SUBJECT: Selection of build out contractors & other build out issues.

FORGET IT. IT'S NOT HAPPENING ANYTIME SOON!

I visited the building today. The gutted units interior common elements must be completed before the interior build-out commences.

Things that must happen first (that I know of).

- * Windows must be installed sheetrock must be fitted and finished up to the window frames if a professional job is to be had.
- * Code issues within the unit walls must be corrected. (the ones I am aware of)
 - a. All ceiling penetrations must pass a 1 or 2 hour fire block rating, this includes things like "can" lights.
 - b. Fire alarm boxes must be fire blocked metal, not plastic.
 - c. Ceiling areas above the fir-downs (a/c vent runs) must be sheetrocked to effect fire blocking.
 - d. Gaps in plumbing & wire runs between units must be fire blocked.
- * Old 120 Volt AC fire alarm bell wiring remains, sometimes just hanging there.
- * The provided internet / cable wiring (the blue cable) must go to something, else this was a waste of money. You will need to almost gut you unit later to make use of this if not dealt with before the unit is sheetrocked.
- * A/C air handler units still need the "line sets" (Freon piping) completed.
- * A/C duct work must be installed.
- * Common element insulation must be installed this is the insulation separating one unit from another, the ceilings and the exterior walls.

Notes: Common elements are really more than just the exterior walls. The A/C lines and all plumbing necessarily run through common element walls. All weight bearing walls are also common elements. In essence, nearly all walls need at least one layer of sheetrock to re-establish the common elements. In fact everything is a common element that a homeowner cannot remove in renovating or updating his unit.

Once common element sheetrock has been installed the permitting issues are basically over provided the process has properly progressed. At this point the unit owner has an inspected sheetrocked shell at which time interior build-out may proceed. (Some of this is mentioned in the Meadows Homes contract)

An individual owner is not allowed to enter into a contract for or alter the common elements without specific written approval of the board of directors. The board of directors is the official entity responsible for the common elements. I suggest you read the by-laws and the Meadows Home contract for reference.

The building will not be granted occupancy permission by the City of New Orleans until the fire alarm system is operational. This means that at least some form of approved wall in the lobby with power & telephone service must be in place. No such place for the fire alarm panel exists at this time.

Personally, I would not think a "build-out" for occupancy is possible for quite some time. Much like the Road Home program, I think Michael's latest build-out time table is overly optimistic. I hope he proves me wrong.

Note: Everyone must continue to pay their condo fees and any additional assessments for two reasons.

- 1. It supports the restoration effort and ongoing routine expenses.
- 2. The board of directors will sell your unit out from under you at a foreclosure sale as required to protect the interests of homeowners at large.

* Disclaimer: This is merely the personal opinion of one homeowner and accuracy is certainly not guaranteed.

Good Luck to us all,

Lee Longstreet, unit 423

... Added 1/08 Please also see Favalora's letter of March '07 regarding occupancy.