



BUILDING RESTORATION CORPORATION

1920 OAKCREST AVENUE SUITE 1, ROSEVILLE, MN 55113

PHONE: 612-789-2800 FAX: 612-789-2875

July 16th, 2012

Mr. Greg Franke
LaFond Apartments LLC
2530 Harriet Avenue South
Minneapolis MN 55408

Re: Masonry Repairs at Lafond Apartments 434 LaFond, St. Paul - Revised 7/16/12

Dear Mr. Franke:

Thank you for meeting with me at LaFond Apartments to review our work scope and to observe the basement wall construction area. After having a chance to observe the basement, the boiler room, the location for the stairway railing, and the ceiling space where sheet-rock is to be applied we are attaching a revised cost proposal.

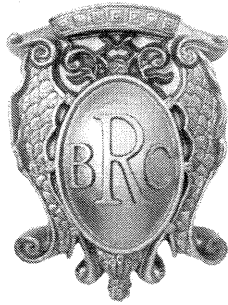
Also included is a cost for sidewalk repair, moving posts in to the side of the electrical panel, assembling hand-railing along the basement stairway, exterior woodwork repair on nine (9) of the window sills, repair of upper woodwork on six (6) windows, downspout repair with tuckpointing of brick.

I also observed, the southwest corner of the exterior of the building, and to reiterate, it has a crack running eight feet along the corner of the wall. We will repair this by replacing the cracked brick, adding wall ties, and then tuckpointing. Tuckpointing area (including this crack running eight feet along the corner) will occur over an area up to 1,100 square feet. The wall on the west elevation in the center where the bulging is occurring can be repaired with anchors. The entire chimney needs to be partially torn down and the remainder tuckpointed. The interior block-work in the basement, at one wall, needs to be built (using mortar between the block).

Thank you for allowing me to present this proposal. If you have any questions, please contact me. My office number is 612-789-2800; my cell number is 612-564-3265; or you may email me at dan.kuch@buildingrestoration.com

Sincerely,
BUILDING RESTORATION CORPORATION

Dan Kuch
Project Manager



BUILDING RESTORATION CORPORATION

1920 OAKCREST AVENUE SUITE 1, ROSEVILLE, MN 55113

PHONE: 612-789-2800 FAX: 612-789-2875

REVISED PROPOSAL

July 16th, 2012

Submitted to: Mr. Greg Franke
LaFond Apartments LLC
2530 Harriet Avenue South
Minneapolis MN 55408

Phone: 612-269-0691

Project: Masonry Repairs
LaFond Apartments
434 LaFond Avenue
St. Paul, MN 55103

Building Restoration Corporation does hereby propose to furnish all of the necessary materials and to provide skilled labor to perform the enclosed listing of restoration services. Pricing is based on the ability to begin and complete the restoration in one operation. The prices listed include costs for all labor, materials, equipment, swing-stage rigging, aerial boom use, clean up of debris, and sales tax on materials.

Exterior Masonry Repair Costs

LaFond Apartments 434 LaFond Avenue, St. Paul MN 55103

Scope of Work Description:	Quantity	Units	Unit Cost	Total
Mobilization, job set up, insurance and scaffolding	1	Lump sum	2,215	2,215
Building permits, and plan review costs	1	Lump sum	920	920
Interior work:				
Interior basement block-column construction on concrete floor along one wall to support existing floor-joist plank	4	Columns	980	3,920
Move four shoring posts. Install longer floor joist plank. Supplemental plank to provide 36 inches clearance in front of electrical panel.	1	Location	675	675
Install two 4'x8' sheets of 5/8" type "X" sheetrock to the ceiling of the basement above electrical panel	2	Sheetrock	120	240
Install new handrail between 34 and 38 inches above the tread of the basement stair.	1	Handrail	335	335
Exterior work:				
Dismantle and rebuild the bulged brick veneer area on west wall with new anchorage	115	Sq Ft	84	9,660
Re-anchor west side brick veneer to wood stud wall	200	Anchors	32	6,400
Dismantle brick chimney to building code height, 24" over parapet wall tuckpoint, and install new cement cap.	1	Chimney	6,340	6,340
Spot tuckpointing open joints on three sides of building	1100	Sq Ft	14	15,400
Repair or replace two (2) downspouts on south side and attach to existing roof gutter	2	Down-spouts	570	1,140
Replacement of exterior wood window sills or sill trim	9	Windows	85	765
Repair or replacement of upper brick moulding trim on windows	6	Windows	92	552
Remove grate, fill with soil, patch 2'x2' spot in sidewalk on north side of building	1	Sidewalk	230	230
Exterior masonry spot cleaning or pressure washing, and painting of completed brick work areas (not the entire building).	1100	Sq Ft	2.40	2,640
Revised 7/16/12 - Total Base Bid Cost:				\$ 51,432
Note: Structural report fees and engineering fees that may be required are not included in this proposal.				

Building Restoration Corporation (BRC) offers the above listed restoration services as they relate to the enclosed drawings and specifications for your consideration. All work is to be performed in a substantial workmanlike manner. All tools, equipment and procedures shall follow the generally accepted restoration guidelines. All restoration work is to be performed by skilled craftsmen.

BRC carries worker's compensation, automotive and public liability insurance in the amount of one million dollars. Building Restoration Corporation also carries a commercial umbrella policy in the amount of nine million dollars. We will gladly supply you with a certificate of said insurance naming you or your project as a certificate holder upon request.

This proposal is for work performed on the exterior facades only and does not include any work inside the building or below exterior grade. Prices include only those work items described and unless specifically listed, prices do not include any carpentry, window repair or replacement, concrete or asphalt repairs, painting, laboratory analysis of existing mortar, investigative work, landscaping, roofing repairs or any other work that is not individually listed on the repair costs price page.

The Building Owner is to provide their water, electricity, free and unobstructed access to building elevations, and an area to park our job site trailer and operate cement mixer. Building Owner/Buyer is to indemnify, defend and hold harmless Building Restoration Corporation against any loss or claim by the building tenants that the construction operations or scaffolding generated noise or dust which interferes with their business operations, or reduces their visibility, sales, profits, sleep or other claims.

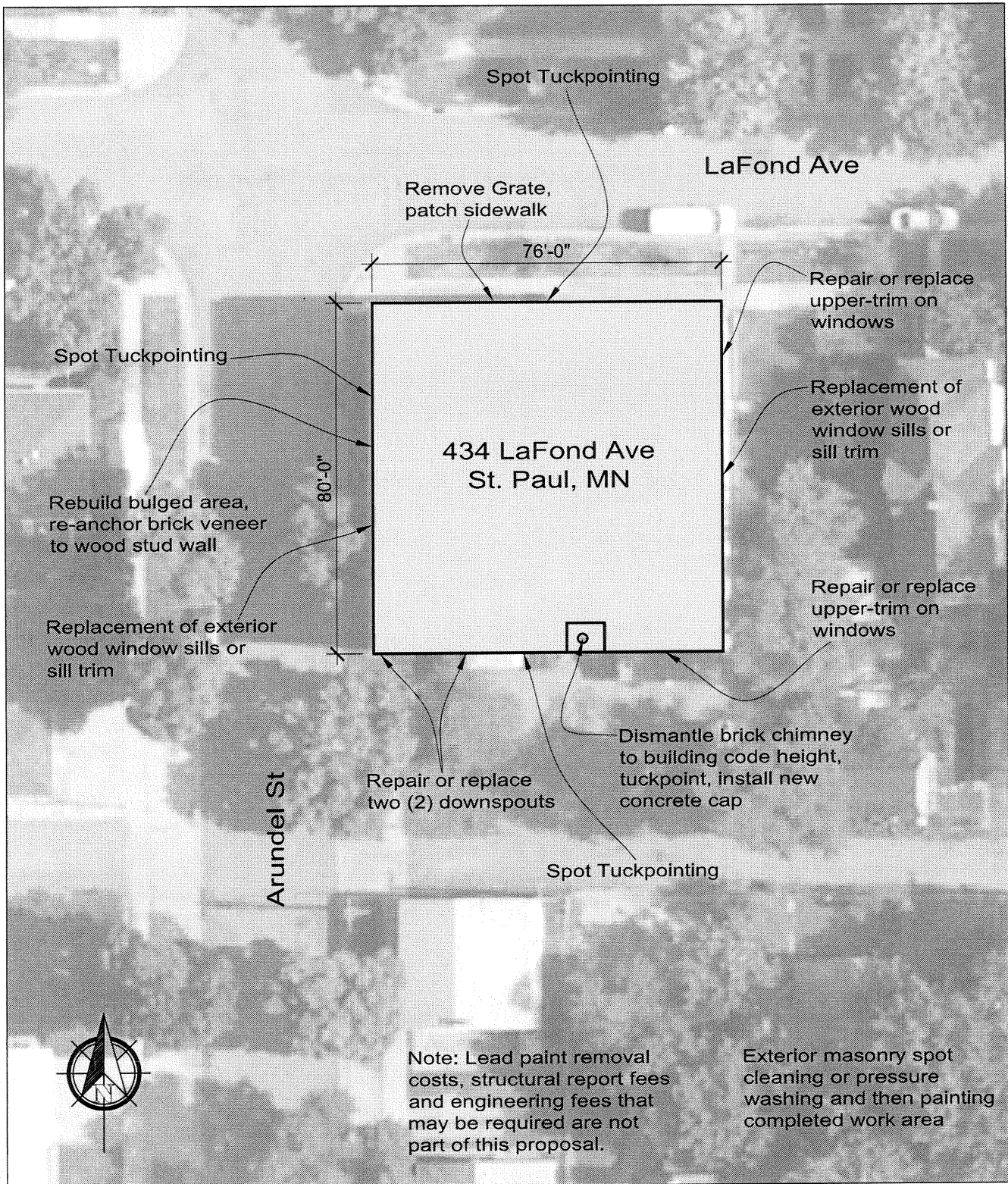
We reserve the right to withdraw this proposal if it is not accepted within thirty days. Our payment terms are net 30 days on all monthly progress invoices if the length of the job exceeds one month. Full payment of all balances will be due upon your receipt of our final completion invoice. Interest in the amount of 1 1/2% per month will be due and payable on all past due balance amounts.

BRC's offer to perform the agreed upon work scope is predicated on the inclusion of BRC's standard contract for agreement of terms and conditions.

The Scope of Work shall be solely restricted to the work described above and in the agreement between the parties, no evaluation or determination regarding the need for repair or structural integrity has been made by Building Restoration Corporation, nor has it provided engineering services. The Scope of Work and evaluation is restricted to the description above.



Lafond Apartments at 434 LaFond Avenue
Masonry repairs are to be made at specific areas



LAFOND APARTMENTS

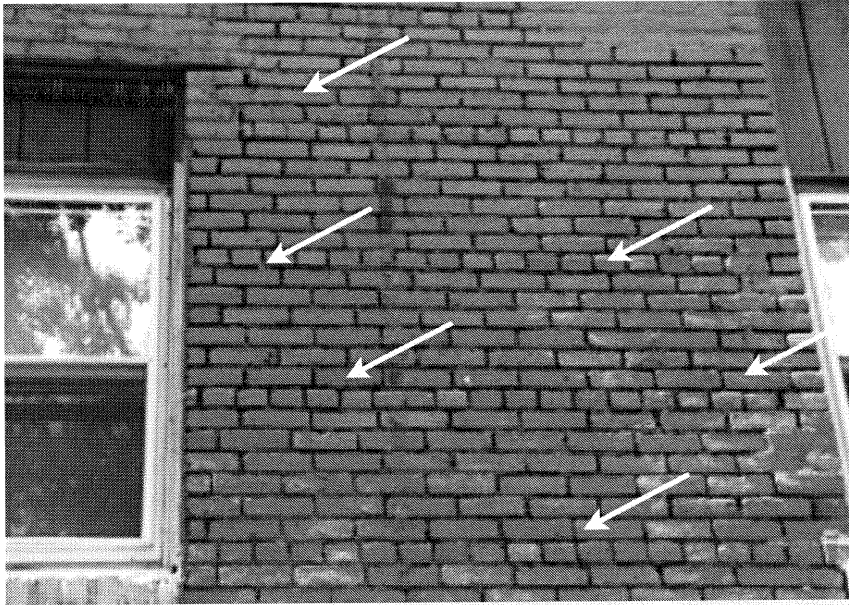
- ST. PAUL, MINNESOTA -

SITE PLAN WITH WORK
DESCRIPTIONS AND
WORK LOCATIONS

SCALE: N.T.S.

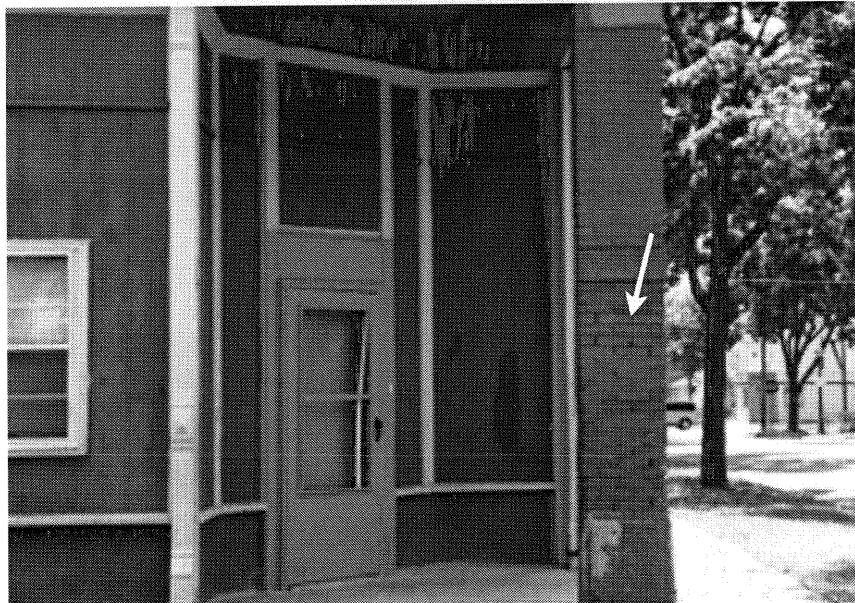
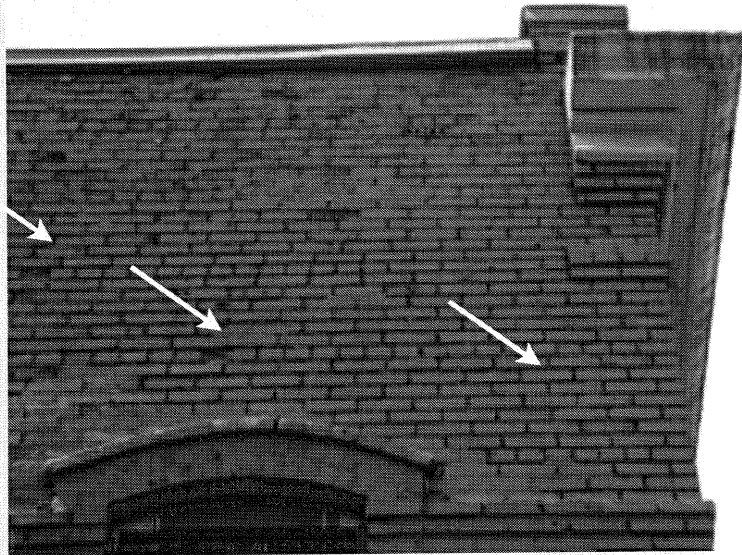
DETAIL NO.

1

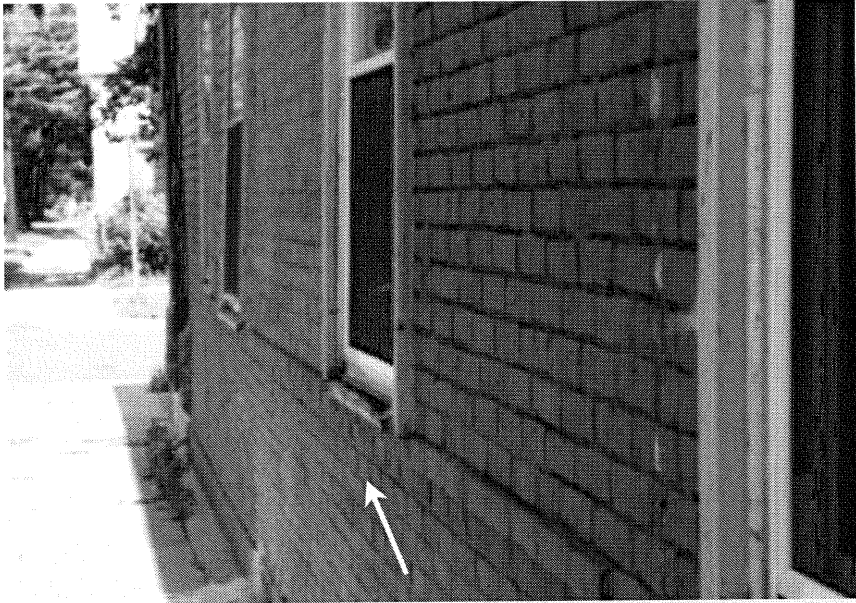


Portions of the wall shown will be tuckpointed where mortar is missing.

Portions of this wall will be tuckpointed.

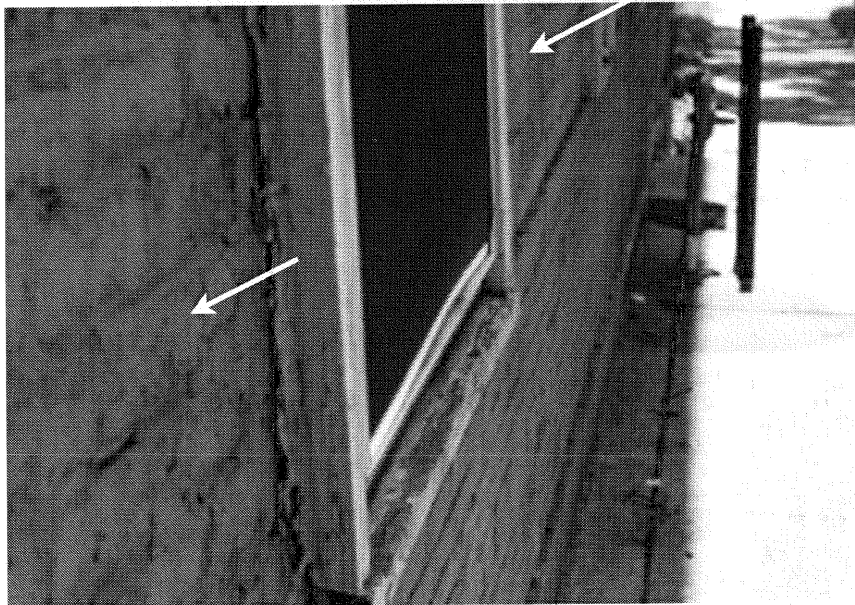
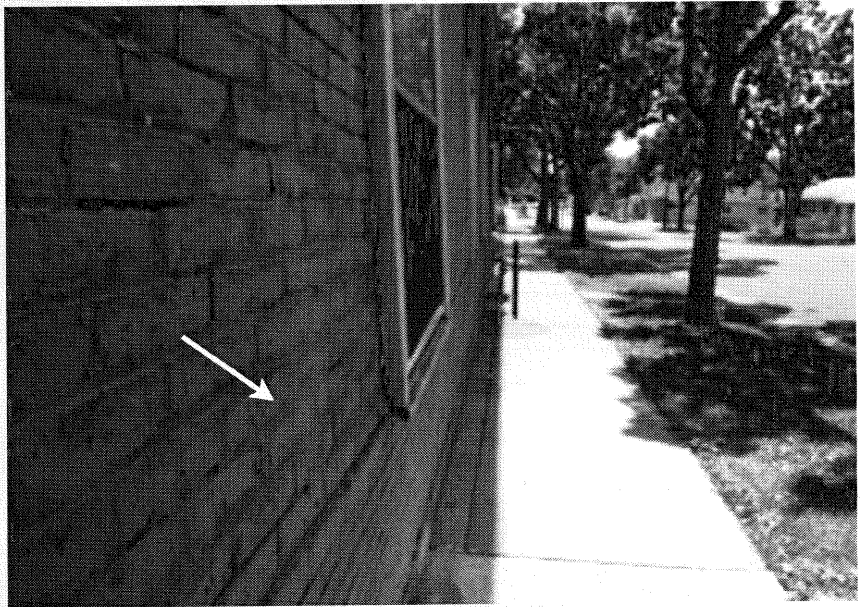


Portions of this column need tuckpointing.

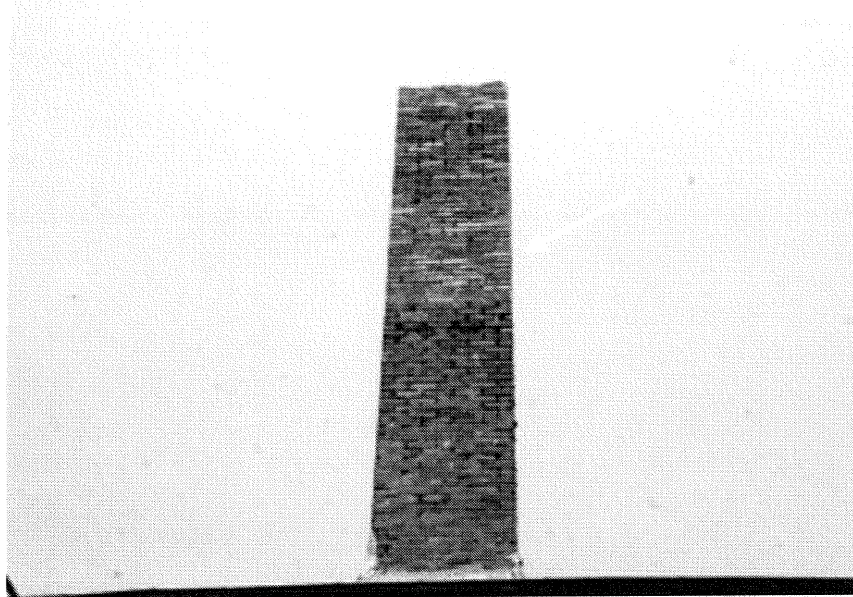


The brick veneer bulges out several inches in this area.

The bulge is approximately 25' x 6'. The center of the bulge is to be dismantled and rebuilt and the brick anchored to the stud walls.

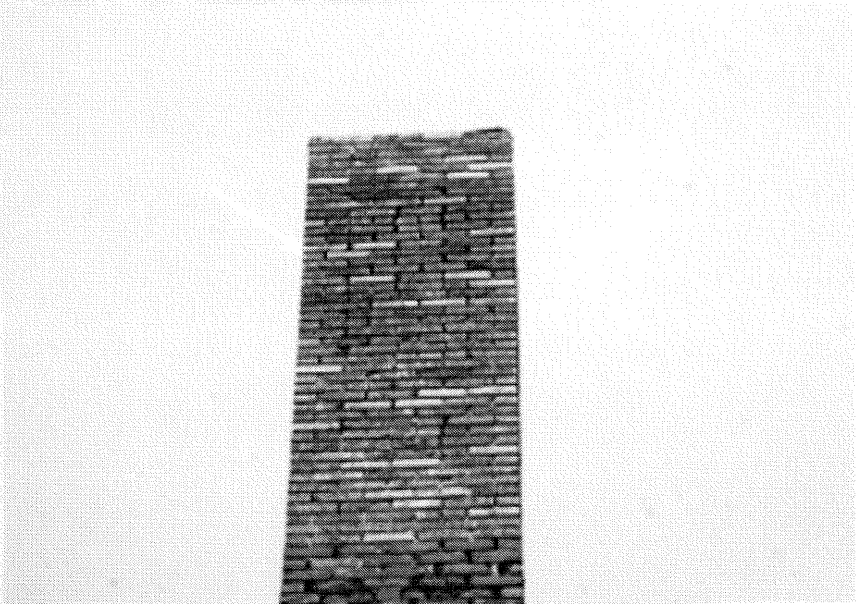


A new anchoring system will be used to anchor the brick to the studs.

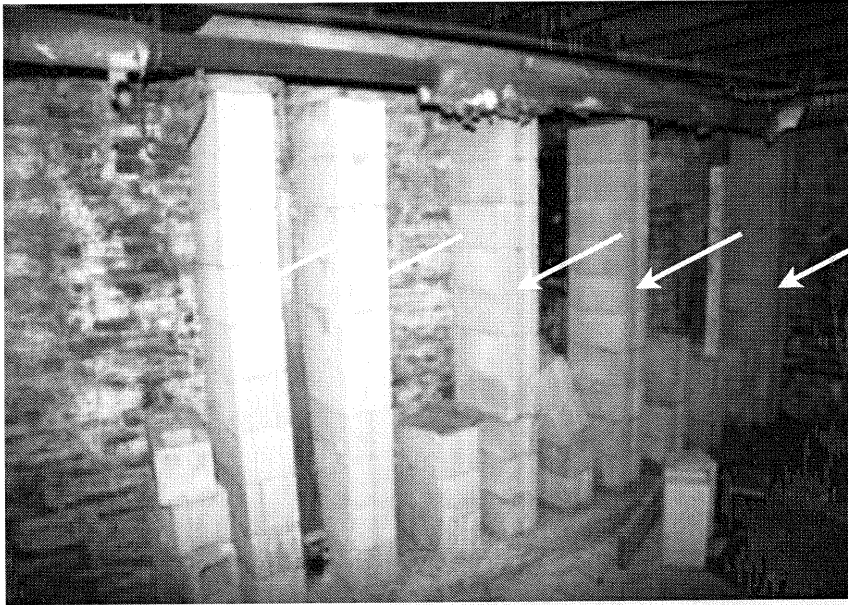


The entire chimney needs to be partially torn down, removed, and tuckpointed.

The top of the chimney is to be dismantled down to building code height of 2' over the top of the parapet wall.



The bottom of this chimney is in need of tuckpointing, and a new cement cap will be installed.

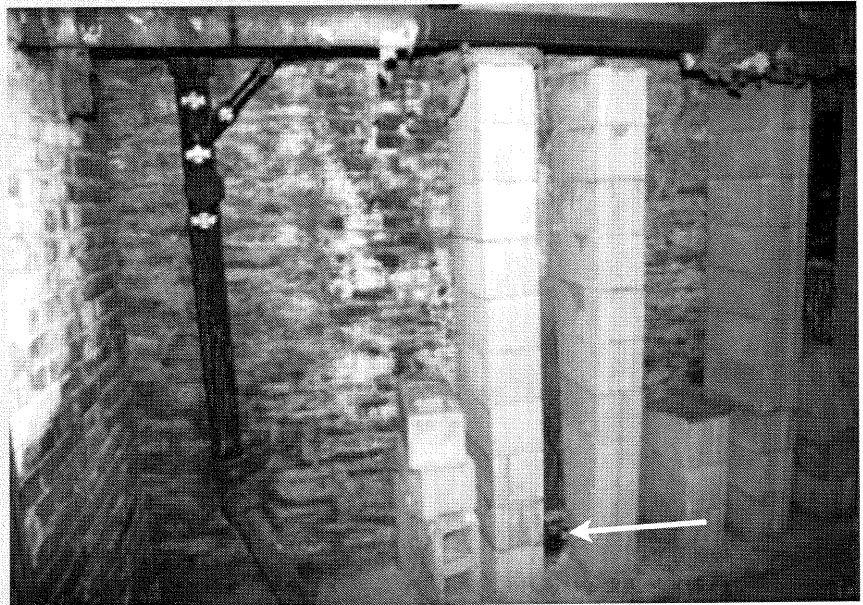


These concrete block are just stacked up to support the above floor joist.

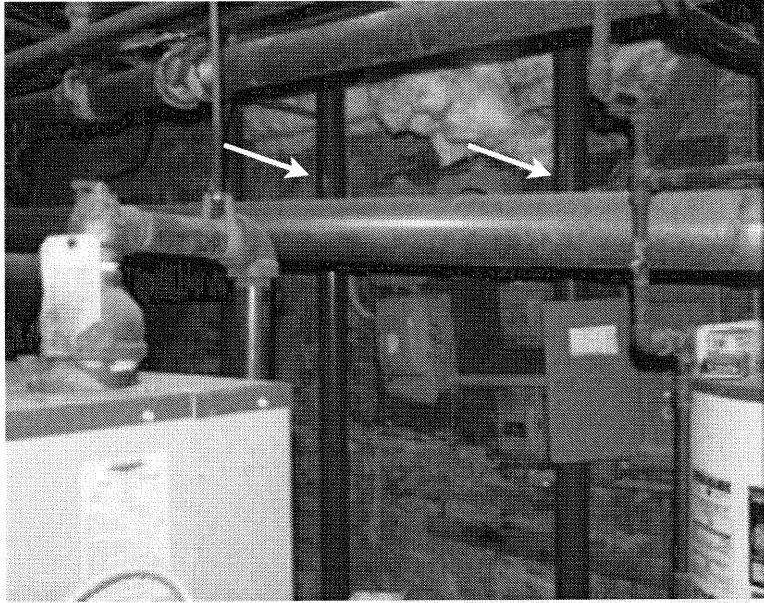
The block will be dismantled for reconstruction with mortar.

The wooden member is being held up with a hydraulic jack.

Temporary shoring will be used to support the floor while the block are being rebuilt with mortar.

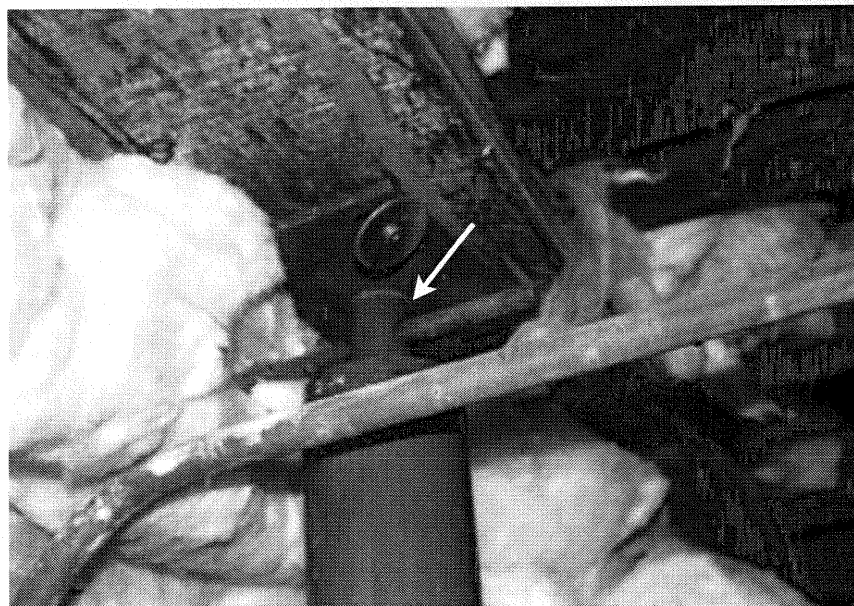
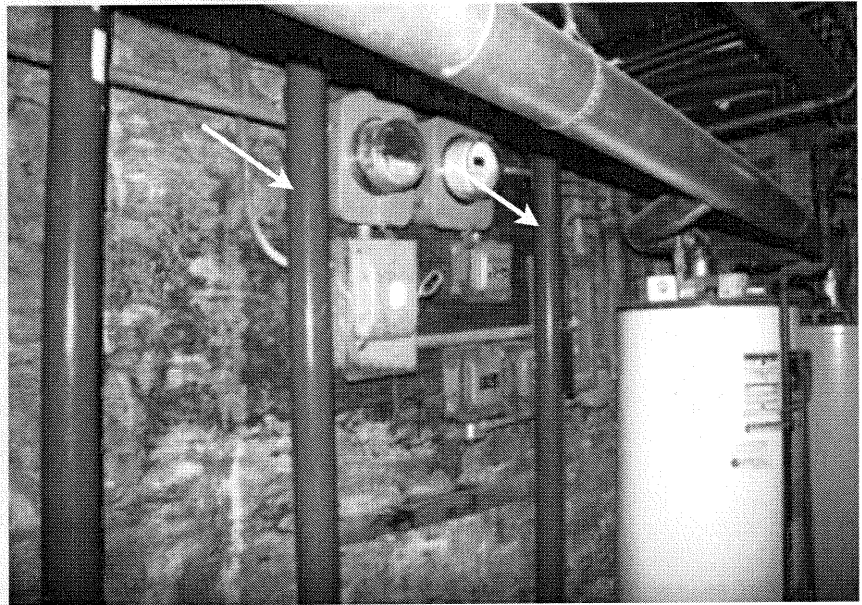


The block units need to be anchored in place with mortar to brace the existing upper wooden support structure that is holding up the floor joists.

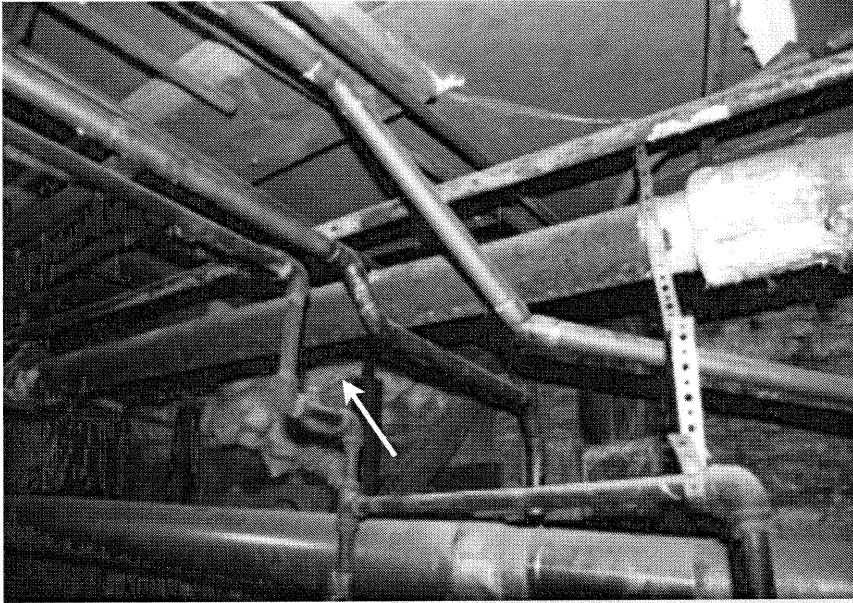


Reposition shoring posts so they are not in front of the electrical panels.

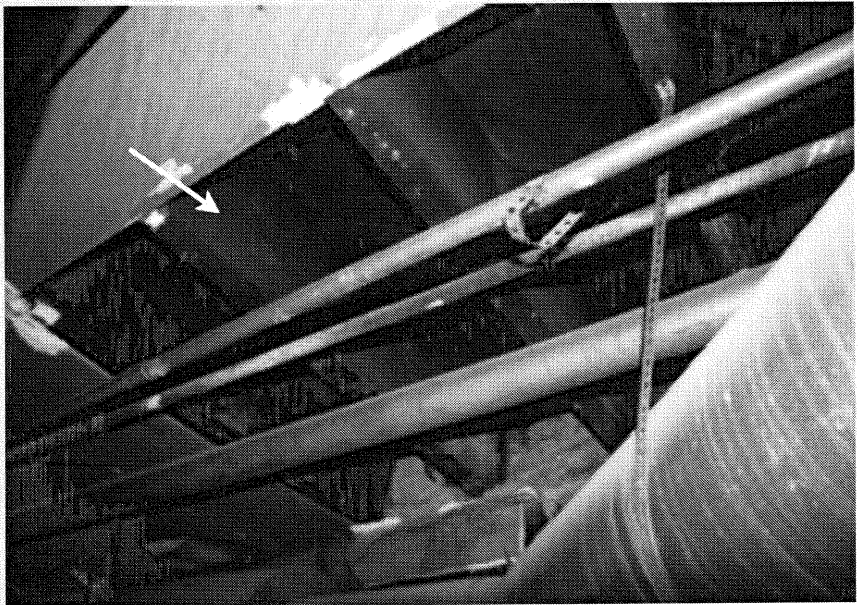
Move existing metal floor joist supports. Move the two posts outward.



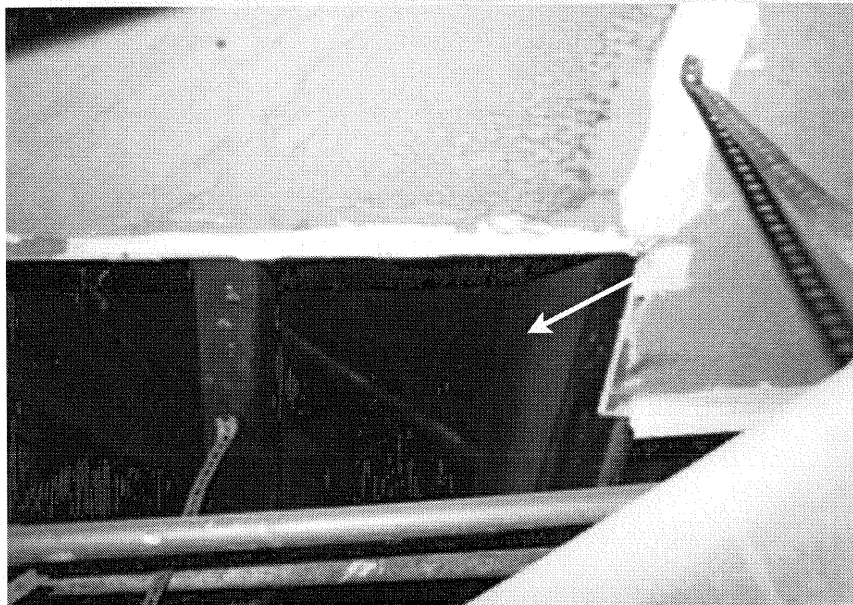
Posts are the screw-type jacks. The microlamb will need to be replaced with a longer unit and then re-shored.



New sheet rock will be installed over the area of the electric panel.



The new sheet rock will meet up against the existing sheet rock to cover this opening.



This opening is 12' x 4'



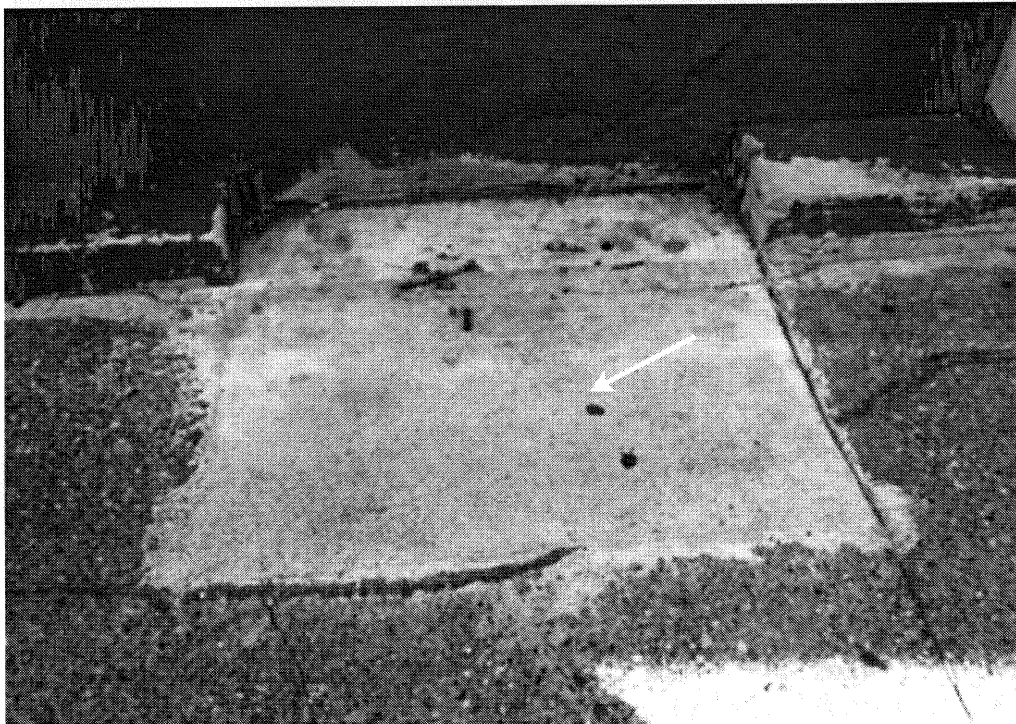
A comfortable hand-rail is to be attached above the two-by-four, thirty-six inches above the stairs.



One handrail to be installed at the top of stairs, 36 inches above stairway



This grate will be removed and the sidewalk will be poured in its place to provide a smooth surface.

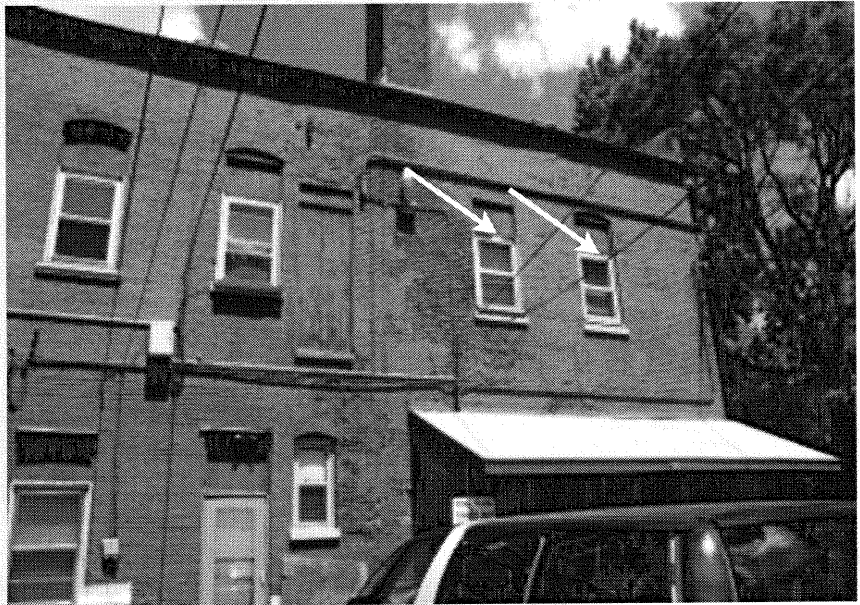


The above sidewalk is to be similar to this one.



Six (6) upper units of windows must be patch or repaired

Two (2) of the six (6) windows that are to be repaired are shown here.



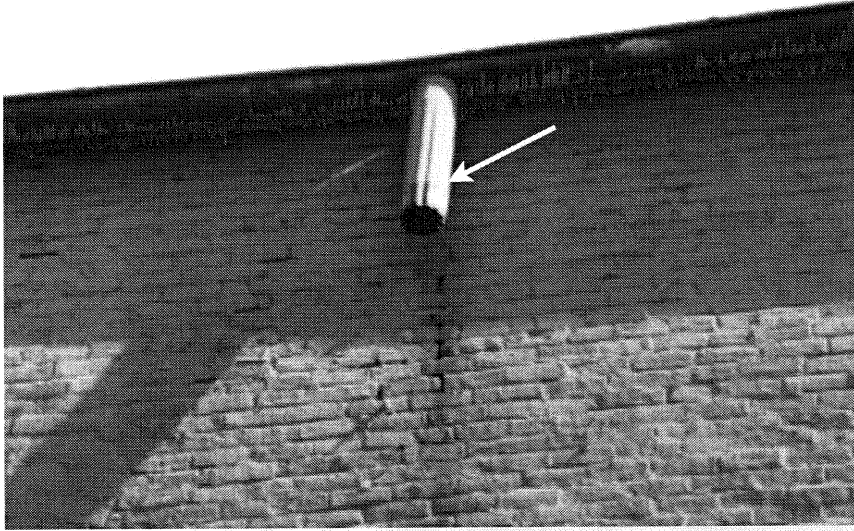
Nine (9) of the window sills must be patched or repaired. The one here needs to be replaced.



Four (4) of the nine (9) window sills that will be repaired or replaced are shown here.

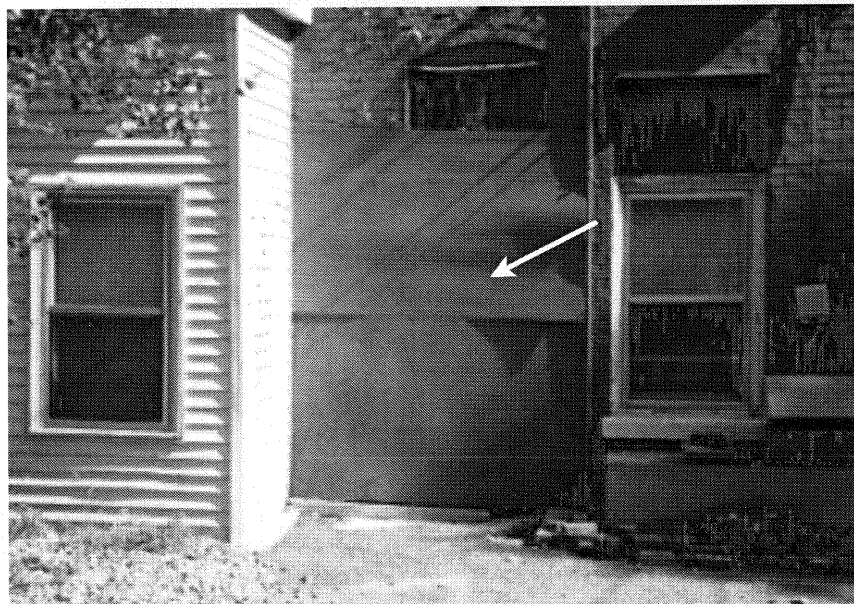
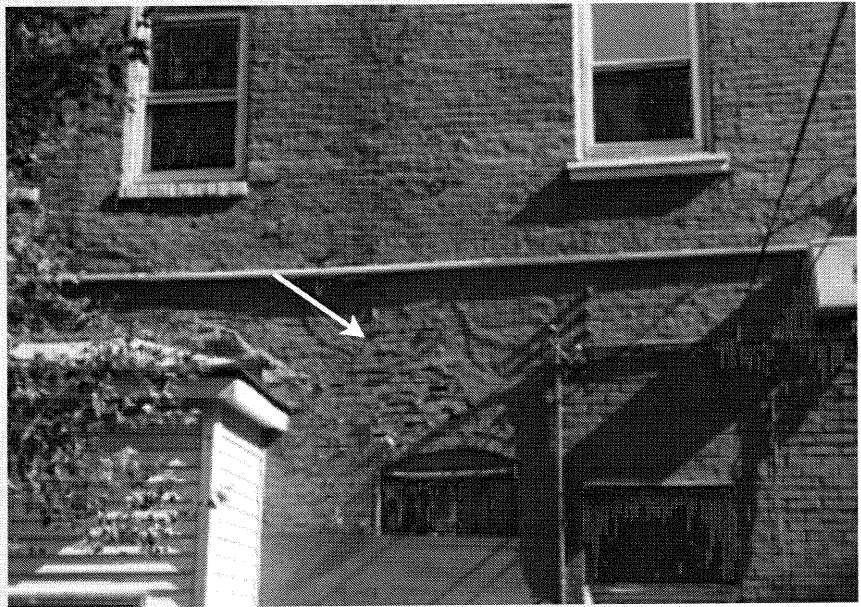


This depicts three (3) of the (6) upper window trim brick moulding which we are to be repaired or trim replaced.

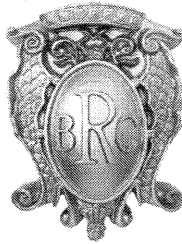


Repair or replace existing roof down-spouts. The drain is to run from roof to ground and then out away from the wall.

Part of the 1100 feet of tuckpointing is along this down-spout section.



Remove plywood, tuckpoint, and paint this area of the existing wall.



BUILDING RESTORATION CORPORATION

is a proud member of



Associated Builders & Contractors, Inc.
10193 Crosstown Circle
Eden Prairie, MN 55344
952-941-8693



St. Paul Building Owners & Managers Association
332 Minnesota Street, Suite W2950
St. Paul, MN 55101
651-291-8888



Minneapolis Builders Exchange
1123 Glenwood Avenue
Minneapolis, MN 55404
612-377-9600



Minneapolis Building Owners & Managers Association
121 S. 8th Street, Suite 610
Minneapolis, MN 55402



MN Concrete & Masonry Contractors Association
120 East Exchange Street #120
St. Paul, MN 55101
651-293-0892



National Federation of Independent Business
740 Norwest Center Tower
55 East 5th Street
St. Paul, MN 55101
800-634-2669



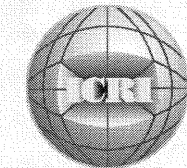
Institute of Real Estate Management
4248 Park Glen Rd.
Minneapolis, MN 55416
952-928-4664



National Federation of Independent Business
740 Norwest Center Tower
55 East 5th Street
St. Paul, MN 55101
800-634-2669



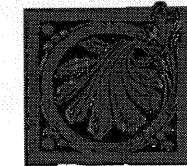
National Trust for Historic Preservation
1785 Massachusetts Avenue NW
Washington, DC 20036
202-673-4000



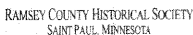
International Concrete Repair Institute
3166 S. River Road, Suite 132
Des Plaines, IL 60018
847-827-0830



Hennepin History Museum
2303 Third Avenue South
Minneapolis, MN 55404
612-870-1329



Preservation Alliance of Minnesota
516 Landmark Center
St. Paul, MN 55102
651-293-9047



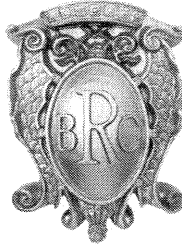
Ramsey County Historical Society
323 Landmark Center
St. Paul, MN 55102
651-222-0701



Minnesota Historical Society
345 Kellogg Boulevard West
Saint Paul, MN 55102
651-296-6126

Construction Agreement

BUILDING RESTORATION CORPORATION



1920 OAKCREST AVENUE SUITE 1
ROSEVILLE, MN 55113
PHONE: 612-789-2800
FAX: 612-789-2875

Submitted to:

Mr. Greg Franke
LaFond Apartments LLC
2530 Harriet Avenue South
Minneapolis MN 55408

Work site location:

LaFond Apartments LLC
434 LaFond Avenue
St. Paul MN 55103

Construction Agreement
Date:
7/16/2012

The parties agree that the work scope shall be the following items selected from BRC's proposal dated: July 16th, 2012.

Building Restoration Corporation (BRC) proposes to furnish the itemized restoration services as described above, in whole or in part, if mutually agreeable. Contact us if you prefer to delete any individual work items listed above. The work scope described above is to be performed for the sum of: **\$51,432.00**
Fifty-one thousand, four hundred thirty-two dollars.

Additional work or requested alterations or deviation from this work scope involving extra costs can be performed upon written orders and will become an additional cost above the cost shown on this agreement. This agreement may be withdrawn by us if not accepted by Buyer within 30 days of the date hereof.

PAYMENT TERMS: BRC to send work progress invoices for each month. Payments are due on the 15th of the following month. 1½% per month interest is due on all past due balances. Final payment is due 15 days after job completion.

Respectfully submitted, Building Restoration Corporation

BUYER'S AGREEMENT

The above prices, work scope, contract terms and conditions contained herein and on the second page of this agreement, **including Paragraph 21**, are hereby accepted. BRC is hereby authorized to perform the work as proposed. Payments will be made promptly.

Greg Franke - LaFond Apartments
Company

Authorized Signature

Accepted by BRC

Date

Title

Date

Construction Agreement

Terms & Conditions

1. **ACCEPTANCE** – This agreement is subject to acceptance by the Buyer within 30 days from the date printed on the face of this agreement and is void thereafter at the sole option of Building Restoration Corporation (BRC), unless an extended period is printed on the face of this agreement. Buyer is to sign this agreement and deliver it to BRC's office. A fully signed agreement will be returned to the Buyer. Any modifications to this agreement shall be initialed and dated by both parties to be binding.

2. **INSURANCE** – BRC carries insurance in the following amounts:

a. **Workers Compensation Statutory Coverage 100/500/100K**

b. **Comprehensive General Liability & Broad form Coverage:**

(1) Bodily Injury	\$ 1,000,000	Each Occurrence
	\$ 2,000,000	Aggregate
(2) Property Damage	\$ 1,000,000	Each Occurrence
	\$ 2,000,000	Aggregate

c. **Comprehensive Automobile Liability**
Combined Single Limit \$ 1,000,000

d. **Commercial/Umbrella Liability \$ 9,000,000 Total Aggregate Limit**

BRC self insures against "Builders Risk" but Buyer may also order such coverage to be bound at Buyer's expense. The Buyer shall pay the cost of any additional premium caused by Buyer asking for greater limits, terms or coverages than those listed above, if available.

3. **GUARANTEE** – BRC warrants its completed work against defective materials and workmanship, exclusive of fire, tornado, acts of God, vandalism, explosion, and normal weathering, wear and tear, for the period of one (1) year from the date of substantial completion of BRC's work. BRC's liability under this warranty shall be, at BRC's option: a) Repair of the defective materials or workmanship; or b) Refund of the portion of the contract price paid by Buyer which was attributed to the defective work by BRC.

Buyer agrees BRC shall not be liable for any other losses or damages, including but not limited to incidental or consequential damages, lost profits, lost sales, injury to person or property, miscellaneous costs or expenses. This Guarantee shall be unenforceable unless BRC is notified in writing within sixty (60) days after the defect is noticed or should have been noticed and BRC is permitted to inspect any areas identified as defective by Buyer. BRC makes no other warranty, express or implied, and all warranties of merchantability and fitness for particular purpose are hereby disclaimed. The full terms and conditions of BRC's Guarantee shall be those provided on BRC's Guarantee Certificate and shall supersede any terms contained herein.

4. **MATERIALS FURNISHED BY THE BUYER** – BRC shall not be responsible for ordering, receiving, unloading, storage or guarantee of any materials that are owned, purchased or furnished by Buyer. Buyer understands that BRC offers no guarantee of existing materials owned by Buyer and not replaced by BRC.

5. **SURETY BOND** – BRC does not include a surety bond, performance or materials payment bond under this agreement. In the event a surety bond is offered by BRC, or required by Buyer the itemized cost to Buyer must be shown on the first page hereof.

6. **BUYER'S RESPONSIBILITIES** – It will be the responsibility of the Buyer to clear out or remove all vehicles, stored materials, etc., to permit BRC complete, free and unrestricted access for its equipment and scaffolding to the building surfaces so that all of the project area upon which BRC is to perform is to be ready and available. This may include access from neighboring properties or rooftops which Buyer warrants shall be provided. The Buyer shall designate a person who shall be fully acquainted with the scope of the work, and has authority to, render decisions promptly, and furnish information expeditiously and approve changes in the scope of the work. The Buyer shall provide adequate assurance and evidence of funding to cover the entire cost of this agreement satisfactory to BRC upon its request.

7. **SCHEDULE** – The Buyer and BRC shall develop a schedule and the Buyer shall be responsible for prompt decisions to maintain the approved schedule. Once approved by BRC the schedule shall not be shortened without BRC's consent. If there is a loss of time due to strikes, lockouts, acts of God and/or if Buyer's job progress is behind schedule at the beginning of the work, Buyer has failed to make timely payments under this agreement, or during BRC's installation period and/or delays are incurred due to Buyer or Architect, or governmental agency having delayed approval of, permits, material samples, color schedules or shop drawings, the said lost time shall be added to the BRC's scheduled date of completion without penalty in fair weather days suitable for the work. Time extensions shall be granted by Buyer for the performance of extra or Change Order work as requested by BRC. In the event Buyer is supplying materials and there is delay in the delivery of Buyer furnished materials or obligations, Buyer shall be liable for all costs incurred by BRC as a result of such delays and shall promptly reimburse BRC for all costs incurred including incidental and consequential damages.

8. **PAYMENT TERMS** – BRC shall provide Buyer with monthly progress invoices. Buyer shall deliver to BRC's office by the 15th of the following month net cash payment for 100% of the invoiced amount without retainage. Any balances due that remain unpaid shall accrue interest at the rate of 1-1/2% per month, which shall be promptly paid by Buyer to BRC's office. These terms may be modified by supplemental terms as printed on the face of this agreement.

9. **FINAL PAYMENT** shall be delivered to BRC's office within 15 days of the date of BRC's final invoice. Final payment by Buyer waives all of Buyer's claims against BRC except warranty claims.

10. **RIGHT TO STOP WORK** – BRC shall have the right but not the obligation, to stop work in the event payment is not made to BRC as required under this agreement. BRC may keep the work idle until such time which payments due to BRC are received by BRC.

11. **ATTORNEY'S FEES AND VENUE** – In the event of default of this agreement, Buyer agrees to pay all costs and expenses of collection or enforcement of the terms of this agreement incurred by BRC, including court costs and all reasonable attorney's fees. Any disputes between the parties shall be venued exclusively in the state or federal courts of Minnesota.

12. **OVERTIME** – The price, unless otherwise stated on the face of this agreement, has been determined on the basis of crews working at straight time during a normal 40 hour work week. No overtime will be worked unless BRC is ordered to do so by the Buyer in writing which shall provide for the payment by Buyer of the additional costs for overtime premium, plus applicable insurance, payroll taxes, reasonable overhead and profit.

13. **CHANGE ORDERS** – If BRC is required to alter or add to the scope of work herein described, due to changes in the drawings, specifications or Buyer's desires, BRC shall receive sufficient notice to establish and execute in writing an agreed upon price prior to proceeding with such extra work. BRC shall not be obligated to perform extra work without a signed change order. BRC shall be provided a copy of all modifications that impact BRC's work. For delays in the work that are not caused by BRC there shall be an equitable adjustment in the contract price to allow for BRC's increased costs. If changes in the work are required to comply with local, state or federal laws, rules or regulations, the contract price shall be adjusted to allow for BRC's increased cost of providing such changes. Such changes shall include, by way of illustration and not limitation, compliance with EPA or MPCA regulations, city building inspection requirements or other governmental agencies having jurisdiction over the work, or temporary safety movement of high power lines.

14. **QUANTITY OF WORK ADJUSTMENTS** – Where the agreement specifies an estimated quantity of work, the contract price shall be equitably adjusted by BRC for deviations from the estimated quantity. In the event that additional work is needed beyond the quantity estimated by BRC's proposal, it shall generally be the Buyer's decision as to whether or not to proceed with additional quantity of work due to the additional costs involved. Where BRC has provided a unit price and an estimated quantity, the listed unit prices shall govern the calculation of the increased cost of the additional work. In the event that a lesser quantity of work is performed, BRC shall in its sole discretion calculate the credit issued to Buyer which may be at less than unit prices shown due to: material return costs, restocking fees, rescheduling costs, inspection costs, and other related expenses.

15. **CONFIDENTIAL INFORMATION** – BRC's proposal and Construction Agreement contain confidential information. BRC shall retain all ownership and proprietary rights in its proposals and the information contained therein. Without the prior written consent of BRC, the Buyer shall not use BRC's proposal for any purpose other than performance of this work by BRC and shall not reproduce nor disclose any information pertaining to BRC or BRC's affairs such as but not limited to its unit prices, bid pricing details, technical or proprietary information, to any person outside of its employ or at any public gathering. In the event of Buyer's non-acceptance of BRC's proposal or termination of this agreement, Buyer shall return to BRC, upon BRC's request, all BRC information including its proposals.

16. **ASSIGNMENT AND SUCCESSORS** – This Agreement shall not be assignable by Buyer without BRC's specific written consent. All rights and obligations of Buyer, under this Agreement, shall inure to the benefit of, and be binding upon, Buyer and Buyer's representatives, heirs, successors, administrators.

17. **SUBCONTRACTING** – BRC reserves the right to assign or subcontract any part of this agreement.

18. **INDEMNITY** – Buyer shall indemnify, defend and hold harmless BRC and its subcontractors against any loss or claim by the building tenants or occupants that the work being performed hereunder or the construction operations, scaffolding and/or equipment, general noise or dust, which interferes with their business operations or reduces their public visibility, sales, profits, sleep or otherwise has an adverse effect on them.

19. **MERGER CLAUSE** – BRC may have made oral statements or shown photographs with comments about the building or work described in its proposal or this agreement. Such statements do not constitute warranties, shall not be relied on by the Buyer, and are not part of this agreement. The entire agreement is embodied in this writing, constitutes the final expression of the parties' intent, and it is a complete and exclusive statement of the terms thereof. This agreement supersedes and nullifies all prior oral and written representations. This agreement may be modified only by subsequent writing signed by both parties.

20. **NON-WAIVER** – Waiver by BRC of any provision hereof shall not constitute a waiver of other provisions, related or unrelated or waiver of Buyer's future compliance of such provision therewith and such provision shall remain in full force and effect.

21. **PERSONAL GUARANTEE** – If Buyer's signer, on the face of this agreement, owns an interest in either the property upon which the work is performed or owns an interest or stock in Buyer's company on the date of signer's signature, then signer does hereby personally guarantee payment to BRC of any sum due and unpaid by Buyer. Signer agrees that he/she is individually, jointly and severally liable to guarantee payment to BRC of any unpaid debt by Buyer including principal, interest, attorney's fees and costs of collection.

22. **PRE-LIEN NOTICE** – "(a) Any person or company supplying labor or materials for this improvement to your property may file a lien against your property if that person or company is not paid for the contributions.

(b) Under Minnesota law, you have the right to pay persons who supplied labor or materials for this improvement directly and deduct this amount from our contract price, or withhold the amounts due them from us until 120 days after completion of the improvement unless we give you a lien waiver signed by persons who supplied any labor or material for the improvement and who gave you timely notice."

23. **LIEN NOTICE** – Default by Buyer of their obligations to provide BRC with prompt payment will subject the property to the filing of mechanic's liens against the title of the property. A copy of the lien will be provided to the property owner.

24. **LIEN WAIVERS** – Upon Buyer's request, BRC will provide Buyer with a written Lien Waiver for labor and materials furnished by BRC, but only for such dollar amount matching payment actually received by BRC at BRC's office.