

evaluation of proposed capital improvement program

A REPORT ON THE FACILITY CONDITIONS OF THE LAMBDA ALPHA EPSILON FRATERNITY RESIDENCE FOR THE PURPOSE OF ANALYZING A PROPOSED CAPITAL IMPROVEMENT PROGRAM AND POSSIBLE MODIFICATIONS.

Prepared for Lambda Alpha Epsilon Fraternity, Inc., 12 Myrtle Avenue, Troy, New York, 12180, by Walter M. Kroner and J. Bruce Kunkel, Associated Architects, RD #1, Clearview Terrace, Rensselaer, New York, 12144,
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March 1977

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March 13, 1977

LAMBDA ALPHA EPSILON FRATERNITY INC.
12 Myrtle Avenue
Troy, New York, 12180

ATTENTION: Messrs. David Haviland and Peter Spiegel

Dear David and Pete:

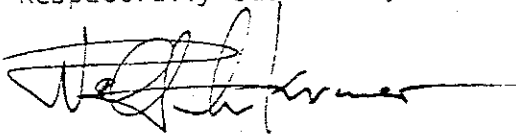
We are pleased to submit for your review our report on the EVALUATION OF PROPOSED IMPROVEMENT PROGRAM. We look forward to the opportunity to discuss our findings with you and the Fraternity's Board of Directors.

We wish to express our appreciation for the opportunity to be of service to you, and we hope that the information provided allows you to proceed towards the repair and improvements of the Residence.

As previously discussed our firm will develop a flow-chart of suggested projects following our meeting with the Board of Directors. Since it was impossible, as a result of our site inspection and the complexities involved, to establish a plan based on alternative cash flow patterns, we would be pleased to assist you in such an effort, when it becomes appropriate.

Once again, thank you for the opportunity.

Respectfully submitted,



Walter M. Kroner AIA

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introduction

The Lambda Alpha Epsilon Fraternity, Inc., residence is located on 12 Myrtle Avenue in Troy, New York. The structure itself was built in 1916 and purchased by the Fraternity in 1961. The property is a corner lot and accommodates a main-residence with an Annex, and a separate Carriage House which has been converted into living quarters between 1969 and 1970. The structure itself is masonry exterior with a wood frame structural system on the inside. The configuration of the main-residence is a three-story arrangement while the carriage-house is a two story arrangement.

Since the Fraternity purchased the property, the Carriage House was converted to a residence and other projects included a boiler replacement, a new 200 Ampere Electrical Service, and miscellaneous repairs and cosmetic improvements.

Since the Fraternity purchased the residence in 1961, a large commitment to the debt service has more or less precluded a major ongoing maintenance and capital improvement program. However, as the Fraternity begins to retire the debt incurred in the purchase of the residence and the upgrading of the Carriage House, considerations for the improvements of the residence become not only possible but necessary.

The lack of funds for continued upgrading and maintenance has in part created a physical state of the residence which demands rectification. For this reason the Fraternity through its leadership developed a Capital Improvement Plan ("Report on Capital Improvements", February 6, 1977). This report delineates a series of problems and proposed methods of solutions together with a budget.

Before proceeding further with this plan, the Fraternity decided to have the plan analyzed by a professional firm with the following Scope of Work:

1. Review and evaluate the draft "Report on Capital Improvements" in terms of,
 - a. the need for the projects included
 - b. Any significant omissions
 - c. appropriateness of the levels of quality indicated for each of the projects
 - d. the possibility of breaking any of the larger projects into phases.

2. Establish a list of capital improvement projects on a priority basis.
3. Working with the Fraternity, establish one or more time-tables for a capital improvement program which includes the projects identified/scoped/costed above and which respond to the Fraternity's cash flow pattern(s) for the next ten years.
4. Prepare a presentation for the Board of Directors of the Fraternity at its March 13, 1977 meeting.

Walter M. Kroner and J. Bruce Kunkel, Associated Architects were commissioned to undertake the scope of work on February 21, 1977 and have completed the task as outlined with the exception of item 3 above. Item three, as the project developed, is not possible at this time until other decisions are made by the Fraternity.

The report briefly presents a summary of the "Report on Capital Improvements" and the information submitted to the Architects. Section Two of the report presents a summary of conditions, problems and concerns identified during several site inspection tours against which the Plan was analyzed in terms of any significant omissions. A detailed listing of the problems and concerns is contained in Appendix A which includes a series of "evidences" which relate to the problems, and where appropriate possible causes of the problems.

Section Three of the report includes the Architects recommendation for resolving and rectifying the observed conditions together with our evaluation of the existing plan, and the analysis of the project costs. The Project Plan Summary provides a first-cut at organizing a workable Capital Improvement Plan and if accepted the Architects will develop a Flow-Chart diagram for the Fraternity to use in subsequent developments. Appendix B is a more detailed description of the Project Plan summarized in Section Three, which also explains the reasons for sequencing the projects.

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existing capital improvement plan

The Fraternity developed a Capital Improvements Plan dated February 6, 1977 including the following major categories and budget costs,

<u>Project</u>	<u>Budget Cost</u>
Roof Repairs	\$ 9,120.00 ✓
Electrical Wiring Repairs	1,800.00 ✓
Stove Extinguisher Improvements	575.00 ✓
Fire Alarm System Upgrading	1,520.00 ✓
Third Floor Heating	625.00 ✓
Storm Windows and Doors	4,500.00 ✓
Widow's Walk Railing Repair	585.00 ✓
Kitchen Renovation	15,000.00 ✓
Total	\$33,725.00

In addition the above referenced Plan proposes the following "Near-Future" and "Long-Range" considerations,

Summary

Near-Future Considerations

- ✓ Masonry pointing
- ✓ Replacement of existing brass plumbing system components
- ✓ Repair of broken stair stringers
- ✓ Detailed examination of heating system including insulation, valves and controls
- Installation of leaders and gutters to prevent ice build-ups

Long-Range Considerations

- Renovation of bathroom facilities
- Site grading to improve drainage
- ✓ Investigation of foam-in-place insulation to reduce heat-loss
- ✓ Consideration of total residence renovation

In addition, the Fraternity provided a proposed Kitchen Renovation Plan complete with outline specifications, cost estimates, and design development drawings.

After preliminary discussion with representatives of the Fraternity and a brief site-visit, it was decided that a detailed visual inspection of the residence was necessary in order to provide the client with a meaningful analysis of the existing Capital Improvement Plan. The detailed site inspection and the complexities of problems identified suggested to us that we develop a comprehensive inventory of all repair requirements and improvement suggestions. These would then be translated into a Project Plan which in turn would facilitate the analysis of the existing Capital Improvement Plan.

The Fraternity also provided us with "Possible Financing Approaches" which could be helpful in assembling a Master Plan for Capital Improvements based on financial capabilities. This report does not include a Capital Improvement Program based on the Fraternity's Cash Flow Pattern, due to complexities not anticipated at the beginning of the project.

problems and concerns summary

The project team visited the Residence on several occasions each time accompanied by the House President, Mr. Peter Spiegel. During these visits extensive visual inspections were undertaken of all subsystems. However, in no case did the inspection include any dismantling of any building element for a more detailed investigation. It is also necessary to point out that neither the inspection nor Scope of Work included any engineering analysis of questionable conditions.

The Problems and Concerns are summarized here and Appendix A presents a detailed list of problems, conditions, repair requirements and areas of concern which regardless of importance or seriousness needed to be presented. This comprehensive inventory hopefully provides an awareness to the client not only of the conditions of the Residence but more importantly possible changes in physical facilities management in the future. Many of the problems, in our opinion, exist because at an earlier time they were not resolved when the expense of doing so would have been much less. We realize that such may be the case due to lack of funding and not necessarily mismanagement.

The detailed description of PROBLEMS AND CONCERNS (Appendix A) includes the following information:

1. Problem/Concern: A brief description of the conditions observed.
2. Evidence: A series of indications, observations, and conditions which support our conclusion of the Problem/Concern situation.
3. Possible Causes: In some cases we include information on our estimation of the causes which brought about the condition described.

The information is organized principally on a subsystem basis and the numerical system of organization does not suggest any priority or ranking of problems and concerns but serves as a reference. One additional element of information contained in the detailed description is a reference column. This column contains a number which refers the reader to the

Proposed Project Plan Summary contained in Section 3 of this report and to the detailed explanation of the Plan (Appendix B).

While the list of problems and concerns appears rather extensive and at first glance overwhelming, this is not necessarily the case. Many of the problems and concerns can be resolved and physically taken care of by the fraternity brothers themselves. In some cases, professional guidance might be required, some require the employment of Contractors but for the most part, the brothers could handle a major portion of the tasks.

Problem Area	Specific Condition
I Structural Problems	<ul style="list-style-type: none"> a. Settlement of Interior structural members b. Foundation Deterioration c. Structural Separation of the Annex from the Main House d. Structural Deterioration of Exterior Terraces
II Electrical	<ul style="list-style-type: none"> a. Main Service and Feeder Inadequacy b. Improper and Unsafe Wiring and Lighting c. Inadequate Electrical Service to Spaces d. Deficient Fire Alarm System
III Exterior Masonry	<ul style="list-style-type: none"> a. Deteriorated Chimneys b. Exterior Masonry Wall Deterioration c. Terrace Paving and Masonry Repair d. Deteriorated Window Wells
IV Roofing	<ul style="list-style-type: none"> a. Main Roof Deterioration. b. Flashing, Gutters and Leaders Deterioration and Inadequacies c. Flat Roof Deterioration d. Garage Roof Deterioration e. Widow's Walk Deterioration
V Exterior Doors and Windows	<ul style="list-style-type: none"> a. Damaged/Defective Conditions b. Energy Conservation Deficiencies
VI Heating, Plumbing and Ventilation	<ul style="list-style-type: none"> a. Inadequate Heating b. Defective Heating System c. Plumbing Defects d. Plumbing Improvements e. Lack of Ventilation System
VII Casework and Interior Finishes	<ul style="list-style-type: none"> a. Defective Stairs b. Defective Interior Doors c. Defective/Damaged Casework d. Wood Floors e. Tile Floors f. Plaster and Gypsum Defects
VIII Kitchen	
IX Fire Safety	<ul style="list-style-type: none"> a. Exits and Safety Problems b. Protection Inadequacies c. Hazards

Problem Area	Specific Condition
X Energy Conservation	a. Windows and Doors b. Thermal Insulation Deficiencies
O XI Site Work	<i>brushes, front walk,</i>
XII Bath Facility Improvements	

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project plan summary

After analyzing the conditions listed in the previous section it became necessary to develop a reasonable plan of resolving the problems and concerns. Obviously some of the problems, conditions and concerns are of greater importance than others. Some improvements must be completed before other repair items can be undertaken. In addition, it was necessary to provide some indication to the Fraternity of the omissions between the Existing Capital Improvement Plan and our observations. For this reason we developed a Project Plan which is summarized in this section, and an expanded and more detailed version is presented in Appendix B.

The Project Plan attempts to respond to the problems and concerns described earlier with some sense of priority based on our professional judgement of what conditions, problems and concerns should be resolved first or which appear to be more important than others. From this plan the Fraternity should be in a position to develop a revised Capital Improvement Plan based on the Financial conditions of the fraternity.

The Project Plan Summary provides the following types of information:

1. Project Area: A brief description of the type of repair involved.
2. Project Description: A brief description of the specific task involved. For a more detailed description, see Appendix B.
3. Omissions: The column entitled "Allotted in CIP" refers to our assessment to what extent the suggested repair is reflected in the existing Capital Improvement Plan. A fully darkened circle (●) suggests that the task is fully covered in the Plan, whereas a half darkened circle (◐) suggests that this task is only partially covered in the Plan. A blank circle (○) indicates that the problem was recognized by the Fraternity but scope and budget was not identified. A void simply means that the existing Plan does not include this project.

4. Dollars Allotted: The second column under "Allotted in CIP" indicates the amount of money allotted for the task in the existing Capital Improvement Plan.
5. Resolution/Action: Suggests how the project can be resolved. In some cases the condition requires further "Engineering Analysis" in order to accurately pinpoint cause and the most appropriate method of repair. In other cases "Professional Assistance" may be required for review of specifications or design suggestions. A third option might be that a "contractor" needs to be employed to undertake the repair, while the last column indicates that the work can be undertaken by the brothers in the Fraternity.
6. Additional Cost: Provides our estimate of the additional amount of money which has to be allocated for the repairs indicated. It is our professional opinion that the extent of the repair either requires additional funds over and above those allotted in the existing CIP, or our estimate of the cost (based on 1977 prices) where the repair has been omitted from the Plan.
7. Total Cost: Adds the allotted amount of money reflected in the existing CIP to the amount of additional funds for each repair category. Where self-help is indicated, the dollar amount refers to material costs.
8. Relative Priority: The last column in the Project Plan summary provides an indication of the criticality of the repair category. This judgement is based on our professional opinion what should be taken care of in the immediate future and what can be postponed to subsequent phases.

The order of Project Areas also reflects a sense of importance. We are of the opinion that repairs associated with the exterior envelope of the building are of greatest importance in order to stabilize some of the conditions from further deterioration. Another category of importance is the safety aspects of certain conditions which in our opinion are more crucial than improving some of the problems associated with lack of quality.

Allotted CIP		Resolution/Action				Add.	Total	Relative Priority				
Status	Allotted Amount \$	Eng. Analysis	Prof. Assist.	Contractor	Self-help	\$	\$	I	II	III	IV	N

1. ROOF REPAIRS

a. Main roof gutters and flashing	<input checked="" type="checkbox"/>	4,966.- + 585.-	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	60.- +500.-	6,111.-	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. Replace rotten wood framing and fascia	<input checked="" type="checkbox"/>	incl. above	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>			<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c. Replace defective slate	<input checked="" type="checkbox"/>	incl. above	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>			<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d. Repair and paint fascia trim	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	100.-	100.-	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e. Leader Heat cable	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	400.-	400.-	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f. Garage Roof	<input checked="" type="checkbox"/>	2,432.-	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>		2,432.-	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Money Allocation		7,983.-					1,060.-	9,043.-					

2. CORRECT FOUNDATION PROBLEMS

a. Chimney Foundations	<input type="checkbox"/>		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	1,500.-	1,500.-	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. Foundations related to interior structures	<input type="checkbox"/>		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	1,650.-	1,650.-	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Status	Allotted CIP		Resolution/Action				Add. \$	Total \$	Relative Priority				
	Allotted Amount \$		Eng. Analysis	Prof. Assist.	Contractor	Self-help			I	II	III	IV	N

(continued)

Window Wells	<input type="radio"/>	0.00	—	—	—	<u>x</u>	100.-	100.-	<u>x</u>	—	—	—	—	—
Terrace Foundations	—		—	—	<u>x</u>	—	1,000.-	1,000.-	—	<u>x</u>	—	—	—	—
Money Allocation		0.00					4,250.-	4,250.-						

EXTERIOR MASONRY REPAIR

Masonry Walls	<input type="radio"/>	0.00	—	—	<u>x</u>	—	1,600.- to 4,600.-	1,600.- to 4,600.-	—	<u>x</u>	—	—	—	—
Terrace Curbs and Paving	—		—	—	—	<u>x</u>	100.-	100.-	—	—	<u>x</u>	—	—	—
Garage Masonry	<input type="radio"/>	0.00	—	—	<u>x</u>	—	400.- to 1,000.-	400.- to 1,000.-	—	<u>x</u>	—	—	—	—
Money Allocation		0.00					2,100.- to 5,700.-	2,100.- to 5,700.-						

REPAIR EXTERIOR DOORS AND WINDOWS

							500.- to 1,000.-	500.- to 1,000.-	—	—	<u>x</u>	—	—	—
Money Allocation							do	do						

Allotted CIP		Resolution/Action				Add. \$	Total \$	Relative Priority				
Status	Allotted Amount \$	Eng. Analysis	Prof. Assist.	Contractor	Self-help			I	II	III	IV	N

AIR FLAT FS

air structure	○	0.00	—	—	x	—	300.-	300.-	x	—	—	—
finishing, Flashing doors and doors	●	1,722.-	—	—	x	—		1,722.-	x	—	—	—
air and ant Wood cia and m	—		—	—	—	x	300.-	300.-	—	x	—	—
KEY ALLOCATION		1,722.-					600.-	2,322.-				

**BILIZE
ERIOR
UCTURE**

central structure	—		x	x	—	x	100.- to 600.-	100.- to 600.-	—	x	—	—
ailed ineering lysis	—		x	—	—	—	100.-	100.-	x	—	—	—
st Floor sts	—		—	—	—	x	600.-	600.-	—	x	—	—
cking	—		—	—	—	x	400.-	400.-	—	x	—	—
KEY ALLOCATION		0.00					1,800.-	1,800.-				

**ELECTRICAL
RECTIONS**

n Panel and istribution item	○	1,550.-	—	—	x	—	400.-	1,950.-	—	x	—	—
re Alarm electrical blems	●	1,520.-	—	—	x	—		1,520.-	—	x	—	—

Status	Allotted CIP Amount \$	Resolution/Action				Add. \$	Total \$	Relative Priority				
		Eng. Analysis	Prof. Assist.	Contractor	Self-help			I	II	III	IV	N

7. Continued

c. Electric Heat	<input checked="" type="radio"/>	625.-	—	—	<u>x</u>	—	625.-	—	—	—	<u>x</u>	—	
d. Correct Unsafe Lighting and Wiring	<input checked="" type="radio"/>	250.-	—	—	<u>x</u>	—	500.-	750.-	—	—	<u>x</u>	—	
e. Miscellaneous Electrical	—	—	—	—	<u>x</u>	—	50.-	50.-	—	—	—	<u>x</u>	
f. Kitchen Electrical Preparation	<input type="radio"/>	incl. in (a.) above	—	—	<u>x</u>	—	—	incl. an (a.) above	—	—	<u>x</u>	—	
MONEY ALLOCATION		3,945.-					950.-	4,895.-					

8. STAIR REPAIRS	<input type="radio"/>	0.00	—	—	<u>x</u>	—	1,000 to 4,000	1,000.- to 4,000.-	—	—	<u>x</u>	—
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MONEY ALLOCATION do do

9. FIRE SAFETY PROBLEMS

a. Fire Doors	—	0.00	—	—	<u>x</u>	—	900.-	900.-	—	—	<u>x</u>	—	
b. Hazard and Protection	—	—	—	—	<u>x</u>	—	100.-	100.-	—	—	<u>x</u>	—	
MONEY ALLOCATION		0.00					1,000.-	1,000.-					

Status	Allotted CIP Amount \$	Resolution/Action				Add. \$	Total \$	Relative Priority				
		Eng. Analysis	Prof. Assist.	Contractor	Self-help			I	II	III	IV	N

10. HEATING PLUMBING AND VENTILATION

a. Repair Heating System Defects	<input type="radio"/> 0.00	<u>x</u>	—	<u>x</u>	—	up to 10,000.-	up to 10,000.-	—	<u>x</u>	—	—	—	—
b. Improve Water Heater Capacity	—	—	—	<u>x</u>	—	250.-	250.-	—	—	—	—	—	<u>x</u>
c. Renovate Bath Facilities	<input type="radio"/> 0.00	—	<u>x</u>	<u>x</u>	<u>x</u>	7,350.-	7,350.-	—	—	—	—	—	<u>x</u>
d. Upgrade Plumbing system	<input type="radio"/> 0.00	<u>x</u>	—	<u>x</u>	—	6,000.-	6,000.-	—	<u>x</u>	—	—	—	—
e. Bath Ventilation	—	—	—	<u>x</u>	—	500.-	500.-	—	—	<u>x</u>	—	—	—
MONEY ALLOCATION	0.00					24,100.-	24,100.-						

11. ENERGY CONSERVATION

a. Attic Ventilation and Insulation	—	—	—	—	<u>x</u>	600.-	600.-	—	—	<u>x</u>	—	—	—
b. Install Storm Windows/Doors	<input checked="" type="radio"/> 4,500.-	—	—	<u>x</u>	<u>x</u>	400.-	4,900.-	—	—	—	<u>x</u>	—	—
c. Install Air-Lock at Main Entrance	—	—	<u>x</u>	<u>x</u>	—	4,000.-	4,000.-	—	—	—	—	—	<u>x</u>
MONEY ALLOCATION	4,500.-					5,000.-	9,500.-						

Allotted CIP		Resolution/Action				Add. \$	Total \$	Relative Priority				
Status	Allotted Amount \$	Eng. Analysis	Prof. Assist.	Contractor	Self-help			I	II	III	IV	N

KITCHEN RENOVATION

Stove Extinguishing System	<input checked="" type="radio"/>	575.-	—	—	<u>x</u>	—	575.-	—	—	<u>x</u>	—	—
Electrical	—	incl. below	—	<u>x</u>	<u>x</u>	—	400.-	400.-	—	<u>x</u>	—	—
Renovation	<input checked="" type="radio"/>	15,000.-	—	<u>x</u>	<u>x</u>	—	3,000.-	18,000.-	—	—	—	<u>x</u>
Flooring	<input checked="" type="radio"/>	incl. above	—	<u>x</u>	<u>x</u>	—	included above		—	—	—	<u>x</u>
MONEY ALLOCATION		15,575.-					3,400.-	18,975.-				

INTERIOR FINISHES

	<input type="radio"/>	0.00	—	—	<u>x</u>	<u>x</u>	up to 10,000.-	10,000.-	—	—	—	<u>x</u>
MONEY ALLOCATION		0.00					do	do				

TOTAL MONEY ALLOCATION		33,725.-					55,760.-	89,485.-				
							to 62,860.-	to 96,585.-				

conclusion

Having presented the range of problems and concerns and the requirements for repairs, improvements and upgrading combined with cost estimates of these repairs, an immediate reaction or question might be whether it is worth to make this kind of investment in a residence of this age (about 60 years) and whether or not it would make sense to consider other alternatives. Such alternatives might include buying another existing residence or the construction of a new Fraternity House.

In our opinion neither alternative is a likely candidate for the following reasons:

New Construction: In order to obtain a residence of similar area and accommodations, the construction cost would range somewhere between \$35.- and \$50.- per square foot, assuming a reasonably level of quality construction. There is no doubt in our mind that quality of construction reflected in the existing residence cannot be duplicated today.

Another reason against new construction is the simple fact that in order to place the house on the market a certain amount of repairs and renovations would have to be done regardless, in order to avoid a significant loss in the sale. A simple example would be our own recommendations for repair which would be the same if done for a client who considers buying the house.

Buying an Existing House: has many cost uncertainties associated with it. Nevertheless it is safe to assume that in addition to the purchase price repair, renovation and improvement costs would have to be added. This simply constitutes trading one area of problems and concerns for another.

In short, it is our opinion, with the potential of self-help repair and professional advice where recommended, that significant savings can be achieved. The savings due to self-help would not be an option in new construction. From this perspective, we recommend that the Fraternity stay in its present residence, develop a modified Capital Improvement

Plan based on this report, and begin to make the improvements. With these improvements and repairs, and a continued effective repair and maintenance program, the residence will serve the Fraternity for a long time.

In addition to the information presented in this report, a few remarks need to be made related to the kitchen renovation plan and some other peripheral aspects.

The Kitchen

As indicated in our Project Plan the Kitchen renovation appears low on the list of Projects. The reason is simple, other projects are much more crucial and should be rectified before the kitchen alterations. Another observation which needs to be amplified is our analysis of the proposed renovation. In our opinion some minor modifications to the plan layout could improve the kitchen function, and an improvement in the quality of finishes and equipment is a definite must. The current level of quality anticipated for the renovation suggests that after a 5-10 year period the kitchen would have to be renovated again. This could be avoided if improved floor finishes, cabinet specification, and counter materials were specified. Since this would increase the cost of the project, we recommend that the kitchen renovation be phased to allow incorporation of better materials and longer-lasting installation.

Building Code

Code requirements suggest that if the building improvements within a six month period are equal to or greater than 50% of replacement cost of the building, improvements must meet the code applicable to a new building. We have assumed that any improvement plan will not exceed such costs and therefore have excluded new building code requirements.

Provisions for Handicapped

Our analysis of the existing conditions of the residence and suggested improvement plan does not reflect renovations as required for occupancy by the handicapped. If such were required, additional modifications are required.

Structural Violations

Our concern for the structural problems are based on the requirements of the New York State Building Code Section B 301 for Multiple Dwellings which indicate specific limits for deflections and loading.

Other Code Requirements

Our listing of problems and concerns related to plumbing, heating, electrical, ventilation and fire protection are based on the applicable requirements of the building code (B-501-d) which apply regardless of the cost of renovation.