANCE for the repairs to the One-Hour tenant separation wall & ceiling in the attic as required, attic truss repairs and dryer vent duct repairs.

11 All Garden Quad second floor balconies are to be removed and replaced with new pressure treated lumber, two layers of 3/4" KDAT plywood decks and Sealoflex liquid applied membrane waterproofing system with traffic coat anti-slip surface. At 50% of the balconies, remove and replace the 6x6 corner posts and anchor bases.

12 This estimate INCLUDES the removal and the replacement of the sloped shingle roofing systems with new flashing assemblies.

13 This estimate INCLUDES an ALLOWANCE for landscape protection and restoration.

14 This estimate DOES NOT include any expenses associated with moving and/or storage of interior contents offsite.

15 This estimate DOES NOT include any provision for architectural and/or engineering fees.

16 This estimate DOES NOT include loss of use for any portion of the estimated duration of repairs.

17 This estimate is subject to revision after 30 days.

COST CODE	DIV #2 - EXTERIOR WALL HARDBOARD CLADDING	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
2001	REMOVE EXISTING HARDBOARD SIDING AND TRIM	0	0	6660	6660	6660 SF (CORR MEAS LAB - $1.00/SF)
2002	SIDING DUMPSTER/DISPOSAL EXPENSE	0	400	0	400	1 LOAD @ $400/LOAD
2003	TEMPORARY PROTECTION AT EXTERIOR WALLS	0	999	1665	2664	6660 SF (CORR MEAS LAB $0.25/SF) PLUS $0.15/SF MATL
2004	REM & REPL WALL SHEATHING WITHIN 4' OF OUTSIDE CORNERS	0	3932	5712	9644	3808 SF (CORR MEAS LAB $1.50/SF) PLUS MATLS
2005	REM & REPL DAMAGED WALL SHEATHING AND FRAMING	0	0	4000	4000	ALLOWANCE: 8 UNITS @ $500/EA
2006	INSTALL 30# FELT WEATHER-RESISTIVE BARRIER	0	799	3996	4795	6660 SF (CORR MEAS LAB $.60/SF) PLUS $.12 MATLS
2007	INSTALL NEW HARDIE CEDARMILL SIDING & 5/4 EXTERIOR TRIM	0	19980	23310	43290	6660 SF (CORR MEAS LAB $3.50/SF) PLUS $3.00 MATLS
2008	ALUMINUM HEAD FLASHING MATERIAL	0	188	0	188	A & R SHEET METAL QUOTE 11/3/10
2009	EXTERIOR PAINTING	0	0	18921	18921	MUDMASTER QUOTE 11/4/10
	DIV #2 - EXTERIOR WALL HARDBOARD CLADDING	**0**	**26298**	**64264**	**90562**	

COST CODE	DIV #3 - EXTERIOR WALL BRICK CLADDING	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
3001	REMOVE ALL BRICK VENEER	0	0	6435	6435	2574 SF (Z&Z MASONRY LAB $2.50/SF)
3002	BRICK DUMPSTER/DISPOSAL EXPENSE	0	300	0	300	NATURE'S CALLING - $150/LOAD (2 LOADS)
3003	TEMPORARY PROTECTION AT EXTERIOR WALLS	0	386	644	1030	2574 SF (CORR MEAS LAB $0.25/SF) PLUS $0.15/SF MATL
3004	REM & REPL WALL SHEATHING WITHIN 4' OF OUTSIDE CORNERS	0	0	0	0	INCL IN CC 2004
3005	REM & REPL DAMAGED WALL SHEATHING AND FRAMING	0	0	0	0	INCL IN CC 2005
3006	INSTALL 30# FELT WEATHER-RESISTIVE BARRIER	0	309	1544	1853	2574 SF (CORR MEAS LAB $.60/SF) PLUS $.12 MATLS
3007	INSTALL NEW BRICK VENEER, ANCHORS & LINTELS	0	11148	27824	38972	LABOR Z&Z MASONRY PLUS MATLS
3008	ENGINEERED SEALANT JOINTS	0	0	714	714	420 LF @ $1.70/LF (SALEM QUOTE)
	DIV #3 - EXTERIOR WALL BRICK CLADDING	**0**	**12143**	**37161**	**49304**	

COST CODE	DIV #4 - WINDOW & DOOR REPAIRS	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
4001	REMOVE & REPLACE EXISTING WINDOWS (LABOR)	0	0	12000	12000	CORRECTIVE MEASURES (40 WINDOWS @ $300/EA)
4002	NEW WINDOW REPLACEMENT MATERIAL	0	21908	0	21908	BUCK LUMBER 9/24/10 QUOTE
4003	REMOVE & REPLACE SLIDING GLASS DOORS (LABOR)	0	0	3200	3200	CORRECTIVE MEASURES (8 SGD @ $400/EA)
4004	NEW SLIDING GLASS DOOR MATERIAL	0	18478	0	18478	BUCK LUMBER 9/24/10 QUOTE
4005	WINDOW E-Z PAN SILL FLASHING	0	4000	0	4000	40 WINDOWS @ $100/WINDOW
4006	ALUMINUM DOOR SILL PANS & ROUGH OPENING FLASHING	0	400	0	400	8 SGD @ $50/DOOR
	DIV #4 - WINDOW & DOOR REPAIRS	**0**	**44786**	**15200**	**59986**	

COST CODE	DIV #5 - INTERIOR REPAIRS	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
5001	REMOVE AND REPLACE DAMAGED GWB	0	0	4000	4000	ALLOWANCE: 8 UNITS @ $500/UNIT
5002	REPAIR GWB AT REPLACED WINDOWS AND DOORS	0	0	800	800	ALLOWANCE: 8 UNITS @ $100/UNIT
5003	PAINT WALLS AT REPLACED WINDOWS AND DOORS	0	0	4000	4000	MUDMASTERS 11/4/10 QUOTE
	DIV #5 - INTERIOR REPAIRS	**0**	**0**	**8800**	**8800**	

COST CODE	DIV #6 - ATTIC REPAIR ALLOWANCE	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
6001	1-HR TENANT SEPARATION WALL/CEILING REPAIRS	0	0	6750	6750	JOE GATHERS QUOTE 11/12/10
6002	ATTIC TRUSS LATERAL BRACING REPAIR	0	0	0	0	INCL IN CC 6001
6003	ATTIC TRUSS HURRICANE CLIP REPAIRS	0	0	0	0	INCL IN CC 6001
6004	ATTIC TRUSS REPAIRS	0	0	0	0	INCL IN CC 6001
6005	SECOND FLOOR DRYER DUCT WORK REPAIRS	0	0	0	0	INCL IN CC 6001
	DIV #6 - ATTIC REPAIR ALLOWANCE	**0**	**0**	**6750**	**6750**	

COST CODE	DIV #7- REAR BALCONY REPAIRS	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
7001	REMOVE & REPLACE DAMAGED WOOD COLUMNS AS REQUIRED	0	200	1200	1400	CORRECTIVE MEASURES (1 PER QUAD)
7002	REMOVE CONCRETE BALCONY SURFACES	0	0	720	720	CORRECTIVE MEASURES
7003	REMOVE & REPLACE BALCONY FRAMING	0	2220	4680	6900	CORRECTIVE MEASURES (BUCK QUOTE 10/29/10 MATLS)
7004	INSTALL (2) LAYERS KDAT PLYWOOD AND EDGE FLASHING	0	0	0	0	INCL IN CC 7003
7005	INSTALL SEALOFLEX LIQUID MEMBRANE WATERPROOFING	0	0	4116	4116	CAHILL CONSTRUCTION QUOTE
7006	REMOVE, STORE & REINSTALL METAL GUARDRAILS	0	0	600	600	CORRECTIVE MEASURES 4 BALCONIES @ $150/EA
7007	BALCONY DUMPSTER/DISPOSAL EXPENSE	0	800	0	800	2 LOADS @ $400/LOAD (1 LOAD PER QUAD)
	DIV #7- REAR BALCONY REPAIRS	**0**	**3220**	**11316**	**14536**	

COST CODE	DIV #8 - SHINGLE ROOFING SYSTEM REPAIR	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
8001	REM & REPL SHINGLES, UNDERLAYMENT & METAL DRIP EDGE	0	0	15320	15320	DIAMOND, INC. 11/4/10 QUOTE
8002	REMOVE & REPLACE GUTTER DOWNSPOUTS	0	0	1440	1440	180 LF/QUAD = 360 LF @ $4./LF GUTTER MASTERS COMP
8003	ROOFING DUMPSTER/DISPOSAL EXPENSE	0	800	0	800	2 LOADS @ $400/LOAD
	DIV #8 - SHINGLE ROOFING SYSTEM REPAIR	**0**	**800**	**16760**	**17560**	

COST CODE	DIV #9- MECHANICAL, ELECTRICAL & PLUMBING ALLOWANCE	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
9001	REMOVE & REINSTALL ELECTRIC FIXTURES & METER BASE	0	0	4000	4000	ALLOWANCE: 8 UNITS @ $500/EA
9002	REMOVE & REINSTALL HVAC CONDENSORS	0	0	3200	3200	8 AT $400/EACH
9003	REMOVE & REPLACE HOSE BIBS	0	0	200	200	4 AT $50 EA UNIT
9004	REMOVE & REINSTALL PHONE, SATELLITE, CABLE, ETC.	0	0	1600	1600	8 AT $200/UNIT
	DIV #9- MECHANICAL, ELECTRICAL & PLUMBING ALLOWANCE	**0**	**0**	**9000**	**9000**	

COST CODE	DIV #10 - SITE WORK	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
10001	LANDSCAPE PROTECTION AND RESTORATION	0	0	8000	8000	ALLOWANCE (4-1ST FLOOR UNITS @ $2000/UNIT)
	DIV #10 - SITE WORK	**0**	**0**	**8000**	**8000**	

Calibogue Construction Company, Inc.

GENERAL CONTRACTOR
102 WAPPOO CREEK DRIVE #9 CHARLESTON, SC 29412
TELEPHONE (843) 762-9600 FAX (843) 762-0230
Email: caliboguecons@aol.com

VIA ELECTRONIC TRANSMISSION &
U. S. MAIL

November 30, 2010

Mr. Joseph E. DaPore, Esquire
Young Clement Rivers, LLP
P. O. Box 993
Charleston, South Carolina

RE: MONTCLAIR AT TOWNE CENTER
MT. PLEASANT, SOUTH CAROLINA
BUILDINGS #2, #11, #15, #17, #20, #23, #26, #28, #32, #33 & #35
PRELIMINARY REMEDIATION & RESTORATION COST ESTIMATES

Dear Joe:

I have enclosed herewith Calibogue Construction Co., Inc.'s Preliminary Remediation and Restoration Cost Estimates, dated 11/30/10, for the following eleven (11) buildings at the Montclair Condominium project in Mt. Pleasant, SC:

1. Building #2 (5 Townhouse Units).....$282,797
   Average Cost/Townhouse = $56, 559

2. Building #11 (4 Townhouse Units).....$231,659
   Average Cost/Townhouse = $57,915

3. Building #15 (6 Townhouse Units).....$308,736
   Average Cost/Townhouse = $51,546

4. Building #17 (3 Townhouse Units).....$169,386
   Average Cost/Townhouse = $56,462

5. Building #20 (5 Townhouse Units).....$271,104
   Average Cost/Townhouse = $54,221

6. Building #23 (12 – Three BR Garden Home Units).....$570,681
   Average Cost/Garden Home = $47,555

7. Building #26 (8 – Two BR Garden Home Units).....$354,136
   Average Cost/Garden Home = $44,267

8. Building #28 (8 – Three BR Garden Home Units).....$382,476
   Average Cost/Garden Home = $47,801

9. Building #32 (8 – Two BR Garden Home Units).....$361,787
   Average Cost/Garden Home = $45,223

10. Building #33 (12 Garden Home Units).....$553,558
    Average Cost/Garden Home = $46,130

11. Building #35 (8 Garden Home Units).....$363,360
    Average Cost/Garden Home = $45,420

The estimates are based on the Outline Scope of Repairs prepared by Mr. Derek Hodgins, P.E. of Construction Science and Engineering, Inc. (CSE).

An Estimate Summary spreadsheet detailing the eleven (11) Montclair building estimates is attached with this letter.

The five (5) Townhouse building estimates included twenty-three (23 of the eighty (80) Townhouses, or 29%, of the total townhouses at Montclair. The ratio of the 2-BR and 3-BR Townhouses estimated is fairly representative of the actual mix of the sixty (60) 2-BR and the twenty (20) 3-BR Townhouses contained at Montclair.

The six (6) Garden Home building estimates include fifty-six (56) of the one hundred sixty (160) Garden Home units, or 35%, of the total Garden Home units at Montclair.

Minor revisions to the estimates provided on 11/15/10 for Buildings #2, #20, #23 & #26 are included in the above estimates.

The cost of the recent shingle roofing replacement for Buildings #17, #23 and #32 are included in the above estimates.

The following is the average cost extrapolated from the Montclair Estimate Summary:

a. Townhouse Unit Average Estimate (2-BR and 3-BR)..... $54,943/Each
b. Two Bedroom Garden Home Units Average Estimate..... $44,970/Each
c. Three Bedroom Garden Home Unit Average Estimate..... $47,658/Each

A total Montclair estimated cost for the CSE Repair scope of work can be projected utilizing the above average costs as follows:

1.	Townhouse Units: 80 Each at $54,943/Unit	$ 4,395,440
2.	2-BR Garden Homes: 116 Each at $44,970/Unit	$ 5,216,520
3.	3-BR Garden Homes: 44 Each at $47,658/Unit	$ 2,096,952
	Subtotal	$11,708,912
4.	Provision for A & E Fees (10%)	$ 1,170,891
5.	Projected Montclair Estimate Totals	$12,879,803

Please feel free to contact our office if you have any questions or comments regarding the attached estimates.

Very truly yours,

Thomas J. Carlson (mg)

Thomas J. Carlson, President
TJC/mg

Enclosures

cc: Mr. Derek Hodgins, P.E./Construction Science and Engineering, Inc.

Calibogue Construction Company, Inc.
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MONTCLAIR
MT. PLEASANT, SOUTH CAROLINA

PRELIMINARY REMEDIATION & RESTORATION ESTIMATE
SCOPE OF WORK
November 30, 2010

LIMITING CONDITIONS

This scope of work is based on Construction Science and Engineering, Inc.'s (CSE) Montclair Report, dated 10/12/10 and CSE's Outline Scope of Repairs.

While reasonable efforts were made to identify existing construction deficiencies, there may be, and probably are other deficient conditions not currently identified to date.

GENERAL CONDITIONS

- Provide City of Mt. Pleasant building permit & business license.
- Provide project management and daily supervision of work.
- Provide equipment & required temporary facilities.
- Provide dumpster and offsite disposal for remediation and restoration Scope of Work repairs as required.
- Electrical and water utilities to be furnished by owner. (Estimated Owner's cost included in estimate.)
- Provide daily clean up on site.
- Provide finish cleaning and window cleaning at completion of project.
- Provide General Liability Insurance for project.

EXTERIOR WALL HARDBOARD CLADDING: - TOWNHOUSES & GARDEN HOMES

- Remove and dispose of all existing hardboard cladding and wood trim below the soffit.
- Remove and replace wall sheathing within four feet (4') of outside building corners with ½" pressure treated plywood sheathing to comply with corner bracing requirements.
- Inspect wall sheathing and replace damaged sheathing with whole sheets of plywood. (Allowance)
- Inspect the condition of the exterior wall wood framing at locations where repairs to wall sheathing occur. Repair/replace damaged wall framing as required. (Allowance)
- Install a secondary 30# felt weather-resistive barrier (WRB) on all exterior walls integrated with weep flashing assemblies.
- Install new James Hardie Cedarmill Lap Siding (5/16 x 7.25") with a six-inch (6") exposure and nominal 5/4x4 Hardie Trim exterior trim.
- Install through-wall flashing at required locations.
- Paint the new siding and all exterior trim and soffit.

EXTERIOR WALL BRICK CLADDING – TOWNHOUSES & GARDEN HOMES:

- Remove and dispose of 100% of the existing brick veneer cladding.
- Inspect wall sheathing and replace damaged sheathing with whole sheets of plywood. (Allowance)
- Inspect the condition of the exterior wall wood framing at locations where repairs to wall sheathing occur. Repair/replace damaged wall framing as required. (Allowance)
- Install a secondary 30# felt weather-resistive barrier (WRB) on all exterior walls integrated with weep flashing assemblies.
- Install new brick veneer with through-wall flashing assemblies, hot-dipped galvanized lintels, seismic wall ties and mortar net.

WINDOW AND DOOR REPAIRS

- Remove and replace the existing windows and sliding glass doors with new aluminum windows and sliding glass doors with proper framed opening flashing and sill pan flashing integrated with the secondary felt weather-resistive barrier.

INTERIOR REPAIRS

- Remove and replace any water intrusion damaged GWB and repair any GWB damage incurred at replaced windows or sliding glass doors.
- Paint corner to corner at walls where windows or sliding glass doors have been replaced or any patching of damaged areas.

ATTIC REPAIRS

- Provide a continuous 1-HR tenant separation wall between each unit.
- Properly protect all penetrations through the tenant separation wall.
- Provide proper fire protection on the bottom of roof deck within four feet (4') of each side of the tenant separation wall.
- Provide lateral bracing of truss web members as required.
- Provide additional holddown ties at truss bearing points as required.
- Provide ductwork for dryer vents to the exterior as required.
- Inspect and repair damaged roof truss members at Unit #1837-C in Building 23, and as required in other attics.

REAR SECOND FLOOR BALCONY REPAIRS ON GARDEN HOMES

- Remove and replace damaged wood columns as required (50%).
- Remove, store and reinstall metal guardrails.
- Provide anchors to resist code-prescribed wind loads (100%).
- Remove concrete topping at balcony decks (100%).

- Remove and replace the balcony floor framing at all second floor balconies.
- Replace balcony plywood subfloor with two (2) layers of T&G KDAT ¾" plywood, glued and screwed with staggered panel joints.
- Install new deck edge perimeter flashing and a Sealoflex liquid applied membrane waterproofing system with traffic coat anti-slip surface on all second floor balconies.

ROOFING SYSTEM REPAIRS

- Remove and dispose of the existing shingle roofing and underlayment on buildings not recently repaired.
- Inspect the plywood roof decks and replace all damaged roof decking with whole sheets of plywood as required. (Allowance)
- Install new composition architectural shingles of like kind and quality to match replacement roofing shingles with proper underlayment, metal drip edge and flashings. (Roofing has already been replaced at Buildings 1, 3, 4, 6, 12, 16, 17, 19, 23, 29, 31, 32, 33 & 34).

MECHANICAL, ELECTRICAL AND PLUMBING ALLOWANCE

- Remove and reinstall HVAC compressors.
- Remove and reinstall electrical fixtures and electric meter bases.
- Remove and reinstall hose bibs.
- Remove and reinstall telephone, satellite, cable, etc. (Allowance).

SITE WORK

- Protect and restore landscaping as required.

MONTCLAIR
@ TOWNE CTR
MT. PLEASANT, SC

TOWN HOME
and
GARDEN HOME
ESTIMATE SUMMARY

MONTCLAIR TOWNHOUSES (23 OF 80 = 29%)					
BLDG #	2 - BR	3 - BR	TOTAL # OF UNITS	ESTIMATED COST	AVG COST/UNIT
2	3	2	5	$282,797	$56,559
11	3	1	4	$231,659	$57,915
15	4	2	6	$308,736	$51,456
17*	3	0	3	$169,386	$56,462
20	3	2	5	$271,104	$54,221
TH TOTALS	16	7	23	$1,263,682	$54,943

MONTCLAIR GARDEN HOMES (56 OF 160 = 35%)					
BLDG #	2 - BR	3 - BR	TOTAL # OF UNITS	ESTIMATED COST	AVG COST/UNIT
23*	0	12	12	$570,681	$47,557
26	8	0	8	$354,136	$44,267
28	0	8	8	$382,476	$47,810
32*	8	0	8	$361,787	$45,223
33	4	8	12	$553,558	$46,130
35	8	0	8	$363,360	$45,420
GH TOTALS	28	28	56	$2,585,998	$46,179

GARDEN HOME AVERAGE COST:

2-BR AVG COST (Bldg #26, #32 & #35)	$1,079,283	$44,970
3-BR AVG COST (Bldg #23 & #28)	$953,157	$47,658

* = RECENT SHINGLE ROOFING REPLACEMENT COST INCLUDED IN ESTIMATE

CALIBOGUE CONSTRUCTION CO, INC
PRELIMARY REMEDIATION COST ESTIMATE
BUILDING 2
UNITS 1718 - 1726
REVISED
NOVEMBER 30, 2010

MONTCLAIR AT TOWNE CENTER
TOWNHOUSE - BUILDING 2 (UNITS 1718 - 1726)
PRELIMINARY REMEDIATION & RESTORATION COST ESTIMATE

DIVISION # - DESCRIPTION OF WORK	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES: 5 TOWNHOUSES (3-2 BR & 2-3 BR)
DIV #1 - GENERAL CONDITIONS (SEE BELOW)	$0	$0	$0	$0	SEE BELOW
DIV #2 - EXTERIOR WALL HARDBOARD CLADDING	$0	$27,729	$69,641	$97,370	SEE DETAIL ON PAGE 3
DIV #3 - EXTERIOR WALL BRICK CLADDING	$0	$3,399	$11,511	$14,910	SEE DETAIL ON PAGE 3
DIV #4 - WINDOW & DOOR REPAIRS	$0	$36,619	$8,600	$45,219	SEE DETAIL ON PAGE 4
DIV #5 - INTERIOR REPAIR ALLOWANCE	$0	$0	$5,700	$5,700	SEE DETAIL ON PAGE 4
DIV #6 - ATTIC REPAIR ALLOWANCE	$0	$0	$11,200	$11,200	SEE DETAIL ON PAGE 5
DIV #7 - SHINGLE ROOFING SYSTEM REPAIR	$0	$800	$21,520	$22,320	SEE DETAIL ON PAGE 6
DIV #8- MECHANICAL, ELECTRICAL & PLUMBING ALLOWANCE	$0	$0	$5,750	$5,750	SEE DETAIL ON PAGE 6
DIV #9 - SITE WORK	$0	$0	$10,000	$10,000	SEE DETAIL ON PAGE 6
DIVISIONS #1 - 9 ESTIMATE SUBTOTAL	$0	$68,548	$143,922	$212,470	
MONTCLAIR - TOWNHOUSE BUILDING 2 PRELIMINARY ESTIMATE SUBTOTAL				$212,470	
GENERAL CONDITIONS (10%) PRO-RATED FOR INDIVIDUAL BUILDINGS				$21,247	
MONTCLAIR - TOWNHOUSE BUILDING 2 PRELIMINARY ESTIMATE SUBTOTAL				$233,717	
CONTRACTOR'S FEE (10% + 10%)				$49,080	
MONTCLAIR - TOWNHOUSE BUILDING 2 PRELIMINARY ESTIMATE TOTAL				$282,797	

CALIBOGUE CONSTRUCTION CO, INC
PRELIMARY REMEDIATION COST ESTIMATE
BUILDING 2
UNITS 1718 - 1726
REVISED
NOVEMBER 30, 2010

NOTES:

1 This estimate is based on Construction Science and Engineering, Inc.'s (CSE) Montclair Report, dated 10/12/10 and CSE Outline Scope of Repairs.

2 This estimate INCLUDES 100% removal and replacement of all existing hardboard siding and exterior trim below soffits with fiber cement siding and nominal 5/4 fiber cement exterior trim.

3 This estimate INCLUDES 100% removal and replacement of existing brick veneer with new brick veneer including hot-dipped galvanized lintels, seismic wall ties and thru-wall flashing at first floor level and heads and sills of penetrations.

4 This estimate INCLUDES removal and replacement of sheathing at outside corners with 1/2" pressure treated plywood to comply with corner bracing requirements.

5 This estimate INCLUDES an ALLOWANCE for removal and replacement of water intrusion/decay and/or insect damaged wall sheathing and wall framing components.

6 This estimate INCLUDES the installation of an integrated gravity water management system with a secondary weather-resistive barrier and integrated weep flashing accessories.

7 This estimate INCLUDES removal and replacement of all existing windows and sliding glass doors including proper rough opening flashing, head flashing and sill pans.

8 This estimte INCLUDES an ALLOWANCE for the repairs to and/or replacement of damaged drywall (GWB) or damages incurred as a result of the remediation procedures.

9 This estimate INCLUDES painting of the interior of exterior walls at repaired areas and all new exterior siding and exterior trim.

10 This estimate INCLUDES an ALLOWANCE for the repairs to the One-Hour tenant separation wall & ceiling in the attic as required, attic truss repairs and dryer vent duct repairs.

11 This estimate INCLUDES the removal and the replacement of the sloped shingle roofing systems with new flashing assemblies.

12 This estimate INCLUDES an ALLOWANCE for landscape protection and restoration.

13 This estimate DOES NOT include any expenses associated with moving and/or storage of interior contents offsite.

14 This estimate DOES NOT include loss of use for any portion of the estimated duration of repairs.

15 This estimate DOES NOT include any provisions for architectural and/or engineering fees.

16 This estimate is subject to revision after 30 days.

MONTCLAIR AT TOWNE CENTER
TH - BUILDING 2
MT. PLEASANT, SC

CALIBOGUE CONSTRUCTION CO, INC
PRELIMARY REMEDIATION COST ESTIMATE
BUILDING 2
UNITS 1718 - 1726
REVISED
NOVEMBER 30, 2010

COST CODE	DIV #2 - EXTERIOR WALL HARDBOARD CLADDING	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
2001	REMOVE EXISTING HARDBORAD SIDING AND TRIM	0	0	7568	7568	7568 SF (CORR MEAS LAB - $1/SF)
2002	SIDING DUMPSTER/DISPOSAL EXPENSE	0	1000	0	1000	2.5 LOADS @ $400/LOAD (ASSUME .5/UNIT)
2003	TEMPORARY PROTECTION AT EXTERIOR WALLS		1135	1892	3027	7568 SF (CORR MEAS LAB $0.25/SF) PLUS 0.15/SF MATL
2004	REM & REPL WALL SHEATHING WITHIN 4' OF OUTSIDE CORNERS	0	1746	2448	4194	1632 SF (CORR MEAS LAB $1.50/SF) PLUS MATLS
2005	REM & REPL DAMAGED WALL SHEATHING AND FRAMING	0	0	4000	4000	ALLOWANCE: 5 UNITS @ $800/EACH
2006	INSTALL 30# FELT WEATHER-RESISTIVE BARRIER	0	908	4541	5449	7568 SF (CORR MEAS LAB $.60/SF) PLUS $.12 MATLS
2007	INSTALL NEW HARDIE CEDARMILL SIDING & 5/4 EXTERIOR TRIM	0	22704	26488	49192	7568 SF (CORR MEAS LAB $3.50/SF) PLUS $3.00/SF MATLS
2008	ALUMINUM HEAD FLASHING MATERIAL	0	236	0	236	A & R SHEET METAL QUOTE 11/3/10 (150 LF @ $1.57/LF)
2009	EXTERIOR PAINTING	0	0	22704	22704	MUDMASTER QUOTE 11/4/10
	DIV #2 - EXTERIOR WALL HARDBOARD CLADDING	**0**	**27729**	**69641**	**97370**	

COST CODE	DIV #3 - EXTERIOR WALL BRICK CLADDING	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	
3001	REMOVE ALL BRICK VENEER	0	0	1985	1985	794 SF (Z&Z MASONRY LAB $2.50/SF)
3002	BRICK DUMPSTER/DISPOSAL EXPENSE	0	150	0	150	NATURE'S CALLING - $150/LOAD
3003	TEMPORARY PROTECTION AT EXTERIOR WALLS		119	199	318	794 SF (CORR MEAS LAB $0.25/SF) PLUS 0.15/SF MATL
3004	REM & REPL WALL SHEATHING WITHIN 4' OF OUTSIDE CORNERS	0	0	0	0	INCL IN CC 2004
3005	REM & REPL DAMAGED WALL SHEATHING AND FRAMING	0	0	0	0	INCL IN CC 2005
3006	INSTALL 30# FELT WEATHER-RESISTIVE BARRIER	0	95	476	572	794 SF (CORR MEAS LAB $.60/SF) PLUS $.12 MATLS
3007	INSTALL NEW BRICK VENEER, ANCHORS & LINTELS	0	3035	8637	11672	LABOR Z&Z MASONRY PLUS MATLS
3008	ENGINEERED SEALANT JOINTS	0	0	214	214	126 LF @ $1.70/LF (SALEM QUOTE)
	DIV #3 - EXTERIOR WALL BRICK CLADDING	**0**	**3399**	**11511**	**14910**	

MONTCLAIR AT TOWNE CENTER
TH - BUILDING 2
MT. PLEASANT, SC

CALIBOGUE CONSTRUCTION CO, INC
PRELIMARY REMEDIATION COST ESTIMATE
BUILDING 2
UNITS 1718 - 1726
REVISED
NOVEMBER 30, 2010

COST CODE	DIV #4 - WINDOW & DOOR REPAIRS	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
4001	REMOVE & REPLACE EXISTING WINDOWS (LABOR)	0	0	6600	6600	CORRECTIVE MEASURES (20 TOTAL WINDOWS)
4002	NEW WINDOW REPLACEMENT MATERIAL	0	18980	0	18980	BUCK LUMBER 9/24/10 QUOTE
4003	REMOVE & REPLACE SLIDING GLASS DOORS (LABOR)	0	0	2000	2000	CORRECTIVE MEASURES (5 SGD @ $400/EA)
4004	NEW SLIDING GLASS DOOR MATERIAL	0	15389	0	15389	BUCK LUMBER 9/24/10 QUOTE
4005	WINDOW E-Z PAN SILL FLASHING	0	2000	0	2000	20 WINDOWS @ $100/WINDOW
4006	ALUMINUM DOOR SILL PANS & ROUGH OPENING FLASHING	0	250	0	250	5 DOORS @ $50/DOOR
	DIV #4 - WINDOW & DOOR REPAIRS	0	36619	8600	45219	

COST CODE	DIV #5 - INTERIOR REPAIR ALLOWANCE	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
5001	REMOVE AND REPLACE DAMAGED GWB	0	0	2500	2500	ALLOWANCE: 5 UNITS @ $500/UNIT
5002	REPAIR GWB AT REPLACED WINDOWS AND DOORS	0	0	500	500	ALLOWANCE: 5 UNITS @ $100/UNIT
5003	PAINT WALLS AT REPLACED WINDOWS AND DOORS	0	0	2700	2700	ALLOWANCE: 3-2 BR @ $500/UNIT & 2-3BR @ $600/UNIT
	DIV #5 - INTERIOR REPAIR ALLOWANCE	0	0	5700	5700	

MONTCLAIR AT TOWNE CENTER
TH - BUILDING 2
MT. PLEASANT, SC

CALIBOGUE CONSTRUCTION CO, INC
PRELIMARY REMEDIATION COST ESTIMATE
BUILDING 2
UNITS 1718 - 1726
REVISED
NOVEMBER 30, 2010

COST CODE	DIV #6 - ATTIC REPAIR ALLOWANCE	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
6001	1-HR TENANT SEPARATION WALL/CEILING REPAIRS	0	0	11200	11200	JOE GATHERS QUOTE 11/12/10 (ALLOWANCE)
6002	ATTIC TRUSS LATERAL BRACING REPAIRS	0	0	0	0	INCL IN CC 6001
6003	ATTIC TRUSS HURRICANE CLIP REPAIRS	0	0	0	0	INCL IN CC 6001
6004	ATTIC TRUSS REPAIRS	0	0	0	0	INCL IN CC 6001
6005	SECOND FLOOR DRYER DUCTWORK REPAIRS	0	0	0	0	INCL IN CC 6001
	DIV #6 - ATTIC REPAIR ALLOWANCE	0	0	11200	11200	

COST CODE	DIV #7 - SHINGLE ROOFING SYSTEM REPAIR	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
7001	REM & REPL SHINGLES, UNDERLAYMENT & METAL DRIP EDGE	0	0	20720	20720	DIAMOND, INC. 11/4/10 QUOTE
7002	REMOVE AND REPLACE GUTTER DOWNSPOUTS	0	0	800	800	40 LF/UNIT X 5 UNITS @ $4./LF GUTTER MASTERS COMP
7003	ROOFING DUMPSTER/DISPOSAL EXPENSE	0	800	0	800	2 LOADS @ $400/LOAD
	DIV #7 - SHINGLE ROOFING SYSTEM REPAIR	0	800	21520	22320	

MONTCLAIR AT TOWNE CENTER
TH - BUILDING 2
MT. PLEASANT, SC

CALIBOGUE CONSTRUCTION CO, INC
PRELIMARY REMEDIATION COST ESTIMATE
BUILDING 2
UNITS 1718 - 1726
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COST CODE	DIV #8- MECHANICAL, ELECTRICAL & PLUMBING ALLOWANCE	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
8001	REMOVE & REINSTALL ELECTRIC FIXTURES & METER BASE	0	0	2500	2500	ALLOWANCE: 5 UNITS @ $500/EA
8002	REMOVE & REINSTALL HVAC CONDENSORS	0	0	2000	2000	5 UNITS @ $400/EACH
8003	REMOVE & REPLACE HOSE BIBS	0	0	250	250	5 UNITS @$50/UNIT
8004	REMOVE & REINSTALL PHONE, SATELLITE, CABLE, ETC	0	0	1000	1000	5 UNITS @ $200/UNIT
	DIV #8- MECHANICAL, ELECTRICAL & PLUMBING ALLOWANCE	0	0	5750	5750	

COST CODE	DIV #9 - SITE WORK	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
9001	LANDSCAPE PROTECTION AND RESTORATION	0	0	10000	10000	ALLOWANCE: 5 UNITS @ $2000/UNIT
	DIV #9 - SITE WORK	0	0	10000	10000	

MONTCLAIR AT TOWNE CENTER
TH - BUILDING 2
MT. PLEASANT, SC

CALIBOGUE CONSTRUCTION CO, INC
PREL. REMEDIATION QTY/ALLOWANCE SUMMARY
BLDG 2
UNITS 1718-1726
REVISED
NOVEMBER 30, 2010

COST CODE	DIV #2 - EXTERIOR WALL HARDBOARD CLADDING	UNIT	TH #1726 QTY	TH #1724 QTY	TH #1722 QTY	TH #1720 QTY	TH #1718 QTY	BLDG #2 QTY TOTAL
2001	REMOVE EXISTING HARDBORAD SIDING AND TRIM	SF	1507	1672	1672	1472	1245	7568
2002	SIDING DUMPSTER/DISPOSAL EXPENSE	LOAD	0.5	0.5	0.5	0.5	0.5	2.5
2003	TEMPORARY PROTECTION AT EXTERIOR WALLS	SF	1507	1672	1672	1472	1245	7568
2004	REM & REPL WALL SHEATHING WITHIN 4' OF OUTSIDE CORNERS	SF	544	272	272	272	272	1632
2005	REM & REPL DAMAGED WALL SHEATHING AND FRAMING	ALLOW	800	800	800	800	800	4000
2006	INSTALL 30# FELT WEATHER-RESISTIVE BARRIER	SF	1507	1672	1672	1472	1245	7568
2007	INSTALL NEW HARDIE CEDARMILL SIDING & 5/4 EXTERIOR TRIM	SF	1507	1672	1672	1472	1245	7568
2008	ALUMINUM HEAD FLASHING MATERIAL	LF	30	30	30	30	30	150
2009	EXTERIOR PAINTING *	$	4521	5016	5016	4416	3735	$22,704
	* (PRORATED - UNIT COST)							

DIV #2 - EXTERIOR WALL HARDBOARD CLADDING

COST CODE	DIV #3 - EXTERIOR WALL BRICK CLADDING	UNIT	TH #1726 QTY	TH #1724 QTY	TH #1722 QTY	TH #1720 QTY	TH #1718 QTY	BLDG #2 QTY TOTAL
3001	REMOVE ALL BRICK VENEER	SF	295	68	68	68	295	794
3002	BRICK DUMPSTER/DISPOSAL EXPENSE	LOAD	0.35	0.10	0.10	0.10	0.35	1.0
3003	TEMPORARY PROTECTION AT EXTERIOR WALLS	SF	295	68	68	68	295	794
3004	REM & REPL WALL SHEATHING WITHIN 4' OF OUTSIDE CORNERS	SF	INCL IN CC 2004					
3005	REM & REPL DAMAGED WALL SHEATHING AND FRAMING	ALLOW	INCL IN CC 2005					
3006	INSTALL 30# FELT WEATHER-RESISTIVE BARRIER	SF	295	68	68	68	295	794
3007	INSTALL NEW BRICK VENEER, ANCHORS & LINTELS	SF	295	68	68	68	295	794
3008	ENGINEERED SEALANT JOINTS	LF	21	28	28	28	21	126

DIV #3 - EXTERIOR WALL BRICK CLADDING

MONTCLAIR AT TOWNE CENTER
TH - BUILDING 2
MT. PLEASANT, SC

CALIBOGUE CONSTRUCTION CO, INC
PREL. REMEDIATION QTY/ALLOWANCE SUMMARY
BLDG 2
UNITS 1718-1726
REVISED
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COST CODE DIV #4 - WINDOW & DOOR REPAIRS	UNIT	TH #1726 QTY	TH #1724 QTY	TH #1722 QTY	TH #1720 QTY	TH #1718 QTY	BLDG #2 QTY TOTAL
4001 REMOVE & REPLACE EXISTING WINDOWS (LABOR)	#	4	4	4	4	4	20
4002 NEW WINDOW REPLACEMENT MATERIAL	$	4088	4236	4236	3210	3210	$18,980
4003 REMOVE & REPLACE SLIDING GLASS DOORS (LABOR)	#	1	1	1	1	1	5
4004 NEW SLIDING GLASS DOOR MATERIAL	$	3078	3078	3078	3078	3078	$15,389
4005 WINDOW E-Z PAN SILL FLASHING	#	4	4	4	4	4	20
4006 ALUMINUM DOOR SILL PANS & ROUGH OPENING FLASHING	#	1	1	1	1	1	5

DIV #4 - WINDOW & DOOR REPAIRS

COST CODE DIV #5 - INTERIOR REPAIR ALLOWANCE	UNIT	TH #1726 QTY	TH #1724 QTY	TH #1722 QTY	TH #1720 QTY	TH #1718 QTY	BLDG #2 QTY TOTAL
5001 REMOVE AND REPLACE DAMAGED GWB	ALLOW	500	500	500	500	500	$2,500
5002 REPAIR GWB AT REPLACED WINDOWS AND DOORS	ALLOW	100	100	100	100	100	$500
5003 PAINT WALLS AT REPLACED WINDOWS AND DOORS	$	500	600	600	500	500	$2,700

DIV #5 - INTERIOR REPAIR ALLOWANCE

MONTCLAIR AT TOWNE CENTER
TH - BUILDING 2
MT. PLEASANT, SC

CALIBOGUE CONSTRUCTION CO, INC
PREL. REMEDIATION QTY/ALLOWANCE SUMMARY
BLDG 2
UNITS 1718-1726
REVISED
NOVEMBER 30, 2010

COST CODE DIV #6 - ATTIC REPAIR ALLOWANCE	UNIT	TH #1726 QTY	TH #1724 QTY	TH #1722 QTY	TH #1720 QTY	TH #1718 QTY	BLDG #2 QTY TOTAL
6001 1-HR TENANT SEPARATION WALL/CEILING REPAIRS	$	1400	2800	2800	2800	1400	$11,200
6002 ATTIC TRUSS LATERAL BRACING REPAIR	ALLOW	INCL IN CC 6001					
6003 ATTIC TRUSS HURRICANE CLIP REPAIRS	ALLOW	INCL IN CC 6001					
6004 ATTIC TRUSS REPAIRS	ALLOW	INCL IN CC 6001					
6005 SECOND FLOOR DRYER DUCT WORK REPAIRS	ALLOW	INCL IN CC 6001					

DIV #6 - ATTIC REPAIR ALLOWANCE

COST CODE DIV #7 - SHINGLE ROOFING SYSTEM REPAIR	UNIT	TH #1726 QTY	TH #1724 QTY	TH #1722 QTY	TH #1720 QTY	TH #1718 QTY	BLDG #2 QTY TOTAL
7001 REM & REPL SHINGLES, UNDERLAYMENT & METAL DRIP EDGE	$	4100	4210	4210	4100	4100	$20,720
7002 REMOVE AND REPLACE GUTTER DOWNSPOUTS	LF	40	40	40	40	40	200
7003 ROOFING DUMPSTER/DISPOSAL EXPENSE	LOAD	0.5	0.3	0.3	0.3	0.5	2.0

DIV #7 - SHINGLE ROOFING SYSTEM REPAIR

MONTCLAIR AT TOWNE CENTER
TH - BUILDING 2
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CALIBOGUE CONSTRUCTION CO, INC
PREL. REMEDIATION QTY/ALLOWANCE SUMMARY
BLDG 2
UNITS 1718-1726
REVISED
NOVEMBER 30, 2010

COST CODE DIV #8- MECHANICAL, ELECTRIC & PLUMBING ALLOW.	UNIT	TH #1726 QTY	TH #1724 QTY	TH #1722 QTY	TH #1720 QTY	TH #1718 QTY	BLDG #2 QTY TOTAL
8001 REMOVE & REINSTALL ELECTRIC FIXTURES & METER BASE	ALLOW	500	500	500	500	500	$2,500
8002 REMOVE & REINSTALL HVAC CONDENSORS	$	400	400	400	400	400	$2,000
8003 REMOVE & REPLACE HOSE BIBS	$	50	50	50	50	50	$250
8004 REMOVE & REINSTALL PHONE, SATELLITE, CABLE, ETC	ALLOW	200	200	200	200	200	$1,000
DIV #8- MECHANICAL, ELECTRIC & PLUMBING ALLOW.							

COST CODE DIV #9 - SITE WORK	UNIT	TH #1726 QTY	TH #1724 QTY	TH #1722 QTY	TH #1720 QTY	TH #1718 QTY	BLDG #2 QTY TOTAL
9001 LANDSCAPE PROTECTION AND RESTORATION	ALLOW	2000	2000	2000	2000	2000	$10,000
DIV #9 - SITE WORK							

MONTCLAIR AT TOWNE CENTER
TH - BUILDING 11
MT. PLEASANT, SC

CALIBOGUE CONSTRUCTION CO, INC
PREL. REMEDIATION QTY/ALLOWANCE SUMMARY
BLDG 11
UNITS 1776 - 1782
NOVEMBER 30, 2010

COST CODE	DIV #2 - EXTERIOR WALL HARDBOARD CLADDING	UNIT	TH #1776 QTY	TH #1778 QTY	TH #1780 QTY	TH #1782 QTY	BLDG #11 QTY TOTAL
2001	REMOVE EXISTING HARDBORAD SIDING AND TRIM	SF	1766	1644	1361	1245	6016
2002	SIDING DUMPSTER/DISPOSAL EXPENSE	LOAD	0.5	0.5	0.5	0.5	2
2003	TEMPORARY PROTECTION AT EXTERIOR WALLS	SF	1766	1644	1361	1245	6016
2004	REM & REPL WALL SHEATHING WITHIN 4' OF OUTSIDE CORNERS	SF	340	340	340	340	1360
2005	REM & REPL DAMAGED WALL SHEATHING AND FRAMING	ALLOW	800	800	800	800	$3,200
2006	INSTALL 30# FELT WEATHER-RESISTIVE BARRIER	SF	1766	1644	1361	1245	6016
2007	INSTALL NEW HARDIE CEDARMILL SIDING & 5/4 EXTERIOR TRIM	SF	1766	1644	1361	1245	6016
2008	ALUMINUM HEAD FLASHING MATERIAL	#	30	30	30	30.00	120
2009	EXTERIOR PAINTING*	$	5298	4932	4083	3735	$18,048
	*PRORATED - UNIT COST						

DIV #2 - EXTERIOR WALL HARDBOARD CLADDING

COST CODE	DIV #3 - EXTERIOR WALL BRICK CLADDING	UNIT	TH #1776 QTY	TH #1778 QTY	TH #1780 QTY	TH #1782 QTY	BLDG #11 QTY TOTAL
3001	REMOVE ALL BRICK VENEER	SF	295	156	68	295	814
3002	BRICK DUMPSTER/DISPOSAL EXPENSE	LOAD	0.5	0.5	0.5	0.5	2
3003	TEMPORARY PROTECTION AT EXTERIOR WALLS	SF	295	156	68	295	814
3004	REM & REPL WALL SHEATHING WITHIN 4' OF OUTSIDE CORNERS	SF	INCL IN CC 2004				
3005	REM & REPL DAMAGED WALL SHEATHING AND FRAMING	ALLOW	INCL IN CC 2005				
3006	INSTALL 30# FELT WEATHER-RESISTIVE BARRIER	SF	295	156	68	295	814
3007	INSTALL NEW BRICK VENEER, ANCHORS & LINTELS	SF	295	156	68	295	814
3008	ENGINEERED SEALANT JOINTS	LF	28	21	21	28	98

DIV #3 - EXTERIOR WALL BRICK CLADDING

MONTCLAIR AT TOWNE CENTER
TH - BUILDING 11
MT. PLEASANT, SC

CALIBOGUE CONSTRUCTION CO, INC
PREL. REMEDIATION QTY/ALLOWANCE SUMMARY
BLDG 11
UNITS 1776 - 1782
NOVEMBER 30, 2010

COST CODE DIV #4 - WINDOW & DOOR REPAIRS	UNIT	TH #1776 QTY	TH #1778 QTY	TH #1780 QTY	TH #1782 QTY	BLDG #11 QTY TOTAL
4001 REMOVE & REPLACE EXISTING WINDOWS (LABOR)	#	4	4	4	4	16
4002 NEW WINDOW REPLACEMENT MATERIAL	$	3738	4616	4236	3738	$16,328
4003 REMOVE & REPLACE SLIDING GLASS DOORS (LABOR)	#	1	1	1	1	4
4004 NEW SLIDING GLASS DOOR MATERIAL	$	3078	3078	3078	3078	$12,312
4005 WINDOW E-Z PAN SILL FLASHING	#	4	4	4	4	16
4006 ALUMINUM DOOR SILL PANS & ROUGH OPENING FLASHING	#	1	1	1	1	4

DIV #4 - WINDOW & DOOR REPAIRS

COST CODE DIV #5 - INTERIOR REPAIR ALLOWANCE	UNIT	TH #1776 QTY	TH #1778 QTY	TH #1780 QTY	TH #1782 QTY	BLDG #11 QTY TOTAL
5001 REMOVE AND REPLACE DAMAGED WALL GWB	ALLOW	500	500	500	500	$2,000
5002 REPAIR GWB AT REPLACED WINDOWS AND DOORS	ALLOW	100	100	100	100	$400
5003 PAINT WALLS AT REPLACED WINDOWS AND DOORS	ALLOW	500	500	600	500	$2,100

DIV #5 - INTERIOR REPAIR ALLOWANCE

MONTCLAIR AT TOWNE CENTER
TH - BUILDING 11
MT. PLEASANT, SC

CALIBOGUE CONSTRUCTION CO, INC
PREL. REMEDIATION QTY/ALLOWANCE SUMMARY
BLDG 11
UNITS 1776 - 1782
NOVEMBER 30, 2010

COST CODE	DIV #6 - ATTIC REPAIR ALLOWANCE	UNIT	TH #1776 QTY	TH #1778 QTY	TH #1780 QTY	TH #1782 QTY	BLDG #11 QTY TOTAL
6001	1-HR TENANT SEPARATION WALL/CEILING REPAIRS	ALLOW	1500	3000	3000	1500	$9,000
6002	ATTIC TRUSS LATERAL BRACING REPAIRS	ALLOW	INCL IN CC 6001				
6003	ATTIC TRUSS HURRICANE CLIP REPAIRS	ALLOW	INCL IN CC 6001				
6004	ATTIC TRUSS REPAIRS	ALLOW	INCL IN CC 6001				
6005	SECOND FLOOR DRYER DUCTWORK REPARIS	ALLOW	INCL IN CC 6001				

DIV #6 - ATTIC REPAIR ALLOWANCE

COST CODE	DIV #7 - ROOFING SYSTEM REPAIR	UNIT	TH #1776 QTY	TH #1778 QTY	TH #1780 QTY	TH #1782 QTY	BLDG #11 QTY TOTAL
7001	REM & REPL SHINGLES, UNDERLAYMENT & METAL DRIP EDGE	$	4100	4100	4210	4100	$16,510
7002	REMOVE AND REPLACE GUTTER DOWNSPOUTS	LF	40	40	40	40	160
7003	ROOFING DUMPSTER/DISPOSAL EXPENSE	LOAD	0.3	0.3	0.5	0.3	1.4

DIV #7 - ROOFING SYSTEM REPAIR

MONTCLAIR AT TOWNE CENTER
TH - BUILDING 11
MT. PLEASANT, SC

CALIBOGUE CONSTRUCTION CO, INC
PREL. REMEDIATION QTY/ALLOWANCE SUMMARY
BLDG 11
UNITS 1776 - 1782
NOVEMBER 30, 2010

COST CODE	DIV #8- MECHANICAL, ELECTRIC & PLUMBING ALLOW.	UNIT	TH #1776 QTY	TH #1778 QTY	TH #1780 QTY	TH #1782 QTY	BLDG #11 QTY TOTAL
8001	REMOVE & REINSTALL ELECTRIC FIXTURES & METER BASE	ALLOW	500	500	500	500	$2,000
8002	REMOVE & REINSTALL HVAC CONDENSORS	$	400	400	400	400	$1,600
8003	REMOVE & REPLACE HOSE BIBS	$	50	50	50	50	$200
8004	REMOVE & REINSTALL PHONE, SATELLITE, CABLE, ETC	ALLOW	200	200	200	200	$800

DIV #8- MECHANICAL, ELECTRIC & PLUMBING ALLOW.

COST CODE	DIV #9 - SITE WORK	UNIT	TH #1776 QTY	TH #1778 QTY	TH #1780 QTY	TH #1782 QTY	BLDG #11 QTY TOTAL
9001	LANDSCAPE PROTECTION AND RESTORATION	ALLOW	2000	2000	2000	2000	$8,000

DIV #9 - SITE WORK

MONTCLAIR AT TOWNE CENTER
TH - BUILDING 11
MT. PLEASANT, SC

CALIBOGUE CONSTRUCTION CO, INC
PRELIMINARY REMEDIATION COST ESTIMATE
BUILDING 11
UNITS 1776 - 1782
NOVEMBER 30, 2010

MONTCLAIR AT TOWNE CENTER
TOWNHOUSE - BUILDING 11 (UNITS 1776 - 1782)
PRELIMINARY REMEDIATION & RESTORATION COST ESTIMATE

DIVISION # - DESCRIPTION OF WORK	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES: 4 TOWNHOUSES (3-2 BR & 1-3 BR)
DIV #1 - GENERAL CONDITIONS (SEE BELOW)	$0	$0	$0	$0	SEE BELOW
DIV #2 - EXTERIOR WALL HARDBOARD CLADDING	$0	$22,146	$55,474	$77,620	SEE DETAIL ON PAGE 3
DIV #3 - EXTERIOR WALL BRICK CLADDING	$0	$3,695	$11,685	$15,379	SEE DETAIL ON PAGE 3
DIV #4 - WINDOW & DOOR REPAIRS	$0	$30,440	$6,800	$37,240	SEE DETAIL ON PAGE 4
DIV #5 - INTERIOR REPAIR ALLOWANCE	$0	$0	$4,500	$4,500	SEE DETAIL ON PAGE 4
DIV #6 - ATTIC REPAIR ALLOWANCE	$0	$0	$9,000	$9,000	SEE DETAIL ON PAGE 5
DIV #7 -SHINGLE ROOFING SYSTEM REPAIR	$0	$560	$17,150	$17,710	SEE DETAIL ON PAGE 6
DIV #8- MECHANICAL, ELECTRICAL & PLUMBING ALLOWANCE	$0	$0	$4,600	$4,600	SEE DETAIL ON PAGE 6
DIV #9 - SITE WORK	$0	$0	$8,000	$8,000	SEE DETAIL ON PAGE 6
DIVISIONS #1 - 9 ESTIMATE SUBTOTAL	$0	$56,841	$117,208	$174,049	
MONTCLAIR - TOWNHOUSE - BUILDING 11 PRELIMINARY ESTIMATE SUBTOTAL				$174,049	
GENERAL CONDITIONS (10%) PRO-RATED FOR INDIVIDUAL BUILDINGS				$17,405	
MONTCLAIR - TOWNHOUSE - BUILDING 11 PRELIMINARY ESTIMATE SUBTOTAL				$191,454	
CONTRACTOR'S FEE (10% + 10%)				$40,205	
MONTCLAIR - TOWNHOUSE - BUILDING 11 PRELIMINARY ESTIMATE TOTAL				$231,659	

CALIBOGUE CONSTRUCTION CO, INC
PRELIMINARY REMEDIATION COST ESTIMATE
BUILDING 11
UNITS 1776 - 1782
NOVEMBER 30, 2010

NOTES:

1 This estimate is based on Construction Science and Engineering, Inc.'s (CSE) Montclair Report, dated 10/12/10 and CSE Outline Scope of Repairs.

2 This estimate INCLUDES 100% removal and replacement of all existing hardboard siding and exterior trim below soffits with fiber cement siding and nominal 5/4 fiber cement exterior trim.

3 This estimate INCLUDES 100% removal and replacement of existing brick veneer with new brick veneer including hot-dipped galvanized lintels, seismic wall ties and thru-wall flashing at first floor level and heads and sills of penetrations.

4 This estimate INCLUDES removal and replacement of sheathing at outside corners with 1/2" pressure treated plywood to comply with corner bracing requirements.

5 This estimate INCLUDES an ALLOWANCE for removal and replacement of water intrusion/decay and/or insect damaged wall sheathing and wall framing components.

6 This estimate INCLUDES the installation of an integrated gravity water management system with a secondary weather-resistive barrier and integrated weep flashing accessories.

7 This estimate INCLUDES removal and replacement of all existing windows and sliding glass doors including proper rough opening flashing, head flashing and sill pans.

8 This estimte INCLUDES an ALLOWANCE for repairs to and/or replacement of water damaged drywall (GWB) or damages incurred as a result of the remediation procedures.

9 This estimate INCLUDES painting of the interior of exterior walls at repaired areas and all new exterior siding and exterior trim.

10 This estimate INCLUDES repairs to the One-Hour tenant separation wall & ceiling in the attic as required, attic truss repairs and dryer vent duct repairs.

11 This estimate INCLUDES the removal and the replacement of the sloped shingle roofing systems with new flashing assemblies.

12 This estimate INCLUDES an ALLOWANCE for landscape protection and restoration.

13 This estimate DOES NOT include any expenses associated with moving and/or storage of interior contents offsite.

14 This estimate DOES NOT include loss of use for any portion of the estimated duration of repairs.

15 This estimate DOES NOT include any provision for architectural and/or engineering fees.

16 This estimate is subject to revision after 30 days.

MONTCLAIR AT TOWNE CENTER
TH - BUILDING 11
MT. PLEASANT, SC

CALIBOGUE CONSTRUCTION CO, INC
PRELIMINARY REMEDIATION COST ESTIMATE
BUILDING 11
UNITS 1776 - 1782
NOVEMBER 30, 2010

COST CODE	DIV #2 - EXTERIOR WALL HARDBOARD CLADDING	COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
2001	REMOVE EXISTING HARDBOARD SIDING AND TRIM	0	0	6016	6016	6016 SF (CORR MEAS LAB - $1/SF)
2002	SIDING DUMPSTER/DISPOSAL EXPENSE	0	800	0	800	2 LOADS @ $400/LOAD (ASSUME .5/UNIT)
2003	TEMPORARY PROTECTION AT EXTERIOR WALLS	0	902	1504	2406	6016 SF (CORR MEAS LAB $0.25/SF) PLUS 0.15/SF MATL
2004	REM & REPL WALL SHEATHING WITHIN 4' OF OUTSIDE CORNERS	0	1486	2040	3526	1360 SF (CORR MEAS LAB $1.50/SF) PLUS MATLS
2005	REM & REPL DAMAGED WALL SHEATHING AND FRAMING	0	0	3200	3200	ALLOWANCE: 4 UNITS @ $800/EACH
2006	INSTALL 30# FELT WEATHER-RESISTIVE BARRIER	0	722	3610	4332	6016 SF (CORR MEAS LAB $.60/SF) PLUS $.12 MATLS
2007	INSTALL NEW HARDIE CEDARMILL SIDING & 5/4 EXTERIOR TRIM	0	18048	21056	39104	6016 SF (CORR MEAS LAB $3.50/SF) PLUS $3.00/SF MATLS
2008	ALUMINUM HEAD FLASHING MATERIAL	0	188	0	188	A & R SHEET METAL QUOTE 11/3/10
2009	EXTERIOR PAINTING	0	0	18048	18048	MUDMASTER QUOTE 11/4/10
	DIV #2 - EXTERIOR WALL HARDBOARD CLADDING	**0**	**22146**	**55474**	**77620**	

COST CODE	DIV #3 - EXTERIOR WALL BRICK CLADDING	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	
3001	REMOVE ALL BRICK VENEER	0	0	2035	2035	814 SF (Z&Z MASONRY LAB $2.50/SF)
3002	BRICK DUMPSTER/DISPOSAL EXPENSE	0	300	0	300	NATURE'S CALLING - $150/LOAD
3003	TEMPORARY PROTECTION AT EXTERIOR WALLS	0	122	204	326	814 SF (CORR MEAS LAB $0.25/SF) PLUS 0.15/SF MATL
3003	REM & REPL WALL SHEATHING WITHIN 4' OF OUTSIDE CORNERS	0	0	0	0	INCL IN CC 2004
3004	REM & REPL DAMAGED WALL SHEATHING AND FRAMING	0	0	0	0	INCL IN CC 2005
3005	INSTALL 30# FELT WEATHER-RESISTIVE BARRIER	0	98	488	586	814 SF (CORR MEAS LAB $.60/SF) PLUS $.12 MATLS
3006	INSTALL NEW BRICK VENEER, ANCHORS & LINTELS	0	3175	8791	11966	LABOR Z&Z MASONRY PLUS MATLS
3007	ENGINEERED SEALANT JOINTS	0	0	167	167	98 LF @ $1.70/LF (SALEM QUOTE)
	DIV #3 - EXTERIOR WALL BRICK CLADDING	**0**	**3695**	**11685**	**15379**	

MONTCLAIR AT TOWNE CENTER
TH - BUILDING 11
MT. PLEASANT, SC

CALIBOGUE CONSTRUCTION CO, INC
PRELIMINARY REMEDIATION COST ESTIMATE
BUILDING 11
UNITS 1776 - 1782
NOVEMBER 30, 2010

COST CODE	DIV #4 - WINDOW & DOOR REPAIRS	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
4001	REMOVE & REPLACE EXISTING WINDOWS (LABOR)	0	0	5200	5200	CORRECTIVE MEASURES (16 TOTAL WINDOWS)
4002	NEW WINDOW REPLACEMENT MATERIAL	0	16328	0	16328	BUCK LUMBER 9/24/10 QUOTE
4003	REMOVE & REPLACE SLIDING GLASS DOORS (LABOR)	0	0	1600	1600	CORRECTIVE MEASURES (4 SGD @ $400/EA)
4004	NEW SLIDING GLASS DOOR MATERIAL	0	12312	0	12312	BUCK LUMBER 9/24/10 QUOTE
4005	WINDOW E-Z PAN SILL PAN FLASHING	0	1600	0	1600	16 WINDOWS @ $100/WINDOW
4006	ALUMINUM DOOR SILL PANS & ROUGH OPENING FLASHING	0	200	0	200	4 DOORS @ $50/DOOR
	DIV #4 - WINDOW & DOOR REPAIRS	0	30440	6800	37240	

COST CODE	DIV #5 - INTERIOR REPAIR ALLOWANCE	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
5001	REMOVE AND REPLACE WATER DAMAGED GWB	0	0	2000	2000	ALLOWANCE: 4 UNITS @ $500/UNIT
5002	REPAIR GWB AT REPLACED WINDOWS AND DOORS	0	0	400	400	ALLOWANCE 4 UNITS @ $100/UNIT
5003	PAINT WALLS AT REPLACED WINDOWS AND DOORS	0	0	2100	2100	ALLOWANCE: 3-2 BR @ $500/UNIT & 1-3 BR @ $600/UNIT
	DIV #5 - INTERIOR REPAIR ALLOWANCE	0	0	4500	4500	

MONTCLAIR AT TOWNE CENTER
TH - BUILDING 11
MT. PLEASANT, SC

CALIBOGUE CONSTRUCTION CO, INC
PRELIMINARY REMEDIATION COST ESTIMATE
BUILDING 11
UNITS 1776 - 1782
NOVEMBER 30, 2010

COST CODE	DIV #6 - ATTIC REPAIR ALLOWANCE	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
6001	1-HR TENANT SEPARATION WALL/CEILING REPAIRS	0	0	9000	9000	JOE GATHERS QUOTE 11/12/10 (ALLOWANCE)
6002	ATTIC TRUSS LATERAL BRACING REPAIRS	0	0	0	0	INCL IN CC 6001
6003	ATTIC HURRICANE CLIP REPAIRS	0	0	0	0	INCL IN CC 6001
6004	ATTIC TRUSS REPAIRS	0	0	0	0	INCL IN CC 6001
6005	SECOND FLOOR DRYER DUCTWORK REPAIRS	0	0	0	0	INCL IN CC 6001
	DIV #6 - ATTIC REPAIR ALLOWANCE	**0**	**0**	**9000**	**9000**	

COST CODE	DIV #7 -SHINGLE ROOFING SYSTEM REPAIR	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
7001	REM & REPL SHINGLES, UNDERLAYMENT & METAL DRIP EDGE	0	0	16510	16510	DIAMOND, INC. QUOTE 11/2/10
7002	REMOVE AND REPLACE GUTTER DOWNSPOUTS	0	0	640	640	40 LF/UNIT = 160 LF @ $4./LF GUTTER MASTERS COMP
7003	ROOFING DUMPSTER/DISPOSAL EXPENSE	0	560	0	560	1.4 LOADS @ $400/LOAD
	DIV #7 -SHINGLE ROOFING SYSTEM REPAIR	**0**	**560**	**17150**	**17710**	

MONTCLAIR AT TOWNE CENTER
TH - BUILDING 11
MT. PLEASANT, SC

CALIBOGUE CONSTRUCTION CO, INC
PRELIMINARY REMEDIATION COST ESTIMATE
BUILDING 11
UNITS 1776 - 1782
NOVEMBER 30, 2010

COST CODE	DIV #8- MECHANICAL, ELECTRICAL & PLUMBING ALLOWANCE	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
8001	REMOVE & REINSTALL ELECTRIC FIXTURES & METER BASE	0	0	2000	2000	ALLOWANCE: 4 UNITS @ $500/EA
8002	REMOVE & REINSTALL HVAC CONDENSORS	0	0	1600	1600	4 UNITS @ $400/EACH
8003	REMOVE & REPLACE HOSE BIBS	0	0	200	200	4 UNITS @ $50/EACH
8004	REMOVE & REINSTALL PHONE, SATELLITE, CABLE, ETC	0	0	800	800	4 UNITS @ $200/EACH
	DIV #8- MECHANICAL, ELECTRICAL & PLUMBING ALLOWANCE	**0**	**0**	**4600**	**4600**	

COST CODE	DIV #9 - SITE WORK	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
9001	LANDSCAPE PROTECTION AND RESTORATION	0	0	8000	8000	ALLOWANCE 4 UNITS @ $2000/UNIT
	DIV #9 - SITE WORK	**0**	**0**	**8000**	**8000**	

MONTCLAIR AT TOWNE CENTER
TH - BUILDING 15
MT. PLEASANT, SC

CALIBOGUE CONSTRUCTION CO, INC
PRELIMINARY REMEDIATION COST ESTIMATE
BUILDING 15
UNITS 1817 - 1827
NOVEMBER 30, 2010

MONTCLAIR AT TOWNE CENTER
TOWNHOUSE - BUILDING 15 (UNITS 1817 - 1827)
PRELIMINARY REMEDIATION & RESTORATION COST ESTIMATE

DIVISION # - DESCRIPTION OF WORK	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES: 6 TOWNHOUSES (4-2 BR & 2-3 BR)
DIV #1 - GENERAL CONDITIONS (SEE BELOW)	$0	$0	$0	$0	SEE BELOW
DIV #2 - EXTERIOR WALL HARDBOARD CLADDING	$0	$27,804	$69,646	$97,451	SEE DETAIL ON PAGE 3
DIV #3 - EXTERIOR WALL BRICK CLADDING	$0	$3,775	$12,551	$16,326	SEE DETAIL ON PAGE 3
DIV #4 - WINDOW & DOOR REPAIRS	$0	$43,006	$10,000	$53,006	SEE DETAIL ON PAGE 4
DIV #5 - INTERIOR REPAIR ALLOWANCE	$0	$0	$6,800	$6,800	SEE DETAIL ON PAGE 4
DIV #6 - ATTIC REPAIR ALLOWANCE	$0	$0	$12,495	$12,495	SEE DETAIL ON PAGE 5
DIV #7 -SHINGLE ROOFING SYSTEM REPAIR	$0	$1,200	$25,780	$26,980	SEE DETAIL ON PAGE 6
DIV #8- MECHANICAL, ELECTRICAL & PLUMBING ALLOWANCE	$0	$0	$6,900	$6,900	SEE DETAIL ON PAGE 6
DIV #9 - SITE WORK	$0	$0	$12,000	$12,000	SEE DETAIL ON PAGE 6
DIVISIONS #1 - 9 ESTIMATE SUBTOTAL	$0	$75,785	$155,173	$231,958	
MONTCLAIR - TOWNHOUSE - BUILDING 15 PRELIMINARY ESTIMATE SUBTOTAL				$231,958	
GENERAL CONDITIONS (10%) PRO-RATED FOR INDIVIDUAL BUILDINGS				$23,196	
MONTCLAIR - TOWNHOUSE - BUILDING 15 PRELIMINARY ESTIMATE SUBTOTAL				$255,154	
CONTRACTOR'S FEE (10% + 10%)				$53,582	
MONTCLAIR - TOWNHOUSE - BUILDING 15 PRELIMINARY ESTIMATE TOTAL				$308,736	

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NOTES:

1 This estimate is based on Construction Science and Engineering, Inc.'s (CSE) Montclair Report, dated 10/12/10 and CSE Outline Scope of Repairs.

2 This estimate INCLUDES 100% removal and replacement of all existing hardboard siding and exterior trim below soffits with fiber cement siding and nominal 5/4 fiber cement exterior trim.

3 This estimate INCLUDES 100% removal and replacement of existing brick veneer with new brick veneer including hot-dipped galvanized lintels, seismic wall ties and thru-wall flashing at first floor level and heads and sills of penetrations.

4 This estimate INCLUDES removal and replacement of sheathing at outside corners with 1/2" pressure treated plywood to comply with corner bracing requirements.

5 This estimate INCLUDES an ALLOWANCE for removal and replacement of water intrusion/decay and/or insect damaged wall sheathing and wall framing components.

6 This estimate INCLUDES the installation of an integrated gravity water management system with a secondary weather-resistive barrier and integrated weep flashing accessories.

7 This estimate INCLUDES removal and replacement of all existing windows and sliding glass doors including proper rough opening flashing, head flashing and sill pans.

8 This estimte INCLUDES an ALLOWANCE for repairs to and/or replacement of water damaged drywall (GWB) or damages incurred as a result of the remediation procedures.

9 This estimate INCLUDES painting of the interior of exterior walls at repaired areas and all new exterior siding and exterior trim.

10 This estimate INCLUDES repairs to the One-Hour tenant separation wall & ceiling in the attic as required, attic truss repairs and dryer vent duct repairs.

11 This estimate INCLUDES the removal and the replacement of the sloped shingle roofing systems with new flashing assemblies.

12 This estimate INCLUDES an ALLOWANCE for landscape protection and restoration.

13 This estimate DOES NOT include any expenses associated with moving and/or storage of interior contents offsite.

14 This estimate DOES NOT include loss of use for any portion of the estimated duration of repairs.

15 This estimate DOES NOT include any provision for architectural and/or engineering fees.

16 This estimate is subject to revision after 30 days.

MONTCLAIR AT TOWNE CENTER
TH - BUILDING 15
MT. PLEASANT, SC

CALIBOGUE CONSTRUCTION CO, INC
PRELIMINARY REMEDIATION COST ESTIMATE
BUILDING 15
UNITS 1817 - 1827
NOVEMBER 30, 2010

COST CODE	DIV #2 - EXTERIOR WALL HARDBOARD CLADDING	COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
2001	REMOVE EXISTING HARDBOARD SIDING AND TRIM	0	0	7424	7424	7424 SF (CORR MEAS LAB - $1/SF)
2002	SIDING DUMPSTER/DISPOSAL EXPENSE	0	1200	0	1200	3 LOADS @ $400/LOAD (ASSUME .5/UNIT)
2003	TEMPORARY PROTECTION AT EXTERIOR WALLS	0	1114	1856	2970	7424 SF (CORR MEAS LAB $0.25/SF) PLUS 0.15/SF MATL
2004	REM & REPL WALL SHEATHING WITHIN 4' OF OUTSIDE CORNERS	0	2046	2856	4902	1904 SF (CORR MEAS LAB $1.50/SF) PLUS MATLS
2005	REM & REPL DAMAGED WALL SHEATHING AND FRAMING	0	0	4800	4800	ALLOWANCE: 6 UNITS @ $800/EACH
2006	INSTALL 30# FELT WEATHER-RESISTIVE BARRIER	0	891	4454	5345	7424 SF (CORR MEAS LAB $.60/SF) PLUS $.12 MATLS
2007	INSTALL NEW HARDIE CEDARMILL SIDING & 5/4 EXTERIOR TRIM	0	22272	25984	48256	7424 SF (CORR MEAS LAB $3.50/SF) PLUS $3.00/SF MATLS
2008	ALUMINUM HEAD FLASHING MATERIAL	0	282	0	282	A & R SHEET METAL QUOTE 11/3/10
2009	EXTERIOR PAINTING	0	0	22272	22272	MUDMASTER QUOTE 11/4/10
	DIV #2 - EXTERIOR WALL HARDBOARD CLADDING	**0**	**27804**	**69646**	**97451**	

COST CODE	DIV #3 - EXTERIOR WALL BRICK CLADDING	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	
3001	REMOVE ALL BRICK VENEER	0	0	2155	2155	862 SF (Z&Z MASONRY LAB $2.50/SF)
3002	BRICK DUMPSTER/DISPOSAL EXPENSE	0	180	0	180	NATURE'S CALLING - $150/LOAD
3003	TEMPORARY PROTECTION AT EXTERIOR WALLS	0	129	216	345	862 SF (CORR MEAS LAB $0.25/SF) PLUS 0.15/SF MATL
3003	REM & REPL WALL SHEATHING WITHIN 4' OF OUTSIDE CORNERS	0	0	0	0	INCL IN CC 2004
3004	REM & REPL DAMAGED WALL SHEATHING AND FRAMING	0	0	0	0	INCL IN CC 2005
3005	INSTALL 30# FELT WEATHER-RESISTIVE BARRIER	0	103	517	621	862 SF (CORR MEAS LAB $.60/SF) PLUS $.12 MATLS
3006	INSTALL NEW BRICK VENEER, ANCHORS & LINTELS	0	3362	9310	12672	LABOR Z&Z MASONRY PLUS MATLS
3007	ENGINEERED SEALANT JOINTS	0	0	354	354	208 LF @ $1.70/LF (SALEM QUOTE)
	DIV #3 - EXTERIOR WALL BRICK CLADDING	**0**	**3775**	**12551**	**16326**	

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MONTCLAIR AT TOWNE CENTER
TH - BUILDING 15
MT. PLEASANT, SC

CALIBOGUE CONSTRUCTION CO, INC
PRELIMINARY REMEDIATION COST ESTIMATE
BUILDING 15
UNITS 1817 - 1827
NOVEMBER 30, 2010

COST CODE	DIV #4 - WINDOW & DOOR REPAIRS	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
4001	REMOVE & REPLACE EXISTING WINDOWS (LABOR)	0	0	7600	7600	CORRECTIVE MEASURES (24 TOTAL WINDOWS)
4002	NEW WINDOW REPLACEMENT MATERIAL	0	21840	0	21840	BUCK LUMBER 9/24/10 QUOTE
4003	REMOVE & REPLACE SLIDING GLASS DOORS (LABOR)	0	0	2400	2400	CORRECTIVE MEASURES (6 SGD @ $400/EA)
4004	NEW SLIDING GLASS DOOR MATERIAL	0	18466	0	18466	BUCK LUMBER 9/24/10 QUOTE
4005	WINDOW E-Z PAN SILL PAN FLASHING	0	2400	0	2400	24 WINDOWS @ $100/WINDOW
4006	ALUMINUM DOOR SILL PANS & ROUGH OPENING FLASHING	0	300	0	300	6 DOORS @ $50/DOOR
	DIV #4 - WINDOW & DOOR REPAIRS	**0**	**43006**	**10000**	**53006**	

COST CODE	DIV #5 - INTERIOR REPAIR ALLOWANCE	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
5001	REMOVE AND REPLACE WATER DAMAGED GWB	0	0	3000	3000	ALLOWANCE: 6 UNITS @ $500/UNIT
5002	REPAIR GWB AT REPLACED WINDOWS AND DOORS	0	0	600	600	ALLOWANCE:6 UNITS @ $100/UNIT
5003	PAINT WALLS AT REPLACED WINDOWS AND DOORS	0	0	3200	3200	ALLOWANCE: 3-2 BR @ $500/UNIT & 2-3 BR @ $600/UNIT
	DIV #5 - INTERIOR REPAIR ALLOWANCE	**0**	**0**	**6800**	**6800**	

MONTCLAIR AT TOWNE CENTER
TH - BUILDING 15
MT. PLEASANT, SC

CALIBOGUE CONSTRUCTION CO, INC
PRELIMINARY REMEDIATION COST ESTIMATE
BUILDING 15
UNITS 1817 - 1827
NOVEMBER 30, 2010

COST CODE	DIV #6 - ATTIC REPAIR ALLOWANCE	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
6001	1-HR TENANT SEPARATION WALL/CEILING REPAIRS	0	0	12495	12495	JOE GATHERS QUOTE 10/28/10 (ALLOWANCE).
6002	ATTIC TRUSS LATERAL BRACING REPAIRS	0	0	0	0	INCL IN CC 6001
6003	ATTIC HURRICANE CLIP REPAIRS	0	0	0	0	INCL IN CC 6001
6004	ATTIC TRUSS REPAIRS	0	0	0	0	INCL IN CC 6001
6005	SECOND FLOOR DRYER DUCTWORK REPAIRS	0	0	0	0	INCL IN CC 6001
	DIV #6 - ATTIC REPAIR ALLOWANCE	**0**	**0**	**12495**	**12495**	

COST CODE	DIV #7 -SHINGLE ROOFING SYSTEM REPAIR	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
7001	REM & REPL SHINGLES, UNDERLAYMENT & METAL DRIP EDGE	0	0	24820	24820	DIAMOND, INC. QUOTE 11/2/10
7002	REMOVE AND REPLACE GUTTER DOWNSPOUTS	0	0	960	960	40 LF/UNIT = 240 LF @ $4./LF GUTTER MASTERS COMP
7003	ROOFING DUMPSTER/DISPOSAL EXPENSE	0	1200	0	1200	3 LOADS @ $400/LOAD
	DIV #7 -SHINGLE ROOFING SYSTEM REPAIR	**0**	**1200**	**25780**	**26980**	

MONTCLAIR AT TOWNE CENTER
TH - BUILDING 15
MT. PLEASANT, SC

CALIBOGUE CONSTRUCTION CO, INC
PRELIMINARY REMEDIATION COST ESTIMATE
BUILDING 15
UNITS 1817 - 1827
NOVEMBER 30, 2010

COST CODE	DIV #8- MECHANICAL, ELECTRICAL & PLUMBING ALLOWANCE	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
8001	REMOVE & REINSTALL ELECTRIC FIXTURES & METER BASE	0	0	3000	3000	ALLOWANCE: 6 UNITS @ $500/EA
8002	REMOVE & REINSTALL HVAC CONDENSORS	0	0	2400	2400	6 UNITS @ $400/EACH
8003	REMOVE & REPLACE HOSE BIBS	0	0	300	300	6 UNITS @ $50/EACH
8004	REMOVE & REINSTALL PHONE, SATELLITE, CABLE, ETC	0	0	1200	1200	6 UNITS @ $200/EACH
	DIV #8- MECHANICAL, ELECTRICAL & PLUMBING ALLOWANCE	**0**	**0**	**6900**	**6900**	

COST CODE	DIV #9 - SITE WORK	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
9001	LANDSCAPE PROTECTION AND RESTORATION	0	0	12000	12000	ALLOWANCE 6 UNITS @ $2000/UNIT
	DIV #9 - SITE WORK	**0**	**0**	**12000**	**12000**	

MONTCLAIR AT TOWNE CENTER
TH - BUILDING 15
MT. PLEASANT, SC

CALIBOGUE CONSTRUCTION CO, INC
PREL. REMEDIATION QTY/ALLOWANCE SUMMARY
BLDG 15
UNITS 1817 - 1827
NOVEMBER 30, 2010

COST CODE	DIV #2 - EXTERIOR WALL HARDBOARD CLADDING	UNIT	TH #1817 QTY	TH #1819 QTY	TH #1821 QTY	TH #1823 QTY	TH #1825 QTY	TH #1827 QTY	BLDG #15 QTY TOTAL
2001	REMOVE EXISTING HARDBORAD SIDING AND TRIM	SF	1755	1211	1081	1051	1081	1245	7424
2002	SIDING DUMPSTER/DISPOSAL EXPENSE	LOAD	0.5	0.5	0.5	0.5	0.5	0.5	3
2003	TEMPORARY PROTECTION AT EXTERIOR WALLS	SF	1755	1211	1081	1051	1081	1245	7424
2004	REM & REPL WALL SHEATHING WITHIN 4' OF OUTSIDE CORNERS	SF	317	317	317	317	317	317	1904
2005	REM & REPL DAMAGED WALL SHEATHING AND FRAMING	ALLOW	800	800	800	800	800	800	$4,800
2006	INSTALL 30# FELT WEATHER-RESISTIVE BARRIER	SF	1755	1211	1081	1051	1081	1245	7424
2007	INSTALL NEW HARDIE CEDARMILL SIDING & 5/4 EXTERIOR TRIM	SF	1755	1211	1081	1051	1081	1245	7424
2008	ALUMINUM HEAD FLASHING MATERIAL	#	30	30	30	30	30	30	180
2009	EXTERIOR PAINTING*	$	5265	3633	3243	3153	3243	3735	$22,272
	*PRORATED - UNIT COST								

DIV #2 - EXTERIOR WALL HARDBOARD CLADDING

COST CODE	DIV #3 - EXTERIOR WALL BRICK CLADDING	UNIT	TH #1817 QTY	TH #1819 QTY	TH #1821 QTY	TH #1823 QTY	TH #1825 QTY	TH #1827 QTY	BLDG #15 QTY TOTAL
3001	REMOVE ALL BRICK VENEER	SF	295	68	68	68	68	295	862
3002	BRICK DUMPSTER/DISPOSAL EXPENSE	LOAD	0.4	0.1	0.1	0.1	0.1	0.4	1.2
3003	TEMPORARY PROTECTION AT EXTERIOR WALLS	SF	295	68	68	68	68	295	862
3003	REM & REPL WALL SHEATHING WITHIN 4' OF OUTSIDE CORNERS	SF	INCL IN CC 2004						
3004	REM & REPL DAMAGED WALL SHEATHING AND FRAMING	ALLOW	INCL IN CC 2005						
3005	INSTALL 30# FELT WEATHER-RESISTIVE BARRIER	SF	295	68	68	68	68	295	862
3006	INSTALL NEW BRICK VENEER, ANCHORS & LINTELS	SF	295	68	68	68	68	295	862
3007	ENGINEERED SEALANT JOINTS	LF	48	32	32	32	32	32	208

DIV #3 - EXTERIOR WALL BRICK CLADDING

MONTCLAIR AT TOWNE CENTER
TH - BUILDING 15
MT. PLEASANT, SC

CALIBOGUE CONSTRUCTION CO, INC
PREL. REMEDIATION QTY/ALLOWANCE SUMMARY
BLDG 15
UNITS 1817 - 1827
NOVEMBER 30, 2010

COST CODE	DIV #4 - WINDOW & DOOR REPAIRS	UNIT	TH #1817 QTY	TH #1819 QTY	TH #1821 QTY	TH #1823 QTY	TH #1825 QTY	TH #1827 QTY	BLDG #15 QTY TOTAL
4001	REMOVE & REPLACE EXISTING WINDOWS (LABOR)	#	4	4	4	4	4	4	24
4002	NEW WINDOW REPLACEMENT MATERIAL	$	4237	3210	3210	4237	3738	3210	$21,840
4003	REMOVE & REPLACE SLIDING GLASS DOORS (LABOR)	#	1	1	1	1	1	1	6
4004	NEW SLIDING GLASS DOOR MATERIAL	$	3078	3078	3078	3078	3078	3078	$18,466
4005	WINDOW E-Z PAN SILL FLASHING	#	4	4	4	4	4	4	24
4006	ALUMINUM DOOR SILL PANS & ROUGH OPENING FLASHING	#	1	1	1	1	1	1	6

DIV #4 - WINDOW & DOOR REPAIRS

COST CODE	DIV #5 - INTERIOR REPAIR ALLOWANCE	UNIT	TH #1817 QTY	TH #1819 QTY	TH #1821 QTY	TH #1823 QTY	TH #1825 QTY	TH #1827 QTY	BLDG #15 QTY TOTAL
5001	REMOVE AND REPLACE DAMAGED WALL GWB	ALLOW	500	500	500	500	500	500	$3,000
5002	REPAIR GWB AT REPLACED WINDOWS AND DOORS	ALLOW	100	100	100	100	100	100	$600
5003	PAINT WALLS AT REPLACED WINDOWS AND DOORS	ALLOW	600	500	500	600	500	500	$3,200

DIV #5 - INTERIOR REPAIR ALLOWANCE

MONTCLAIR AT TOWNE CENTER
TH - BUILDING 15
MT. PLEASANT, SC

CALIBOGUE CONSTRUCTION CO, INC
PREL. REMEDIATION QTY/ALLOWANCE SUMMARY
BLDG 15
UNITS 1817 - 1827
NOVEMBER 30, 2010

COST CODE	DIV #6 - ATTIC REPAIR ALLOWANCE	UNIT	TH #1817 QTY	TH #1819 QTY	TH #1821 QTY	TH #1823 QTY	TH #1825 QTY	TH #1827 QTY	BLDG #15 QTY TOTAL
6001	1-HR TENANT SEPARATION WALL/CEILING REPAIRS	ALLOW	1249	2499	2499	2499	2499	1249	$12,495
6002	ATTIC TRUSS LATERAL BRACING REPAIRS	ALLOW	INCL IN CC 6001						
6003	ATTIC TRUSS HURRICANE CLIP REPAIRS	ALLOW	INCL IN CC 6001						
6004	ATTIC TRUSS REPAIRS	ALLOW	INCL IN CC 6001						
6005	SECOND FLOOR DRYER DUCTWORK REPARIS	ALLOW	INCL IN CC 6001						
	DIV #6 - ATTIC REPAIR ALLOWANCE								

COST CODE	DIV #7 - ROOFING SYSTEM REPAIR	UNIT	TH #1817 QTY	TH #1819 QTY	TH #1821 QTY	TH #1823 QTY	TH #1825 QTY	TH #1827 QTY	BLDG #15 QTY TOTAL
7001	REM & REPL SHINGLES, UNDERLAYMENT & METAL DRIP EDGE	$	4210	4100	4210	4100	4100	4100	$24,820
7002	REMOVE AND REPLACE GUTTER DOWNSPOUTS	LF	40	40	40	40	40	40	240
7003	ROOFING DUMPSTER/DISPOSAL EXPENSE	LOAD	0.5	0.5	0.5	0.5	0.5	0.5	3
	DIV #7 - ROOFING SYSTEM REPAIR								

MONTCLAIR AT TOWNE CENTER
TH - BUILDING 15
MT. PLEASANT, SC

CALIBOGUE CONSTRUCTION CO, INC
PREL. REMEDIATION QTY/ALLOWANCE SUMMARY
BLDG 15
UNITS 1817 - 1827
NOVEMBER 30, 2010

COST CODE	DIV #8- MECHANICAL, ELECTRIC & PLUMBING ALLOW.	UNIT	TH #1817 QTY	TH #1819 QTY	TH #1821 QTY	TH #1823 QTY	TH #1825 QTY	TH #1827 QTY	BLDG #15 QTY TOTAL
8001	REMOVE & REINSTALL ELECTRIC FIXTURES & METER BASE	ALLOW	500	500	500	500	500	500	$3,000
8002	REMOVE & REINSTALL HVAC CONDENSORS	$	400	400	400	400	400	400	$2,400
8003	REMOVE & REPLACE HOSE BIBS	$	50	50	50	50	50	50	$300
8004	REMOVE & REINSTALL PHONE, SATELLITE, CABLE, ETC	ALLOW	200	200	200	200	200	200	$1,200
	DIV #8- MECHANICAL, ELECTRIC & PLUMBING ALLOW.								

COST CODE	DIV #9 - SITE WORK	UNIT	TH #1817 QTY	TH #1819 QTY	TH #1821 QTY	TH #1823 QTY	TH #1825 QTY	TH #1827 QTY	BLDG #15 QTY TOTAL
9001	LANDSCAPE PROTECTION AND RESTORATION	ALLOW	2000	2000	2000	2000	2000	2000	$12,000
	DIV #9 - SITE WORK								

MONTCLAIR AT TOWNE CENTER
TH - BUILDING 17
MT. PLEASANT, SC

CALIBOGUE CONSTRUCTION CO, INC
PRELIMINARY REMEDIATION COST ESTIMATE
BUILDING 17
UNITS 1808 - 1812
NOVEMBER 30, 2010

MONTCLAIR AT TOWNE CENTER
TOWNHOUSE - BUILDING 17 (UNITS 1808 - 1812)
PRELIMINARY REMEDIATION & RESTORATION COST ESTIMATE

DIVISION # - DESCRIPTION OF WORK	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES: 3-2BR TOWNHOUSES
DIV #1 - GENERAL CONDITIONS (SEE BELOW)	$0	$0	$0	$0	SEE BELOW
DIV #2 - EXTERIOR WALL HARDBOARD CLADDING	$0	$16,910	$42,292	$59,202	SEE DETAIL ON PAGE 3
DIV #3 - EXTERIOR WALL BRICK CLADDING	$0	$2,428	$8,073	$10,501	SEE DETAIL ON PAGE 3
DIV #4 - WINDOW & DOOR REPAIRS	$0	$22,147	$5,000	$27,147	SEE DETAIL ON PAGE 4
DIV #5 - INTERIOR REPAIR ALLOWANCE	$0	$0	$3,300	$3,300	SEE DETAIL ON PAGE 4
DIV #6 - ATTIC REPAIR ALLOWANCE	$0	$0	$7,332	$7,332	SEE DETAIL ON PAGE 5
DIV #7 -SHINGLE ROOFING SYSTEM REPAIR	$0	$0	$10,330	$10,330	SEE DETAIL ON PAGE 6
DIV #8- MECHANICAL, ELECTRICAL & PLUMBING ALLOWANCE	$0	$0	$3,450	$3,450	SEE DETAIL ON PAGE 6
DIV #9 - SITE WORK	$0	$0	$6,000	$6,000	SEE DETAIL ON PAGE 6
DIVISIONS #1 - 9 ESTIMATE SUBTOTAL	$0	$41,486	$85,777	$127,262	
MONTCLAIR - TOWNHOUSE - BUILDING 17 PRELIMINARY ESTIMATE SUBTOTAL				$127,262	
GENERAL CONDITIONS (10%) PRO-RATED FOR INDIVIDUAL BUILDINGS				$12,726	
MONTCLAIR - TOWNHOUSE - BUILDING 17 PRELIMINARY ESTIMATE SUBTOTAL				$139,988	
CONTRACTOR'S FEE (10% + 10%)				$29,398	
MONTCLAIR - TOWNHOUSE - BUILDING 17 PRELIMINARY ESTIMATE TOTAL				$169,386	

CALIBOGUE CONSTRUCTION CO, INC
PRELIMINARY REMEDIATION COST ESTIMATE
BUILDING 17
UNITS 1808 - 1812
NOVEMBER 30, 2010

NOTES:

1 This estimate is based on Construction Science and Engineering, Inc.'s (CSE) Montclair Report, dated 10/12/10 and CSE Outline Scope of Repairs.

2 This estimate INCLUDES 100% removal and replacement of all existing hardboard siding and exterior trim below soffits with fiber cement siding and nominal 5/4 fiber cement exterior trim.

3 This estimate INCLUDES 100% removal and replacement of existing brick veneer with new brick veneer including hot-dipped galvanized lintels, seismic wall ties and thru-wall flashing at first floor level and heads and sills of penetrations.

4 This estimate INCLUDES removal and replacement of sheathing at outside corners with 1/2" pressure treated plywood to comply with corner bracing requirements.

5 This estimate INCLUDES an ALLOWANCE for removal and replacement of water intrusion/decay and/or insect damaged wall sheathing and wall framing components.

6 This estimate INCLUDES the installation of an integrated gravity water management system with a secondary weather-resistive barrier and integrated weep flashing accessories.

7 This estimate INCLUDES removal and replacement of all existing windows and sliding glass doors including proper rough opening flashing, head flashing and sill pans.

8 This estimte INCLUDES an ALLOWANCE for repairs to and/or replacement of water damaged drywall (GWB) or damages incurred as a result of the remediation procedures.

9 This estimate INCLUDES painting of the interior of exterior walls at repaired areas and all new exterior siding and exterior trim.

10 This estimate INCLUDES repairs to the One-Hour tenant separation wall & ceiling in the attic as required, attic truss repairs and dryer vent duct repairs.

11 This estimate INCLUDES the cost for the removal and the replacement of the sloped shingle roofing systems with new flashing assemblies completed in October, 2009.

12 This estimate INCLUDES an ALLOWANCE for landscape protection and restoration.

13 This estimate DOES NOT include any expenses associated with moving and/or storage of interior contents offsite.

14 This estimate DOES NOT include loss of use for any portion of the estimated duration of repairs.

15 This estimate DOES NOT include any provision for architectural and/or engineering fees.

16 This estimate is subject to revision after 30 days.

MONTCLAIR AT TOWNE CENTER
TH - BUILDING 17
MT. PLEASANT, SC

CALIBOGUE CONSTRUCTION CO, INC
PRELIMINARY REMEDIATION COST ESTIMATE
BUILDING 17
UNITS 1808 - 1812
NOVEMBER 30, 2010

COST CODE	DIV #2 - EXTERIOR WALL HARDBOARD CLADDING	COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
2001	REMOVE EXISTING HARDBOARD SIDING AND TRIM	0	0	4582	4582	4582 SF (CORR MEAS LAB - $1/SF)
2002	SIDING DUMPSTER/DISPOSAL EXPENSE	0	600	0	600	1.5 LOADS @ $400/LOAD (ASSUME .5/UNIT)
2003	TEMPORARY PROTECTION AT EXTERIOR WALLS	0	687	1146	1833	4582 SF (CORR MEAS LAB $0.25/SF) PLUS 0.15/SF MATL
2004	REM & REPL WALL SHEATHING WITHIN 4' OF OUTSIDE CORNERS	0	1186	1632	2818	1088 SF (CORR MEAS LAB $1.50/SF) PLUS MATLS
2005	REM & REPL DAMAGED WALL SHEATHING AND FRAMING	0	0	2400	2400	ALLOWANCE: 3 UNITS @ $800/EACH
2006	INSTALL 30# FELT WEATHER-RESISTIVE BARRIER	0	550	2749	3299	4582 SF (CORR MEAS LAB $.60/SF) PLUS $.12 MATLS
2007	INSTALL NEW HARDIE CEDARMILL SIDING & 5/4 EXTERIOR TRIM	0	13746	16037	29783	4582 SF (CORR MEAS LAB $3.50/SF) PLUS $3.00/SF MATLS
2008	ALUMINUM HEAD FLASHING MATERIAL	0	141	0	141	A & R SHEET METAL QUOTE 11/3/10
2009	EXTERIOR PAINTING	0	0	13746	13746	MUDMASTER QUOTE 11/4/10
	DIV #2 - EXTERIOR WALL HARDBOARD CLADDING	**0**	**16910**	**42292**	**59202**	

COST CODE	DIV #3 - EXTERIOR WALL BRICK CLADDING	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	
3001	REMOVE ALL BRICK VENEER	0	0	1398	1398	559 SF (Z&Z MASONRY LAB $2.50/SF)
3002	BRICK DUMPSTER/DISPOSAL EXPENSE	0	98	0	98	NATURE'S CALLING - $150/LOAD
3003	TEMPORARY PROTECTION AT EXTERIOR WALLS	0	84	140	224	559 SF (CORR MEAS LAB $0.25/SF) PLUS 0.15/SF MATL
3003	REM & REPL WALL SHEATHING WITHIN 4' OF OUTSIDE CORNERS	0	0	0	0	INCL IN CC 2004
3004	REM & REPL DAMAGED WALL SHEATHING AND FRAMING	0	0	0	0	INCL IN CC 2005
3005	INSTALL 30# FELT WEATHER-RESISTIVE BARRIER	0	67	335	402	559 SF (CORR MEAS LAB $.60/SF) PLUS $.12 MATLS
3006	INSTALL NEW BRICK VENEER, ANCHORS & LINTELS	0	2180	6037	8217	LABOR Z&Z MASONRY PLUS MATLS
3007	ENGINEERED SEALANT JOINTS	0	0	163	163	96 LF @ $1.70/LF (SALEM QUOTE)
	DIV #3 - EXTERIOR WALL BRICK CLADDING	**0**	**2428**	**8073**	**10501**	

MONTCLAIR AT TOWNE CENTER
TH - BUILDING 17
MT. PLEASANT, SC

CALIBOGUE CONSTRUCTION CO, INC
PRELIMINARY REMEDIATION COST ESTIMATE
BUILDING 17
UNITS 1808 - 1812
NOVEMBER 30, 2010

COST CODE	DIV #4 - WINDOW & DOOR REPAIRS	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
4001	REMOVE & REPLACE EXISTING WINDOWS (LABOR)	0	0	3800	3800	CORRECTIVE MEASURES (12 TOTAL WINDOWS)
4002	NEW WINDOW REPLACEMENT MATERIAL	0	11564	0	11564	BUCK LUMBER 9/24/10 QUOTE
4003	REMOVE & REPLACE SLIDING GLASS DOORS (LABOR)	0	0	1200	1200	CORRECTIVE MEASURES (3 SGD @ $400/EA)
4004	NEW SLIDING GLASS DOOR MATERIAL	0	9233	0	9233	BUCK LUMBER 9/24/10 QUOTE
4005	WINDOW E-Z PAN SILL PAN FLASHING	0	1200	0	1200	12 WINDOWS @ $100/WINDOW
4006	ALUMINUM DOOR SILL PANS & ROUGH OPENING FLASHING	0	150	0	150	3 DOORS @ $50/DOOR
	DIV #4 - WINDOW & DOOR REPAIRS	**0**	**22147**	**5000**	**27147**	

COST CODE	DIV #5 - INTERIOR REPAIR ALLOWANCE	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
5001	REMOVE AND REPLACE WATER DAMAGED GWB	0	0	1500	1500	ALLOWANCE: 3 UNITS @ $500/UNIT
5002	REPAIR GWB AT REPLACED WINDOWS AND DOORS	0	0	300	300	ALLOWANCE: 3 UNITS @ $100/UNIT
5003	PAINT WALLS AT REPLACED WINDOWS AND DOORS	0	0	1500	1500	ALLOWANCE: 3-2 BR UNITS@ $500/UNIT
	DIV #5 - INTERIOR REPAIR ALLOWANCE	**0**	**0**	**3300**	**3300**	

MONTCLAIR AT TOWNE CENTER
TH - BUILDING 17
MT. PLEASANT, SC

CALIBOGUE CONSTRUCTION CO, INC
PRELIMINARY REMEDIATION COST ESTIMATE
BUILDING 17
UNITS 1808 - 1812
NOVEMBER 30, 2010

COST CODE	DIV #6 - ATTIC REPAIR ALLOWANCE	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
6001	1-HR TENANT SEPARATION WALL/CEILING REPAIRS	0	0	7332	7332	JOE GATHERS QUOTE 10/28/10 (ALLOWANCE)
6002	ATTIC TRUSS LATERAL BRACING REPAIRS	0	0	0	0	INCL IN CC 6001
6003	ATTIC HURRICANE CLIP REPAIRS	0	0	0	0	INCL IN CC 6001
6004	ATTIC TRUSS REPAIRS	0	0	0	0	INCL IN CC 6001
6005	SECOND FLOOR DRYER DUCTWORK REPAIRS	0	0	0	0	INCL IN CC 6001
	DIV #6 - ATTIC REPAIR ALLOWANCE	**0**	**0**	**7332**	**7332**	

COST CODE	DIV #7 -SHINGLE ROOFING SYSTEM REPAIR	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
7001	REM & REPL SHINGLES, UNDERLAYMENT & METAL DRIP EDGE	0	0	9850	9850	ROOF COMPLETED OCTOBER 2009
7002	REMOVE AND REPLACE GUTTER DOWNSPOUTS	0	0	480	480	40 LF/UNIT = 120 LF @ $4./LF GUTTER MASTERS COMP
7003	ROOFING DUMPSTER/DISPOSAL EXPENSE	0	0	0	0	INCL IN CC 7001
	DIV #7 -SHINGLE ROOFING SYSTEM REPAIR	**0**	**0**	**10330**	**10330**	

MONTCLAIR AT TOWNE CENTER
TH - BUILDING 17
MT. PLEASANT, SC

CALIBOGUE CONSTRUCTION CO, INC
PRELIMINARY REMEDIATION COST ESTIMATE
BUILDING 17
UNITS 1808 - 1812
NOVEMBER 30, 2010

COST CODE	DIV #8- MECHANICAL, ELECTRICAL & PLUMBING ALLOWANCE	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
8001	REMOVE & REINSTALL ELECTRIC FIXTURES & METER BASE	0	0	1500	1500	ALLOWANCE -3 UNITS @ $500/EA
8002	REMOVE & REINSTALL HVAC CONDENSORS	0	0	1200	1200	3 UNITS @ $400/EACH
8003	REMOVE & REPLACE HOSE BIBS	0	0	150	150	3 UNITS @ $50/EACH
8004	REMOVE & REINSTALL PHONE, SATELLITE, CABLE, ETC	0	0	600	600	3 UNITS @ $200/EACH
	DIV #8- MECHANICAL, ELECTRICAL & PLUMBING ALLOWANCE	0	0	3450	3450	

COST CODE	DIV #9 - SITE WORK	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
9001	LANDSCAPE PROTECTION AND RESTORATION	0	0	6000	6000	ALLOWANCE 3 UNITS @ $2000/UNIT
	DIV #9 - SITE WORK	0	0	6000	6000	

MONTCLAIR AT TOWNE CENTER
TH - BUILDING 17
MT. PLEASANT, SC

CALIBOGUE CONSTRUCTION CO, INC
PREL. REMEDIATION QTY/ALLOWANCE SUMMARY
BLDG 17
UNITS 1808 - 1812
NOVEMBER 30, 2010

COST CODE	DIV #2 - EXTERIOR WALL HARDBOARD CLADDING	UNIT	TH #1808 QTY	TH #1810 QTY	TH #1812 QTY	BLDG #17 QTY TOTAL
2001	REMOVE EXISTING HARDBORAD SIDING AND TRIM	SF	1472	1408	1702	4582
2002	SIDING DUMPSTER/DISPOSAL EXPENSE	LOAD	0.5	0.5	0.5	1.5
2003	TEMPORARY PROTECTION AT EXTERIOR WALLS	SF	1472	1408	1702	4582
2004	REM & REPL WALL SHEATHING WITHIN 4' OF OUTSIDE CORNERS	SF	363	363	363	1088
2005	REM & REPL DAMAGED WALL SHEATHING AND FRAMING	ALLOW	800	800	800	$2,400
2006	INSTALL 30# FELT WEATHER-RESISTIVE BARRIER	SF	1472	1408	1702	4582
2007	INSTALL NEW HARDIE CEDARMILL SIDING & 5/4 EXTERIOR TRIM	SF	1472	1408	1702	4582
2008	ALUMINUM HEAD FLASHING MATERIAL	#	30	30	30	90
2009	EXTERIOR PAINTING*	$	4416	4224	5106	$13,746
	*PRORATED - UNIT COST					

DIV #2 - EXTERIOR WALL HARDBOARD CLADDING

COST CODE	DIV #3 - EXTERIOR WALL BRICK CLADDING	UNIT	TH #1808 QTY	TH #1810 QTY	TH #1812 QTY	BLDG #17 QTY TOTAL
3001	REMOVE ALL BRICK VENEER	SF	68	132	359	559
3002	BRICK DUMPSTER/DISPOSAL EXPENSE	LOAD	0.35	0.20	0.10	0.65
3003	TEMPORARY PROTECTION AT EXTERIOR WALLS	SF	68	132	359	559
3003	REM & REPL WALL SHEATHING WITHIN 4' OF OUTSIDE CORNERS	SF	INCL IN CC 2004			
3004	REM & REPL DAMAGED WALL SHEATHING AND FRAMING	ALLOW	INCL IN CC 2005			
3005	INSTALL 30# FELT WEATHER-RESISTIVE BARRIER	SF	68	132	359	559
3006	INSTALL NEW BRICK VENEER, ANCHORS & LINTELS	SF	68	132	359	559
3007	ENGINEERED SEALANT JOINTS	LF	24	32	40	96

DIV #3 - EXTERIOR WALL BRICK CLADDING

MONTCLAIR AT TOWNE CENTER
TH - BUILDING 17
MT. PLEASANT, SC

CALIBOGUE CONSTRUCTION CO, INC
PREL. REMEDIATION QTY/ALLOWANCE SUMMARY
BLDG 17
UNITS 1808 - 1812
NOVEMBER 30, 2010

COST CODE	DIV #4 - WINDOW & DOOR REPAIRS	UNIT	TH #1808 QTY	TH #1810 QTY	TH #1812 QTY	BLDG #17 QTY TOTAL
4001	REMOVE & REPLACE EXISTING WINDOWS (LABOR)	#	4	4	4	12
4002	NEW WINDOW REPLACEMENT MATERIAL	$	4616	3210	3738	$11,564
4003	REMOVE & REPLACE SLIDING GLASS DOORS (LABOR)	#	1	1	1	3
4004	NEW SLIDING GLASS DOOR MATERIAL	$	3078	3078	3078	$9,233
4005	WINDOW E-Z PAN SILL FLASHING	#	4	4	4	12
4006	ALUMINUM DOOR SILL PANS & ROUGH OPENING FLASHING	#	1	1	1	3

DIV #4 - WINDOW & DOOR REPAIRS

COST CODE	DIV #5 - INTERIOR REPAIR ALLOWANCE	UNIT	TH #1808 QTY	TH #1810 QTY	TH #1812 QTY	BLDG #17 QTY TOTAL
5001	REMOVE AND REPLACE DAMAGED WALL GWB	ALLOW	500	500	500	$1,500
5002	REPAIR GWB AT REPLACED WINDOWS AND DOORS	ALLOW	100	100	100	$300
5003	PAINT WALLS AT REPLACED WINDOWS AND DOORS	ALLOW	500	500	500	$1,500

DIV #5 - INTERIOR REPAIR ALLOWANCE

MONTCLAIR AT TOWNE CENTER
TH - BUILDING 17
MT. PLEASANT, SC

CALIBOGUE CONSTRUCTION CO, INC
PREL. REMEDIATION QTY/ALLOWANCE SUMMARY
BLDG 17
UNITS 1808 - 1812
NOVEMBER 30, 2010

COST CODE	DIV #6 - ATTIC REPAIRS ALLOWANCE	UNIT	TH #1808 QTY	TH #1810 QTY	TH #1812 QTY	BLDG #17 QTY TOTAL
6001	1-HR TENANT SEPARATION WALL/CEILING REPAIRS	ALLOW	1833	3666	1833	$7,332
6002	ATTIC TRUSS LATERAL BRACING REPAIRS	ALLOW	INCL IN CC 6001			
6003	ATTIC TRUSS HURRICANE CLIP REPAIRS	ALLOW	INCL IN CC 6001			
6004	ATTIC TRUSS REPAIRS	ALLOW	INCL IN CC 6001			
6005	SECOND FLOOR DRYER DUCTWORK REPARIS	ALLOW	INCL IN CC 6001			
	DIV #6 - ATTIC REPAIRS ALLOWANCE					

COST CODE	DIV #7 - ROOFING SYSTEM REPAIR	UNIT	TH #1808 QTY	TH #1810 QTY	TH #1812 QTY	BLDG #17 QTY TOTAL
7001	REM & REPL SHINGLES, UNDERLAYMENT & METAL DRIP EDGE	$	3283	3283	3283	$9,850
7002	REMOVE AND REPLACE GUTTER DOWNSPOUTS	LF	40	40	40	120
7003	ROOFING DUMPSTER/DISPOSAL EXPENSE (N/A)	LOAD	INCL IN CC 8001			
	DIV #7 - ROOFING SYSTEM REPAIR					

MONTCLAIR AT TOWNE CENTER
TH - BUILDING 17
MT. PLEASANT, SC

CALIBOGUE CONSTRUCTION CO, INC
PREL. REMEDIATION QTY/ALLOWANCE SUMMARY
BLDG 17
UNITS 1808 - 1812
NOVEMBER 30, 2010

COST CODE	DIV #8- MECHANICAL, ELECTRIC & PLUMBING ALLOW.	UNIT	TH #1808 QTY	TH #1810 QTY	TH #1812 QTY	BLDG #17 QTY TOTAL
8001	REMOVE & REINSTALL ELECTRIC FIXTURES & METER BASE	ALLOW	500	500	500	$1,500
8002	REMOVE & REINSTALL HVAC CONDENSORS	$	400	400	400	$1,200
8003	REMOVE & REPLACE HOSE BIBS	$	50	50	50	$150
8004	REMOVE & REINSTALL PHONE, SATELLITE, CABLE, ETC	ALLOW	200	200	200	$600

DIV #8- MECHANICAL, ELECTRIC & PLUMBING ALLOW.

COST CODE	DIV #9 - SITE WORK	UNIT	TH #1808 QTY	TH #1810 QTY	TH #1812 QTY	BLDG #17 QTY TOTAL
9001	LANDSCAPE PROTECTION AND RESTORATION	ALLOW	2000	2000	2000	$6,000

DIV #9 - SITE WORK

MONTCLAIR AT TOWNE CENTER
TH - BUILDING 20
MT. PLEASANT, SC

CALIBOGUE CONSTRUCTION CO, INC
PREL. REMEDIATION QTY/ALLOWANCE SUMMARY
BLDG 20
UNITS 1832 - 1840
REVISED
NOVEMBER 30, 2010

COST CODE	DIV #2 - EXTERIOR WALL HARDBOARD CLADDING	UNIT	TH #1832 QTY	TH #1834 QTY	TH #1836 QTY	TH #1838 QTY	TH #1840 QTY	BLDG #20 QTY TOTAL
2001	REMOVE EXISTING HARDBOARD SIDING AND TRIM	SF	1245	1211	1361	1361	1505	6683
2002	SIDING DUMPSTER/DISPOSAL EXPENSE	LOAD	0.5	0.5	0.5	0.5	0.5	2.5
2003	TEMPORARY PROTECTION AT EXTERIOR WALLS	SF	1245	1211	1361	1361	1505	6683
2004	REM & REPL WALL SHEATHING WITHIN 4' OF OUTSIDE CORNERS	SF	328	326	326	326	326	1632
2005	REM & REPL DAMAGED WALL SHEATHING AND FRAMING	ALLOW	800	800	800	800	800	4000
2006	INSTALL 30# FELT WEATHER-RESISTIVE BARRIER	SF	1245	1211	1361	1361	1505	6683
2007	INSTALL NEW HARDIE CEDARMILL SIDING & 5/4 EXTERIOR TRIM	SF	1245	1211	1361	1361	1505	6683
2008	ALUMINUM HEAD FLASHING MATERIAL	#	30	30	30	30	30	150
2009	EXTERIOR PAINTI NG*	$	3735	3633	4083	4083	4515	$20,049
	*PRORATED - UNIT COST							

DIV #2 - EXTERIOR WALL HARDBOARD CLADDING

COST CODE	DIV #3 - EXTERIOR WALL BRICK CLADDING	UNIT	TH #1832 QTY	TH #1834 QTY	TH #1836 QTY	TH #1838 QTY	TH #1840 QTY	BLDG #20 QTY TOTAL
3001	REMOVE ALL BRICK VENEER	SF	295	116	116	68	295	890
3002	BRICK DUMPSTER/DISPOSAL EXPENSE	LOAD	0.5	0.3	0.3	0.3	0.5	2.0
3003	TEMPORARY PROTECTION AT EXTERIOR WALLS	SF	295	116	116	68	295	890
3004	REM & REPL WALL SHEATHING WITHIN 4' OF OUTSIDE CORNERS	SF	INCL IN CC 2004					
3005	REM & REPL DAMAGED WALL SHEATHING AND FRAMING	ALLOW	INCL IN CC 2005					
3006	INSTALL 30# FELT WEATHER-RESISTIVE BARRIER	SF	295	116	116	68	295	890
3007	INSTALL NEW BRICK VENEER, ANCHORS & LINTELS	SF	295	116	116	68	295	890
3008	ENGINEERED SEALANT JOINTS	LF	28	28	21	21	35	133

DIV #3 - EXTERIOR WALL BRICK CLADDING

MONTCLAIR AT TOWNE CENTER
TH - BUILDING 20
MT. PLEASANT, SC

CALIBOGUE CONSTRUCTION CO, INC
PREL. REMEDIATION QTY/ALLOWANCE SUMMARY
BLDG 20
UNITS 1832 - 1840
REVISED
NOVEMBER 30, 2010

COST CODE	DIV #4 - WINDOW & DOOR REPAIRS	UNIT	TH #1832 QTY	TH #1834 QTY	TH #1836 QTY	TH #1838 QTY	TH #1840 QTY	BLDG #20 QTY TOTAL
4001	REMOVE & REPLACE EXISTING WINDOWS (LABOR)	#	4	4	4	4	4	20
4002	NEW WINDOW REPLACEMENT MATERIAL	$	3210	3738	4236	4236	3738	$19,158
4003	REMOVE & REPLACE SLIDING GLASS DOORS (LABOR)	#	1	1	1	1	1	5
4004	NEW SLIDING GLASS DOOR MATERIAL	$	3078	3078	3078	3078	3078	$15,389
4005	WINDOW E-Z PAN SILL FLASHING	#	4	4	4	4	4	20
4006	ALUMINUM DOOR SILL PANS & ROUGH OPENING FLASHING	#	1	1	1	1	1	5

DIV #4 - WINDOW & DOOR REPAIRS

COST CODE	DIV #5 - INTERIOR REPAIR ALLOWANCE	UNIT	TH #1832 QTY	TH #1834 QTY	TH #1836 QTY	TH #1838 QTY	TH #1840 QTY	BLDG #20 QTY TOTAL
5001	REMOVE AND REPLACE DAMAGED GWB	ALLOW	500	500	500	500	500	2500
5002	REPAIR GWB AT REPLACED WINDOWS AND DOORS	ALLOW	100	100	100	100	100	500
5003	PAINT WALLS AT REPLACED WINDOWS AND DOORS	$	500	500	600	600	500	$2,700

DIV #5 - INTERIOR REPAIR ALLOWANCE

MONTCLAIR AT TOWNE CENTER
TH - BUILDING 20
MT. PLEASANT, SC

CALIBOGUE CONSTRUCTION CO, INC
PREL. REMEDIATION QTY/ALLOWANCE SUMMARY
BLDG 20
UNITS 1832 - 1840
REVISED
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COST CODE DIV #6 - ATTIC REPAIR ALLOWANCE	UNIT	TH #1832 QTY	TH #1834 QTY	TH #1836 QTY	TH #1838 QTY	TH #1840 QTY	BLDG #20 QTY TOTAL
6001 1-HR TENANT SEPARATION WALL/CEILING REPAIRS	$	1400	2800	2800	2800	1400	$11,200
6002 ATTIC TRUSS LATERAL BRACING REPAIRS	ALLOW	INCL IN CC 6001					
6003 ATTIC TRUSS HURRICANE CLIP REPAIRS	ALLOW	INCL IN CC 6001					
6004 ATTIC TRUSS REPAIRS	ALLOW	INCL IN CC 6001					
6005 SECOND FLOOR DRYER DUCTWORK REPAIRS	ALLOW	INCL IN CC 6001					
DIV #6 - ATTIC REPAIR ALLOWANCE							

COST CODE DIV #7 - ROOFING SYSTEM REPAIR	UNIT	TH #1832 QTY	TH #1834 QTY	TH #1836 QTY	TH #1838 QTY	TH #1840 QTY	BLDG #20 QTY TOTAL
7001 REM & REPL SHINGLES, UNDERLAYMENT & METAL DRIP EDGE	$	4100	4210	4210	4100	4100	$20,720
7002 REMOVE AND REPLACE GUTTER DOWNSPOUTS	LF	40	40	40	40	40	200
7003 ROOFING DUMPSTER/DISPOSAL EXPENSE	LOAD	0.5	0.3	0.3	0.3	0.5	2
DIV #7 - ROOFING SYSTEM REPAIR							

MONTCLAIR AT TOWNE CENTER
TH - BUILDING 20
MT. PLEASANT, SC

CALIBOGUE CONSTRUCTION CO, INC
PREL. REMEDIATION QTY/ALLOWANCE SUMMARY
BLDG 20
UNITS 1832 - 1840
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COST CODE	DIV #8- MECHANICAL, ELECTRIC & PLUMBING ALLOW.	UNIT	TH #1832 QTY	TH #1834 QTY	TH #1836 QTY	TH #1838 QTY	TH #1840 QTY	BLDG #20 QTY TOTAL
8001	REMOVE & REINSTALL ELECTRIC FIXTURES & METER BASE	ALLOW	500	500	500	500	500	$2,500
8002	REMOVE & REINSTALL HVAC CONDENSORS	$	400	400	400	400	400	$2,000
8003	REMOVE & REPLACE HOSE BIBS	$	50	50	50	50	50	$250
8004	REMOVE & REINSTALL PHONE, SATELLITE, CABLE, ETC	ALLOW	200	200	200	200	200	$1,000

DIV #8- MECHANICAL, ELECTRIC & PLUMBING ALLOW.

COST CODE	DIV #9 - SITE WORK	UNIT	TH #1832 QTY	TH #1834 QTY	TH #1836 QTY	TH #1838 QTY	TH #1840 QTY	BLDG #20 QTY TOTAL
9001	LANDSCAPE PROTECTION AND RESTORATION	ALLOW	2000	2000	2000	2000	2000	$10,000

DIV #9 - SITE WORK

CALIBOGUE CONSTRUCTION CO, INC
PRELIMARY REMEDIATION COST ESTIMATE
BUILDING 20
UNITS 1832 - 1840
REVISED
NOVEMBER 30, 2010

MONTCLAIR AT TOWNE CENTER
TOWNHOUSE - BUILDING 20 (UNITS 1832 - 1840)
PRELIMINARY REMEDIATION & RESTORATION COST ESTIMATE

DIVISION # - DESCRIPTION OF WORK	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES: 5 TOWNHOUSES (3-2 BR & 2-3 BR)
DIV #1 - GENERAL CONDITIONS (SEE BELOW)	$0	$0	$0	$0	SEE BELOW
DIV #2 - EXTERIOR WALL HARDBOARD CLADDING	$0	$24,835	$62,251	$87,086	SEE DETAIL ON PAGE 3
DIV #3 - EXTERIOR WALL BRICK CLADDING	$0	$4,011	$12,820	$16,831	SEE DETAIL ON PAGE 3
DIV #4 - WINDOW & DOOR REPAIRS	$0	$36,797	$8,000	$44,797	SEE DETAIL ON PAGE 4
DIV #5 - INTERIOR REPAIR ALLOWANCE	$0	$0	$5,700	$5,700	SEE DETAIL ON PAGE 4
DIV #6 - ATTIC REPAIR ALLOWANCE	$0	$0	$11,200	$11,200	SEE DETAIL ON PAGE 5
DIV #7 -SHINGLE ROOFING SYSTEM REPAIR	$0	$800	$21,520	$22,320	SEE DETAIL ON PAGE 6
DIV #8- MECHANICAL, ELECTRICAL & PLUMBING ALLOWANCE	$0	$0	$5,750	$5,750	SEE DETAIL ON PAGE 6
DIV #9 - SITE WORK	$0	$0	$10,000	$10,000	SEE DETAIL ON PAGE 6
DIVISIONS #1 - 9 ESTIMATE SUBTOTAL	$0	$66,444	$137,241	$203,684	
MONTCLAIR - TOWNHOUSE - BUILDING 20 PRELIMINARY ESTIMATE SUBTOTAL				$203,684	
GENERAL CONDITIONS (10%) PRO-RATED FOR INDIVIDUAL BUILDINGS				$20,368	
MONTCLAIR - TOWNHOUSE - BUILDING 20 PRELIMINARY ESTIMATE SUBTOTAL				$224,053	
CONTRACTOR'S FEE (10% + 10%)				$47,051	
MONTCLAIR - TOWNHOUSE - BUILDING 20 PRELIMINARY ESTIMATE TOTAL				$271,104	

CALIBOGUE CONSTRUCTION CO, INC
PRELIMARY REMEDIATION COST ESTIMATE
BUILDING 20
UNITS 1832 - 1840
REVISED
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NOTES:

1 This estimate is based on Construction Science and Engineering, Inc.'s (CSE) Montclair Report, dated 10/12/10 and CSE Outline Scope of Repairs.

2 This estimate INCLUDES 100% removal and replacement of all existing hardboard siding and exterior trim below soffits with fiber cement siding and nominal 5/4 fiber cement exterior trim.

3 This estimate INCLUDES 100% removal and replacement of existing brick veneer with new brick veneer including hot-dipped galvanized lintels, seismic wall ties and thru-wall flashing at first floor level and heads and sills of penetrations.

4 This estimate INCLUDES removal and replacement of sheathing at outside corners with 1/2" pressure treated plywood to comply with corner bracing requirements.

5 This estimate INCLUDES an ALLOWANCE for removal and replacement of water intrusion/decay and/or insect damaged wall sheathing and wall framing components.

6 This estimate INCLUDES the installation of an integrated gravity water management system with a secondary weather-resistive barrier and integrated weep flashing accessories.

7 This estimate INCLUDES removal and replacement of all existing windows and sliding glass doors including proper rough opening flashing, head flashing and sill pans.

8 This estimte INCLUDES an ALLOWANCE for repairs to and/or replacement of damaged drywall (GWB) or damages incurred as a result of the remediation procedures.

9 This estimate INCLUDES painting of the interior of exterior walls at repaired areas and all new exterior siding and exterior trim.

10 This estimate INCLUDES an ALLOWANCE for the repairs to the One-Hour tenant separation wall & ceiling in the attic as required, attic truss repairs and dryer vent duct repairs.

11 This estimate INCLUDES the removal and the replacement of the sloped shingle roofing systems with new flashing assemblies.

12 This estimate INCLUDES an ALLOWANCE for landscape protection and restoration.

13 This estimate DOES NOT include any expenses associated with moving and/or storage of interior contents offsite.

14 This estimate DOES NOT include loss of use for any portion of the estimated duration of repairs.

15 This estimate DOES NOT include any provision for architectural and/or engineering fees.

16 This estimate is subject to revision after 30 days.

MONTCLAIR AT TOWNE CENTER
TH - BUILDING 20
MT. PLEASANT, SC

CALIBOGUE CONSTRUCTION CO, INC
PRELIMARY REMEDIATION COST ESTIMATE
BUILDING 20
UNITS 1832 - 1840
REVISED
NOVEMBER 30, 2010

COST CODE	DIV #2 - EXTERIOR WALL HARDBOARD CLADDING	COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
2001	REMOVE EXISTING HARDBOARD SIDING AND TRIM	0	0	6683	6683	6683 SF (CORR MEAS LAB - $1/SF)
2002	SIDING DUMPSTER/DISPOSAL EXPENSE	0	1000	0	1000	2.5 LOADS @ $400/LOAD (ASSUME .5/UNIT)
2003	TEMPORARY PROTECTION AT EXTERIOR WALLS	0	1002	1671	2673	6683 SF (CORR MEAS LAB $0.25/SF) PLUS 0.15/SF MATL
2004	REM & REPL WALL SHEATHING WITHIN 4' OF OUTSIDE CORNERS	0	1746	2448	4194	1632 SF (CORR MEAS LAB $1.50/SF) PLUS MATLS
2005	REM & REPL DAMAGED WALL SHEATHING AND FRAMING	0	0	4000	4000	ALLOWANCE: 5 UNITS @ $800/EACH
2006	INSTALL 30# FELT WEATHER-RESISTIVE BARRIER	0	802	4010	4812	6683 SF (CORR MEAS LAB $.60/SF) PLUS $.12 MATLS
2007	INSTALL NEW HARDIE CEDARMILL SIDING & 5/4 EXTERIOR TRIM	0	20049	23391	43440	6683 SF (CORR MEAS LAB $3.50/SF) PLUS $3.00/SF MATLS
2008	ALUMINUM HEAD FLASHING MATERIAL	0	236	0	236	A & R SHEET METAL QUOTE 11/3/10
2009	EXTERIOR PAINTING	0	0	20049	20049	MUDMASTER QUOTE 11/4/10
	DIV #2 - EXTERIOR WALL HARDBOARD CLADDING	**0**	**24835**	**62251**	**87086**	

COST CODE	DIV #3 - EXTERIOR WALL BRICK CLADDING	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	
3001	REMOVE ALL BRICK VENEER	0	0	2225	2225	890 SF (Z&Z MASONRY LAB $2.50/SF)
3002	BRICK DUMPSTER/DISPOSAL EXPENSE	0	300	0	300	NATURE'S CALLING - $150/LOAD
3003	TEMPORARY PROTECTION AT EXTERIOR WALLS	0	134	223	356	890 SF (CORR MEAS LAB $0.25/SF) PLUS 0.15/SF MATL
3004	REM & REPL WALL SHEATHING WITHIN 4' OF OUTSIDE CORNERS	0	0	0	0	INCL IN CC 2004
3005	REM & REPL DAMAGED WALL SHEATHING AND FRAMING	0	0	0	0	INCL IN CC 2005
3006	INSTALL 30# FELT WEATHER-RESISTIVE BARRIER	0	107	534	641	890 SF (CORR MEAS LAB $.60/SF) PLUS $.12 MATLS
3007	INSTALL NEW BRICK VENEER, ANCHORS & LINTELS	0	3471	9612	13083	LABOR Z&Z MASONRY PLUS MATLS
3008	ENGINEERED SEALANT JOINTS	0	0	226	226	133 LF @ $1.70/LF (SALEM QUOTE)
	DIV #3 - EXTERIOR WALL BRICK CLADDING	**0**	**4011**	**12820**	**16831**	

MONTCLAIR AT TOWNE CENTER
TH - BUILDING 20
MT. PLEASANT, SC

CALIBOGUE CONSTRUCTION CO, INC
PRELIMARY REMEDIATION COST ESTIMATE
BUILDING 20
UNITS 1832 - 1840
REVISED
NOVEMBER 30, 2010

COST CODE	DIV #4 - WINDOW & DOOR REPAIRS	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
4001	REMOVE & REPLACE EXISTING WINDOWS (LABOR)	0	0	6000	6000	CORRECTIVE MEASURES (20 TOTAL WINDOWS)
4002	NEW WINDOW REPLACEMENT MATERIAL	0	19158	0	19158	BUCK LUMBER 9/24/10 QUOTE
4003	REMOVE & REPLACE SLIDING GLASS DOORS (LABOR)	0	0	2000	2000	CORRECTIVE MEASURES (5 SGD @ $400/EA)
4004	NEW SLIDING GLASS DOOR MATERIAL	0	15389	0	15389	BUCK LUMBER 9/24/10 QUOTE
4005	WINDOW E-Z PAN SILL PANS	0	2000	0	2000	20 WINDOWS @ $100/WINDOW
4006	ALUMINUM DOOR SILL PANS & ROUGH OPENING FLASHING	0	250	0	250	5 DOORS @ $50/DOOR
	DIV #4 - WINDOW & DOOR REPAIRS	**0**	**36797**	**8000**	**44797**	

COST CODE	DIV #5 - INTERIOR REPAIR ALLOWANCE	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
5001	REMOVE AND REPLACE DAMAGED GWB	0	0	2500	2500	ALLOWANCE: 5 UNITS @ $500/UNIT
5002	REPAIR GWB AT REPLACED WINDOWS AND DOORS	0	0	500	500	ALLOWANCE: 5 UNITS @ $100/UNIT
5003	PAINT WALLS AT REPLACED WINDOWS AND DOORS	0	0	2700	2700	ALLOWANCE: 3-2BR @ $500/UNIT & 2-3 BR @ $600/UNIT
	DIV #5 - INTERIOR REPAIR ALLOWANCE	**0**	**0**	**5700**	**5700**	

MONTCLAIR AT TOWNE CENTER
TH - BUILDING 20
MT. PLEASANT, SC

CALIBOGUE CONSTRUCTION CO, INC
PRELIMARY REMEDIATION COST ESTIMATE
BUILDING 20
UNITS 1832 - 1840
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COST CODE	DIV #6 - ATTIC REPAIR ALLOWANCE	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
6001	1-HR TENANT SEPARATION WALL/CEILING REPAIRS	0	0	11200	11200	JOE GATHERS QUOTE 11/12/10 (ALLOWANCE)
6002	ATTIC TRUSS LATERAL BRACING REPAIRS	0	0	0	0	INCL IN CC 6001
6003	ATTIC TRUSS HURRICANE CLIP REPAIRS	0	0	0	0	INCL IN CC 6001
6004	ATTIC TRUSS REPAIRS	0	0	0	0	INCL IN CC 6001
6005	SECOND FLOOR DRYER DUCTWORK REPAIRS	0	0	0	0	INCL IN CC 6001
	DIV #6 - ATTIC REPAIR ALLOWANCE	0	0	11200	11200	

COST CODE	DIV #7 -SHINGLE ROOFING SYSTEM REPAIR	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
7001	REM & REPL SHINGLES, UNDERLAYMENT & METAL DRIP EDGE	0	0	20720	20720	DIAMOND, INC. 11/4/10 QUOTE
7002	REMOVE AND REPLACE GUTTER DOWNSPOUTS	0	0	800	800	40 LF/UNIT X 5 UNITS @ $4./LF GUTTER MASTERS COMP
7003	ROOFING DUMPSTER/DISPOSAL EXPENSE	0	800	0	800	2 LOADS @ 400/LOAD
	DIV #7 -SHINGLE ROOFING SYSTEM REPAIR	0	800	21520	22320	

MONTCLAIR AT TOWNE CENTER
TH - BUILDING 20
MT. PLEASANT, SC

CALIBOGUE CONSTRUCTION CO, INC
PRELIMARY REMEDIATION COST ESTIMATE
BUILDING 20
UNITS 1832 - 1840
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COST CODE DIV #8- MECHANICAL, ELECTRICAL & PLUMBING ALLOWANCE	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
8001 REMOVE & REINSTALL ELECTRIC FIXTURES & METER BASE	0	0	2500	2500	ALLOWANCE: 5 UNITS @ $500/EA
8002 REMOVE & REINSTALL HVAC CONDENSORS	0	0	2000	2000	5 UNITS @ $400/EACH
8003 REMOVE & REPLACE HOSE BIBS	0	0	250	250	5 UNITS @ $50/EACH
8004 REMOVE & REINSTALL PHONE, SATELLITE, CABLE, ETC	0	0	1000	1000	5 UNITS @ $200/EACH
DIV #8- MECHANICAL, ELECTRICAL & PLUMBING ALLOWANCE	0	0	5750	5750	

COST CODE DIV #9 - SITE WORK	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
9001 LANDSCAPE PROTECTION AND RESTORATION	0	0	10000	10000	ALLOWANCE: 5 UNITS @ $2000/UNIT
DIV #9 - SITE WORK	0	0	10000	10000	

MONTCLAIR AT TOWNE CENTER
GH - BUILDING 23
MT. PLEASANT, SC

CALIBOGUE CONSTRUCTION CO, INC
PREL. REMEDIATION COST ESTIMATE
BUILDING 23
UNITS 1835 - 1839
REVISED
NOVEMBER 30, 2010

COST CODE	DIV #2 - EXTERIOR WALL HARDBOARD CLADDING	UNIT	GH #1835 QTY	GH #1837 QTY	GH #1839 QTY	BLDG #23 QTY TOTAL
2001	REMOVE EXISTING HARDBOARD SIDING AND TRIM	SF	3556	2970	3372	9898
2002	SIDING DUMPSTER/DISPOSAL EXPENSE	LOAD	0.7	0.6	0.7	2.0
2003	TEMPORARY PROTECTION AT EXTERIOR WALLS	SF	3556	2970	3372	9898
2004	REM & REPL WALL SHEATHING WITHIN 4' OF OUTSIDE CORNERS	SF	1904	1904	1904	5712
2005	REM & REPL DAMAGED WALL SHEATHING AND FRAMING	ALLOW	3200	3200	3200	$9,600
2006	INSTALL 30# FELT WEATHER-RESISTIVE BARRIER	SF	3556	2970	3372	9898
2007	INSTALL NEW HARDIE CEDARMILL SIDING & 5/4 EXTERIOR TRIM	SF	3556	2970	3372	9898
2008	ALUMINUM HEAD FLASHING MATERIAL	#	100	100	100	300
2009	EXTERIOR PAINTING*	$	10515	8782	9971	$29,268
	*PRORATED - UNIT COST					

DIV #2 - EXTERIOR WALL HARDBOARD CLADDING

COST CODE	DIV #3 - EXTERIOR WALL BRICK CLADDING	UNIT	GH #1835 QTY	GH #1837 QTY	GH #1839 QTY	BLDG #23 QTY TOTAL
3001	REMOVE ALL BRICK VENEER	SF	1287	1287	1287	3861
3002	BRICK DUMPSTER/DISPOSAL EXPENSE	LOAD	1	1	1	3
3003	TEMPORARY PROTECTION AT EXTERIOR WALLS	SF	1287	1287	1287	3861
3003	REM & REPL WALL SHEATHING WITHIN 4' OF OUTSIDE CORNERS	SF	INCL IN CC 2004			
3004	REM & REPL DAMAGED WALL SHEATHING AND FRAMING	ALLOW	INCL IN CC 2005			
3005	INSTALL 30# FELT WEATHER-RESISTIVE BARRIER	SF	1287	1287	1287	3861
3006	INSTALL NEW BRICK VENEER, ANCHORS & LINTELS	SF	1287	1287	1287	3861
3007	ENGINEERED SEALANT JOINTS	LF	152	152	152	456

DIV #3 - EXTERIOR WALL BRICK CLADDING

MONTCLAIR AT TOWNE CENTER
GH - BUILDING 23
MT. PLEASANT, SC

CALIBOGUE CONSTRUCTION CO, INC
PREL. REMEDIATION COST ESTIMATE
BUILDING 23
UNITS 1835 - 1839
REVISED
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COST CODE	DIV #4 - WINDOW & DOOR REPAIRS	UNIT	GH #1835 QTY	GH #1837 QTY	GH #1839 QTY	BLDG #23 QTY TOTAL
4001	REMOVE & REPLACE EXISTING WINDOWS (LABOR)	#	24	24	24	72
4002	NEW WINDOW REPLACEMENT MATERIAL	$	15398	15398	15398	$46,194
4003	REMOVE & REPLACE SLIDING GLASS DOORS (LABOR)	#	4	4	4	12
4004	NEW SLIDING GLASS DOOR MATERIAL	$	9241	9241	9241	$27,723
4005	WINDOW E-Z PAN SILL FLASHING	#	24	24	24	72
4006	ALUMINUM DOOR SILL PANS & ROUGH OPENING FLASHING	#	4	4	4	12
	DIV #4 - WINDOW & DOOR REPAIRS					

COST CODE	DIV #5 - INTERIOR REPAIR ALLOWANCE	UNIT	GH #1835 QTY	GH #1837 QTY	GH #1839 QTY	BLDG #23 QTY TOTAL
5001	REMOVE AND REPLACE DAMAGED GWB	ALLOW	2000	2000	2000	$6,000
5002	REPAIR GWB AT REPLACED WINDOWS AND DOORS	ALLOW	400	400	400	$1,200
5003	PAINT WALLS AT REPLACED WINDOWS AND DOORS	$	2400	2400	2400	$7,200
	DIV #5 - INTERIOR REPAIR ALLOWANCE					

MONTCLAIR AT TOWNE CENTER
GH - BUILDING 23
MT. PLEASANT, SC

CALIBOGUE CONSTRUCTION CO, INC
PREL. REMEDIATION COST ESTIMATE
BUILDING 23
UNITS 1835 - 1839
REVISED
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COST CODE	DIV #6 - ATTIC REPAIR ALLOWANCE	UNIT	GH #1835 QTY	GH #1837 QTY	GH #1839 QTY	BLDG #23 QTY TOTAL
6001	1-HR TENANT SEPARATION WALL/CEILING REPAIRS	$	3610	3610	3610	$10,830
6002	ATTIC TRUSS LATERAL BRACING REPAIRS	ALLOW	INCL IN CC 6001			
6003	ATTIC TRUSS HURRICANE CLIP REPAIRS	ALLOW	INCL IN CC 6001			
6004	ATTIC TRUSS REPAIRS	ALLOW	INCL IN CC 6001			
6005	SECOND FLOOR DRYER DUCTWORK REPAIRS	ALLOW	INCL IN CC 6001			
	DIV #6 - ATTIC REPAIR ALLOWANCE					

COST CODE	DIV #7- REAR BALCONY REPAIRS	UNIT	GH #1835 QTY	GH #1837 QTY	GH #1839 QTY	BLDG #23 QTY TOTAL
7001	REMOVE & REPLACE DAMAGED WOOD COLUMNS AS REQUIRED	$	700	700	700	$2,100
7002	REMOVE CONCRETE BALCONY SURFACES	$	360	360	360	$1,080
7003	REMOVE & REPLACE BALCONY FRAMING	$	3450	3450	3450	$10,350
7004	INSTALL (2) LAYERS KDAT PLYWOOD AND EDGE FLASHING	$	INCL IN CC 7003			
7005	INSTALL SEALOFLEX LIQUID MEMBRANE WATERPROOFING	$	2058	2058	2058	$6,174
7006	REMOVE, STORE & REINSTALL METAL GUARDRAILS	$	300	300	300	$900
7007	BALCONY DUMPSTER/DISPOSAL EXPENSE	LOAD	1	1	1	3
	DIV #7- REAR BALCONY REPAIRS					

MONTCLAIR AT TOWNE CENTER
GH - BUILDING 23
MT. PLEASANT, SC

CALIBOGUE CONSTRUCTION CO, INC.
PREL. REMEDIATION COST ESTIMATE
BUILDING 23
UNITS 1835 - 1839
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COST CODE DIV #8 - ROOFING SYSTEM REPAIR	UNIT	GH #1835 QTY	GH #1837 QTY	GH #1839 QTY	BLDG #23 QTY TOTAL
8001 REM & REPL SHINGLES, UNDERLAYMENT & METAL DRIP EDGE	$	10792	10792	10792	32375
8002 REMOVE & REPLACE GUTTER DOWNSPOUTS	LF	180	180	180	540
8003 ROOFING DUMPSTER/DISPOSAL EXPENSE	LOAD	INCL IN CC 8001			
DIV #8 - ROOFING SYSTEM REPAIR					

COST CODE DIV #9- MECHANICAL, ELECTRICAL & PLUMBING ALLOWANCE	UNIT	GH #1835 QTY	GH #1837 QTY	GH #1839 QTY	BLDG #23 QTY TOTAL
9001 REMOVE & REINSTALL ELECTRIC FIXTURES & METER BASE	ALLOW	2000	2000	2000	$6,000
9002 REMOVE & REINSTALL HVAC CONDENSORS	$	1600	1600	1600	$4,800
9003 REMOVE & REPLACE HOSE BIBS	$	100	100	100	$300
9004 REMOVE & REINSTALL PHONE,SATELLITE, CABLE, ETC.	ALLOW	800	800	800	$2,400
DIV #9- MECHANICAL, ELECTRICAL & PLUMBING ALLOWANCE					

COST CODE DIV #10 - SITE WORK	UNIT	GH #1835 QTY	GH #1837 QTY	GH #1839 QTY	BLDG #23 QTY TOTAL
10001 LANDSCAPE PROTECTION AND RESTORATION	ALLOW	2000	2000	2000	$6,000
DIV #10 - SITE WORK					

CALIBOGUE CONSTRUCTION CO, INC
PRELIMARY REMEDIATION COST ESTIMATE
BLDG 23
UNITS 1835 - 1839
REVISED NOVEMBER 30, 2010

MONTCLAIR AT TOWNE CENTER
GARDEN HOME - BUILDING 23 (UNITS 1835 - 1839)
PRELIMINARY REMEDIATION & RESTORATION COST ESTIMATE

DIVISION # - DESCRIPTION OF WORK	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES: 3 GARDEN QUADS - 12 UNITS (ALL 3BR)
DIV #1 - GENERAL CONDITIONS (SEE BELOW)	$0	$0	$0	$0	SEE BELOW
DIV #2 - EXTERIOR WALL HARDBOARD CLADDING	$0	$39,524	$100,390	$139,915	SEE DETAIL ON PAGE 3
DIV #3 - EXTERIOR WALL BRICK CLADDING	$0	$18,214	$55,446	$73,660	SEE DETAIL ON PAGE 3
DIV #4 - WINDOW & DOOR REPAIRS	$0	$81,717	$26,400	$108,117	SEE DETAIL ON PAGE 4
DIV #5 - INTERIOR REPAIR ALLOWANCE	$0	$0	$14,400	$14,400	SEE DETAIL ON PAGE 4
DIV #6 - ATTIC REPAIR ALLOWANCE	$0	$0	$10,830	$10,830	SEE DETAIL ON PAGE 5
DIV #7- REAR BALCONY REPAIRS	$0	$4,830	$16,974	$21,804	SEE DETAIL ON PAGE 5
DIV #8 - ROOFING SYSTEM REPAIR	$0	$0	$34,535	$34,535	SEE DETAIL ON PAGE 6
DIV #9- MECHANICAL, ELECTRICAL & PLUMBING ALLOWANCE	$0	$0	$13,500	$13,500	SEE DETAIL ON PAGE 6
DIV #10 - SITE WORK	$0	$0	$12,000	$12,000	SEE DETAIL ON PAGE 6
DIVISIONS #1 - 10 ESTIMATE SUBTOTAL	$0	$144,286	$284,475	$428,761	
MONTCLAIR - GARDEN HOME - BUILDING 23 PRELIMINARY ESTIMATE SUBTOTAL				$428,761	
GENERAL CONDITIONS (10%) PRO-RATED FOR INDIVIDUAL BUILDINGS				$42,876	
MONTCLAIR - GARDEN HOME - BUILDING 23 PRELIMINARY ESTIMATE SUBTOTAL				$471,637	
CONTRACTOR'S FEE (10% + 10%)				$99,044	
MONTCLAIR - GARDEN HOME - BUILDING 23 PRELIMINARY ESTIMATE TOTAL				$570,681	

MONTCLAIR AT TOWNE CENTER
GH - BUILDING 23
MT. PLEASANT, SC

CALIBOGUE CONSTRUCTION CO, INC
PRELIMARY REMEDIATION COST ESTIMATE
BLDG 23
UNITS 1835 - 1839
REVISED NOVEMBER 30, 2010

NOTES:

1 This estimate is based on Construction Science and Engineering, Inc.'s (CSE) Montclair Report, dated 10/12/10 and CSE Outline Scope of Repairs.

2 This estimate INCLUDES 100% removal and replacement of all existing hardboard siding and exterior trim below soffits with fiber cement siding and nominal 5/4 fiber cement exterior trim.

3 This estimate INCLUDES 100% removal and replacement of existing brick veneer with new brick veneer including hot-dipped galvanized lintels, seismic wall ties and thru-wall flashing at first floor level and heads and sills of penetrations.

4 This estimate INCLUDES removal and replacement of sheathing at outside corners with 1/2" pressure treated plywood to comply with corner bracing requirements.

5 This estimate INCLUDES an ALLOWANCE for removal and replacement of water intrusion/decay and/or insect damaged wall sheathing and wall framing components.

6 This estimate INCLUDES the installation of an integrated gravity water management system with a secondary weather-resistive barrier and integrated weep flashing accessories.

7 This estimate INCLUDES removal and replacement of all existing windows and sliding glass doors including proper rough opening flashing, head flashing and sill pans.

8 This estimte INCLUDES an ALLOWANCE for the repairs to and/or replacement of damaged drywall (GWB) or damages incurred as a result of the remediation procedures.

9 This estimate INCLUDES painting of the interior of exterior walls at repaired areas and all new exterior siding and exterior trim.

10 This estimate INCLUDES an ALLOWANCE for the repairs to the One-Hour tenant separation wall & ceiling in the attic as required, attic truss repairs and dryer vent duct repairs.

11 All Garden Quad second floor balconies are to be removed and replaced with new pressure treated lumber, two layers of 3/4" KDAT plywood decks and Sealoflex liquid applied membrane waterproofing system with traffic coat anti-slip surface. At 50% of the balconies, remove and replace the 6x6 corner posts and anchor bases.

12 This estimate INCLUDES the cost for the removal and the replacement of the sloped shingle roofing systems with new flashing assemblies in March, 2009.

13 This estimate INCLUDES an ALLOWANCE for landscape protection and restoration.

14 This estimate DOES NOT include any expenses associated with moving and/or storage of interior contents offsite.

15 This estimate DOES NOT include any provision for architectural and/or engineering fees.

16 This estimate DOES NOT include loss of use for any portion of the estimated duration of repairs.

17 This estimate is subject to revision after 30 days.

MONTCLAIR AT TOWNE CENTER
GH - BUILDING 23
MT. PLEASANT, SC

CALIBOGUE CONSTRUCTION CO, INC
PRELIMARY REMEDIATION COST ESTIMATE
BLDG 23
UNITS 1835 - 1839
REVISED NOVEMBER 30, 2010

COST CODE	DIV #2 - EXTERIOR WALL HARDBOARD CLADDING	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
2001	REMOVE EXISTING HARDBOARD SIDING AND TRIM	0	0	9898	9898	9898 SF (CORR MEAS LAB - $1.00/SF)
2002	SIDING DUMPSTER/DISPOSAL EXPENSE	0	800	0	800	2 LOADS @ $400/LOAD
2003	TEMPORARY PROTECTION AT EXTERIOR WALLS	0	1485	2475	3959	9898 SF (CORR MEAS LAB $0.25/SF) PLUS $0.15/SF MATL
2004	REM & REPL WALL SHEATHING WITHIN 4' OF OUTSIDE CORNERS	0	5887	8568	14455	5712 SF (CORR MEAS LAB $1.50/SF) PLUS MATLS
2005	REM & REPL DAMAGED WALL SHEATHING AND FRAMING	0	0	9600	9600	ALLOWANCE: 12 UNITS @ $800/EACH
2006	INSTALL 30# FELT WEATHER-RESISTIVE BARRIER	0	1188	5939	7127	9898 SF (CORR MEAS LAB $.60/SF) PLUS $.12 MATLS
2007	INSTALL NEW HARDIE CEDARMILL SIDING & 5/4 EXTERIOR TRIM	0	29694	34643	64337	9898SF (CORR MEAS LAB $3.50/SF) PLUS $3.00 MATLS
2008	ALUMINUM HEAD FLASHING MATERIAL	0	471	0	471	300 LF (A & R SHEET METAL QUOTE 11/3/10)
2009	EXTERIOR PAINTING	0	0	29268	29268	MUDMASTER QUOTE 11/4/10
	DIV #2 - EXTERIOR WALL HARDBOARD CLADDING	**0**	**39524**	**100390**	**139915**	

COST CODE	DIV #3 - EXTERIOR WALL BRICK CLADDING	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
3001	REMOVE ALL BRICK VENEER	0	0	9653	9653	3861 SF (Z&Z MASONRY LAB $2.50/SF)
3002	BRICK DUMPSTER/DISPOSAL EXPENSE	0	450	0	450	NATURE'S CALLING - $150/LOAD (3 LOADS)
3003	TEMPORARY PROTECTION AT EXTERIOR WALLS	0	579	965	1544	3861 SF (CORR MEAS LAB $0.25/SF) PLUS $0.15/SF MATL
3004	REM & REPL WALL SHEATHING WITHIN 4' OF OUTSIDE CORNERS	0	0	0	0	INCL IN CC 2004
3005	REM & REPL DAMAGED WALL SHEATHING AND FRAMING	0	0	0	0	INCL IN CC 2005
3006	INSTALL 30# FELT WEATHER-RESISTIVE BARRIER	0	463	2317	2780	3861 SF (CORR MEAS LAB $.60/SF) PLUS $.12 MATLS
3007	INSTALL NEW BRICK VENEER, ANCHORS & LINTELS	0	16722	41736	58458	LABOR Z&Z MASONRY PLUS MATLS
3008	ENGINEERED SEALANT JOINTS	0	0	775	775	456LF @ $1.70/LF (SALEM QUOTE)
	DIV #3 - EXTERIOR WALL BRICK CLADDING	**0**	**18214**	**55446**	**73660**	

MONTCLAIR AT TOWNE CENTER
GH - BUILDING 23
MT. PLEASANT, SC

CALIBOGUE CONSTRUCTION CO, INC
PRELIMARY REMEDIATION COST ESTIMATE
BLDG 23
UNITS 1835 - 1839
REVISED NOVEMBER 30, 2010

COST CODE	DIV #4 - WINDOW & DOOR REPAIRS	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
4001	REMOVE & REPLACE EXISTING WINDOWS (LABOR)	0	0	21600	21600	CORRECTIVE MEASURES (72 WINDOWS @ $300/EA)
4002	NEW WINDOW REPLACEMENT MATERIAL	0	46194	0	46194	BUCK LUMBER 9/24/10 QUOTE
4003	REMOVE & REPLACE SLIDING GLASS DOORS (LABOR)	0	0	4800	4800	CORRECTIVE MEASURES (12 SGD @ $400/EA)
4004	NEW SLIDING GLASS DOOR MATERIAL	0	27723	0	27723	BUCK LUMBER 9/24/10 QUOTE
4005	WINDOW E-Z PAN SILL FLASHING	0	7200	0	7200	72 WINDOWS @ $100/WINDOW
4006	ALUMINUM DOOR SILL PANS & ROUGH OPENING FLASHING	0	600	0	600	12 SGD @ $50/DOOR
	DIV #4 - WINDOW & DOOR REPAIRS	**0**	**81717**	**26400**	**108117**	

COST CODE	DIV #5 - INTERIOR REPAIR ALLOWANCE	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
5001	REMOVE AND REPLACE DAMAGED GWB	0	0	6000	6000	ALLOWANCE: 12 UNITS @ $500/UNIT
5002	REPAIR GWB AT REPLACED WINDOWS AND DOORS	0	0	1200	1200	ALLOWANCE: 12 UNITS @ $100/UNIT
5003	PAINT WALLS AT REPLACED WINDOWS AND DOORS	0	0	7200	7200	ALLOWANCE: 12-3 BR UNITS @ $600/UNIT
	DIV #5 - INTERIOR REPAIR ALLOWANCE	**0**	**0**	**14400**	**14400**	

MONTCLAIR AT TOWNE CENTER
GH - BUILDING 23
MT. PLEASANT, SC

CALIBOGUE CONSTRUCTION CO, INC
PRELIMARY REMEDIATION COST ESTIMATE
BLDG 23
UNITS 1835 - 1839
REVISED NOVEMBER 30, 2010

COST CODE	DIV #6 - ATTIC REPAIR ALLOWANCE	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
6001	1-HR TENANT SEPARATION WALL/CEILING REPAIRS	0	0	10830	10830	JOE GATHERS QUOTE 11/12/10
6002	ATTIC TRUSS LATERAL BRACING REPAIRS	0	0	0	0	INCL IN CC 6001
6003	ATTIC TRUSS HURRICANE CLIP REPAIRS	0	0	0	0	INCL IN CC 6001
6004	ATTIC TRUSS REPAIRS	0	0	0	0	INCL IN CC 6001
6005	SECOND FLOOR DRYER DUCTWORK REPAIRS	0	0	0	0	INCL IN CC 6001
	DIV #6 - ATTIC REPAIR ALLOWANCE	**0**	**0**	**10830**	**10830**	

COST CODE	DIV #7- REAR BALCONY REPAIRS	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
7001	REMOVE & REPLACE DAMAGED WOOD COLUMNS AS REQUIRED	0	300	1800	2100	CORRECTIVE MEASURES (1 PER QUAD
7002	REMOVE CONCRETE BALCONY SURFACES	0	0	1080	1080	CORRECTIVE MEASURES
7003	REMOVE & REPLACE BALCONY FRAMING	0	3330	7020	10350	CORRECTIVE MEASURES (BUCK QUOTE 10/29/10 MATLS)
7004	INSTALL (2) LAYERS KDAT PLYWOOD AND EDGE FLASHING	0	0	0	0	INCL IN CC 7003
7005	INSTALL SEALOFLEX LIQUID MEMBRANE WATERPROOFING	0	0	6174	6174	CAHILL CONSTRUCTION QUOTE
7006	REMOVE, STORE & REINSTALL METAL GUARDRAILS	0	0	900	900	CORRECTIVE MEASURES
7007	BALCONY DUMPSTER/DISPOSAL EXPENSE	0	1200	0	1200	3 LOADS @ $400/LOAD (1 LOAD PER QUAD)
	DIV #7- REAR BALCONY REPAIRS	**0**	**4830**	**16974**	**21804**	

MONTCLAIR AT TOWNE CENTER
GH - BUILDING 23
MT. PLEASANT, SC

CALIBOGUE CONSTRUCTION CO, INC
PRELIMARY REMEDIATION COST ESTIMATE
BLDG 23
UNITS 1835 - 1839
REVISED NOVEMBER 30, 2010

COST CODE	DIV #8 - ROOFING SYSTEM REPAIR	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
8001	REM & REPL SHINGLES, UNDERLAYMENT & METAL DRIP EDGE	0	0	32375	32375	ROOF COMPLETED MARCH 2009
8002	REMOVE & REPLACE GUTTER DOWNSPOUTS	0	0	2160	2160	180 LF/GH = 540 LF @ $4./LF GUTTER MASTERS COMP
8003	ROOFING DUMPSTER/DISPOSAL EXPENSE	0	0	0	0	INCL IN CC 8001
	DIV #8 - ROOFING SYSTEM REPAIR	0	0	34535	34535	

COST CODE	DIV #9- MECHANICAL, ELECTRICAL & PLUMBING ALLOWANCE	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
9001	REMOVE & REINSTALL ELECTRIC FIXTURES & METER BASE	0	0	6000	6000	ALLOWANCE - 12 UNITS @ $500/EA
9002	REMOVE & REINSTALL HVAC CONDENSORS/HEAT PUMPS	0	0	4800	4800	12 UNITS AT $400/EACH
9003	REMOVE & REPLACE HOSE BIBS	0	0	300	300	6 AT $50 EA UNIT
9004	REMOVE & REINSTALL PHONE,SATELLITE, CABLE, ETC.	0	0	2400	2400	12 UNITS AT $200/UNIT
	DIV #9- MECHANICAL, ELECTRICAL & PLUMBING ALLOWANCE	0	0	13500	13500	

COST CODE	DIV #10 - SITE WORK	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
10001	LANDSCAPE PROTECTION AND RESTORATION	0	0	12000	12000	ALLOWANCE (6-1ST FLOOR UNITS @ $2000/UNIT)
	DIV #10 - SITE WORK	0	0	12000	12000	

MONTCLAIR AT TOWNE CENTER
GH - BUILDING 26
MT. PLEASANT, SC

CALIBOGUE CONSTRUCTION CO, INC
PRELIMARY REMEDIATION COST ESTIMATE
BUILDING 26
UNITS 1852-1854
REVISED
NOVEMBER 30, 2010

COST CODE	DIV #2 - EXTERIOR WALL HARDBOARD CLADDING	UNIT	GH #1852 QTY	GH #1854 QTY	BLDG #26 QTY TOTAL
2001	REMOVE EXISTING HARDBOARD SIDING AND TRIM	SF	3281	3281	6562
2002	SIDING DUMPSTER/DISPOSAL EXPENSE	LOAD	0.5	0.5	1.0
2003	TEMPORARY PROTECTION AT EXTERIOR WALLS	SF	3281	3281	6562
2004	REM & REPL WALL SHEATHING WITHIN 4' OF OUTSIDE CORNERS	SF	1904	1904	3808
2005	REM & REPL DAMAGED WALL SHEATHING AND FRAMING	ALLOW	3200	3200	$6,400
2006	INSTALL 30# FELT WEATHER-RESISTIVE BARRIER	SF	3281	3281	6562
2007	INSTALL NEW HARDIE CEDARMILL SIDING & 5/4 EXTERIOR TRIM	SF	3281	3281	6562
2008	ALUMINUM HEAD FLASHING MATERIAL	LF	90	90	180
2009	EXTERIOR PAINTING	$	9460	9461	$18,921

DIV #2 - EXTERIOR WALL HARDBOARD CLADDING

COST CODE	DIV #3 - EXTERIOR WALL BRICK CLADDING	UNIT	GH #1852 QTY	GH #1854 QTY	BLDG #26 QTY TOTAL
3001	REMOVE ALL BRICK VENEER	SF	1287	1287	2574
3002	BRICK DUMPSTER/DISPOSAL EXPENSE	LOAD	1	1	2
3003	TEMPORARY PROTECTION AT EXTERIOR WALLS	SF	1287	1287	2574
3003	REM & REPL WALL SHEATHING WITHIN 4' OF OUTSIDE CORNERS	SF	INCL IN CC 2004		
3004	REM & REPL DAMAGED WALL SHEATHING AND FRAMING	ALLOW	INCL IN CC 2005		
3005	INSTALL 30# FELT WEATHER-RESISTIVE BARRIER	SF	1287	1287	2574
3006	INSTALL NEW BRICK VENEER, ANCHORS & LINTELS	SF	1287	1287	2574
3007	ENGINEERED SEALANT JOINTS	LF	210	210	420

DIV #3 - EXTERIOR WALL BRICK CLADDING

MONTCLAIR AT TOWNE CENTER
GH - BUILDING 26
MT. PLEASANT, SC

CALIBOGUE CONSTRUCTION CO, INC
PRELIMARY REMEDIATION COST ESTIMATE
BUILDING 26
UNITS 1852-1854
REVISED
NOVEMBER 30, 2010

COST CODE DIV #4 - WINDOW & DOOR REPAIRS	UNIT	GH #1852 QTY	GH #1854 QTY	BLDG #26 QTY TOTAL
4001 REMOVE & REPLACE EXISTING WINDOWS (LABOR)	#	20	20	40
4002 NEW WINDOW REPLACEMENT MATERIAL	$	10959	10959	$21,918
4003 REMOVE & REPLACE SLIDING GLASS DOORS (LABOR)	#	4	4	8
4004 NEW SLIDING GLASS DOOR MATERIAL	$	9241	9241	$18,482
4005 WINDOW E-Z PAN SILL FLASHING	#	20	20	40
4006 ALUMINUM DOOR SILL PANS & ROUGH OPENING FLASHING	#	4	4	8
DIV #4 - WINDOW & DOOR REPAIRS				

COST CODE DIV #5 - INTERIOR REPAIR ALLOWANCE	UNIT	GH #1852 QTY	GH #1854 QTY	BLDG #26 QTY TOTAL
5001 REMOVE AND REPLACE DAMAGED GWB	ALLOW	2000	2000	$4,000
5002 REPAIR GWB AT REPLACED WINDOWS AND DOORS	ALLOW	400	400	$800
5003 PAINT WALLS AT REPLACED WINDOWS AND DOORS	$	2000	2000	$4,000
DIV #5 - INTERIOR REPAIR ALLOWANCE				

MONTCLAIR AT TOWNE CENTER
GH - BUILDING 26
MT. PLEASANT, SC

CALIBOGUE CONSTRUCTION CO, INC
PRELIMARY REMEDIATION COST ESTIMATE
BUILDING 26
UNITS 1852-1854
REVISED
NOVEMBER 30, 2010

COST CODE	DIV #6 - ATTIC REPAIR ALLOWANCE	UNIT	GH #1852 QTY	GH #1854 QTY	BLDG #26 QTY TOTAL
6001	1-HR TENANT SEPARATION WALL/CEILING REPAIRS	$	3375	3375	$6,750
6002	ATTIC TRUSS LATERAL BRACING REPAIR	ALLOW	INCL IN CC 6001		
6003	ATTIC TRUSS HURRICANE CLIP REPAIRS	ALLOW	INCL IN CC 6001		
6004	ATTIC TRUSS REPAIRS	ALLOW	INCL IN CC 6001		
6005	SECOND FLOOR DRYER DUCT WORK REPAIRS	ALLOW	INCL IN CC 6001		

DIV #6 - ATTIC REPAIR ALLOWANCE

COST CODE	DIV #7- REAR BALCONY REPAIRS (N/A)	UNIT	GH #1852 QTY	GH #1854 QTY	BLDG #26 QTY TOTAL
7001	REMOVE & REPLACE DAMAGED WOOD COLUMNS AS REQUIRED	$	700	700	$1,400
7002	REMOVE CONCRETE BALCONY SURFACES	$	360	360	$720
7003	REMOVE & REPLACE BALCONY FRAMING	$	3450	3450	$6,900
7004	INSTALL (2) LAYERS KDAT PLYWOOD AND EDGE FLASHING	$	0	0	$0
7005	INSTALL SEALOFLEX LIQUID MEMBRANE WATERPROOFING	$	2058	2058	$4,116
7006	REMOVE, STORE & REINSTALL METAL GUARDRAILS	$	300	300	$600
7007	BALCONY DUMPSTER/DISPOSAL EXPENSE	LOAD	1	1	2

DIV #7- REAR BALCONY REPAIRS (N/A)

MONTCLAIR AT TOWNE CENTER
GH - BUILDING 26
MT. PLEASANT, SC

CALIBOGUE CONSTRUCTION CO, INC
PRELIMARY REMEDIATION COST ESTIMATE
BUILDING 26
UNITS 1852-1854
REVISED
NOVEMBER 30, 2010

COST CODE	DIV #8 - SHINGLE ROOFING SYSTEM REPAIR	UNIT	GH #1852 QTY	GH #1854 QTY	BLDG #26 QTY TOTAL
8001	REM & REPL SHINGLES, UNDERLAYMENT & METAL DRIP EDGE	$	7660	7660	$15,320
8002	REMOVE & REPLACE GUTTER DOWNSPOUTS	LF	180	180	360
8003	ROOFING DUMPSTER/DISPOSAL EXPENSE	LOAD	1	1	2

DIV #8 - SHINGLE ROOFING SYSTEM REPAIR

COST CODE	DIV #9- MECHANICAL, ELECTRICAL & PLUMBING ALLOWANCE	UNIT	GH #1852 QTY	GH #1854 QTY	BLDG #26 QTY TOTAL
9001	REMOVE & REINSTALL ELECTRIC FIXTURES & METER BASE	ALLOW	2000	2000	$4,000
9002	REMOVE & REINSTALL HVAC CONDENSORS	$	1600	1600	$3,200
9003	REMOVE & REPLACE HOSE BIBS	$	100	100	$200
9004	REMOVE & REINSTALL PHONE,SATELLITE, CABLE, ETC.	ALLOW	800	800	$1,600

DIV #9- MECHANICAL, ELECTRICAL & PLUMBING ALLOWANCE

COST CODE	DIV #10 - SITE WORK	UNIT	GH #1852 QTY	GH #1854 QTY	BLDG #26 QTY TOTAL
10001	LANDSCAPE PROTECTION AND RESTORATION	ALLOW	2000	2000	$4,000

DIV #10 - SITE WORK

MONTCLAIR AT TOWNE CENTER
GH-BUILDING 26
MT. PLEASANT, SC

CALIBOGUE CONSTRUCTION CO, INC
PRELIMARY REMEDIATION COST ESTIMATE
BUILDING 26
UNITS 1852-1854
REVISED November 30, 2010

MONTCLAIR AT TOWNE CENTER
GARDEN HOME - BUILDING 26 (UNITS 1852 - 1854)
PRELIMINARY REMEDIATION & RESTORATION COST ESTIMATE

DIVISION # - DESCRIPTION OF WORK	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES: 2 GARDEN QUADS - 8 UNITS (ALL 2 BR)
DIV #1 - GENERAL CONDITIONS (SEE BELOW)	$0	$0	$0	$0	SEE BELOW
DIV #2 - EXTERIOR WALL HARDBOARD CLADDING	$0	$25,978	$66,140	$92,117	SEE DETAIL ON PAGE 3
DIV #3 - EXTERIOR WALL BRICK CLADDING	$0	$12,143	$37,161	$49,304	SEE DETAIL ON PAGE 3
DIV #4 - WINDOW & DOOR REPAIRS	$0	$44,800	$15,200	$60,000	SEE DETAIL ON PAGE 4
DIV #5 - INTERIOR REPAIR ALLOWANCE	$0	$0	$8,800	$8,800	SEE DETAIL ON PAGE 4
DIV #6 - ATTIC REPAIR ALLOWANCE	$0	$0	$6,750	$6,750	SEE DETAIL ON PAGE 5
DIV #7- REAR BALCONY REPAIRS	$0	$3,220	$11,316	$14,536	SEE DETAIL ON PAGE 5
DIV #8 - SHINGLE ROOFING SYSTEM REPAIR	$0	$800	$16,760	$17,560	SEE DETAIL ON PAGE 6
DIV #9- MECHANICAL, ELECTRICAL & PLUMBING ALLOWANCE	$0	$0	$9,000	$9,000	SEE DETAIL ON PAGE 6
DIV #10 - SITE WORK	$0	$0	$8,000	$8,000	SEE DETAIL ON PAGE 6
DIVISIONS #1 - 10 ESTIMATE SUBTOTAL	$0	$86,941	$179,127	$266,067	
MONTCLAIR - GARDEN HOME - BUILDING 26 PRELIMINARY ESTIMATE SUBTOTAL				$266,067	
GENERAL CONDITIONS (10%) PRO-RATED FOR INDIVIDUAL BUILDINGS				$26,607	
MONTCLAIR - GARDEN HOME - BUILDING 26 PRELIMINARY ESTIMATE SUBTOTAL				$292,674	
CONTRACTOR'S FEE (10% + 10%)				$61,462	
MONTCLAIR - GARDEN HOME - BUILDING 26 PRELIMINARY ESTIMATE TOTAL				$354,136	

CALIBOGUE CONSTRUCTION CO, INC
PRELIMARY REMEDIATION COST ESTIMATE
BUILDING 26
UNITS 1852-1854
REVISED November 30, 2010

NOTES:

1 This estimate is based on Construction Science and Engineering, Inc.'s (CSE) Montclair Report, dated 10/12/10 and CSE Outline Scope of Repairs.

2 This estimate INCLUDES 100% removal and replacement of all existing hardboard siding and exterior trim below soffits with fiber cement siding and nominal 5/4 fiber cement exterior trim.

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4 This estimate INCLUDES removal and replacement of sheathing at outside corners with 1/2" pressure treated plywood to comply with corner bracing requirements.

5 This estimate INCLUDES an ALLOWANCE for removal and replacement of water intrusion/decay and/or insect damaged wall sheathing and wall framing components.

6 This estimate INCLUDES the installation of an integrated gravity water management system with a secondary weather-resistive barrier and integrated weep flashing accessories.

7 This estimate INCLUDES removal and replacement of all existing windows and sliding glass doors including proper rough opening flashing, head flashing and sill pans.

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13 This estimate INCLUDES an ALLOWANCE for landscape protection and restoration.

14 This estimate DOES NOT include any expenses associated with moving and/or storage of interior contents offsite.

15 This estimate DOES NOT include any provision for architectural and/or engineering fees.

16 This estimate DOES NOT include loss of use for any portion of the estimated duration of repairs.

17 This estimate is subject to revision after 30 days.

MONTCLAIR AT TOWNE CENTER
GH-BUILDING 26
MT. PLEASANT, SC

CALIBOGUE CONSTRUCTION CO, INC
PRELIMARY REMEDIATION COST ESTIMATE
BUILDING 26
UNITS 1852-1854
REVISED November 30, 2010

COST CODE	DIV #2 - EXTERIOR WALL HARDBOARD CLADDING	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
2001	REMOVE EXISTING HARDBOARD SIDING AND TRIM	0	0	6562	6562	6562 SF (CORR MEAS LAB - $1.00/SF)
2002	SIDING DUMPSTER/DISPOSAL EXPENSE	0	400	0	400	1 LOAD @ $400/LOAD
2003	TEMPORARY PROTECTION AT EXTERIOR WALLS	0	984	1641	2625	6562 SF (CORR MEAS LAB $0.25/SF) PLUS $0.15/SF MATL
2004	REM & REPL WALL SHEATHING WITHIN 4' OF OUTSIDE CORNERS	0	3932	5712	9644	3808 SF (CORR MEAS LAB $1.50/SF) PLUS MATLS
2005	REM & REPL DAMAGED WALL SHEATHING AND FRAMING	0	0	6400	6400	ALLOWANCE: 8 UNITS @ $800/EA
2006	INSTALL 30# FELT WEATHER-RESISTIVE BARRIER	0	787	3937	4725	6562 SF (CORR MEAS LAB $.60/SF) PLUS $.12 MATLS
2007	INSTALL NEW HARDIE CEDARMILL SIDING & 5/4 EXTERIOR TRIM	0	19686	22967	42653	6562 SF (CORR MEAS LAB $3.50/SF) PLUS $3.00 MATLS
2008	ALUMINUM HEAD FLASHING MATERIAL	0	188	0	188	A & R SHEET METAL QUOTE 11/3/10
2009	EXTERIOR PAINTING	0	0	18921	18921	MUDMASTER QUOTE 11/4/10
	DIV #2 - EXTERIOR WALL HARDBOARD CLADDING	**0**	**25978**	**66140**	**92117**	

COST CODE	DIV #3 - EXTERIOR WALL BRICK CLADDING	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
3001	REMOVE ALL BRICK VENEER	0	0	6435	6435	2574 SF (Z&Z MASONRY LAB $2.50/SF)
3002	BRICK DUMPSTER/DISPOSAL EXPENSE	0	300	0	300	NATURE'S CALLING - $150/LOAD (2 LOADS)
3003	TEMPORARY PROTECTION AT EXTERIOR WALLS	0	386	644	1030	2574 SF (CORR MEAS LAB $0.25/SF) PLUS $0.15/SF MATL
3004	REM & REPL WALL SHEATHING WITHIN 4' OF OUTSIDE CORNERS	0	0	0	0	INCL IN CC 2004
3005	REM & REPL DAMAGED WALL SHEATHING AND FRAMING	0	0	0	0	INCL IN CC 2005
3006	INSTALL 30# FELT WEATHER-RESISTIVE BARRIER	0	309	1544	1853	2574 SF (CORR MEAS LAB $.60/SF) PLUS $.12 MATLS
3007	INSTALL NEW BRICK VENEER, ANCHORS & LINTELS	0	11148	27824	38972	LABOR Z&Z MASONRY PLUS MATLS
3008	ENGINEERED SEALANT JOINTS	0	0	714	714	420 LF @ $1.70/LF (SALEM QUOTE)
	DIV #3 - EXTERIOR WALL BRICK CLADDING	**0**	**12143**	**37161**	**49304**	

MONTCLAIR AT TOWNE CENTER
GH-BUILDING 26
MT. PLEASANT, SC

CALIBOGUE CONSTRUCTION CO, INC
PRELIMARY REMEDIATION COST ESTIMATE
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UNITS 1852-1854
REVISED November 30, 2010

COST CODE	DIV #4 - WINDOW & DOOR REPAIRS	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
4001	REMOVE & REPLACE EXISTING WINDOWS (LABOR)	0	0	12000	12000	CORRECTIVE MEASURES (40 WINDOWS @ $300/EA)
4002	NEW WINDOW REPLACEMENT MATERIAL	0	21918	0	21918	BUCK LUMBER 9/24/10 QUOTE
4003	REMOVE & REPLACE SLIDING GLASS DOORS (LABOR)	0	0	3200	3200	CORRECTIVE MEASURES (8 SGD @ $400/EA)
4004	NEW SLIDING GLASS DOOR MATERIAL	0	18482	0	18482	BUCK LUMBER 9/24/10 QUOTE
4005	WINDOW E-Z PAN SILL FLASHING	0	4000	0	4000	40 WINDOWS @ $100/WINDOW
4006	ALUMINUM DOOR SILL PANS & ROUGH OPENING FLASHING	0	400	0	400	8 SGD @ $50/DOOR
	DIV #4 - WINDOW & DOOR REPAIRS	0	44800	15200	60000	

COST CODE	DIV #5 - INTERIOR REPAIR ALLOWANCE	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
5001	REMOVE AND REPLACE DAMAGED GWB	0	0	4000	4000	ALLOWANCE: 8 UNITS @ $500/UNIT
5002	REPAIR GWB AT REPLACED WINDOWS AND DOORS	0	0	800	800	ALLOWANCE: 8 UNITS @ $100/UNIT
5003	PAINT WALLS AT REPLACED WINDOWS AND DOORS	0	0	4000	4000	ALLOWANCE: 8-2 BR UNITS @ $500/UNIT
	DIV #5 - INTERIOR REPAIR ALLOWANCE	0	0	8800	8800	

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COST CODE	DIV #6 - ATTIC REPAIR ALLOWANCE	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
6001	1-HR TENANT SEPARATION WALL/CEILING REPAIR (ALLOWANCE)	0	0	6750	6750	JOE GATHERS QUOTE 11/12/10 ALLOWANCE
6002	ATTIC TRUSS LATERAL BRACING REPAIR	0	0	0	0	INCL IN CC 6001
6003	ATTIC TRUSS HURRICANE CLIP REPAIRS	0	0	0	0	INCL IN CC 6001
6004	ATTIC TRUSS REPAIRS	0	0	0	0	INCL IN CC 6001
6005	SECOND FLOOR DRYER DUCT WORK REPAIRS	0	0	0	0	INCL IN CC 6001
	DIV #6 - ATTIC REPAIR ALLOWANCE	**0**	**0**	**6750**	**6750**	

COST CODE	DIV #7- REAR BALCONY REPAIRS	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
7001	REMOVE & REPLACE DAMAGED WOOD COLUMNS AS REQUIRED	0	200	1200	1400	CORRECTIVE MEASURES (1 PER QUAD)
7002	REMOVE CONCRETE BALCONY SURFACES	0	0	720	720	CORRECTIVE MEASURES
7003	REMOVE & REPLACE BALCONY FRAMING	0	2220	4680	6900	CORRECTIVE MEASURES (BUCK QUOTE 10/29/10 MATLS)
7004	INSTALL (2) LAYERS KDAT PLYWOOD AND EDGE FLASHING	0	0	0	0	INCL IN CC 7003
7005	INSTALL SEALOFLEX LIQUID MEMBRANE WATERPROOFING	0	0	4116	4116	CAHILL CONSTRUCTION QUOTE
7006	REMOVE, STORE & REINSTALL METAL GUARDRAILS	0	0	600	600	CORRECTIVE MEASURES 4 BALCONIES @ $150/EA
7007	BALCONY DUMPSTER/DISPOSAL EXPENSE	0	800	0	800	2 LOADS @ $400/LOAD (1 LOAD PER QUAD)
	DIV #7- REAR BALCONY REPAIRS	**0**	**3220**	**11316**	**14536**	

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COST CODE	DIV #8 - SHINGLE ROOFING SYSTEM REPAIR	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
8001	REM & REPL SHINGLES, UNDERLAYMENT & METAL DRIP EDGE	0	0	15320	15320	DIAMOND, INC. 11/4/10 QUOTE
8002	REMOVE & REPLACE GUTTER DOWNSPOUTS	0	0	1440	1440	180 LF/QUAD = 360 LF @ $4./LF GUTTER MASTERS COMP
8003	ROOFING DUMPSTER/DISPOSAL EXPENSE	0	800	0	800	2 LOADS @ $400/LOAD
	DIV #8 - SHINGLE ROOFING SYSTEM REPAIR	**0**	**800**	**16760**	**17560**	

COST CODE	DIV #9- MECHANICAL, ELECTRICAL & PLUMBING ALLOWANCE	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
9001	REMOVE & REINSTALL ELECTRIC FIXTURES & METER BASE	0	0	4000	4000	ALLOWANCE: 8 UNITS @ $500/EA
9002	REMOVE & REINSTALL HVAC CONDENSORS	0	0	3200	3200	8 AT $400/EACH
9003	REMOVE & REPLACE HOSE BIBS	0	0	200	200	4 AT $50 EA UNIT
9004	REMOVE & REINSTALL PHONE, SATELLITE, CABLE, ETC.	0	0	1600	1600	8 AT $200/UNIT
	DIV #9- MECHANICAL, ELECTRICAL & PLUMBING ALLOWANCE	**0**	**0**	**9000**	**9000**	

COST CODE	DIV #10 - SITE WORK	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
10001	LANDSCAPE PROTECTION AND RESTORATION	0	0	8000	8000	ALLOWANCE (4-1ST FLOOR UNITS @ $2000/UNIT)
	DIV #10 - SITE WORK	**0**	**0**	**8000**	**8000**	

MONTCLAIR AT TOWNE CENTER
GH - BUILDING 28
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CALIBOGUE CONSTRUCTION CO, INC
PREL. REMEDIATION COST ESTIMATE
BUILDING 28
UNITS 1857-1859
NOVEMBER 30, 2010

COST CODE	DIV #2 - EXTERIOR WALL HARDBOARD CLADDING	UNIT	GH #1857 QTY	GH #1859 QTY	BLDG #28 QTY TOTAL
2001	REMOVE EXISTING HARDBOARD SIDING AND TRIM	SF	3655	3655	7310
2002	SIDING DUMPSTER/DISPOSAL EXPENSE	LOAD	0.8	0.8	1.5
2003	TEMPORARY PROTECTION AT EXTERIOR WALLS	SF	3655	3655	7310
2004	REM & REPL WALL SHEATHING WITHIN 4' OF OUTSIDE CORNERS	SF	1904	1904	3808
2005	REM & REPL DAMAGED WALL SHEATHING AND FRAMING	ALLOW	3200	3200	$6,400
2006	INSTALL 30# FELT WEATHER-RESISTIVE BARRIER	SF	3655	3655	7310
2007	INSTALL NEW HARDIE CEDARMILL SIDING & 5/4 EXTERIOR TRIM	SF	3655	3655	7310
2008	ALUMINUM HEAD FLASHING MATERIAL	LF	100	100	200
2009	EXTERIOR PAINTING*	$	9756	9756	$19,512
	*PRORATED - UNIT COST				

DIV #2 - EXTERIOR WALL HARDBOARD CLADDING

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CALIBOGUE CONSTRUCTION CO, INC
PREL. REMEDIATION COST ESTIMATE
BUILDING 28
UNITS 1857-1859
NOVEMBER 30, 2010

COST CODE	DIV #3 - EXTERIOR WALL BRICK CLADDING	UNIT	GH #1857 QTY	GH #1859 QTY	BLDG #28 QTY TOTAL
3001	REMOVE ALL BRICK VENEER	SF	1287	1287	2574
3002	BRICK DUMPSTER/DISPOSAL EXPENSE	LOAD	1	1	2
3003	TEMPORARY PROTECTION AT EXTERIOR WALLS	SF	1287	1287	2574
3003	REM & REPL WALL SHEATHING WITHIN 4' OF OUTSIDE CORNERS	SF	INCL IN CC 2004		
3004	REM & REPL DAMAGED WALL SHEATHING AND FRAMING	ALLOW	INCL IN CC 2005		
3005	INSTALL 30# FELT WEATHER-RESISTIVE BARRIER	SF	1287	1287	2574
3006	INSTALL NEW BRICK VENEER, ANCHORS & LINTELS	SF	1287	1287	2574
3007	ENGINEERED SEALANT JOINTS	LF	210	210	420

DIV #3 - EXTERIOR WALL BRICK CLADDING

MONTCLAIR AT TOWNE CENTER
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CALIBOGUE CONSTRUCTION CO, INC
PREL. REMEDIATION COST ESTIMATE
BUILDING 28
UNITS 1857-1859
NOVEMBER 30, 2010

COST CODE	DIV #4 - WINDOW & DOOR REPAIRS	UNIT	GH #1857 QTY	GH #1859 QTY	BLDG #28 QTY TOTAL
4001	REMOVE & REPLACE EXISTING WINDOWS (LABOR)	#	24	24	48
4002	NEW WINDOW REPLACEMENT MATERIAL	$	15398	15398	$30,796
4003	REMOVE & REPLACE SLIDING GLASS DOORS (LABOR)	#	4	4	8
4004	NEW SLIDING GLASS DOOR MATERIAL	$	9241	9241	$18,482
4005	WINDOW E-Z PAN SILL FLASHING	#	24	24	48
4006	ALUMINUM DOOR SILL PANS & ROUGH OPENING FLASHING	#	4	4	8

DIV #4 - WINDOW & DOOR REPAIRS

COST CODE	DIV #5 - INTERIOR REPAIR ALLOWANCE	UNIT	GH #1857 QTY	GH #1859 QTY	BLDG #28 QTY TOTAL
5001	REMOVE AND REPLACE DAMAGED GWB	ALLOW	2000	2000	$4,000
5002	REPAIR GWB AT REPLACED WINDOWS AND DOORS	ALLOW	400	400	$800
5003	PAINT WALLS AT REPLACED WINDOWS AND DOORS	ALLOW	2400	2400	$4,800

DIV #5 - INTERIOR REPAIR ALLOWANCE

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COST CODE	DIV #6 - ATTIC REPAIR ALLOWANCE	UNIT	GH #1857 QTY	GH #1859 QTY	BLDG #28 QTY TOTAL
6001	1-HR TENANT SEPARATION WALL/CEILING REPAIRS	$	3375	3375	$6,750
6002	ATTIC TRUSS LATERAL BRACING REPAIR	ALLOW	INCL IN CC 6001		
6003	ATTIC TRUSS HURRICANE CLIP REPAIRS	ALLOW	INCL IN CC 6001		
6004	ATTIC TRUSS REPAIRS	ALLOW	INCL IN CC 6001		
6005	SECOND FLOOR DRYER DUCT WORK REPAIRS	ALLOW	INCL IN CC 6001		

DIV #6 - ATTIC REPAIR ALLOWANCE

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CALIBOGUE CONSTRUCTION CO, INC
PREL. REMEDIATION COST ESTIMATE
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COST CODE	DIV #7- REAR BALCONY REPAIRS (N/A)	UNIT	GH #1857 QTY	GH #1859 QTY	BLDG #28 QTY TOTAL
7001	REMOVE & REPLACE DAMAGED WOOD COLUMNS AS REQUIRED	$	700	700	$1,400
7002	REMOVE CONCRETE BALCONY SURFACES	$	360	360	$720
7003	REMOVE & REPLACE BALCONY FRAMING	$	3450	3450	$6,900
7004	INSTALL (2) LAYERS KDAT PLYWOOD AND EDGE FLASHING	$	INCL IN CC 7003		
7005	INSTALL SEALOFLEX LIQUID MEMBRANE WATERPROOFING	$	2058	2058	$4,116
7006	REMOVE, STORE & REINSTALL METAL GUARDRAILS	$	300	300	$600
7007	BALCONY DUMPSTER/DISPOSAL EXPENSE	LOAD	1	1	2

DIV #7- REAR BALCONY REPAIRS (N/A)

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CALIBOGUE CONSTRUCTION CO, INC
PREL. REMEDIATION COST ESTIMATE
BUILDING 28
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COST CODE	DIV #8 - SHINGLE ROOFING SYSTEM REPAIR	UNIT	GH #1857 QTY	GH #1859 QTY	BLDG #28 QTY TOTAL
8001	REM & REPL SHINGLES, UNDERLAYMENT & METAL DRIP EDGE	$	8185	8185	$16,370
8002	REMOVE & REPLACE GUTTER DOWNSPOUTS	LF	180	180	360
8003	ROOFING DUMPSTER/DISPOSAL EXPENSE	LOAD	1	1	2

DIV #8 - SHINGLE ROOFING SYSTEM REPAIR

COST CODE	DIV #9- MECHANICAL, ELECTRICAL & PLUMBING ALLOWANCE	UNIT	GH #1857 QTY	GH #1859 QTY	BLDG #28 QTY TOTAL
9001	REMOVE & REINSTALL ELECTRIC FIXTURES & METER BASE	ALLOW	2000	2000	$4,000
9002	REMOVE & REINSTALL HVAC CONDENSORS	$	1600	1600	$3,200
9003	REMOVE & REPLACE HOSE BIBS	$	100	100	$200
9004	REMOVE & REINSTALL PHONE,SATELLITE, CABLE, ETC.	ALLOW	800	800	$1,600

DIV #9- MECHANICAL, ELECTRICAL & PLUMBING ALLOWANCE

MONTCLAIR AT TOWNE CENTER
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CALIBOGUE CONSTRUCTION CO, INC
PREL. REMEDIATION COST ESTIMATE
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COST CODE DIV #10 - SITE WORK	UNIT	GH #1857 QTY	GH #1859 QTY	BLDG #28 QTY TOTAL
10001 LANDSCAPE PROTECTION AND RESTORATION	ALLOW	4000	4000	$8,000

DIV #10 - SITE WORK

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CALIBOGUE CONSTRUCTION CO, INC
PRELIMARY REMEDIATION COST ESTIMATE
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UNITS 1857-1859
November 30, 2010

MONTCLAIR AT TOWNE CENTER
GARDEN HOME - BUILDING 28 (UNITS 1857 - 1859)
PRELIMINARY REMEDIATION & RESTORATION COST ESTIMATE

DIVISION # - DESCRIPTION OF WORK	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES: 2 GARDEN QUADS - 8 UNITS (ALL 3 BR)
DIV #1 - GENERAL CONDITIONS (SEE BELOW)	$0	$0	$0	$0	SEE BELOW
DIV #2 - EXTERIOR WALL HARDBOARD CLADDING	$0	$28,750	$70,733	$99,482	SEE DETAIL ON PAGE 3
DIV #3 - EXTERIOR WALL BRICK CLADDING	$0	$12,143	$37,161	$49,304	SEE DETAIL ON PAGE 3
DIV #4 - WINDOW & DOOR REPAIRS	$0	$54,478	$17,600	$72,078	SEE DETAIL ON PAGE 4
DIV #5 - INTERIOR REPAIR ALLOWANCE	$0	$0	$9,600	$9,600	SEE DETAIL ON PAGE 4
DIV #6 - ATTIC REPAIR ALLOWANCE	$0	$0	$6,750	$6,750	SEE DETAIL ON PAGE 5
DIV #7- REAR BALCONY REPAIRS	$0	$3,220	$11,316	$14,536	SEE DETAIL ON PAGE 5
DIV #8 - SHINGLE ROOFING SYSTEM REPAIR	$0	$800	$17,810	$18,610	SEE DETAIL ON PAGE 6
DIV #9- MECHANICAL, ELECTRICAL & PLUMBING ALLOWANCE	$0	$0	$9,000	$9,000	SEE DETAIL ON PAGE 6
DIV #10 - SITE WORK	$0	$0	$8,000	$8,000	SEE DETAIL ON PAGE 6
DIVISIONS #1 - 10 ESTIMATE SUBTOTAL	$0	$99,391	$187,969	$287,360	
MONTCLAIR - GARDEN HOME - BUILDING 28 PRELIMINARY ESTIMATE SUBTOTAL				$287,360	
GENERAL CONDITIONS (10%) PRO-RATED FOR INDIVIDUAL BUILDINGS				$28,736	
MONTCLAIR - GARDEN HOME - BUILDING 28 PRELIMINARY ESTIMATE SUBTOTAL				$316,096	
CONTRACTOR'S FEE (10% + 10%)				$66,380	
MONTCLAIR - GARDEN HOME - BUILDING 28 PRELIMINARY ESTIMATE TOTAL				$382,476	

CALIBOGUE CONSTRUCTION CO, INC
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BUILDING 28
UNITS 1857-1859
November 30, 2010

NOTES:

1 This estimate is based on Construction Science and Engineering, Inc.'s (CSE) Montclair Report, dated 10/12/10 and CSE Outline Scope of Repairs.

2 This estimate INCLUDES 100% removal and replacement of all existing hardboard siding and exterior trim below soffits with fiber cement siding and nominal 5/4 fiber cement exterior trim.

3 This estimate INCLUDES 100% removal and replacement of existing brick veneer with new brick veneer including hot-dipped galvanized lintels, seismic wall ties and thru-wall flashing at first floor level and heads and sills of penetrations.

4 This estimate INCLUDES removal and replacement of sheathing at outside corners with 1/2" pressure treated plywood to comply with corner bracing requirements.

5 This estimate INCLUDES an ALLOWANCE for removal and replacement of water intrusion/decay and/or insect damaged wall sheathing and wall framing components.

6 This estimate INCLUDES the installation of an integrated gravity water management system with a secondary weather-resistive barrier and integrated weep flashing accessories.

7 This estimate INCLUDES removal and replacement of all existing windows and sliding glass doors including proper rough opening flashing, head flashing and sill pans.

8 This estimte INCLUDES an ALLOWANCE for the repairs to and/or replacement of damaged drywall (GWB) or damages incurred as a result of the remediation procedures.

9 This estimate INCLUDES painting of the interior of exterior walls at repaired areas and all new exterior siding and exterior trim.

10 This estimate INCLUDES an ALLOWANCE for the repairs to the One-Hour tenant separation wall & ceiling in the attic as required, attic truss repairs and dryer vent duct repairs.

11 All Garden Quad second floor balconies are to be removed and replaced with new pressure treated lumber, two layers of 3/4" KDAT plywood decks and Sealoflex liquid applied membrane waterproofing system with traffic coat anti-slip surface. At 50% of the balconies, remove and replace the 6x6 corner posts and anchor bases.

12 This estimate INCLUDES the removal and the replacement of the sloped shingle roofing systems with new flashing assemblies.

13 This estimate INCLUDES an ALLOWANCE for landscape protection and restoration.

14 This estimate DOES NOT include any expenses associated with moving and/or storage of interior contents offsite.

15 This estimate DOES NOT include any provision for architectural and/or engineering fees.

16 This estimate DOES NOT include loss of use for any portion of the estimated duration of repairs.

17 This estimate is subject to revision after 30 days.

MONTCLAIR AT TOWNE CENTER
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CALIBOGUE CONSTRUCTION CO, INC
PRELIMARY REMEDIATION COST ESTIMATE
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COST CODE	DIV #2 - EXTERIOR WALL HARDBOARD CLADDING	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
2001	REMOVE EXISTING HARDBOARD SIDING AND TRIM	0	0	7310	7310	7310 SF (CORR MEAS LAB - $1.00/SF)
2002	SIDING DUMPSTER/DISPOSAL EXPENSE	0	600	0	600	1.5 LOAD @ $400/LOAD
2003	TEMPORARY PROTECTION AT EXTERIOR WALLS	0	1097	1828	2924	7310 SF (CORR MEAS LAB $0.25/SF) PLUS $0.15/SF MATL
2004	REM & REPL WALL SHEATHING WITHIN 4' OF OUTSIDE CORNERS	0	3932	5712	9644	3808 SF (CORR MEAS LAB $1.50/SF) PLUS MATLS
2005	REM & REPL DAMAGED WALL SHEATHING AND FRAMING	0	0	6400	6400	ALLOWANCE: 8 UNITS @ $800/EA
2006	INSTALL 30# FELT WEATHER-RESISTIVE BARRIER	0	877	4386	5263	7310 SF (CORR MEAS LAB $.60/SF) PLUS $.12 MATLS
2007	INSTALL NEW HARDIE CEDARMILL SIDING & 5/4 EXTERIOR TRIM	0	21930	25585	47515	7310 SF (CORR MEAS LAB $3.50/SF) PLUS $3.00 MATLS
2008	ALUMINUM HEAD FLASHING MATERIAL	0	314	0	314	A & R SHEET METAL QUOTE 11/3/10
2009	EXTERIOR PAINTING	0	0	19512	19512	MUDMASTER QUOTE 11/4/10
	DIV #2 - EXTERIOR WALL HARDBOARD CLADDING	**0**	**28750**	**70733**	**99482**	

COST CODE	DIV #3 - EXTERIOR WALL BRICK CLADDING	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
3001	REMOVE ALL BRICK VENEER	0	0	6435	6435	2574 SF (Z&Z MASONRY LAB $2.50/SF)
3002	BRICK DUMPSTER/DISPOSAL EXPENSE	0	300	0	300	NATURE'S CALLING - $150/LOAD (2 LOADS)
3003	TEMPORARY PROTECTION AT EXTERIOR WALLS	0	386	644	1030	2574 SF (CORR MEAS LAB $0.25/SF) PLUS $0.15/SF MATL
3004	REM & REPL WALL SHEATHING WITHIN 4' OF OUTSIDE CORNERS	0	0	0	0	INCL IN CC 2004
3005	REM & REPL DAMAGED WALL SHEATHING AND FRAMING	0	0	0	0	INCL IN CC 2005
3006	INSTALL 30# FELT WEATHER-RESISTIVE BARRIER	0	309	1544	1853	2574 SF (CORR MEAS LAB $.60/SF) PLUS $.12 MATLS
3007	INSTALL NEW BRICK VENEER, ANCHORS & LINTELS	0	11148	27824	38972	LABOR Z&Z MASONRY PLUS MATLS
3008	ENGINEERED SEALANT JOINTS	0	0	714	714	420 LF @ $1.70/LF (SALEM QUOTE)
	DIV #3 - EXTERIOR WALL BRICK CLADDING	**0**	**12143**	**37161**	**49304**	

MONTCLAIR AT TOWNE CENTER
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COST CODE	DIV #4 - WINDOW & DOOR REPAIRS	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
4001	REMOVE & REPLACE EXISTING WINDOWS (LABOR)	0	0	14400	14400	CORRECTIVE MEASURES (48 WINDOWS @ $300/EA)
4002	NEW WINDOW REPLACEMENT MATERIAL	0	30796	0	30796	BUCK LUMBER 9/24/10 QUOTE
4003	REMOVE & REPLACE SLIDING GLASS DOORS (LABOR)	0	0	3200	3200	CORRECTIVE MEASURES (8 SGD @ $400/EA)
4004	NEW SLIDING GLASS DOOR MATERIAL	0	18482	0	18482	BUCK LUMBER 9/24/10 QUOTE
4005	WINDOW E-Z PAN SILL FLASHING	0	4800	0	4800	48 WINDOWS @ $100/WINDOW
4006	ALUMINUM DOOR SILL PANS & ROUGH OPENING FLASHING	0	400	0	400	8 SGD @ $50/DOOR
	DIV #4 - WINDOW & DOOR REPAIRS	**0**	**54478**	**17600**	**72078**	

COST CODE	DIV #5 - INTERIOR REPAIR ALLOWANCE	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
5001	REMOVE AND REPLACE DAMAGED GWB	0	0	4000	4000	ALLOWANCE: 8 UNITS @ $500/UNIT
5002	REPAIR GWB AT REPLACED WINDOWS AND DOORS	0	0	800	800	ALLOWANCE: 8 UNITS @ $100/UNIT
5003	PAINT WALLS AT REPLACED WINDOWS AND DOORS	0	0	4800	4800	ALLOWANCE: 8-3 BR UNITS @ $600/UNIT
	DIV #5 - INTERIOR REPAIR ALLOWANCE	**0**	**0**	**9600**	**9600**	

MONTCLAIR AT TOWNE CENTER
GH-BUILDING 28
MT. PLEASANT, SC

CALIBOGUE CONSTRUCTION CO, INC
PRELIMARY REMEDIATION COST ESTIMATE
BUILDING 28
UNITS 1857-1859
November 30, 2010

COST CODE	DIV #6 - ATTIC REPAIR ALLOWANCE	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
6001	1-HR TENANT SEPARATION REPAIR ALLOWANCE	0	0	6750	6750	JOE GATHERS QUOTE 11/12/10 (ALLOWANCE)
6002	ATTIC TRUSS LATERAL BRACING REPAIR	0	0	0	0	INCL IN CC 6001
6003	ATTIC TRUSS HURRICANE CLIP REPAIRS	0	0	0	0	INCL IN CC 6001
6004	ATTIC TRUSS REPAIRS	0	0	0	0	INCL IN CC 6001
6005	SECOND FLOOR DRYER DUCT WORK REPAIRS	0	0	0	0	INCL IN CC 6001
	DIV #6 - ATTIC REPAIR ALLOWANCE	**0**	**0**	**6750**	**6750**	

COST CODE	DIV #7- REAR BALCONY REPAIRS	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
7001	REMOVE & REPLACE DAMAGED WOOD COLUMNS AS REQUIRED	0	200	1200	1400	CORRECTIVE MEASURES (1 PER QUAD)
7002	REMOVE CONCRETE BALCONY SURFACES	0	0	720	720	CORRECTIVE MEASURES
7003	REMOVE & REPLACE BALCONY FRAMING	0	2220	4680	6900	CORRECTIVE MEASURES (BUCK QUOTE 10/29/10 MATLS)
7004	INSTALL (2) LAYERS KDAT PLYWOOD AND EDGE FLASHING	0	0	0	0	INCL IN CC 7003
7005	INSTALL SEALOFLEX LIQUID MEMBRANE WATERPROOFING	0	0	4116	4116	CAHILL CONSTRUCTION QUOTE
7006	REMOVE, STORE & REINSTALL METAL GUARDRAILS	0	0	600	600	CORRECTIVE MEASURES 4 BALCONIES @ $150/EA
7007	BALCONY DUMPSTER/DISPOSAL EXPENSE	0	800	0	800	2 LOADS @ $400/LOAD (1 LOAD PER QUAD)
	DIV #7- REAR BALCONY REPAIRS	**0**	**3220**	**11316**	**14536**	

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November 30, 2010

COST CODE	DIV #8 - SHINGLE ROOFING SYSTEM REPAIR	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
8001	REM & REPL SHINGLES, UNDERLAYMENT & METAL DRIP EDGE	0	0	16370	16370	DIAMOND, INC. 11/4/10 QUOTE
8002	REMOVE & REPLACE GUTTER DOWNSPOUTS	0	0	1440	1440	180 LF/QUAD = 360 LF @ $4./LF GUTTER MASTERS COMP
8003	ROOFING DUMPSTER/DISPOSAL EXPENSE	0	800	0	800	2 LOADS @ $400/LOAD
	DIV #8 - SHINGLE ROOFING SYSTEM REPAIR	**0**	**800**	**17810**	**18610**	

COST CODE	DIV #9- MECHANICAL, ELECTRICAL & PLUMBING ALLOWANCE	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
9001	REMOVE & REINSTALL ELECTRIC FIXTURES & METER BASE	0	0	4000	4000	ALLOWANCE: 8 UNITS @ $500/EA
9002	REMOVE & REINSTALL HVAC CONDENSORS	0	0	3200	3200	8 AT $400/EACH
9003	REMOVE & REPLACE HOSE BIBS	0	0	200	200	4 AT $50 EA UNIT
9004	REMOVE & REINSTALL PHONE, SATELLITE, CABLE, ETC.	0	0	1600	1600	8 AT $200/UNIT
	DIV #9- MECHANICAL, ELECTRICAL & PLUMBING ALLOWANCE	**0**	**0**	**9000**	**9000**	

COST CODE	DIV #10 - SITE WORK	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
10001	LANDSCAPE PROTECTION AND RESTORATION	0	0	8000	8000	ALLOWANCE (4-1ST FLOOR UNITS @ $2000/UNIT)
	DIV #10 - SITE WORK	**0**	**0**	**8000**	**8000**	

MONTCLAIR AT TOWNE CENTER
GH - BUILDING 32
MT. PLEASANT, SC

CALIBOGUE CONSTRUCTION CO, INC
PREL. REMEDIATION COST ESTIMATE
BUILDING 32
UNITS 1866-1868
NOVEMBER 30, 2010

COST CODE	DIV #2 - EXTERIOR WALL HARDBOARD CLADDING	UNIT	GH #1866 QTY	GH #1868 QTY	BLDG #35 QTY TOTAL
2001	REMOVE EXISTING HARDBOARD SIDING AND TRIM	SF	3182	3182	6364
2002	SIDING DUMPSTER/DISPOSAL EXPENSE	LOAD	0.5	0.5	1.0
2003	TEMPORARY PROTECTION AT EXTERIOR WALLS	SF	3182	3182	6364
2004	REM & REPL WALL SHEATHING WITHIN 4' OF OUTSIDE CORNERS	SF	1904	1904	3808
2005	REM & REPL DAMAGED WALL SHEATHING AND FRAMING	ALLOW	3200	3200	$6,400
2006	INSTALL 30# FELT WEATHER-RESISTIVE BARRIER	SF	3182	3182	6364
2007	INSTALL NEW HARDIE CEDARMILL SIDING & 5/4 EXTERIOR TRIM	SF	3182	3182	6364
2008	ALUMINUM HEAD FLASHING MATERIAL	LF	90	90	180
2009	EXTERIOR PAINTING*	$	9460	9461	$18,921
	*PRORATED - UNIT COST				

DIV #2 - EXTERIOR WALL HARDBOARD CLADDING

COST CODE	DIV #3 - EXTERIOR WALL BRICK CLADDING	UNIT	GH #1876 QTY	GH #1878 QTY	BLDG #35 QTY TOTAL
3001	REMOVE ALL BRICK VENEER	SF	1287	1287	2574
3002	BRICK DUMPSTER/DISPOSAL EXPENSE	LOAD	1	1	2
3003	TEMPORARY PROTECTION AT EXTERIOR WALLS	SF	1287	1287	2574
3003	REM & REPL WALL SHEATHING WITHIN 4' OF OUTSIDE CORNERS	SF	INCL IN CC 2004		
3004	REM & REPL DAMAGED WALL SHEATHING AND FRAMING	ALLOW	INCL IN CC 2005		
3005	INSTALL 30# FELT WEATHER-RESISTIVE BARRIER	SF	1287	1287	2574
3006	INSTALL NEW BRICK VENEER, ANCHORS & LINTELS	SF	1287	1287	2574
3007	ENGINEERED SEALANT JOINTS	LF	210	210	420

DIV #3 - EXTERIOR WALL BRICK CLADDING

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CALIBOGUE CONSTRUCTION CO, INC
PREL. REMEDIATION COST ESTIMATE
BUILDING 32
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NOVEMBER 30, 2010

COST CODE	DIV #4 - WINDOW & DOOR REPAIRS	UNIT	GH #1876 QTY	GH #1878 QTY	BLDG #35 QTY TOTAL
4001	REMOVE & REPLACE EXISTING WINDOWS (LABOR)	#	20	20	40
4002	NEW WINDOW REPLACEMENT MATERIAL	$	10959	10959	$21,918
4003	REMOVE & REPLACE SLIDING GLASS DOORS (LABOR)	#	4	4	8
4004	NEW SLIDING GLASS DOOR MATERIAL	$	9241	9241	$18,482
4005	WINDOW E-Z PAN SILL FLASHING	#	20	20	40
4006	ALUMINUM DOOR SILL PANS & ROUGH OPENING FLASHING	#	4	4	8

DIV #4 - WINDOW & DOOR REPAIRS

COST CODE	DIV #5 - INTERIOR REPAIR ALLOWANCE	UNIT	GH #1876 QTY	GH #1878 QTY	BLDG #35 QTY TOTAL
5001	REMOVE AND REPLACE DAMAGED GWB	ALLOW	2000	2000	$4,000
5002	REPAIR GWB AT REPLACED WINDOWS AND DOORS	ALLOW	400	400	$800
5003	PAINT WALLS AT REPLACED WINDOWS AND DOORS	$	2000	2000	$4,000

DIV #5 - INTERIOR REPAIR ALLOWANCE

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CALIBOGUE CONSTRUCTION CO, INC
PREL. REMEDIATION COST ESTIMATE
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UNITS 1866-1868
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COST CODE	DIV #6 - ATTIC REPAIR ALLOWANCE	UNIT	GH #1876 QTY	GH #1878 QTY	BLDG #35 QTY TOTAL
6001	1-HR TENANT SEPARATION WALL/CEILING REPAIR ALLOWANCE	$	3375	3375	$6,750
6002	ATTIC TRUSS LATERAL BRACING REPAIR	ALLOW	INCL IN CC 6001		
6003	ATTIC TRUSS HURRICANE CLIP REPAIRS	ALLOW	INCL IN CC 6001		
6004	ATTIC TRUSS REPAIRS	ALLOW	INCL IN CC 6001		
6005	SECOND FLOOR DRYER DUCT WORK REPAIRS	ALLOW	INCL IN CC 6001		

DIV #6 - ATTIC REPAIR ALLOWANCE

COST CODE	DIV #7- REAR BALCONY REPAIRS (N/A)	UNIT	GH #1876 QTY	GH #1878 QTY	BLDG #35 QTY TOTAL
7001	REMOVE & REPLACE DAMAGED WOOD COLUMNS AS REQUIRED	$	700	700	$1,400
7002	REMOVE CONCRETE BALCONY SURFACES	$	360	360	$720
7003	REMOVE & REPLACE BALCONY FRAMING	$	3450	3450	$6,900
7004	INSTALL (2) LAYERS KDAT PLYWOOD AND EDGE FLASHING	$	0	0	$0
7005	INSTALL SEALOFLEX LIQUID MEMBRANE WATERPROOFING	$	2058	2058	$4,116
7006	REMOVE, STORE & REINSTALL METAL GUARDRAILS	$	300	300	$600
7007	BALCONY DUMPSTER/DISPOSAL EXPENSE	LOAD	1	1	2

DIV #7- REAR BALCONY REPAIRS (N/A)

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MT. PLEASANT, SC

CALIBOGUE CONSTRUCTION CO, INC
PREL. REMEDIATION COST ESTIMATE
BUILDING 32
UNITS 1866-1868
NOVEMBER 30, 2010

COST CODE	DIV #8 - SHINGLE ROOFING SYSTEM REPAIR	UNIT	GH #1876 QTY	GH #1878 QTY	BLDG #35 QTY TOTAL
8001	REM & REPL SHINGLES, UNDERLAYMENT & METAL DRIP EDGE	$	11788	11788	$23,575
8002	REMOVE & REPLACE GUTTER DOWNSPOUTS	LF	180	180	360
8003	ROOFING DUMPSTER/DISPOSAL EXPENSE	LOAD	INCL IN CC 8001		

DIV #8 - SHINGLE ROOFING SYSTEM REPAIR

COST CODE	DIV #9- MECHANICAL, ELECTRICAL & PLUMBING ALLOWANCE	UNIT	GH #1876 QTY	GH #1878 QTY	BLDG #35 QTY TOTAL
9001	REMOVE & REINSTALL ELECTRIC FIXTURES & METER BASE	ALLOW	2000	2000	$4,000
9002	REMOVE & REINSTALL HVAC CONDENSORS	$	1600	1600	$3,200
9003	REMOVE & REPLACE HOSE BIBS	$	100	100	$200
9004	REMOVE & REINSTALL PHONE,SATELLITE, CABLE, ETC.	ALLOW	800	800	$1,600

DIV #9- MECHANICAL, ELECTRICAL & PLUMBING ALLOWANCE

COST CODE	DIV #10 - SITE WORK	UNIT	GH #1876 QTY	GH #1878 QTY	BLDG #35 QTY TOTAL
10001	LANDSCAPE PROTECTION AND RESTORATION	ALLOW	2000	2000	$4,000

DIV #10 - SITE WORK

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CALIBOGUE CONSTRUCTION CO, INC
PRELIMARY REMEDIATION COST ESTIMATE
BUILDING 32
UNITS 1876-1878
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MONTCLAIR AT TOWNE CENTER
GARDEN HOME - BUILDING 32 (UNITS 1866 - 1868)
PRELIMINARY REMEDIATION & RESTORATION COST ESTIMATE

DIVISION # - DESCRIPTION OF WORK	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES: 2 GARDEN QUADS - 8 UNITS (ALL 2 BR)
DIV #1 - GENERAL CONDITIONS (SEE BELOW)	$0	$0	$0	$0	SEE BELOW
DIV #2 - EXTERIOR WALL HARDBOARD CLADDING	$0	$25,330	$65,080	$90,411	SEE DETAIL ON PAGE 3
DIV #3 - EXTERIOR WALL BRICK CLADDING	$0	$12,143	$37,161	$49,304	SEE DETAIL ON PAGE 3
DIV #4 - WINDOW & DOOR REPAIRS	$0	$44,800	$15,200	$60,000	SEE DETAIL ON PAGE 4
DIV #5 - INTERIOR REPAIR ALLOWANCE	$0	$0	$8,800	$8,800	SEE DETAIL ON PAGE 4
DIV #6 - ATTIC REPAIR ALLOWANCE	$0	$0	$6,750	$6,750	SEE DETAIL ON PAGE 5
DIV #7- REAR BALCONY REPAIRS	$0	$3,220	$11,316	$14,536	SEE DETAIL ON PAGE 5
DIV #8 - SHINGLE ROOFING SYSTEM REPAIR	$0	$0	$25,015	$25,015	SEE DETAIL ON PAGE 6
DIV #9- MECHANICAL, ELECTRICAL & PLUMBING ALLOWANCE	$0	$0	$9,000	$9,000	SEE DETAIL ON PAGE 6
DIV #10 - SITE WORK	$0	$0	$8,000	$8,000	SEE DETAIL ON PAGE 6
DIVISIONS #1 - 10 ESTIMATE SUBTOTAL	$0	$85,493	$186,322	$271,816	
MONTCLAIR - GARDEN HOME - BUILDING 32 PRELIMINARY ESTIMATE SUBTOTAL				$271,816	
GENERAL CONDITIONS (10%) PRO-RATED FOR INDIVIDUAL BUILDINGS				$27,182	
MONTCLAIR - GARDEN HOME - BUILDING 32 PRELIMINARY ESTIMATE SUBTOTAL				$298,997	
CONTRACTOR'S FEE (10% + 10%)				$62,789	
MONTCLAIR - GARDEN HOME - BUILDING 32 PRELIMINARY ESTIMATE TOTAL				$361,787	

CALIBOGUE CONSTRUCTION CO, INC
PRELIMARY REMEDIATION COST ESTIMATE
BUILDING 32
UNITS 1876-1878
November 30, 2010

NOTES:

1 This estimate is based on Construction Science and Engineering, Inc.'s (CSE) Montclair Report, dated 10/12/10 and CSE Outline Scope of Repairs.

2 This estimate INCLUDES 100% removal and replacement of all existing hardboard siding and exterior trim below soffits with fiber cement siding and nominal 5/4 fiber cement exterior trim.

3 This estimate INCLUDES 100% removal and replacement of existing brick veneer with new brick veneer including hot-dipped galvanized lintels, seismic wall ties and thru-wall flashing at first floor level and heads and sills of penetrations.

4 This estimate INCLUDES removal and replacement of sheathing at outside corners with 1/2" pressure treated plywood to comply with corner bracing requirements.

5 This estimate INCLUDES an ALLOWANCE for removal and replacement of water intrusion/decay and/or insect damaged wall sheathing and wall framing components.

6 This estimate INCLUDES the installation of an integrated gravity water management system with a secondary weather-resistive barrier and integrated weep flashing accessories.

7 This estimate INCLUDES removal and replacement of all existing windows and sliding glass doors including proper rough opening flashing, head flashing and sill pans.

8 This estimte INCLUDES an ALLOWANCE for the repairs to and/or replacement of damaged drywall (GWB) or damages incurred as a result of the remediation procedures.

9 This estimate INCLUDES painting of the interior of exterior walls at repaired areas and all new exterior siding and exterior trim.

10 This estimate INCLUDES an ALLOWANCE for the repairs to the One-Hour tenant separation wall & ceiling in the attic as required, attic truss repairs and dryer vent duct repairs.

11 All Garden Quad second floor balconies are to be removed and replaced with new pressure treated lumber, two layers of 3/4" KDAT plywood decks and Sealoflex liquid applied membrane waterproofing system with traffic coat anti-slip surface. At 50% of the balconies, remove and replace the 6x6 corner posts and anchor bases.

12 This estimate INCLUDES the cost for the removal and the replacement of the sloped shingle roofing systems with new flashing assemblies in July, 2010.

13 This estimate INCLUDES an ALLOWANCE for landscape protection and restoration.

14 This estimate DOES NOT include any expenses associated with moving and/or storage of interior contents offsite.

15 This estimate DOES NOT include any provision for architectural and/or engineering fees.

16 This estimate DOES NOT include loss of use for any portion of the estimated duration of repairs.

17 This estimate is subject to revision after 30 days.

MONTCLAIR AT TOWNE CENTER
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November 30, 2010

COST CODE	DIV #2 - EXTERIOR WALL HARDBOARD CLADDING	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
2001	REMOVE EXISTING HARDBOARD SIDING AND TRIM	0	0	6364	6364	6364 SF (CORR MEAS LAB - $1.00/SF)
2002	SIDING DUMPSTER/DISPOSAL EXPENSE	0	400	0	400	1 LOAD @ $400/LOAD
2003	TEMPORARY PROTECTION AT EXTERIOR WALLS	0	955	1591	2546	6364 SF (CORR MEAS LAB $0.25/SF) PLUS $0.15/SF MATL
2004	REM & REPL WALL SHEATHING WITHIN 4' OF OUTSIDE CORNERS	0	3932	5712	9644	3808 SF (CORR MEAS LAB $1.50/SF) PLUS MATLS
2005	REM & REPL DAMAGED WALL SHEATHING AND FRAMING	0	0	6400	6400	ALLOWANCE: 8 UNITS @ $800/EA
2006	INSTALL 30# FELT WEATHER-RESISTIVE BARRIER	0	764	3818	4582	6364 SF (CORR MEAS LAB $.60/SF) PLUS $.12 MATLS
2007	INSTALL NEW HARDIE CEDARMILL SIDING & 5/4 EXTERIOR TRIM	0	19092	22274	41366	6364 SF (CORR MEAS LAB $3.50/SF) PLUS $3.00 MATLS
2008	ALUMINUM HEAD FLASHING MATERIAL	0	188	0	188	A & R SHEET METAL QUOTE 11/3/10
2009	EXTERIOR PAINTING	0	0	18921	18921	MUDMASTER QUOTE 11/4/10
	DIV #2 - EXTERIOR WALL HARDBOARD CLADDING	**0**	**25330**	**65080**	**90411**	

COST CODE	DIV #3 - EXTERIOR WALL BRICK CLADDING	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
3001	REMOVE ALL BRICK VENEER	0	0	6435	6435	2574 SF (Z&Z MASONRY LAB $2.50/SF)
3002	BRICK DUMPSTER/DISPOSAL EXPENSE	0	300	0	300	NATURE'S CALLING - $150/LOAD (2 LOADS)
3003	TEMPORARY PROTECTION AT EXTERIOR WALLS	0	386	644	1030	2574 SF (CORR MEAS LAB $0.25/SF) PLUS $0.15/SF MATL
3004	REM & REPL WALL SHEATHING WITHIN 4' OF OUTSIDE CORNERS	0	0	0	0	INCL IN CC 2004
3005	REM & REPL DAMAGED WALL SHEATHING AND FRAMING	0	0	0	0	INCL IN CC 2005
3006	INSTALL 30# FELT WEATHER-RESISTIVE BARRIER	0	309	1544	1853	2574 SF (CORR MEAS LAB $.60/SF) PLUS $.12 MATLS
3007	INSTALL NEW BRICK VENEER, ANCHORS & LINTELS	0	11148	27824	38972	LABOR Z&Z MASONRY PLUS MATLS
3008	ENGINEERED SEALANT JOINTS	0	0	714	714	420 LF @ $1.70/LF (SALEM QUOTE)
	DIV #3 - EXTERIOR WALL BRICK CLADDING	**0**	**12143**	**37161**	**49304**	

MONTCLAIR AT TOWNE CENTER
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CALIBOGUE CONSTRUCTION CO, INC
PRELIMARY REMEDIATION COST ESTIMATE
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November 30, 2010

COST CODE	DIV #4 - WINDOW & DOOR REPAIRS	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
4001	REMOVE & REPLACE EXISTING WINDOWS (LABOR)	0	0	12000	12000	CORRECTIVE MEASURES (40 WINDOWS @ $300/EA)
4002	NEW WINDOW REPLACEMENT MATERIAL	0	21918	0	21918	BUCK LUMBER 9/24/10 QUOTE
4003	REMOVE & REPLACE SLIDING GLASS DOORS (LABOR)	0	0	3200	3200	CORRECTIVE MEASURES (8 SGD @ $400/EA)
4004	NEW SLIDING GLASS DOOR MATERIAL	0	18482	0	18482	BUCK LUMBER 9/24/10 QUOTE
4005	WINDOW E-Z PAN SILL FLASHING	0	4000	0	4000	40 WINDOWS @ $100/WINDOW
4006	ALUMINUM DOOR SILL PANS & ROUGH OPENING FLASHING	0	400	0	400	8 SGD @ $50/DOOR
	DIV #4 - WINDOW & DOOR REPAIRS	**0**	**44800**	**15200**	**60000**	

COST CODE	DIV #5 - INTERIOR REPAIR ALLOWANCE	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
5001	REMOVE AND REPLACE DAMAGED GWB	0	0	4000	4000	ALLOWANCE: 8 UNITS @ $500/UNIT
5002	REPAIR GWB AT REPLACED WINDOWS AND DOORS	0	0	800	800	ALLOWANCE: 8 UNITS @ $100/UNIT
5003	PAINT WALLS AT REPLACED WINDOWS AND DOORS	0	0	4000	4000	ALLOWANCE (8-2 BR @ $500/EA)
	DIV #5 - INTERIOR REPAIR ALLOWANCE	**0**	**0**	**8800**	**8800**	

MONTCLAIR AT TOWNE CENTER
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PRELIMARY REMEDIATION COST ESTIMATE
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November 30, 2010

COST CODE	DIV #6 - ATTIC REPAIR ALLOWANCE	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
6001	1-HR TENANT SEPARATION REPAIR ALLOWANCE	0	0	6750	6750	JOE GATHERS QUOTE 11/12/10 (ALLOWANCE)
6002	ATTIC TRUSS LATERAL BRACING REPAIR	0	0	0	0	INCL IN CC 6001
6003	ATTIC TRUSS HURRICANE CLIP REPAIRS	0	0	0	0	INCL IN CC 6001
6004	ATTIC TRUSS REPAIRS	0	0	0	0	INCL IN CC 6001
6005	SECOND FLOOR DRYER DUCT WORK REPAIRS	0	0	0	0	INCL IN CC 6001
	DIV #6 - ATTIC REPAIR ALLOWANCE	0	0	6750	6750	

COST CODE	DIV #7- REAR BALCONY REPAIRS	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
7001	REMOVE & REPLACE DAMAGED WOOD COLUMNS AS REQUIRED	0	200	1200	1400	CORRECTIVE MEASURES (1 PER QUAD)
7002	REMOVE CONCRETE BALCONY SURFACES	0	0	720	720	CORRECTIVE MEASURES
7003	REMOVE & REPLACE BALCONY FRAMING	0	2220	4680	6900	CORRECTIVE MEASURES (BUCK QUOTE 10/29/10 MATLS)
7004	INSTALL (2) LAYERS KDAT PLYWOOD AND EDGE FLASHING	0	0	0	0	INCL IN CC 7003
7005	INSTALL SEALOFLEX LIQUID MEMBRANE WATERPROOFING	0	0	4116	4116	CAHILL CONSTRUCTION QUOTE
7006	REMOVE, STORE & REINSTALL METAL GUARDRAILS	0	0	600	600	CORRECTIVE MEASURES 4 BALCONIES @ $150/EA
7007	BALCONY DUMPSTER/DISPOSAL EXPENSE	0	800	0	800	2 LOADS @ $400/LOAD (1 LOAD PER QUAD)
	DIV #7- REAR BALCONY REPAIRS	0	3220	11316	14536	

MONTCLAIR AT TOWNE CENTER
GH-BUILDING 32
MT. PLEASANT, SC

CALIBOGUE CONSTRUCTION CO, INC
PRELIMARY REMEDIATION COST ESTIMATE
BUILDING 32
UNITS 1876-1878
November 30, 2010

COST CODE	DIV #8 - SHINGLE ROOFING SYSTEM REPAIR	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
8001	REM & REPL SHINGLES, UNDERLAYMENT & METAL DRIP EDGE	0	0	23575	23575	ROOF COMPLETED JULY 2010
8002	REMOVE & REPLACE GUTTER DOWNSPOUTS	0	0	1440	1440	180 LF/QUAD = 360 LF @ $4./LF GUTTER MASTERS COMP.
8003	ROOFING DUMPSTER/DISPOSAL EXPENSE	0	0	0	0	INCL IN CC 8001
	DIV #8 - SHINGLE ROOFING SYSTEM REPAIR	**0**	**0**	**25015**	**25015**	

COST CODE	DIV #9- MECHANICAL, ELECTRICAL & PLUMBING ALLOWANCE	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
9001	REMOVE & REINSTALL ELECTRIC FIXTURES & METER BASE	0	0	4000	4000	ALLOWANCE: 8 UNITS @ $500/EA
9002	REMOVE & REINSTALL HVAC CONDENSORS	0	0	3200	3200	8 AT $400/EACH
9003	REMOVE & REPLACE HOSE BIBS	0	0	200	200	4 AT $50 EA UNIT
9004	REMOVE & REINSTALL PHONE, SATELLITE, CABLE, ETC.	0	0	1600	1600	8 AT $200/UNIT
	DIV #9- MECHANICAL, ELECTRICAL & PLUMBING ALLOWANCE	**0**	**0**	**9000**	**9000**	

COST CODE	DIV #10 - SITE WORK	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
10001	LANDSCAPE PROTECTION AND RESTORATION	0	0	8000	8000	ALLOWANCE (4-1ST FLOOR UNITS @ $2000/UNIT)
	DIV #10 - SITE WORK	**0**	**0**	**8000**	**8000**	

MONTCLAIR AT TOWNE CENTER
GH - BUILDING 33
MT. PLEASANT, SC

CALIBOGUE CONSTRUCTION CO, INC
PREL. REMEDIATION COST ESTIMATE
BUILDING 33
UNITS 1870 - 1874
NOVEMBER 30, 2010

COST CODE	DIV #2 - EXTERIOR WALL HARDBOARD CLADDING	UNIT	GH #1870 QTY	GH #1872 QTY	GH #1874 QTY	BLDG #33 QTY TOTAL
2001	REMOVE EXISTING HARDBOARD SIDING AND TRIM	SF	3283	3158	3558	9999
2002	SIDING DUMPSTER/DISPOSAL EXPENSE	LOAD	0.6	0.7	0.7	2.0
2003	TEMPORARY PROTECTION AT EXTERIOR WALLS	SF	3283	3158	3558	9999
2004	REM & REPL WALL SHEATHING WITHIN 4' OF OUTSIDE CORNERS	SF	1904	1904	1904	5712
2005	REM & REPL DAMAGED WALL SHEATHING AND FRAMING	ALLOW	3200	3200	3200	$9,600
2006	INSTALL 30# FELT WEATHER-RESISTIVE BARRIER	SF	3283	3158	3558	9999
2007	INSTALL NEW HARDIE CEDARMILL SIDING & 5/4 EXTERIOR TRIM	SF	3283	3158	3558	9999
2008	ALUMINUM HEAD FLASHING MATERIAL	LF	100	100	100	300
2009	EXTERIOR PAINTING*	$	9834	9834	9834	$29,502
	*PRORATED - UNIT COST					

DIV #2 - EXTERIOR WALL HARDBOARD CLADDING

COST CODE	DIV #3 - EXTERIOR WALL BRICK CLADDING	UNIT	GH #1870 QTY	GH #1872 QTY	GH #1874 QTY	BLDG #33 QTY TOTAL
3001	REMOVE ALL BRICK VENEER	SF	1287	1287	1287	3861
3002	BRICK DUMPSTER/DISPOSAL EXPENSE	LOAD	1	1	1	3
3003	TEMPORARY PROTECTION AT EXTERIOR WALLS	SF	1287	1287	1287	3861
3003	REM & REPL WALL SHEATHING WITHIN 4' OF OUTSIDE CORNERS	SF	INCL IN CC 2004			
3004	REM & REPL DAMAGED WALL SHEATHING AND FRAMING	ALLOW	INCL IN CC 2005			
3005	INSTALL 30# FELT WEATHER-RESISTIVE BARRIER	SF	1287	1287	1287	3861
3006	INSTALL NEW BRICK VENEER, ANCHORS & LINTELS	SF	1287	1287	1287	3861
3007	ENGINEERED SEALANT JOINTS	LF	210	210	210	630

DIV #3 - EXTERIOR WALL BRICK CLADDING

MONTCLAIR AT TOWNE CENTER
GH - BUILDING 33
MT. PLEASANT, SC

CALIBOGUE CONSTRUCTION CO, INC
PREL. REMEDIATION COST ESTIMATE
BUILDING 33
UNITS 1870 - 1874
NOVEMBER 30, 2010

COST CODE	DIV #4 - WINDOW & DOOR REPAIRS	UNIT	GH #1870 QTY	GH #1872 QTY	GH #1874 QTY	BLDG #33 QTY TOTAL
4001	REMOVE & REPLACE EXISTING WINDOWS (LABOR)	#	20	24	24	68
4002	NEW WINDOW REPLACEMENT MATERIAL	$	10959	15398	15398	$41,755
4003	REMOVE & REPLACE SLIDING GLASS DOORS (LABOR)	#	4	4	4	12
4004	NEW SLIDING GLASS DOOR MATERIAL	$	9241	9241	9241	$27,723
4005	WINDOW E-Z PAN SILL FLASHING	#	20	24	24	68
4006	ALUMINUM DOOR SILL PANS & ROUGH OPENING FLASHING	#	4	4	4	12
	DIV #4 - WINDOW & DOOR REPAIRS					

COST CODE	DIV #5 - INTERIOR REPAIR ALLOWANCE	UNIT	GH #1870 QTY	GH #1872 QTY	GH #1874 QTY	BLDG #33 QTY TOTAL
5001	REMOVE AND REPLACE DAMAGED GWB	ALLOW	2000	2000	2000	$6,000
5002	REPAIR GWB AT REPLACED WINDOWS AND DOORS	ALLOW	400	400	400	$1,200
5003	PAINT WALLS AT REPLACED WINDOWS AND DOORS	ALLOW	2000	2400	2400	$6,800
	DIV #5 - INTERIOR REPAIR ALLOWANCE					

MONTCLAIR AT TOWNE CENTER
GH - BUILDING 33
MT. PLEASANT, SC

CALIBOGUE CONSTRUCTION CO, INC
PREL. REMEDIATION COST ESTIMATE
BUILDING 33
UNITS 1870 - 1874
NOVEMBER 30, 2010

COST CODE	DIV #6 - ATTIC REPAIR ALLOWANCE	UNIT	GH #1870 QTY	GH #1872 QTY	GH #1874 QTY	BLDG #33 QTY TOTAL
6001	1-HR TENANT SEPARATION REPAIR ALLOWANCE	$	3610	3610	3610	$10,829
6002	ATTIC TRUSS LATERAL BRACING REPAIRS	ALLOW	INCL IN CC 6001			
6003	ATTIC TRUSS HURRICANE CLIP REPAIRS	ALLOW	INCL IN CC 6001			
6004	ATTIC TRUSS REPAIRS	ALLOW	INCL IN CC 6001			
6005	SECOND FLOOR DRYER DUCTWORK REPAIRS	ALLOW	INCL IN CC 6001			

DIV #6 - ATTIC REPAIR ALLOWANCE

COST CODE	DIV #7- REAR BALCONY REPAIRS	UNIT	GH #1870 QTY	GH #1872 QTY	GH #1874 QTY	BLDG #33 QTY TOTAL
7001	REMOVE & REPLACE DAMAGED WOOD COLUMNS AS REQUIRED	$	700	700	700	$2,100
7002	REMOVE CONCRETE BALCONY SURFACES	$	360	360	360	$1,080
7003	REMOVE & REPLACE BALCONY FRAMING	$	3450	3450	3450	$10,350
7004	INSTALL (2) LAYERS KDAT PLYWOOD AND EDGE FLASHING	$	INCL IN CC 7003			
7005	INSTALL SEALOFLEX LIQUID MEMBRANE WATERPROOFING	$	2058	2058	2058	$6,174
7006	REMOVE, STORE & REINSTALL METAL GUARDRAILS	$	300	300	300	$900
7007	BALCONY DUMPSTER/DISPOSAL EXPENSE	LOAD	1	1	1	3

DIV #7- REAR BALCONY REPAIRS

MONTCLAIR AT TOWNE CENTER
GH - BUILDING 33
MT. PLEASANT, SC

CALIBOGUE CONSTRUCTION CO, INC
PREL. REMEDIATION COST ESTIMATE
BUILDING 33
UNITS 1870 - 1874
NOVEMBER 30, 2010

COST CODE DIV #8 - ROOFING SYSTEM REPAIR	UNIT	GH #1870 QTY	GH #1872 QTY	GH #1874 QTY	BLDG #33 QTY TOTAL
8001 REM & REPL SHINGLES, UNDERLAYMENT & METAL DRIP EDGE	$	10050	10050	10050	$30,150
8002 REMOVE & REPLACE GUTTER DOWNSPOUTS	LF	180	180	180	540
8003 ROOFING DUMPSTER/DISPOSAL EXPENSE (N/A)	LOAD	INCL IN CC 8001			
DIV #8 - ROOFING SYSTEM REPAIR					

COST CODE DIV #9- MECHANICAL, ELECTRICAL & PLUMBING ALLOWANCE	UNIT	GH #1870 QTY	GH #1872 QTY	GH #1874 QTY	BLDG #33 QTY TOTAL
9001 REMOVE & REINSTALL ELECTRIC FIXTURES & METER BASE	ALLOW	2000	2000	2000	$6,000
9002 REMOVE & REINSTALL HVAC CONDENSORS	$	1600	1600	1600	$4,800
9003 REMOVE & REPLACE HOSE BIBS	$	100	100	100	$300
9004 REMOVE & REINSTALL PHONE,SATELLITE, CABLE, ETC.	ALLOW	800	800	800	$2,400
DIV #9- MECHANICAL, ELECTRICAL & PLUMBING ALLOWANCE					

COST CODE DIV #10 - SITE WORK	UNIT	GH #1870 QTY	GH #1872 QTY	GH #1874 QTY	BLDG #33 QTY TOTAL
10001 LANDSCAPE PROTECTION AND RESTORATION	ALLOW	4000	4000	4000	12000
DIV #10 - SITE WORK					

CALIBOGUE CONSTRUCTION CO, INC
PREL. REMEDIATION COST ESTIMATE
BUILDING 33
UNITS 1870 - 1874
NOVEMBER 30, 2010

MONTCLAIR AT TOWNE CENTER
GARDEN HOME - BUILDING 33 (UNITS 1870 - 1874)
PRELIMINARY REMEDIATION & RESTORATION COST ESTIMATE

DIVISION # - DESCRIPTION OF WORK	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES: 3 GARDEN HOMES-12 UNITS (4-2BR & 8-3BR)
DIV #1 - GENERAL CONDITIONS (SEE BELOW)	$0	$0	$0	$0	SEE BELOW
DIV #2 - EXTERIOR WALL HARDBOARD CLADDING	$0	$39,855	$101,165	$141,019	SEE DETAIL ON PAGE 3
DIV #3 - EXTERIOR WALL BRICK CLADDING	$0	$18,214	$55,741	$73,956	SEE DETAIL ON PAGE 3
DIV #4 - WINDOW & DOOR REPAIRS	$0	$69,478	$27,000	$96,478	SEE DETAIL ON PAGE 4
DIV #5 - INTERIOR REPAIR ALLOWANCE	$0	$0	$14,000	$14,000	SEE DETAIL ON PAGE 4
DIV #6 - ATTIC REPAIR ALLOWANCE	$0	$0	$10,829	$10,829	SEE DETAIL ON PAGE 5
DIV #7- REAR BALCONY REPAIRS (N/A)	$0	$4,530	$17,274	$21,804	SEE DETAIL ON PAGE 5
DIV #8 - SHINGLE ROOFING SYSTEM REPAIR	$0	$0	$32,310	$32,310	SEE DETAIL ON PAGE 6
DIV #9- MECHANICAL, ELECTRICAL & PLUMBING ALLOWANCE	$0	$0	$13,500	$13,500	SEE DETAIL ON PAGE 6
DIV #10 - SITE WORK	$0	$0	$12,000	$12,000	SEE DETAIL ON PAGE 6
DIVISIONS #1 - 10 ESTIMATE SUBTOTAL	$0	$132,077	$283,819	$415,896	
MONTCLAIR - GARDEN HOME - BUILDING 33 PRELIMINARY ESTIMATE SUBTOTAL				$415,896	
GENERAL CONDITIONS (10%) PRO-RATED FOR INDIVIDUAL BUILDINGS				$41,590	
MONTCLAIR - GARDEN HOME - BUILDING 33 PRELIMINARY ESTIMATE SUBTOTAL				$457,486	
CONTRACTOR'S FEE (10% + 10%)				$96,072	
MONTCLAIR - GARDEN HOME - BUILDING 33 PRELIMINARY ESTIMATE TOTAL				$553,558	

CALIBOGUE CONSTRUCTION CO, INC
PREL. REMEDIATION COST ESTIMATE
BUILDING 33
UNITS 1870 - 1874
NOVEMBER 30, 2010

NOTES:

1 This estimate is based on Construction Science and Engineering, Inc.'s (CSE) Montclair Report, dated 10/12/10 and CSE Outline Scope of Repairs.

2 This estimate INCLUDES 100% removal and replacement of all existing hardboard siding and exterior trim below soffits with fiber cement siding and nominal 5/4 fiber cement exterior trim.

3 This estimate INCLUDES 100% removal and replacement of existing brick veneer with new brick veneer including hot-dipped galvanized lintels, seismic wall ties and thru-wall flashing at first floor level and heads and sills of penetrations.

4 This estimate INCLUDES removal and replacement of sheathing at outside corners with 1/2" pressure treated plywood to comply with corner bracing requirements.

5 This estimate INCLUDES an ALLOWANCE for removal and replacement of water intrusion/decay and/or insect damaged wall sheathing and wall framing components.

6 This estimate INCLUDES the installation of an integrated gravity water management system with a secondary weather-resistive barrier and integrated weep flashing accessories.

7 This estimate INCLUDES removal and replacement of all existing windows and sliding glass doors including proper rough opening flashing, head flashing and sill pans.

8 This estimte INCLUDES an ALLOWANCE for the repairs to and/or replacement of damaged drywall (GWB) or damages incurred as a result of the remediation procedures.

9 This estimate INCLUDES painting of the interior of exterior walls at repaired areas and all new exterior siding and exterior trim.

10 This estimate INCLUDES an ALLOWANCE for the repairs to the One-Hour tenant separation wall & ceiling in the attic as required, attic truss repairs and dryer vent duct repairs.

11 All Garden Quad second floor balconies are to be removed and replaced with new pressure treated lumber, two layers of 3/4" KDAT plywood decks and Sealoflex liquid applied membrane waterproofing system with traffic coat anti-slip surface. At 50% of the balconies, remove and replace the 6x6 corner posts and anchor bases.

12 This estimate INCLUDES the cost for the removal and the replacement of the sloped shingle roofing systems with new flashing assemblies in January, 2010.

13 This estimate INCLUDES an ALLOWANCE for landscape protection and restoration.

14 This estimate DOES NOT include any expenses associated with moving and/or storage of interior contents offsite.

15 This estimate DOES NOT include loss of use for any portion of the estimated duration of repairs.

16 This estimate is subject to revision after 30 days.

MONTCLAIR AT TOWNE CENTER
GH - BUILDING 33
MT. PLEASANT, SC

CALIBOGUE CONSTRUCTION CO, INC
PREL. REMEDIATION COST ESTIMATE
BUILDING 33
UNITS 1870 - 1874
NOVEMBER 30, 2010

COST CODE	DIV #2 - EXTERIOR WALL HARDBOARD CLADDING	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
2001	REMOVE EXISTING HARDBOARD SIDING AND TRIM	0	0	9999	9999	9999 SF (CORR MEAS LAB - $1.00/SF)
2002	SIDING DUMPSTER/DISPOSAL EXPENSE	0	800	0	800	2 LOADS @ $400/LOAD
2003	TEMPORARY PROTECTION AT EXTERIOR WALLS	0	1500	2500	4000	9999 SF (CORR MEAS LAB $0.25/SF) PLUS $0.15/SF MATL
2004	REM & REPL WALL SHEATHING WITHIN 4' OF OUTSIDE CORNERS	0	5887	8568	14455	5712 SF (CORR MEAS LAB $1.50/SF) PLUS MATLS
2005	REM & REPL DAMAGED WALL SHEATHING AND FRAMING	0	0	9600	9600	ALLOWANCE: 12 UNITS @ $800/EACH
2006	INSTALL 30# FELT WEATHER-RESISTIVE BARRIER	0	1200	5999	7199	9999 SF (CORR MEAS LAB $.60/SF) PLUS $.12 MATLS
2007	INSTALL NEW HARDIE CEDARMILL SIDING & 5/4 EXTERIOR TRIM	0	29997	34997	64994	9999 SF (CORR MEAS LAB $3.50/SF) PLUS $3.00 MATLS
2008	ALUMINUM HEAD FLASHING MATERIAL	0	471	0	471	300 LF (A & R SHEET METAL QUOTE 11/3/10)
2009	EXTERIOR PAINTING	0	0	29502	29502	MUDMASTER QUOTE 11/4/10
	DIV #2 - EXTERIOR WALL HARDBOARD CLADDING	0	39855	101165	141019	

COST CODE	DIV #3 - EXTERIOR WALL BRICK CLADDING	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
3001	REMOVE ALL BRICK VENEER	0	0	9653	9653	3861 SF (Z&Z MASONRY LAB $2.50/SF)
3002	BRICK DUMPSTER/DISPOSAL EXPENSE	0	450	0	450	NATURE'S CALLING - $150/LOAD (3 LOADS)
3003	TEMPORARY PROTECTION AT EXTERIOR WALLS	0	579	965	1544	3861 SF (CORR MEAS LAB $0.25/SF) PLUS $0.15/SF MATL
3003	REM & REPL WALL SHEATHING WITHIN 4' OF OUTSIDE CORNERS	0	0	0	0	INCL IN CC 2004
3004	REM & REPL DAMAGED WALL SHEATHING AND FRAMING	0	0	0	0	INCL IN CC 2005
3005	INSTALL 30# FELT WEATHER-RESISTIVE BARRIER	0	463	2317	2780	3861 SF (CORR MEAS LAB $.60/SF) PLUS $.12 MATLS
3006	INSTALL NEW BRICK VENEER, ANCHORS & LINTELS	0	16722	41736	58458	LABOR Z&Z MASONRY PLUS MATLS
3007	ENGINEERED SEALANT JOINTS	0	0	1071	1071	630 LF @ $1.70/LF (SALEM QUOTE)
	DIV #3 - EXTERIOR WALL BRICK CLADDING	0	18214	55741	73956	

MONTCLAIR AT TOWNE CENTER
GH - BUILDING 33
MT. PLEASANT, SC

CALIBOGUE CONSTRUCTION CO, INC
PREL. REMEDIATION COST ESTIMATE
BUILDING 33
UNITS 1870 - 1874
NOVEMBER 30, 2010

COST CODE	DIV #4 - WINDOW & DOOR REPAIRS	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
4001	REMOVE & REPLACE EXISTING WINDOWS (LABOR)	0	0	20400	20400	CORRECTIVE MEASURES (68 TOTAL WINDOWS)
4002	NEW WINDOW REPLACEMENT MATERIAL	0	41755	0	41755	BUCK LUMBER 9/24/10 QUOTE
4003	REMOVE & REPLACE SLIDING GLASS DOORS (LABOR)	0	0	4800	4800	CORRECTIVE MEASURES (12 SGD @ $400/EA)
4004	NEW SLIDING GLASS DOOR MATERIAL	0	27723	0	27723	BUCK LUMBER 9/24/10 QUOTE
4005	WINDOW E-Z PAN SILL FLASHING	0	0	1200	1200	68 WINDOWS @ $100/WINDOW
4006	ALUMINUM DOOR SILL PANS	0	0	600	600	12 DOORS @ $50/DOOR
	DIV #4 - WINDOW & DOOR REPAIRS	0	69478	27000	96478	

COST CODE	DIV #5 - INTERIOR REPAIR ALLOWANCE	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
5001	REMOVE AND REPLACE DAMAGED GWB	0	0	6000	6000	ALLOWANCE: 12 UNITS @ $500/UNIT
5002	REPAIR GWB AT REPLACED WINDOWS AND DOORS	0	0	1200	1200	ALLOWANCE: 12 UNITS @ $100/UNIT
5003	PAINT WALLS AT REPLACED WINDOWS AND DOORS	0	0	6800	6800	ALLOWANCE: 4-2BR @ $500/EA & 8-3BR @ $600/EA
	DIV #5 - INTERIOR REPAIR ALLOWANCE	0	0	14000	14000	

MONTCLAIR AT TOWNE CENTER
GH - BUILDING 33
MT. PLEASANT, SC

CALIBOGUE CONSTRUCTION CO, INC
PREL. REMEDIATION COST ESTIMATE
BUILDING 33
UNITS 1870 - 1874
NOVEMBER 30, 2010

COST CODE	DIV #6 - ATTIC REPAIR ALLOWANCE	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
6001	1-HR TENANT SEPARATION REPAIR ALLOWANCE	0	0	10829	10829	JOE GATHERS QUOTE 11/12/10 (ALLOWANCE)
6002	ATTIC TRUSS LATERAL BRACING REPAIRS	0	0	0	0	INCL IN CC 6001
6003	ATTIC TRUSS HURRICANE CLIP REPAIRS	0	0	0	0	INCL IN CC 6001
6004	ATTIC TRUSS REPAIRS	0	0	0	0	INCL IN CC 6001
6005	SECOND FLOOR DRYER DUCTWORK REPAIRS	0	0	0	0	INCL IN CC 6001
	DIV #6 - ATTIC REPAIR ALLOWANCE	0	0	10829	10829	

COST CODE	DIV #7- REAR BALCONY REPAIRS (N/A)	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
7001	REMOVE & REPLACE DAMAGED WOOD COLUMNS AS REQUIRED	0	0	2100	2100	1 COLUMN PER QUAD - CORRECTIVE MEASURES
7002	REMOVE CONCRETE BALCONY SURFACES	0	0	1080	1080	CORRECTIVE MEASURES
7003	REMOVE & REPLACE BALCONY FRAMING	0	3330	7020	10350	CORRECTIVE MEASURES (BUCK QUOTE 10/29/10 MATLS)
7004	INSTALL (2) LAYERS KDAT PLYWOOD AND EDGE FLASHING	0	0	0	0	INCL IN CC 7003
7005	INSTALL SEALOFLEX LIQUID MEMBRANE WATERPROOFING	0	0	6174	6174	CAHILL CONSTRUCTION QUOTE
7006	REMOVE, STORE & REINSTALL METAL GUARDRAILS	0	0	900	900	CORRECTIVE MEASURES 6 BALCONIES @ $150/EA
7007	BALCONY DUMPSTER/DISPOSAL EXPENSE	0	1200	0	1200	3 LOADS @ $400/LOAD (1 LOAD PER QUAD)
	DIV #7- REAR BALCONY REPAIRS (N/A)	0	4530	17274	21804	

MONTCLAIR AT TOWNE CENTER
GH - BUILDING 33
MT. PLEASANT, SC

CALIBOGUE CONSTRUCTION CO, INC
PREL. REMEDIATION COST ESTIMATE
BUILDING 33
UNITS 1870 - 1874
NOVEMBER 30, 2010

COST CODE DIV #8 - SHINGLE ROOFING SYSTEM REPAIR	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
8001 REM & REPL SHINGLES, UNDERLAYMENT & METAL DRIP EDGE	0	0	30150	30150	ROOF COMPLETED JANUARY 2010
8002 REMOVE & REPLACE GUTTER DOWNSPOUTS	0	0	2160	2160	180 LF/GH = 540LF @ $4 /LF GUTTER MASTERS COMP
8003 ROOFING DUMPSTER/DISPOSAL EXPENSE	0	0	0	0	INCL IN CC 8001
DIV #8 - SHINGLE ROOFING SYSTEM REPAIR	**0**	**0**	**32310**	**32310**	

COST CODE DIV #9- MECHANICAL, ELECTRICAL & PLUMBING ALLOWANCE	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
9001 REMOVE & REINSTALL ELECTRIC FIXTURES & METER BASE	0	0	6000	6000	ALLOWANCE: 12 UNITS @ $500/EA
9002 REMOVE & REINSTALL HVAC CONDENSORS	0	0	4800	4800	12 UNITS AT $400/EACH
9003 REMOVE & REPLACE HOSE BIBS	0	0	300	300	6 AT $50/EACH
9004 REMOVE & REINSTALL PHONE,SATELLITE, CABLE, ETC.	0	0	2400	2400	ALLOWANCE: 12 UNITS AT $200/UNIT
DIV #9- MECHANICAL, ELECTRICAL & PLUMBING ALLOWANCE	**0**	**0**	**13500**	**13500**	

COST CODE DIV #10 - SITE WORK	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
10001 LANDSCAPE PROTECTION AND RESTORATION	0	0	12000	12000	ALLOWANCE: 6- 1ST FLOOR UNITS @ $2000/UNIT
DIV #10 - SITE WORK	**0**	**0**	**12000**	**12000**	

MONTCLAIR AT TOWNE CENTER
GARDEN HOME - BUILDING 35 (UNITS 1876 - 1878)
PRELIMINARY REMEDIATION & RESTORATION COST ESTIMATE

DIVISION # - DESCRIPTION OF WORK	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES: 2 GARDEN QUADS - 8 UNITS (ALL 2 BR)
DIV #1 - GENERAL CONDITIONS (SEE BELOW)	$0	$0	$0	$0	SEE BELOW
DIV #2 - EXTERIOR WALL HARDBOARD CLADDING	$0	$28,607	$70,441	$99,048	SEE DETAIL ON PAGE 3
DIV #3 - EXTERIOR WALL BRICK CLADDING	$0	$12,143	$37,161	$49,304	SEE DETAIL ON PAGE 3
DIV #4 - WINDOW & DOOR REPAIRS	$0	$44,800	$15,200	$60,000	SEE DETAIL ON PAGE 4
DIV #5 - INTERIOR REPAIR ALLOWANCE	$0	$0	$8,800	$8,800	SEE DETAIL ON PAGE 4
DIV #6 - ATTIC REPAIR ALLOWANCE	$0	$0	$6,750	$6,750	SEE DETAIL ON PAGE 5
DIV #7- REAR BALCONY REPAIRS	$0	$3,220	$11,316	$14,536	SEE DETAIL ON PAGE 5
DIV #8 - SHINGLE ROOFING SYSTEM REPAIR	$0	$800	$16,760	$17,560	SEE DETAIL ON PAGE 6
DIV #9- MECHANICAL, ELECTRICAL & PLUMBING ALLOWANCE	$0	$0	$9,000	$9,000	SEE DETAIL ON PAGE 6
DIV #10 - SITE WORK	$0	$0	$8,000	$8,000	SEE DETAIL ON PAGE 6
DIVISIONS #1 - 10 ESTIMATE SUBTOTAL	$0	$89,570	$183,428	$272,998	
MONTCLAIR - GARDEN HOME - BUILDING 35 PRELIMINARY ESTIMATE SUBTOTAL				$272,998	
GENERAL CONDITIONS (10%) PRO-RATED FOR INDIVIDUAL BUILDINGS				$27,300	
MONTCLAIR - GARDEN HOME - BUILDING 35 PRELIMINARY ESTIMATE SUBTOTAL				$300,298	
CONTRACTOR'S FEE (10% + 10%)				$63,062	
MONTCLAIR - GARDEN HOME - BUILDING 35 PRELIMINARY ESTIMATE TOTAL				$363,360	

CALIBOGUE CONSTRUCTION CO, INC
PREL. REMEDIATION COST ESTIMATE
BUILDING 35
UNITS 1876-1878
November 30, 2010

NOTES:

1 This estimate is based on Construction Science and Engineering, Inc.'s (CSE) Montclair Report, dated 10/12/10 and CSE Outline Scope of Repairs.

2 This estimate INCLUDES 100% removal and replacement of all existing hardboard siding and exterior trim below soffits with fiber cement siding and nominal 5/4 fiber cement exterior trim.

3 This estimate INCLUDES 100% removal and replacement of existing brick veneer with new brick veneer including hot-dipped galvanized lintels, seismic wall ties and thru-wall flashing at first floor level and heads and sills of penetrations.

4 This estimate INCLUDES removal and replacement of sheathing at outside corners with 1/2" pressure treated plywood to comply with corner bracing requirements.

5 This estimate INCLUDES an ALLOWANCE for removal and replacement of water intrusion/decay and/or insect damaged wall sheathing and wall framing components.

6 This estimate INCLUDES the installation of an integrated gravity water management system with a secondary weather-resistive barrier and integrated weep flashing accessories.

7 This estimate INCLUDES removal and replacement of all existing windows and sliding glass doors including proper rough opening flashing, head flashing and sill pans.

8 This estimte INCLUDES an ALLOWANCE for the repairs to and/or replacement of damaged drywall (GWB) or damages incurred as a result of the remediation procedures.

9 This estimate INCLUDES painting of the interior of exterior walls at repaired areas and all new exterior siding and exterior trim.

10 This estimate INCLUDES an ALLOWANCE for the repairs to the One-Hour tenant separation wall & ceiling in the attic as required, attic truss repairs and dryer vent duct repairs.

11 All Garden Quad second floor balconies are to be removed and replaced with new pressure treated lumber, two layers of 3/4" KDAT plywood decks and Sealoflex liquid applied membrane waterproofing system with traffic coat anti-slip surface. At 50% of the balconies, remove and replace the 6x6 corner posts and anchor bases.

12 This estimate INCLUDES the removal and the replacement of the sloped shingle roofing systems with new flashing assemblies.

13 This estimate INCLUDES an ALLOWANCE for landscape protection and restoration.

14 This estimate DOES NOT include any expenses associated with moving and/or storage of interior contents offsite.

15 This estimate DOES NOT include any provision for architectural and/or engineering fees.

16 This estimate DOES NOT include loss of use for any portion of the estimated duration of repairs.

17 This estimate is subject to revision after 30 days.

MONTCLAIR AT TOWNE CENTER
GH-BUILDING 35
MT. PLEASANT, SC

CALIBOGUE CONSTRUCTION CO, INC
PREL. REMEDIATION COST ESTIMATE
BUILDING 35
UNITS 1876-1878
November 30, 2010

COST CODE	DIV #2 - EXTERIOR WALL HARDBOARD CLADDING	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
2001	REMOVE EXISTING HARDBOARD SIDING AND TRIM	0	0	7366	7366	7366 SF (CORR MEAS LAB - $1.00/SF)
2002	SIDING DUMPSTER/DISPOSAL EXPENSE	0	400	0	400	1 LOAD @ $400/LOAD
2003	TEMPORARY PROTECTION AT EXTERIOR WALLS	0	1105	1842	2946	7366 SF (CORR MEAS LAB $0.25/SF) PLUS $0.15/SF MATL
2004	REM & REPL WALL SHEATHING WITHIN 4' OF OUTSIDE CORNERS	0	3932	5712	9644	3808 SF (CORR MEAS LAB $1.50/SF) PLUS MATLS
2005	REM & REPL DAMAGED WALL SHEATHING AND FRAMING	0	0	6400	6400	ALLOWANCE: 8 UNITS @ $800/EA
2006	INSTALL 30# FELT WEATHER-RESISTIVE BARRIER	0	884	4420	5304	7366 SF (CORR MEAS LAB $.60/SF) PLUS $.12 MATLS
2007	INSTALL NEW HARDIE CEDARMILL SIDING & 5/4 EXTERIOR TRIM	0	22098	25781	47879	7366 SF (CORR MEAS LAB $3.50/SF) PLUS $3.00 MATLS
2008	ALUMINUM HEAD FLASHING MATERIAL	0	188	0	188	A & R SHEET METAL QUOTE 11/3/10
2009	EXTERIOR PAINTING	0	0	18921	18921	MUDMASTER QUOTE 11/4/10
	DIV #2 - EXTERIOR WALL HARDBOARD CLADDING	**0**	**28607**	**70441**	**99048**	

COST CODE	DIV #3 - EXTERIOR WALL BRICK CLADDING	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
3001	REMOVE ALL BRICK VENEER	0	0	6435	6435	2574 SF (Z&Z MASONRY LAB $2.50/SF)
3002	BRICK DUMPSTER/DISPOSAL EXPENSE	0	300	0	300	NATURE'S CALLING - $150/LOAD (2 LOADS)
3003	TEMPORARY PROTECTION AT EXTERIOR WALLS	0	386	644	1030	2574 SF (CORR MEAS LAB $0.25/SF) PLUS $0.15/SF MATL
3004	REM & REPL WALL SHEATHING WITHIN 4' OF OUTSIDE CORNERS	0	0	0	0	INCL IN CC 2004
3005	REM & REPL DAMAGED WALL SHEATHING AND FRAMING	0	0	0	0	INCL IN CC 2005
3006	INSTALL 30# FELT WEATHER-RESISTIVE BARRIER	0	309	1544	1853	2574 SF (CORR MEAS LAB $.60/SF) PLUS $.12 MATLS
3007	INSTALL NEW BRICK VENEER, ANCHORS & LINTELS	0	11148	27824	38972	LABOR Z&Z MASONRY PLUS MATLS
3008	ENGINEERED SEALANT JOINTS	0	0	714	714	420 LF @ $1.70/LF (SALEM QUOTE)
	DIV #3 - EXTERIOR WALL BRICK CLADDING	**0**	**12143**	**37161**	**49304**	

MONTCLAIR AT TOWNE CENTER
GH-BUILDING 35
MT. PLEASANT, SC

CALIBOGUE CONSTRUCTION CO, INC
PREL. REMEDIATION COST ESTIMATE
BUILDING 35
UNITS 1876-1878
November 30, 2010

COST CODE	DIV #4 - WINDOW & DOOR REPAIRS	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
4001	REMOVE & REPLACE EXISTING WINDOWS (LABOR)	0	0	12000	12000	CORRECTIVE MEASURES (40 WINDOWS @ $300/EA)
4002	NEW WINDOW REPLACEMENT MATERIAL	0	21918	0	21918	BUCK LUMBER 9/24/10 QUOTE
4003	REMOVE & REPLACE SLIDING GLASS DOORS (LABOR)	0	0	3200	3200	CORRECTIVE MEASURES (8 SGD @ $400/EA)
4004	NEW SLIDING GLASS DOOR MATERIAL	0	18482	0	18482	BUCK LUMBER 9/24/10 QUOTE
4005	WINDOW E-Z PAN SILL FLASHING	0	4000	0	4000	40 WINDOWS @ $100/WINDOW
4006	ALUMINUM DOOR SILL PANS & ROUGH OPENING FLASHING	0	400	0	400	8 SGD @ $50/DOOR
	DIV #4 - WINDOW & DOOR REPAIRS	**0**	**44800**	**15200**	**60000**	

COST CODE	DIV #5 - INTERIOR REPAIR ALLOWANCE	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
5001	REMOVE AND REPLACE DAMAGED GWB	0	0	4000	4000	ALLOWANCE: 8 UNITS @ $500/UNIT
5002	REPAIR GWB AT REPLACED WINDOWS AND DOORS	0	0	800	800	ALLOWANCE: 8 UNITS @ $100/UNIT
5003	PAINT WALLS AT REPLACED WINDOWS AND DOORS	0	0	4000	4000	ALLOWANCE: 8-2 BR UNITS @ $500/UNITS)
	DIV #5 - INTERIOR REPAIR ALLOWANCE	**0**	**0**	**8800**	**8800**	

MONTCLAIR AT TOWNE CENTER
GH-BUILDING 35
MT. PLEASANT, SC

CALIBOGUE CONSTRUCTION CO, INC
PREL. REMEDIATION COST ESTIMATE
BUILDING 35
UNITS 1876-1878
November 30, 2010

COST CODE	DIV #6 - ATTIC REPAIR ALLOWANCE	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
6001	1-HR TENANT SEPARATION REPAIR ALLOWANCE	0	0	6750	6750	JOE GATHERS QUOTE 11/12/10 (ALLOWANCE)
6002	ATTIC TRUSS LATERAL BRACING REPAIR	0	0	0	0	INCL IN CC 6001
6003	ATTIC TRUSS HURRICANE CLIP REPAIRS	0	0	0	0	INCL IN CC 6001
6004	ATTIC TRUSS REPAIRS	0	0	0	0	INCL IN CC 6001
6005	SECOND FLOOR DRYER DUCT WORK REPAIRS	0	0	0	0	INCL IN CC 6001
	DIV #6 - ATTIC REPAIR ALLOWANCE	0	0	6750	6750	

COST CODE	DIV #7- REAR BALCONY REPAIRS	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
7001	REMOVE & REPLACE DAMAGED WOOD COLUMNS AS REQUIRED	0	200	1200	1400	CORRECTIVE MEASURES (1 PER QUAD)
7002	REMOVE CONCRETE BALCONY SURFACES	0	0	720	720	CORRECTIVE MEASURES
7003	REMOVE & REPLACE BALCONY FRAMING	0	2220	4680	6900	CORRECTIVE MEASURES (BUCK QUOTE 10/29/10 MATLS)
7004	INSTALL (2) LAYERS KDAT PLYWOOD AND EDGE FLASHING	0	0	0	0	INCL IN CC 7003
7005	INSTALL SEALOFLEX LIQUID MEMBRANE WATERPROOFING	0	0	4116	4116	CAHILL CONSTRUCTION QUOTE
7006	REMOVE, STORE & REINSTALL METAL GUARDRAILS	0	0	600	600	CORRECTIVE MEASURES 4 BALCONIES @ $150/EA
7007	BALCONY DUMPSTER/DISPOSAL EXPENSE	0	800	0	800	2 LOADS @ $400/LOAD (1 LOAD PER QUAD)
	DIV #7- REAR BALCONY REPAIRS	0	3220	11316	14536	

MONTCLAIR AT TOWNE CENTER
GH-BUILDING 35
MT. PLEASANT, SC

CALIBOGUE CONSTRUCTION CO, INC
PREL. REMEDIATION COST ESTIMATE
BUILDING 35
UNITS 1876-1878
November 30, 2010

COST CODE	DIV #8 - SHINGLE ROOFING SYSTEM REPAIR	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
8001	REM & REPL SHINGLES, UNDERLAYMENT & METAL DRIP EDGE	0	0	15320	15320	DIAMOND, INC. 11/4/10 QUOTE
8002	REMOVE & REPLACE GUTTER DOWNSPOUTS	0	0	1440	1440	180 LF/QUAD = 360 LF @ $4./LF GUTTER MASTERS COMP
8003	ROOFING DUMPSTER/DISPOSAL EXPENSE	0	800	0	800	2 LOADS @ $400/LOAD
	DIV #8 - SHINGLE ROOFING SYSTEM REPAIR	**0**	**800**	**16760**	**17560**	

COST CODE	DIV #9- MECHANICAL, ELECTRICAL & PLUMBING ALLOWANCE	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
9001	REMOVE & REINSTALL ELECTRIC FIXTURES & METER BASE	0	0	4000	4000	ALLOWANCE: 8 UNITS @ $500/EA
9002	REMOVE & REINSTALL HVAC CONDENSORS	0	0	3200	3200	8 AT $400/EACH
9003	REMOVE & REPLACE HOSE BIBS	0	0	200	200	4 AT $50 EA UNIT
9004	REMOVE & REINSTALL PHONE, SATELLITE, CABLE, ETC.	0	0	1600	1600	8 AT $200/UNIT
	DIV #9- MECHANICAL, ELECTRICAL & PLUMBING ALLOWANCE	**0**	**0**	**9000**	**9000**	

COST CODE	DIV #10 - SITE WORK	LABOR COST ESTIMATE TOTAL	MATL/EQUIP MISC COST ESTIMATE TOTAL	SUBCONTR COST ESTIMATE TOTAL	PRELIM COST ESTIMATE TOTAL	NOTES:
10001	LANDSCAPE PROTECTION AND RESTORATION	0	0	8000	8000	ALLOWANCE (4-1ST FLOOR UNITS @ $2000/UNIT)
	DIV #10 - SITE WORK	**0**	**0**	**8000**	**8000**	

MONTCLAIR AT TOWNE CENTER
GH - BUILDING 35
MT. PLEASANT, SC

CALIBOGUE CONSTRUCTION CO, INC
PREL. REMEDIATION COST ESTIMATE
BUILDING 35
UNITS 1876-1878
NOVEMBER 30, 2010

COST CODE	DIV #2 - EXTERIOR WALL HARDBOARD CLADDING	UNIT	GH #1876 QTY	GH #1878 QTY	BLDG #35 QTY TOTAL
2001	REMOVE EXISTING HARDBOARD SIDING AND TRIM	SF	3683	3683	7366
2002	SIDING DUMPSTER/DISPOSAL EXPENSE	LOAD	0.5	0.5	1.0
2003	TEMPORARY PROTECTION AT EXTERIOR WALLS	SF	3683	3683	7366
2004	REM & REPL WALL SHEATHING WITHIN 4' OF OUTSIDE CORNERS	SF	1904	1904	3808
2005	REM & REPL DAMAGED WALL SHEATHING AND FRAMING	ALLOW	3200	3200	$6,400
2006	INSTALL 30# FELT WEATHER-RESISTIVE BARRIER	SF	3683	3683	7366
2007	INSTALL NEW HARDIE CEDARMILL SIDING & 5/4 EXTERIOR TRIM	SF	3683	3683	7366
2008	ALUMINUM HEAD FLASHING MATERIAL	LF	90	90	180
2009	EXTERIOR PAINTING*	$	9460	9461	$18,921
	*PRORATED - UNIT COST				

DIV #2 - EXTERIOR WALL HARDBOARD CLADDING

COST CODE	DIV #3 - EXTERIOR WALL BRICK CLADDING	UNIT	GH #1876 QTY	GH #1878 QTY	BLDG #35 QTY TOTAL
3001	REMOVE ALL BRICK VENEER	SF	1287	1287	2574
3002	BRICK DUMPSTER/DISPOSAL EXPENSE	LOAD	1	1	2
3003	TEMPORARY PROTECTION AT EXTERIOR WALLS	SF	1287	1287	2574
3003	REM & REPL WALL SHEATHING WITHIN 4' OF OUTSIDE CORNERS	SF	INCL IN CC 2004		
3004	REM & REPL DAMAGED WALL SHEATHING AND FRAMING	ALLOW	INCL IN CC 2005		
3005	INSTALL 30# FELT WEATHER-RESISTIVE BARRIER	SF	1287	1287	2574
3006	INSTALL NEW BRICK VENEER, ANCHORS & LINTELS	SF	1287	1287	2574
3007	ENGINEERED SEALANT JOINTS	LF	210	210	420

DIV #3 - EXTERIOR WALL BRICK CLADDING

MONTCLAIR AT TOWNE CENTER
GH - BUILDING 35
MT. PLEASANT, SC

CALIBOGUE CONSTRUCTION CO, INC
PREL. REMEDIATION COST ESTIMATE
BUILDING 35
UNITS 1876-1878
NOVEMBER 30, 2010

COST CODE	DIV #4 - WINDOW & DOOR REPAIRS	UNIT	GH #1876 QTY	GH #1878 QTY	BLDG #35 QTY TOTAL
4001	REMOVE & REPLACE EXISTING WINDOWS (LABOR)	#	20	20	40
4002	NEW WINDOW REPLACEMENT MATERIAL	$	10959	10959	$21,918
4003	REMOVE & REPLACE SLIDING GLASS DOORS (LABOR)	#	4	4	8
4004	NEW SLIDING GLASS DOOR MATERIAL	$	9241	9241	$18,482
4005	WINDOW E-Z PAN SILL FLASHING	#	20	20	40
4006	ALUMINUM DOOR SILL PANS & ROUGH OPENING FLASHING	#	4	4	8

DIV #4 - WINDOW & DOOR REPAIRS

COST CODE	DIV #5 - INTERIOR REPAIR ALLOWANCE	UNIT	GH #1876 QTY	GH #1878 QTY	BLDG #35 QTY TOTAL
5001	REMOVE AND REPLACE DAMAGED GWB	ALLOW	2000	2000	$4,000
5002	REPAIR GWB AT REPLACED WINDOWS AND DOORS	ALLOW	400	400	$800
5003	PAINT WALLS AT REPLACED WINDOWS AND DOORS	$	2000	2000	$4,000

DIV #5 - INTERIOR REPAIR ALLOWANCE

MONTCLAIR AT TOWNE CENTER
GH - BUILDING 35
MT. PLEASANT, SC

CALIBOGUE CONSTRUCTION CO, INC
PREL. REMEDIATION COST ESTIMATE
BUILDING 35
UNITS 1876-1878
NOVEMBER 30, 2010

COST CODE	DIV #6 - ATTIC REPAIR ALLOWANCE	UNIT	GH #1876 QTY	GH #1878 QTY	BLDG #35 QTY TOTAL
6001	1-HR TENANT SEPARATION WALL/CEILING REPAIRS	$	3375	3375	$6,750
6002	ATTIC TRUSS LATERAL BRACING REPAIR	ALLOW	INCL IN CC 6001		
6003	ATTIC TRUSS HURRICANE CLIP REPAIRS	ALLOW	INCL IN CC 6001		
6004	ATTIC TRUSS REPAIRS	ALLOW	INCL IN CC 6001		
6005	SECOND FLOOR DRYER DUCT WORK REPAIRS	ALLOW	INCL IN CC 6001		

DIV #6 - ATTIC REPAIR ALLOWANCE

COST CODE	DIV #7- REAR BALCONY REPAIRS (N/A)	UNIT	GH #1876 QTY	GH #1878 QTY	BLDG #35 QTY TOTAL
7001	REMOVE & REPLACE DAMAGED WOOD COLUMNS AS REQUIRED	$	700	700	$1,400
7002	REMOVE CONCRETE BALCONY SURFACES	$	360	360	$720
7003	REMOVE & REPLACE BALCONY FRAMING	$	3450	3450	$6,900
7004	INSTALL (2) LAYERS KDAT PLYWOOD AND EDGE FLASHING	$	0	0	$0
7005	INSTALL SEALOFLEX LIQUID MEMBRANE WATERPROOFING	$	2058	2058	$4,116
7006	REMOVE, STORE & REINSTALL METAL GUARDRAILS	$	300	300	$600
7007	BALCONY DUMPSTER/DISPOSAL EXPENSE	LOAD	1	1	2

DIV #7- REAR BALCONY REPAIRS (N/A)

MONTCLAIR AT TOWNE CENTER
GH - BUILDING 35
MT. PLEASANT, SC

CALIBOGUE CONSTRUCTION CO, INC
PREL. REMEDIATION COST ESTIMATE
BUILDING 35
UNITS 1876-1878
NOVEMBER 30, 2010

COST CODE	DIV #8 - SHINGLE ROOFING SYSTEM REPAIR	UNIT	GH #1876 QTY	GH #1878 QTY	BLDG #35 QTY TOTAL
8001	REM & REPL SHINGLES, UNDERLAYMENT & METAL DRIP EDGE	$	7660	7660	$15,320
8002	REMOVE & REPLACE GUTTER DOWNSPOUTS	LF	180	180	360
8003	ROOFING DUMPSTER/DISPOSAL EXPENSE	LOAD	1	1	2

DIV #8 - SHINGLE ROOFING SYSTEM REPAIR

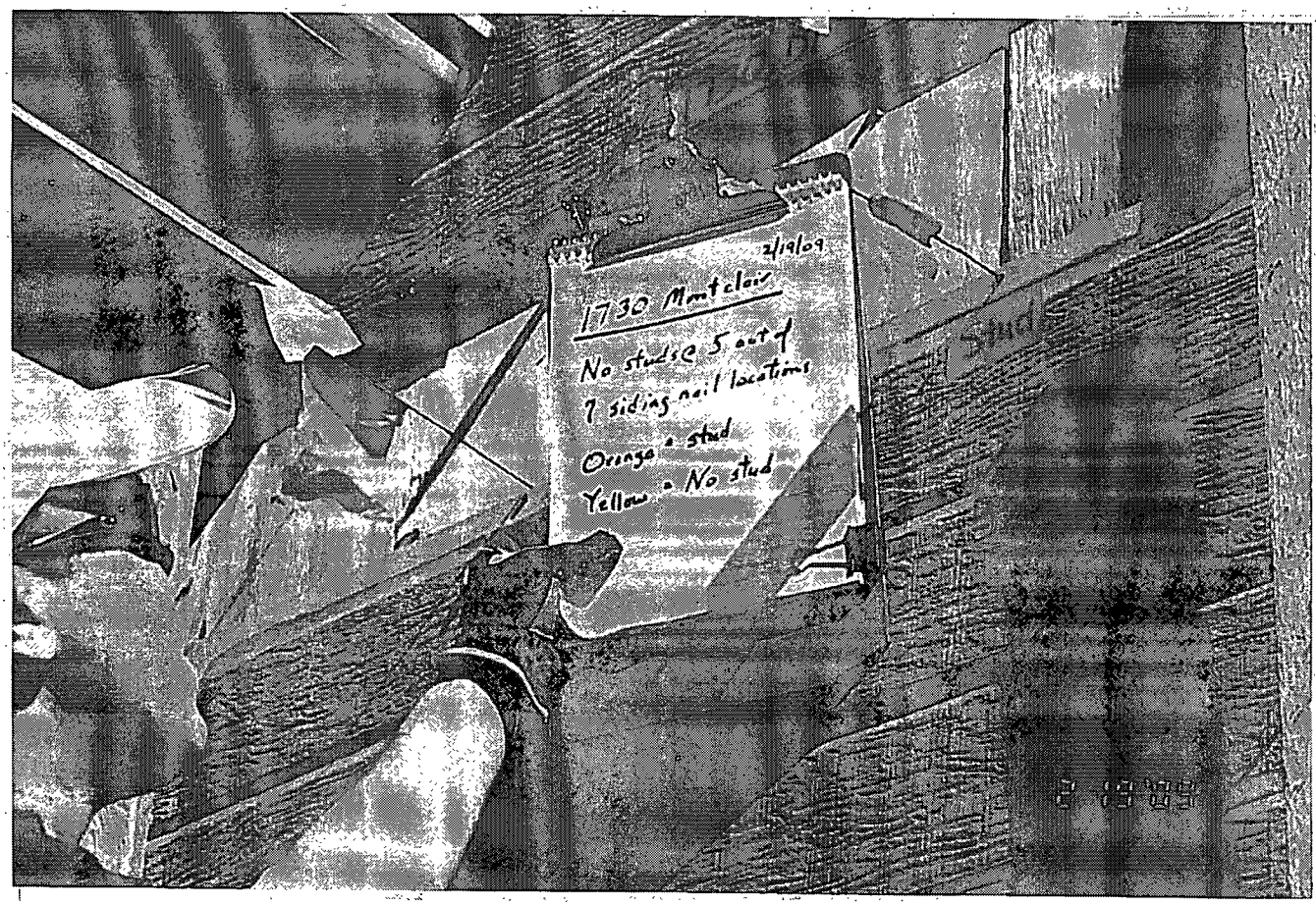
COST CODE	DIV #9- MECHANICAL, ELECTRICAL & PLUMBING ALLOWANCE	UNIT	GH #1876 QTY	GH #1878 QTY	BLDG #35 QTY TOTAL
9001	REMOVE & REINSTALL ELECTRIC FIXTURES & METER BASE	ALLOW	2000	2000	$4,000
9002	REMOVE & REINSTALL HVAC CONDENSORS	$	1600	1600	$3,200
9003	REMOVE & REPLACE HOSE BIBS	$	100	100	$200
9004	REMOVE & REINSTALL PHONE,SATELLITE, CABLE, ETC.	ALLOW	800	800	$1,600

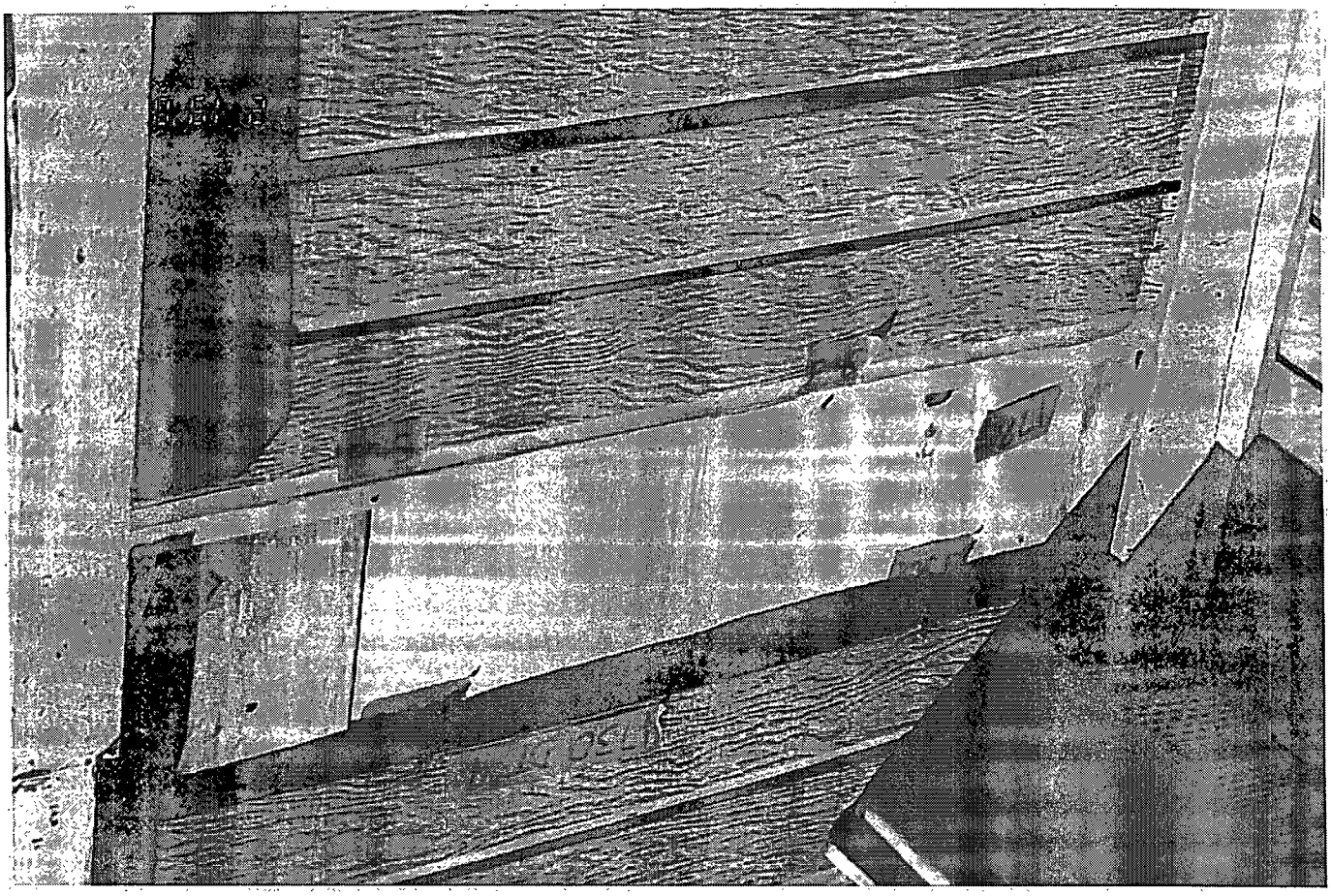
DIV #9- MECHANICAL, ELECTRICAL & PLUMBING ALLOWANCE

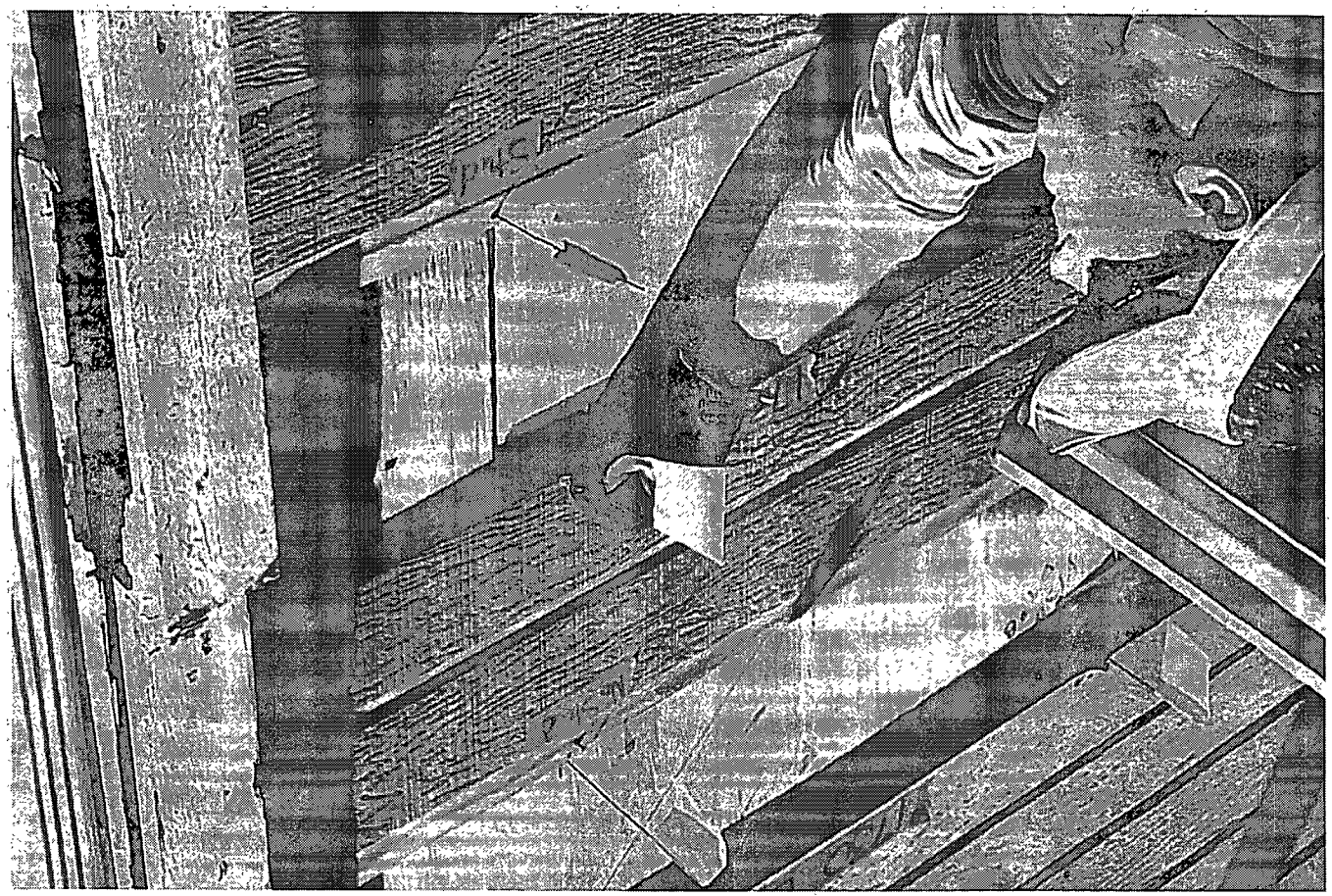
COST CODE	DIV #10 - SITE WORK	UNIT	GH #1876 QTY	GH #1878 QTY	BLDG #35 QTY TOTAL
10001	LANDSCAPE PROTECTION AND RESTORATION	ALLOW	2000	2000	$4,000

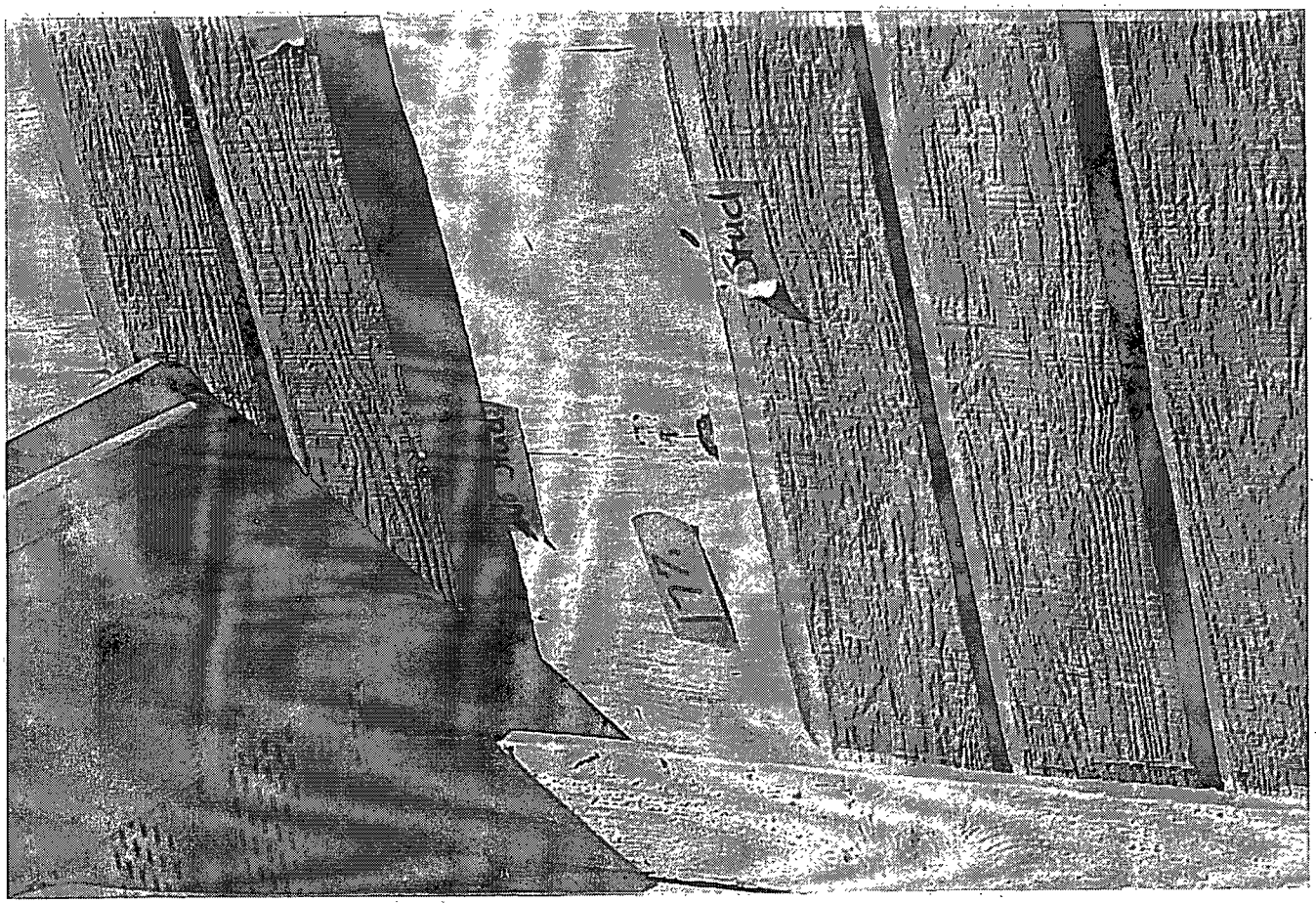
DIV #10 - SITE WORK

ALL-STATE LEGAL®
EXHIBIT
1036


2/19/09
1730 Montclair
No studs @ 5 out of 7
7 siding nail locations
Orange = stud
Yellow = No stud
Stud







Church Creek Construction LLC

867 Robert E Lee
Charleston, SC 29412

Invoice

Date	Invoice #
2/16/2004	603

Bill To
Mont Clair

P.O. No.

Description	Amount
Install sheet rock missing on fire walls in attic space	6,909.00
Install missing sheet rock tape on fire wall in attic space	3,450.00

Total	$10,359.00
Payments/Credits	$0.00
Balance Due	$10,359.00

Church Creek Const. 000193
(2008-1514)

EXHIBIT
136
ALL-STATE LEGAL®

EXHIBIT
5/1/11
136
Kerney
PENGAD 800-631-6989

Calibogue Construction Company, Inc.
GENERAL CONTRACTOR
102 WAPPOO CREEK DRIVE #9 CHARLESTON, SC 29412
TELEPHONE (843) 762-9600 FAX (843) 762-0230
Email: calibogueconst@aol.com

VIA ELECTRONIC TRANSMISSION &
U. S. MAIL

September 18, 2012

Mr. Joseph E. DaPore, Esquire
Young Clement Rivers, LLP
P. O. Box 993
Charleston, South Carolina

RE: MONTCLAIR AT TOWNE CENTER
MT. PLEASANT, SOUTH CAROLINA
BUILDINGS #2, #11, #15, #17, #20, #23, #26, #28, #32, #33 & #35
PRELIMINARY REMEDIATION & RESTORATION REVISED COST ESTIMATES

Dear Joe:

I have enclosed herewith Calibogue Construction Co., Inc.'s Revised Preliminary Remediation and Restoration Cost Estimates, dated 9/14/12, for the following eleven (11) buildings at the Montclair Condominium project in Mt. Pleasant, SC.

The revisions to the 11/30/10 estimates are solely the elimination of the estimated shingle roofing removal and replacement as most of the shingle roofing has been replaced to date. All other items in the revised estimates remain the same as the 11/30/10 estimates, except the deletion of the shingle roofing.

The following is a summary of the revised estimate costs without the shingle roofing removal and replacement:

1. Building #2 (5 Townhouse Units).....$254,154
   Average Cost/Townhouse = $50,831

2. Building #11 (4 Townhouse Units).....$208,939
   Average Cost/Townhouse = $52,235

ALL-STATE LEGAL
EXHIBIT
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3. Building #15 (6 Townhouse Units).....$274,103
   Average Cost/Townhouse = $45,684

4. Building #17 (3 Townhouse Units).....$156,276
   Average Cost/Townhouse = $52,092

5. Building #20 (5 Townhouse Units).....$242,461
   Average Cost/Townhouse = $48,492

6. Building #23 (12 – Three BR Garden Home Units).....$527,589
   Average Cost/Garden Home = $43,966

7. Building #26 (8 – Two BR Garden Home Units).....$332,680
   Average Cost/Garden Home = $41,585

8. Building #28 (8 – Three BR Garden Home Units).....$359,623
   Average Cost/Garden Home = $44,953

9. Building #32 (8 – Two BR Garden Home Units).....$330,408
   Average Cost/Garden Home = $41,301

10. Building #33 (12 Garden Home Units).....$513,428
    Average Cost/Garden Home = $42,786

11. Building #35 (8 Garden Home Units).....$341,904
    Average Cost/Garden Home = $42,738

The estimates are based on the Outline Scope of Repairs prepared by Mr. Derek Hodgins, P.E. of Construction Science and Engineering, Inc. (CSE).

An Estimate Summary spreadsheet, dated 9/18/12, summarizing the eleven (11) Montclair building estimates is attached with this letter.

The five (5) Townhouse building estimates included twenty-three (23 of the eighty (80) Townhouses, or 29%, of the total townhouses at Montclair. The ratio of the 2-BR and 3-BR Townhouses estimated is fairly representative of the actual mix of the sixty (60) 2-BR and the twenty (20) 3-BR Townhouses contained at Montclair.

The six (6) Garden Home building estimates include fifty-six (56) of the one hundred sixty (160) Garden Home units, or 35%, of the total Garden Home units at Montclair.

The cost of the shingle roofing removal and replacement is not included in the above estimates.

The following is the average cost extrapolated from the Montclair Estimate Summary:

a. Townhouse Unit Average Estimate (2-BR and 3-BR)..... $49,388/Each
b. Two Bedroom Garden Home Units Average Estimate..... $41,875/Each
c. Three Bedroom Garden Home Unit Average Estimate..... $44,361/Each

A total Montclair estimated cost for the CSE Repair scope of work can be projected utilizing the above average costs as follows:

1.	Townhouse Units: 80 Each at $49,388/Unit.....	$ 3,951,040
2.	2-BR Garden Homes: 116 Each at $41,875/Unit.....	$ 4,857,500
3.	3-BR Garden Homes: 44 Each at $44,361/Unit.....	$ 1,951,884
	Subtotal	$10,760,424
4.	Provision for A & E Fees (10%).....	$ 1,076,042
5.	Revised Montclair Estimate Totals w/o Roofing.....	$11,836,466
6.	Cost of Shingle Re-Roofing for All 36 Buildings.....	$ 705,687
7.	Revised Montclair Cost Estimate Incl Shingle Roofing Repl...	$12,542,153

Please feel free to contact our office if you have any questions or comments regarding the attached estimates.

Very truly yours,

Thomas J. Carlson (mg)

Thomas J. Carlson, President
TJC/mg

Enclosures

MONTCLAIR
@ TOWNE CTR
MT. PLEASANT, SC

TOWN HOME
and
GARDEN HOME
REVISED ESTIMATE SUMMARY
EXCLUDING SHINGLE RE-ROOFING COSTS

9/18/12
1 OF 1

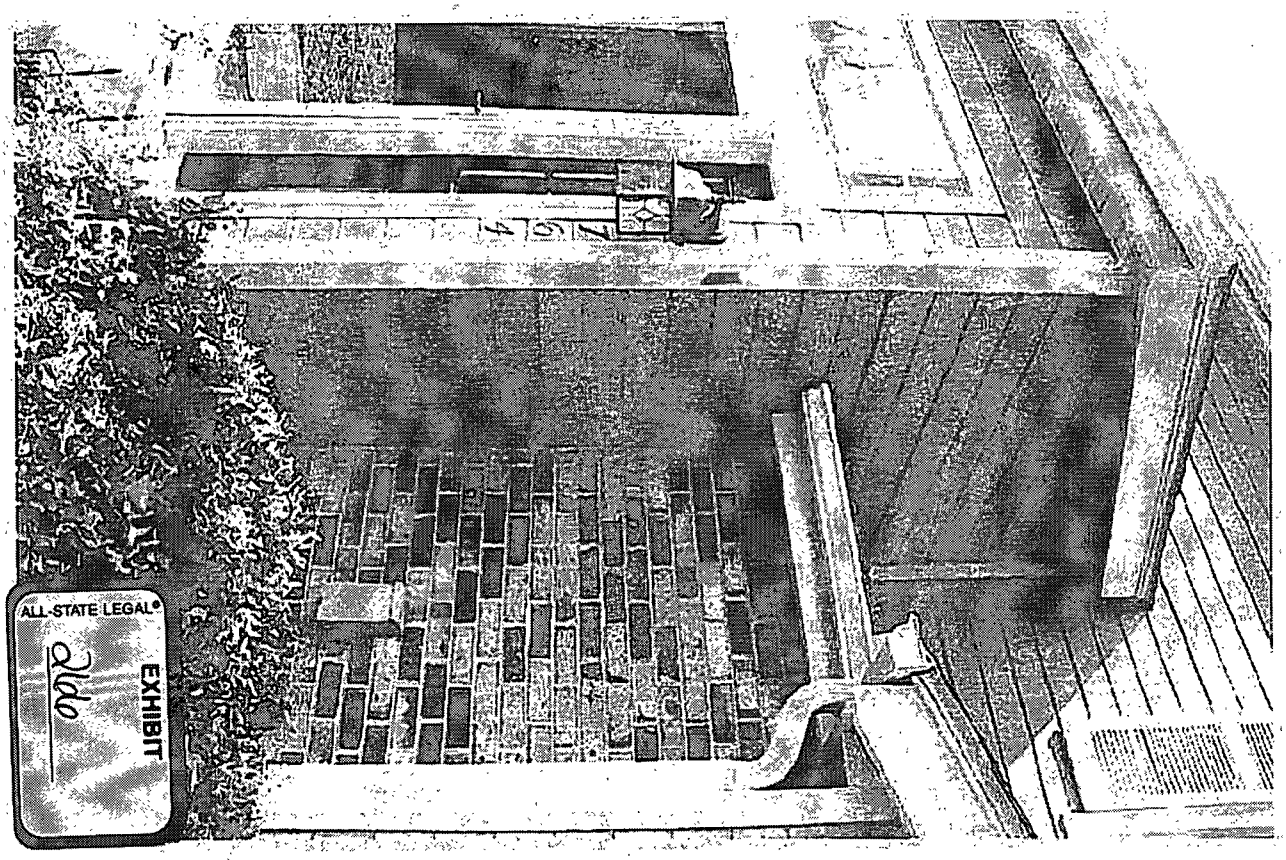
MONTCLAIR TOWNHOUSES (23 OF 80 = 29%)					
BLDG #	2 - BR	3 - BR	TOTAL # OF UNITS	ESTIMATED COST	AVG COST/UNIT
2	3	2	5	$254,154	$50,831
11	3	1	4	$208,939	$52,235
15	4	2	6	$274,103	$45,684
17	3	0	3	$156,276	$52,092
20	3	2	5	$242,461	$48,492
TH TOTALS	**16**	**7**	**23**	**$1,135,933**	**$49,388**

MONTCLAIR GARDEN HOMES (56 OF 160 = 35%)					
BLDG #	2 - BR	3 - BR	TOTAL # OF UNITS	ESTIMATED COST	AVG COST/UNIT
23	0	12	12	$527,589	$43,966
26	8	0	8	$332,680	$41,585
28	0	8	8	$359,623	$44,953
32	8	0	8	$330,408	$41,301
33	4	8	12	$513,428	$42,786
35	8	0	8	$341,904	$42,738
GH TOTALS	**28**	**28**	**56**	**$2,405,632**	**$42,958**

GARDEN HOME AVERAGE COST:

2-BR AVG COST (Bldg #26, #32 & #35) - 24 UNITS	$1,004,992	$41,875
3-BR AVG COST (Bldg #23 & #28) - 20 UNITS	$887,212	$44,361

SHINGLE ROOFING REPLACEMENT COST NOT INCLUDED IN ESTIMATES



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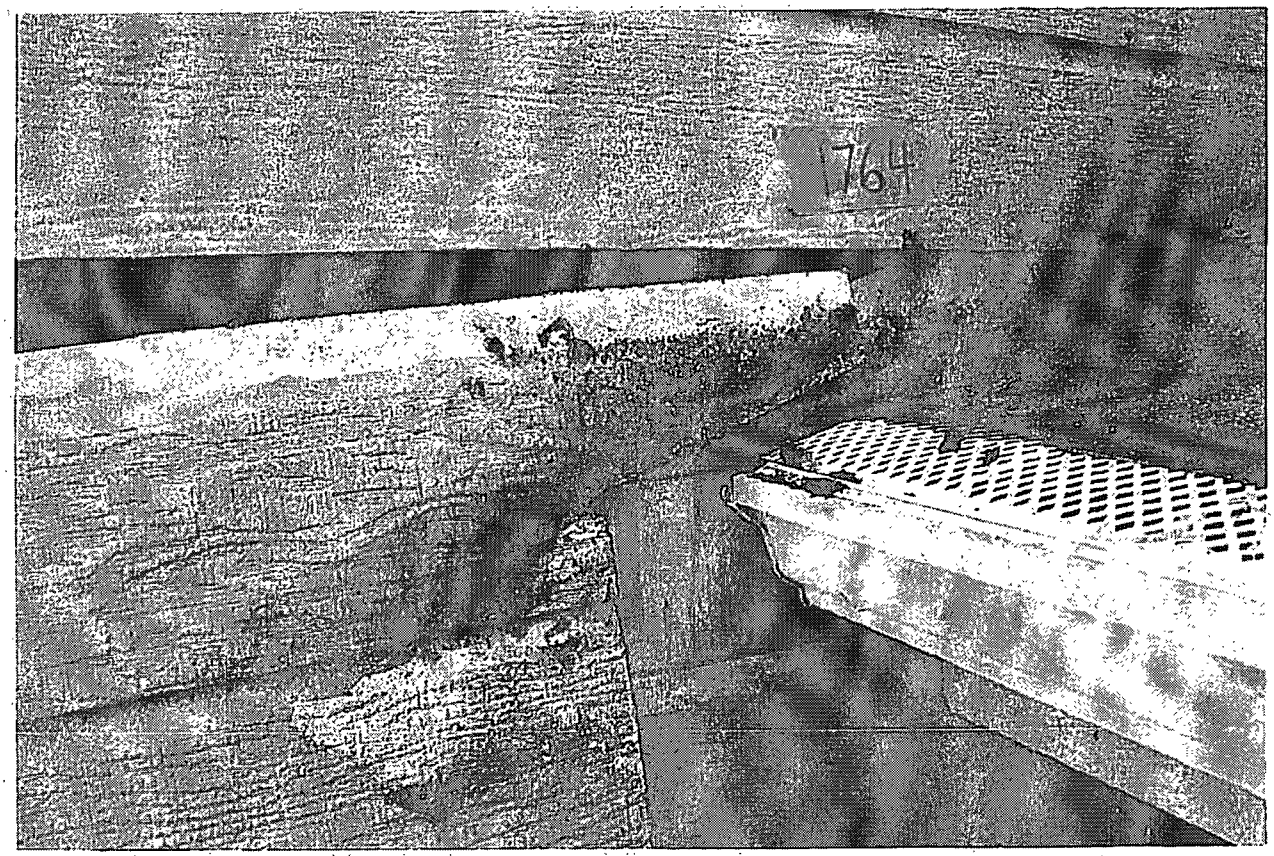

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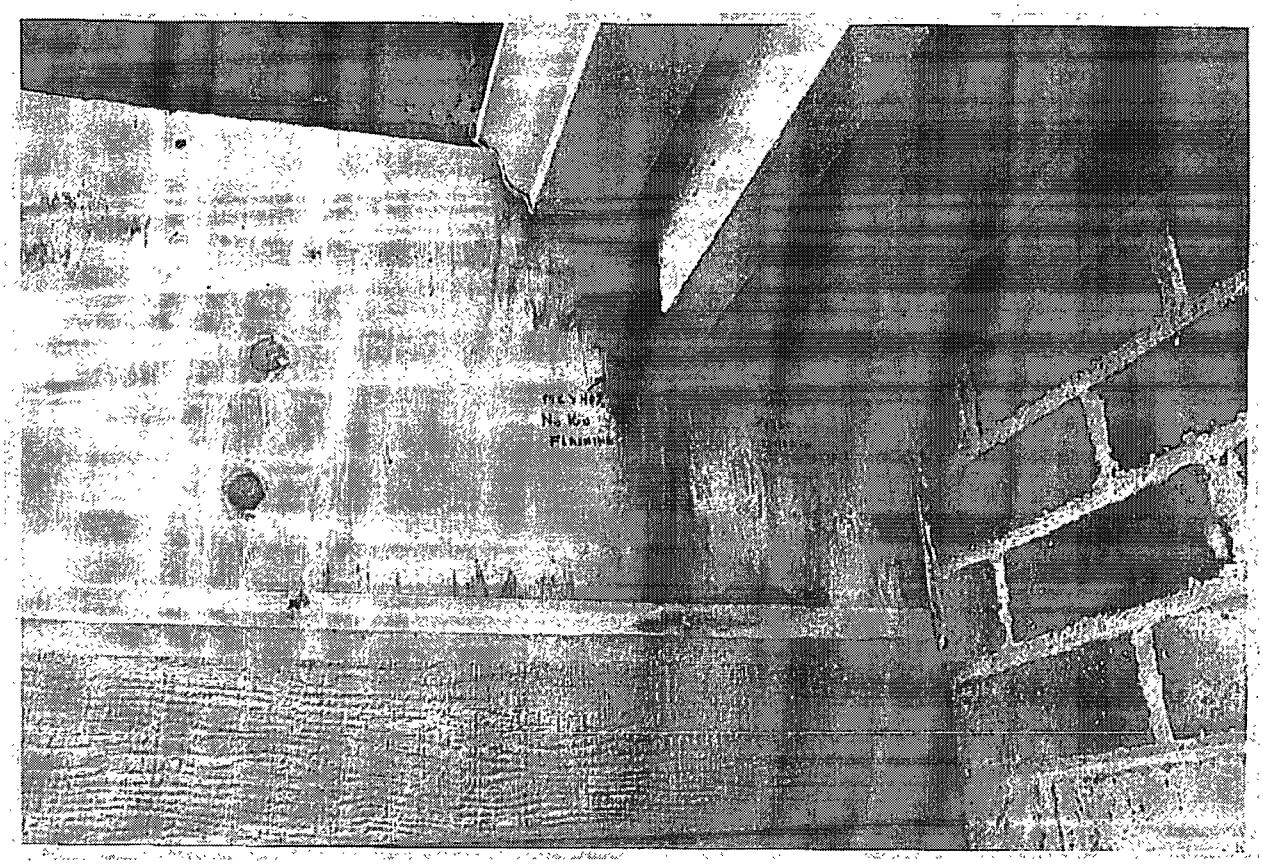

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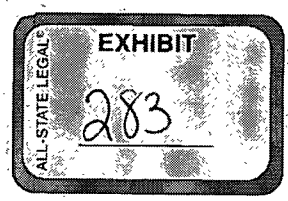
STATE OF SOUTH CAROLINA	)	IN THE COURT OF COMMON PLEAS
	)	
COUNTY OF CHARLESTON	)	NINTH JUDICIAL CIRCUIT
MONTCLAIR PROPERTY OWNERS ASSOCIATION (A SOUTH CAROLINA NON-PROFIT CORPORATION) AND MONTCLAIR PROPERTY OWNERS ASSOCIATION BOARD OF DIRECTORS FOR AND ON BEHALF OF ALL OWNERS OF THE MONTCLAIR HORIZONTAL PROPERTY REGIME,	)	CASE NO. 2008-CP-10-6897
PLAINTIFFS,	)	
vs.	)	
BRUCE E. KINNEY, INDIVIDUALLY AND AS AN INCORPORATOR FOR MONTCLAIR HOMES, LLC; MONTCLAIR HOMES, LLC, A SC LIMITED LIABILITY COMPANY (DECLARANT - MASTER DEED); CREMCO, LLC, AN ILLINOIS LIMITED LIABILITY COMPANY; MONTCLAIR ASSOCIATES LIMITED PARTNERSHIP, AN ILLINOIS LIMITED PARTNERSHIP; MONTCLAIR PROPERTY OWNERS ASSOCIATION a/k/a MONTCLAIR HOMEOWNERS ASSOCIATION (GRANTOR CONTROL PERIOD); BRUCE KINNEY AS AN OFFICER OR DIRECTOR IN THE MONTCLAIR PROPERTY OWNERS ASSOCIATION a/k/a MONTCLAIR HOMEOWNERS ASSOCIATION (GRANTOR CONTROL PERIOD), A SC NON-PROFIT CORPORATION; CHURCH CREEK CONSTRUCTION, LLC; LARRY ELSEY, INDIVIDUALLY, AND D/B/A ECI OR ELSEY CONSTRUCTION, A/K/A ELSEY CONSTRUCTION INC.; AND ROGER LOCKEY	)	**THIRD AMENDED COMPLAINT (JURY TRIAL DEMANDED)**

FILED
2010 AUG 30 PM 4: 23
JULIE J. ARMSTRONG
CLERK OF COURT
BY



DEFENDANTS.)
)

TO: ABOVE-NAMED DEFENDANTS:

The Plaintiffs allege and show the following:

1. The Plaintiffs, the Montclair Property Owners Association, Inc., is a South Carolina non-profit corporation doing business primarily in Mt. Pleasant, South Carolina, Charleston County.

2. Each owner of a unit at the Montclair Horizontal Property Regime is by virtue of their ownership and the governing documents a member in the Plaintiff homeowner association.

3. The Plaintiff, Montclair Property Owners Association, Inc., is governed by its board of directors who are charged with the management of the horizontal property regime known as Montclair Horizontal Property Regime. The board of directors is responsible by law for the operation, control, maintenance and repair of the property and is by virtue of state law and the governing documents of the regime vested with the authority and power necessary to carry out its responsibility to the owners regarding maintenance of the common elements of the regime.

4. The Plaintiff, Montclair Horizontal Property Regime, was created pursuant to South Carolina laws; namely, the South Carolina Horizontal Property Act, and pursuant to the filing of a master deed hereinafter described which was filed on November 7, 2003, in the Charleston County RMC Office.

5. The Plaintiffs' Horizontal Property Regime consists of 240 condominium units contained in 39 buildings on approximately 26 acres of land in Mt. Pleasant, South Carolina, Charleston County.

6. Upon information, Defendant Montclair Associates Limited Partnership (hereinafter "MALP") is an Illinois limited partnership that was in a joint enterprise with Defendant Bruce Kinney (hereinafter "Kinney), Montclair Homes, LLC, (hereinafter Montclair Homes) and CREMCO, LLC, in the development and transformation of Montclair Apartments into a Horizontal Property Regime now known as Montclair Horizontal Property Regime and in the sale of units in that Horizontal Property Regime for profit.

7. Defendant Kinney was the incorporator of the Plaintiff Homeowners Association acting as an officer, and a Board member and/or officer of the Defendant Montclair Property Owners Association, LLC (hereinafter "Montclair POA) a/k/a Defendant Montclair Homeowners Association (hereinafter "Montclair HOA") from approximately September, 2003, until May 15, 2005, when the grantor turned over the functioning of the regime business to the Plaintiff as per the Master Deed for the Montclair Horizontal Property Regime. Defendant Montclair POA, LLC a/k/a Defendant Montclair HOA (grantor controlled) was formed as a South Carolina Limited Liability Corporation on or about September 26, 2003. The Defendant Montclair POA, LLC a/k/a Defendant Montclair HOA is sued for wrongful acts done or omitted during the period which began on its incorporation in September of 2003 and ended approximately May 15, 2005. This is the grantor control period.

8. Defendant CREMCO, LLC, was, at all times pertinent, an Illinois limited liability company doing business at 345 Canal Street, Chicago, Illinois. CREMCO, LLC, did business in Charleston County, South Carolina during the pertinent time periods.

9. Upon information, Defendant CREMCO, LLC, was in the business of managing commercial and residential properties and at all times pertinent acted as managing agent for Defendant MALP, an Illinois limited partnership doing business at 345 Canal Street, Chicago,

Illinois, with respect to its ownership of the 39 buildings comprising Montclair Apartments in Mt. Pleasant, South Carolina prior to the sale of this property to Defendant Montclair Homes.

10. The Defendant Montclair Homes is, upon information and belief, a dissolved South Carolina limited liability company having been dissolved on or about December 25, 2005, and having done business in South Carolina as a limited liability company between its effective dates of May 8, 2003, and December 25, 2005. Defendant Montclair Homes was the grantor on the Master Deed and the direct seller of the individual condominium units to the Plaintiff members.

11. Defendant Kinney was the primary individual member of Defendant Montclair Homes in the creation of the Montclair Horizontal Property Regime and was a member of that limited liability South Carolina company, Defendant Montclair Homes, which was formed to purchase from Defendant MALP the Montclair Apartments and convert those apartments into a South Carolina Horizontal Property Regime and to sell the 240 units for profit. Defendant Kinney, upon information and belief, participated in and/or approved the actions and practices of Defendant Montclair Homes, Defendant MALP, Defendant CREMCO, and the Defendant Montclair POA, LLC a/k/a Defendant Montclair HOA from before and during September 2003 until May of 2005 when the grantor control period ended which various activities constitute the basis for this lawsuit as set forth below.

12. The Plaintiffs are residents of Charleston County, South Carolina.

13. Defendant Kinney is a resident of Charleston County, South Carolina.

14. Defendant Montclair POA, LLC a/k/a Defendant Montclair HOA (grantor controlled) is a resident of Charleston County, South Carolina and was a SC non-profit corporation during the control period.

15. The subject real estate is located in Charleston County, South Carolina.

16. Venue is proper in Charleston County, South Carolina, and the Charleston County court of Common Pleas has jurisdiction over the parties to hear this matter.

17. Plaintiffs demand a trial by jury as to all issues triable to a jury.

FACTS

18. The Montclair buildings consists of 160 garden (one level plans in a 2-story building) and 80 (2-story level townhouse units), including a club house and two swimming pools.

19. The construction of the 240 Montclair units/apartments is primarily slab on grade, conventional wood frame construction with Masonite siding, some brick facades and asphalt shingle roofs. These 39 buildings were constructed between 1980 and 1990.

20. Upon information and belief, the property was sold by the Travelers Indemnity Corporation to Defendant MALP on February 11, 1992.

21. Defendant Montclair POA, LLC a/k/a Defendant HOA (grantor controlled) of Mt. Pleasant, SC, is sued as the non-profit corporate entity which was established by Articles of Incorporation dated September 2003. This entity is also known as the Montclair Property Owners Association, LLC, as per the Master Deed and Articles of Incorporation. This Defendant as the grantor-controlled entity existed beginning in September of 2003 when it came into existence until 2005 when the control period ended by virtue of an appointment of Plaintiff board members consisting of owners of the several units at Montclair. This entity was established to "exercise all rights and powers of the Association as specified in the Master Deed and Bylaws". The Master Deed and Bylaws are incorporated herein by reference.

22. Upon information, Defendant MALP, an Illinois limited partnership having an address of 345 Carnal Street, Suite 201, Chicago, Illinois, sold the property to Defendant declarant Montclair Homes, a South Carolina limited liability company having an address of c/o Kinney Associates, Inc., 315 Davis Street, Evanston, Illinois, on or about November 6, 2003.

23. Upon information, the next day, November 7, 2003, a Master Deed was filed with the Charleston County RMC Office by the Declarant Montclair Homes submitting the land and improvements, to wit: these 26 acres, 39 buildings and 240 units to a South Carolina Horizontal Property Regime to be known as Montclair Horizontal Property Regime thus creating a South Carolina condominium as set forth in South Carolina Code Ann. §27-31-10, et.seq., to be governed and operated pursuant to South Carolina law.

24. Upon information, prior to the sale of the property from Defendant MALP to grantor Defendant Montclair Homes several inspections had been performed over several years for the owner Defendant MALP and for Defendant "CREMCO, LLC" by an architectural/engineer consulting firm, American Consulting, Inc. (hereinafter "ACE") which inspections were comprehensive and designed to "assess the structural condition of the Montclair Apartments" and to generally survey the general conditions of the buildings and systems. One such report was dated April, 2003.

25. This engineering report by ACE sent to Defendant CREMCO, LLC, and to Defendant MALP made reference to previous inspections and noted exterior Masonite siding "Masonite X-90" which had been installed on all 39 buildings and which was the subject of a class action suit. The report dated April of 2003 concluded that there were on the 39 buildings at Montclair Apartments "numerous areas on the painted siding which are buckling or warping" and "several areas where the siding has deteriorated and needed replacement".

26. The engineering report by ACE prepared for Defendant CREMCO, LLC, and Defendant MALP referenced repairs which would in the future need to be done to different components of the buildings and grounds such as asphalt/road work, repair of the drainage areas, repair of fire walls in attics, etc. This April 2003 report mentioned the "Masonite claims class action administrator" had been notified of the claim and had, in fact, sent claim settlement forms and settlement checks which were being held by the engineering firm, American Consulting, Inc. The report represented that "repairing all of the exterior composite wood surfaces is not included in this report until the Masonite issue is resolved". An earlier report dated November 18, 2002 issued to the same defendants by ACE mentioned repair or replacement of all the exterior siding was a priority that needed immediate attention.

27. That upon information and belief, at some point prior to purchasing the property, Defendant Montclair Homes became aware of and reviewed this ACE report dated April of 2003. Defendant Montclair Homes gained the knowledge contained in this report in that, upon information, it was shared by Defendant MALP prior to recordation of the Master Deed with Defendant Montclair Homes and Defendant Kinney. Upon information, Defendant Montclair Homes and Defendant Kinney may not have become aware of the November 18, 2002 report.

28. That upon information, prior to the filing of the Master deed by the grantor in November of 2003, the grantor Montclair Homes commissioned a South Carolina architect, Robert Epps, to prepare a separate disclosure report dated August of 2003 to be given to each prospective purchaser of units at Montclair in an effort to comply with its duties created by South Carolina Code Ann. §27-31-430 entitled "Disclosure of Physical Condition of Building".

29. That this Epps report dated August of 2003 was given to each prospective purchaser by the grantor specifically stating that the purpose of the report was to make a

disclosure "of the physical condition of each residential unit and building" and to "determine the structural stability of each unit and review the general condition of the materials as they contributed to the performance of their intended purpose and to the life expectancy of the buildings". With respect to the exterior condition of the buildings, this Epps report given to each prospective purchaser stated in pertinent part that:

As to the exterior of the buildings

"The residential buildings were painted during the period of 1994-1995. With the exception of a few random observations of spot peeling, the paint finish appears to be performing well."

As to roofs/roofing

"The existing roofing was installed in 1994 and appears to be in good condition." "Such roofing generally has a productive life of 15-20 years."

30. This August 2003 Epps report given to each prospective purchaser and to the Plaintiffs by Defendant Montclair Homes made many characterizations of exterior siding problems noted as being "minor" and gave no opinion to the Plaintiffs as to the useful life expectancy of the siding/building envelope as a common element.

31. The report concluded and it was represented to all purchasers by the grantor Montclair Homes that the buildings had been well maintained and were in "good to very good" condition. The report concluded that the buildings should have a life of 75 to 100 years and beyond.

32. That upon information, Defendant Montclair Homes Defendant Kinney, Defendant CREMCO and Defendant MALP were aware that this Epps report was given to each purchaser at the time of sale.

SALE OF UNITS AND CONTROL PERIOD

33. That from the date of the Articles of Incorporation of Defendant Montclair POA, LLC a/k/a Montclair HOA (grantor controlled, i.e., September 23, 2003, until mid 2005), was controlled by the Defendant Montclair Homes and Defendant Kinney pursuant to the terms of the Master Deed. Defendants Kinney, Montclair Homes and Montclair POA a/k/a Montclair HOA made all decisions and were in control of what amounts were reserved for future maintenance of all common elements.

34. That in an attempt to remedy, repair or replace the Masonite siding problems as mentioned in the ACE report, it has recently been discovered that Defendant Kinney, Defendant Montclair Homes, CREMCO and MALP hired subcontractors to repair various areas of the exterior cladding of the buildings. Upon information, Defendants Church Creek Construction (hereinafter "Church Creek"), Larry Elsey, individually, and d/b/a ECI or Elsey Construction, a/k/a Elsey Construction, Inc. (hereinafter "Elsey Construction") and Defendant Roger Lockey (hereinafter "Lockey") were the subcontractors who performed this work for the above Defendants on all of the buildings comprising the Plaintiffs' property.

35. Upon information, these various Defendant subcontractors working for the Defendants failed to follow good construction practice and failed to properly flash areas of the siding, roof to wall intersections, windows and said failures have allowed water to intrude into the wall cavity and cause property damage to the wall cavity, common elements, and interior of the units where personal property of some owners has been damaged. Upon information, said property damage caused by an occurrence, has occurred in every year since 2003 until recent destructive testing by Plaintiffs' experts uncovered this damage. Upon information, said water damage is to areas of the buildings other than the areas of work of the above Defendants.

36. That these repair attempts by the Defendants and their subcontractor Defendants were deficient and were a breach of their duties to act in the best interest of the homeowners and were negligent repairs as will be more fully set forth herein.

37. That, with the knowledge of all Defendants except Church Creek, Elsey Construction and Defendant Lockey, the Plaintiff homeowners were at the time of sale given the Epps report dated August 27, 2003, referred to above and the Plaintiffs justifiably relied on its representations that it was a bonafide disclosure of the physical condition of the buildings by the Defendants. The prospective purchasers and Plaintiffs at the end of the grantor-controlled period were not made aware of the ACE report dated April 2003 by the engineering firm referred to above in Paragraphs 24 and 25 in that the sellers negligently failed to give that report to the Plaintiff purchasers and further failed to give an earlier ACE report concerning the buildings dated in November of 2002 to the Plaintiffs at any time prior to or during the control period.

38. That upon information and belief, at the time the grantor left and the owner-controlled board of directors took over in 2005, the Plaintiff Board first began to study the financial conditions of the Montclair Horizontal Property Regime to determine its financial status.

39. In September 2006, an outside full reserve study was published by a consultant hired by the Plaintiff Board which outside firm concluded in late 2006 that roughly 217,200 square feet of exterior composite Masonite siding was "in poor overall condition" and that "we have noticed visibly apparent defects in the subject siding other than normal visible deterioration". This reserve study advised the Plaintiff Board of partial and eventual total replacement of the Masonite siding on an expedited basis.

40. In documents recently discovered during this lawsuit, it is now evident that in the 2003 and 2004 timeframe Defendants Montclair Homes, Kinney, CREMCO and MALP hired Defendant Church Creek, Defendant Elsey Construction and Defendant Lockey as subcontractors to repair siding, roofs, and building envelope deficiencies as outlined in the ACE reports. These repairs by Defendants Church Creek, Elsey Construction and Defendant Lockey were upon information defective repairs in providing adequate waterproofing of the buildings. As a direct result of the faulty repairs, numerous leaks occurred after the repairs and these leaks and water intrusion have continued to occur from 2003 until 2008 when they were discovered. This water intrusion resulted in property damage caused by an occurrence and in physical injury to the property of the Plaintiffs and to the interior of units resulting in damage of personal property.

41. Since the reserve study in 2006 referred to above was completed, the Masonite siding has been partially replaced on two locations of two buildings. At the time of these replacements, extensive wood rot and deterioration were noted not only on the exterior siding itself but also within the structure of the walls behind the siding and even into some interior units causing property damage to the personal property of the various owners. Upon information, this damage was due to the repair efforts mentioned above and is to areas of the common elements which were not worked on directly by the Defendants.

42. The Plaintiff board of directors has been advised that in the very near future, they would need to expend millions of dollars for exterior envelope common element repairs, including roof replacements, siding replacement, repairs of interior personal property, paving and road repair which will require extensive special assessments.

43. Upon information, the Plaintiffs will also have to expend significant money for roads, drainage issues, life safety-fire separation repairs, as well which were negligently disclosed to them.

44. That at no time did the grantor, Defendant Montclair Homes, Defendant Montclair POA, LLC a/k/a Defendant Montclair HOA (grantor controlled) or Defendant Kinney as a board member during the control period, during the sales or during the control period before the grantor turned over the regime to the current board of directors make an adequate attempt to establish an appropriate level of reserves, commence an independent a reserve study or require that the regime fees be set at appropriate levels which would establish adequate reserves for replacement of these common elements described above. These acts by the Board of Defendant Montclair POA, LLC a/k/a Defendant Montclair HOA (between 2003 and May 2005) were negligent and wrongful acts or omissions by these boards and their officers or board members during the control period.

45. The Plaintiffs by and through their current board of directors of the Montclair Horizontal Property Regime on behalf of all owners have a claim against Defendant Kinney as a member of the grantor Montclair Homes, a dissolved corporation pursuant to §33-44-808 of the South Carolina Code of Laws annotated for the shortfalls in the reserves, failure to fund the reserves and failure of the dissolved grantor corporation to adequately represent the physical condition of the common elements of the regime, failure to accurately represent the true useful life expectancy of the building envelopes at the time of sale, and failure to adequately repair the buildings of the regime.

46. Upon information, all assets from the sales of Montclair Horizontal Property Regime units have been distributed by the dissolved corporation Defendant Montclair Homes to

its various members including Defendant Kinney of Montclair Homes as per their various interests.

47. That by South Carolina Statute §27-31-430 and by common law, Defendant Montclair Homes and Defendant Montclair POA, LLC a/k/a Defendant Montclair HOA had a duty to accurately represent to the Plaintiffs at Montclair Horizontal Property Regime that the Masonite siding and other common elements were failing and had exceeded their useful life expectancy at the time the master deed was filed and that they would be very expensive to replace.

48. That upon information, all Defendants except Lockey, Church Creek and Elsey Construction had knowledge that there was a nationwide class action pending on the siding issue at Montclair and had an affirmative duty to represent that the siding, roofs and other common elements at Montclair had exceeded or were about to exceed their useful life expectancy and that the residents and owners of the units would be put to great expense in the form of future special assessments needed to replace these common elements.

49. Upon information, during the control period, Defendant Kinney, Defendant Montclair Homes and Defendant Montclair POA, LLC a/k/a Defendant Montclair HOA (grantor controlled) settled the Masonite class action claims for a fraction of the actual costs needed to do repairs to the siding envelope. These Defendants failed to address the reserve shortfall with any meaningful or reasonable communication to the homeowners and Plaintiffs regarding the settlement or the true costs the Plaintiffs would face after the control period ended for repairs to the siding and other common elements.

50. That having this knowledge, neither Defendant Kinney individually or as a member of the dissolved corporation Defendant Montclair Homes, nor Defendant Montclair

Homes, nor the other joint enterprise defendants took any reasonable and appropriate steps to fully disclose the aforementioned physical conditions to prospective homeowners, set adequate reserves, or make the Plaintiffs fully aware of the deficiencies with the common elements during the control period. These failures to communicate by the Defendants were negligent acts which have harmed the current owners.

51. That due directly to the negligent failure to disclose the life expectancy of the above common elements by the Defendants or to adequately repair the common elements, the Plaintiffs have been, and will be, damaged in that the reserve accounts at the time of the turnover were woefully underfunded and they are faced with extensive repair costs.

THE JOINT ENTERPRISE
By Joint Enterprise Defendants Bruce Kinney, Montclair Homes, LLC, Montclair Associates Limited Partnership and CREMCO

52. That for this cause of action, the above Defendants, Defendant Kinney, Defendant Montclair Homes, Defendant MALP and Defendant CREMCO, were involved in a joint enterprise in that they shared a common purpose, shared information concerning the property, had the same mailing address, financed the property, directed the course of the enterprise, set the budget for repairs, performed repairs, were involved in disseminating information to each prospective purchaser at each sale of every unit, and shared in the profits made from the sale of each unit at Montclair Horizontal Property Regime.

53. That the development of the Montclair Horizontal Property Regime as a condominium development was a joint enterprise between the above Defendants and all joint enterprise defendants are liable for the actions committed by all defendants which were committed within the scope of the joint enterprise.

54. That during April of 2003, Defendant CREMCO, LLC, hired an engineering consultant firm to evaluate among other things the Masonite siding issue at Montclair, Mt. Pleasant, South Carolina, and to produce a "property condition assessments" for Defendant MALP. This April 2003 report included a "capital needs" replacement reserve of the various component parts and common elements of the 240 units at Montclair, Mt. Pleasant Apartments.

55. That upon information and belief, this report prepared for CREMCO was given to Defendant MALP during 2003. MALP entered into negotiations with Defendant Kinney for the sale of the property known as Montclair Apartments to Montclair Homes. Montclair Homes and Defendant Kinney presented a plan to MALP to repair and convert the apartments to condominiums under South Carolina law pursuant to the South Carolina Horizontal Property Regime Act.

56. That Defendant MALP having knowledge of the physical condition of the buildings transferred this knowledge to Defendant Kinney and Defendant Montclair Homes, grantor on the Master Deed. Included in this April 2003 report was an attached projected dollar value, prepared by the engineering firm that authored the report, of the deferred maintenance on the property which as of April 2003 totaled approximately $900,000 exclusive of the Masonite siding issue and exclusive of the replacement costs for the roofs over the near term. This information was not given to the Plaintiffs during the grantor-control period nor was it given to any of the individual homeowners at the sale of the units.

57. Upon information, Defendant Montclair Homes, after purchase of the property, on November 6, 2003, directed its counsel to prepare a master deed, which was filed on November 7, 2003, and it immediately began selling the 240 condominium units. That it has recently been discovered that many communications, advertisements and contracts between Defendant

Montclair Homes and homeowners were signed beginning in August of 2003, prior to the Master Deed being filed. Communications with the Plaintiff Homeowners and advertisement to the Plaintiff Homeowners began in approximately August of 2003 and continued until all units were sold in May of 2005. Further upon information, repairs began by the joint enterprise Defendants in the July-August timeframe of 2003.

58. At each closing of each property from August of 2003 until May of 2005, a letter was given to each purchaser by the joint enterprise defendants. This letter dated November 6, 2003, originating from CREMCO, LLC, on stationery from the engineering firm American Consulting, Inc. (ACE) characterized the Masonite siding problem as affecting only a "small percentage" of the siding and characterized the likelihood of recovery in the class action suit as "probably low" and concluded that "it would be better to spend the money on routine maintenance and isolated repairs". This negligent communication had the effect of misinforming the Plaintiffs on the nature and extent of the siding problems and the adequacy of the repairs being performed by these Defendants.

59. All joint-enterprise Defendants had a duty to all prospective purchasers and to the Plaintiffs to provide accurate information regarding the siding issue and the information provided by both the above-referenced letter of November 6th and the Epps report did not provide accurate information.

60. When Defendant Kinney, Defendant Montclair Homes and Defendant Montclair POA, LLC a/k/a Defendant Montclair HOA (grantor controlled) did later participate in the Masonite class action settlement process while in control of the board of directors, they settled the claims on all 39 buildings and received approximately $25,000 net. This amounts to less than one (1%) percent of what will be needed by the Plaintiffs to repair the Masonite exterior

building envelope problems and resulting damage to individual homeowners' personal property. At no time during the control period did the Defendants attempt to make a reasonable disclosure to the Plaintiffs of the shortfall or fund the shortfall in the Plaintiffs' regime reserve accounts prior to the control period ending and the grantor corporation's dissolution.

61. That as previously mentioned, the Defendants began repairing the exterior siding, roofs and exterior building envelopes of the buildings using Defendant Church Creek, Defendant Elsey Construction and Defendant Lockey as subcontractors in approximately July or August of 2003.

62. Defendant Church Creek, Defendant Elsey Construction and Defendant Lockey worked as a subcontractor under the direction of these defendants. The defendants directed what repairs needed to be made to make the buildings waterproof. These repairs to siding, flashing, roofs, attics and windows on all buildings were deficient and were not in compliance with the building codes in effect in Mt. Pleasant, SC, at the time (approximately 2003 and 2004) and were not in conformance with good construction practice. As a direct result, these building envelope repair efforts failed allowing water intrusion and causing property damage caused by an occurrence to areas inside the walls and to the interior of the units themselves which has recently been discovered in destructive testing.

FIRST CAUSE OF ACTION
(Declaratory Judgment pursuant to S.C. Code §15-53-10 - §15-53-140 and Rule 57 of the S.C.R.C.P. as to All Defendants)

63. The allegations contained in paragraphs 1-67 are realleged and restated as if repeated verbatim below.

64. Plaintiffs bring this cause of action against Defendant Kinney, individually and as incorporator for Montclair Homes and other Defendants involved with the conversion and/or

sale of the Montclair condominium units pursuant to section 15-53-10 *et. seq.* of the South Carolina Code and Rule 57 of the South Carolina Rules of Civil Procedure seeking a declaration that a certain provision of the Master Deed is void and unenforceable against Plaintiffs.

65. The Master Deed of Montclair Horizontal Property Regime is dated November 7, 2003, and is signed by James Kinney, Vice-President of Montclair Homes, LLC.

66. The Master Deed consists of one hundred eleven pages, including exhibits, a cover page and table of contents.

67. The Master Deed contains various clauses, provisions, and terms which are oppressive, one-sided, unconscionable, overreaching and contrary to the law and public policy of South Carolina. The Plaintiffs seek declaratory judgment from this Court, that the terms of Article 10, Section 10.12 of its Master Deed as drafted by the Defendants are void, invalid and unenforceable.

68. Article 10, Section 10.12 of the Master Deed states:

> **Restriction on Expense of Litigation.** Notwithstanding any contrary provision contained in this Master Deed, in no event may the Association commence any action or proceeding against any person seeking equitable relief, or seeking either an unspecified amount of damages or damages in excess of $25,000.00, or any action or proceeding where the estimated cost of legal fees exceeds $5,000.00, unless the following conditions are satisfied: (a) the decision to commence such action or proceeding shall be taken at an annual or special meeting of the Association; (b) a budget for such litigation, including all fees and costs assuming trial and all potential appeals, shall have been prepared by the attorneys who will be engaged by the Association for such purpose, and shall have been mailed or delivered to all Owner and posted at the principal office of the Association at least 30 days prior to such meeting; and (c) at such meeting the owners representing an aggregate ownership interest of Two-thirds (2/3) or more of the Common Elements shall approve the decision to commence, and the proposed budget for, such action or proceeding, and shall concurrently approve the imposition of a Special Assessment to fund the costs of such action or proceeding in the accordance with the approved budget. The Association shall be authorized to expend funds for such proceeding in excess of the amount contemplated by the approved budget only after an amended budget has been approved in accordance with the procedures specified in the foregoing subparts (a), (b) and (c). The procedural requirements set forth in this paragraph 10.12, however, shall not apply to any action to collect or otherwise enforce Assessments and any related fines, late

charges, penalties, interest, or costs and expenses, including reasonable attorneys' fees, in an amount of $25,000.00 or less, or any such action where the estimated cost of legal fees is less than $5,000.00. All of the costs and expenses of any action or proceeding requiring the approval of the Owners in accordance with this paragraph shall be funded by means of a Special Assessment pursuant to paragraph 10.6, and in no event may the Association use reserve funds or contingency funds, reallocate previously budgeted operating funds, or incur an indebtedness in order to pay any costs and expenses incurred for such purpose. Further, if the Association commences any action or proceeding against a particular Owner or particular Owner(s) against whom suit is being considered shall be exempted from the obligation to pay the Special Assessment(s) levied in order to pay the costs and expenses of such action or proceeding. The monetary thresholds stated in this paragraph 10.12 shall increase by the greater 3% or the CPI Index each year on the anniversary of filing this Master Deed. The provisions of this paragraph 10.12 cannot be amended without the approval of at least 75% of all Allocated Interests.

69. The Developer inserted Article 10, Section 10.12 in the Master Deed, and the Developer did not specifically bargain for Article 10, Section 10.12 with any of the condominium owners or any purchasers of the units.

70. Article 10, Section 10.12 of the Master Deed was drafted by the Grantor Defendants. It is ambiguous when read in concert with the South Carolina Horizontal Property Act and the Bylaws of the regime. All ambiguities should be resolved against the Grantor Defendant and in favor of the Plaintiff Homeowner.

71. Article 10, Section 10.12 of the Master Deed is inconsistent with the Bylaws and the South Carolina Horizontal Property Act in that it unreasonably hinders the Board's statutory duty to maintain the common elements and the Board's power, right and duty to make application for special assessments and to do those things required in the Bylaws and statutes of South Carolina to maintain the common elements of the regime.

72. By inserting such a provision in the Master Deed, the Developer and Defendants sought to insulate themselves from liability from the conversion and sale of the condominium units which the Developer and other Defendants are liable under the laws of South Carolina in violation of their fiduciary duty to the owners and Board .

73. The only parties to benefit from the insertion of such a provision in the Master Deed are the Developer and the other Defendants and they do not have proper standing to assert this provision in order to hinder this lawsuit.

74. The Plaintiffs request that Article 10, Section 10.12 of the Master Deed be declared inapplicable to the claims of the Plaintiffs and/or unenforceable and invalid under the laws of South Carolina.

SECOND CAUSE OF ACTION

(Negligent Construction and Repairs by the Joint Enterprise Defendants, Defendant Kinney, Defendant Montclair Homes, Defendant MALP, and Defendant CREMCO)

75. That for this cause of action, the Plaintiffs reallege and incorporate by reference all previous allegations in this Complaint.

76. Defendants Kinney, Montclair Homes, CREMCO and MALP during the control period (August 2003 to May 2005) performed construction activities in repairing, modifying and attempting to fix the exterior building envelope at Montclair Homeowners Property Regime including siding, windows, flashing, attics, roofs and etc.

77. This repair work was performed thru subcontractors Defendant Church Creek, Defendant Elsey Construction and Defendant Roger Lockey. The work included siding and roofing work to many of the buildings and said work was deficient in that it failed to render the buildings water tight and generally was not in conformity with good construction practice as more fully explained below.

78. That upon information, the work was performed by subcontractors Defendant Church Creek, Defendant Elsey Construction and Defendant Lockey prior to the apartments being placed into the stream of commerce by sales directly to purchasers by the joint enterprise defendants. It was foreseeable by all Defendants that the repair work on the exteriors of the

buildings would directly affect the Plaintiffs if it was not done properly. As such, all Defendants owed a duty of care to the purchasers/Plaintiffs to conform said work to the industry standards for waterproofing of exterior building envelopes and to the applicable building codes.

79. That upon information, all Defendants who performed or directed repairs breached their duty to repair these exterior siding envelopes and roofs in a proper fashion, according to the applicable building codes and in conformance with good construction practice as is more fully set forth below.

80. These repair deficiencies and defects which exist at the Plaintiffs' property are the proximate and direct result of the negligence and/or gross negligence of these defendants, as co-general contractors and subcontractors in one or more of the following particulars:

(a) In failing to properly develop and construct the repair plans and by failing to employ practices and methods of construction and repair conforming with accepted industry standards; and/or using defective materials; and/or installing materials not in accordance with the plans and specifications, or in violation of the manufacturer's installation instructions;

(b) In failing to properly supervise the Defendant subcontractors and/or other trades in order to ensure that all work proceeded in accordance with good and adequate plans and specifications for exterior repairs and also in conformity with the customary and ordinary standards of the construction industry;

(c) In accepting non-conforming or defective materials or site conditions;

(d) In accepting and performing deficient and/or defective workmanship and/or materials without proper inspection to ensure the work was correct and in conformity with industry standards and in accordance with good and adequate plans and specifications and the manufacturer's instructions; and

(e) In constructing the repairs in violation of applicable building codes.

81. The above joint enterprise Defendants' work was in breach of their duties owed to the Plaintiffs to perform the repairs using good construction practices and as per the building

code. As a direct result of the breach of the duties and workmanship of the subcontractors listed above, water intruded through the building envelope and into the interior of the buildings where it caused physical injury to tangible property other than the work itself and to the personal property of the individual homeowners and of the Plaintiff. This property damage was the direct result of an occurrence which, upon information, has occurred in every year since 2003.

82. As a direct and proximate result, Plaintiffs have suffered damages and continue to suffer property damage and are entitled to the recovery of monetary damages in the amount of the cost that will be needed to repair the subject property, reasonable attorney's fees, consequential damages, including loss of use, and punitive damages where applicable, plus costs, prejudgment interest, and postjudgment interest.

THIRD CAUSE OF ACTION

(Breach of Implied Warranty of Workmanship as to Joint Enterprise Defendants)

83. That for this cause of action, the Plaintiffs reallege and incorporate by reference all previous allegations in this Complaint.

84. That for this cause of action, these Defendants impliedly warranted to the Plaintiffs that the subject property would be repaired in a careful, diligent, and workmanlike manner, free of construction defects.

85. As set forth more fully above, these Defendants breached the implied warranty of workmanship and, as a result, directly caused property damage to areas other than the work itself as mentioned.

86. As a direct and proximate result, Plaintiffs have suffered damages and continue to suffer property damage caused by an occurrence and are entitled to the recovery of damages in the amount of the cost that will be required to repair the subject property, reasonable attorney's

fees, consequential damages, including loss of use, punitive damages where applicable, plus costs, prejudgment interest, and postjudgment interest.

FOURTH CAUSE OF ACTION

(Negligent and Grossly Negligent Misrepresentation as to Defendants Bruce Kinney, Individually, Montclair Homes, LLC, Montclair Property Owners Association, LLC a/k/a Defendant Montclair Homeowners Association (grantor controlled), MALP and CREMCO)

87. That for this cause of action, the Plaintiffs reallege and incorporate by reference all previous allegations in this Complaint.

88. That the Defendants above had a duty to communicate accurate information to the Plaintiffs concerning the condition of the exteriors of the buildings, the adequacy of repairs and the need for adequate reserves to address the future replacement issues.

89. The above Defendants negligently failed to adequately inform the Plaintiffs or individual purchasers of the construction issues outlined above and their need for immediate and comprehensive repair or replacement.

90. That these Defendants failed in their duties aforesaid and negligently and jointly gave inaccurate, negligent, grossly negligent, or incomplete information at the time of sale and during the control period to the Plaintiffs regarding the physical condition of the property. That it was foreseeable that this failure to give adequate information would cause harm to the Plaintiffs. This breach of duty and inaccurate information caused physical injury to tangible property of the Plaintiffs from July or August 2003 until the present time in that it allowed the property damage to occur as stated above. As a direct and proximate result, Plaintiffs will be required to expend great sums of money to repair this property damage to the Plaintiffs' structure and to the personal property of the homeowners and they will suffer a loss of use when the repairs are made.

91. That at all times the Plaintiffs were at the time of sale and later during the control period justified in relying on the representations of the above Defendants regarding the condition of the property, adequacy of the repairs to the property, and the proper setting of reserve funds during the control period for repair of the common elements and were unaware of the ongoing property damage which was occurring and which has occurred in every year since 2003.

FIFTH CAUSE OF ACTION

(Breach of Fiduciary Duty; Failure to Adequately Reserve as to All Defendants except Church Creek Construction, Elsey Construction and Roger Lockey)

92. That for this cause of action, the Plaintiffs reallege and incorporate by reference all previous allegations in this Complaint.

93. That all defendants except Defendant Church Creek Defendant Elsey Construction or Defendant Lockey owed a fiduciary duty to the Horizontal Property Regime and Plaintiff Property Owners Association to insure that at the time the common elements and control thereof were transferred from the grantor to the Plaintiff homeowners association the common elements were in good repair or that sufficient funds had been reserved to effectuate any repairs to the common elements.

94. That all defendants except Defendant Church Creek, Defendant Elsey Construction and Defendant Lockey failed to fulfill their fiduciary duties in that at the time the units were sold and during the control period and at the time of transfer of control from the Defendants to the Plaintiff homeowner association the common elements were not in good repair and there was a shortfall of millions of dollars in reserves for the repair of the common elements.

95. That this reserve shortfall was directly and proximately caused by the breach of the fiduciary duty and the failure of any one of the Defendants to take reasonable steps and exercise good business judgment to act in the best interests of the Plaintiffs. That it was

foreseeable that this breach would cause harm to the Plaintiffs and, in fact, the breach of the fiduciary duty did cause damage to the Plaintiffs.

96. That as a result, the Plaintiffs are entitled to actual and punitive damages for the shortfalls in reserves and cost of repair of the various common elements as well as per the damages for the breach of this duty.

SIXTH CAUSE OF ACTION

(Breach of Express Warranties and/or Advertisements as to Defendants Bruce Kinney, Montclair Homes, LLC, Montclair Associates Limited Partnership and CREMCO)

97. That for this cause of action, the Plaintiffs reallege and incorporate by reference all previous allegations in this Complaint.

98. That at all times the above Defendants held out and advertised the condominiums during the sale period from August of 2003 until May of 2005 as "Luxury Condominiums" and represented the condominiums were "nearly maintenance free".

99. Said advertisements were negligent and had a misleading effect and contributed to the damage suffered by the Plaintiffs who relied thereon in that they misled Plaintiffs purchasers regarding the quality and maintenance requirements of their homes. The Plaintiffs had a right to rely on these advertisements and warranties when they were made concerning the condition of their homes and to believe they were accurate at the point of sale and during the control period.

100. That these Defendants had a duty to give accurate representations in their advertisements for sale concerning the condition and quality of the homes and they breached this duty. That the Plaintiffs had a right to rely on the accuracy of the representations made at the point of sale and during the control period by the Defendants.

101. As a direct and proximate result of this breach, the Plaintiffs will suffer actual damage in the form of repair costs as a result of this breach of these express warranties and advertisements as aforementioned.

SEVENTH CAUSE OF ACTION
(Failure to Comply with South Carolina Condominium Disclosure of Physical Condition of Buildings as to Bruce Kinney and Montclair Homes, LLC)

102. That for this cause of action, the Plaintiffs reallege and incorporate by reference all previous allegations in this Complaint.

103. That Defendant Kinney and Defendant Montclair Homes, as grantors, had a duty to comply strictly with §27-31-430 of the South Carolina Code of Laws requiring disclosure of the present condition of all common elements to prospective purchasers.

104. That Defendants failed to comply with this requirement and failed to disclose to Plaintiffs the useful life of the common elements; namely, the useful life of the exterior building envelopes and other common elements such as the roofs, roads and drainage common elements as required by statute.

105. As a direct and proximate result, neither the buyers nor the Plaintiff were made aware of the need for extensive repairs and replacement of common elements as is contemplated in the above statute. As a result of the breach of this duty, the Plaintiffs will suffer, and have suffered, actual damages in the form of physical injury to tangible property which was unkown to the Plaintiffs and which, upon information, has been occurring in every year since at least 2003 and continues until the present time.

106. This failure of disclosure under this statute on Defendants' part will result in the expenditure of millions of dollars to replace or repair common elements as stated and will result in extensive loss of use of the buildings during repairs to them.

107. This failure to comply with the South Carolina law constitutes an unfair claims practice under South Carolina law and entitles the Plaintiffs to attorney's fees and other remedies as per §27-31-430, South Carolina Code Ann.

EIGHTH CAUSE OF ACTION

(As to Bruce Kinney and Other Unnamed Members of Montclair Homes, LLC, for Disbursements from a Dissolved LLC under South Carolina §33-44-808)

108. That for this cause of action, the Plaintiffs reallege and incorporate by reference all previous allegations in this Complaint.

109. That upon information, the grantor entity Montclair Homes has dissolved and disbursed assets to its members including Defendant Kinney.

110. That the Plaintiffs are entitled to a judgment against the individual defendant members of the Montclair Homes, as per statute §33-404-808, South Carolina Code Ann., for all sums and judgments rendered against the dissolved corporation in amounts equal to the members' distributed assets as per South Carolina law.

NINTH CAUSE OF ACTION

(Negligent Construction as to Defendants Church Creek Construction, LLC, Elsey Construction and Roger Lockey)

111. That for this cause of action, the Plaintiffs reallege and incorporate by reference all previous allegations in this Complaint.

112. That Defendant Church Creek, Defendant Elsey Construction and Defendant Lockey are licensed general contractors in the State of South Carolina doing business primarily in Charleston, South Carolina.

113. That upon information, between 2003 and late 2005, Defendant Church Creek, Defendant Elsey Construction and Defendant Lockey were hired by Defendant Kinney, Defendant Montclair Homes, Defendant CREMCO and Defendant MALP to perform exterior

repairs on the siding, roofs, attics, and windows, and many other exterior elements of the buildings at Montclair Homeowners Property Regime.

114. That these repairs were performed at the request of one or more of the joint enterprise Defendants to address exterior siding, water intrusion or water intrusion through roofs or walls.

115. That these repairs were deficient in that they failed to comply with industry standards, building codes in effect or good construction practice in one or more of the following particulars:

(a) In failing to properly develop and construct the repairs by failing to employ practices and methods of construction conforming with accepted industry standards; and/or using defective materials; and/or installing materials not in accordance with the plans and specifications, or in violation of the manufacturer's instruction;

(b) In failing to properly supervise the subcontractors of these defendants and/or other trades in order to ensure that all work proceeded in accordance with the plans and specifications and also in conformity with the customary and ordinary standards of the construction industry;

(c) In accepting non-conforming or defective materials;

(d) In accepting and performing deficient and/or defective workmanship and/or materials without proper inspection to ensure the work was correct and in conformity with industry standards and in accordance with the plans and specifications and the manufacturer's instructions; and

(e) In constructing the repairs in violation of applicable building codes.

116. These Defendants and their subcontractors owed the Plaintiffs a duty in doing these repairs to comply with good construction practice, the building codes in affect and these Defendants failed in that duty and this failure led to water intrusion into the wall cavity and interior of the units and has caused physical injury to tangible property of the Plaintiffs and interior damage to property other than the work itself.

117. That as a direct result of the property damage caused by an occurrence in every year since 2003, the Plaintiffs will be required to expend large sums for repairs to the buildings to areas other than the areas worked on by these Defendants and Plaintiffs have and will suffer loss of use of the buildings when repairs are accomplished.

TENTH CAUSE OF ACTION
(Breach of Implied Warranty of Workmanship as to Defendants Church Creek, Elsey Construction and Roger Lockey)

118. That for this cause of action, the Plaintiffs reallege and incorporate by reference all previous allegations in this Complaint.

119. That for this cause of action, the above Defendants, Defendant Church Creek, Defendant Elsey Construction and Defendant Lockey, impliedly warranted to the Plaintiffs that the subject property would be repaired in a careful, diligent, and workmanlike manner, free of construction defects.

120. As set forth more fully above, these Defendants breached the implied warranty of workmanship and, as a result, directly caused property damage to areas other than the work itself as, mentioned.

121. As a direct and proximate result, Plaintiffs have suffered damages and continue to suffer property damage caused by an occurrence and are entitled to the recovery of damages in the amount of the cost that will be required to repair the subject property, reasonable attorney's fees, consequential damages, including loss of use, punitive damages where applicable, plus costs, prejudgment interest, and postjudgment interest.

WHEREFORE, the Plaintiffs pray for judgment on all causes of action against the Defendants, jointly and severally, above in an amount sufficient to repair the defects in the Plaintiffs' residence and to reimburse the Plaintiffs for the amounts expended on repairs to date,

interest, together with consequential damages, forensic costs, redesign fees, punitive damages, costs of this action, attorneys fees and any other relief this Honorable Court deems proper. Further, these Plaintiffs demand a trial by jury.

YOUNG CLEMENT RIVERS, LLP

By: _____

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(843) 720-5446; jdapore@ycrlaw.com
Attorneys for the Plaintiffs

Charleston, South Carolina

Dated: 8·27·10

CERTIFICATE OF MAILING

I hereby certify that a true and correct copy of the foregoing Third Amended Summons and Third Amended Complaint have been mailed to the following counsel of record:

FILED
2010 AUG 30 PM 4:23
JULIE J. ARMSTRONG
CLERK OF COURT
BY _____

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Montclair Homes, LLC, a SC Limited Liability Company
(Declarant – Master Deed); Montclair Property Owners Association
a/k/a Montclair Homeowners Association (Grantor Control Period);
Bruce Kinney as an Officer or Director in the Montclair Property Owners Association
a/k/a Montclair Homeowners Association (Grantor Control Period),
a SC Non-Profit Corporation.

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Amanda DeMoto

Dated: August 30, 2010

Charleston, South Carolina

STATE OF SOUTH CAROLINA	)	IN THE COURT OF COMMON PLEAS
	)	
COUNTY OF CHARLESTON	)	FOR THE NINTH JUDICIAL CIRCUIT
Montclair Property Owners Association (a South Carolina non-profit corporation), and Montclair Property Owners Association Board of Directors for and on behalf of all owners of the Montclair Horizontal Property Regime,	)	Case No. 2008-CP-10-6897
Plaintiffs	)	
vs.	)	
Bruce E. Kinney, individually and as an incorporator for Montclair Homes, LLC; Montclair Homes, LLC, as SC Limited Liability Company (declarant – Master Deed); CREMCO, LLC, an Illinois Limited Liability Company; Montclair Associates Limited Partnership, an Illinois, Limited Partnership, Montclair Property Owners Association a/k/a Montclair Homeowners Association (Grantor Control Period); Bruce E. Kinney as an Officer or Director in the Montclair Property Owners Association a/k/a Montclair Homeowners Association (Grantor Control Period), a SC Non-profit Corporation; and Church Creek Construction, LLC and/or Elsey Construction, Inc. (ECI) and Roger Lockey,	)	
Defendants	)	

SETTLEMENT AGREEMENT AND RELEASE

THIS SETTLEMENT AGREEMENT AND RELEASE (hereinafter "Agreement") is made by and between the above-named Plaintiffs and Defendants Bruce Kinney individually and as a member of Montclair Homes, LLC, a South Carolina Limited Liability Company, Montclair Homes, LLC, and Montclair Property Owners Association, a South Carolina non-profit corporation (Control period) hereinafter referred to as "Settling Defendants".

RECITALS

WHEREAS, the property that is the subject of this Agreement consists of a group of thirty-nine (39) buildings, including multi-family wood-frame dwelling structures, comprising two hundred forty (240) total units, clubhouse facilities and related facilities located at 1861 Montclair Drive, Mt. Pleasant, South Carolina 29464, known collectively as "Montclair at Towne Centre" (hereinafter referred to as "Montclair");

WHEREAS, Montclair Homes, LLC, is a South Carolina limited liability corporation organized and existing under the laws of this State which was formerly engaged in the purchase and conversion of Montclair Apartments into condominiums;

WHEREAS, Bruce Kinney is a resident of Charleston County, South Carolina and was a member of Montclair Homes LLC;

WHEREAS, in 2003 MALP sold Montclair to Montclair Homes, LLC and Montclair Homes, LLC, upon purchase of the property from MALP, undertook a conversion of the property from apartments to condominiums;

WHEREAS, Montclair Property Owners Association (collectively with the party herein below referred to as "Plaintiffs") is a South Carolina not for-profit corporation organized and existing under the laws of South Carolina, which owns property and does business in the State of South Carolina and is made up of each and every individual condominium unit owner at Montclair;

WHEREAS, Montclair Property Owners Association Board of Directors for and on behalf of all owners of the Montclair Horizontal Property Regime (collectively with the party above referred to as "Plaintiffs") is the duly constituted and properly elected board responsible for maintenance and repair of all common elements within the Property Owners Association and has the full and complete actual authority to act on behalf of all individual condominium owners with respect to all of the common elements;

WHEREAS, Plaintiffs instituted the above-captioned civil action in the Circuit Court for Charleston County with a Civil Action Number of 2008-CP-10-6897 (hereinafter the "Lawsuit"). In that lawsuit Plaintiffs asserted claims against Defendants, Bruce Kinney individually and as a member in Montclair Homes, LLC, Montclair Homes, LLC and the Montclair Property Owners Association, Inc. (converter control period) for all causes of action set forth against them in the Third Amended Complaint in the above civil action.

WHEREAS, Plaintiffs and Settling Defendants being released herein desire to compromise fully, finally, and forever settle all claims asserted by Plaintiffs in accordance with the terms of this Agreement.

AGREEMENT

NOW THEREFORE, in consideration of the aforementioned Recitals and the below-described terms and conditions, the sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Payment by Settling Defendants Montclair Homes, LLC, Bruce Kinney individually and as a member of Montclair Homes, LLC, and as a director or officer in Montclair Property Owners Association (Control period) to Plaintiffs: of the sum total of One Million Six Hundred Thousand and 00/100 Dollars ($1,600,000.00), to be paid as follows:

a) Payment made by and for the Settling Defendants by Auto Owners Insurance Company.

2. Assignment: Montclair Homes, LLC, Bruce Kinney individually and as officer of Montclair Homes, LLC, Montclair Property Owners Association grantor control period further agree to assign to the Plaintiffs and to Auto Owners Insurance Company jointly any claims or rights the settling defendants may have to proceed against any insurance carriers who may have been called upon or were called upon to provide a defense or indemnity to Bruce Kinney individually, Montclair Homes LLC or to the Montclair POA (Converter control period). This assignment includes but is not limited to:

a) Any and all rights to coverage or indemnification which assignor may have, own or possess under certain policies of insurance, numbered 0208800496 issued to Montclair Property owners Association, Inc., with effective dates of November 6, 2004, through November 6, 2007, issued by CNA/Continental Casualty Company, to the extent any such rights exist. Further, assignor conveys all rights to coverage or indemnification which assignor may have, own or posses under certain policies of insurance numbered NPP15500393 issued to Montclair Property Owners Association, Inc., with effective dates of November 6, 2009, through November 6, 2011, issued by United States Liability Insurance Group, to the extent any such rights exist.

b) Any and all rights to sue the aforementioned insurers by Assignor, which it may have, own or possess, in contract, tort or equity arising out of or related to (i) the failure and refusal of them to defend it in the action pending in the Ninth Judicial District for the County of Charleston, South Carolina C/A. No.: 2008-CP-10-6897; (ii) the failure and refusal of the insurers to settle the plaintiffs' claims in the above-referenced action; (iii) the wrongful, unjustified and bad faith denial of coverage by them for the plaintiffs' claims in the above-referenced action; (iv) the bad faith or unreasonable action in breach of an implied covenant of good faith and fair dealings arising on the contract by them; (v) the refusal by them to pay benefits due under the contract; (vi) the neglect and reckless handling and adjustment of the plaintiffs' claims in the above-referenced action; (vii) any claim under S.C. Code Ann. §38-59-20; and (viii) any other matter, to the extent any such rights exist.

The undersigned further authorizes and certifies **AUTO-OWNERS INSURANCE COMPANY, and the Montclair Property Owners Association, Inc.** shall have the right and privilege of asserting and filing suit upon the rights assigned herein in the undersigned's joint and several names, to the extent any such rights exist.

3. Further, Montclair Homes, LLC, Bruce Kinney individually and as a member of Montclair Homes, LLC, or as Incorporator or Officer in the Montclair Property Owners Association hereby assign any and all claims for Contribution to the Plaintiffs which they may have against Co-Defendant Church Creek Construction, LLC. The intent of this payment, assignment and release is to preserve in the favor of the Plaintiffs any and all claims for Contribution which these Settling Defendants and/or their Insurance Carriers may have against Church Creek Construction LLC for Contribution pursuant to an assignment more fully set forth in a separate document entered into between the parties and incorporated herein by reference.

4. Release: In consideration of the execution of all terms within this Agreement by the Plaintiffs, the Plaintiffs for themselves, their insurers, successors, purchasers, assigns, and individual unit owners, hereby remise, release, acquit and forever discharge Montclair Homes, LLC, Bruce Kinney individually and Church Creek Construction and all of their officers, directors, shareholders, related and affiliated corporations, successors, assigns, partners, agents, officers, insurers (expressly Auto Owners Insurance Company), sureties, servants, and employees from any and all past, present and future claims, demands, debts, rights, actions, damages (including direct, indirect, incidental, and consequential damages), costs, causes of action, suits at law or in equity, expenses and fees of attorneys, expenses and fees of consultants and/or experts and all claims of any nature or kind whatsoever, now existing or which may hereafter accrue, which may in any way be alleged to have resulted of and from the prior ownership, management and activities of Montclair Homes, LLC, Bruce Kinney and Montclair Property Owners Association, Inc. (Control period) as alleged in the above lawsuit. The liability of Church Creek Construction Company as an alleged joint tortfeasor in the above lawsuit is hereby extinguished by this release.

5. Plaintiffs agree to execute a policy release to Auto Owners insurance Co. As partial consideration for this settlement Plaintiffs agree to forthwith execute a Policy release of all policies of Insurance written by Auto Owners Insurance Company. This is a Release releasing in favor of Auto Owners Insurance Co. any claims on policies which may be construed to provide a duty to defend or indemnify any of those insured's under those various policies for any of the claims made in this lawsuit or in any subsequent lawsuit involving substantially the same facts as set forth in the current "Lawsuit". This paragraph however does not affect the rights Plaintiffs have as assignee to proceed in a joint fashion with Auto Owners Insurance Company as per the assignment of claims set forth in paragraph 2.

6. Settling Defendants agree to give Auto Owners Insurance Co. a full release of claims they have asserted or may assert in this lawsuit or in case pending in the Charleston Division Of the United States District Court / Charleston Division known as C.A. NO.: 2:10-cv-3157-CWH.

7. No Admission of Liability: The Settling Defendants and Plaintiffs acknowledge that this settlement is the compromise of disputed claims and that the payment made and releases provided pursuant to this Agreement shall not be construed as an admission of liability or of wrongdoing by Settling Defendants of any kind whatsoever on any matter not specifically addressed in this document.

8. Limitation of this Agreement: Notwithstanding any provision to the contrary herein, Plaintiffs do not waive, release, or impair in any way, any claims of any nature or type, or issues relating to the Plaintiffs which may result in any present or future claims which Plaintiffs have or may have against **other** parties, expressly excluding these Settling Defendants and any related or affiliated entities, insurers and sureties, whether asserted in this Lawsuit or not. Additionally these Settling Defendants and their insurers specifically reserve all claims against any insurers for other parties to this lawsuit, save and except for those addressed above in Paragraph 2.

9. Authority to Settle: Plaintiff Board and its counsel represent and warrant that they have the complete authority to execute this Agreement and compromise the claims as described in this Agreement. Plaintiffs further represent and warrant that they have not assigned or otherwise alienated the claims being settled by this Agreement; they have been counseled about the meaning and import of this Agreement and its included releases; they knowingly and voluntarily are executing this Agreement with the included releases and they intend for it to be a full and final release of their claims as to the Settling Defendants.

10. Binding Effect: This Agreement shall be binding upon and inure to the benefit of each and every party to this Agreement, their representatives, administrators, successors and assigns.

11. Orders of Dismissal and Satisfaction of Judgment: Plaintiffs agree to execute all documents necessary and proper for the dismissal of the claims as set forth herein. They further agree to instruct their counsel to file all paperwork necessary to discharge any judgment that may be of record as a result of the settlement of this case as previously set forth on the record before the Honorable Stephanie P. McDonald on October 3, 2012.

12. Fees: The parties agree to bear their own costs and attorneys' fees in the Lawsuit and the preparation and execution of this Agreement and any documents related to the performance of any obligation created by this Agreement.

13. South Carolina Law: This Agreement shall in all respects be interpreted, construed, enforced and governed by and under the laws of the State of South Carolina.

14. Complete Understanding The parties acknowledge that this Agreement contains the full and complete agreement between them, that there are no oral or implied agreements or understandings which are not specifically set forth herein, and that this Agreement may be amended, supplemented or modified only by a written agreement signed by each of the parties hereto. Plaintiffs and Settling Defendants acknowledge that no other party, or agent or attorney of any other party or any person, firm, corporation or any other entity has made any promise, representation, or warranty whatsoever, express, implied or statutory, not contained herein, concerning the subject matter hereof, to induce the execution of this Agreement. Plaintiffs and Settling Defendants also acknowledge that they have not executed this Agreement in reliance on any promise, representation or warranty not contained in this Agreement.

15. Execution in Counterparts: This Agreement may be executed with one or more separate counterparts, each of which, when so executed, shall together, constitute one and the same instrument.

16. Unenforceability of any Portion of Agreement: If any part of this Agreement is determined to be unenforceable, the remainder of the Agreement shall continue to be valid and shall be enforceable to the fullest extent permitted by law.

17. Captions: The captions appearing at the commencement of the Paragraphs in this Agreement are descriptive only and for convenience or reference. Should any conflict arise between any such caption and the Paragraph at the head of which it appears, the Paragraph and not such caption shall control and govern in the construction of this Agreement.

18. Construction against Party that Drafted Agreement: This Agreement was drafted jointly by counsel for both parties as a matter of convenience and the Agreement shall not be construed for or against any party as a result of this fact. The Agreement has been fully negotiated by counsel and no presumption for or against any party shall arise on the basis of authorship should interpretation become required.

FOR THE PLAINTIFFS:

Montclair Property Owners Association:

By: LAWRENCE A. LADDAGA

Its: PRESIDENT

Date: 11-26-2012

Montclair Property Owners Association Board of Directors for and on Behalf of All Owners of the Montclair Horizontal Property Regime:

By: LAWRENCE A LADDAGA

Date: 11-26-2012

FOR THE DEFENDANTS:

Montclair Homes, LLC

By: BRUCE E. KINNEY

Its: President

Date: 11/16/2012

Bruce Kinney

By: BRUCE E. KINNEY

Its: Individually

Date: 11/16/2012

Montclair Owners Association (Converter Control Period)

By: BRUCE E. KINNEY

Its: President

Date: 11/16/2012

Page of

STATE OF SOUTH CAROLINA	)	IN THE COURT OF COMMON PLEAS
	)	
COUNTY OF CHARLESTON	)	NINTH JUDICIAL CIRCUIT
MONTCLAIR PROPERTY OWNERS ASSOCIATION (A SOUTH CAROLINA NON-PROFIT CORPORATION) AND MONTCLAIR PROPERTY OWNERS ASSOCIATION BOARD OF DIRECTORS FOR AND ON BEHALF OF ALL OWNERS OF THE MONTCLAIR HORIZONTAL PROPERTY REGIME,	)	CASE NO. 2008-CP-10-6897
PLAINTIFFS,	)	
vs.	)	
BRUCE E. KINNEY, INDIVIDUALLY AND AS AN INCORPORATOR FOR MONTCLAIR HOMES, LLC; MONTCLAIR HOMES, LLC, A SC LIMITED LIABILITY COMPANY (DECLARANT - MASTER DEED); CREMCO, LLC, AN ILLINOIS LIMITED LIABILITY COMPANY; MONTCLAIR ASSOCIATES LIMITED PARTNERSHIP, AN ILLINOIS LIMITED PARTNERSHIP; MONTCLAIR PROPERTY OWNERS ASSOCIATION A/K/A MONTCLAIR HOMEOWNERS ASSOCIATION (GRANTOR CONTROL PERIOD); BRUCE E. KINNEY AS AN OFFICER OR DIRECTOR IN THE MONTCLAIR PROPERTY OWNERS ASSOCIATION A/K/A MONTCLAIR HOMEOWNERS ASSOCIATION (GRANTOR CONTROL PERIOD), A SC NON-PROFIT CORPORATION; CHURCH CREEK CONSTRUCTION, LLC; LARRY ELSEY, INDIVIDUALLY, AND D/B/A ECI OR ELSEY CONSTRUCTION A/K/A ELSEY CONSTRUCTION INC. AND ROGER LOCKEY ,	)	**ADDENDUM TO SETTLEMENT AGREEMENT AND RELEASE AND ASSIGNMENT OF CLAIMS**

DEFENDANTS.)
_____)

All references to Church Creek Construction, Inc., or Church Creek Construction Company contained in the Assignment or Release in the above-captioned matter are intended to reflect Church Creek Construction, LLC, the correct entity involved in business with Montclair Property Owners Association, Inc.

FOR THE PLAINTIFFS:

Montclair Property Owners Association:

By: LAWRENCE A. LADDAGA

Its: President

Date: 11-26-2014

Montclair Property Owners Association Board of Directors for and on Behalf of All Owners of the Montclair Horizontal Property Regime:

By: Lawrence A. Laddaga

Date: 11-26-2014

FOR THE DEFENDANTS:

Montclair Homes, LLC

_____

By: _____

Its: _____

Date: _____

Bruce Kinney

_____

By: _____

Its: _____

Date: _____

DEFENDANTS.)
)

All references to Church Creek Construction, Inc., or Church Creek Construction Company contained in the Assignment or Release in the above-captioned matter are intended to reflect Church Creek Construction, LLC, the correct entity involved in business with Montclair Property Owners Association, Inc.

FOR THE PLAINTIFFS:

Montclair Property Owners Association:

_____

By: _____

Its: _____

Date: _____

Montclair Property Owners Association Board of Directors for and on Behalf of All Owners of the Montclair Horizontal Property Regime:

_____

By: _____

Date: _____

FOR THE DEFENDANTS:

Montclair Homes, LLC

_____

By: Bruce E. Kinney

Its: President

Date: 11/21/2012

Bruce Kinney

_____

By: Bruce E. Kinney

Its: Individually

Date: 11/21/2012

Montclair Owners Association (Converter Control Period)

By: Bruce E. Kinney

Its: President

Date: 11/21/2012

STATE OF SOUTH CAROLINA	)	IN THE COURT OF COMMON PLEAS
	)	
COUNTY OF CHARLESTON	)	NINTH JUDICIAL CIRCUIT
MONTCLAIR PROPERTY OWNERS ASSOCIATION (A SOUTH CAROLINA NON-PROFIT CORPORATION) AND MONTCLAIR PROPERTY OWNERS ASSOCIATION BOARD OF DIRECTORS FOR AND ON BEHALF OF ALL OWNERS OF THE MONTCLAIR HORIZONTAL PROPERTY REGIME,	)	CASE NO. 2008-CP-10-6897
PLAINTIFFS,	)	
vs.	)	
BRUCE E. KINNEY, INDIVIDUALLY AND AS AN INCORPORATOR FOR MONTCLAIR HOMES, LLC; MONTCLAIR HOMES, LLC, A SC LIMITED LIABILITY COMPANY (DECLARANT - MASTER DEED); CREMCO, LLC, AN ILLINOIS LIMITED LIABILITY COMPANY; MONTCLAIR ASSOCIATES LIMITED PARTNERSHIP, AN ILLINOIS LIMITED PARTNERSHIP; MONTCLAIR PROPERTY OWNERS ASSOCIATION A/K/A MONTCLAIR HOMEOWNERS ASSOCIATION (GRANTOR CONTROL PERIOD); BRUCE E. KINNEY AS AN OFFICER OR DIRECTOR IN THE MONTCLAIR PROPERTY OWNERS ASSOCIATION A/K/A MONTCLAIR HOMEOWNERS ASSOCIATION (GRANTOR CONTROL PERIOD), A SC NON-PROFIT CORPORATION; CHURCH CREEK CONSTRUCTION, LLC; LARRY ELSEY, INDIVIDUALLY, AND D/B/A ECI OR ELSEY CONSTRUCTION A/K/A ELSEY CONSTRUCTION INC. AND ROGER LOCKEY ,	)	**ASSIGNMENT OF CLAIMS**

DEFENDANTS.)
_____)

For valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Montclair Homes, LLC hereby assigns to Montclair Property Owners Association, Inc. all rights, title and interest in its claims against Church Creek Construction Company for contribution in connection with the above captioned litigation.

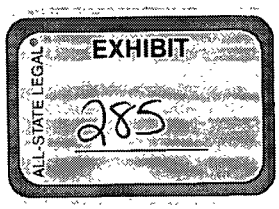
MONTCLAIR HOMES, LLC

By:_____
Bruce E Kinney
Its: Managing Member

STATE OF SOUTH CAROLINA	)	IN THE COURT OF COMMON PLEAS
	)	
COUNTY OF CHARLESTON	)	FOR THE NINTH JUDICIAL CIRCUIT
Montclair Property Owners Association (a South Carolina non-profit corporation); and Montclair Property Owners Association Board of Directors for and on behalf of all owners of the Montclair Horizontal Property Regime,	)	Case No. 2008-CP-10-6897
Plaintiffs	)	
vs.	)	
Bruce E. Kinney, individually and as an incorporator for Montclair Homes, LLC; Montclair Homes, LLC, as SC Limited Liability Company (declarant – Master Deed); CREMCO, LLC, an Illinois Limited Liability Company; Montclair Associates Limited Partnership, an Illinois, Limited Partnership, Montclair Property Owners Association a/k/a Montclair Homeowners Association (Grantor Control Period); Bruce E. Kinney as an Officer or Director in the Montclair Property Owners Association a/k/a Montclair Homeowners Association (Grantor Control Period), a SC Non-profit Corporation; and Church Creek Construction, LLC and/or Elsey Construction, Inc. (ECI) and Roger Lockey,	)	
Defendants	)	

SETTLEMENT AGREEMENT AND RELEASE

THIS SETTLEMENT AGREEMENT AND RELEASE (hereinafter "Agreement") is made by and between the above-named Plaintiffs and Defendants CREMCO, LLC, an Illinois Limited Liability Company and Montclair Associates Limited Partnership, an Illinois Limited Partnership (hereinafter referred to as "CREMCO and MALP").



RECITALS

WHEREAS, the property that is the subject of this Agreement consists of a group of thirty-nine (39) buildings, including multi-family wood-frame dwelling structures, comprising two hundred forty (240) total units, clubhouse facilities and related facilities located at 1861 Montclair Drive Mt. Pleasant, South Carolina 29464, known collectively as "Montclair at Towne Centre" (hereinafter referred to as "Montclair");

WHEREAS, CREMCO is a limited liability corporation organized and existing under the laws of the State of Illinois, which was formerly engaged in property management on behalf of MALP and Montclair Homes, LLC at Montclair;

WHEREAS, MALP is a limited partnership organized and existing under the laws of the State of Illinois, which formerly owned and operated Montclair as an apartment community from 1992 until 2003;

WHEREAS, in 2003 MALP sold Montclair to Montclair Homes, LLC and Montclair Homes, LLC, after purchase of the property from MALP, undertook a conversion of the property from apartments to condominiums;

WHEREAS, Montclair Property Owners Association (collectively with the party herein below referred to as "Plaintiffs") is a South Carolina not for-profit corporation organized and existing under the laws of South Carolina, which owns property and does business in the State of South Carolina and is made up of each and every individual condominium unit owner at Montclair;

WHEREAS, Montclair Property Owners Association Board of Directors for and on behalf of all owners of the Montclair Horizontal Property Regime (collectively with the party above referred to as "Plaintiffs") is the duly constituted and properly elected board responsible for maintenance and repair of all common elements within the Property Owners Association and has the full and complete actual authority to act on behalf of all individual condominium owners with respect to all of the common elements;

WHEREAS, Plaintiffs instituted the above-captioned civil action in the Circuit Court for Charleston County with a Civil Action Number of 2008-CP-10-6897 (hereinafter the "Lawsuit") in which it asserted claims against CREMCO and MALP for the several causes of action in connection with their prior management and ownership of Montclair in the above Lawsuit;

WHEREAS, Plaintiffs and CREMCO and MALP desire to compromise fully, finally, and forever settle all claims asserted by Plaintiffs in accordance with the terms of this Agreement.

AGREEMENT

NOW THEREFORE, in consideration of the aforementioned Recitals and the below-described terms and conditions, the sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Payment by CREMCO and MALP to Plaintiffs: CREMCO and MALP agree to pay Plaintiffs the sum total of One Million Four Hundred Thousand and 00/100 Dollars ($1,400,000.00), to be paid as follows:

One Million One Hundred Ninety Two Thousand Five Hundred and 00/100 ($1,192,500.00) Dollars payable by Scottsdale Insurance Company

One Hundred Ninety Two Thousand Five Hundred and 00/100 ($192,500.00) Dollars payable by Federal Insurance Company

Fifteen Thousand and 00/100 ($15,000.00) Dollars payable by MALP and CREMCO

2. Assignment: MALP and CREMCO further agree to assign to Plaintiffs any claims or right they may have to proceed against Church Creek Construction, LLC and its insurers, successors and assigns for Contribution. Such assignment shall be entered into as a separate document and incorporated herein by reference.

3. Release: In consideration of the execution of all terms within this Agreement by the Plaintiffs, the Plaintiffs for themselves, their insurers, successors, purchasers, assigns, and individual unit owners, hereby remise, release, acquit and forever discharge MALP and CREMCO all of their officers, directors, shareholders, related and affiliated corporations, successors, assigns, limited and general partners, agents, officers, Scottsdale Insurance Company, Federal Insurance Company, and any other insurers, sureties, servants, and employees ("Released Parties") from any and all past, present and future claims, demands, debts, rights, actions, damages (including direct, indirect, incidental, and consequential damages), costs, causes of action, suits at law or in equity, expenses and fees of attorneys, expenses and fees of consultants and/or experts and all claims of any nature or kind whatsoever, now existing or which may hereafter accrue, which may in any way be alleged to have resulted of and from the prior ownership and management of Montclair by MALP and CREMCO.This release also extinguishes the liability of Church Creek Construction LLC as alleged in the above Lawsuit.

4. No Admission of Liability: MALP and CREMCO and Plaintiffs acknowledge that this settlement is the compromise of disputed claims and that the payment made and releases provided pursuant to this Agreement shall not be construed as an admission of liability or of wrongdoing by MALP and CREMCO nor a statement of any kind whatsoever on any matter not specifically addressed in this document.

5. Limitation of this Agreement: Notwithstanding any provision to the contrary herein, Plaintiffs do not waive, release, or impair in any way, any claims of any nature or type, or issues

relating to the Plaintiffs which may result in any present or future claims which Plaintiffs have or may have against entities other than the Released Parties, whether asserted in this Lawsuit or not. Additionally, the Released Parties specifically reserve all claims against any insurers for other parties to this lawsuit, save and except for those addressed above in Paragraph 2 pertaining to the agreed upon assignment.

6. Authority to Settle: Plaintiffs represent and warrant that they have the complete authority to execute this Agreement and compromise the claims as described in this Agreement. Plaintiffs further represent and warrant that they have not assigned or otherwise alienated the claims being settled by this Agreement; they have been counseled about the meaning and import of this Agreement and its included releases; they knowingly and voluntarily are executing this Agreement with the included releases.

7. Binding Effect: This Agreement shall be binding upon and inure to the benefit of each and every party to this Agreement, their representatives, administrators, successors and assigns.

8. Orders of Dismissal and Satisfaction of Judgment: Plaintiffs agree to execute all documents necessary and proper for the dismissal of the claims as set forth herein. They further agree to instruct their counsel to file all paperwork necessary to discharge any judgment that may be of record as a result of the settlement of this case as previously set forth on the record before the Honorable Stephanie P. McDonald on October 3, 2012.

9. Fees: The parties agree to bear their own costs and attorneys' fees in the Lawsuit and the preparation and execution of this Agreement and any documents related to the performance of any obligation created by this Agreement.

10. South Carolina Law: This Agreement shall in all respects be interpreted, construed, enforced and governed by and under the laws of the State of South Carolina.

11. Complete Understanding between Plaintiffs and MALP and CREMCO: Plaintiffs and MALP and CREMCO acknowledge that this Agreement contains the full and complete agreement between them, that there are no oral or implied agreements or understandings which are not specifically set forth herein, and that this Agreement may be amended, supplemented or modified only by a written agreement signed by each of the parties hereto. Plaintiffs and MALP and CREMCO acknowledge that no other party, or agent or attorney of any other party or any person, firm, corporation or any other entity has made any promise, representation, or warranty whatsoever, express, implied or statutory, not contained herein, concerning the subject matter hereof, to induce the execution of this Agreement. Plaintiffs and MALP and CREMCO also acknowledge that they have not executed this Agreement in reliance on any promise, representation or warranty not contained in this Agreement.

12. Execution in Counterparts: This Agreement may be executed with one or more separate counterparts, each of which, when so executed, shall together, constitute one and the same instrument.

13. Unenforceability of any Portion of Agreement: If any part of this Agreement is determined to be unenforceable, the remainder of the Agreement shall continue to be valid and shall be enforceable to the fullest extent permitted by law.

14. Captions: The captions appearing at the commencement of the Paragraphs in this Agreement are descriptive only and for convenience or reference. Should any conflict arise between any such caption and the Paragraph at the head of which it appears, the Paragraph and not such caption shall control and govern in the construction of this Agreement.

15. Construction against Party that Drafted Agreement: This Agreement was drafted jointly by counsel for MALP and CREMCO and the Plaintiffs as a matter of convenience only and the Agreement shall not be construed for or against any party as a result of this fact. The Agreement has been fully negotiated by counsel and no presumption for or against any party shall arise on the basis of authorship should interpretation become required.

FOR THE PLAINTIFFS:

Montclair Property Owners Association:

By: LAWRENCE A. LADDAGA

Its: PRESIDENT

Date: 11-26-2014

Montclair Property Owners Association Board of Directors for and on Behalf of All Owners of the Montclair Horizontal Property Regime:

By: LAWRENCE A. LADDAGA

Date: 11-26-2014

FOR THE DEFENDANTS:

Montclair Associates Limited Partnership:

By: John F. Kennedy

Its: General Partner

Date: Nov. 1, 2012

CREMCO, LLC

By: Chrisken Residential Trust G.P. John F. Kennedy, Trustee, Chrisken Operating Limited Partnership, Member

Date: Nov. 1, 2012

STATE OF SOUTH CAROLINA	)	IN THE COURT OF COMMON PLEAS
	)	
COUNTY OF CHARLESTON	)	NINTH JUDICIAL CIRCUIT
MONTCLAIR PROPERTY OWNERS ASSOCIATION (A SOUTH CAROLINA NON-PROFIT CORPORATION) AND MONTCLAIR PROPERTY OWNERS ASSOCIATION BOARD OF DIRECTORS FOR AND ON BEHALF OF ALL OWNERS OF THE MONTCLAIR HORIZONTAL PROPERTY REGIME,	)	CASE NO. 2008-CP-10-6897
PLAINTIFFS,	)	
vs.	)	
BRUCE E. KINNEY, INDIVIDUALLY AND AS AN INCORPORATOR FOR MONTCLAIR HOMES, LLC; MONTCLAIR HOMES, LLC, A SC LIMITED LIABILITY COMPANY (DECLARANT - MASTER DEED); CREMCO, LLC, AN ILLINOIS LIMITED LIABILITY COMPANY; MONTCLAIR ASSOCIATES LIMITED PARTNERSHIP, AN ILLINOIS LIMITED PARTNERSHIP; MONTCLAIR PROPERTY OWNERS ASSOCIATION A/K/A MONTCLAIR HOMEOWNERS ASSOCIATION (GRANTOR CONTROL PERIOD); BRUCE E. KINNEY AS AN OFFICER OR DIRECTOR IN THE MONTCLAIR PROPERTY OWNERS ASSOCIATION A/K/A MONTCLAIR HOMEOWNERS ASSOCIATION (GRANTOR CONTROL PERIOD), A SC NON-PROFIT CORPORATION; CHURCH CREEK CONSTRUCTION, LLC; LARRY ELSEY, INDIVIDUALLY, AND D/B/A ECI OR ELSEY CONSTRUCTION A/K/A ELSEY CONSTRUCTION INC. AND ROGER LOCKEY ,	)	**ADDENDUM TO SETTLEMENT AGREEMENT AND RELEASE AND ASSIGNMENT OF CLAIMS**

DEFENDANTS.)
_____)

All references to Church Creek Construction, Inc., or Church Creek Construction Company contained in the Assignment or Release in the above-captioned matter are intended to reflect Church Creek Construction, LLC, the correct entity involved in business with Montclair Property Owners Association, Inc.

FOR THE PLAINTIFFS:

Montclair Property Owners Association:

By: LAWRENCE A. LADDAGA

Its: PRESIDENT

Date: NOV 26, 2012

Montclair Property Owners Association Board of Directors for and on Behalf of All Owners of the Montclair Horizontal Property Regime:

By: LAWRENCE A. LADDAGA

Date: Nov 26th 2012

FOR THE DEFENDANTS:

Montclair Associates Limited Partnership:

_____

By: _____

Its: _____

Date: _____

CREMCO, LLC

_____

By: _____

Its: _____

Date: _____

DEFENDANTS.)
_____)

All references to Church Creek Construction, Inc., or Church Creek Construction Company contained in the Assignment or Release in the above-captioned matter are intended to reflect Church Creek Construction, LLC, the correct entity involved in business with Montclair Property Owners Association, Inc.

FOR THE PLAINTIFFS:

Montclair Property Owners Association:

_____

By: _____

Its: _____

Date: _____

Montclair Property Owners Association Board of Directors for and on Behalf of All Owners of the Montclair Horizontal Property Regime:

_____

By: _____

Date: _____

FOR THE DEFENDANTS:

Montclair Associates Limited Partnership:

John F Kennedy

By: John F. Kennedy

Its: General Partner

Date: Dec. 11, 2012

CREMCO, LLC

John F Kennedy

By: Chrisken Residential Trust, G.P. John F. Kennedy, Trustee,

Its: Chrisken Operating Limited Partnership Member

Date: Dec. 11, 2012

STATE OF SOUTH CAROLINA	)	IN THE COURT OF COMMON PLEAS
	)	
COUNTY OF CHARLESTON	)	NINTH JUDICIAL CIRCUIT
MONTCLAIR PROPERTY OWNERS ASSOCIATION (A SOUTH CAROLINA NON-PROFIT CORPORATION) AND MONTCLAIR PROPERTY OWNERS ASSOCIATION BOARD OF DIRECTORS FOR AND ON BEHALF OF ALL OWNERS OF THE MONTCLAIR HORIZONTAL PROPERTY REGIME,	)	CASE NO. 2008-CP-10-6897
PLAINTIFFS,	)	
vs.	)	
BRUCE E. KINNEY, INDIVIDUALLY AND AS AN INCORPORATOR FOR MONTCLAIR HOMES, LLC; MONTCLAIR HOMES, LLC, A SC LIMITED LIABILITY COMPANY (DECLARANT - MASTER DEED); CREMCO, LLC, AN ILLINOIS LIMITED LIABILITY COMPANY; MONTCLAIR ASSOCIATES LIMITED PARTNERSHIP, AN ILLINOIS LIMITED PARTNERSHIP; MONTCLAIR PROPERTY OWNERS ASSOCIATION A/K/A MONTCLAIR HOMEOWNERS ASSOCIATION (GRANTOR CONTROL PERIOD); BRUCE E. KINNEY AS AN OFFICER OR DIRECTOR IN THE MONTCLAIR PROPERTY OWNERS ASSOCIATION A/K/A MONTCLAIR HOMEOWNERS ASSOCIATION (GRANTOR CONTROL PERIOD), A SC NON-PROFIT CORPORATION; CHURCH CREEK CONSTRUCTION, LLC; LARRY ELSEY, INDIVIDUALLY, AND D/B/A ECI OR ELSEY CONSTRUCTION A/K/A ELSEY CONSTRUCTION INC. AND ROGER LOCKEY ,	)	**ASSIGNMENT OF CLAIMS**

DEFENDANTS.)
)

For valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Montclair Associates, Limited Partnership and CREMCO hereby assign to Montclair Property Owners Association, Inc., all rights, title and interest in their claims against Church Creek Construction Company for contribution in connection with the above captioned litigation.

MONTCLAIR ASSOCIATES,
LIMITED PARTNERSHIP

By: John F Kennedy
Jack Kennedy
Its: General Partner

CREMCO, LLC

by: John F Kennedy
Its: Chrisken Residential Trust, C.P., John F. Kennedy, Trustee, Chrisken Operating Limited Partnership, Member

UNIT 1872

PHOTO 16A: View of incomplete tenant separation wall.

PHOTO 20A: View of fallen gypsum board due to inadequate attachment.

EXHIBIT
290
ALL-STATE LEGAL®

Unit 1848C

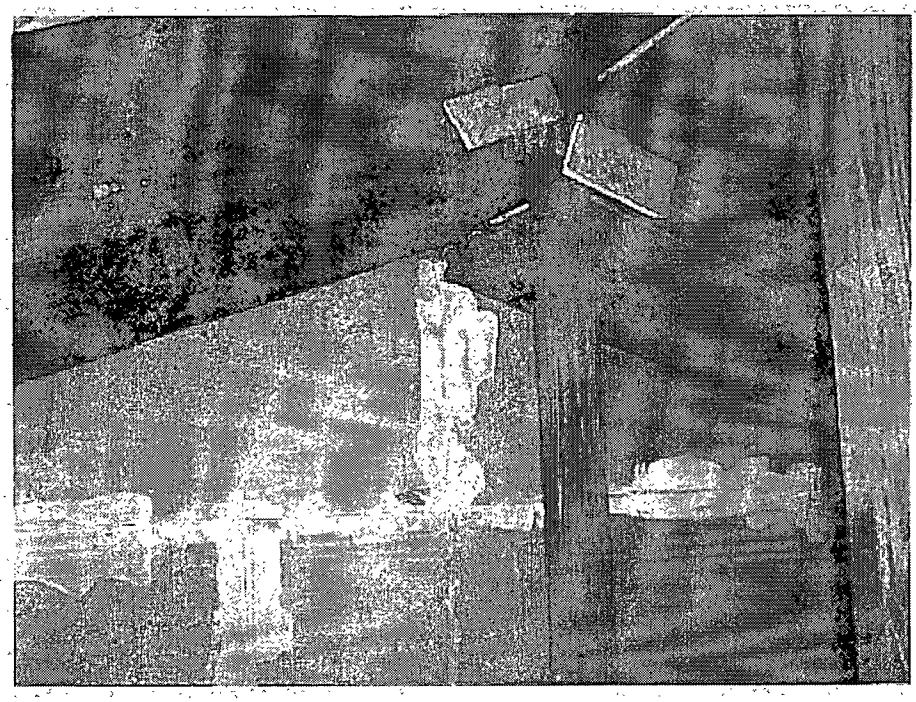
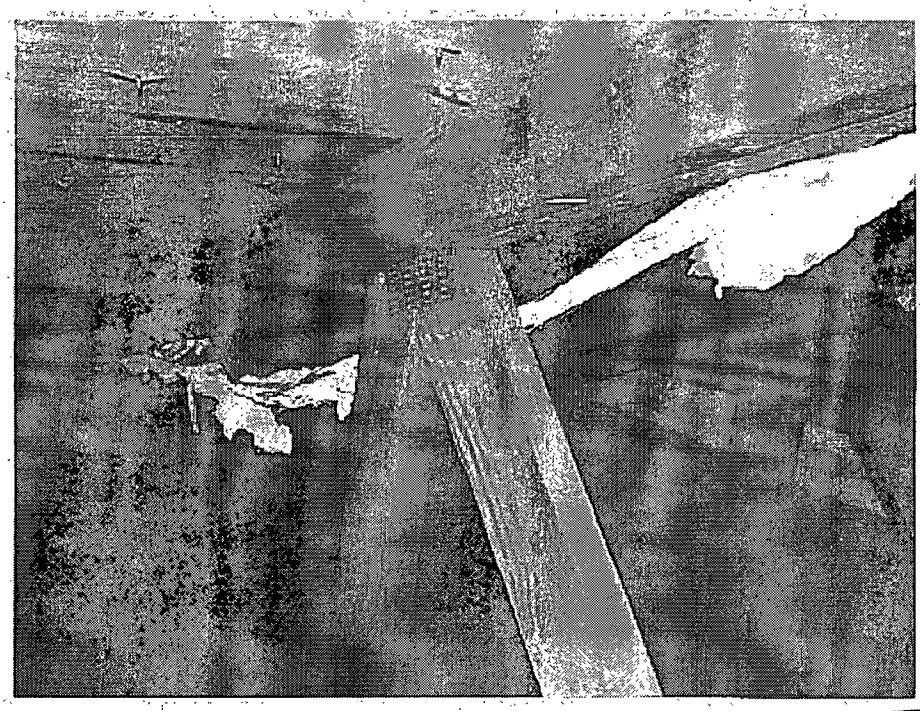


PHOTO 19A: View of absence of gypsum board within 4 feet of tenant separation wall.

PHOTO 20B: View of failed gypsum board within 4 feet of tenant separation wall.



ALL-STATE LEGAL®
EXHIBIT
291

1 STATE OF SOUTH CAROLINA
COURT OF COMMON PLEAS
2 COUNTY OF CHARLESTON

3 MONTCLAIR PROPERTY OWNERS ASSOCIATION (A SOUTH
CAROLINA NON-PROFIT CORPORATION) AND MONTCLAIR
4 PROPERTY OWNERS ASSOCIATION BOARD OF DIRECTORS FOR
AND ON BEHALF OF ALL OWNERS OF THE MONTCLAIR
5 HORIZONTAL PROPERTY REGIME,

6 Plaintiffs,
vs. CASE NO. 2008-CP-10-6897
7
BRUCE E. KINNEY, INDIVIDUALLY AND AS AN
8 INCORPORATOR FOR MONTCLAIR HOMES, LLC; MONTCLAIR
HOMES, LLC, A SC LIMITED LIABILITY COMPANY
9 (DECLARANT-MASTER DEED); CREMCO, LLC, AN ILLINOIS
LIMITED LIABILITY COMPANY; MONTCLAIR ASSOCIATES
10 LIMITED PARTNERSHIP, AN ILLINOIS LIMITED
PARTNERSHIP; MONTCLAIR PROPERTY OWNERS ASSOCIATION
11 A/K/A MONTCLAIR HOMEOWNERS ASSOCIATION (GRANTOR
CONTROL PERIOD) BRUCE E. KINNEY AS AN OFFICER OR
12 DIRECTOR IN THE MONTCLAIR PROPERTY OWNERS
ASSOCIATION A/K/A MONTCLAIR HOMEOWNERS ASSOCIATION
13 (GRANTOR CONTROL PERIOD); A SC NON-PROFIT
CORPORATION; CHURCH CREEK CONSTRUCTION, LLC AND/OR
14 ELSEY CONSTRUCTION, INC. (ECI) AND ROGER LOCKEY,

15 Defendants.

16 DEPOSITION OF: ROGER JAMES LOCKEY

17 DATE: October 1, 2010

18 TIME: 10:06 a.m.

19 LOCATION: Young Clement Rivers
28 Broad Street
20 Charleston, SC

21
A. WILLIAM ROBERTS, JR., & ASSOCIATES
22 Fast, Accurate & Friendly

23 Charleston, SC Hilton Head, SC Myrtle Beach, SC
(843) 722-8414 (843) 785-3236 (843) 839-3376
24
Columbia, SC Greenville, SC Charlotte, NC
25 (803) 731-5224 (864) 234-7030 (704) 573-3919

1 A. No. Got a wife and four kids, and
2 that's pretty much it.
3 Q. When you say construction work, has it
4 been mostly residential-type work or commercial?
5 A. Mostly residential in the early years.
6 Q. Single family homes or --
7 A. Yeah, basically, yeah.
8 Q. Do you have contractor's license?
9 A. No.
10 Q. Do you have any kind of specialty
11 license?
12 A. No.
13 Q. Within the construction trades, do you
14 have an area that you particularly kind of
15 specialize in, carpentry or roofing or --
16 A. I did roofing work for maybe ten years
17 and carpentry work all throughout the whole time.
18 Q. Do you --
19 A. So no real, you know, I would say
20 specialty.
21 Q. For example, you would not get into
22 areas like painting or anything like -- or
23 electrical?
24 A. I may paint something here or there.
25 But, no, I don't paint, per se, for a living. And

1 no, I don't --
2 Q. Electric or plumbing?
3 A. No real electrical work.
4 Q. On this particular product -- and when
5 I say this product, I'm talking about Montclair
6 Apartments out there. And I think you were out
7 there for a fair amount of time. Primarily what
8 type of work did you do?
9 A. We mostly worked on the exterior of the
10 building, the siding and stuff like that, some
11 roofing work.
12 Q. Did you do any of the work on the
13 interiors of the building?
14 A. From time to time, we would give them a
15 hand if they got, you know, behind.
16 Q. Can you tell me who you were working
17 for?
18 A. I was working for Kevin Malony and
19 Larry Elsey.
20 Q. Were you an employee of Church Creek
21 Construction?
22 A. Well, I mean, that's who paid me. I
23 guess that would be yes, I guess.
24 Q. Did they issue a 1099?
25 A. Yes.

1 A. Yes.
2 Q. Would there be a separate crew on the
3 inside? The reason I ask, a lot of that was
4 probably subbed out?
5 A. Yes.
6 Q. Church Creek did have workers on the
7 inside doing work as well?
8 A. Well, yeah, there was people working
9 inside. If they -- I don't know exactly how they,
10 you know, did it all, whether it was Larry or Kevin
11 or the both. I mean, I don't really know.
12 Q. I'm going to assume Larry wasn't out
13 there pounding nails. He was pretty much just
14 keeping track of everything?
15 A. Yeah, that would be a fair assumption.
16 I mean, don't get me wrong. I'm sure there was a
17 time or two when he actually -- you know, but not a
18 daily basis.
19 Q. Did you ever get a general scope of
20 work for all of the buildings, like replace all of
21 the siding on this building or a percentage of the
22 siding?
23 A. I guess it was more of a visual thing.
24 If we saw something that was bad or was noted by
25 someone else or -- you know, I think maybe at one

1 time they had me walk around and make a list of
2 everything that I saw. And I mean, I don't know
3 that they addressed everything, but I think they
4 tried to.
5 Q. Who would have asked you to do that?
6 A. It would be Mr. Kinney's son. I can't
7 remember his name.
8 Q. James Kinney?
9 A. There you go.
10 Q. And was he out there on a daily basis?
11 A. Yes.
12 Q. Did he ever give you things to do, or
13 did you pretty much tell him what needed to be
14 done?
15 A. Well, I guess it was kind of -- it was
16 kind of like if there was something wrong with it,
17 it needed to be fixed.
18 Q. I know, but --
19 A. As far as like the authorization or
20 whatever?
21 Q. Yeah.
22 A. Yeah, I guess that would be fair to
23 say.
24 Q. That, what, he gave the authorization?
25 A. Yes.

1 Q. Did you ever ask him for authorization
2 to replace areas of siding that he said we just
3 can't do that?
4 A. There could have been a time or two. I
5 may have mentioned to someone before, you know,
6 like an exploratory, you know, that maybe this
7 needed to be done or that needed to be done. And I
8 guess the answer might have been something to the
9 effect, that's not in the scope of work. I guess
10 they would tell me it would need to go back to its
11 original state.
12 Q. Did you -- I take it from what your
13 answer is that you didn't get a written scope of
14 work, it was kind of building by building?
15 A. Pretty much, unless it was noted on an
16 inspection or somebody else found it. If I
17 remember correctly, I think I did walk around it
18 one time and made some notes of some stuff. And
19 then I guess that's when it kind of went to like,
20 you know, you need to check each building, or if
21 they had an inspection or whatever. I can't
22 remember exactly how it all worked.
23 Q. I think I asked Kevin Malony this
24 question. As far as you knew, was there any
25 engineer or architect working for or on the staff

1 couldn't even remember. But it was something new
2 to us, and we had never seen it, and the talk
3 around was that we didn't like it.
4 Q. Okay.
5 A. But as far as the warping, yes, I could
6 probably say that I did notice it. I would have
7 had to. I can't remember, you know, telling
8 myself, hey, look at that or whatever. But if I
9 was on the site, yeah, I'm sure I looked at it once
10 or twice.
11 Q. Let me just review my notes here for a
12 second. When you would get a list of things to do
13 on a particular unit, you would primarily get that
14 list from Larry or from Kevin, or would that come
15 from James Kinney?
16 A. All of the above, I guess. I mean, it
17 didn't -- it doesn't really stick out in my -- you
18 know, not like one person would always say, here,
19 you need to take a look at this, or this needs to
20 be done.
21 Q. When you had, say, a notation -- did
22 you ever look at a CL-100? Do you know what a
23 CL-100 is?
24 A. Yes.
25 Q. A termite letter?

1 A. Yes.
2 Q. Did you take some of the scope of what
3 you were wanting to do or having to do from the
4 CL-100s?
5 A. Yes.
6 Q. Who would have probably given you the
7 CL-100s?
8 A. I would say probably most of the time
9 it would have been Kenny.
10 Q. James Kinney?
11 A. No, the other Kenny.
12 Q. Mr. Kinney?
13 A. No, Kenny.
14 Q. Kenny from Church Creek?
15 A. I think actually Kenny worked for
16 Larry. I mean, the best of my recollection. Maybe
17 he did work for Church Creek. But I think he
18 worked for --
19 Q. And you can't remember Kenny's last
20 name?
21 A. No, I can't. But I know his name was
22 Kenny.
23 Q. Would it be your recollection that he
24 probably would have gotten it from Larry --
25 A. One of them, yeah.

1 coming from?
2 MR. PELZER: Object to the form.
3 MR. MAYBANK: Same objection.
4 THE WITNESS: It would be caulk
5 failure. It could be grade issues.
6 BY MR. DaPORE:
7 Q. Several different things?
8 A. Paint failure.
9 Q. Did you mention any of those
10 possibilities to James Kinney?
11 A. Well, I mean, it was obvious. You
12 could obviously -- I mean, any and all of these, if
13 you look at them, you look at the joints, if
14 they're separated or whatever, they, you know --
15 which I think that they did try to -- you know,
16 they did their best to address that.
17 Q. Do you recall Larry ever discussing in
18 your presence with either Mr. Kinney -- James
19 Kinney or Bruce Kinney that the entire place needed
20 to be resided?
21 A. No, I can't say that. I told myself
22 that a few times when I was out there working,
23 but...
24 Q. Did you have any conversations with
25 Larry Elsey that the place needed to be resided?

1 he actually did it, I don't know that for 100
2 percent sure.
3 Q. That is something you weren't involved
4 in?
5 A. No, I wasn't.
6 Q. Let me show you 47. There is a
7 photograph -- first of all, let me ask you if
8 you've ever seen Exhibit 47.
9 A. As far as any of this?
10 Q. Yeah. It's like four pages.
11 A. No, I've never seen it.
12 Q. Were you aware at any time when you
13 were out there that a claims process was being
14 submitted by the owner to look at and review the
15 Masonite siding?
16 A. I had heard talk of it, yeah.
17 Q. Were you there when any of those
18 inspections took place?
19 A. No.
20 Q. Did you have any role in that at all?
21 A. (Witness moves head from side to side.)
22 Q. Nothing other than just hearing that it
23 had happened?
24 A. Yeah, that they had -- there was a suit
25 pending or whatever.

1 A. Yeah, I guess.
2 Q. And through '04, they sold a
3 considerable number of units?
4 A. Um-hum.
5 Q. Did you have more and more people
6 moving in as you were working?
7 A. There was people moving in as we were
8 working. I don't know if you would say more and
9 more, but, I mean, it never stuck out in my mind
10 that, hey, there is a lot of -- didn't really pay
11 too much attention to that. I just knew that if I
12 got a CL-100, that somebody was --
13 Q. Trying to close on that?
14 A. Yeah, or whatever, yeah.
15 Q. From the time that you originally
16 worked out there, you said kind of as a kid, you
17 were actually on a crew that actually put on the
18 siding?
19 A. (Witness moves head up and down.)
20 Q. Did you ever have any other work out
21 there up until this project?
22 A. That's how I make my living, I mean --
23 Q. No, I mean on the Montclair.
24 A. Oh, no.
25 Q. So you kind of put the siding on, and

1 you were there to repair it?
2 A. When I was younger, I only remember
3 just working on -- I think we may have worked on
4 like one building.
5 Q. Were you working for a small company
6 then?
7 A. Um-hum.
8 Q. Was that during the original
9 construction?
10 A. Yes.
11 Q. Do you know how the -- what the
12 sheathing is like underneath that Masonite?
13 A. To the best of my recollection, it was
14 just black. It was just black -- it was just
15 board.
16 Q. They don't make that anymore, or do
17 they?
18 A. Oh, I'm sure they still make it, but
19 it's not something that's used, no.
20 Q. And tell me what that is. What kind of
21 board is that?
22 A. I guess it's just like fiberboard with
23 spray wood asphalt, I would imagine.
24 Q. On the weather side of the sheathing?
25 A. As far as I can remember, none of the

1 Q. Would you associate that with a
2 possible active infestation?
3 MR. PELZER: Object to the form.
4 THE WITNESS: Well, you can have mud
5 tubes and no termites. So I would say no.
6 BY MR. DaPORE:
7 Q. You can have? I didn't hear your
8 answer.
9 A. I think you can have mud tubes without
10 termites.
11 Q. Without termites?
12 A. Um-hum.
13 Q. I know you're not an entomologist.
14 A. No, I'm not.
15 Q. But does that look like termites have
16 been around that area?
17 A. Oh, yes.
18 Q. And what makes you say that?
19 A. Mud tubes.
20 Q. How about the second photograph, does
21 that appear to be any termite damage at the right
22 corner of that door? I'm not asking whether it's
23 active or not.
24 A. Right. It's hard to tell. It looks
25 more water to me.

1 Q. And how about the third photograph?
2 A. Again, it's kind of hard to tell. I
3 would say -- it's hard to tell.
4 Q. Hard to tell? Could be water, could be
5 termites or a combination of both of them?
6 A. But that looks like the black board
7 there that is kind of deteriorated.
8 Q. Do termites eat that black board?
9 A. Again, I'm not, like you said, whatever
10 word it was you used. But I would imagine anything
11 that has wood in it and has moisture, unless it's,
12 you know, been treated, I would think they would
13 probably, you know, munch on it.
14 Q. Did you observe damage like those three
15 photographs when you were out there?
16 A. Yes.
17 MR. DaPORE: All right. Let's take
18 about a five-minute break. I might be about done.
19 (A recess transpired.)
20 BY MR. DaPORE:
21 Q. Mr. Lockey, do you know if -- as you
22 were working on these individual units, whether
23 Church Creek was required by the city to pull
24 separate permits, or was there a general permit, or
25 do you have any idea?

1 A. I have no idea.
2 Q. Did you ever have anybody from the city
3 walking around, inspectors or anything?
4 A. Not that I can remember.
5 Q. Did you see any permits on the job?
6 A. Not that I recall. If there were,
7 maybe they were placed in the office, which would
8 be --
9 Q. Yeah.
10 A. And I wouldn't -- you know, if they
11 were, that's where they would be.
12 Q. You were named as a defendant in this
13 case. Did you ever have your own insurance policy?
14 A. I think we did have insurance on that
15 job. Now, who it was --
16 Q. When I say we, I'm talking about you as
17 opposed to Mr. Elsey. You, personally.
18 A. Well, I had my workmen's comp. I think
19 I did have general liability when we first started
20 that job.
21 Q. Who was your insurance agency?
22 A. I have no idea. If I remember
23 correctly, the girl in the office -- I think she
24 set it all up for me, and I just gave her a check
25 or whatever. I couldn't even --

1 Q. Do you remember her name?
2 A. Maybe it was Lee.
3 Q. Lee? Okay.
4 A. And it was just for the duration of
5 that job. That was it.
6 Q. But you obviously, since you were
7 getting 1099'ed on the job, you got your own comp,
8 because you weren't an employee of somebody else.
9 So you knew you were giving her a check for that.
10 But you also think it might have been a general
11 liability policy?
12 A. Yes. But who it was with, I
13 couldn't -- that's been so long ago, I couldn't
14 even -- I couldn't remember. If I remember
15 correctly, it may have been -- I can't remember.
16 It may have been someone she knew.
17 Q. Someone she knew?
18 A. Someone she knew.
19 Q. An agency she knew?
20 A. Yeah, um-hum.
21 Q. Possibly it was the same agency that
22 Church Creek was using?
23 A. I don't --
24 Q. You don't know?
25 A. (Witness moves head from side to side.)

1 Q. Do you know if Lee still works for
2 Church Creek?
3 A. No. Like I said, I haven't seen them
4 spoken to them, other than seeing them in the
5 store, how you doing.
6 MR. DaPORE: I don't believe I have
7 anything else for you. Thank you.
8 EXAMINATION
9 BY MR. PELZER:
10 Q. Mr. Lockey, I'll ask you a few
11 questions. I introduced myself to you a little
12 earlier, Arthur Pelzer. I represent a couple of
13 companies. One is Montclair Associates Limited
14 Partnership and the other is Cremco, LLC. Have you
15 heard of either of those?
16 A. Montclair. Not so much Cremco, I don't
17 think.
18 Q. What have you heard about Montclair
19 Associates Limited Partnership?
20 A. Just from, you know, the papers I've
21 been served. Is that like a property regime?
22 Q. You saw it on the lawsuit or something
23 like that?
24 A. Yes.
25 Q. Have you ever had any discussions with

one -- it's up in Chicago. It's a limited partnership.

A. Oh, no, no.

Q. Would you know a Jack Kennedy or Bob Mayer?

A. No.

Q. How about a David Heitzman?

A. No.

Q. What do you know about Cremco, other than seeing their name on the lawsuit and caption?

A. (Witness moves head from side to side.)

Q. Nothing? Just for the court reporter.

A. Oh, nothing.

Q. Did you ever deal with anyone by the name of Cheryl Thomas when you were at Montclair Apartments?

A. Not to my recollection.

Q. Okay.

A. There was the lady -- I don't even remember her name. She was like a -- I don't know if she was like the property manager. But I can't remember her name, if that's --

Q. Did she direct any of the work you did?

A. Not really. I mean, she did ask us to fix some of the roofs after the storm.

1 Q. On the apartments?
2 A. Yes.
3 Q. Were those roofs that were apartments
4 that were not being upfitted for the condos at that
5 point?
6 A. It could have been.
7 Q. One way or another?
8 A. Yeah, I mean, some of them may have had
9 a limb in them. Some may have had a piece of vent
10 blown off of them, and they just needed to be fixed
11 before it rained again.
12 Q. The work you were doing as a 1099
13 contractor for Church Creek or Elsey Construction,
14 did anyone other than Kevin Malony, Larry Elsey, or
15 maybe either Bruce or James Kinney direct the work
16 you were doing?
17 MR. MAYBANK: Object to the form.
18 THE WITNESS: No, other than the
19 property manager when we had that storm.
20 BY MR. PELZER:
21 Q. You testified a little bit earlier
22 about Mark Ackerman and how he and his son were
23 doing the sheetrock for the conversion; is that
24 correct?
25 A. Yes.

1 Q. Did you ever go up in any of the
2 attics?
3 A. Not that I can recall. I do remember
4 them talking about the -- whatever it was you asked
5 me, the firewalls. But, no, I never actually like
6 laid my eyes on them.
7 Q. Do you just recall Mark Ackerman
8 talking in general about it, or what do you recall?
9 A. No, just -- I remember one -- whatever
10 unit they were doing, they were trying to -- it was
11 an issue that needed to be fixed. That's all I
12 really remember. Now, whether they did it or not,
13 I don't remember.
14 Q. You just recall Mark Ackerman talking
15 about it?
16 A. Not necessarily Mark. Maybe Kenny
17 saying that it needed to be fixed.
18 Q. But since you weren't doing any of that
19 work, you didn't get into it?
20 A. No, I didn't.
21 Q. Are you talking about Mr. Kinney or
22 Kenny?
23 A. Kenny, the working foreman on the job.
24 I wish I could remember his last name.
25 Q. That's okay. We have a lot of names

1 A. Yeah, I worked on other jobs.
2 Q. What other properties had you worked
3 with him on?
4 A. Well, some of them were commercial
5 roofing jobs with Kevin, and then there was one
6 other apartment complex that we worked on. It was
7 up in North Charleston off of Rivers, but I can't
8 remember the name of it. And that one didn't
9 have -- other than building a fence that I can
10 remember, most of it was just like interior trim
11 work is what I did there.
12 Q. Okay. How did you come to be part of
13 the Montclair project?
14 A. Well, I've known Larry for a long time.
15 We kind of grew up together, since we were probably
16 18 or so. We actually worked together for a while
17 when we were younger. And they just called me up,
18 you know, asked me if I wanted to fix a few things.
19 Q. All right. Had Church Creek and Larry
20 Elsey already been at the Montclair doing work
21 before you showed up?
22 A. Yes, I believe so.
23 Q. All right. Did they tell you
24 specifically what it was that they wanted you to
25 do?

1 A. They showed me. They showed me some
2 doors that had some rot on them. And that's where
3 it all -- that was the very first time that they --
4 you know, that I went out there.
5 Q. Did Bruce Kinney or James Kinney
6 contact you out of the phone book and say, we want
7 to hire you for this job?
8 A. No.
9 Q. Who hired you?
10 A. Kevin and Larry.
11 Q. And did you look to Kevin and Larry as
12 to the ones to direct the oversight of your work?
13 MS. SULLIVAN: Object to form.
14 THE WITNESS: Yes.
15 BY MR. MAYBANK:
16 Q. All right. My understanding is that
17 there was some termite damage out at the Montclair;
18 is that correct?
19 A. Yes.
20 Q. And your main part of the work was to
21 go out there and repair the termite damage; is that
22 correct?
23 A. Yes.
24 Q. My understanding from Kevin Malony
25 sitting in that very chair where you're sitting

said that he was never limited in his ability to do the work on that job in any way. Were you ever limited in what you could repair on this job?

A. What would you mean when you say limited?

Q. Did you ever present to Kevin or Larry work that you believe needed to be done?

A. The way that I thought that it should be done? Is that what you're saying?

Q. No, any work that needed to be done. My understanding from Mr. Malony is that the work was taking back any rotten wood. Any type of damage was taken back to good wood, and it was all performed in a workmanlike manner.

A. Yes.

Q. Under the codes of South Carolina building. You were out there doing that work; correct?

A. Um-hum.

Q. Did you perform your work in a workmanlike manner?

A. To the best of my ability, yeah, I did.

Q. That's not what I asked you. The best of your ability may fall short of that. Are you saying you fell short of your -- of the ability

1 to --
2 A. No, not myself, no, I didn't.
3 Q. Did you perform all your work in a
4 workmanlike manner?
5 A. All my work, yes, I did.
6 Q. Pursuant to building codes?
7 A. Well, I'm not a code expert.
8 Q. Well, did you --
9 A. I did it, as far as I know, you know,
10 in the trade.
11 Q. All right. Did you ever work with Bug
12 Blasters?
13 A. Not that I recall.
14 Q. Do you know who Bug Blasters is?
15 A. I may have heard of them.
16 Q. But you don't recall specifically
17 working out there with them?
18 A. Not unless they're the ones that were
19 doing the CL-100s. But I don't know who that --
20 unless that was them. But I don't know that, you
21 know, name as Bug Blasters, you know.
22 Q. Did the CL-100s -- they came from
23 Church Creek?
24 A. Most of the time, I would get them from
25 Kenny.

1 Q. Who else would you get them from, if
2 not from Kenny?
3 A. Maybe every once in a while, Lee might
4 bring me one if Kenny was busy.
5 Q. In other words, all the CL-100s that
6 had a scope of repair work -- was there a scope of
7 repair work that needed to be done listed on those
8 CL-100s?
9 A. Yeah, it would be like a small piece of
10 paper, whatever they used to write, you know, on
11 there whatever it was that they gave me.
12 Q. And then when you would take that
13 CL-100, would you go to the site where there was
14 damage?
15 A. Um-hum.
16 Q. And would you repair what was listed on
17 that CL-100?
18 A. Yes.
19 Q. Would there be any further damage or
20 rot that you would see?
21 A. Yes.
22 Q. Would you repair that as well?
23 A. After someone else would look at it.
24 Q. To confirm in fact that this extra work
25 needed to be done; right?

1 A. Yes.
2 Q. You were going to charge somebody to do
3 that work, weren't you?
4 A. Yes.
5 Q. And wouldn't you believe it would be in
6 the best business judgment of somebody to come out
7 and look before you undertake extensive renovations
8 that you found more damage, that it be confirmed in
9 fact that there was damage?
10 A. Right.
11 Q. Did you ever go find that damage and
12 somebody ever tell you, don't repair that damage?
13 A. I mean, I'm sure there could have been
14 a time or two, but not that I remember.
15 Q. I need to know today whether or not you
16 were limited by anybody when you would find damage
17 and they would tell you, don't fix that damage.
18 A. No, I can't honestly say that.
19 Q. Was Church Creek -- did Church Creek
20 inspect the work that you performed?
21 A. I'm sure they did. We were there every
22 day.
23 Q. All right. Church Creek hired you to
24 do the work; right?
25 A. Yeah.

1 A. No. I mean, there would be -- I can
2 remember one time when I thought more should have
3 came off than it -- you know, than they wanted.
4 And they said that it, you know, we just needed to
5 return that area back to its original state.
6 Q. And I'm not -- if you --
7 A. So if you're asking me if I was limited
8 on the whole job, no, I wasn't. But I'm sure there
9 was a time or two when, you know, I didn't go as
10 far as I would have liked to.
11 Q. Did you go back to good wood?
12 A. Yes, as far as I can remember.
13 Q. And would you repair it and replace it
14 with good wood and build it back and it back in its
15 original condition?
16 A. Um-hum.
17 MR. HESSE: Is that a yes?
18 THE WITNESS: Yes.
19 BY MR. MAYBANK:
20 Q. And when you would make these
21 inquiries, would you make them -- in terms of you
22 thinking you need to go further, would you make
23 that to Kenny of Church Creek?
24 A. Yes, or Larry or James Kinney.
25 Q. In terms of James Kinney, how do you

1 A. No.
2 Q. Have you talked to Mr. DaPore?
3 A. No.
4 Q. Mr. Pelzer?
5 A. No.
6 Q. Do you know who Atlantic Termite is?
7 A. No.
8 Q. And you testified today, I believe,
9 that you said that you never told anybody that you
10 thought the siding on Montclair needed to be taken
11 off and replaced?
12 A. No, I never heard that.
13 Q. And you never told anyone that either,
14 did you?
15 A. No, I can't honestly say that I did.
16 Q. My understanding is you were given a
17 list of items to fix; is that correct?
18 A. That's correct.
19 Q. Would you be given that list by someone
20 at Church Creek or Larry Elsey?
21 A. I believe the original list when we
22 very first started came from Kevin and Larry.
23 Q. Were there subsequent lists of repairs
24 as you went through each building?
25 A. CL-100s, stuff like that. And then it

1 directly to perform the work?
2 A. No, she just told us that we needed to
3 fix them. As far as I know, you know, I guess
4 Kevin dealt with her.
5 Q. Okay. If you'll give me a moment, I
6 think I'm about done. Mr. Lockey, I'm looking at
7 Exhibit 36 and all your invoices. Throughout these
8 invoices, it was evident there was extensive
9 termite damage to the Montclair and that extensive
10 repairs were made. Was there any termite damage or
11 wood rot found -- well, was there any termite
12 damage that was found that was not repaired by you?
13 A. I mean, I'm sure it's possible.
14 Q. If you didn't see it?
15 A. If I didn't see it or it wasn't brought
16 to my attention. I mean --
17 Q. But anything that was brought to your
18 attention, you repaired?
19 A. We fixed, yes.
20 Q. My understanding, this was not active
21 termite damage. This was old termite damage; is
22 that correct?
23 A. That's correct.
24 Q. And by old, it would have been there
25 before you began the project in 2003?

1 A. Yes. For instance, you'd come to a
2 spot like this, and you'd go up a little --
3 Q. You're talking about Exhibit 71, page
4 1?
5 A. Yes. And you would find -- there would
6 be mud tubes or whatever, but there would be no
7 termites.
8 MR. MAYBANK: I think I'm done for
9 right now. Thank you.
10 THE WITNESS: You're welcome.
11 EXAMINATION
12 BY MS. SULLIVAN:
13 Q. Mr. Lockey, my name Katie Sullivan, and
14 I represent Elsey Construction. I just have a
15 couple of questions for you. When you were hired,
16 what were you told about the work you'd be
17 performing at Montclair?
18 A. Just fixing some rotten wood.
19 Q. And I think you said when you were
20 hired, you were given a list?
21 A. (Witness moves head up and down.)
22 Q. Did you understand at that time that
23 you might be getting additional work beyond that
24 list?
25 A. No. As far as I knew, that was it. I

never realized it would go into all that. And I'm not even sure that they did.

Q. When you say they, who do you mean?

A. You know, Kevin and Larry, or Mr. Kinney as well.

Q. How did it come about that you were asked to do additional work beyond the initial list?

A. I guess just when the CL-100s came in, you know, he started finding stuff like that. Then Mr. Kinney and them wanted to do a visual. We tried to fix, you know, everything that we could find really. Like I said, I'm sure there is some stuff that we did miss.

Q. And you were talking earlier, you mentioned that -- I think you said that James Kinney asked you to visually inspect the property?

A. Yes, um-hum.

Q. Can you tell me a little bit more about that?

A. I just walked around and looked visually and made a few notes and gave them to him and just decided if we came across anything that was visually bad, to do a little exploratory, and then we would fix it.

1 Q. What were his specific instructions
2 when he asked you to visually inspect?
3 A. I don't know. I can't remember
4 specific instructions.
5 Q. He just asked you to look for damage or
6 things --
7 A. Yeah, if you walk around the building
8 and you see a spot that looks rotten, then, of
9 course, it needs to be addressed.
10 Q. And so you made a list of items, and
11 then did you take that list directly to James
12 Kinney?
13 A. Yes.
14 Q. And did he then go look at the list of
15 items with you?
16 A. I don't know that he went back and
17 looked at all of them. He just, you know, told us,
18 if I go to a certain building to do this, then just
19 while you're there, take a look at everything.
20 Q. So he told you to find all the damage
21 associated with a specific spot that you noticed?
22 A. Well, visibly.
23 Q. When you say you did exploratory work,
24 what did that entail?
25 A. Back to 71, if you take a board off and

1 that's what you see, then you know that it needs to
2 be fixed.
3 Q. When you're visually inspecting, before
4 you've taken the board off, how do you notice a
5 spot that has water damage or termite damage?
6 A. It would just be visible.
7 Q. By looking at the siding board or --
8 A. Um-hum.
9 Q. Would it be warped?
10 MR. MAYBANK: Object to form.
11 MR. PELZER: Object to form.
12 THE WITNESS: I don't know if it would
13 be warped. You can touch it, and if it's soft or
14 bad...
15 BY MS. SULLIVAN:
16 Q. And did James Kinney authorize you to
17 perform the work on the list?
18 MR. MAYBANK: Object to the form.
19 THE WITNESS: No, I think the list was
20 kind of just put to the side, and that was just
21 then done, you know, visually.
22 BY MS. SULLIVAN:
23 Q. Oh, I'm sorry. James Kinney --
24 A. Once it was brought to his attention,
25 you know, you walk around -- I can't remember how

1 Q. Did you eventually correct all of the
2 items on your list?
3 A. I probably came close. I wouldn't say
4 that I corrected them all.
5 Q. If there were items that you didn't
6 correct, what would have been the reason?
7 A. Just probably might have got missed
8 visually. You're talking about a very big project,
9 and it's -- you know, there probably were some
10 things missed.
11 Q. But to the best of your knowledge, you
12 corrected all of the items?
13 A. Yes.
14 Q. That you noticed?
15 A. Yes.
16 Q. Did you have a contract with anyone?
17 A. No.
18 Q. Larry Elsey was a partial owner in
19 Church Creek, and he also owned Elsey Construction.
20 When he was on the site, do you know in which
21 capacity he was working?
22 A. No.
23 Q. There was never any distinction when he
24 was on the site in whether he was working in his
25 capacity as partial owner of Church Creek or as the

1 A. Yeah.
2 MS. SULLIVAN: I think that's all my
3 questions. Thank you very much.
4 EXAMINATION
5 BY MR. HESSE:
6 Q. Mr. Lockey, my name is Tom Hesse. I
7 represent Church Creek Construction. Did you have
8 any other projects going on at the same time that
9 you worked at Montclair?
10 A. I probably did have an odd job or two
11 at the same time.
12 Q. As far as Montclair, let's say for
13 2004, the year 2004, how much of your time and
14 effort would have been spent at Montclair in 2004
15 compared to all the work you were doing that year?
16 A. I would say 90 percent of it.
17 Q. Would that still be true in 2005?
18 A. I don't -- I'd have to see when it
19 winded down. I mean, you're asking me about six
20 years ago. I can't honestly --
21 Q. I think Mr. DaPore said the last
22 invoice was in April of 2005?
23 A. Well, I know toward the end, we were
24 doing other things, and there was just like two
25 guys out there doing the last part of the work.

1 guys out there that were -- I guess Mexicans you
2 would say. And he would ask me from time to time
3 if he could write me a check and I would cash it
4 for them, because they couldn't -- you know, they,
5 I guess, couldn't cash it, you know. And I was
6 nice enough to do that for them.
7 Q. But that wasn't for work that you did
8 for Elsey Construction?
9 A. No, I don't think so.
10 Q. You don't recall any occasions when you
11 were paid by Elsey Construction for work that you
12 did?
13 A. At Montclair?
14 Q. At Montclair.
15 A. I don't recall, no.
16 Q. And the agreement that you had with
17 Church Creek was that -- well, they'd assign you
18 work, and they pay you for it; correct?
19 A. Yes.
20 Q. And I guess the more problems -- well,
21 let me back up -- the more repairs that were found
22 to be necessary at Montclair, the more that you
23 would get paid; is that correct?
24 A. Yes.
25 Q. Would there be any incentive for you to

1 ignore a problem that needed to be corrected?
2 A. I don't think so.
3 Q. Because if you find a problem, you want
4 to get paid to correct them; is that correct?
5 A. Yeah.
6 Q. Now, I think you're a little bit
7 hesitant about -- or you were starting to say that
8 there may have been something at Montclair that you
9 thought needed to be corrected but was not
10 corrected. Do you have firsthand knowledge sitting
11 here today about a particular problem that you saw
12 that you thought needed to be corrected and was
13 not?
14 A. Well, the underlayment behind the
15 siding, that was a big issue for me. But you
16 can't -- you can't -- you know, unless you take it
17 all off. What's a piece -- back to 71, if you put
18 a piece of felt paper here, that's -- water is
19 still going to go down behind it, unless you go all
20 the way up.
21 Q. All right.
22 A. Same thing with, say -- what is this?
23 This one is not marked.
24 MR. DaPORE: It's the second page of
25 71.

1 Lee worked for?
2 A. She worked for Larry, as far as I knew.
3 Q. There was questions about the termite
4 infestation. Let me ask you this. In any of your
5 examinations of the buildings, did you ever find
6 active termite infestation?
7 A. Oh, yeah, oh, yeah.
8 Q. If you found active termite
9 infestation -- well, let me back up. Were there
10 occasions where you would actually find it first
11 before, say, a pest control outfit would find it?
12 A. Yes.
13 Q. If you found active termite
14 infestation, what would you do?
15 A. I would let someone else know, and
16 they'd have whoever come out and treat it.
17 Q. Were there occasions where you found
18 active termite infestation, someone would come out
19 and treat it, and then you would do the repairs to
20 whatever the damage might have been from that?
21 A. Yes.
22 Q. Can you recall any specific instance
23 where you found termite -- active termite
24 infestation and tell us where it was located, not
25 the exact building, but what part of the particular

1 building?
2 A. No, just -- I mean, some of them would
3 be mostly on the bottom like that. And sometimes
4 they would go up higher than others.
5 Q. Would it be an occasion where you would
6 have -- there is a spot on the siding indicating
7 that there is water damage, you pull the siding
8 off, and there is active infestation behind it?
9 A. Yes.
10 Q. But on every occasion, you would remove
11 the siding until you found good wood; is that
12 correct?
13 A. Yes.
14 Q. Were there occasions where you had to
15 replace the black board?
16 A. Yes.
17 Q. Would you replace it with black board,
18 or would you replace it with some other material?
19 A. Most of the time, it was both, black
20 board and plywood.
21 Q. And you would have -- would you have to
22 buy siding to replace any Diamond siding?
23 A. No, they had the siding.
24 Q. Do you know what kind of siding it was
25 that replaced the damaged siding?

1 Q. My understanding, each list that you
2 would compile as you were walking around these
3 buildings, would you also give the list to Elsey
4 Construction or to Church Creek?
5 A. No.
6 Q. And these were lists of --
7 A. It was just a list I had made one time.
8 It wasn't -- it was just one time I walked around,
9 you know, took some notes, gave them to James.
10 When he looked at them, he said: Well, we're just
11 going to have to address each building separately
12 as we go.
13 Q. And then as you went, those items on
14 that list were approved?
15 A. Yes.
16 Q. And they were repaired?
17 A. Yes.
18 Q. Gotcha. Did you look to James Kinney
19 as the person for authorization as for -- to ensure
20 that -- not to the quality or the type of work that
21 you were going to do; right?
22 A. Yes.
23 Q. Only as to the authorization that the
24 work can go forward, and it's approved?
25 A. Yes.

1 STATE OF SOUTH CAROLINA COURT OF COMMON PLEAS
COUNTY OF CHARLESTON NINTH JUDICIAL CIRCUIT
2 CASE NO. 2008-CP-10-2502
MONTCLAIR PROPERTY OWNERS ASSOCIATION (A SOUTH
3 CAROLINA NON-PROFIT CORPORATION) AND MONTCLAIR
PROPERTY OWNERS ASSOCIATION BOARD OF DIRECTORS FOR
4 AND ON BEHALF OF ALL OWNERS OF THE MONTCLAIR
HORIZONTAL PROPERTY REGIME,
5 Plaintiffs,
vs.
6 BRUCE E. KINNEY, INDIVIDUALLY AND AS AN
INCORPORATOR FOR MONTCLAIR HOMES, LLC; MONTCLAIR
7 HOMES, LLC, A SC LIMITED LIABILITY COMPANY
(DECLARANT-MASTER DEED); CREMCO, LLC, AN ILLINOIS
8 LIMITED LIABILITY COMPANY; MONTCLAIR ASSOCIATES
LIMITED PARTNER PARTNERSHIP, AN ILLINOIS LIMITED
9 PARTNERSHIP; MONTCLAIR PROPERTY OWNERS ASSOCIATION
A/K/A MONTCLAIR HOMEOWNERS ASSOCIATION (GRANTOR
10 CONTROL PERIOD) BRUCE E. KINNEY AS AN OFFICER OR
DIRECTOR IN THE MONTCLAIR PROPERTY OWNERS
11 ASSOCIATION A/K/A MONTCLAIR HOMEOWNERS ASSOCIATION
(GRANTOR CONTROL PERIOD); A SC NON-PROFIT
12 CORPORATION; CHURCH CREEK CONSTRUCTION, LLC AND/OR
ELSEY CONSTRUCTION, INC. (ECI) AND ROGER LOCKEY
13 Defendants.

14 DEPOSITION OF: LARRY ELSEY

15 _____

16 A. WILLIAM ROBERTS, JR., & ASSOCIATES

17

18 Fast, Accurate & Friendly

19

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23 Columbia, SC Greenville, SC Charlotte, NC

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25

1 A. Not off the top of my head, no, sir.
2 Q. As a percentage of work that ECI did
3 out there on the Montclair project, could you give
4 me some indication about how much of that work was
5 done what I'll call exterior work versus interior
6 work?
7 A. I don't know off the top of my head,
8 no, sir. If I had to guess, I would say 80/20.
9 Q. And 80 was?
10 A. Interior.
11 Q. And 20 was exterior?
12 A. Yes.
13 Q. So it's fair that a lot of what ECI
14 did out there on the project was interior work?
15 A. Yes, sir.
16 Q. When you say interior, what are we
17 talking about?
18 A. From the doors in.
19 Q. Carpet, new sinks, countertops,
20 whatever?
21 A. Yes, sir.
22 Q. And 20 percent would have been
23 exterior?
24 A. And I'm not positive about that.
25 Q. I know that you're not. I'm not going

1 to hold you to an exact figure. I'm just trying
2 to right now get a rough idea of what your
3 billings were.
4 When we say exterior, what type of
5 work are we talking about?
6 A. We did some door frames, some siding
7 replacement, and the exterior storage building. I
8 believe we had to do some work on those as well.
9 Q. On the exterior work, what exterior
10 work were you directed by the owner to do?
11 MR. MAYBANK: Object to form.
12 MR. PELZER: Object to form.
13 THE WITNESS: Exterior-wise, I think we
14 got reports from the home inspectors, which we
15 complied with the home inspection and repaired the
16 wood and whatever we felt on the home inspection
17 portion what he wanted us to do. What we did is
18 we repaired back to good wood. If we found rot,
19 we replaced it and went back to a structure that
20 was solid and good enough to reconnect to.
21 BY MR. DAPORE:
22 Q. Sometimes that involved replacement of
23 siding and sometimes it did not?
24 A. If you had to go back to the main
25 structure, yes, sir, it would have to have some

1 siding I would guess. Some of it may not have.
2 Just on the back storage buildings could have been
3 just your roof system or whatever.
4 Q. Did ECI replace any of the roofs on
5 the storage sheds?
6 A. Replaced totally? I'm not sure. I'm
7 sure we came close to it in some instances, yes,
8 sir.
9 Q. How about the main roofs on top of the
10 buildings?
11 A. I don't remember doing much of the
12 main roofs.
13 Q. Did ECI ever have direction from an
14 architect or engineer in doing any of the exterior
15 work?
16 A. Not that I remember, no, sir.
17 Q. Do you recall ever discussing with the
18 owner or anybody who was an owner's representative
19 anything concerning a cost estimate to re-side the
20 buildings?
21 MR. PELZER: Object to form.
22 MR. MAYBANK: Objection.
23 THE WITNESS: I don't recall that, no,
24 sir, not right off the top of my head or anything.
25 I didn't.

1 piecemeal type work as far as weatherlapping water
2 management systems?
3 MR. PELZER: Object to form.
4 THE WITNESS: I'm not sure about that.
5 You know, everybody talks all the time. I'm not
6 sure what he really had to say, to be honest with
7 you.
8 BY MR. DAPORE:
9 Q. Were some of the walls where Masonite
10 siding was taken off where Masonite siding was put
11 back on?
12 A. Yes, sir.
13 Q. That's a yes, sir?
14 A. Would you ask the question again?
15 Q. In some locations where y'all had to
16 remove old Masonite siding, were there occasions
17 where you put what you assumed was new Masonite
18 siding back on?
19 A. Yes, sir.
20 Q. Why would you do that?
21 A. It would be the only product that
22 would match up to the existing product that was
23 there.
24 Q. Do you remember where you obtained
25 that Masonite siding?

1 A. From Lowe's.
2 Q. Was there ever a storage area where
3 the owner had some of that Masonite stored?
4 MR. PELZER: Object to form.
5 MR. MAYBANK: Same objection.
6 THE WITNESS: I'm not sure about that,
7 to be honest with you. I know we got the new
8 stuff. We had to special order it from Lowe's to
9 get it.
10 BY MR. DAPORE:
11 Q. The Masonite?
12 A. Yes, sir.
13 Q. Do you know whether that was pretty
14 much the rule as opposed to the exception, you put
15 Masonite back on as opposed to Hardiplank or
16 something like that when you repaired an area?
17 A. I'm not understanding. One more time.
18 I'm sorry.
19 Q. You said it was the only thing that
20 would match?
21 A. Yes, sir.
22 Q. I'm assuming you didn't put Hardiplank
23 back on.
24 A. Hardiplank is a different thickness of
25 the Masonite, so it wouldn't match up correctly.

1 A. Yes, sir.
2 Q. -- what was underneath that piece of
3 Masonite?
4 A. I believe plywood, sir.
5 Q. Do you remember a product like a fiber
6 board, asphalt?
7 A. Might have been some of that gyp board
8 behind there.
9 Q. You call it gyp board?
10 A. Yes, sir.
11 Q. You know what I'm talking about?
12 A. Yes, sir.
13 Q. It's like a wood fiber, MDF fiber
14 board that has asphalt impregnated on one side?
15 A. Yes, sir.
16 Q. Do you remember seeing any of that out
17 there?
18 A. Yes, sir.
19 Q. When you took off a bad piece of
20 Masonite, do you know whether you left that piece,
21 that fiber board on there or whether you did
22 something else?
23 A. I believe we had to -- if it was bad
24 we would have to cut it out and put a new piece in
25 there.

1 Q. You put plywood?
2 A. We would probably put the same. I'm
3 not positive. I can't remember, it's been so
4 long. I guess we would put the same product that
5 was there I believe. I'm not positive.
6 Q. You said just a minute ago that you
7 put in a vapor barrier when you had to replace a
8 piece of Masonite?
9 A. I believe we did, yes, sir.
10 Q. You couldn't run the vapor barrier all
11 the way to the top?
12 A. No, sir.
13 Q. What did you do with it?
14 A. You have to kill it out somewhere. So
15 what we did when we did the repair that it would
16 be waterproofed when we were done with it.
17 Q. For a while?
18 A. Yes, sir, or from where we did our
19 repair down.
20 Q. Above that it wouldn't be, would it?
21 A. No, sir. We didn't do a repair up
22 there.
23 Q. Why didn't you do a repair up there?
24 A. We were only doing what was on the
25 inspection report.

1 Q. Did you see that as a problem?
2 A. I don't remember, sir.
3 Q. Do you acknowledge it could be a
4 problem?
5 MR. PELZER: Object to form.
6 MR. MAYBANK: Object to form.
7 THE WITNESS: It could be.
8 BY MR. DAPORE:
9 Q. Because it would not -- it would allow
10 water to get behind that vapor barrier, wouldn't
11 it?
12 MR. PELZER: Object to form.
13 MR. MAYBANK: Same objection.
14 THE WITNESS: What we were doing is
15 just what we were told by the inspectors to do.
16 BY MR. DAPORE:
17 Q. Inspectors being who?
18 A. Whoever the house inspector was per
19 unit.
20 Q. The house inspector wouldn't tell you
21 how to lap, how to do the means and methods of
22 doing the repair, would he?
23 A. No, sir. But he came back and
24 inspected it when they were done and made sure it
25 was done well.

1 Q. Is the Epps report that you say you
2 saw, Exhibit 5, is that the only report you
3 remember seeing by any design professional on the
4 building?
5 MS. SULLIVAN: Object to the form of
6 the question.
7 THE WITNESS: I think I said I don't
8 remember seeing that. I don't think I was
9 involved in that.
10 BY MR. DAPORE:
11 Q. I'm sorry, you did not see that?
12 A. I don't remember seeing that.
13 Q. I guess your answer is you never saw
14 the engineering report on these buildings before
15 you did your work?
16 A. Engineering, no, sir. Only reports
17 that I remember seeing throughout the project are
18 the reports from the home inspectors that we had
19 to get completed, and I believe they would come
20 back and check them before closing to make sure
21 everything was done.
22 Q. When you say home inspection report,
23 are you including what we have referred to as
24 CL-100s, the termite letter?
25 A. Yes, sir.

1 Q. You are?
2 A. I believe so, yes, sir.
3 Q. Where the termite letter would have to
4 be cleared before closing, it might say small
5 amount of damage near bottom of right jamb on
6 sliding glass door and should be evaluated by a
7 contractor?
8 A. Yes, sir.
9 Q. Then y'all would go take a look at it
10 and maybe have Roger Lockey start to fix it?
11 A. Yes, sir.
12 Q. And if he had to go further and take
13 off siding, that might be where you get into some
14 siding repairs?
15 A. Yes, sir.
16 Q. When you say the inspector came back
17 and took a look at it after you did your work, are
18 you talking about the fellow who did the CL-100?
19 A. I believe that was a CL-100 guy.
20 Q. There was a guy with a company called
21 Bug Blasters. Do you remember that name at all,
22 Bray, B-R-A-Y, Tony Bray? Does that name ring a
23 bell?
24 A. I'm not sure off the top of my head,
25 no, sir.

1 Q. For example, if you had a log, perhaps
2 it might be on that computer you referred to?
3 A. No, sir, it won't be on there. I
4 don't do a daily log. I mean, we do now. In the
5 government work you have to have it. Back then we
6 didn't have to have any kind of daily reports or
7 anything like that.
8 Q. Is it a fair statement that the best
9 information that you know of if we're going to try
10 and compile a list like that would have been the
11 Church Creek documents and the Lockey documents?
12 A. Yes, sir, which I see here y'all did
13 this by unit number, not by date.
14 Q. I think it's by date.
15 A. It's by unit number.
16 Q. Now, for all of the exterior work,
17 again your testimony is that there is no one scope
18 other than what might be included in a CL-100 that
19 you're trying to clear?
20 A. Yes, sir.
21 Q. There was no engineer or architect on
22 the job?
23 A. No, sir.
24 Q. You folks didn't have one in-house?
25 A. No, sir.

1 there. It can come from the ground, because
2 termites go to the ground and get that water and
3 carry it up there as well as coming from the top
4 on that.
5 BY MR. DAPORE:
6 Q. Where would you think it was coming
7 from?
8 MR. PELZER: Object to form.
9 MR. MAYBANK: Same objection.
10 THE WITNESS: I don't really know
11 without honestly being there and tearing it apart
12 myself and taking a look at it.
13 BY MR. DAPORE:
14 Q. Could it have come from above that
15 header?
16 MS. SULLIVAN: Object to form.
17 THE WITNESS: I mean, it could have and
18 it couldn't. We really can't tell without being
19 there, you know.
20 BY MR. DAPORE:
21 Q. Were you of the opinion when you were
22 out there for over a year doing this work,
23 20 percent of what you said was exterior work,
24 that you were doing a comprehensive fix on the
25 exterior skin of these buildings?

1 MS. SULLIVAN: Object to form.
2 MR. MAYBANK: Object to form.
3 THE WITNESS: I was just doing what I
4 was asked to do by the CL-100 reports, and that's
5 what I was supposed to do.
6 BY MR. DAPORE:
7 Q. Would you consider what you were doing
8 a comprehensive fix on the exterior of the
9 buildings?
10 MS. SULLIVAN: Object to form.
11 THE WITNESS: I'm not sure. I can't
12 really answer that.
13 BY MR. DAPORE:
14 Q. What would you need before you would
15 answer that?
16 A. A report.
17 Q. What kind of report?
18 A. Engineering report that did a scope of
19 work for me on this building and told me what I
20 needed to do.
21 Q. What if there was a report that said
22 you had to replace all of the siding, would you
23 disagree with that?
24 MR. MAYBANK: Object to form.
25 MR. PELZER: Object to form.

1 THE WITNESS: If it would be in the
2 contract, I would like to do it. So, no, I
3 wouldn't object to it.
4 BY MR. DAPORE:
5 Q. Besides you liking to do it, do you
6 think it would have been something which would be
7 --
8 A. I can't form an opinion on that. I'm
9 not an engineer, so I can't really tell you the
10 answer to that. The code back then was the way it
11 was, so I don't really know what to tell you on
12 that.
13 Q. With what you know about what y'all
14 fixed on the exterior of these buildings, do you
15 think that would have been in that timeframe
16 something which would have been logical if there
17 was an engineer that said that all of the siding
18 needed to be replaced?
19 MR. PELZER: Object to form.
20 MS. SULLIVAN: Object to form.
21 MR. MAYBANK: Same objection.
22 THE WITNESS: I can't say. Without a
23 report that's telling me the way it should be
24 done, at this point in time and this date, I mean,
25 I'm not an engineer. I'm a contractor. He's

1 the paperwork or anything else on it. I just
2 heard there was a pending lawsuit on the
3 manufacturer's product. That's all I heard.
4 Q. When the need for materials was
5 required to do repairs, were those materials
6 ordered through Church Creek?
7 A. Yes, sir.
8 Q. Who would place those orders for
9 materials?
10 A. Myself or Kenny.
11 Q. Bruce Kinney?
12 A. No. Myself or Kenny Crowley.
13 Q. I think we got into that last time.
14 Not with you, but it's been out there. So
15 whatever materials were chosen were chosen by
16 Church Creek Construction?
17 A. No, sir. It was a group effort on
18 which materials we were going to use.
19 Q. Who would make that decision?
20 A. James Kinney and whoever he would talk
21 with. There was no other material that would
22 match up with what was there. If you used
23 Hardiplank it was too thin and you would have a
24 problem on offset. It would be very visible. The
25 only way to make it work would be to use the same

1 exact material that was there.
2 Q. It wasn't a Masonite X90 that was
3 subject to recall?
4 A. It was a different type of Masonite I
5 believe, and I think I saw a picture of it
6 earlier.
7 Q. It was a product that was readily
8 available to the public?
9 A. I don't know if it was on the shelf,
10 but you should get your hands on it, yes, sir.
11 Q. You could get it through Lowe's?
12 A. Lowe's is where it came from.
13 Q. Would you agree with me that Lowe's is
14 one of the larger retailers and/or wholesalers of
15 construction materials in the United States?
16 A. I don't know all the logistics about
17 it, but they're pretty darn big.
18 Q. Did you have to have any kind of
19 special license to be able to order it, or could
20 you just walk in there and say I would like to
21 order some Masonite siding?
22 A. We went in there and took them a
23 sample of the product that we had on hand, took it
24 to them and told them this is what we need to
25 match up, then they got the material for us.

1 STATE OF SOUTH CAROLINA COURT OF COMMON PLEAS
COUNTY OF CHARLESTON NINTH JUDICIAL CIRCUIT
2
MONTCLAIR PROPERTY OWNERS ASSOCIATION (A SOUTH
3 CAROLINA NON-PROFIT CORPORATION) AND MONTCLAIR
PROPERTY OWNERS ASSOCIATION BOARD OF DIRECTORS FOR
4 AND ON BEHALF OF ALL OWNERS OF THE MONTCLAIR
HORIZONTAL PROPERTY REGIME,
5
Plaintiffs,
6
vs. CASE NO. 2008-CP-10-6897
7
BRUCE E. KINNEY, INDIVIDUALLY AND AS AN
8 INCORPORATOR FOR MONTCLAIR HOMES, LLC; MONTCLAIR
HOMES, LLC, A SC LIMITED LIABILITY COMPANY
9 (DECLARANT-MASTER DEED); CREMCO, LLC, AN ILLINOIS
LIMITED LIABILITY COMPANY; MONTCLAIR ASSOCIATES
10 LIMITED PARTNER PARTNERSHIP, AN ILLINOIS LIMITED
PARTNERSHIP; MONTCLAIR PROPERTY OWNERS ASSOCIATION
11 A/K/A MONTCLAIR HOMEOWNERS ASSOCIATION (GRANTOR
CONTROL PERIOD) BRUCE E. KINNEY AS AN OFFICER OR
12 DIRECTOR IN THE MONTCLAIR PROPERTY OWNERS
ASSOCIATION A/K/A MONTCLAIR HOMEOWNERS ASSOCIATION
13 (GRANTOR CONTROL PERIOD); A SC NON-PROFIT
CORPORATION; CHURCH CREEK CONSTRUCTION, LLC AND/OR
14 ELSEY CONSTRUCTION, INC. (ECI) AND ROGER LOCKEY
15 Defendants.
16 DEPOSITION OF: ALAN JOHN SCHWEICKHARDT, P.E.
17 DATE: May 3, 2011
18 TIME: 10:00 a.m.
19
---
20 A. WILLIAM ROBERTS, JR., & ASSOCIATES
21 Fast, Accurate & Friendly
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23
Columbia, SC Greenville, SC Charlotte, NC
24 (803) 731-5224 (864) 234-7030 (704) 573-3919
25

1 STIPULATION

2 It is stipulated by and among Counsel
3 that this deposition is being taken in accordance
4 with the South Carolina Rules of Civil Procedure,
5 Rule 30; that all objections as to Notice of this
6 deposition are hereby waived; that all objections
7 except as to form are reserved until the time of
8 trial; and that the deponent does not waive
9 reading and signing of this deposition.
10 * * * * * * * * * * *
11 ALAN JOHN SCHWEICKHARDT, P.E.
12 being first duly sworn, testified as follows:
13 EXAMINATION
14 BY MR. DAPORE:
15 Q. Can you state your full name for the
16 record?
17 A. Alan John Schweickhardt.
18 Q. Mr. Schweickhardt, I represent the
19 plaintiffs in this case. I understand you have
20 been designated as a witness for Montclair
21 Associates Limited Partnership and CREMCO?
22 A. Yes.
23 Q. Is that your understanding?
24 A. Yes.
25 Q. You are with Applied Building

1 Sciences?
2 A. That's correct.
3 Q. How long have you been with them?
4 A. I've been with them since the
5 formation in 2004.
6 Q. You're a professional engineer?
7 A. That's right.
8 Q. Licensed in South Carolina?
9 A. That's right.
10 Q. Do you have any particular specialty,
11 specialties?
12 A. Structural engineering, building
13 envelope consulting, and coastal and ocean
14 engineering.
15 Q. Where were you prior to ABS?
16 A. I was with -- ABS was formed by Alan
17 Campbell in 2004, and I joined Alan Campbell in
18 1996, so he was Alan O. Campell PE, Incorporated
19 then. Then he merged with Ken Schneider in 1999
20 and formed Campbell Schneider & Associates, and
21 then spun off and formed Applied Building Sciences
22 in 2004. Prior to 1996 I was with a company in
23 Maryland called Oceaneering.
24 Q. I have heard of them. They're a huge
25 company, aren't they?

1 going to have you testify to and what he's not, I
2 probably need to take a short deposition. Other
3 than that, I don't have any further questions.
4 EXAMINATION
5 BY MS. SULLIVAN:
6 Q. My name is Katie Sullivan, and I
7 represent Larry Elsey, Elsey Construction, and ECI
8 in this lawsuit. Have you done any investigation
9 of any interior of the units other than the
10 attics?
11 A. Not other than to simply walk through
12 them and to know basically the configuration.
13 Q. Do you have any opinions about
14 construction defects in the interior of the units?
15 A. No.
16 Q. Do you have an opinion as to whether
17 the contractor who performed the exterior repairs
18 had a duty to install a weather barrier that went
19 all the way up the wall on every wall that they
20 touched?
21 A. In my opinion, if you're replacing
22 single boards, double boards here and there as a
23 maintenance type repair, my answer is, no, it's
24 not required. If the scope of repair was to
25 remove and replace the siding on an entire wall,

1 certainly you would be required to put it back in
2 accordance with the current code.
3 Q. Is there a line, what's the max number
4 of boards you could remove before you would have
5 to install a weather barrier all the way up?
6 A. There's nothing that states it in
7 black and white. The current code has some
8 wording changes in it. The current code under the
9 existing building section, the current IBC -- and
10 this dates back to about 2003 -- you can see a
11 distinct change where they delete the word repair.
12 There's a section, section -- Chapter
13 3402, Existing Structures, and there's a section
14 called -- second section in the 2000 IBC that
15 says: Additions, alterations, or repairs to any
16 building or structure shall conform with the
17 requirements of the code for new construction.
18 Now, this is separate from structural.
19 There's a separate structural section. So I would
20 be addressing -- this would be addressing siding,
21 in my opinion. As of 2003 they change it to:
22 Additions or alterations to any building or
23 structure shall conform with the requirements of
24 the code for new construction. They remove the
25 word repair.

1 When you go to the existing
2 International Building Code, which is a supplement
3 to the code, and my understanding is it's not
4 adopted as the building code, but it's simply a
5 supplement for. You can use it if you want. In
6 that International Building Code they define what
7 the word repair means. It's simply patching,
8 replacing damaged components such as siding, for
9 instance.
10 So in my opinion, you have one, two,
11 three boards here and there of siding. You would
12 simply replace those three boards, and you're not
13 required to bring the siding assembly up to the
14 current code. Certainly if -- and I mention the
15 word structure. Structural still uses the word
16 repair in it.
17 So in my opinion, if you pull off that
18 board and you find the sheathing behind it
19 significantly damaged and water coming from
20 somewhere that you don't know where it's coming
21 from, certainly you need to chase that damage and
22 determine where it's coming from.
23 My review of the photos here, in
24 review, when they took off the brick and that one
25 board, even though they didn't find building paper

1 or water resistant barrier behind it, they found
2 no damage. There's no reason if you're replacing
3 that small area that you have to go back with a
4 water resistant barrier behind the siding or brick
5 because at the time of original construction it
6 wasn't required.
7 Q. So in your opinion the fact that
8 the -- did you say it was the 2003 IBC removed the
9 word repair?
10 A. From the existing building section,
11 section 3402, yes.
12 Q. That meant if you were performing a
13 limited repair, you do not have to bring it up to
14 the building code?
15 A. That's correct. My opinion would be
16 that that was what the earlier code meant. The
17 code evolved or was edited to more strongly
18 reflect that thought.
19 Q. In your opinion, is a contractor
20 limited in the scope of the repairs or work that
21 they perform by a contract or the instructions of
22 the person who hired them?
23 A. Yes. Certainly there's got to be
24 communication between the two. If they find
25 something that deviates from industry standard,

1 Q. Are there any differences in the
2 requirements of the IBC versus the IRC?
3 A. To the best of my recollection, I
4 think the -- I mean, one that's pertinent to the
5 siding, the IRC at the time I believe was still
6 allowing the omission of weather resistant barrier
7 if you used a water repellant sheathing, and
8 standard plywood OSB was considered a water
9 repellant sheathing until 2003, 2004 timeframe. So
10 it's possible that the IRC still permitted the
11 omission of the water resistant barrier, which is
12 the Tyvek or paper or whatever.
13 Q. Forgive me if this isn't the correct
14 term, but cementitious impregnated fiber board, is
15 that water repellant sheathing?
16 A. Yes, it's asphalt impregnated fiber
17 board. Yes, at that time would have been
18 considered a water resistant sheathing. Yes, at
19 the time of original construction and I believe at
20 the time of the 2003 timeframe would still be
21 considered a water resistant sheathing.
22 MS. SULLIVAN: That's all the questions
23 I have. Thank you.
24 EXAMINATION
25 BY MR. MAYBANK:

1 STATE OF SOUTH CAROLINA COURT OF COMMON PLEAS

2 COUNTY OF CHARLESTON NINTH JUDICIAL CIRCUIT

3 MONTCLAIR PROPERTY OWNERS ASSOCIATION (A SOUTH
CAROLINA NON-PROFIT CORPORATION) AND MONTCLAIR
4 PROPERTY OWNERS ASSOCIATION BOARD OF DIRECTORS FOR
AND ON BEHALF OF ALL OWNERS OF THE MONTCLAIR
5 HORIZONTAL PROPERTY REGIME,
Plaintiffs,
6 vs. CASE NO. 08-CP-10-6897
BRUCE E. KINNEY, INDIVIDUALLY AND AS AN
7 INCORPORATOR FOR MONTCLAIR HOMES, LLC; MONTCLAIR
HOMES, LLC, A SC LIMITED LIABILITY COMPANY
8 (DECLARANT-MASTER DEED); CREMCO, LLC, AN ILLINOIS
LIMITED LIABILITY COMPANY; MONTCLAIR ASSOCIATES
9 LIMITED PARTNER PARTNERSHIP, AN ILLINOIS LIMITED
PARTNERSHIP; MONTCLAIR PROPERTY OWNERS ASSOCIATION
10 A/K/A MONTCLAIR HOMEOWNERS ASSOCIATION (GRANTOR
CONTROL PERIOD) BRUCE E. KINNEY AS AN OFFICER OR
11 DIRECTOR IN THE MONTCLAIR PROPERTY OWNERS
ASSOCIATION A/K/A MONTCLAIR HOMEOWNERS ASSOCIATION
12 (GRANTOR CONTROL PERIOD); A SC NON-PROFIT
CORPORATION; CHURCH CREEK CONSTRUCTION, LLC AND/OR
13 ELSEY CONSTRUCTION, INC. (ECI) AND ROGER LOCKEY
Defendants.
14

15 DEPOSITION OF: BRUCE E. KINNEY

16 DATE: May 11, 2011

17 TIME: 10:00 a.m.

18

19 A. WILLIAM ROBERTS, JR., & ASSOCIATES

20 Fast, Accurate & Friendly

21 Charleston, SC (843) 722-8414 | Hilton Head, SC (843) 785-3263 | Myrtle Beach, SC (843) 839-3376

22 Columbia, SC (803) 731-5224 | Greenville, SC (864) 234-7030 | Charlotte, NC (704) 573-3919

23

24

25

1 LOCATION: Young, Clement, Rivers
28 Broad Street
2 Charleston, SC

3 TAKEN BY: Counsel for the Plaintiffs

4 REPORTED BY: Roxanne M. Easterwood, RPR

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1 APPEARANCES OF COUNSEL:

2

ATTORNEYS FOR THE PLAINTIFFS

3

MONTCLAIR PROPERTY OWNERS ASSOCIATION

4

(A SOUTH CAROLINA NON-PROFIT
5 CORPORATION) AND MONTCLAIR PROPERTY
OWNERS ASSOCIATION BOARD OF DIRECTORS
6 FOR AND ON BEHALF OF ALL OWNERS OF THE
MONTCLAIR HORIZONTAL PROPERTY REGIME:

7

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14 LLC, LIMITED LIABILITY COMPANY,
MONTCLAIR PROPERTY OWNERS' ASSOCIATION
15 A/K/A MONTCLAIR HOMEOWNERS'
ASSOCIATION GRANTOR CONTROL PERIOD;
16 BRUCE E. KINNEY AS OFFICER AND
DIRECTOR IN THE MONTCLAIR PROPERTY
17 OWNERS' ASSOCIATION, A/K/A MONTCLAIR
HOME OWNERS' ASSOCIATION GRANTOR
18 CONTROLLED PERIOD, A SOUTH CAROLINA
NOT FOR PROFIT CORPORATION:

19

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18 ATTORNEYS FOR THE DEFENDANT
ROGER LOCKEY:
19

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21 Columbia, SC 29206
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22 cblackburn@murphygrantland.com

23 ALSO PRESENT:
Amanda DeMato
24

(INDEX AT REAR OF TRANSCRIPT)
25

1 STIPULATION
2 It is stipulated by and among Counsel
3 that this deposition is being taken in accordance
4 with the South Carolina Rules of Civil Procedure,
5 Rule 30; that all objections as to Notice of this
6 deposition are hereby waived; that all objections
7 except as to form are reserved until the time of
8 trial; and that the deponent does not waive
9 reading and signing of this deposition.
10 BRUCE E. KINNEY,
11 being first duly sworn, testified as follows:
12 MR. DAPORE: Let's mark Exhibit 1, CV.
13 (Defendant EXH. 135, CV, marked for
14 identification.)
15 EXAMINATION
16 BY MR. DAPORE:
17 Q. Mr. Kinney, my name is Joe Dapore.
18 You and I have met before, several times. Can you
19 state your full name for me?
20 A. Bruce E. Kinney, K-I-N-N-E-Y.
21 Q. And your address where you live?
22 A. It's 94 West Shipyard Road, Mount
23 Pleasant, South Carolina 29464.
24 Q. And family members that reside with
25 you?

1 homeowners' association of I'on, I automatically
2 joined CAI and stayed, you know, their notices and
3 meetings.
4 Q. Have you gone to any of their
5 seminars?
6 A. No.
7 Q. Are you still president of the board
8 of I'on?
9 A. I'm not. That was a two-year period.
10 It ended about a year-and-a-half ago.
11 Q. Are you still on the board?
12 A. No.
13 Q. How long were you on the board out
14 there?
15 A. I was on the board for two years and
16 president for both of those years.
17 Q. Let's kind of start at the beginning.
18 I guess that's the best place to start. You said
19 late '02 or early '03 is the first time you ever
20 heard the word Montclair basically; is that
21 correct?
22 A. Yes.
23 Q. You were not out looking for a
24 Montclair to do a deal?
25 A. I was not, no.

1 Q. Somebody approached you?
2 A. Yes.
3 Q. Who was that?
4 A. Jack Kennedy.
5 Q. Jack Kennedy?
6 A. I'd be happy to tell you the sequence
7 of events if you're interested.
8 Q. Yes. It might speed things up. I can
9 ask questions and you can answer, but if you can
10 kind of tell me that.
11 A. I ran into Jack Kennedy, who I had met
12 previously in the real estate business, ran into
13 him at a cocktail party I think in December '02.
14 Like you do, what have you been up to, exchanging.
15 He mentioned that he was the president of and ran
16 a private real estate investment trust.
17 Q. Had you known him socially or through
18 business?
19 A. Through business.
20 Q. For how long?
21 A. Probably ten years before that. A
22 mutual friend introduced us, said you guys are
23 both in kind of the same business, you ought to
24 know each other. We had lunch, exchanged some
25 ideas and talked. I would see him at a conference

1 or something in Chicago from time to time. But we
2 never did any business together. We just knew
3 each other.
4 Q. No deals together?
5 A. No. He mentioned what he was doing at
6 present. I said that -- sometime back a year or
7 two before I had met with the president of a large
8 publicly held real estate investment trust in
9 Chicago, and I had mentioned to him that there's a
10 real business opportunity.
11 I thought that REIT could sell some of
12 their better properties at very premium prices to
13 condominium converters who would pay a lot more
14 money for a property that had condo conversion
15 potential, take that money and turn it around, buy
16 more garden variety apartments with it.
17 I mentioned that to Jack because he
18 said he was running a real estate investment
19 trust. That was really the end of it.
20 Q. That was the first time that -- that
21 wasn't even about Montclair?
22 A. That wasn't. First time I heard about
23 Montclair was in early '03, maybe January, early
24 February. Jack called me and he said, you know, I
25 like that idea that you were talking about and I

1 took it to my board and I'd like to pursue that,
2 can I hire you to look at some property, I have
3 several that we think would be good condominium
4 conversions, and would you take a look at them and
5 some or all and give me your thoughts on what they
6 possibly could be sold for.
7 That's when -- Montclair was one of
8 the ones on the list. That's when I first heard
9 of Montclair.
10 Q. Were the other properties located in
11 South Carolina?
12 A. One was located in South Carolina.
13 Well, actually one was in South Carolina in West
14 Ashley. There was another property in Greenville.
15 Q. Was the one called Ashley Crossing?
16 A. Yes.
17 Q. The other one was in Greenville?
18 A. There was one in Greenville. Yes, you
19 asked me about South Carolina. That's the answer
20 there.
21 Q. This was with an idea -- these were in
22 a REIT, these properties were in a REIT, and he
23 was saying to you I'd like you to take a look at
24 these and see if these are good candidates for
25 conversion?

1 able to negotiate with the buyer.
2 Q. You just basically give a general
3 opinion that it's a good deal?
4 A. It's a good deal and specific numbers
5 are backed into to show him how this would work,
6 how long it would take to sell.
7 There's an adage that I've always
8 said: People say can this be converted to
9 condominiums? The answer is always yes. If you
10 sell every unit for a dollar, you'll sell it out
11 in 60 seconds. The question is at what price,
12 over what time period.
13 That's what the pro forma, month by
14 month pro forma, taking into consideration the
15 cost. So that information was given to Jack, not
16 to Crutchmire.
17 Q. Did Crutchmire go by the wayside, or
18 did Jack come back to you and say are you
19 interested, he's not interested?
20 A. Jack asked me what I thought. I said
21 I'm not -- and Jack at that time was -- he said,
22 we're considering providing wraparound purchase
23 money financing. And I said I wasn't impressed
24 with Crutchmire's acumen. He was a good guy, but
25 I said, I'm not sure he knows all that he needs to

1 know.
2 At some point along the way shortly
3 thereafter my recollection is Jack said, you know,
4 you've done all the work on this deal, you have
5 looked at the law, you have met with realtors, you
6 have met with people that -- some of the
7 professionals, not all, but some that you would
8 need to work with in order to formulate your
9 opinion, why don't you buy it, why don't you --
10 and he said, you can get started this year, time
11 is critical, we can get started this year, why
12 don't you buy it.
13 I thought about it. Then we proceeded
14 to arm wrestle for what seemed like an eternity to
15 put a deal together. It took a lot of time, but
16 we did it.
17 MR. DAPORE: Let's take a break.
18 (A brief recess was taken.)
19 MR. DAPORE: Back on the record.
20 BY MR. DAPORE:
21 Q. When you -- and you obviously have
22 some experience at this. But when you try to
23 figure up whether properties are a good candidate
24 for a conversion from apartments to condos, you
25 mentioned the density of the unit, density per

1 and took much more time looking around at the
2 property.
3 Q. You had the April report at that point
4 in time, do you think?
5 A. I don't recall.
6 Q. Obviously, I don't think it was issued
7 until April?
8 A. Right.
9 Q. When the April report was issued, that
10 April report, and we can go to it, has a list of
11 in the back of that report -- let's go to
12 Exhibit 10, the April report. That had a list in
13 the back of it, repairs and deferred maintenance.
14 Then it has kind of a list of items that were
15 prepared by -- I assume this was prepared by the
16 engineering firm for the seller, is that right,
17 Montclair Associates Limited Partnership?
18 A. Yes.
19 Q. Your understanding was at that point
20 in time in February when you first started looking
21 at the property in '03 that there was an entity
22 called Montclair Associates Limited Partnership
23 that owned the property?
24 A. I don't know if I knew that in
25 February, but I learned. I knew there was an

1 entity that Jack Kennedy ran that owned it. I'm
2 not sure if I knew the name.
3 Q. The items that are on here listed as
4 within the next six months major site building
5 components to be repaired, what was the
6 negotiation that took place between you and Jack
7 Kennedy concerning payment for those items?
8 A. When I first learned of these items, I
9 was using these numbers to put into a pro forma to
10 come up with what Jack could sell it for. When it
11 morphed into me being the buyer, which was after I
12 had seen this report, maybe May or June after that
13 time period, I asked that as the seller he be
14 responsible and agree -- it's in the contract, the
15 option contract I have -- that they would be
16 responsible for correcting and repairing all of
17 those items.
18 Q. It was basically that they take care
19 of repairing all of those items?
20 A. Yes.
21 Q. Do you know how many of those items
22 they actually did work on and fix?
23 A. I believe they did everything.
24 Q. Do you know the timing of that?
25 A. Some was done -- some was started in

1 talking about when you say they.
2 BY MR. DAPORE:
3 Q. On 32, the list.
4 A. I'm sorry.
5 Q. You had this priced out?
6 A. Yes.
7 Q. It didn't come up to anywhere near the
8 $100,000?
9 A. Correct.
10 Q. You then told Church Creek to go ahead
11 and fix these items, but if you're out there and
12 you find anything additional, go ahead and fix
13 those as well?
14 A. Yes.
15 Q. This is dated October 10, '03?
16 A. Yes.
17 Q. Do they start working on that right
18 about that time?
19 A. I would presume.
20 Q. At that time you didn't own the
21 property?
22 A. Correct.
23 Q. Montclair Associates Limited
24 Partnership owned the property?
25 A. Correct.

1 Q. Were you coordinating with Jack
2 Kennedy or anybody at CREMCO or MALP that these
3 guys are going to be working, I've told them to go
4 ahead and fix additional items if they find them?
5 A. That's correct. I don't know when
6 they started doing the work, but Sheryl Thomas
7 would have been informed that this is work that
8 we're doing.
9 By October I was pretty sure that I
10 was going to exercise the option. The volume of
11 sales and the thresholds that needed to make this
12 deal work, so this -- and MALP felt the same way,
13 that this was going to move forward.
14 Q. So on behalf of MALP at this point in
15 time because you didn't own the property and you
16 could have not exercised the option?
17 A. Right.
18 Q. You're talking to a general contractor
19 about fixing --
20 MR. PELZER: Object to form.
21 THE WITNESS: Not on behalf of MALP.
22 Not on behalf of MALP. I had an option. My
23 option gave me access to the property. It gave me
24 the right to put up signs, to refurbish units, to
25 do a number of things, including things to the

STATE OF SOUTH CAROLINA	)	IN THE COURT OF COMMON PLEAS
COUNTY OF CHARLESTON	)	NINTH JUDICIAL CIRCUIT
MONTCLAIR PROPERTY OWNERS ASSOCIATION, INC. AND MONTCLAIR PROPERTY OWNERS ASSOCIATION BOARD OF DIRECTORS FOR AND ON BEHALF OF ALL OWNERS OF THE MONTCLAIR HORIZONTAL PROPERTY REGIME, AS ASSIGNEES OF MONTCLAIR ASSOCIATES LIMITED PARTNERSHIP, CREMCO, LLC AND MONTCLAIR HOMES, LLC	)	CASE NO. 2012-CP-10-8447
PLAINTIFFS,	)	**STIPULATIONS OF FACT FOR CONTRIBUTION HEARING BEFORE THE MASTER-IN-EQUITY (JULY 24, 2013)**
vs.	)	
CHURCH CREEK CONSTRUCTION, LLC,	)	
DEFENDANT.	)	

FILED
2013 JUL 22 PM 4:17
JULIE J. ARMSTRONG
CLERK OF COURT
BY

The following stipulations of fact are agreed to by and between counsel for their clients. These facts are agreed to be established in the hearing record in an effort to reduce the time required for the hearing. The following facts are deemed admitted by both parties:

1. The Master in Equity has jurisdiction over the subject matter and parties pursuant to Rule 53 (c) of the Rules of Civil Procedure to hear this matter and decide the causes of action set forth in the Complaint filed in this case. This matter has been referred to the Master by the Consent Order of Reference filed and attached hereto as Exhibit 1.

2. The underlying related action which gave rise to this case being heard by the Master was known as Case No. 2008-CP-10-6897 in the Ninth Judicial Circuit. It was a claim alleging, among other things, that certain condominium buildings located in Mt. Pleasant, South Carolina, known as the Montclair Horizontal Property Regime, were converted from apartments to condominiums in the year 2003 with the filing of a Master Deed by the converter, Montclair

Homes LLC, a defendant in the underlying case. The new condominium regime was known as Montclair Horizontal Property Regime. This regime, which is the plaintiff in this case, has done business since its inception as a non-profit corporation and is administered by a Board of Directors.

3. Beginning in 2003 and continuing until approximately early 2005, construction work was done on both the interiors and exteriors of the newly formed condominiums by the defendant in this case, Church Creek Construction, LLC (hereinafter referred to hereafter as "CCC"). CCC was a licensed South Carolina general contractor and was a defendant in the underlying action.

4. The immediate condo converter, Montclair Homes LLC (the grantor on the condo master deed and the entity which sold to the public), purchased the property immediately prior to the filing of the master deed from an entity which was an Illinois limited partnership known as Montclair Associates Limited Partnership (hereinafter referred to as "MALP"). CCC was hired to do construction work by both MALP and by Montclair Homes LLC to accomplish certain work on the interiors, upfits, and on the exteriors, siding and roof repair work, in preparation for sale of the condominiums to the public.

5. Sales of condominium units to the public began in November of 2003 and continued until May of 2005 when the condo converter Montclair Homes LLC sold the last of the 240 units at Montclair. The managing member of Montclair Homes LLC was Bruce Kinney, who was also a defendant in the underlying case.

6. The underlying case was vigorously contested, many depositions were taken over a two and a half year period of time, dispositive motions were heard and decided and ultimately the case was set for trial in October of 2012 before the Honorable Stephanie P. McDonald. In the October/November 2012 timeframe, the underlying action Case No. 2008-CP-10-6897 settled with the remaining defendants in the underlying case making payments to the plaintiffs.

7. During the November 2012 timeframe, the Defendants MALP, CREMCO and Montclair Homes LLC and their individual members made payments totaling Three Million Dollars to the plaintiffs. All remaining defendants in the underlying case, MALP; CREMCO; its General Manager John Kennedy; Montclair Homes LLC; and its President Bruce Kinney took releases for themselves and also for CCC although CCC did not contribute to the payments to the plaintiffs. The liability as to all defendants in the underlying case, including CCC, was

extinguished by payment of the settlement amounts. This occurred in November 2012. The releases in the underlying case are set forth as Exhibit 2 to this Stipulation of Fact and are attached hereto.

8. The defendants who contributed to the monetary payment for the settlement were: (1) Montclair Homes LLC and Bruce Kinney; (2) MALP and Jack Kennedy, its Managing Partner; and (3) CREMCO. They reserved and saved in the releases the claims they had for contribution as against CCC and later after payment and releases were exchanged with the plaintiffs they assigned to the plaintiffs those contribution claims against Defendant CCC under §15-38-10 to 15-38-70 of the South Carolina Code Annotated. The assignments of the contribution claims against CCC to the Plaintiff Homeowner Regime are attached as Exhibit 3 to this Stipulation of Fact.

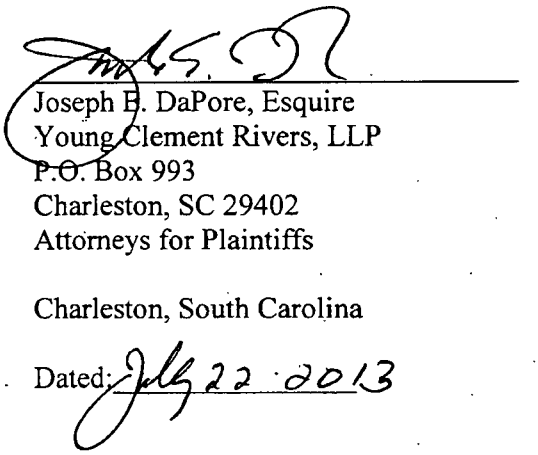
9. In late December 2012, this contribution claim against CCC was filed by the plaintiff as assignee of the contribution claims previously owned by the settling defendants who paid Three Million Dollars consideration that included a release of CCC as a defendant in the underlying action.

10. In April 2012 prior to the settlement in October 2012 which ended the suit, the plaintiff settled with two individual defendants who had worked either for CCC or as a subcontractor or independent contractor for CCC on exterior work which was directed by CCC on the condominiums at Montclair. These two individual defendants were Larry Elsey d/b/a ECI and Roger Lockey. Elsey and Lockey's insurance carriers paid a combined total of $525,000 for complete individual releases for only themselves. No contribution claims were reserved by Elsey and Lockey and the releases are set forth as Exhibit 4. This April release (Exhibit 4) was specific only as to ECI, Elsey and Lockey and by its terms did not inure to the benefit of any of the remaining parties.

11. During discovery, plaintiff's experts opined that the cost to do a comprehensive repair would be in excess of $12,500,000 Dollars. Defendants had several experts listed but did not offer an alternative cost estimate for repair of the exterior of the 36 buildings and 240 units.

12. The case is before this court on a consent referral for this court to decide as per §15-38-10 to 70 under principles of equity what amount, if any, CCC is responsible for by way of contribution to the previous settlement.

WE CONSENT:

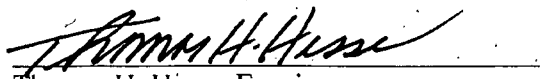


Joseph E. DaPore, Esquire
Young Clement Rivers, LLP
P.O. Box 993
Charleston, SC 29402
Attorneys for Plaintiffs

Charleston, South Carolina

Dated: July 22 2013

WE CONSENT:



Thomas H. Hesse, Esquire
Pratt-Thomas Walker, P.A.
16 Charlotte Street
Post Office Drawer 22247
Charleston, SC 29413-2247
Attorneys for Defendant

Charleston, South Carolina

Dated: July 18, 2013

CERTIFICATE OF MAILING

I hereby certify that a copy of the foregoing pleading was mailed to all counsel of record in this proceeding this 22nd day of July, 2013.

Zandrein Cockley

FILED
2013 JUL 22 PM 4:18
JULIE J. ARMSTRONG
CLERK OF COURT
BY

STATE OF SOUTH CAROLINA	)	IN THE COURT OF COMMON PLEAS
COUNTY OF CHARLESTON	)	NINTH JUDICIAL CIRCUIT
MONTCLAIR PROPERTY OWNERS ASSOCIATION, INC. AND MONTCLAIR PROPERTY OWNERS ASSOCIATION BOARD OF DIRECTORS FOR AND ON BEHALF OF ALL OWNERS OF THE MONTCLAIR HORIZONTAL PROPERTY REGIME, AS ASSIGNEES OF MONTCLAIR ASSOCIATES LIMITED PARTNERSHIP, CREMO, LLC AND MONTCLAIR HOMES, LLC	)	CASE NO. 2012-CP-10-8447
PLAINTIFFS,	)	**CONSENT ORDER OF REFERENCE**
vs.	)	
CHURCH CREEK CONSTRUCTION, LLC,	)	
DEFENDANT.	)	

FILED
2013 MAY -6 AM 8:38
JULIE J. ARMSTRONG
CLERK OF COURT
BY

It appearing that this action involves the principles of equity set forth in §15-38-20 of the S.C. Code Ann., and it further appearing that this is a proper matter to refer to the Master-in-Equity for Charleston County in accordance with Rule 53 of the South Carolina Rules of Civil Procedure for a final hearing; upon motion of Plaintiffs' Counsel;

IT FURTHER APPEARING that the Defendant has consented to the reference;

NOW THEREFORE, IT IS ORDERED that this case be, and the same is hereby, referred to the Honorable Mikell R. Scarborough, Master-in-Equity for Charleston County, to direct entry of final judgment after appropriate hearing in this action under Rule 53(e)(1), South Carolina Rules of Civil Procedure. Any appeal from the final judgment entered by the Master-in-Equity shall be directed to the South Carolina Court of Appeals.

ALL-STATE LEGAL®
EXHIBIT
1

Presiding Judge or Clerk of Court for Charleston County

Charleston, South Carolina

Dated 5/8/13

WE MOVE:

Joseph E. DaPore, Esquire
Young Clement Rivers, LLP
P.O. Box 993
Charleston, SC 29402
Attorneys for Plaintiffs

Charleston, South Carolina

Dated: 4-25-2013

WE CONSENT:

Thomas H. Hesse, Esquire
Pratt-Thomas Walker, P.A.
16 Charlotte Street
Post Office Drawer 22247
Charleston, SC 29413-2247
Attorneys for Defendant

Charleston, South Carolina

Dated: April 22, 2013

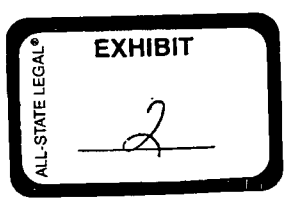
PAID
Date 4-29-2013
Amount $125.00
MIKELL R. SCARBOROUGH
MASTER IN EQUITY
By

STATE OF SOUTH CAROLINA	)	IN THE COURT OF COMMON PLEAS
	)	
COUNTY OF CHARLESTON	)	FOR THE NINTH JUDICIAL CIRCUIT
Montclair Property Owners Association (a South Carolina non-profit corporation), and Montclair Property Owners Association Board of Directors for and on behalf of all owners of the Montclair Horizontal Property Regime,	)	Case No. 2008-CP-10-6897
Plaintiffs	)	
vs.	)	
Bruce E. Kinney, individually and as an incorporator for Montclair Homes, LLC; Montclair Homes, LLC, as SC Limited Liability Company (declarant – Master Deed); CREMCO, LLC, an Illinois Limited Liability Company; Montclair Associates Limited Partnership, an Illinois, Limited Partnership, Montclair Property Owners Association a/k/a Montclair Homeowners Association (Grantor Control Period); Bruce E. Kinney as an Officer or Director in the Montclair Property Owners Association a/k/a Montclair Homeowners Association (Grantor Control Period), a SC Non-profit Corporation; and Church Creek Construction, LLC and/or Elsey Construction, Inc. (ECI) and Roger Lockey,	)	
Defendants	)	

SETTLEMENT AGREEMENT AND RELEASE

THIS SETTLEMENT AGREEMENT AND RELEASE (hereinafter "Agreement") is made by and between the above-named Plaintiffs and Defendants Bruce Kinney individually and as a member of Montclair Homes, LLC, a South Carolina Limited Liability Company, Montclair Homes, LLC, and Montclair Property Owners Association, a South Carolina non-profit corporation (Control period) hereinafter referred to as "Settling Defendants".

RECITALS



WHEREAS, the property that is the subject of this Agreement consists of a group of thirty-nine (39) buildings, including multi-family wood-frame dwelling structures, comprising two hundred forty (240) total units, clubhouse facilities and related facilities located at 1861 Montclair Drive, Mt. Pleasant, South Carolina 29464, known collectively as "Montclair at Towne Centre" (hereinafter referred to as "Montclair");

WHEREAS, Montclair Homes, LLC, is a South Carolina limited liability corporation organized and existing under the laws of this State which was formerly engaged in the purchase and conversion of Montclair Apartments into condominiums;

WHEREAS, Bruce Kinney is a resident of Charleston County, South Carolina and was a member of Montclair Homes LLC;

WHEREAS, in 2003 MALP sold Montclair to Montclair Homes, LLC and Montclair Homes, LLC, upon purchase of the property from MALP, undertook a conversion of the property from apartments to condominiums;

WHEREAS, Montclair Property Owners Association (collectively with the party herein below referred to as "Plaintiffs") is a South Carolina not for-profit corporation organized and existing under the laws of South Carolina, which owns property and does business in the State of South Carolina and is made up of each and every individual condominium unit owner at Montclair;

WHEREAS, Montclair Property Owners Association Board of Directors for and on behalf of all owners of the Montclair Horizontal Property Regime (collectively with the party above referred to as "Plaintiffs") is the duly constituted and properly elected board responsible for maintenance and repair of all common elements within the Property Owners Association and has the full and complete actual authority to act on behalf of all individual condominium owners with respect to all of the common elements;

WHEREAS, Plaintiffs instituted the above-captioned civil action in the Circuit Court for Charleston County with a Civil Action Number of 2008-CP-10-6897 (hereinafter the "Lawsuit"). In that lawsuit Plaintiffs asserted claims against Defendants, Bruce Kinney individually and as a member in Montclair Homes, LLC, Montclair Homes, LLC and the Montclair Property Owners Association, Inc. (converter control period) for all causes of action set forth against them in the Third Amended Complaint in the above civil action.

WHEREAS, Plaintiffs and Settling Defendants being released herein desire to compromise fully, finally, and forever settle all claims asserted by Plaintiffs in accordance with the terms of this Agreement.

AGREEMENT

NOW THEREFORE, in consideration of the aforementioned Recitals and the below-described terms and conditions, the sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Payment by Settling Defendants Montclair Homes, LLC, Bruce Kinney individually and as a member of Montclair Homes, LLC, and as a director or officer in Montclair Property Owners Association (Control period) to Plaintiffs: of the sum total of One Million Six Hundred Thousand and 00/100 Dollars ($1,600,000.00), to be paid as follows:

a) Payment made by and for the Settling Defendants by Auto Owners Insurance Company.

2. Assignment: Montclair Homes, LLC, Bruce Kinney individually and as officer of Montclair Homes, LLC, Montclair Property Owners Association grantor control period further agree to assign to the Plaintiffs and to Auto Owners Insurance Company jointly any claims or rights the settling defendants may have to proceed against any insurance carriers who may have been called upon or were called upon to provide a defense or indemnity to Bruce Kinney individually, Montclair Homes LLC or to the Montclair POA (Converter control period). This assignment includes but is not limited to:

a) Any and all rights to coverage or indemnification which assignor may have, own or possess under certain policies of insurance, numbered 0208800496 issued to Montclair Property owners Association, Inc., with effective dates of November 6, 2004, through November 6, 2007, issued by CNA/Continental Casualty Company, to the extent any such rights exist. Further, assignor conveys all rights to coverage or indemnification which assignor may have, own or posses under certain policies of insurance numbered NPP15500393 issued to Montclair Property Owners Association, Inc., with effective dates of November 6, 2009, through November 6, 2011, issued by United States Liability Insurance Group, to the extent any such rights exist.

b) Any and all rights to sue the aforementioned insurers by Assignor, which it may have, own or possess, in contract, tort or equity arising out of or related to (i) the failure and refusal of them to defend it in the action pending in the Ninth Judicial District for the County of Charleston, South Carolina C/A. No.: 2008-CP-10-6897; (ii) the failure and refusal of the insurers to settle the plaintiffs' claims in the above-referenced action; (iii) the wrongful, unjustified and bad faith denial of coverage by them for the plaintiffs' claims in the above-referenced action; (iv) the bad faith or unreasonable action in breach of an implied covenant of good faith and fair dealings arising on the contract by them; (v) the refusal by them to pay benefits due under the contract; (vi) the neglect and reckless handling and adjustment of the plaintiffs' claims in the above-referenced action; (vii) any claim under S.C. Code Ann. §38-59-20; and (viii) any other matter, to the extent any such rights exist.

The undersigned further authorizes and certifies **AUTO-OWNERS INSURANCE COMPANY, and the Montclair Property Owners Association, Inc.** shall have the right and privilege of asserting and filing suit upon the rights assigned herein in the undersigned's joint and several names, to the extent any such rights exist.

3. Further, Montclair Homes, LLC, Bruce Kinney individually and as a member of Montclair Homes, LLC, or as Incorporator or Officer in the Montclair Property Owners Association hereby assign any and all claims for Contribution to the Plaintiffs which they may have against Co-Defendant Church Creek Construction, LLC. The intent of this payment, assignment and release is to preserve in the favor of the Plaintiffs any and all claims for Contribution which these Settling Defendants and/or their Insurance Carriers may have against Church Creek Construction LLC for Contribution pursuant to an assignment more fully set forth in a separate document entered into between the parties and incorporated herein by reference.

4. Release: In consideration of the execution of all terms within this Agreement by the Plaintiffs, the Plaintiffs for themselves, their insurers, successors, purchasers, assigns, and individual unit owners, hereby remise, release, acquit and forever discharge Montclair Homes, LLC, Bruce Kinney individually and Church Creek Construction and all of their officers, directors, shareholders, related and affiliated corporations, successors, assigns, partners, agents, officers, insurers (expressly Auto Owners Insurance Company), sureties, servants, and employees from any and all past, present and future claims, demands, debts, rights, actions, damages (including direct, indirect, incidental, and consequential damages), costs, causes of action, suits at law or in equity, expenses and fees of attorneys, expenses and fees of consultants and/or experts and all claims of any nature or kind whatsoever, now existing or which may hereafter accrue, which may in any way be alleged to have resulted of and from the prior ownership, management and activities of Montclair Homes, LLC, Bruce Kinney and Montclair Property Owners Association, Inc. (Control period) as alleged in the above lawsuit. The liability of Church Creek Construction Company as an alleged joint tortfeasor in the above lawsuit is hereby extinguished by this release.

5. Plaintiffs agree to execute a policy release to Auto Owners insurance Co. As partial consideration for this settlement Plaintiffs agree to forthwith execute a Policy release of all policies of Insurance written by Auto Owners Insurance Company. This is a Release releasing in favor of Auto Owners Insurance Co. any claims on policies which may be construed to provide a duty to defend or indemnify any of those insured's under those various policies for any of the claims made in this lawsuit or in any subsequent lawsuit involving substantially the same facts as set forth in the current "Lawsuit". This paragraph however does not affect the rights Plaintiffs have as assignee to proceed in a joint fashion with Auto Owners Insurance Company as per the assignment of claims set forth in paragraph 2.

6. Settling Defendants agree to give Auto Owners Insurance Co. a full release of claims they have asserted or may assert in this lawsuit or in case pending in the Charleston Division Of the United States District Court / Charleston Division known as C.A. NO.: 2:10-cv-3157-CWH.

7. No Admission of Liability: The Settling Defendants and Plaintiffs acknowledge that this settlement is the compromise of disputed claims and that the payment made and releases provided pursuant to this Agreement shall not be construed as an admission of liability or of wrongdoing by Settling Defendants of any kind whatsoever on any matter not specifically addressed in this document.

8. Limitation of this Agreement: Notwithstanding any provision to the contrary herein, Plaintiffs do not waive, release, or impair in any way, any claims of any nature or type, or issues relating to the Plaintiffs which may result in any present or future claims which Plaintiffs have or may have against **other** parties, expressly excluding these Settling Defendants and any related or affiliated entities, insurers and sureties, whether asserted in this Lawsuit or not. Additionally these Settling Defendants and their insurers specifically reserve all claims against any insurers for other parties to this lawsuit, save and except for those addressed above in Paragraph 2.

9. Authority to Settle: Plaintiff Board and its counsel represent and warrant that they have the complete authority to execute this Agreement and compromise the claims as described in this Agreement. Plaintiffs further represent and warrant that they have not assigned or otherwise alienated the claims being settled by this Agreement; they have been counseled about the meaning and import of this Agreement and its included releases; they knowingly and voluntarily are executing this Agreement with the included releases and they intend for it to be a full and final release of their claims as to the Settling Defendants.

10. Binding Effect: This Agreement shall be binding upon and inure to the benefit of each and every party to this Agreement, their representatives, administrators, successors and assigns.

11. Orders of Dismissal and Satisfaction of Judgment: Plaintiffs agree to execute all documents necessary and proper for the dismissal of the claims as set forth herein. They further agree to instruct their counsel to file all paperwork necessary to discharge any judgment that may be of record as a result of the settlement of this case as previously set forth on the record before the Honorable Stephanie P. McDonald on October 3, 2012.

12. Fees: The parties agree to bear their own costs and attorneys' fees in the Lawsuit and the preparation and execution of this Agreement and any documents related to the performance of any obligation created by this Agreement.

13. South Carolina Law: This Agreement shall in all respects be interpreted, construed, enforced and governed by and under the laws of the State of South Carolina.

14. Complete Understanding The parties acknowledge that this Agreement contains the full and complete agreement between them, that there are no oral or implied agreements or understandings which are not specifically set forth herein, and that this Agreement may be amended, supplemented or modified only by a written agreement signed by each of the parties hereto. Plaintiffs and Settling Defendants acknowledge that no other party, or agent or attorney of any other party or any person, firm, corporation or any other entity has made any promise, representation, or warranty whatsoever, express, implied or statutory, not contained herein, concerning the subject matter hereof, to induce the execution of this Agreement. Plaintiffs and Settling Defendants also acknowledge that they have not executed this Agreement in reliance on any promise, representation or warranty not contained in this Agreement.

15. Execution in Counterparts: This Agreement may be executed with one or more separate counterparts, each of which, when so executed, shall together, constitute one and the same instrument.

16. Unenforceability of any Portion of Agreement: If any part of this Agreement is determined to be unenforceable, the remainder of the Agreement shall continue to be valid and shall be enforceable to the fullest extent permitted by law.

17. Captions: The captions appearing at the commencement of the Paragraphs in this Agreement are descriptive only and for convenience or reference. Should any conflict arise between any such caption and the Paragraph at the head of which it appears, the Paragraph and not such caption shall control and govern in the construction of this Agreement.

18. Construction against Party that Drafted Agreement: This Agreement was drafted jointly by counsel for both parties as a matter of convenience and the Agreement shall not be construed for or against any party as a result of this fact. The Agreement has been fully negotiated by counsel and no presumption for or against any party shall arise on the basis of authorship should interpretation become required.

FOR THE PLAINTIFFS:

Montclair Property Owners Association:

By: LAWRENCE A. LADDAGA

Its: PRESIDENT

Date: 11-26-2012

Montclair Property Owners Association Board of Directors for and on Behalf of All Owners of the Montclair Horizontal Property Regime:

By: LAWRENCE A. LADDAGA

Date: 11-26-2012

FOR THE DEFENDANTS:

Montclair Homes, LLC

By: BRUCE E. KINNEY

Its: President

Date: 11/16/2012

Bruce Kinney

By: BRUCE E. KINNEY

Its: Individually

Date: 11/16/2012

Montclair Owners Association (Converter Control Period)

By: BRUCE E. KINNEY

Its: President

Date: 11/16/2012

Page of

STATE OF SOUTH CAROLINA	)	IN THE COURT OF COMMON PLEAS
	)	
COUNTY OF CHARLESTON	)	NINTH JUDICIAL CIRCUIT
MONTCLAIR PROPERTY OWNERS ASSOCIATION (A SOUTH CAROLINA NON-PROFIT CORPORATION) AND MONTCLAIR PROPERTY OWNERS ASSOCIATION BOARD OF DIRECTORS FOR AND ON BEHALF OF ALL OWNERS OF THE MONTCLAIR HORIZONTAL PROPERTY REGIME,	)	CASE NO. 2008-CP-10-6897
PLAINTIFFS,	)	
vs.	)	
BRUCE E. KINNEY, INDIVIDUALLY AND AS AN INCORPORATOR FOR MONTCLAIR HOMES, LLC; MONTCLAIR HOMES, LLC, A SC LIMITED LIABILITY COMPANY (DECLARANT - MASTER DEED); CREMCO, LLC, AN ILLINOIS LIMITED LIABILITY COMPANY; MONTCLAIR ASSOCIATES LIMITED PARTNERSHIP, AN ILLINOIS LIMITED PARTNERSHIP; MONTCLAIR PROPERTY OWNERS ASSOCIATION A/K/A MONTCLAIR HOMEOWNERS ASSOCIATION (GRANTOR CONTROL PERIOD); BRUCE E. KINNEY AS AN OFFICER OR DIRECTOR IN THE MONTCLAIR PROPERTY OWNERS ASSOCIATION A/K/A MONTCLAIR HOMEOWNERS ASSOCIATION (GRANTOR CONTROL PERIOD), A SC NON-PROFIT CORPORATION; CHURCH CREEK CONSTRUCTION, LLC; LARRY ELSEY, INDIVIDUALLY, AND D/B/A ECI OR ELSEY CONSTRUCTION A/K/A ELSEY CONSTRUCTION INC. AND ROGER LOCKEY ,	)	**ADDENDUM TO SETTLEMENT AGREEMENT AND RELEASE AND ASSIGNMENT OF CLAIMS**

DEFENDANTS.)
_____)

All references to Church Creek Construction, Inc., or Church Creek Construction Company contained in the Assignment or Release in the above-captioned matter are intended to reflect Church Creek Construction, LLC, the correct entity involved in business with Montclair Property Owners Association, Inc.

FOR THE PLAINTIFFS:

Montclair Property Owners Association:

Lawrence Laddagh

By: LAWRENCE A. LADDAGH

Its: President

Date: 11-26-2012

Montclair Property Owners Association Board of Directors for and on Behalf of All Owners of the Montclair Horizontal Property Regime:

Lawrence Laddagh

By: LAWRENCE A. LADDAGH

Date: 11-26-2012

FOR THE DEFENDANTS:

Montclair Homes, LLC

_____

By: _____

Its: _____

Date: _____

Bruce Kinney

_____

By: _____

Its: _____

Date: _____

DEFENDANTS.)
_____)

All references to Church Creek Construction, Inc., or Church Creek Construction Company contained in the Assignment or Release in the above-captioned matter are intended to reflect Church Creek Construction, LLC, the correct entity involved in business with Montclair Property Owners Association, Inc.

FOR THE PLAINTIFFS:

Montclair Property Owners Association:

_____

By: _____

Its: _____

Date: _____

Montclair Property Owners Association Board of Directors for and on Behalf of All Owners of the Montclair Horizontal Property Regime:

_____

By: _____

Date: _____

FOR THE DEFENDANTS:

Montclair Homes, LLC

_____

By: BRUCE E. KINNEY

Its: PRESIDENT

Date: 11/21/2012

Bruce Kinney

_____

By: BRUCE E. KINNEY

Its: Individually

Date: 11/21/2012

Montclair Owners Association (Converter Control Period)

By: Bruce E. Kinney

Its: President

Date: 11/21/2012

STATE OF SOUTH CAROLINA	)	IN THE COURT OF COMMON PLEAS
	)	
COUNTY OF CHARLESTON	)	FOR THE NINTH JUDICIAL CIRCUIT
Montclair Property Owners Association (a South Carolina non-profit corporation), and Montclair Property Owners Association Board of Directors for and on behalf of all owners of the Montclair Horizontal Property Regime,	)	Case No. 2008-CP-10-6897
Plaintiffs	)	
vs.	)	
Bruce E. Kinney, individually and as an incorporator for Montclair Homes, LLC; Montclair Homes, LLC, as SC Limited Liability Company (declarant – Master Deed); CREMCO, LLC, an Illinois Limited Liability Company; Montclair Associates Limited Partnership, an Illinois, Limited Partnership, Montclair Property Owners Association a/k/a Montclair Homeowners Association (Grantor Control Period); Bruce E. Kinney as an Officer or Director in the Montclair Property Owners Association a/k/a Montclair Homeowners Association (Grantor Control Period), a SC Non-profit Corporation; and Church Creek Construction, LLC and/or Elsey Construction, Inc. (ECI) and Roger Lockey,	)	
Defendants	)	

SETTLEMENT AGREEMENT AND RELEASE

THIS SETTLEMENT AGREEMENT AND RELEASE (hereinafter "Agreement") is made by and between the above-named Plaintiffs and Defendants CREMCO, LLC, an Illinois Limited Liability Company and Montclair Associates Limited Partnership, an Illinois Limited Partnership (hereinafter referred to as "CREMCO and MALP").

RECITALS

WHEREAS, the property that is the subject of this Agreement consists of a group of thirty-nine (39) buildings, including multi-family wood-frame dwelling structures, comprising two hundred forty (240) total units, clubhouse facilities and related facilities located at 1861 Montclair Drive Mt. Pleasant, South Carolina 29464, known collectively as "Montclair at Towne Centre" (hereinafter referred to as "Montclair");

WHEREAS, CREMCO is a limited liability corporation organized and existing under the laws of the State of Illinois, which was formerly engaged in property management on behalf of MALP and Montclair Homes, LLC at Montclair;

WHEREAS, MALP is a limited partnership organized and existing under the laws of the State of Illinois, which formerly owned and operated Montclair as an apartment community from 1992 until 2003;

WHEREAS, in 2003 MALP sold Montclair to Montclair Homes, LLC and Montclair Homes, LLC, after purchase of the property from MALP, undertook a conversion of the property from apartments to condominiums;

WHEREAS, Montclair Property Owners Association (collectively with the party herein below referred to as "Plaintiffs") is a South Carolina not for-profit corporation organized and existing under the laws of South Carolina, which owns property and does business in the State of South Carolina and is made up of each and every individual condominium unit owner at Montclair;

WHEREAS, Montclair Property Owners Association Board of Directors for and on behalf of all owners of the Montclair Horizontal Property Regime (collectively with the party above referred to as "Plaintiffs") is the duly constituted and properly elected board responsible for maintenance and repair of all common elements within the Property Owners Association and has the full and complete actual authority to act on behalf of all individual condominium owners with respect to all of the common elements;

WHEREAS, Plaintiffs instituted the above-captioned civil action in the Circuit Court for Charleston County with a Civil Action Number of 2008-CP-10-6897 (hereinafter the "Lawsuit") in which it asserted claims against CREMCO and MALP for the several causes of action in connection with their prior management and ownership of Montclair in the above Lawsuit;

WHEREAS, Plaintiffs and CREMCO and MALP desire to compromise fully, finally, and forever settle all claims asserted by Plaintiffs in accordance with the terms of this Agreement.

AGREEMENT

NOW THEREFORE, in consideration of the aforementioned Recitals and the below-described terms and conditions, the sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Payment by CREMCO and MALP to Plaintiffs: CREMCO and MALP agree to pay Plaintiffs the sum total of One Million Four Hundred Thousand and 00/100 Dollars ($1,400,000.00), to be paid as follows:

One Million One Hundred Ninety Two Thousand Five Hundred and 00/100 ($1,192,500.00) Dollars payable by Scottsdale Insurance Company

One Hundred Ninety Two Thousand Five Hundred and 00/100 ($192,500.00) Dollars payable by Federal Insurance Company

Fifteen Thousand and 00/100 ($15,000.00) Dollars payable by MALP and CREMCO

2. Assignment: MALP and CREMCO further agree to assign to Plaintiffs any claims or right they may have to proceed against Church Creek Construction, LLC and its insurers, successors and assigns for Contribution. Such assignment shall be entered into as a separate document and incorporated herein by reference.

3. Release: In consideration of the execution of all terms within this Agreement by the Plaintiffs, the Plaintiffs for themselves, their insurers, successors, purchasers, assigns, and individual unit owners, hereby remise, release, acquit and forever discharge MALP and CREMCO all of their officers, directors, shareholders, related and affiliated corporations, successors, assigns, limited and general partners, agents, officers, Scottsdale Insurance Company, Federal Insurance Company, and any other insurers, sureties, servants, and employees ("Released Parties") from any and all past, present and future claims, demands, debts, rights, actions, damages (including direct, indirect, incidental, and consequential damages), costs, causes of action, suits at law or in equity, expenses and fees of attorneys, expenses and fees of consultants and/or experts and all claims of any nature or kind whatsoever, now existing or which may hereafter accrue, which may in any way be alleged to have resulted of and from the prior ownership and management of Montclair by MALP and CREMCO.This release also extinguishes the liability of Church Creek Construction LLC as alleged in the above Lawsuit.

4. No Admission of Liability: MALP and CREMCO and Plaintiffs acknowledge that this settlement is the compromise of disputed claims and that the payment made and releases provided pursuant to this Agreement shall not be construed as an admission of liability or of wrongdoing by MALP and CREMCO nor a statement of any kind whatsoever on any matter not specifically addressed in this document.

5. Limitation of this Agreement: Notwithstanding any provision to the contrary herein, Plaintiffs do not waive, release, or impair in any way, any claims of any nature or type, or issues

relating to the Plaintiffs which may result in any present or future claims which Plaintiffs have or may have against entities other than the Released Parties, whether asserted in this Lawsuit or not. Additionally, the Released Parties specifically reserve all claims against any insurers for other parties to this lawsuit, save and except for those addressed above in Paragraph 2 pertaining to the agreed upon assignment.

6. Authority to Settle: Plaintiffs represent and warrant that they have the complete authority to execute this Agreement and compromise the claims as described in this Agreement. Plaintiffs further represent and warrant that they have not assigned or otherwise alienated the claims being settled by this Agreement; they have been counseled about the meaning and import of this Agreement and its included releases; they knowingly and voluntarily are executing this Agreement with the included releases.

7. Binding Effect: This Agreement shall be binding upon and inure to the benefit of each and every party to this Agreement, their representatives, administrators, successors and assigns.

8. Orders of Dismissal and Satisfaction of Judgment: Plaintiffs agree to execute all documents necessary and proper for the dismissal of the claims as set forth herein. They further agree to instruct their counsel to file all paperwork necessary to discharge any judgment that may be of record as a result of the settlement of this case as previously set forth on the record before the Honorable Stephanie P. McDonald on October 3, 2012.

9. Fees: The parties agree to bear their own costs and attorneys' fees in the Lawsuit and the preparation and execution of this Agreement and any documents related to the performance of any obligation created by this Agreement.

10. South Carolina Law: This Agreement shall in all respects be interpreted, construed, enforced and governed by and under the laws of the State of South Carolina.

11. Complete Understanding between Plaintiffs and MALP and CREMCO: Plaintiffs and MALP and CREMCO acknowledge that this Agreement contains the full and complete agreement between them, that there are no oral or implied agreements or understandings which are not specifically set forth herein, and that this Agreement may be amended, supplemented or modified only by a written agreement signed by each of the parties hereto. Plaintiffs and MALP and CREMCO acknowledge that no other party, or agent or attorney of any other party or any person, firm, corporation or any other entity has made any promise, representation, or warranty whatsoever, express, implied or statutory, not contained herein, concerning the subject matter hereof, to induce the execution of this Agreement. Plaintiffs and MALP and CREMCO also acknowledge that they have not executed this Agreement in reliance on any promise, representation or warranty not contained in this Agreement.

12. Execution in Counterparts: This Agreement may be executed with one or more separate counterparts, each of which, when so executed, shall together, constitute one and the same instrument.

13. Unenforceability of any Portion of Agreement: If any part of this Agreement is determined to be unenforceable, the remainder of the Agreement shall continue to be valid and shall be enforceable to the fullest extent permitted by law.

14. Captions: The captions appearing at the commencement of the Paragraphs in this Agreement are descriptive only and for convenience or reference. Should any conflict arise between any such caption and the Paragraph at the head of which it appears, the Paragraph and not such caption shall control and govern in the construction of this Agreement.

15. Construction against Party that Drafted Agreement: This Agreement was drafted jointly by counsel for MALP and CREMCO and the Plaintiffs as a matter of convenience only and the Agreement shall not be construed for or against any party as a result of this fact. The Agreement has been fully negotiated by counsel and no presumption for or against any party shall arise on the basis of authorship should interpretation become required.

FOR THE PLAINTIFFS:

Montclair Property Owners Association:

By: LAWRENCE A. LADDAGA

Its: PRESIDENT

Date: 11-26-2012

Montclair Property Owners Association Board of Directors for and on Behalf of All Owners of the Montclair Horizontal Property Regime:

By: LAWRENCE A. LADDAGA

Date: 11-26-2012

FOR THE DEFENDANTS:

Montclair Associates Limited Partnership:

By: John F. Kennedy

Its: General Partner

Date: Nov. 1, 2012

CREMCO, LLC

By: Chrisken Residential Trust
G.P. John F. Kennedy, Trustee,

Its: Chrisken Operating Limited Partnership, Member

Date: Nov. 1, 2012

STATE OF SOUTH CAROLINA	)	IN THE COURT OF COMMON PLEAS
	)	
COUNTY OF CHARLESTON	)	NINTH JUDICIAL CIRCUIT
MONTCLAIR PROPERTY OWNERS ASSOCIATION (A SOUTH CAROLINA NON-PROFIT CORPORATION) AND MONTCLAIR PROPERTY OWNERS ASSOCIATION BOARD OF DIRECTORS FOR AND ON BEHALF OF ALL OWNERS OF THE MONTCLAIR HORIZONTAL PROPERTY REGIME,	)	CASE NO. 2008-CP-10-6897
PLAINTIFFS,	)	
vs.	)	
BRUCE E. KINNEY, INDIVIDUALLY AND AS AN INCORPORATOR FOR MONTCLAIR HOMES, LLC; MONTCLAIR HOMES, LLC, A SC LIMITED LIABILITY COMPANY (DECLARANT - MASTER DEED); CREMCO, LLC, AN ILLINOIS LIMITED LIABILITY COMPANY; MONTCLAIR ASSOCIATES LIMITED PARTNERSHIP, AN ILLINOIS LIMITED PARTNERSHIP; MONTCLAIR PROPERTY OWNERS ASSOCIATION A/K/A MONTCLAIR HOMEOWNERS ASSOCIATION (GRANTOR CONTROL PERIOD); BRUCE E. KINNEY AS AN OFFICER OR DIRECTOR IN THE MONTCLAIR PROPERTY OWNERS ASSOCIATION A/K/A MONTCLAIR HOMEOWNERS ASSOCIATION (GRANTOR CONTROL PERIOD), A SC NON-PROFIT CORPORATION; CHURCH CREEK CONSTRUCTION, LLC; LARRY ELSEY, INDIVIDUALLY, AND D/B/A ECI OR ELSEY CONSTRUCTION A/K/A ELSEY CONSTRUCTION INC. AND ROGER LOCKEY ,	)	**ADDENDUM TO SETTLEMENT AGREEMENT AND RELEASE AND ASSIGNMENT OF CLAIMS**

DEFENDANTS.)
_____)

All references to Church Creek Construction, Inc., or Church Creek Construction Company contained in the Assignment or Release in the above-captioned matter are intended to reflect Church Creek Construction, LLC, the correct entity involved in business with Montclair Property Owners Association, Inc.

FOR THE PLAINTIFFS:

Montclair Property Owners Association:

By: LAWRENCE A. LADDAGA

Its: PRESIDENT

Date: Nov 26, 2012

Montclair Property Owners Association Board of Directors for and on Behalf of All Owners of the Montclair Horizontal Property Regime:

By: LAWRENCE A. LADDAGA

Date: Nov 26th 2012

FOR THE DEFENDANTS:

Montclair Associates Limited Partnership:

_____

By: _____

Its: _____

Date: _____

CREMCO, LLC

_____

By: _____

Its: _____

Date: _____

DEFENDANTS.)
_____)

All references to Church Creek Construction, Inc., or Church Creek Construction Company contained in the Assignment or Release in the above-captioned matter are intended to reflect Church Creek Construction, LLC, the correct entity involved in business with Montclair Property Owners Association, Inc.

FOR THE PLAINTIFFS:

Montclair Property Owners Association:

_____

By: _____

Its: _____

Date: _____

Montclair Property Owners Association Board of Directors for and on Behalf of All Owners of the Montclair Horizontal Property Regime:

_____

By: _____

Date: _____

FOR THE DEFENDANTS:

Montclair Associates Limited Partnership:

John F Kennedy

By: John F. Kennedy

Its: General Partner

Date: Dec. 11, 2012

CREMCO, LLC

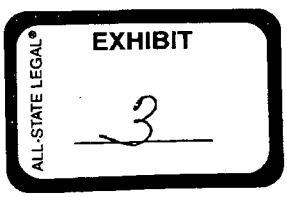
John F Kennedy

By: Chrisken Residential Trust, G.P. John F. Kennedy, Trustee,

Its: Chrisken Operating Limited Partnership Member

Date: Dec. 11, 2012

STATE OF SOUTH CAROLINA	)	IN THE COURT OF COMMON PLEAS
	)	
COUNTY OF CHARLESTON	)	NINTH JUDICIAL CIRCUIT
MONTCLAIR PROPERTY OWNERS ASSOCIATION (A SOUTH CAROLINA NON-PROFIT CORPORATION) AND MONTCLAIR PROPERTY OWNERS ASSOCIATION BOARD OF DIRECTORS FOR AND ON BEHALF OF ALL OWNERS OF THE MONTCLAIR HORIZONTAL PROPERTY REGIME,	)	CASE NO. 2008-CP-10-6897
PLAINTIFFS,	)	
vs.	)	
BRUCE E. KINNEY, INDIVIDUALLY AND AS AN INCORPORATOR FOR MONTCLAIR HOMES, LLC; MONTCLAIR HOMES, LLC, A SC LIMITED LIABILITY COMPANY (DECLARANT - MASTER DEED); CREMCO, LLC, AN ILLINOIS LIMITED LIABILITY COMPANY; MONTCLAIR ASSOCIATES LIMITED PARTNERSHIP, AN ILLINOIS LIMITED PARTNERSHIP; MONTCLAIR PROPERTY OWNERS ASSOCIATION A/K/A MONTCLAIR HOMEOWNERS ASSOCIATION (GRANTOR CONTROL PERIOD); BRUCE E. KINNEY AS AN OFFICER OR DIRECTOR IN THE MONTCLAIR PROPERTY OWNERS ASSOCIATION A/K/A MONTCLAIR HOMEOWNERS ASSOCIATION (GRANTOR CONTROL PERIOD), A SC NON-PROFIT CORPORATION; CHURCH CREEK CONSTRUCTION, LLC; LARRY ELSEY, INDIVIDUALLY, AND D/B/A ECI OR ELSEY CONSTRUCTION A/K/A ELSEY CONSTRUCTION INC. AND ROGER LOCKEY ,	)	**ASSIGNMENT OF CLAIMS**



DEFENDANTS.)
)

For valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Montclair Associates, Limited Partnership and CREMCO hereby assign to Montclair Property Owners Association, Inc., all rights, title and interest in their claims against Church Creek Construction Company for contribution in connection with the above captioned litigation.

MONTCLAIR ASSOCIATES,
LIMITED PARTNERSHIP

By: John F Kennedy
Jack Kennedy
Its: General Partner

CREMCO, LLC

by: John F Kennedy
Its: Chrisken Residential Trust, G.P., John F. Kennedy, Trustee, Chrisken Operating Limited Partnership, Member

STATE OF SOUTH CAROLINA	)	IN THE COURT OF COMMON PLEAS
	)	
COUNTY OF CHARLESTON	)	NINTH JUDICIAL CIRCUIT
MONTCLAIR PROPERTY OWNERS ASSOCIATION (A SOUTH CAROLINA NON-PROFIT CORPORATION) AND MONTCLAIR PROPERTY OWNERS ASSOCIATION BOARD OF DIRECTORS FOR AND ON BEHALF OF ALL OWNERS OF THE MONTCLAIR HORIZONTAL PROPERTY REGIME,	)	CASE NO. 2008-CP-10-6897
PLAINTIFFS,	)	
vs.	)	
BRUCE E. KINNEY, INDIVIDUALLY AND AS AN INCORPORATOR FOR MONTCLAIR HOMES, LLC; MONTCLAIR HOMES, LLC, A SC LIMITED LIABILITY COMPANY (DECLARANT - MASTER DEED); CREMCO, LLC, AN ILLINOIS LIMITED LIABILITY COMPANY; MONTCLAIR ASSOCIATES LIMITED PARTNERSHIP, AN ILLINOIS LIMITED PARTNERSHIP; MONTCLAIR PROPERTY OWNERS ASSOCIATION A/K/A MONTCLAIR HOMEOWNERS ASSOCIATION (GRANTOR CONTROL PERIOD); BRUCE E. KINNEY AS AN OFFICER OR DIRECTOR IN THE MONTCLAIR PROPERTY OWNERS ASSOCIATION A/K/A MONTCLAIR HOMEOWNERS ASSOCIATION (GRANTOR CONTROL PERIOD), A SC NON-PROFIT CORPORATION; CHURCH CREEK CONSTRUCTION, LLC; LARRY ELSEY, INDIVIDUALLY, AND D/B/A ECI OR ELSEY CONSTRUCTION A/K/A ELSEY CONSTRUCTION INC. AND ROGER LOCKEY ,	)	**ASSIGNMENT OF CLAIMS**

DEFENDANTS.)
)

For valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Montclair Homes, LLC hereby assigns to Montclair Property Owners Association, Inc. all rights, title and interest in its claims against Church Creek Construction Company for contribution in connection with the above captioned litigation.

MONTCLAIR HOMES, LLC

By: _____
Bruce E Kinney
Its: Managing Member

Montclair Property Owners Association (A South Carolina Non-Profit Corporation) and Montclair Property Owners Association Board of Directors for and on Behalf of All Owners of the Montclair Horizontal Property Regime v. Bruce E. Kinney, Individually and as an Incorporator for Montclair Homes, LLC; Montclair Homes, LLC, a SC Limited Liability Company (Declarant-Master Deed); CREMCO, LLC, an Illinois Limited Liability Company; Montclair Associates Limited Partnership, an Illinois Limited Partnership; Montclair Property Owners Association a/k/a Montclair Homeowners Association (Grantor Control Period), a SC Non-Profit Corporation; Church Creek Construction, LLC and Larry Elsey, Individually, and d/b/a ECI or Elsey Construction, a/k/a Elsey Construction, Inc.; and Roger Lockey

MUTUAL RELEASE AND SETTLEMENT AGREEMENT

This Mutual Release (the "Release") is entered into by and between the undersigned parties as of the date set forth next to the signatures hereunder.

WHEREAS, the Montclair Property Owners Association (A South Carolina Non-Profit Corporation) and Montclair Property Owners Association Board of Directors for and on Behalf of All Owners of the Montclair Horizontal Property Regime (hereinafter the "Plaintiff") has instituted the above-captioned civil action in the Circuit Court for Charleston County, South Carolina Civil Action No: 2008-CP-10-6897 (the "Lawsuit") alleging that Defendants Larry Elsey, Individually, and d/b/a ECI or Elsey Construction, a/k/a Elsey Construction, Inc. (hereinafter collectively "Defendant ECI") and Roger Lockey (hereinafter "Defendant Lockey") failed to follow good construction practice in the work they performed on the subject property which resulted in water intrusion damages.

WHEREAS, the parties to this Release have agreed to compromise and settle the matters which were or which could have been asserted in the Lawsuit; and

WHEREAS, the Defendant ECI and Defendant Lockey have agreed to pay to the Plaintiff the total sum of FIVE HUNDRED TWENTY-FIVE THOUSAND and 00/100 DOLLARS ($525,000.00)

NOW, THEREFORE, for and in consideration of each party's compliance with the payment terms described above, the adequacy and sufficiency of which are hereby acknowledged, and for and in consideration of the mutual promises and agreements contained hereinafter, it is hereby

ALL-STATE LEGAL®
EXHIBIT
4

UNDERSTOOD AND AGREED that, in consideration of their respective contribution to the settlement amount, the receipt and sufficiency of which is hereby acknowledged, the Plaintiff does hereby release, acquit, absolve, and forever discharge every party to this Release and their successors, assigns, officers, directors, shareholders, agents, employees, sureties, product distributors, insurers, and any other person or entity with the exception of the remaining lawsuit Defendants who are not parties to this release from any and all past, present, and future claims, rights, actions, suits, and demands of every nature and kind whatsoever, whether known or unknown, which were or which could have been asserted in the Lawsuit against Defendant ECI and Defendant Lockey and/or which relate in any way to things done, omitted or suffered to be done by Defendant ECI and Defendant Lockey in connection with the subject property;

IT IS FURTHER UNDERSTOOD AND AGREED that the Plaintiff herein discharges, releases, and acquits Defendant ECI and Defendant Lockey and their successors, assigns, officers, directors, shareholders, agents, employees, sureties, product distributors and insurers of and from any and all claims, suits, causes of action, or demands related to or arising out of any claims for loss of use, loss of rental revenue, interior damage, depreciation, property damage or any other losses associated the alleged construction deficiencies at the subject property and/or the repair of the same;

IT IS FURTHER UNDERSTOOD AND AGREED that by virtue of executing this Release, each party to the Release hereby consents to the execution and filing of a Stipulation of Dismissal with Prejudice of all claims by and among the parties to this Release;

IT IS FURTHER UNDERSTOOD AND AGREED that The releases contained in this Release are specific to Defendant ECI and Defendant Lockey, and in no way limit the rights of the Plaintiff with respect to claims against any other parties and do not release any party except as specifically set forth herein. Therefore, this Release does not affect the claims of the Plaintiff against other parties in

the Lawsuit who are not parties to this Release. This Release does not end the Lawsuit and the Plaintiff is going to continue to pursue all pending claims against the other remaining Defendants in the Lawsuit and / or their individual partners who are not parties to this Release;

IT IS FURTHER UNDERSTOOD AND AGREED that this Release contains the entire agreement between the parties hereto; that the Plaintiff has entered into this Release upon the advice and consent of its counsel; and, that the Plaintiff has not relied upon or been influenced to any extent by any statements or representations made by any other party hereto or its representatives regarding the cause, nature, scope, or extent of the alleged construction deficiencies at the subject property and the damage which may have been caused thereby;

IT IS FURTHER UNDERSTOOD AND AGREED that the individuals signing this Release represent and warrant that each has the right and authority to execute this Release on behalf of the party for whom each signs; that this Release shall be effective as a full and final accord and satisfaction and mutual release of each party to this Release as set forth herein; and that each party to this Release expressly agrees that this Release is contractual in nature and not a mere recital;

IT IS FURTHER UNDERSTOOD AND AGREED that this Release affects the settlement of claims which are denied and contested, and nothing contained in this document shall be construed as an admission by any party of any liability of any kind to any person or entity. Notwithstanding any other provision, the Plaintiff, Defendant ECI, and Defendant Lockey agree and acknowledge that this settlement is a compromise of disputed claims and neither the existence of the agreement, nor any recitals, terms, conditions, or other statements contained in it, nor the payment of the settlement amount shall be construed as an admission of liability by or on the part of Defendant ECI or Defendant Lockey for any allegation or claim. Defendant ECI and Defendant Lockey do not admit, but expressly deny all liability for the claims asserted against them and entered into this settlement solely to avoid

the expense, uncertainties, and risks of further litigation. Consequently, this Agreement shall not be admissible in this Lawsuit or in any other action, suit, or legal proceeding as evidence of any liability, culpability, or fault of or on the part of Defendant ECI or Defendant Lockey;

IT IS FURTHER UNDERSTOOD AND AGREED that all parties to the Release consent to allow the attorneys for the Defendant ECI and Defendant Lockey to execute the Release on behalf of their respective clients.

IN WITNESS WHEREOF, each party hereunto sets its hand as follows:

[SIGNATURE PAGES TO FOLLOW]

Montclair Property Owners Association (A South Carolina Non-Profit Corporation) and Montclair Property Owners Association Board of Directors for and on Behalf of All Owners of the Montclair Horizontal Property Regime v. Bruce E. Kinney, Individually and as an Incorporator for Montclair Homes, LLC; Montclair Homes, LLC, a SC Limited Liability Company (Declarant-Master Deed); CREMCO, LLC, an Illinois Limited Liability Company; Montclair Associates Limited Partnership, an Illinois Limited Partnership; Montclair Property Owners Association a/k/a Montclair Homeowners Association (Grantor Control Period), a SC Non-Profit Corporation; Church Creek Construction, LLC and Larry Elsey, Individually, and d/b/a ECI or Elsey Construction, a/k/a Elsey Construction, Inc.; and Roger Lockey

Release of All Claims

Montclair POA

BY: Larry Laddaga

Lawrence Laddaga, Esq., Board President
Montclair POA Board of Directors

YOUNG, CLEMENT RIVERS, LLP

Joseph E. DaPore, Esq.
P.O. Box 993
Charleston, SC 29402
Attorney for Plaintiffs

Dated: 5·17·12

Montclair Property Owners Association (A South Carolina Non-Profit Corporation) and Montclair Property Owners Association Board of Directors for and on Behalf of All Owners of the Montclair Horizontal Property Regime v. Bruce E. Kinney, Individually and as an Incorporator for Montclair Homes, LLC; Montclair Homes, LLC, a SC Limited Liability Company (Declarant-Master Deed); CREMCO, LLC, an Illinois Limited Liability Company; Montclair Associates Limited Partnership, an Illinois Limited Partnership; Montclair Property Owners Association a/k/a Montclair Homeowners Association (Grantor Control Period), a SC Non-Profit Corporation; Church Creek Construction, LLC and Larry Elsey, Individually, and d/b/a ECI or Elsey Construction, a/k/a Elsey Construction, Inc.; and Roger Lockey

Release of All Claims

CARLOCK, COPELAND & STAIR

BY: _____

R. Michael Ethridge
Katie W. Sullivan
40 Calhoun Street
Suite 400
Charleston, SC 29401
(843) 266-8229
Attorneys for Defendant Larry Elsey, Individually, and d/b/a ECI or Elsey Construction, a/k/a Elsey Construction, Inc.

Montclair Property Owners Association (A South Carolina Non-Profit Corporation) and Montclair Property Owners Association Board of Directors for and on Behalf of All Owners of the Montclair Horizontal Property Regime v. Bruce E. Kinney, Individually and as an Incorporator for Montclair Homes, LLC; Montclair Homes, LLC, a SC Limited Liability Company (Declarant-Master Deed); CREMCO, LLC, an Illinois Limited Liability Company; Montclair Associates Limited Partnership, an Illinois Limited Partnership; Montclair Property Owners Association a/k/a Montclair Homeowners Association (Grantor Control Period), a SC Non-Profit Corporation; Church Creek Construction, LLC and Larry Elsey, Individually, and d/b/a ECI or Elsey Construction, a/k/a Elsey Construction, Inc.; and Roger Lockey

Release of All Claims

MURPHY & GRANTLAND, P.A.

BY: _____
Charles G. Blackburn, Esquire
J. Ryan Oates, Esquire
P.O. Box 6648
Columbia, SC 29260
Attorneys for Roger Lockey

Columbia, South Carolina

Dated: 5/8/14

2975904v.1

PRATT-THOMAS | WALKER

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THOMAS H. HESSE (SC, GA)
IAN W. FREEMAN (SC, CA)
DANIEL S. McQUEENEY, JR.
KATHLEEN FOWLER MONOC

August 30, 2013

VIA EMAIL AND REGULAR US MAIL

The Honorable Mikell R. Scarborough
Master-In-Equity
Charleston County
100 Broad Street, Suite 266
Charleston, SC 29401

Re: *Montclair Property Owners Association (A South Carolina non-profit corporation) and Montclair Property Owners Association Board of Directors for and on behalf of all owners of the Montclair Horizontal Property Regime v. Church Creek Construction, LLC*
Case No.: 2012-CP-10-8447
P-TW File No.: 0710.087

Dear Judge Scarborough:

Enclosed find our proposed Order in the above captioned case. Thank you for your consideration and please let me know if you have any questions.

Yours very truly,

Thomas H. Hesse

THH/mls
Enclosure
c: Joseph E. DaPore, Esquire (w/enc)

STATE OF SOUTH CAROLINA	)	IN THE COURT OF COMMON PLEAS
	)	
COUNTY OF CHARLESTON	)	C/A No.: 2012-CP-10-08447
Montclair Property Owners Association, Inc. and Montclair Property Owners Association Board of Directors for and on behalf of all Owners of the Montclair Horizontal Property Regime, as Assignees of Montclair Associates Limited Partnership, Cremco, LLC and Montclair Homes, LLC,	)	
Plaintiffs,	)	
v.	)	**Order**
Church Creek Construction, LLC,	)	
Defendant.	)	

This contribution action arises under the South Carolina Contribution Among Tortfeasors Act (the "Contribution Act"), codified at sections 15-38-10 to -70 of the South Carolina Code.

Plaintiffs Montclair Property Owners Association, Inc. and Montclair Property Owners Association Board of Directors, for and on behalf of all Owners of the Montclair Horizontal Property Regime ("Plaintiffs"), filed this contribution action as purported assignees of Montclair Associates Limited Partnership ("MALP"), CREMCO, LLC ("CREMCO"), and Montclair Homes, LLC ("Montclair Homes") against Defendant Church Creek Construction, LLC ("Church Creek" or "Defendant"). Plaintiffs, standing in the shoes of MALP, CREMCO, and Montclair Homes, request that the Court order Church Creek to contribute toward payments of $3 million from MALP, CREMCO, and Montclair Homes to Plaintiffs in settlement of an underlying lawsuit.

Pursuant to Rule 53, SCRCP, on May 6, 2013, by consent of the parties, this matter was referred, with finality, to this Court, in its capacity as the Master-in-Equity for Charleston

County, South Carolina. On July 24, 2013, the matter came to trial before this Court and, in lieu of closing argument, the Court requested that the parties submit proposed orders.

Pursuant to Rule 52(a), SCRCP, and Rule 53(c), SCRCP, after considering the trial testimony, documentary evidence, deposition transcripts, counsel's arguments, and the proposed orders submitted by the parties, the Court finds and concludes that MALP, CREMCO, and Montclair Homes have not established a right to contribution against Church Creek. Consequently, Plaintiffs, standing in the shoes of MALP, CREMCO, and Montclair Homes, are not entitled to recover from Church Creek.

I. Findings of Fact

Between 1980 and 1990, 39 apartment buildings containing 240 separate units were constructed on approximately 26 acres of real property, commonly referred to as Montclair, in Mount Pleasant, South Carolina. **Ex. 283, ¶¶5, 18-19.** The original construction included a slab on grade with conventional wood framing, Masonite siding, some brick facades, and asphalt shingle roofs. **Ex. 283, ¶19.**

On February 11, 1992, MALP purchased the subject property from Travelers Indemnity Corporation. **Ex. 283, ¶20.** During the time that MALP owned the subject property, it was managed by CREMCO.[1] **Ex. 283, ¶9.**

In 2002 and 2003, written assessments of the condition of the subject property were performed for MALP by American Consulting, Inc. ("ACI"), an engineering firm. **Exs. 8, 10; Ex. 283, ¶24.** As early as November 18, 2002, ACE recommended, in writing, that all of the Masonite siding on the buildings be repaired or replaced as a priority in need of immediate

[1] While Plaintiffs contend that MALP and CREMCO should be treated as one "group" for apportioning liability under the Contribution Act, the Court finds no basis for treating a property owner and a management company as one "group" under the Contribution Act.

attention. **Ex. 8.** A separate report, in April 2003, noted a pending class action lawsuit involving the Masonite siding included in the original construction at Montclair. **Ex. 10.**

On May 8, 2003, Montclair Homes, was organized by Bruce Kinney. **Ex., 283, ¶10.** Epps Edwards Architects ("Epps"), an architectural firm hired by Montclair Homes, inspected the physical condition of the buildings at the subject property in August 2003, explaining in a subsequent report that the buildings had been painted in 1994-95 and the roof installed in 1994. **Ex. 5.** Epps noted only minor siding problems and included no opinion on the useful life expectancy of the siding and building envelope as common elements. **Ex. 5.**

On September 26, 2003, the Montclair Property Owners Association, Inc. (the "Association") was incorporated. **Ex. 283, ¶7.** On November 11, 2003, MALP conveyed the Montclair property to Montclair Homes. **Ex. 283, ¶22.** Also on November 11, 2003, Montclair Homes filed a master deed creating the Montclair Horizontal Property Regime. **Ex. 283, ¶23.**

Church Creek is jointly owned by Kevin Molony and Larry Elsey. **Tr. p.138:11-14.** According to Molony, Bruce Kinney initially hired Church Creek to perform extensive interior renovations to the units at Montclair, at a cost of $2.5 million. **Tr. p.129:11-25; p.136:8-10.** As Church Creek began performing the interior work at the premises, Molony explained that the Epps report came to his attention. **Tr. p.131:12-17.** Molony characterized the work reflected in the Epps report as "very minor exterior work to be done," and indicated that Church Creek was asked to perform the work reflected in the Epps report. **Tr. p.131:12-17.**

Church Creek also performed work based on the recommendations of home inspectors as individual units at the project were sold. **Tr. p.132:8-13.** The total cost of Church Creek's exterior work on the project was $317,000.00. **Tr. p.136:1-5.** Church Creek was finally asked to perform repair work requested by Bruce Kinney on the firewalls in several units, for a total cost

of approximately $10,300.00. **Tr. p.133:16-19.** Molony had no knowledge of the reports prepared by ACI. **Tr. p.132:20-23.**

Molony testified that he was not asked by anyone to perform a complete visual inspection of the exterior of the buildings at Montclair. **Tr. p.134:8-11.** Molony also indicated that Church Creek's work "was limited to the Epps Report." **Tr. p.134:12-16.** "Whatever was on that report we addressed that issue." **Tr. p.134:12-16.** Molony continued: "I'm not an architect. We followed their lead. He [referring to Epps] said everything was good, so we took it for that." **Tr. p.134:18-20.**

Bruce Kinney inspected Church Creek's work. **Tr. p.135:2-7.** As Molony explained: "At the beginning of the project Bruce Kinney spent quite a bit of time." **Tr. p.135:3-4.** "They sort of instructed us what they wanted us to do, and after we did it they wanted to make sure the work was done." **Tr. p.135:4-6.**

According to Molony, Church Creek's subcontractors on the project were Larry Elsey, doing business as Elsey Construction, Elsey Construction, Inc., or ECI; and Roger Lockey. **Tr. pp.130:23-131:7.** Molony acted as the "book guy or the numbers guy, not the hands-on supervisor-type guy" for the project. **Tr. p.138:16-21.** Instead, Larry Elsey was on the site on a day-to-day basis, with Lockey reporting to Elsey if any issues arose. **Tr. pp.138:22-139:3.** While Church Creek served as the general contractor, it is clear that Lockey physically performed the exterior work at the project. **Tr. pp.13:10-14:1; p.55:11-21; Tr. p.71:1-23.**

On May 15, 2005, control over the Association was transferred from Montclair Homes to the owners of the condominium units at Montclair. **Ex. 283, ¶17.** Lawrence A. Laddaga, the President of the Association's board, has served on the board since 2005. **Tr. p.28:4-12.** Laddaga testified: "When the board took over Mr. Kinney left the Association's finances in a

pretty terrible state." **Tr. p.29:4-5.** "[Kinney] was only setting aside about $30,000 a year for the reserves, and he was using that money each year to balance his budget, which was running a deficit." **Tr. p.29:5-8.**

Laddaga continued: "We knew that—we didn't know how much we needed to have for reserves but we knew zero was not the right number." **Tr. p.29:10-11.** "So we commissioned the reserve study . . . . And when the reserve study came back we were all pretty shocked to see that." **Tr. p.29:11-15.** With respect to the insufficient reserve funding, Laddaga explained: "I agree they [Church Creek] don't have anything to do with the inadequate reserve funding." **Tr. p.51:21-24.**

Plaintiffs also hired Derek Hodgins, an engineer with Construction Science and Engineering, Inc., to evaluate the condition of the Montclair property. **Tr. p.58:12-15; p.59:6-11.** Hodgins testified as an expert for the Plaintiffs at the trial of the present case. Hodgins confirmed, based on his review of the documents and invoices in the record, that Church Creek's scope of work was limited to the Epps report. **Tr. p.65:23-25; Ex. 33; Ex. 34.**

Although the Court finds Hodgins credible, Hodgins' testimony does not sufficiently delineate areas where Lockey's exterior siding work was deficiently performed versus areas where original construction issues caused water intrusion or moisture damage. For instance, Hodgins estimated that roughly 6 of the 26 areas in which he performed destructive testing showed areas in which Lockey performed work. **Tr. p.108:13-21.** Additionally, in areas where Hodgins observed water damage, he ascribed this damage to deficiencies in the original construction, while criticizing Lockey for not correcting the deficiency as part of the repairs. **Tr. pp.76:18-77:9; pp.77:20-78:21.**

Hodgins also criticized Church Creek for failing to disclose and repair defects in the original construction. **Tr. p.92:9-16.** Notably, Laddaga testified that he believed Church Creek reported any issues they discovered to Montclair Homes. **Tr. p.32:9-14.** This testimony is supported by Lockey's deposition testimony, which shows the Lockey put together a list of anything he saw and presented it to Kinney's son. **Lockey Dep. pp.22:19-23:9.**

With respect to the scope of repair for all construction deficiencies at the Montclair property, whether resulting exclusively from original construction, exclusively from Church Creek's repair work, or from a combination of both, Plaintiffs procured a repair estimate from Tom Carlson, a general contractor with Calibogue Construction. **Ex. 262.** The repair estimate totals approximately $12.5 million. **Ex. 262.** Nevertheless, as Hodgins confirmed, much of the work in this estimate had nothing to do with Church Creek's work on the project, including repairs associated with the windows, balconies, roofing, and brick facades at the units. **Tr. pp.104:21-106:9; pp.108:22-109:2.** No cost estimate has been prepared to correct any work Church Creek performed in the attics of the units. **Tr. pp.110:21-111:4.**

In 2008, Plaintiffs filed suit against Kinney, Montclair Homes, CREMCO, MALP, and the Montclair Property Owners Association, Inc. during the time it was controlled by Montclair Homes. On August 30, 2010, Plaintiffs filed a Third Amended Complaint against Kinney, Montclair Homes; CREMCO; MALP; the Association while under declarant control; Church Creek; Elsey; and Lockey. **Ex. 283.**

Plaintiffs asserted in the Third Amended Complaint that Kinney, Montclair Homes, CREMCO, and MALP "hired subcontractors to repair various areas of the exterior cladding of the buildings." **Ex. 283, ¶34.** Plaintiffs further alleged that Church Creek, Elsey and Lockey "were the subcontractors who performed this work for the above Defendants on all of the

buildings comprising the Plaintiffs' property." **Ex. 283, ¶34.** Plaintiffs also averred that Church Creek, Elsey, and Lockey were liable for various deficiencies in the repairs and damages purportedly caused by these deficiencies. **Ex. 283, ¶¶35-36.**

Plaintiffs' second and third cause of action, for negligent construction and repairs and breach of implied warranties, asserts that Kinney, Montclair Homes, CREMCO, and MALP should be held liable for the purportedly deficient work of Church Creek, Elsey, and Lockey. **Ex. 283, ¶¶76-82.** Plaintiffs' ninth and tenth causes of action, the only claims asserted against Church Creek, Elsey or Lockey, allege that Church Creek, Elsey and Lockey are directly liable for these purported deficiencies and any resulting damages under theories of negligence and breach of implied warranties. **Ex. 283, ¶¶111-121.**

The remaining claims asserted by Plaintiffs in the Third Amended Complaint seek (1) a declaratory judgment regarding the proper interpretation of the master deed; (2) causes of action for negligent misrepresentation, grossly negligent misrepresentation, violation of disclosure laws, and breach of fiduciary duty against Kinney, Montclair Homes, CREMCO, and MALP due to their failure to disclose the true condition of the property and due to their failure to set aside sufficient reserves; and (3) a statutory cause of action against the former members of Montclair Homes for the return of disbursements made during dissolution. **Ex. 283.** None of these causes of action were asserted against Church Creek. **Ex. 283.**

On May 18, 2012, Plaintiffs settled their claims against Elsey and Lockey and dismissed them from the underlying action for $525,000.00. On October 4, 2012, Plaintiffs in the underlying action entered into a consent judgment with Montclair Homes and the Association during the "grantor control period" for $1,600,000.00. **Ex. 284.** This judgment also included a settlement of all claims against MALP and CREMCO for $1,400,000.00. **Ex. 285.**

As part of the underlying settlement, Montclair Homes, MALP, and CREMCO assigned to Plaintiffs any claims for contribution they had against Church Creek. **Ex. 284; Ex. 285.** The settlement agreements contain an express disclaimer of any liability on the part of Montclair Homes, MALP, and CREMCO. **Ex. 284, p.4 ¶7; Ex. 285, p.3, ¶4.** For instance, in the settlement agreement among CREMCO, MALP, and Plaintiffs, the parties provided:

> 4. No Admission of Liability: MALP and CREMCO and Plaintiffs acknowledge that this settlement is the compromise of disputed claims and that the payment made and releases provided pursuant to this Agreement shall not be construed as an admission of liability or of wrongdoing by MALP and CREMCO nor a statement of any kind whatsoever on any matter not specifically addressed in this document.

Ex. 285, p3, ¶4. Moreover, neither settlement agreement purports to allocate the payments among the various claims asserted by Plaintiffs against MALP, CREMCO, the Association, and Montclair Homes. **Ex. 284; Ex. 285.**

On December 31, 2012, Plaintiffs, as assignees of MALP, CREMCO, and Montclair Homes, filed the present action for contribution against Church Creek. **Compl.**

Conclusions of Law

I. The Court finds and concludes that Plaintiffs cannot establish that MALP, CREMCO, or Montclair Homes paid more than their proportionate share of any common liability.

"The common law rule against contribution was abrogated in 1988 when our General Assembly enacted the South Carolina Uniform Contribution Among Tortfeasors Act." G & P Trucking v. Parks Auto Sales Serv. & Salvage, Inc., 357 S.C. 82, 86-87, 591 S.E.2d 42, 44 (Ct. App. 2003). "Because the Act is in derogation of the common law, it must be strictly construed." Id.

"Except as otherwise provided in this chapter, where two or more persons become jointly or severally liable in tort *for the same injury to* person or *property* or for the same wrongful

death, there is a right of contribution among them even though judgment has not been recovered against all or any of them." S.C. Code Ann. § 15-38-20(A) (emphasis added). "The right of contribution exists only in favor of a tortfeasor *who has paid more than his pro rata share of the common liability*, and his total recovery is limited to *the amount paid by him in excess of his pro rata share*." S.C. Code Ann. § 15-38-20(B) (emphasis added). "No tortfeasor is compelled to make contribution beyond his own pro rata share of the entire liability." Id.

"The burden of proving by a preponderance of evidence whatever facts are necessary to establish a right of action for contribution rests upon the party who has the affirmative of that issue, and the general rule is that in order to recover he or she must prove both that there was a common burden of debt and that he or she has, as between himself or herself and those from whom he or she seeks contribution, paid more than his or her fair share of the common obligation." 18 Am. Jur. 2d Contribution § 117. "If two or more persons, acting independently, tortiously cause distinct harms or a single harm for which there is a reasonable basis for division according to the contribution of each, each is subject to liability only for the portion of the total harm that he has himself caused." Restatement (Second) of Torts § 881 (1979).

"The basic premise of contribution is commonality." Vermeer Carolina's, Inc. v. Wood/Chuck Chipper Corp., 336 S.C. 53, 68, 518 S.E.2d 301, 309 (Ct. App. 1999). "Under the statute, 'common liability,' rather than joint negligence, determines the right to contribution." Id. "In order for a party to be entitled to contribution, he must allege and the evidence must show the amount he has paid in excess of his just proportion of the joint indebtedness." Id. at 70, 518 S.E.2d at 310 (citation omitted). "There is nothing in the Contribution Act, nor in subsequent case law, to negate the proposition that one seeking contribution must be able to establish the amount to which he is entitled." Id.

To the extent a party seeks to recover in contribution based on amounts paid under a settlement agreement, the settlement agreement must allocate a portion of the payments to a common liability where, as here, the settlement agreement includes releases of multiple claims or multiple parties.[2] In Vermeer Carolina's, for example, the Court of Appeals addressed a "blanket" settlement agreement involving a release of multiple claims without an express allocation of the payments. Id.

The Court of Appeals explained: "The settlement agreement does not place a specific value on any potential claim by Mrs. Causey." Id. "Under the agreement, no portion of the settlement is allocated to her for any potential loss of consortium claim." Id. at 70-71, 518 S.E.2d at 310-11. "We cannot, therefore, determine whether Vermeer paid more than its pro rata share of liability to Mrs. Causey." Id. at 71, 518 S.E.2d at 311. Consequently, the Court of Appeals held the plaintiff would not be entitled to contribution for any amounts paid under the settlement agreement. Id.

More recently, the Court of Appeals addressed the problem of allocating liability among multiple claims pursuant to a settlement agreement in determining whether one party was entitled to an off-set from another: "[W]hen a settlement is argued to involve two claims, one of which involves the same injury as the claim tried to verdict and one of which does not, the circuit court must make the factual determination of how to allocate the settlement between the two claims." Smith v. Widener, 397 S.C. 468, 473, 724 S.E.2d 188, 191 (Ct. App. 2012).

In this case, the Court would be required to speculate as to what portion of the payments from MALP, CREMCO, and Montclair Homes were allocated by the parties toward any

[2] Section 15-38-15 of the South Carolina Code provides for *apportionment* of *fault* among jointly and severally liable parties. The issue of *allocation* of *damages* among multiple claims for separate or distinct injuries has no relation to section 15-38-15. In Vermeer Carolina's, the Court of Appeals discusses the allocation of damages among multiple claims for separate and distinct injuries well before section 15-38-15 was adopted in 2005.

common liability with Church Creek. The ability of this Court to determine both the common liability and the portion of these payments allocated by the parties toward such common liability is especially important where, as here, one of claims against MALP, CREMCO, and Montclair Homes alleges a breach of fiduciary duty, a claim which is expressly not subject to the Contribution Act. S.C. Code Ann. § 15-38-20(G) ("This chapter does not apply to breaches of trust or of other fiduciary obligation."); see also Concerned Dunes W. Residents, Inc. v. Georgia-Pac. Corp., 349 S.C. 251, 256, 562 S.E.2d 633, 636 (2002) (developer has fiduciary duty to insure that common areas are in good repair at the time they are conveyed to property owners association and its members or to provide the association with funds sufficient to effectuate any needed repairs to these areas.").

The issue of how much MALP, CREMCO, and Montclair Homes paid toward a common liability is *not* an equitable determination. Instead, as suggested in Vermeer Carolina's, the issue involves determining the intention of the parties at the time they entered into the settlement agreement. The ability of the Court to equitably apportion pro rata shares of the entire liability under section 15-38-30 of the South Carolina Code presupposes that the entire common liability is readily determinable based on the settlement agreement or the intention of the parties. Likewise, while section 15-38-20(D) permits the Court to evaluate the reasonableness of the amount paid in settling a common liability, such a determination is impossible when the amount of the common liability cannot be established from the settlement agreement or other evidence.

Similarly, the fact that Church Creek faced a significant liability at the time the parties settled the underlying case is irrelevant where, as here, the evidence establishes that other liabilities existed separate and apart from anything Church Creek did or did not do. Again, the question here is *not* whether the settling defendants *could* reasonably have settled only the

defective repair claims for $3 million, but whether they actually *did* do so. It is clear from the settlement agreements that *all* claims against the settling defendants were released, including claims for injuries separate and distinct from Church Creek's work and a claim for breach of fiduciary duty. Under these circumstances, there is simply no reasonable basis on which the Court may determine what portion of the payments satisfied a liability common to Church Creek and the settling defendants.

For the same reason, there is no reasonable basis from which the Court may determine the pro rata shares of MALP, CREMCO, Montclair Homes, or Church Creek for any common liability; whether MALP, CREMCO, or Montclair Homes paid more than their pro rata share of any common liability; or how much MALP, CREMCO, or Montclair Homes paid in excess of their pro rata share. As a result, Plaintiffs, standing in the shoes of MALP, CREMCO, and Montclair Homes, may not recover in contribution from Church Creek.

II. The Court finds and concludes that MALP, CREMCO, Montclair Homes, and Church Creek are not joint tortfeasors under the Contribution Act.

A tortfeasor may not recover contribution from another tortfeasor where, as here, there has been no adjudication or admission of liability by the settling defendants. See Mercy Med. Ctr. v. Julian, 56 A.3d 147, 152 (Md. 2012) ("Obviously, one who is not determined a joint tort-feasor is not subject to contribution under the Act; without an admission or adjudication of liability, a party who enters into a release is deemed a volunteer, not a joint tort-feasor."). As previously discussed, in this case, MALP, CREMCO, and Montclair Homes expressly refused to admit liability in their settlements with Plaintiffs. **Ex. 284; Ex. 285.**

In addition, Plaintiffs' allegations against MALP, CREMCO, and Montclair Homes relating to deficient repairs made at the project assert liability based on the actions or omissions of Church Creek, Elsey, or Lockey as agents of such defendants. **Ex. 283.** A principal may not

recover in contribution from its agent because they are not joint tortfeasors. See Olson v. Thompson, 273 Minn. 152, 140 N.W.2d 321 (1966) (defendant not entitled to contribution from his agents acting on his behalf within the scope of authority conferred on them).

Conclusion

Based on the foregoing, the Court finds and concludes that Plaintiffs, standing in the shoes of MALP, CREMCO, and Montclair Homes, have no right to contribution against Church Creek.

AND IT IS SO ORDERED.

_____
Mikell R. Scarborough
Master-in-Equity

_____ ____, 2013
Charleston, South Carolina

STATE OF SOUTH CAROLINA	)	IN THE COURT OF COMMON PLEAS
	)	
COUNTY OF CHARLESTON	)	C/A No.: 2012-CP-10-08447
Montclair Property Owners Association, Inc. and Montclair Property Owners Association Board of Directors for and on behalf of all Owners of the Montclair Horizontal Property Regime, as Assignees of Montclair Associates Limited Partnership, Cremco, LLC and Montclair Homes, LLC,	)	
Plaintiffs,	)	
v.	)	**Notice of Motion and Motion to Reconsider, Alter or Amend**
Church Creek Construction, LLC,	)	
Defendant.	)	

FILED
2013 DEC -2 PM 2:04
JULIE J. ARMSTRONG
CLERK OF COURT
BY

Pursuant to Rule 52(b), SCRCP, and Rule 59(e), SCRCP, Defendant Church Creek Construction, LLC, ("Defendant" or "Church Creek") hereby moves to alter, amend or reconsider the Master's Final Order and Judgment (the "Final Order") filed on November 14, 2013. Church Creek received written notice of entry of the Final Order on November 18, 2013.

Church Creek respectfully asserts that the Final Order should be reconsidered, altered or amended for the foregoing reasons:

1. The Master did not rule on Church Creek's assertion that the above-named plaintiffs ("Plaintiffs") failed to establish that MALP, CREMCO, or Montclair Homes paid more than their proportionate share of any common liability.

"The common law rule against contribution was abrogated in 1988 when our General Assembly enacted the South Carolina Uniform Contribution Among Tortfeasors Act." G & P Trucking v. Parks Auto Sales Serv. & Salvage, Inc., 357 S.C. 82, 86-87, 591 S.E.2d 42, 44 (Ct.

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"Except as otherwise provided in this chapter, where two or more persons become jointly or severally liable in tort *for the same injury to* person or *property* or for the same wrongful death, there is a right of contribution among them even though judgment has not been recovered against all or any of them." S.C. Code Ann. § 15-38-20(A) (emphasis added). "The right of contribution exists only in favor of a tortfeasor *who has paid more than his pro rata share of the common liability*, and his total recovery is limited to *the amount paid by him in excess of his pro rata share*." S.C. Code Ann. § 15-38-20(B) (emphasis added). "No tortfeasor is compelled to make contribution beyond his own pro rata share of the entire liability." Id.

"The burden of proving by a preponderance of evidence whatever facts are necessary to establish a right of action for contribution rests upon the party who has the affirmative of that issue, and the general rule is that in order to recover he or she must prove both that there was a common burden of debt and that he or she has, as between himself or herself and those from whom he or she seeks contribution, paid more than his or her fair share of the common obligation." 18 Am. Jur. 2d Contribution § 117. "If two or more persons, acting independently, tortiously cause distinct harms or a single harm for which there is a reasonable basis for division according to the contribution of each, each is subject to liability only for the portion of the total harm that he has himself caused." Restatement (Second) of Torts § 881 (1979).

"The basic premise of contribution is commonality." Vermeer Carolina's, Inc. v. Wood/Chuck Chipper Corp., 336 S.C. 53, 68, 518 S.E.2d 301, 309 (Ct. App. 1999). "Under the statute, 'common liability,' rather than joint negligence, determines the right to contribution." Id. "In order for a party to be entitled to contribution, he must allege and the evidence must show the

amount he has paid in excess of his just proportion of the joint indebtedness." Id. at 70, 518 S.E.2d at 310 (citation omitted). "There is nothing in the Contribution Act, nor in subsequent case law, to negate the proposition that one seeking contribution must be able to establish the amount to which he is entitled." Id.

To the extent a party seeks to recover in contribution based on amounts paid under a settlement agreement, the settlement agreement must allocate a portion of the payments to a common liability where, as here, the settlement agreement includes releases of multiple claims or multiple parties.[1] In Vermeer Carolina's, for example, the Court of Appeals addressed a "blanket" settlement agreement involving a release of multiple claims without an express allocation of the payments. Id.

The Court of Appeals explained: "The settlement agreement does not place a specific value on any potential claim by Mrs. Causey." Id. "Under the agreement, no portion of the settlement is allocated to her for any potential loss of consortium claim." Id. at 70-71, 518 S.E.2d at 310-11. "We cannot, therefore, determine whether Vermeer paid more than its pro rata share of liability to Mrs. Causey." Id. at 71, 518 S.E.2d at 311. Consequently, the Court of Appeals held the plaintiff would not be entitled to contribution for any amounts paid under the settlement agreement. Id.

More recently, the Court of Appeals addressed the problem of allocating liability among multiple claims pursuant to a settlement agreement in determining whether one party was entitled to an off-set from another: "[W]hen a settlement is argued to involve two claims, one of which involves the same injury as the claim tried to verdict and one of which does not, the circuit

[1] Section 15-38-15 of the South Carolina Code provides for *apportionment* of *fault* among jointly and severally liable parties. The issue of *allocation* of *damages* among multiple claims for separate or distinct injuries has no relation to section 15-38-15. In Vermeer Carolina's, the Court of Appeals discusses the allocation of damages among multiple claims for separate and distinct injuries well before section 15-38-15 was adopted in 2005.

court must make the factual determination of how to allocate the settlement between the two claims." Smith v. Widener, 397 S.C. 468, 473, 724 S.E.2d 188, 191 (Ct. App. 2012).

In this case, the Master must speculate as to what portion of the payments from MALP, CREMCO, and Montclair Homes were allocated by the parties toward any common liability with Church Creek. The ability of the Master to determine both the common liability and the portion of these payments allocated by the parties toward such common liability is especially important where, as here, one of the claims against MALP, CREMCO, and Montclair Homes alleges a breach of fiduciary duty, a claim which is expressly not subject to the Contribution Act. S.C. Code Ann. § 15-38-20(G) ("This chapter does not apply to breaches of trust or of other fiduciary obligation."); see also Concerned Dunes W. Residents, Inc. v. Georgia-Pac. Corp., 349 S.C. 251, 256, 562 S.E.2d 633, 636 (2002) (developer has fiduciary duty to insure that common areas are in good repair at the time they are conveyed to property owners association and its members or to provide the association with funds sufficient to effectuate any needed repairs to these areas.").

The issue of how much MALP, CREMCO, and Montclair Homes paid toward a common liability is *not* an equitable determination. Instead, as suggested in Vermeer Carolina's, the issue involves determining the intention of the parties at the time they entered into the settlement agreement. The ability of the Court to equitably apportion pro rata shares of the entire liability under section 15-38-30 of the South Carolina Code presupposes that the entire common liability is readily determinable based on the settlement agreement or the intention of the parties. Likewise, while section 15-38-20(D) permits the Court to evaluate the reasonableness of the amount paid in settling a common liability, such a determination is impossible when the amount of the common liability cannot be established from the settlement agreement or other evidence.

Similarly, the fact that Church Creek faced a significant liability at the time the parties settled the underlying case is irrelevant where, as here, the evidence establishes that other liabilities existed separate and apart from anything Church Creek did or did not do. Again, the question here is *not* whether the settling defendants *could* reasonably have settled only the defective repair claims for $3 million, but whether they actually *did* do so. It is clear from the settlement agreements that *all* claims against the settling defendants were released, including claims for injuries separate and distinct from Church Creek's work and a claim for breach of fiduciary duty. Under these circumstances, there is simply no reasonable basis from which the Master may determine what portion of the payments satisfied a liability common to Church Creek and the settling defendants.

For the same reason, there is no reasonable basis from which the Master could determine the pro rata shares of MALP, CREMCO, Montclair Homes, or Church Creek for any common liability; whether MALP, CREMCO, or Montclair Homes paid more than their pro rata share of any common liability; or how much MALP, CREMCO, or Montclair Homes paid in excess of their pro rata share. As a result, Plaintiffs, standing in the shoes of MALP, CREMCO, and Montclair Homes, may not recover in contribution from Church Creek.

The Master did not rule on this issue. Therefore, Church Creek respectfully requests that the Master grant Church Creek's motion and enter judgment in favor of Church Creek.

2. The Master did not rule on Church Creek's argument that MALP, CREMCO, Montclair Homes, and Church Creek are not joint tortfeasors under the Contribution Act.

A tortfeasor may not recover contribution from another tortfeasor where, as here, there has been no adjudication or admission of liability by the settling defendants. See Mercy Med. Ctr. v. Julian, 56 A.3d 147, 152 (Md. 2012) ("Obviously, one who is not determined a joint tort-

feasor is not subject to contribution under the Act; without an admission or adjudication of liability, a party who enters into a release is deemed a volunteer, not a joint tort-feasor."). In this case, MALP, CREMCO, and Montclair Homes expressly refused to admit liability in their settlements with Plaintiffs. **Ex. 284; Ex. 285.**

In addition, Plaintiffs' allegations against MALP, CREMCO, and Montclair Homes relating to deficient repairs made at the project assert liability based on the actions or omissions of Church Creek, Elsey, or Lockey as agents of such defendants. **Ex. 283.** A principal may not recover in contribution from its agent because they are not joint tortfeasors. See Olson v. Thompson, 140 N.W.2d 321 (Minn. 1966) (defendant not entitled to contribution from his agents acting on his behalf within the scope of authority conferred on them); cf. Andrade v. Johnson, 345 S.C. 216, 225-27, 546 S.E.2d 665, 670 (Ct. App. 2001) rev'd on other grounds, 356 S.C. 238, 588 S.E.2d 588 (2003) (principal who is vicariously liable may not recover in contribution from agent).

Conclusion

Based on the foregoing, Church Creek respectfully requests that the Master grant this motion and enter judgment in favor of Church Creek.

PRATT-THOMAS WALKER, P.A.

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Attorneys for Defendant Church Creek Construction, LLC

Charleston, South Carolina
November 27, 2013

THE STATE OF SOUTH CAROLINA
In The Court of Appeals

APPEAL FROM CHARLESTON COUNTY
Court of Common Pleas

Mikell R. Scarborough, Master-in-Equity

Case No. 2012-CP-10-8447

Montclair Property Owners Association, Inc. and Montclair Property Owners Association Board of Directors for and on behalf of all owners of the Montclair Horizontal Property Regime, as assignees of Montclair Associates Limited Partnership, Cremco, LLC, and Montclair Homes, LLC ..... Respondents,

v.

Church Creek Construction, LLC,..... Appellant.

NOTICE OF APPEAL

Church Creek Construction, LLC, hereby appeals the following Orders of the Honorable Mikell R. Scarborough: (1) the Order filed on November 14, 2013 (attached as Exhibit A); and (2) the Order filed on May 9, 2014 (attached as Exhibit B). Appellant received written notice of entry of the May 9, 2014 Order on May 13, 2014.

[*SIGNATURE PAGE ATTACHED*]

RECEIVED
JUN 19 2014
SC Court of Appeals

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By: _____

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Attorneys for Appellant Church Creek Construction, LLC

Columbia, South Carolina
June 12, 2014

Other Counsel of Record:

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Edward D. Buckley, Esq.
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P.O. Box 993
Charleston, SC 29402

Attorney for Respondents

Exhibit A

FORM 4

STATE OF SOUTH CAROLINA
COUNTY OF Charleston
IN THE COURT OF COMMON PLEAS

JUDGMENT IN A CIVIL CASE

CASE NO. 2012 CP-10-8447

Montclair POA, Inc.

PLAINTIFF(S)

Church Creek Construction, LLC

DEFENDANT(S)

Submitted by:	Attorney for : ☐ Plaintiff ☐ Defendant or ☐ Self-Represented Litigant

DISPOSITION TYPE (CHECK ONE)

☐ JURY VERDICT. This action came before the court for a trial by jury. The issues have been tried and a verdict rendered.

☒ DECISION BY THE COURT. This action came to trial or hearing before the court. The issues have been tried or heard and a decision rendered.

☐ ACTION DISMISSED (*CHECK REASON*): ☐ Rule 12(b), SCRCP; ☐ Rule 41(a), SCRCP (Vol. Nonsuit); ☐ Rule 43(k), SCRCP (Settled); ☐ Other

☐ ACTION STRICKEN (*CHECK REASON*): ☐ Rule 40(j), SCRCP; ☐ Bankruptcy; ☐ Binding arbitration, subject to right to restore to confirm, vacate or modify arbitration award; ☐ Other

☐ DISPOSITION OF APPEAL TO THE CIRCUIT COURT (*CHECK APPLICABLE BOX*): ☐ Affirmed; ☐ Reversed; ☐ Remanded; ☐ Other

NOTE: ATTORNEYS ARE RESPONSIBLE FOR NOTIFYING LOWER COURT, TRIBUNAL, OR ADMINISTRATIVE AGENCY OF THE CIRCUIT COURT RULING IN THIS APPEAL.

IT IS ORDERED AND ADJUDGED: ☒ See attached order (formal order to follow) ☐ Statement of Judgment by the Court:

ORDER INFORMATION

This order ☒ ends ☐ does not end the case.
Additional Information for the Clerk :

INFORMATION FOR THE PUBLIC INDEX

Complete this section below when the judgment affects title to real or personal property or if any amount should be enrolled. If there is no judgment information, indicate "N/A" in one of the boxes below.

Judgment in Favor of (List name(s) below)	Judgment Against (List name(s) below)	Judgment Amount To be Enrolled (List amount(s) below)
Montclair Property Owners Association, Inc.	Church Creek Construction, LLC	$475,000.00
		$
		$

If applicable, describe the property, including tax map information and address, referenced in the order:
N/A

The judgment information above has been provided by the submitting party. Disputes concerning the amounts contained in this form may be addressed by way of motion pursuant to the SC Rules of Civil Procedure. Amounts to be computed such as interest or additional taxable costs not available at the time the form and final order are submitted to the judge may be provided to the clerk. Note: Title abstractors and researchers should refer to the official court order for judgment details.

Circuit Court Judge

3062
Judge Code

11/13/2013
Date

SCRCP Form 4C (10/2011)

For Clerk of Court Office Use Only

This judgment was entered on the day of , 20 and a copy mailed first class or placed in the appropriate attorney's box on this day of , 20 _to attorneys of record or to parties (when appearing pro se) as follows:

ATTORNEY(S) FOR THE PLAINTIFF(S)

ATTORNEY(S) FOR THE DEFENDANT(S)

CLERK OF COURT

Court Reporter:

STATE OF SOUTH CAROLINA COUNTY OF CHARLESTON	)	IN THE COURT OF COMMON PLEAS NINTH JUDICIAL CIRCUIT CASE NO. 2012-CP-10-8447
MONTCLAIR PROPERTY OWNERS ASSOCIATION, INC. AND MONTCLAIR PROPERTY OWNERS ASSOCIATION BOARD OF DIRECTORS FOR AND ON BEHALF OF ALL OWNERS OF THE MONTCLAIR HORIZONTAL PROPERTY REGIME, AS ASSIGNEES OF MONTCLAIR ASSOCIATES LIMITED PARTNERSHIP, CREMCO, LLC AND MONTCLAIR HOMES, LLC PLAINTIFFS, vs. CHURCH CREEK CONSTRUCTION, LLC, DEFENDANT.	)	**MASTER'S FINAL ORDER AND JUDGEMENT**

2013 NOV 14 AM 9:35
JULIE J. ARMSTRONG
CLERK OF COURT
BY

This is an action for contribution brought against the Defendant, Church Creek Construction, LLC, by the Plaintiffs, Montclair Property Owners Association, Inc. and Montclair Property Owners Association Board of Directors for and on behalf of All Other Owners of the Montclair Horizontal Property Regime, as assignees of Montclair Associates Limited Partnership, CREMCO, LLC and Montclair Homes, LLC. It arises out of underlying construction-defect-related litigation associated with the conversion of an apartment complex into condominium units for sale to the public. As reflected in the case caption, the Plaintiffs bring this contribution action against the Defendant after having been assigned the claim by certain defendants in the underlying case.

The matter was referred on May 6, 2013. The matter came on for a hearing on the merits before this Court, the Master-in-Equity for Charleston County, South Carolina, on July 24, 2013. The evidence of record consists of the parties' stipulation of facts, exhibits presented to the Court by agreement of the parties, certain deposition testimony from the underlying case, and the testimony of live witnesses called during the hearing. After duly considering the evidence, this Court arrives at the following findings of fact and conclusions of law, and renders this Final Order and Judgment.

JURISDICTION AND VENUE

This Court has jurisdiction over the parties and the subject matter of this action and venue is proper herein. By consent order, this case was referred to this Court, and all parties have stipulated that this matter is properly heard and decided by this Court.

FACTS AND PROCEDURAL BACKGROUND

The following facts were agreed upon in the parties' stipulation and/or were established by the additional testimony and evidence received prior to and during the July 24, 2013 hearing. The current contribution case grew out of the settlement of underlying litigation; specifically, a condominium building defect case that will be referred to in this Order as the "underlying case," which was pending in Charleston County, captioned *Montclair Property Owners Association et al. v. Kinney et al.*, and further identified by Case No. 2008-CP-10-6897.

The facts in the underlying case were as follows. The Defendant in this contribution case, Church Creek Construction, LLC (hereinafter "CCC"), a licensed South Carolina contractor, working through subcontractors, did repairs on the common elements of numerous wood frame, multi-family buildings comprising the Montclair condominiums (located in Mount Pleasant, South Carolina) between the Fall of 2003 and the Spring of 2005. The evidence shows

that CCC performed work in some fashion on common elements in the buildings that housed as much as ninety percent (90%) of the total units at the Montclair condominiums.

Evidence was presented that CCC had listed in its various invoices work on buildings that housed 218 of total 240 units. (Exhibits 36, 83 and 46; Hearing Tr. p. 68, line 10 - Hodgin.) This work consisted of some roof repairs, siding/building envelope repairs, and general wood-rot repairs, as well as repair of the firewalls in the attics of many of the buildings. This work was intended to address a scope of work given to CCC by both the owner and condo converter, Montclair Homes, LLC, as well as by the former owner, Montclair Associates Limited Partnership (hereinafter "MALP"), the entity that sold the buildings to the condo converter (Montclair Homes) for ultimate sale to the public. (Dep. of Bruce Kinney, Vol. 1, p. 36, line 23 – p. 39, line 9; p. 49, line 17 – p. 50, line 16; p. 64, line 19 – p. 65, line 2.)

The Plaintiffs argued that there were three (3) primary "groups" of defendants in the underlying case for purposes of analyzing the facts under the contribution statutes. They were: (1) Montclair Homes, the direct converter and seller of the condominium units to the public; (2) the MALP and CREMCO group that sold the apartment complex to Montclair Homes to be converted; and (3) the construction group comprised of CCC and its subcontractors, Roger Lockey and Larry Elsey d/b/a/ ECI Construction.

The condominium converter, Montclair Homes, through its managing member, Bruce Kinney, testified (Dep. of Bruce Kinney, Vol. 1, p. 101, line 3 – p. 102, line 17) that it knew CCC was a licensed South Carolina contractor and that CCC had assured Montclair Homes that it could fix the various things it wanted addressed, which were noted in a report prepared by Montclair Homes' architect that was admitted into evidence by agreement. (Exhibit 5.) Likewise, CCC working directly for MALP, the seller of the property, agreed with MALP to

repair certain firewall code deficiencies in the buildings that had been discovered by MALP's engineers during a property condition assessment just prior to sale to Montclair Homes.

The Plaintiffs presented live testimony and evidence by way of an expert engineer and by the president of the Board that the property was found by the owners after it was turned over in the 2005 timeframe to be in very poor condition, with deficiencies noted in the CCC firewall repairs, siding repairs, and CCC repairs to the common elements. In the underlying case, Plaintiffs' experts testified that repair costs sufficient to bring the buildings to a "good condition" (as was noted in Exhibit 5) would be in excess of $12,000,000.

The Plaintiffs' expert testified in this hearing and in the underlying case that the building codes adopted and in effect for repair work done by CCC in the 2003-2005 timeframe were violated by CCC. These violations in CCC's attempted repairs of the buildings occurred both on the exterior building envelopes and on the interior firewalls in the attics. Both of these areas where CCC did work were to areas which were described as common elements by the Plaintiffs' Master Deed. For example, the Plaintiffs' expert, Derek Hodgin, P.E., testified that the 2000 International Building Code was in effect for the exterior repairs (Hearing Tr. p. 62 - Hodgin) and Mr. Hodgin showed photos (Exhibits 266 and 103E) that showed step flashing and code-required weather resistant barrier wrap missing where new Georgia Pacific siding was replaced in the 2004 timeframe by CCC (Hearing Tr. pp. 77-78 - Hodgin), which appears to have caused additional building damage and wood rot since the time of the repairs by CCC in 2004, and which new damage will have to be ultimately repaired again by the Plaintiffs. (Hearing Tr. p. 78 – Hodgin.) The Plaintiffs' expert also testified that the building codes in effect had not been complied with on CCC's attempted firewall repairs. (Hearing Tr. pp.83-84; pp. 88-89 - Hodgin; Exhibits 290 and 291.)

CCC claimed it was given a very limited scope of work by Montclair Homes on the exterior and did what was required to "take it back to good wood" and it also did what was necessary to fix wood rot and other problems that were either found on the list of problems to be repaired given to it by the condominium converter, Montclair Homes, and firewall repair list given to it by the previous owner, MALP. The Plaintiffs presented expert testimony that the work done by CCC to the common elements during the conversion mentioned above was deficient, directly caused property damage and that CCC and its subcontractors failed to perform in a workmanlike fashion and/or failed to comply with the applicable building codes in effect for the time period of the conversion work. CCC did not hire an expert for the underlying case nor present any expert testimony in this hearing regarding the repairs it performed. Instead, it relied on the deposition testimony from the underlying case, primarily of Roger Lockey and Larry Elsey who were the hands on subcontractors working for CCC on the repairs.

Elsey was a partner with Kevin Molony in the CCC venture and was also a subcontractor to CCC on the Montclair job. Elsey acted for CCC mainly as a supervisor in the field directing crews. Lockey was a carpenter and was paid by Elsey and/or CCC to do primarily exterior repair work on the buildings at Montclair. (Dep. of Roger Lockey, p. 6, lines 8-17; p. 7, lines 4-11; p. 7, lines 18-23.) It is noted and was stipulated by the parties that these two subcontractors or employees of CCC paid $525,000 to buy their peace in the underlying case in May 2012. CCC was not released as a part of that settlement and the parties specifically reserved the right to go to trial against the remaining entities. (Stipulations of Fact, ¶ 10.) It was admitted in testimony of Kevin Molony, one of the principals of CCC that a general contractor is responsible for the work of his subcontractors.

In the final settlement, which occurred in the October 2012 timeframe as trial of the underlying suit was starting, $3,000,000 was paid by Montclair Homes and MALP. That $3,000,000 broke down as follows: $1,600,000 was paid by Montclair Homes and $1,400,000 was paid by MALP. CCC did not contribute to this settlement and to date has not paid any money for the releases but has benefitted in that its liability was extinguished. (Exhibits 284 and 285.)

The Court has reviewed the releases from the aforementioned settlements and the documents assigning the instant contribution claim to the Plaintiffs, all of which are exhibits to the parties' stipulation of facts. The parties stipulated and this Court has determined that the right to proceed in contribution in favor of MALP, CREMCO, and Montclair Homes as against CCC for paying to extinguish CCC's liability was assigned to the Plaintiffs as a part of the overall settlement. In late December of 2012, the Plaintiffs brought this contribution action as assignee of the contribution right that existed in favor of MALP, CREMCO, and Montclair Homes when they originally paid the $3,000,000 for the release of all remaining parties in the underlying case.

The live witness testimony presented during the July 24, 2013 hearing and the additional evidence of record has given this Court a full view of the nature of the underlying case and the settlements. The Court now makes the following findings of fact and conclusions of law concerning contribution.

FINDINGS OF FACT

1. The Court finds the real property, buildings, and all activities that gave rise to this case and to the underlying case occurred in Charleston County. Also, that the parties have consented to this reference and that this Court has the jurisdiction to enter this Final Order and

Judgment. Further, the Court finds the evidence presented supports the stipulations of fact entered into by the parties and it adopts by reference all stipulations of fact agreed to and filed with this Court and makes the same a part hereof.

2. The Court finds, and it was not disputed at the hearing, that CCC performed and supervised construction-related activities on the exteriors of the buildings at Montclair for the converter group, Montclair Homes, and did firewall repairs for MALP, the seller of the apartments to Montclair Homes, for the apartment-to-condominium conversion between the Fall of 2003 and the Spring of 2005. The Court, having reviewed the complaint and evidence of record, finds that it is appropriate to adopt the Plaintiffs' view that there were three (3) "groups" of defendants, each group having members with common interests for purposes of applying contribution law in an equitable fashion. The Court finds these groups to be the "Converter Group," the "Seller of the Apartments Group," and the "Construction Group." The Court finds as a fact that the last invoice from Roger Lockey/CCC for repair work is dated April 8, 2005, as referenced in Exhibit 36. The Court finds these repaired areas of the buildings were common elements and were areas that the Plaintiffs in the underlying suit claimed were in substandard and damaged condition due, in part, to defective repairs by CCC. The Court also notes the last units were sold to the public in the May 2005 timeframe and all construction and conversion activity had taken place by that date.

3. The Court finds that the Plaintiffs alleged in their Third Amended Complaint in the underlying case (Exhibit 283) deficient and negligent construction causing property damage to them against CCC, MALP, and Montclair Homes. (Hearing Tr. p. 36, lines 7-21 – Laddaga.) The Court finds that at the time of the release of CCC in November 2012, there was no less than seven (7) separate defendants left which, but for the releases, would have gone to a jury trial with

a real possibility that joint and several liability would be established. For purposes of this analysis, all of these defendants were members of three (3) groups: the MALP group (seller of the apartments to the converter); the Montclair Homes group (seller of the condos to the public); and CCC group (the construction group including already settled Lockey, Elsey and ECI). All seven (7) of these defendants which could have been found by a jury to be liable did logically and equitably fit into one of these three groups.

4. The Court finds that, in April 2012, there was a partial settlement by the Plaintiffs. CCC's subcontractors Elsey, ECI and Lockey settled out for $525,000, as is stipulated to by the parties. The Court finds the total amount of all settlements after all settlements had extinguished all claims was $3,525,000. Of this total amount paid, $3,000,000 was paid under releases that extinguished the liability of CCC. The Court finds that the settlement of $525,000 by the subcontractors by its terms did not affect the Plaintiffs' right to proceed forward against the remaining defendants, MALP, Montclair Homes, and CCC. The Plaintiff did proceed until final settlement for $3,000,000 occurred in the October/November 2012 timeframe with these remaining parties.

5. The Court finds that the work of CCC was negligent and caused consequential damage to Plaintiff's property other than to the work itself and that the negligent construction work combined and concurred with the negligence of the other two defendant groups and contributed to the Plaintiffs' indivisible damages. Plaintiffs established by expert testimony that CCC's work in many areas of the exteriors of the building envelope and also in the repair of the firewalls was deficient and violated the building codes in effect for the time period when CCC performed repairs through its subcontractors. This was established to the satisfaction of the Court by a preponderance of the evidence. The Court notes negligent repairs of the firewalls did

affect a life safety system within the buildings. The Court finds that many of the areas of the exteriors of the buildings will need to be repaired again after the CCC repairs, including the repair of consequential damage, and that the firewalls will need to be redone, all at a considerable expense to the Plaintiffs. The Court finds that the Defendant CCC did not present any alternative cost of repair estimate and that the Plaintiffs' cost to repair the buildings was in the $12,000,000 range.

6. The Court finds that the Plaintiffs did have viable causes of action still existing upon which they were proceeding to trial in the underlying case at the time of settlement in November 2012. Some of the causes of action sounded in tort and were for deficient construction with all three groups of defendants alleged to have been jointly and severally responsible. Indeed, these were the most significant causes of action in light of the evidence of record. The Plaintiffs' Second and Ninth causes of action this Court finds were common to all defendants and sounded in tort for negligent construction causing property damage and were being pursued at the time the final settlement occurred in the underlying case. This Court is convinced that the release which CCC had the benefit of by virtue of the payment by MALP and Montclair Homes had substantial value to CCC. Had a verdict been rendered below in tort for negligent construction, CCC and the other defendants would have faced substantial common liability but for their liability being extinguished by settlement.

CONCLUSIONS OF LAW

This Court concludes as a matter of law it is directed by statute and case law to decide the facts and determine final judgment as per S.C. Code Ann. §§15-38-10 to -70 and under principles of equity what amount, if any, CCC is responsible for by way of contribution to the previous settlement which took place in the underlying case. The Court concludes that

contribution under the pre-July 2005 contribution statutes controls this Court's decision. The Court notes that, after July 2005, the contribution statutes added a section, §15-38-15. This Court notes §15-38-15 by its effective date mandate did not apply to the facts in the underlying case as causes of action and all operative facts occurred prior to July of 2005. This Court finds the facts of this case to clearly establish the underlying deficient construction had all taken place well before the change in the law in July of 2005 and therefore our contribution laws as they existed before the July 2005 legislative change apply to the facts in this case.[1]

The Court concludes as a matter of law that since the pre-July 2005 statutes apply, no allocation analysis is required as exists in the "new" §15-38-15 statute; however, the Court is required under the pre-July 2005 contribution statutes to "apply principles of equity" and a "pro-rata analysis." (emphasis added). This Court concludes under §15-38-20, entitled "Right of Contribution," that the following general principles apply to the facts of this case: "where two or more persons become jointly or severally liable in tort for the same injury to person or property or for the same wrongful death, there is a right of contribution among them even though judgment has not been recovered against all or any of them." Also, the statutes pre-July 2005 indicate that this Court should attempt to use a pro-rata approach to determine what the non-contributing tortfeasor should pay by way of contribution.

Under the pre-July 2005 statutes, §15-38-30 lists the factors for determining pro rata liability of tortfeasors as follows: "In determining the pro rata shares of tortfeasors in the entire liability (1) their relative degrees of fault shall not be considered; (2) if equity requires, the

[1] This Court spent a considerable amount of time determining what "common liability" is under the statute. As stated at trial, the issue before the Court is "what is the common liability?" This Court concludes that if the S.C. Contribution Among Tortfeasors Act has any meaning, that it would apply under these facts under the pre-2005 statute. In the event the post-2005 statute applies, the Court concludes there would be no liability under these facts.

collective liability of some as a group shall constitute a single share; and (3) principles of equity applicable to contribution generally shall apply."

In this case, the Court has found that viable claims existed against all of the "groups" of defendants. There were three groups of defendants, and the Elsey, ECI and Lockey subcontractors clearly belonged to the "Construction" group. The right of contribution exists only in favor of a tortfeasor [or group] who [have] paid more than [their] pro rata share of the common liability, and their [paying groups] total recovery is limited to the amount paid by [them] in excess of [their] pro rata share. Also, this section states, "No tortfeasor is compelled to make contribution beyond his own pro rata share of the entire liability."

The Court first finds that extinguishment of a tortfeasor's potential liability is a prerequisite and the statute states a tortfeasor who enters into a settlement with a claimant is not entitled to recover contribution from another tortfeasor whose liability for the injury or wrongful death is not extinguished by the settlement nor in respect to any amount paid in a settlement which is in excess of what was reasonable. The Court finds that in the November 2012 settlement, CCC's liability was extinguished for a total payment of $3,000,000. The parties have so stipulated and therefore this statutory requirement has been met.

Applying the above plain statutory language, the Court believes an analysis of the facts of this case turn on the question of what was the "common liability," which was clearly extinguished. Said another way, what common liability did CCC face that was extinguished and what limits are placed on its payment back to those who extinguished that common liability in CCC's favor.

At the contribution trial, the Plaintiffs raised several possible ways to analyze the "common liability" CCC faced. Had CCC proceeded to jury trial in the underlying case, the

common liability could have been substantially more than the $3,000,000, which was ultimately paid in extinguishing CCC's liability. The Plaintiffs discussed at the hearing before this Court the analysis that the best evidence of what common liability was extinguished is the total of both settlements divided by the three groups giving credit for the $525,000 already paid by the Construction group (Elsey and Lockey). That analysis ends with each group on a pro rata basis being responsible for $1,175,000 ($3,525,000 divided by 3 groups = $1,175,000). Under that analysis, since the Construction group had already, through Elsey and Lockey paid $525,000, that group would owe an additional $650,000. If it "paid back" to MALP and Montclair Homes in contribution an additional $650,000, then each group would have contributed $1,175,000. As it now stands, MALP paid $1,400,000, Montclair Homes paid $1,600,000, and the Construction group (exclusive of CCC) paid only $525,000 and needed an additional contribution of $650,000. The Court believes, however, the correct interpretation of the contribution act as it applies in these facts lies within a careful reading of §15-38-20 (b).

Section 15-38-20 is entitled "Right of contribution." Section "B" reads:

> (B) The right of contribution exists only in favor of a tortfeasor who has paid more than his pro rata share of the common liability, and his total recovery is limited to the amount paid by him in excess of his pro rata share. No tortfeasor is compelled to make contribution beyond his own pro rata share of the entire liability.

The Court emphasizes that the limit on contribution in this section is a recovery by the tortfeasor to <u>the amount in excess of his pro rata share</u>. This Court believes the limit in this case to be whatever the excess is above the "common liability" pro rata share. Since the words "common liability" in this same section seem to refer to the amount actually paid for the settlement from which the contribution right is created. It would seem to follow and this Court finds that the $3,000,000 settlement is the only settlement that gave rise to any contribution

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claim. The parties have, in fact, so stipulated that the subcontractor settlement ($525,000) did not refer in any way to contribution. Therefore, within the facts of our case, the term "common liability" would equate to the amount paid for the global release which finally extinguished everyone's liability in this case for $3,000,000.

This Court notes that at common law there was no right of contribution as among joint tortfeasors and therefore contribution statutes have long been determined to be in derogation of common law. Being in derogation of common law, our courts require strict construction of the statutes and a strict reading of the language of §15-38-20. G&P Trucking v. Parks Auto, 357 S.C. 82, 591 S.E.2d 42 (Ct. App. 2003); *see also* Cowden Enterprises, Inc. v. East Coast Millwork Distributors, 363 S.C. 540, 611 S.E.2d 259 (Ct. App. 2005). This Court also notes that only a settlement which gives rise to the extinguishing of liability can allow a joint tortfeasor to have contribution as against another joint tortfeasor who does not contribute to the settlement but who nevertheless has its joint liability extinguished. Said differently, in order for a tortfeasor to recover in contribution from another joint tortfeasor, extinguishment of non-contributing joint tortfeasor's liability must have resulted directly from settlement itself. G&P Trucking, 357 S.C. 82, 591 S.E.2d 42. Furthermore, the law favors settlements over trials. The statute does not require a jury verdict to determine contribution among tortfeasors.

Under the facts of this case, no contribution rights arose from the settlement of the subcontractors in April 2012. Members of the Construction group paid $525,000 and the parties agreed that those releases were only intended to buy peace for those subcontractors. Those releases did not extinguish CCC's liability. The second settlement in October/November 2012 was different. Three Million Dollars was paid by two of the remaining three defendant (groups) and they in effect bought a release for all three groups for their potential joint common liability

including the non-contributing joint tortfeasor CCC. That was by a strict reading of the statutes the "common liability" out of which we determine pro-rata shares and the amount of appropriate contribution.

In weighing the evidence, the Court finds that CCC and its subcontractors did in fact conduct negligent construction activities on multiple parts of the common elements of these buildings and did contribute to causing the Plaintiffs' significant consequential property damage. Therefore, this Court finds CCC was a joint tortfeasor with MALP and Montclair Homes and finds the overall November 2012 settlement to have been a fair and reasonable settlement in light of significant potential liability all three groups of remaining defendants faced at trial. Equity would demand some contribution back to those who paid to extinguish CCC's liability.

A section of the contribution statutes both pre and post July 2005 in our state require this Court to deal with a potential set-off under the facts in this case. The Court finds that §15-38-50 entitled "Effect of Release" must be applied if the Court so determines. That statute provides:

> **§15-38-50.** Effect of release; covenant not to sue, or not to enforce judgment.
>
> When a release or a covenant not to sue or not to enforce judgment is given in good faith to one of two or more persons liable in tort for the same injury or the same wrongful death:
> (1) it does not discharge any of the other tortfeasors from liability for the injury or wrongful death unless its terms so provide, but it reduces the claim against the others to the extent of any amount stipulated by the release or the covenant, or in the amount of the consideration paid for it, whichever is the greater; and
> (2) it discharges the tortfeasor to whom it is given from all liability for contribution to any other tortfeasor.

First, this Court is aware that the affirmative defense of "set-off" was not pled as an affirmative defense in this case by CCC. Normally, affirmative defenses must be pled or they are waived. Rule 8(c), SCRCP; Wright v. Craft, 372 S.C. 1, 21, 640 S.E.2d 486, 497 (Ct. App.

2006) ("The failure to plead an affirmative defense is deemed a waiver of the right to assert it."). Section 15-38-50, however, provides a set-off by operation of law. *See* Ellis v. Oliver, 355 S.C. 106, 515 S.E.2d 268 (Ct. App. 1999). Therefore, the set-off arising from the settlement of the subcontractors of $525,000 must be applied to reduce the claim against CCC from the contribution it is being asked to make which grew out of the $3,000,000 settlement.

If analyzed as if no other settlement had occurred, then the "pro rata share" of the $3,000,000 for each group would be $1,000,000. However, because the statute requires a set-off and also because the equities favor that the $525,000 should be credited to the Construction group's payment of its fair share of the common liability, the $525,000 early sub-contractor settlement amount must be subtracted from the $1,000,000 "pro rata" Construction group's share (final settlement) leaving a fair and equitable contribution balance of $475,000.

CCC contends it only "touched" 65% of the buildings. However, this was sufficiently rebutted in the Court's opinion by the Plaintiffs' experts that CCC touched slightly in excess of 90% of the buildings. The Plaintiffs introduced evidence that CCC's own invoices indicated it worked on buildings housing 218 of 240 units, or slightly over 90%. (Exhibits 83 ("Units worked on by CCC") and 43 ("Firewall repairs by Mark Ackerman").) This Court finds the Plaintiffs' evidence to be compelling and of greater weight as it includes actual invoices from CCC demonstrating where it worked. This Court therefore declines to deduct 10% from the amount of fair contribution CCC should pay.

The release which extinguished CCC's liability was purchased in the context of a possible joint and several liability. This Court's analysis becomes one of what is CCC's share pro rata. Only after the change in the law after July of 2005 does the analysis shift to what was the percent of its liability to the common liability for purposes of determining contribution. It is

clear that although the causes of action arose near the time of a change in the law on how a construction defendant's contribution share is arrived at, the facts of this case were still clearly under the old joint and several format and therefore must be decided accordingly. The Plaintiffs in the underlying case would have been entitled to a joint and several verdict. Clearly, all events took place pre-July 2005, and CCC would not have had the benefit of an allocation analysis brought in by the contribution statute change post July of 2005.

JUDGMENT

Having reviewed the evidence in light of the Uniform Contribution Among Tortfeasors Act as it existed pre-July 2005, and having applied the applicable law and principles of equity to the stipulated and established facts before it, the Court hereby awards the Plaintiffs the sum of $475,000 as against Defendant Church Creek Construction, LLC. The clerk is hereby

ORDERED to enter and enroll judgment for the Plaintiffs in the amount of $475,000.00 against Church Creek Construction, LLC in accordance with this decision.

AND IT IS SO ORDERED.

Mikell R. Scarborough
Master-in-Equity – Charleston County

Charleston, South Carolina

Dated: Nov. 13 2013

ATTEST: A TRUE COPY
JULIE J. ARMSTRONG (SEAL)
CLERK, C.P., G.S. & F.C.
By _____
DEPUTY CLERK

Exhibit B

FORM 4

STATE OF SOUTH CAROLINA
COUNTY OF Charleston
IN THE COURT OF COMMON PLEAS

JUDGMENT IN A CIVIL CASE

CASE NO. 2012 CP- 10 - 8447

Montclair Property Owners Association

PLAINTIFF(S)

Church Creek Construction

DEFENDANT(S)

Submitted by:	Attorney for : ☐ Plaintiff ☐ Defendant or ☐ Self-Represented Litigant

DISPOSITION TYPE (CHECK ONE)

☐ **JURY VERDICT.** This action came before the court for a trial by jury. The issues have been tried and a verdict rendered.

☒ **DECISION BY THE COURT.** This action came to trial or hearing before the court. The issues have been tried or heard and a decision rendered.

☐ **ACTION DISMISSED** (*CHECK REASON*): ☐ Rule 12(b), SCRCP; ☐ Rule 41(a), SCRCP (Vol. Nonsuit); ☐ Rule 43(k), SCRCP (Settled); ☐ Other

☐ **ACTION STRICKEN** (*CHECK REASON*): ☐ Rule 40(j), SCRCP; ☐ Bankruptcy; ☐ Binding arbitration, subject to right to restore to confirm, vacate or modify arbitration award; ☐ Other

☐ **DISPOSITION OF APPEAL TO THE CIRCUIT COURT** (*CHECK APPLICABLE BOX*): ☐ Affirmed; ☐ Reversed; ☐ Remanded; ☐ Other

NOTE: ATTORNEYS ARE RESPONSIBLE FOR NOTIFYING LOWER COURT, TRIBUNAL, OR ADMINISTRATIVE AGENCY OF THE CIRCUIT COURT RULING IN THIS APPEAL.

FILED
2014 MAY -9 AM 10: 05
JULIE J. ARMSTRONG
CLERK OF COURT
BY

IT IS ORDERED AND ADJUDGED: ☐ See attached order (formal order to follow) ☐ Statement of Judgment by the Court:

ORDER INFORMATION

This order ☒ ends ☐ does not end the case.

Additional Information for the Clerk : Defendant's Rule 59 (e) Motion to Reconsider is respectfully denied.

INFORMATION FOR THE PUBLIC INDEX

Complete this section below when the judgment affects title to real or personal property or if any amount should be enrolled. If there is no judgment information, indicate "N/A" in one of the boxes below.

Judgment in Favor of (List name(s) below)	Judgment Against (List name(s) below)	Judgment Amount To be Enrolled (List amount(s) below)
N/A		$
		$
		$

If applicable, describe the property, including tax map information and address, referenced in the order:
N/A

The judgment information above has been provided by the submitting party. Disputes concerning the amounts contained in this form may be addressed by way of motion pursuant to the SC Rules of Civil Procedure. Amounts to be computed such as interest or additional taxable costs not available at the time the form and final order are submitted to the judge may be provided to the clerk. **Note: Title abstractors and researchers should refer to the official court order for judgment details.**

Circuit Court Judge

3062
Judge Code

5/6/2014
Date

SCRCP Form 4C (10/2011)

For Clerk of Court Office Use Only

This judgment was entered on the day of , 20 and a copy mailed first class or placed in the appropriate attorney's box on this day of , 20 to attorneys of record or to parties (when appearing pro se) as follows:

ATTORNEY(S) FOR THE PLAINTIFF(S)	ATTORNEY(S) FOR THE DEFENDANT(S)
	CLERK OF COURT

Court Reporter:

RECEIVED
JUN 12 2014
SC Court of Appeals

THE STATE OF SOUTH CAROLINA
In The Court of Appeals

APPEAL FROM CHARLESTON COUNTY
Court of Common Pleas

Mikell R. Scarborough, Master-in-Equity

Case No. 2012-CP-10-8447

Montclair Property Owners Association, Inc. and Montclair Property Owners Association Board of Directors for and on behalf of all owners of the Montclair Horizontal Property Regime, as assignees of Montclair Associates Limited Partnership, Cremco, LLC, and Montclair Homes, LLC ..... Respondents,

v.

Church Creek Construction, LLC,..... Appellant.

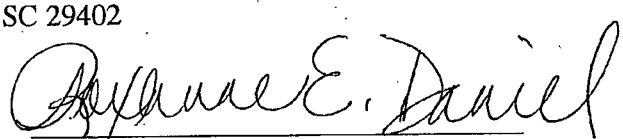
PROOF OF SERVICE

I the undersigned Administrative Assistant of the law offices of Nelson Mullins Riley & Scarborough, LLP, attorneys for Church Creek Construction, LLC, do hereby certify that I have served all counsel in this action with a copy of the pleading(s) hereinbelow specified by mailing a copy of the same by United States Mail, postage prepaid, to the following address(es):

Pleading(s): Notice of Appeal

Counsel Served: Attorney for Respondents

Joseph E. Dapore, Esq.
Edward D. Buckley, Esq.
Young Clement Rivers, LLP
P.O. Box 993
Charleston, SC 29402



Roxanne Daniel
Administrative Assistant

June 12, 2014

THE STATE OF SOUTH CAROLINA
In The Court of Appeals

APPEAL FROM CHARLESTON COUNTY
Court of Common Pleas
Mikell R. Scarborough, Master-in-Equity

Case No. 2012-CP-10-8447
Appellate Case No. 2014-001273

Montclair Property Owners Association, Inc. and Montclair Property Owners Association Board of Directors for and on behalf of all owners of the Montclair Horizontal Property Regime, as assignees of Montclair Associates Limited Partnership, Cremco, LLC, and Montclair Homes, LLC ..... Respondents,

v.

Church Creek Construction, LLC,..... Appellant.

CERTIFICATE OF COUNSEL

The undersigned certifies that the Record on Appeal contains all material proposed to be included by any of the parties and not any other material.

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March 23, 2015

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SC Court of Appeals

THE STATE OF SOUTH CAROLINA
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APPEAL FROM CHARLESTON COUNTY
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Church Creek Construction, LLC, ... Appellant.

PROOF OF SERVICE

I the undersigned Administrative Assistant of the law firm of Nelson Mullins Riley & Scarborough, LLP, attorneys for Church Creek Construction, LLC, do hereby certify that I have served all counsel in this action with a copy of the pleading(s) hereinbelow specified by mailing a copy of the same by United States Mail, postage prepaid, to the following address(es):

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