



To: All Peloton Owners
From: The Defect Repair Committee (DRC)
Date: November 5, 2018
Re: Update #2: Defect Repair Plan as of 11-5-2018

This Update will focus on what the DRC currently estimates to be a general outline of construction defect repairs, and the prioritization of those repairs

We are interviewing engineers and contractors, and the Association (HOA) expects to hire an engineering firm soon. One of the first tasks an engineering firm will complete is a Risk Analysis, to evaluate all defects alleged in the construction defect litigation, and to recommend prioritization of necessary repairs.

(Note: The HOA Board, on recommendation of the DRC, has already hired Hammersmith Construction Services and Bill Cowan, the HCS Project Manager who was also the Peloton Building Engineer for several years, to represent and advise the Peloton HOA and the DRC during the pre-construction phase of the repair process. HCS and Bill Cowan have been fully engaged for the HOA in this capacity since October 9, 2018.)

The full nature, extent, and order of repairs are not yet known and will be determined by the DRC and the Board in conjunction with the engineering and construction firms hired by the HOA. Our current expectation is that necessary repairs can be funded from the proceeds of the construction defect settlement, which has now been fully paid by Defendants' insurance carriers. We will notify you if that expectation changes.



The DRC presently anticipates that the general categories of defect repairs, and the phases of repairs, will be as follows for all HOA buildings and common areas:

- Fire Suppression System repairs;
- Concrete and Flatwork repairs;
- Building Envelope repairs; and,
- Mechanical Systems repairs (including Fireplace, Plumbing, and HVAC Systems).

The actual nature, extent, and order of repairs are not yet known and will be determined by the DRC and the Board in conjunction with the engineering and construction firms hired by the HOA. We will provide periodic Updates to advise Owners of developments on these matters.

Legal Notice: The information in this Update is preliminary in nature and contains general assumptions about repair priorities, repair work, and repair costs. At this time no final decisions have been made as to the actual nature, scope, or timing of any specific repairs. Because this information is subject to change, you should not interpret it to be a guarantee that any specific repairs will be made. The Association will not be liable for losses or damages allegedly caused by reliance on anything in this Update.

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