

**THE
WINDOW STORE
HOME IMPROVEMENTS**



October 1, 2013

To the City of St. Paul,

This letter is to confirm that The Window Store Home Improvements Inc. has a written contract in place dated 9/25/2013 with Triesta Brown to do soffit and fascia work and window wraps at her rental property at 1287 Seminary Avenue in St. Paul to bring her to compliance with city requirements. Triesta also provided us with a down payment at the time of signing the work order with us.

Our company contracts a significant amount of work in St. Paul and would like the opportunity to fulfill our contract duties. We have listed a start date for the contracted work to commence no later than December 10th, which we fully plan to honor. We expect the work to take approximately 5-7 days to complete from the start date.

Due to the volume of storm damaged homes in the area, and the work load it has created for us, we respectfully ask the city to give Triesta Brown the needed time for us to get to this project on the listed time schedule above, so she can accomplish this work and satisfy the city requirements for the property.

Thank you for your consideration on this matter.

Respectfully,

A handwritten signature in cursive script, appearing to read 'Michelle Barthel'.

Michelle Barthel
Chief Operating Officer
The Window Store Home Improvements Inc.
2924 Anthony Lane
St. Anthony, MN 55418
(612) 353-5780
(612) 353-5782
License # BC631932

October 7, 2013

To the City of St Paul,

My Client, Triesta Brown, is currently experiencing all the challenges of property management. It's a complex balance of maintenance, human resources, customer service, financing and city codes and regulations. It has grown more difficult in recent years with the economic crisis, plummeting property values, and the need for cash to maintain these investments to keep up with daily use and city codes and regulations. I have been in communication with Ms. Brown since early 2013 regarding potentially refinancing in the hope of improving her cash flow and providing funds for property maintenance. Declining property values have been a huge roadblock for investment property owners in the last 5-6 years.

Since the 2008 Property Value Assessment, this specific property has seen year on year property value declines of 15%, 23%, 9%, and 8% before stabilizing with the 2013 Assessment. This 4-5 year slide totaled a decline of almost half of the properties Assessed value. With Assessed value imitating the actual market Values, this has made refinancing to fund larger maintenance projects impossible. Even with the advent of the HARP program, the intent of that program was on interest rate reduction for cash flow, not accessing equity for larger projects.

Recent changes by the lending community have tightened criteria on investment properties, and particularly so on 2-4 Plexes. The property in question is a duplex. The refinancing process has become more involved in documentation and support required, so any refinance undertaking must be tackled with the owner's full attention. Attention that can be distracted with property maintenance and other professional and personal demands.

Ms. Brown has put her refinance activity on hold, pending her assessment of continued ownership in this investment property. On a personal level, I hope allowances and flexibilities can be extended to her to encourage her continued ownership, so that she can maintain her property in a way that continues to be an asset to the community of St Paul.

Regards,


Jerry Jackson
NMLS #364283

October 7, 2013

Hi I am Scott Luehring a Financial Advisor and friend of Triesta Brown. I am writing to help remind you of the events that have taken place since the credit crisis of 2008.

Triesta and I have spoke and tried to work with the banks on refinancing some of her properties or taking home equity loans to add additional cash needed for improvements. Triesta is a stellar borrower with good credit, responsibility and the properties are in good condition. The problem is the crisis does not allow the properties to be redone to lower rates, or use cash for capital improvements. The reason is investment properties and the high rate of default as investors let the properties go in to foreclosure. Those defaults make it difficult to get comparable properties to value an appraisal even at the properties purchase price eight to ten years ago.

I owned a mortgage business and understand the lending area. This has been a difficult process and government HARP programs are not available on investment properties. So what does this mean for people who hold investment properties? It means that they are going to pay higher interest rates, property taxes, deal with inspections and get no benefits or subsidies for continuing to make payments on the homes.

Now for getting contractors to work on the homes that need work the land lords are not able to complete themselves. From 2008 to today we have seen numerous builders and contractors go out of business. This makes it difficult to hire someone because of the worry of paying someone who does not complete the project. The building and remodeling has grown stronger in the last two years. People think this is a good time to get contractors but because so many went out of business there is a shortage. This shortage creates issues because the contractors are taking the larger paying jobs like kitchen remodels and room additions over smaller jobs.

The real estate market has been difficult. I know and have heard numerous stories of people letting properties go because the city inspections are requiring non structural work orders that the land lord has to pay out of their pocket. This is after their investments dropped 40% and none of the banks will work with them. They are unable to refinance and take advantage of the low rate environment and it is frustrating.

I have met some of Triesta's tenants and we have talked about these properties numerous times. The renter is strong in personal quality, maybe needs to rent or chooses to, but overall good quality renters that are not issues for the city. Triesta's properties are kept up; improvements are made and continue to be made. I view Triesta as a client of the city and the inspectors should work with her on items that really matter. In my opinion these inspections go too far and are worried about how things look more than functional. I live in a southern suburb and we have one rental from a divorce situation with renter's warehouse. The tenant has a pit bull, previous drug convictions, two domestic assault charges (one while renting across the street from me), and runs a car sales business out of his home. This is a lot different tenant quality than an individual owner like Triesta is looking for. Keep that in mind when working with land lords as it is not all about the money.

Scott Luehring