# Harborside Condominium Trust
# Egress, Siding & Decking Project

We apologize we are not able to provide you with the visual graph of expenditures at this time, but please find the following financial recap on the project as of April 30, 2023:

The Project has incurred expenses (architectural, engineering, permitting and construction) as of April 30, 2023:

| | |
|---|---|
| C Building: | $236,944.59 (Completed) |
| D Building: | <u>$504,507.91</u> |
| Subtotal | $741,452.50 |

Financials are based on the latest available information. The Trust continues to do everything possible to contain the cost of the project.

Phase 2a is complete.

- The West-facing (internal) stair tower meets Life Safety Code.
- Code-compliant windows to provide light into the stair tower are in place.
- The sprinkler system including the alarm system, egress lighting and fire department notification is operational in all units.
- Delays and costs were incurred that were not controllable by the Trust, Lesley Management, the contractor, the architect nor the structural engineer.

Phase 2b is in progress.

- The contract for Phase 2b was initiated by DiPietro and approved by the Trust.
- A representative of the Trust, Lesley Management, the architect, the structural engineer, and a representative of DiPietro continue to meet every three weeks to review the status of Phase 2b and readjust as necessary.
- Permitting for Phase 2b is underway with the Town of Marblehead. The permit should be issued shortly.
- A modification of Phase 2b (an extended deck on the South end of the building) resulted in a delayed clearance by the ZBA. Therefore, the Trust, in consultation with the architect, structural engineer and the construction company, decided to treat the modification in question separately (under a new contract and a new permit) to allow Phase 2b to continue. The modification is now called Phase 2c.
- As soon as the Permit for Phase 2b is issued by the town, exploratory work will be initiated (including some demolition) to determine deterioration in the exterior walls and under decks.
- Budgetarily, the Trust, under the Terms of the Loan, withdrew $150,00 (withdrew an additional $150,000 for a total of $500,000) to cover any increases in budget due to the above-mentioned deterioration. Any or all of this amount can be returned to the lending institution and the loan will be readjusted. The addional funds borrowed,

including principal payments and interest, **will not impact the current monthly fees nor require a special assessment.**

- As we are moving into May with residents returning to Harborside, and as the construction ramps up, the Trust will continue to monitor the parking situation and will take necessary measures to allow for the safe movement of vehicles.
- Please also note that under Phase 2b, all D building owners will need to remove and find storage for everything on the decks including pots, plants and furniture.
- At this point, until we discover the extent of the deterioration behind exterior walls and under decks of Building D, we cannot project a clear closing date for the project, but we are doing everything we can to close the project as rapidly as possible. When more information is available, we will update the progress chart.

The Trustees and Lesley Management would like to continue to express their appreciation to the owners of Harborside for their continued support and patience.