

JUN 01 2020

Objection to Real Property Assessment

To file an appeal on your property assessment, you must provide the Board of Review (BOR) clerk written or oral notice of your intent, under state law (sec. 70.47(7)a), Wis. Stats.). You must also complete this entire form and submit it to the City Clerk, Racine, WI. To review the best evidence of property value, see the Wisconsin Department Revenue's Property Assessment Appeal Guide for Wisconsin Real Property Owners.

Complete all sections:

Section 1: Property Owner / Agent Information. \* If agent, submit written authorization (Form PA-105) with this form. Property owner name: JEFFREY L. DERKS. Owner mailing address: 111 ELEVENTH ST UNIT 2CS. City: RACINE, State: WI, Zip: 53403. Owner phone: (262) 583-4089. Email: jeffreyderks@wi.rr.com.

Section 2: Assessment Information and Opinion of Value. Property address: 111 ELEVENTH ST UNIT 2CS. City: RACINE, State: WI, Zip: 53403. Assessment shown on notice - Total: 97,000. Your opinion of assessed value - Total: 72,700. Legal description or parcel no.: Parcel 00605011.

If this property contains non-market value class acreage, provide your opinion of the taxable value breakdown:

Table with 4 columns: Statutory Class, Acres, \$ Per Acre, Full Taxable Value. Rows include Residential total market value, Commercial total market value, Agricultural classification (tillable, pasture, specialty), Undeveloped classification, Agricultural forest classification, Forest classification, Class 7 "Other" total market value, and Managed forest land acres.

Section 3: Reason for Objection and Basis of Estimate. Reason(s) for your objection: My opinion of assessed value is significantly less than the pending assessed value for the year 2020. Basis for your opinion of assessed value: Existing building damage and amount of special assessment for pending repairs. (See attachments; 11pp.)

Section 4: Other Property Information. A. Within the last 10 years, did you acquire the property? Yes. B. Within the last 10 years, did you change this property? Yes. C. Within the last five years, was this property listed/offered for sale? No. D. Within the last five years, was this property appraised? Yes.

Section 5: BOR Hearing Information. A. If you are requesting that a BOR member(s) be removed from your hearing, provide the name(s):. B. Provide a reasonable estimate of the amount of time you need at the hearing: minutes.

Property Owner or Agent signature: [Signature]. Date: 06-01-2020.

**2020 City of Racine  
Notice of Intent to File Objection with the Board of Review**

I, JEFFREY L. DERKS, as the property owner or as agent for \_\_\_\_\_ (property owner's name) with an address of 111 ELEVENTH ST., UNIT 2CS, RACINE WI hereby give notice of an intent to file an objection to the assessment for the following property: 111 ELEVENTH ST., UNIT 2CS for the 2020 Assessment Year in the City of Racine.

Name: JEFFREY L. DERKS  
Best contact phone number: 262-583-4089  
Mailing Address: 111 ELEVENTH ST., UNIT 2CS, RACINE WI 53403  
(date) 06-01-2020

This Notice of Intent is being filed: (place mark one)

- At least 48 hours before the board's first scheduled meeting.
- During the first two hours of the board's first scheduled meeting. (Please complete Section A).
- Prior to the end of the fifth day of the session or prior to the end of the final day of the session if the session is less than 5 days. (Please complete Section B).

**Filing of this form does not relieve the objector from the requirement of timely filing a fully completed written objection on the proper form with the Clerk of the Board of Review.**

**SECTION A** – Upon a showing of good cause, the Board of Review shall grant a waiver of the 48-hour notice of an intent to file a written or oral objection if a property owner who does not meet the notice requirement appears before the board of review during the first 2 hours of the meeting. **THE PROPERTY OWNER NOW MUST SHOW GOOD CAUSE FOR FAILURE TO MEET THE 48-HOUR NOTICE REQUIREMENT AND FILE A WRITTEN OBJECTION.** My good cause is as follows:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**SECTION B** – The Board of Review may waive all notice requirements and hear the objection if a property owner fails to provide written or oral notice of an intent to object 48 hours before the first scheduled meeting, and fails to request a waiver of the notice requirements during the first 2 hours of the meeting if the property owner appears before the Board at any time prior to the end of the fifth day of the session, or prior to the end of the final day of the session if the session is less than 5 days, and the property owner **FILES A WRITTEN OBJECTION AND PROVIDES EVIDENCE OF EXTRAORDINARY CIRCUMSTANCE.** Proof of my extraordinary circumstance is as follows:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**A WRITTEN OBJECTION ON THE PROPER FORM MUST BE PROPERLY FILED WITH THE CLERK OF THE BOARD OF REVIEW.**

## Request to Testify by Telephone or Submit a Sworn Written Statement at the Board of Review (BOR)

Section 70.47(8), Wis. Stats., states "...instead of appearing in person at the hearing, the board may allow the property owner, or the property owner's representative, at the request of either person, to appear before the board under oath, by telephone or to submit written statements, under oath, to the board. ..."

**NOTE: The legal requirements of the Notice of Intent to Appear at the BOR must be satisfied and the Objection Form must be completed and submitted to the BOR as required by law prior to the Request to Testify by Telephone or Submit Sworn Written Statement form being submitted.**

Municipality <b>RACINE</b>	County <b>RACINE</b>
Property owner's name <b>JEFFREY L. DERKS</b>	Agent name (if applicable)
Owner's mailing address <b>111 ELEVENTH ST. UNIT 2CS, RACINE WI 53403</b>	Agent's mailing address
Owner's telephone number ( 262 ) 583 - 4089	Agent's telephone number (       )
<input checked="" type="checkbox"/> Land Line <input type="checkbox"/> Cell Phone	<input type="checkbox"/> Land Line <input type="checkbox"/> Cell Phone
Owner's email address <b>jeffreyderks@wi.rr.com</b>	Agent's email address

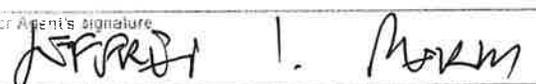
Please provide the following information on the property and the assessment to which you are objecting. (Attach additional sheets, if necessary.)

1. Property address 111 ELEVENTH ST. UNIT 2CS, RACINE WI
2. Legal description or parcel number from the current assessment roll Parcel 00605011
3. Total Property Assessment 97,000
4. If agent, attach signed Agent Authorization form, PA-105

Testify by telephone\*                       Submit sworn written statement

Bas~~e~~s for request Avoid risk of transmitting or contracting COVID-19. (Either telephone or written statement is acceptable.)

\*If the request is approved, provide the best telephone number to reach you 262 - 583 - 4089

Owner's or Agent's signature 	Date <b>06-01-2020</b>
---	---------------------------

**For Board Use Only**

Approved                       Denied

Reason \_\_\_\_\_

Taxpayer advised \_\_\_\_\_  
Date

June 1, 2020

**111 ELEVENTH ST (EAST PARK TOWERS) UNIT 2CS / PARCEL 00605011**  
**Basis for My Opinion of Assessed Value**

An on-site investigation of the exterior walls of East Park Towers, within which complex my residence is located, was completed by Cliff Kapson Consulting, Ltd. in May 2019. Kapson's 71-page investigative report was released to East Park Towers homeowners in September 2019. **(See attached pp. 1 & 2a-2d)** The investigation determined that most of the exterior cladding of the building is saturated with water, in varying degrees. This long-term accumulation compromises the exterior sheathing of the complex and threatens not only the interior walls of the property with mold and material degradation, but the structural integrity of the building as well. However, the actual extent of existing damage cannot be fully ascertained until the exterior membrane of the building has been removed, permitting close examination of the underlying substrata and the supporting structural members. Kapson therefore recommends that the entire exterior membrane of the building be removed and—after appropriate repairs are completed—replaced with some similar, newly-manufactured material.

This operation will entail at least five months of intensive construction activity supervised by a general contractor, and will affect every external surface of the building (apart from the roof and masonry walls). All window units will be removed to facilitate installation of the new external membrane. (This phase of construction will apparently void the warranties of owners' windows, regardless of their date of installation.) Although a construction contract has yet to be finalized, the base cost of the project is currently estimated at \$1.2 million. **(See attached pp. 3a & 3b)** To this amount must be added a general contractor's fee (which typically ranges from 10% to 20% of the base cost) as well as the cost of window re-installation (amounting to perhaps \$500 per window unit). Additional cost would be incurred for repairs to substrata damage that is as yet unknown. Needless to say, this undertaking is neither optional nor merely cosmetic.

While the East Park Towers condominium association maintains a reserve for routine building maintenance and repair, that reserve is nowhere near sufficient to cover the cost of the pending project, and must in any case remain *in* reserve for other unforeseen future expenses. Therefore, a special assessment for the total cost of the wall repair project is now pending for all condominium owners. For this undertaking, the projected special assessment for me, as owner of a 1,050 square foot "C" unit, currently amounts to \$20,342.40—which sum does not include an estimated \$3,000 for my share of a general contractor's fee nor an estimated \$1,000 for reinstallation of my two window units. All told, this makes for a grand total of approximately \$24,300—to which must be added my share of the cost to repair any substrata damage yet to be identified. I anticipate, then, a total assessment of roughly \$25,000, payable in early 2021, before the repair project begins. **(See attached pp. 4a & 4b)**

All of that said: One document that is key to any real estate sale is a Real Estate Condition Report, which obligates a seller to testify to any significant defects affecting

the property and, in the case of a condominium, to awareness of any proposed or pending special assessments. Given that fact, it stands to reason that, for any minimally prudent buyer, the Fair Market Value of my condominium is severely compromised by the damage documented in the Kapson investigation *and* by the projected minimum amount of the pending special assessment. I hereby request that the 2020 assessed valuation reflect that fact, and that the currently proposed value of \$97,000 be reduced by the aforementioned sum of \$24,300—to, that is, a final value of \$72,700.

Jeffrey L. Derks  
East Park Towers  
111 Eleventh Street Unit 2CS  
Racine WI 53403  
jeffreyderks@wi.rr.com  
262-583-4089

Attachments:

EPT Condo Association Letter—9/9/19 (p. 1)  
Cliff Kapson Consulting Ltd. Summary of Findings—5/2/19; released 9/9/19 (pp. 2a-2d)  
EPT Board Meeting Minutes—2/20/20 (pp. 3a & 3b)  
EPT Condo Association Exterior Project Update—3/20/20 (pp. 4a & 4b)

**EAST PARK TOWERS CONDO ASSOCIATION**  
111 ELEVENTH STREET, RACINE, WI 53403

September 9, 2019

Dear East Park Towers Owners,

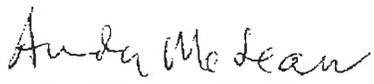
This letter is to inform you about an important report that the Board has received from Kapson Consulting, Ltd. This report evaluates the Dryvit or EIFS (External Insulation Finishing System) covering the non-brick EPT exterior, and suggests possible action to resolve the issues identified in the report. This 71 page report includes photos intended to facilitate our understanding of potential problems.

The report summary is on pages 63-65, a copy of which is attached for your records, along with definitions the Board felt would be helpful as you review the summary.

The Building Committee is contacting EIFS and similar manufacturers, as well as working to identify potential contractors. We will schedule and provide notice of an informational meeting with owners in the near future, as we did with the masonry project. We anticipate that a Kapson representative will attend the informational meeting. However, Kapson is not a contractor, and will not be doing the actual work required on our building.

A full copy of the Kapson report is available for you to review in a 3-ring binder on the long table next to the kitchen in the Party Room (as we did with the masonry report). Please do not remove the binder from the Party Room.

Funding for this project will require an Assessment. However, until we identify a contractor, and receive and accept the contractor's proposal, we do not have further detail about the timing and cost of the Assessment to share with you at this time.

  
Andrew McLean, President  
East Park Towers Board of Directors

**SUMMARY:**

Client should contact a qualified contractor to address the deficiencies outlined herein and implement remedial recommendations.

**Numerous high moisture readings were recorded beneath most window locations, as well as, adjacent to and beneath balconies. Moisture mapping of these areas indicated wide areas of moisture intrusion, with deteriorated gypsum sheathing substrate and/or gypsum scale readings readings in excess of 2.5% in most locations probed. Additionally, during probing of these areas, substrate damage was evident by the substrate offering little or no resistance to probes at numerous locations.**

Core sampling was also performed at a total of 16 locations beneath windows, and several other locations adjacent to, and beneath balconies. **These core samples revealed excessive moisture and damaged substrate as depicted in the photos on the following pages.** The approximate locations of these core samples are depicted on the moisture reading photos elsewhere in this report.

**Due to the excessive moisture and substrate damage in numerous locations on this structure as outlined in this report, this inspection would recommend complete removal of the existing barrier EIF system, and re-cladding with a water-managed EIF system or other cladding. This will allow a repair contractor to thoroughly assess the areas of misapplication and/or damage, repair the substrate and framing members if necessary, and provide the client with a full manufacturers' warranty as well as an extended warranty for workmanship.**

A summary of our observations begins on the following page.

### Balconies

*Solution:*

**The EIFS should be removed at locations adjacent to, and beneath balconies where moisture readings are in excess of 2.5% (gypsum scale) and/or the substrate was soft upon probing. This will allow the inspection and repair of the damaged substrate and affected structural members. Upon removal of the EIFS a further inspection of the balcony and integrated flashing should be conducted by a qualified EIFS repair contractor to determine the source of water entry before completing the necessary remedial action.**

Balcony flashing and interface with the EIFS should also be further evaluated by a qualified roofing contractor in coordination with a qualified EIFS repair contractor.

**\*Repair contractor should provide documentation of all repairs. This documentation should include a written scope of work and photos of any open wall repairs, including damaged substrate and framing, as well as any new substrate or framing members that have been repaired.**

---

### EIFS Intersection with Windows

*Solution:*

**\*In areas where the moisture detected exceeds 2.5% and/or where soft substrate is detected during probing, additional hidden damage to substrate and/or framing may exist.**

**At all window locations where moisture readings are in excess of 2.5% and/or soft substrate was noted, the EIF System should be removed to allow the assessment and repair of the damaged substrate and affected structural members. Upon completion of said repairs, a new water-managed EIF system should be installed in these areas.**

Repair contractor should remove and replace all sealant around doors and windows with an approved low-modulus sealant.

Additionally, all gaps in the window construction and/or miter joints should be weather sealed with properly fitted weather stripping, gaskets and/or silicone sealant, primer and paint per window manufacturer's recommendations to prevent moisture intrusion.

Regarding window head flashing details, client should refer to window manufacturer's details for specific requirements.

**\*Repair contractor should provide documentation of all repairs. This documentation should include a written scope of work and photos of any open wall repairs, including damaged substrate and framing, as well as any new substrate or framing members that have been repaired.**

As with any exterior cladding ongoing maintenance is important. Therefore, it is essential that the client continue to maintain the integrity of the system through visual observations of the sealants, and annual inspections of the system performance by a qualified EIFS inspector.

2c

Any repairs performed now or in the future should meet the standards and approval of the manufacturer as identified. Any deviation from original manufacturer's details should be approved in writing from the manufacturer or an authorized representative.

The scope of this inspection was limited to reasonable testing for moisture within defined protocol and relies on matters of due diligence reported by others for correctness in it's content. High moisture content can only be determined by the use of a penetrating probe meter. Any areas not probed cannot be evaluated and no judgment is intended or given for any areas not tested.

This report was not a technically exhaustive study of its subject matter and its purpose was to alert the client to major deficiencies in the condition of the property. We assume no liability or responsibility for the cost of repairing or replacing any unreported defects or deficiencies, either current or arising in the future, or for any property damage, consequential damage or bodily injury of any nature.

This inspection is based on our interpretation of the product details and the intent of these details and relies on conclusions compiled from numerous other inspections, repairs and construction practices. The findings and recommended solutions outlined in this report are based on the photo-documentation, observations and field notes submitted to Cliff Kapson Consulting, Ltd. by the field inspector. We certify that this inspection was performed by visual observation and the physical operation of our equipment and our findings are as stated above. There are no warranties expressed or implied. Additionally, we reserve the right to amend and/or supplement our findings and opinions if further information becomes available.

*Jaroslav Trush*

---

Field Inspector - Jaroslav Trush  
Report Date: 5/2/2019

*Cliff Kapson*

---

Reviewer - Cliff Kapson  
EDI # IL-42  
AWCI # 108802

Attachments:

- 1) Moisture Readings
- 2) Inspector/Reviewer CV
- 3) Understanding Moisture Readings
- 4) Glossary

- Specializes in evaluating installation and performance of all exterior building envelopes - with a primary focus on stone veneer, stucco, and EIFS (Exterior Insulation & Finish System, commonly referred to as Dryvit®).
- Since 1996, personally performed thousands of moisture analyses and specialty inspections of exterior cladding.
- Manages a network of qualified inspectors to perform specialty inspections for our clients nationwide.
- Developed proprietary software for comprehensive reports that include solutions to discovered areas of concern

**Services**

- Residential (Owners, Buyers, Sellers)
- Commercial
- Third Party Inspections for New Construction
- Corporate Relocation
- Destination-End Relocation
- Expert Witness and Consultation

**Certifications**

**AWCI Certified Third Party EIFS Inspector (#108802)**  
**EDI Certified Third Party Inspector for Moisture Analysis and Building Envelopes (#IL-42)**  
**Moisture Warranty® Certified Inspector**  
**Nationwide Dryvit® Class Action Settlement Certified Inspector**

**Training**

**STO CORP., Atlanta, GA** - Completed Applicator Training Program, 1997  
**DRYVIT® SYSTEMS INC., West Warwick, RI** - Completed Applicator Training Program, 1998  
**NORTHWEST WALL & CEILING BUREAU, Seattle, WA** - Stucco and EIFS Inspector Training Program, September 1998  
**EXTERIOR DESIGN INSTITUTE, Chicago, IL** - Moisture Analyst/Building Envelope II, August 1999 and continuing education  
**ASSOCIATION OF THE WALL & CEILING INDUSTRY, Chicago, IL** - EIFS Education & Certificate Program, 1999 and every 4 years thereafter to recertify by exam  
**NORTHWEST WALL & CEILING BUREAU, Seattle, WA** - Inspection Maintenance and Repair Seminar, September 2000

**Presentations**

**ASTM SYMPOSIUM, Seattle, WA** - Water Management in EIFS-Clad Homes, April 1999  
**NEW ENGLAND CHAPTER OF THE AMERICAN SOCIETY OF HOME INSPECTORS 7<sup>TH</sup> ANNUAL MEETING, Boston, MA** - EIFS Design, Installation & Inspection, September 2011  
**BRICK KICKER'S INSPECTION SERVICES ANNUAL MEETING, Naperville, IL** - EIFS Design, Installation & Inspection, August 2012  
**CASEY, O'MALLEY & ASSOC. CONFERENCE, Las Vegas, NV** - EIFS Design, Installation & Inspection, October 2012

**Some of Our Corporate Clients**

<b>CORPORATE RELOCATION</b>	<b>GENERAL CONTRACTORS</b>	<b>HOTELS</b>	<b>OTHER</b>
Altair Global Relocation	CORE Construction	Adams Mark Hotel	Buona Beef
Cartus Relocation	Pepper Construction	Comfort Inn	Rush Copley Medical Center
Corporate Relocation	Realen Homes	Extended Stay America	United Parcel Service (UPS) The
Graebel Relocation	Toll Brothers Builders	Hampton Inn	International Monetary Fund
NEI Global Relocation	Wohlsen Construction	Holiday Inn	Life Care Services, LLC
Paragon Relocation		Wingate Inn	
Prudential Relocation			
Sirva Relocation			

East Park Towers Board Meeting Minutes  
February 20, 2020

Members Present: Andy McLean, JoAnn Loschenkohl, Steve Harrison, Larry Brown, Nancy Wheeler, Luan Wells, Jeff Hall

The meeting was called to order at 6:35 pm by President Andy McLean.

The Minutes of the January 16, 2020 meeting were approved as printed.

President's Report—Andy McLean

Andy suggested that we have an instruction page created for use of the new television in the party room. Luan suggested that we also print the instructions in the Newsletter.

Andy reported that Denny, our maintenance person, discovered a male sleeping on the bench in the mailbox lobby. On another evening, the Maragos' found perhaps the same unknown person lurking very close to the entrance when they returned late one evening. Larry reported that he has also observed a male who he didn't recognize, but who knew the 4 digit code for entry. It was moved, seconded and approved that both the lobby code and the garage code be changed. Steve agreed to change the codes and notify Pam, who will notify those who need to know the code.

Andy reported that Marge Sweet's unit is for sale for \$185,000.00.

REMINDER FROM ANDY: All garbage must be securely closed. He indicated that Denny has too many garbage messes to clean up, and way too frequently.

Treasurer's Report—JoAnn Loschenkohl

JoAnn has been working many hours for her job and indicated she did not have a treasurer's report for the meeting. Terri D'Acquisto circulated the financials for January prior to the meeting. It was noted that TSG (ICN) owes approximately \$1700 and continues not to pay the monthly condo fee. JoAnn will request that the lien be updated as necessary.

Grounds Committee—Luan Wells

Luan will confirm that AJ will do our mowing for 2020, as he has done in the past. JoAnn will determine if the Perfect Turf contract for 2020 fertilizing has been received and signed. Luan asked that any concerns about the snow plowing be discussed with her.

Building Committee—Steve Harrison

Steve reported that there are continuing problems with the lobby doorbell system, and we have been experiencing difficulty with service from Century Security. Steve, based on his research, believes that there may be a short in the system.

Building Committee—Larry Brown

Larry reported that he expects the Waste Caddy to arrive on Monday, February 24. It will need assembly.

EIFS--Larry reported that the three offers from three different contractors continue to be refined. The most recent issue concerns the Renewal by Anderson windows that a number of residents have recently installed. Renewal by Anderson has advised Larry that if the windows are removed as part of the EIFS replacement process, Renewal by Anderson will not re-install their windows, no matter what the age of the windows. He has pursued this issue with the Renewal by Anderson supervisor, and received the same answer. As a result, Larry will be meeting with the window provider Lakeshore

towers is using for their EIFS project on Monday, February 24. Lakeshore Towers is using a wood working company from IL, who works with Anderson Windows (a separate company from Renewal by Anderson) to see if a solution can be found.

There was a discussion about steps the Board could take to help residents find financing for the EIFS anticipated assessment. Nancy will talk to ECU, Landmark Credit Union and Johnson Bank about possible financing options each could offer our residents. Nancy calculated that the assessment for each type of unit, at a price of \$1.2 million, which does not include windows or a contingency fund, would be as follows:

Units	% of Bldg Space	Assessment
A	2.4978%	\$29,973.60
B	1.9590%	\$23,508.00
B Penthouse	2.7986%	\$33,583.20
C	1.6952%	\$20,342.40
D	2.3981%	\$28,777.20
D Penthouse	3.7572%	\$45,086.40
1 CES	3.1782%	\$38,138.40
1 EN	1.4730%	\$18,876.00

JoAnn recommended that we hire a General Contractor—an additional expense—to oversee the project. Discussion followed. JoAnn agreed to get some bids for a general contractor for our project.

#### Old Business

Board terms expiring at the May Annual Meeting are Larry Brown, Luan Wells and Nancy Wheeler. Each is eligible to serve another 3 year term. Each is to notify Andy by March 1 whether he or she is willing to continue for another term.

#### New Business

Steve mentioned the possibility of modifying the lighting in the garage, suggesting that perhaps if we installed motion sensors or timers for the garage, we might net some savings on our electric bill.

Meeting adjourned at approximately 8:40 pm.

**NEXT MEETING DATE: Thursday, March 19, 2020 at 6:30 pm.** Residents are welcome to attend Board Meetings. Resident concerns can be expressed prior to the start of the meeting.

Respectfully Submitted,

Nancy Wheeler, Secretary

## EAST PARK TOWERS CONDOMINIUM HOMES ASSOCIATION

**EXTERIOR PROJECT UPDATE**

March 20, 2020

Dear East Park Towers Owners:

After discussion and substantial investigation, the East Park Towers Board of Directors has determined that it may be necessary to defer the exterior building project until 2021 for a number of reasons, including the following:

- Timeline necessary for a 5 month project can no longer be met;
- Window issue;
- Uncertainty of length of coronavirus;
- Market conditions impacting resident ability to pay assessment;
- City project to re-pave Lake Avenue this year;

We do not yet have a firm figure for the assessment that will be necessary to complete the exterior project. When we DO have one, our By-Laws require that the Board give residents 30 days notice prior to requiring payment on the assessment. We cannot enter into a contract until we have the money for the down payment that will be required by the contractor before the contractor will begin work. Understanding that the contractors who have submitted proposals for our project estimate the project will take 5 months to complete, the contractor reasonably needs to commence work no later than May 1, 2020. The Board believes that deadline is no longer realistic.

As you can read in the attached Minutes of the February 2020 Board Meeting, we have encountered an issue related to removal, installation and re-installation of windows for this project. To date, this issue has not been resolved, although your Building Committee continues to work on this issue. We cannot enter into a contract with a contractor until this issue is resolved.

The uncertainty of the length and extent of the coronavirus is likely to impact the contractor's ability to start the project and have employees available to work on our project. It is also likely to impact the supply chain that would provide

necessary materials for our project. It is unlikely that any contractor will be able to guarantee that our project could be completed this season.

This is a very expensive project for all of us. Those who may have contemplated paying the assessment for this project by selling assets from an investment portfolio, have likely seen a dramatic drop in the value of their portfolios in recent days. Nobody wants to sell assets in a down market. In order to make the assessment as palatable as possible, we need time for the market to recover. Be assured that your Board is also exploring financing options for individual residents for financing of this project, and has identified several local lenders who are willing to work with individual residents to finance this assessment. We have also received inquiries about reverse mortgages and are exploring options in that regard as well.

As you may have read recently, the City of Racine plans to re-pave Lake Avenue along the east side of our property this year. The City would like to complete that project by July 4, 2020. This repaving project will likely interfere with our contractor's access to the east side of our building, and our project will likely interfere with the paving project.

If this project is deferred to 2021, the Board has agreed to contract for filling the identified cracks in the dryvit as a temporary measure to reduce further water intrusion this year. This will not address the underlying structural issues revealed in the Kapson study and would only be a temporary measure.

Your Board takes this project very seriously. We are striving to explore all options to make careful and well-thought out decisions. We ask your continued patience as we continue to refine and finalize this project.

Andrew McLean, President  
East Park Towers Board

6939 Mariner Drive Racine, WI 53406  
262-884-9726 Fax 262-886-5649