

# CARLYLE HEIGHTS CONDOMINIUM

## DECLARANT'S AMENDED STATEMENT OF CONDITION OF PROPERTY

As of May 21, 2004

### A. PRESENT CONDITION OF ALL STRUCTURAL COMPONENTS, MECHANICAL SYSTEMS AND ELECTRICAL SYSTEMS

The following statement about the physical condition of Morningside Chase Apartments, which is being converted into Carlyle Heights Condominium (hereinafter "the Property") is made by Morningside Residential, LLC (hereinafter "the Declarant") and is based upon reports prepared by Essex Engineering dated March 31, 2004 and May 14, 2004 (hereinafter "the Report"). The following statements are made in reliance on the Report. A copy of the Report is attached hereto as Exhibit A. Purchasers are urged to refer to the Report for additional information concerning the Property and buildings, and also to conduct such inspections as they deem appropriate to satisfy themselves regarding the condition of the residential units and the buildings.

The Declarant has owned the Property since August 29, 2003 and is therefore not intimately familiar with each and every component and system, and other matters covered by this Report. It is important for the potential purchaser to understand that the Property is not "new construction," but is in fact more than 31 years old, having been built around 1973. **The Units are being sold "AS-IS", except for any manufacturer warranties that may be transferable.**

As noted in the report, all structural components are in generally good condition and all mechanical and electrical systems are generally considered to be adequate for the space being served.

### B. DECLARANT'S ESTIMATE OF USEFUL LIFE

No estimate of useful life is made by the Declarant regarding the structural components and the mechanical, electrical and plumbing systems. Furthermore, no express or implied warranties of any kind are included herein, nor are any promises made that any item will actually last.

### C. DECLARANT'S LIST OF VIOLATIONS AND COSTS TO CURE

To the best of the Declarant's actual knowledge, there are no outstanding notices of uncured violations of building code or other county or municipal regulations.

#### D. Declarant's List of Repairs

The Declarant has owned the property for less than eight months and is therefore not intimately familiar with each and every component and system, and other matters covered by the Report. *It is important for the potential purchaser to understand that the property is not new construction and is being sold "AS-IS", except for any manufacturer warranties that may be transferable.*

Upon close inspection it is apparent that the Property has experienced normal wear and tear, aging and deterioration that would be expected for a property of its age. Recognizing the age of the Property, the Purchaser should not expect the condition of the Property to be new or similar to new construction. Rather, since each individual unit varies in the condition of component or system, the Declarant cannot be more specific other than to state to potential Purchasers that some type of repairs and replacements should be expected.

The Declarant intends to undertake only the following remedial actions or repairs recommended in the Report:

1. Repair, re-paving and re-striping of driveway and parking asphalt.
2. Repair or replace concrete curbing as necessary.
3. Stabilize patio pads that have been eroded.
4. Re-work landscaping around terrace level units to minimize risk of moisture penetration.
5. Repair exterior electric meter closets
6. Wire brush metal stair stringers and paint with conversion coating, rust inhibitive paint.
7. Scrape and clean or replace clogged soffit vents.

#### MAY 15, 2004 UPDATED AND AMENDED INFORMATION:

During the course of unit preparation in Building E in May 2004, Declarant discovered evidence of prior building settlement and a previous patio repair in the stack of Units that includes E13, E14, E15, E16, E17 & E18. The settling was most noticeable in Unit E13 where a crack in the concrete of this ground floor Unit was observed in the living room and bedroom. The floor of the bedroom and outside patio of Unit E13 were also observed to be out of level, sloping towards the embankment at the rear of Building E. Unit E14 was affected to a lesser degree in the living room and bedroom and sloping in the outside patio area. Minor floor cracking in upper level Units was observed which is a result of the slab settlement.

Essex Engineering Corporation was retained by the Declarant to examine the condition and recommend a course of action for remediation. Their observations, recommendations and review of work performed are attached.

May 14, 2004

Mr. Tony Rogowski  
Morningside Residential  
1445 Monroe Drive  
Atlanta, Georgia 30324

Reference: **Review of Installation of Foundation Piers**  
Morningside Chase Apartments  
Essex Project No. 04616

Dear Mr. Rogowski:

Essex Engineering Corporation (Essex) was contracted by Morningside Residential to observe the installation of the foundation piers at units E13 and E14 and provide a letter report on our observations. The work was performed in accordance with our Proposal No. P04445 dated May 5, 2004, and the Proposal Acceptance Sheet including the Terms and Conditions authorized by you on May 6, 2004.

Mr. Bruce Goddard with Essex visited the site after the installation of the foundation piers by Ram Jack. Ram Jack installed eight piers each at units E13 and E14 in accordance with the attached schedule. The piers were installed to depths of between 12 and 14 feet each and developed a bearing capacity of from 12,000 to 28,000 pounds each. The piers were installed either through the slab (photographs 1, 2, 4-8) or at the edge of the slab as shown in photographs 3 and 9. It is our opinion that the piers will provide sufficient capacity to support the patio slabs and wall foundations.

It has been a pleasure working with you on this project.

Sincerely,

Essex Engineering Corporation

*Bruce C. Goddard* / *PHB*  
Bruce C. Goddard, P.E.  
Project Engineer  
*WITH PERMISSION*

*[Signature]*  
Kenneth B. Green, Jr., P.E.  
Principal Engineer

Attachments: Ram Jack letter  
Photographs

Photograph #1



Remarks

Unit E13 living room with three piers installed through slab to stabilize exterior wall.

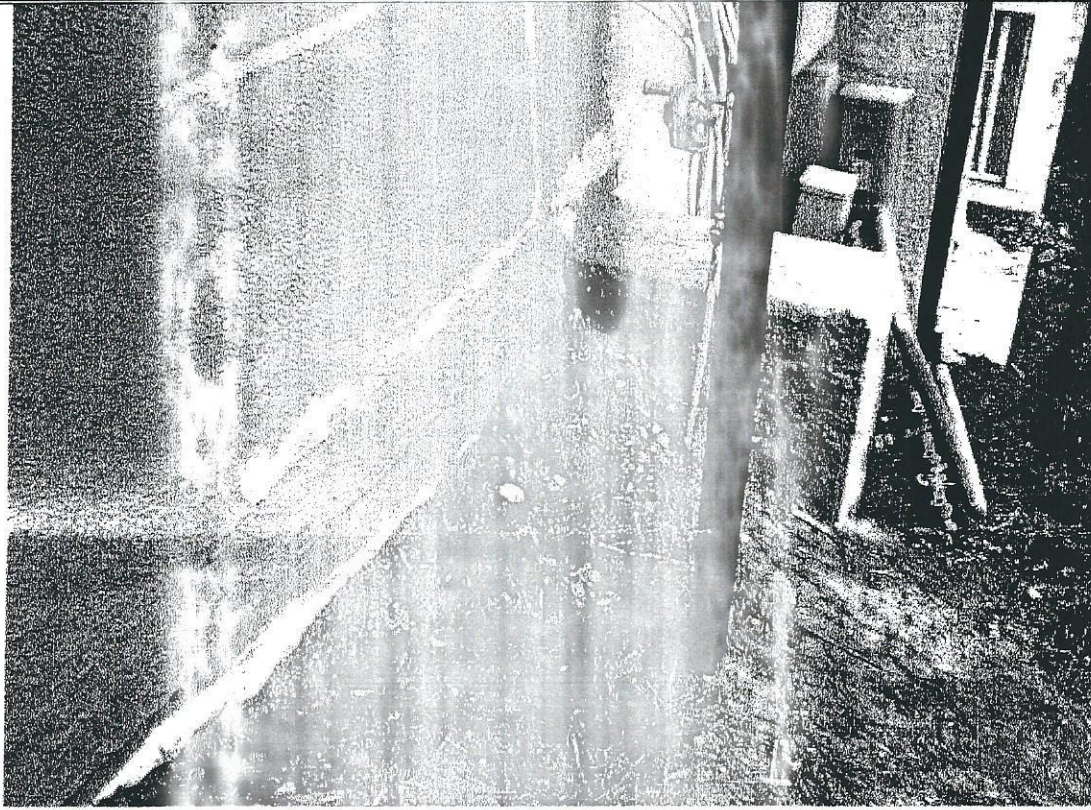
Photograph #2



Remarks

Unit E13 living room with three piers installed through slab to stabilize exterior wall.

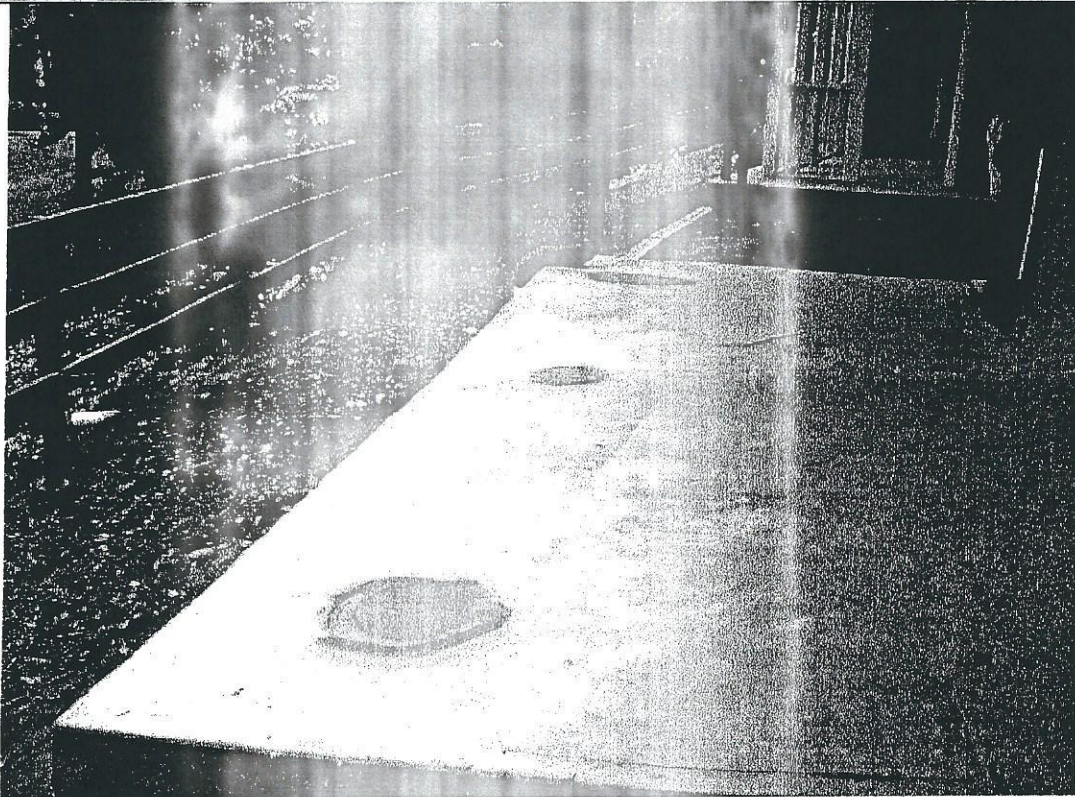
Photograph #3



Remarks

Unit E13  
bedroom  
with pier  
installed at  
edge of  
foundation  
wall to  
stabilize  
exterior wall.

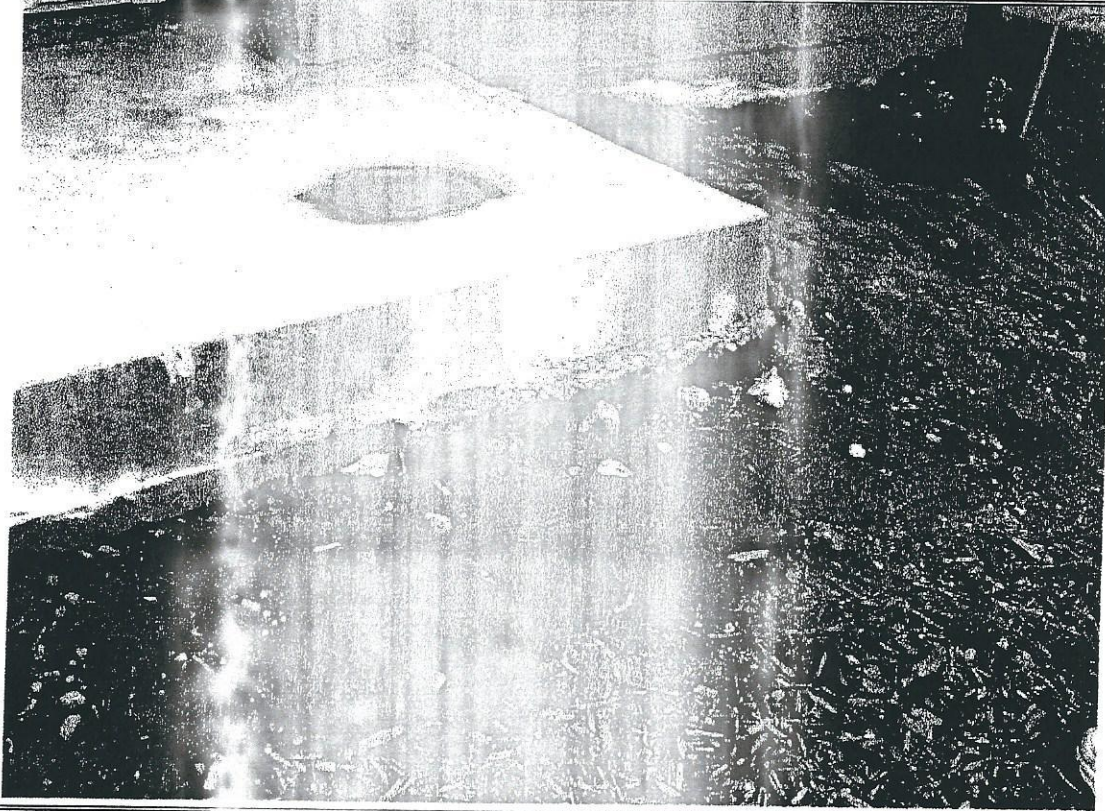
Photograph #4



Remarks

Unit E13  
with piers  
installed  
through patio  
slab.

Photograph #5



Remarks

Unit E13 patio slab. Edge of slab was raised approximately 3-4 inches at end. Contractor is to grout voids under all slabs.

Photograph #6



Remarks

Unit E13 with installed piers through patio slab.

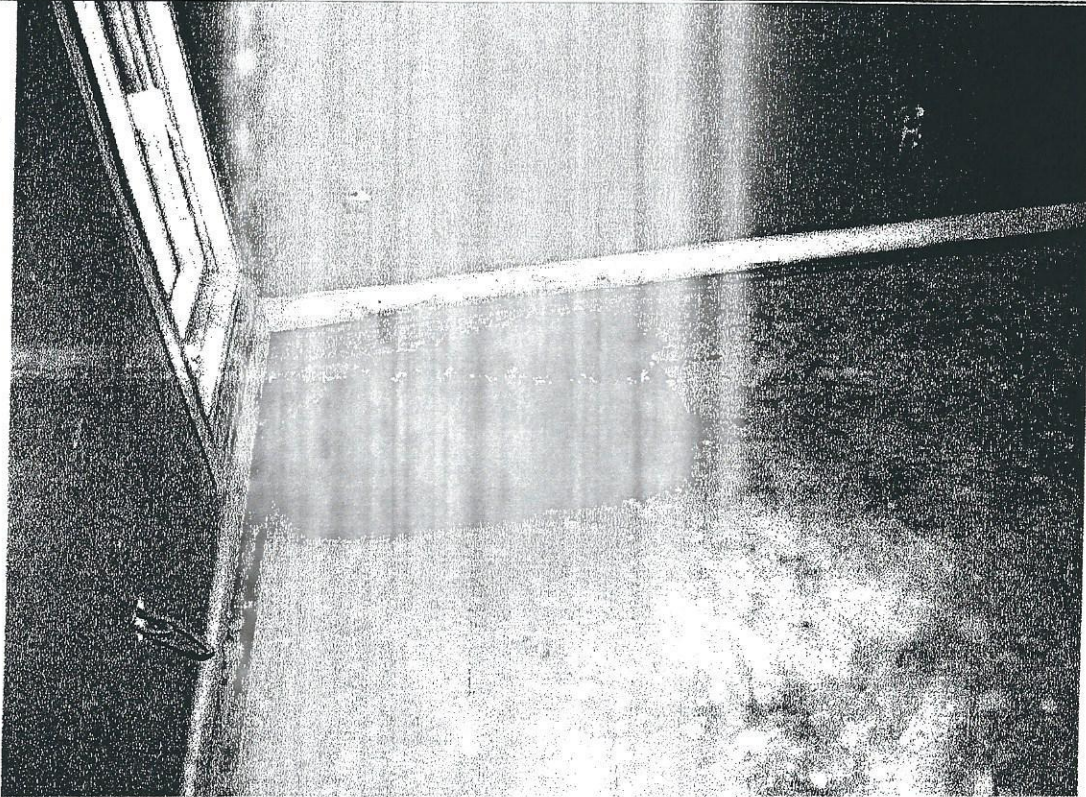
Photograph #7



Remarks

Unit E14 living room with three piers installed through slab to stabilize exterior wall.

Photograph #8



Remarks

Unit E14 bedroom with piers installed through slab to stabilize exterior wall.

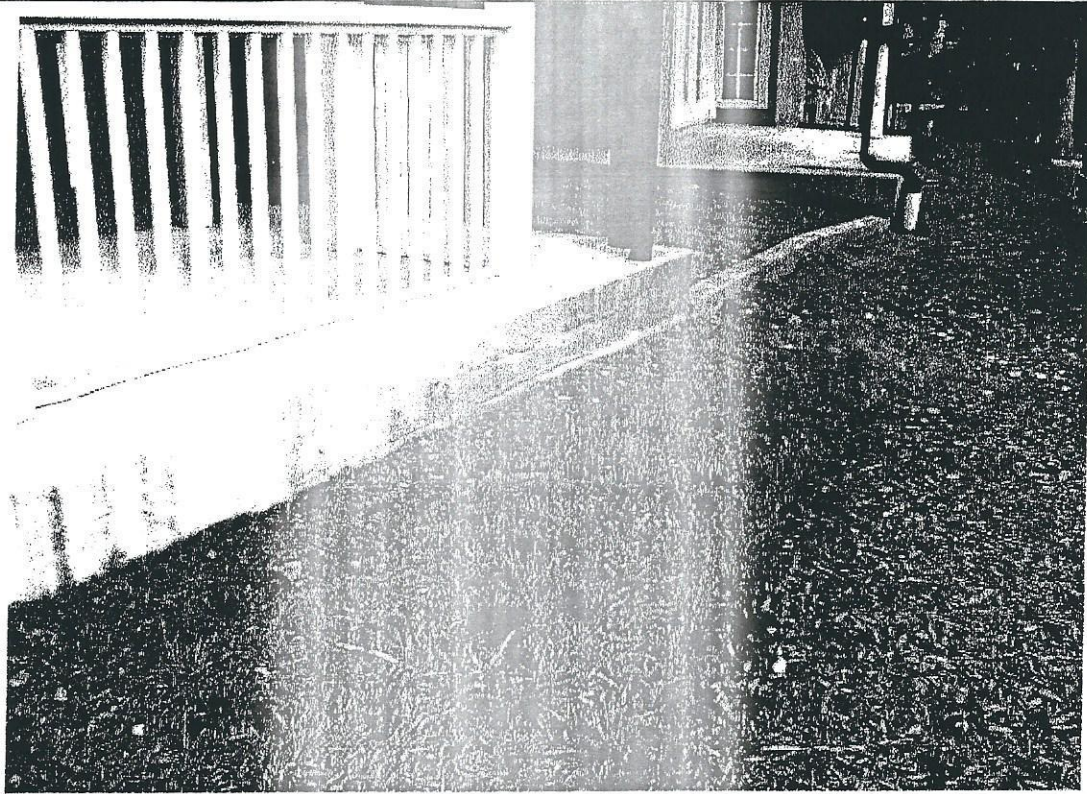
Photograph #9



Remarks

Unit E14 bedroom with pier installed at edge of foundation wall to stabilize exterior wall.

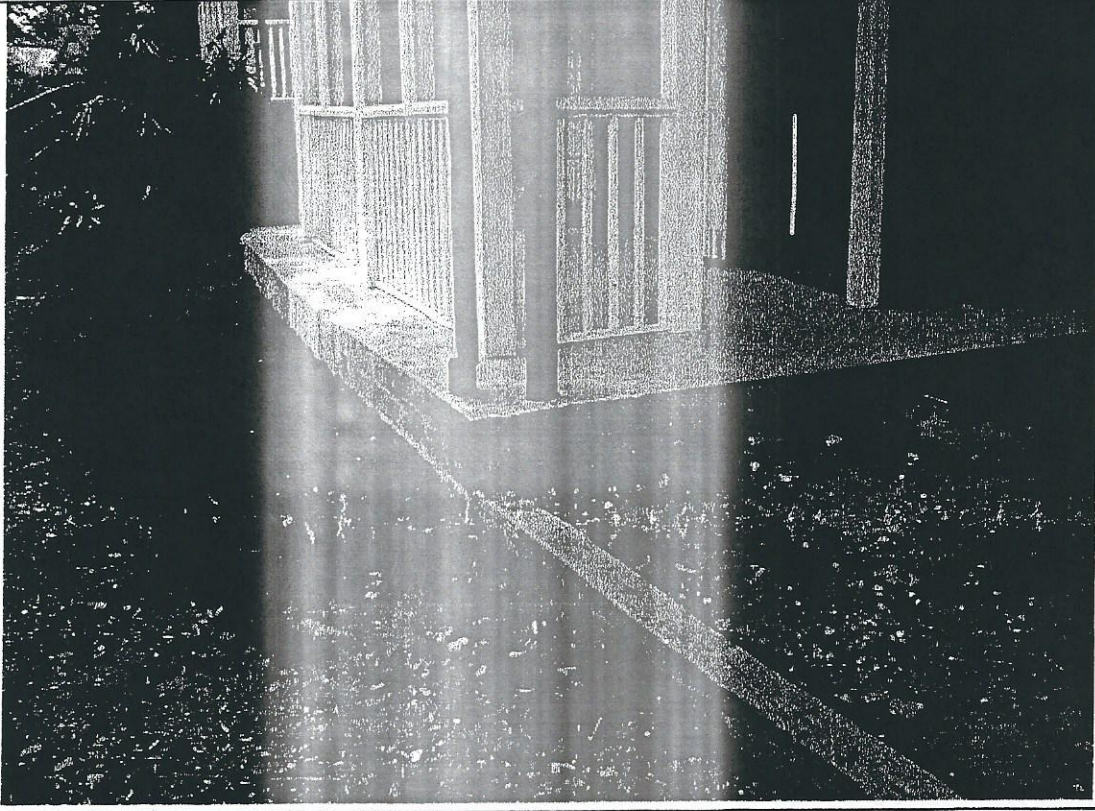
Photograph #10



Remarks

Unit E14 edge of patio slab.



| Morningside Chase Apartments  | Photograph Sheet | Slab Settlement                    |
|---|------------------|------------------------------------|
| Photograph #11  |                  | Remarks                            |
|  |                  | Unit E14<br>edge of patio<br>slab. |

May 06 04 09:21 a

ATLANTA RAM JACK, INC.

Patents #4673315  
#4911580  
Patent Pending

**PATENTED STEEL PIER  
AGREEMENT FOR THE WORK**

AGREEMENT MADE MAY 6, 2004  
Between ATLANTA RAM JACK, INC. & MORNINGSIDE  
RESIDENTIAL  
(Site Address CARLYLE HEIGHTS ATLANTA, GA  
(Owner or Owner's Agent) referred to as "Owner" and Atlanta  
Ram Jack, Inc., referred to as "Ram Jack."

**I. Purpose of The Work**

The sole and exclusive purpose of The Work is to improve horizontal alignment of the foundation beam and/or prevent further settlement of the foundation in the immediate area of The Work.

**II. Areas of The Work**

The areas of The Work are limited to that immediate portion of the foundation beam supported by a series of piers as indicated on the Service Plan beginning with the first pier and ending with the last pier.

**III. Description of The Work**

Install Ram Jack patented steel piers in the areas designated on The Service Plan and Cost of Services.

- A. Remove plants as necessary in the immediate areas of The Work.
- B. Excavate a small opening, approximately 3' x 3' at each pier location.
- C. Place the support brackets under foundation beam.
- D. Install the extended guide sleeve through the support bracket.
- E. Hydraulically advance steel piling sections through the support bracket until final refusal.
- F. Lift the foundation beam uniformly in the areas of The Work to reduce slab deflection within the practical limitation of the structure.
- G. Secure all piers after lift is accomplished with Ram Jack patented securing technique.
- H. Replace soil in excavated areas. Replace concrete and replace original plants as required in the course of The Work.

**IV. Price of The Work**

The Owner shall pay Ram Jack for performance of The Work as described in this Agreement the sum of FIVE THOUSAND DOLLARS (\$5,000.00)

**V. Collection**

No down payment is required prior to commencement of The Work, but the total sum for The Work is due immediately upon completion. Please pay Supervisor immediately upon completion of The Work. Should Ram Jack be required to bring suit in any court for payment due under this Agreement, Ram Jack shall be entitled to reasonable attorney's fees from the Owner and interest at the highest rate allowable by law beginning from date of default. The payment of the total sum is a condition precedent to the validity of all warranties offered by Ram Jack.

**VI. Arbitration**

Ram Jack and Owner agree that any controversy or claim whether such claim is for breach of contract, tort, violation of statutes or otherwise, arising out of or relating to this Agreement, any representations or warranties, expressed or implied, or the goods or services of Ram Jack, shall be settled by arbitration in accordance with the Construction industry arbitration rules of the American Arbitration Association pursuant to the Federal Arbitration Act and judgement upon the award rendered by the arbitrator may be confirmed, entered and enforced in any court having jurisdiction. The result of any arbitration, whether or not accepted is binding.

**VII. Partial Invalidity**

Should any portion of this Agreement be declared null and void, the remainder of this Agreement shall remain valid and enforceable by either party.

**VIII. Entire Agreement**

The Owner has had an opportunity to read and understand and agrees to abide by the entire Agreement for The Work, all of which is incorporated by specific reference as the following:  
(Please Initial.)

- \_\_\_\_\_ Agreement for The Work
- \_\_\_\_\_ Limitation of The Work
- \_\_\_\_\_ Service Plan
- \_\_\_\_\_ Cost of Services
- \_\_\_\_\_ Limited Lifetime Warranty
- \_\_\_\_\_ Causes of Foundation Failure

Any changes or alterations in this Agreement must be agreed to in writing and signed by a corporate officer in order to be valid. The terms of this Agreement are intended by the parties as a final expression of their agreement with respect to such terms and also as a complete and exclusive statement of all terms.

Executed this 6 day of MAY, 2004

ATLANTA RAM JACK, INC.

Representative

[Signature] Date 5/6/04

Owner

Owner

Date

ATLANTA RAM JACK, INC.

Patents #4673315  
#4911580  
Patent Pending

ATLANTA RAM JACK, INC.  
LIMITATIONS OF THE WORK

1. Plumbing

Separations in plumbing may exist prior to The Work and/or may occur as a result of The Work. The Owner releases Ram Jack from all responsibility for damage to plumbing as a result of The Work or consequential damages to the structure caused by plumbing leaks. RAM JACK STRONGLY RECOMMENDS A HYDROSTATIC PLUMBING TEST OF ALL SUPPLY AND WASTE SYSTEMS.

2. Pre-existing Defects

The Owner releases Ram Jack from all responsibility for damages caused by pre-existing defects. Such defects may include, but are not limited to, insufficient steel or cable reinforcement, insufficient or weak concrete.

3. Recovery Exclusion

Ram Jack specifically excludes any representation of "leveling", "fixing", or "closing cracks." The Supervisor for The Work will not lift the foundation beyond a practical limit unless a waiver for excessive damages is agreed to and signed by the Owner. Lifts may be hindered by cosmetic repairs of previous damages.

4. Concrete Replacement

If the scope of The Work includes installation of piers through concrete, replacement concrete may not match existing concrete.

5. Limitation of Proposed Remedy

The proposed remedies do not exclude the need for additional work now or in the future. The Work is not intended, nor is it represented, to be an "All-inclusive Fix."

6. Plants

Plants that are affected by excavation may not survive. No Warranty of any kind is extended to plant survival. The Owner may choose to hire a professional nurseryman to remove and replace plants in order to improve their chance of survival.

7. Damage Exclusion

Ram Jack shall exercise due diligence in performing The Work. However, cracks may develop in concrete, brick, sheetrock, rock veneer or other rigid materials during the course of The Work. Ram Jack shall not be liable for any such damages.

8. Potential for Future Movement

There is always potential for future movement of the foundation as described in "Causes of Foundation Failure." Ram Jack recommends waiting through at least one seasonal moisture cycle before making any cosmetic repairs.

It is the Owner's responsibility to take care of the following items should they be a problem either now or in the future:

- Water lawn during dry periods
- Correct plumbing leaks as soon as they are discovered.
- Remove large trees or shrubs in areas adjacent to the foundation.
- Install root barriers where roots of large trees or shrubs may affect foundation.
- Eliminate all ponding of water anywhere near the foundation.
- Install guttering and down-spouts where necessary and remove excess water away from the foundation.
- Install sub-surface drainage system.
- Provide positive surface drainage away from the foundation.

# RAM JACK

FOUNDATION REPAIR SYSTEMS

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## Company Bio

RamJack

To find out more about RamJack's Dealer Network, go to our [Dealers section](#).

Have questions? Use our [online form](#).



RamJack of Texas, Inc.  
 RJT Commercial Inc.  
 3065 Forest Lane  
 Garland, Texas 75042  
 972.494.3800  
 Fax 972.272.6292

Ram Jack is a family-owned business that began operations in 1968, in Ada, OK. Concrete piercing was the original repair method chosen simply because that was essentially the only technology being used at the time; however, it became evident within a few years that the concrete pier did not provide long-term stabilization of foundations and that only a short-term warranty period could be given.

The owners embarked on a research program to develop a repair system that would stand the test of time and one that an acceptable warranty period could be provided to the building owner. The first patent of the Ram Jack system was issued in 1985 and over the past 10 years additional refinements and patents have followed. Also in 1985, Ram Jack moved its corporate headquarters to Dallas and began expanding throughout Texas.

Since the introduction of Ram Jack in Dallas, the company has installed approximately 70,000 piers on approximately 6,500 residential and commercial buildings. The company currently has offices and/or affiliates in Dallas, San Antonio, Tulsa, Oklahoma City, and Ada, Oklahoma, as well as a dealership network that spans the U.S.A.

The consistent, steady growth of the company is due to two factors: The Ram Jack repair system is the most reliable foundation repair method designed to date and the company is managed and operated by thoroughly-trained professional employees. Any [comments](#) you might have concerning any aspect of our company are greatly appreciated. Please let us know.

Thank you for your support,  
 The Ram Jack Family

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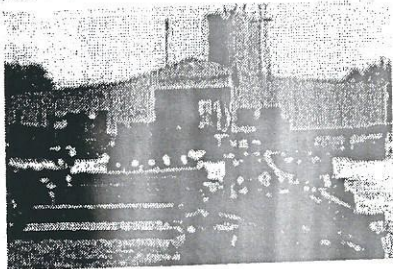
# RAM JACK

FOUNDATION REPAIR SYSTEMS

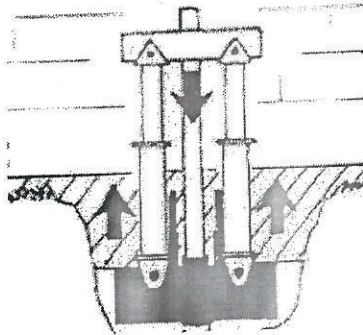
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## Superiority of the Ram Jack System

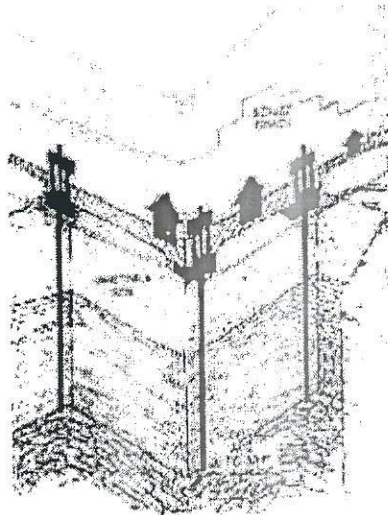
Ram Jack



Ram Jack Foundation repair system is patented and manufactured by Ram Jack, so we maintain strict quality control from start to finish. Only the highest quality components are used in the repair of your home.



Ram Jack's patented lift system is used to recover settlement of your home. High carbon, steel pilings are driven vertically by 70,000 lbs. of hydraulic power to an average of 22 feet below your home to anchor the structure and prevent future settlement.



A hydraulic pump uses a synchronized lift to raise the affected areas of your home simultaneously to maximum practical recovery.

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May 18, 2004

Atlanta Ram Jack, Inc. installed piers in units 13 and <sup>14</sup>~~18~~ at Carlyle Heights 1445 Monroe Dr. Atlanta, Ga 30324. Following is a breakdown of the of the installation specifications.

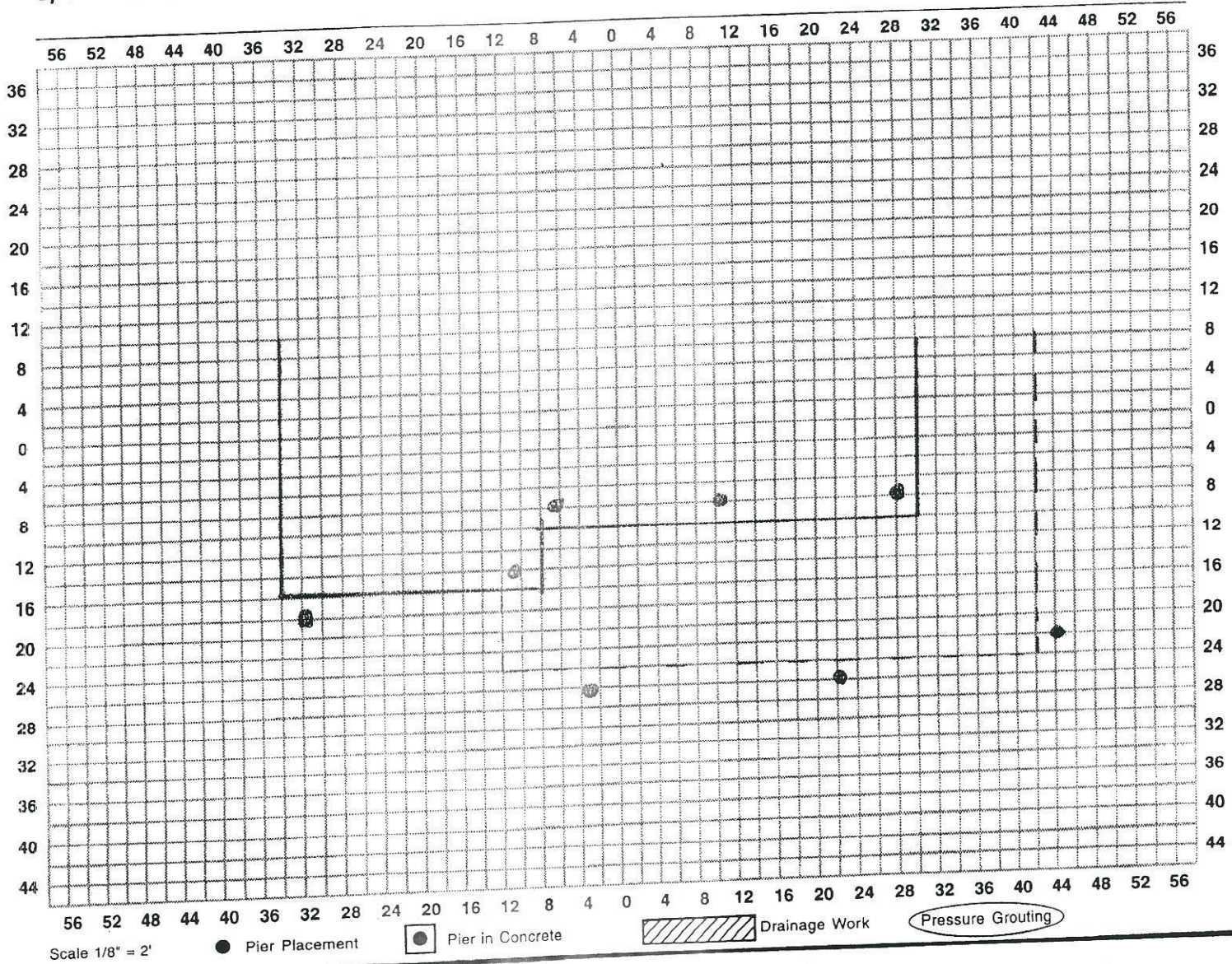
Unit 13

| Pier#/Type | Pier Depth | Installation Pressure | Bearing Capacity |
|------------|------------|-----------------------|------------------|
| 1 helical  | 12'        | 18,000lbs.            | 12K              |
| 2 helical  | 12'        | 18,000lbs.            | 12K              |
| 3 helical  | 12'        | 18,000lbs.            | 12K              |
| 4 push     | 13'        | 34,000lbs.            | 28K              |
| 5 push     | 14'        | 34,000lbs.            | 28K              |
| 6 push     | 14'        | 35,000lbs.            | 28K              |
| 7 push     | 14'        | 36,000lbs.            | 28K              |
| 8 push     | 13'        | 36,000lbs.            | 28K              |

Unit ~~18~~ 14

| Pier#/Type | Pier /Depth | Installation Pressure | Bearing Capacity |
|------------|-------------|-----------------------|------------------|
| 1 push     | 14'         | 35,000lbs.            | 28K              |
| 2 helical  | 13'         | 36,000lbs.            | 28K              |
| 3 helical  | 13'         | 34,000lbs.            | 28K              |
| 4 push     | 14'         | 36,000lbs.            | 28K              |
| 5 push     | 14'         | 36,000lbs.            | 28K              |
| 6 push     | 13'         | 34,000lbs.            | 28K              |
| 7 push     | 13'         | 34,000lbs.            | 28K              |
| 8 push     | 14          | 36,000lbs.            | 28K              |

Special Instructions: Install Ram Jack steel piers to stabilize foundation



Name Morningside Residential # E-14  
 Number: Home 4/64-6534 Work 4/85-4800  
 Site Address Carlyle Heights  
 City/State Atlanta GA Zip \_\_\_\_\_

**RAM JACK SERVICES:**

Steel Piers/Area A: (Estimated 5 piers) \$ 5000.00  
 Steel Piers/Area B: (Estimated 3 piers) \$ 3000.00  
 Helix Piers: (estimated \_\_\_\_\_ piers) \$ \_\_\_\_\_  
 Pressure Grouting: \_\_\_\_\_ \$ \_\_\_\_\_  
 Drainage Work: \_\_\_\_\_ \$ \_\_\_\_\_  
 Other Services: \_\_\_\_\_ \$ \_\_\_\_\_

\* Additional charges will be necessary if production crew encounters any of the following:

|                                     |             |
|-------------------------------------|-------------|
| Exterior Slab Cut .....             | \$50.00/ea  |
| Interior Slab Cut .....             | \$100.00/ea |
| Pre-Construction Piers .....        | \$100.00/ea |
| Shoring Pads .....                  | \$100.00/ea |
| Special Bracket .....               | \$100.00/ea |
| Footing Deeper Than 24 Inches ..... | \$125.00/ea |

Pier depth exceeding 30 ft. will be charged extra \$12.00/foot

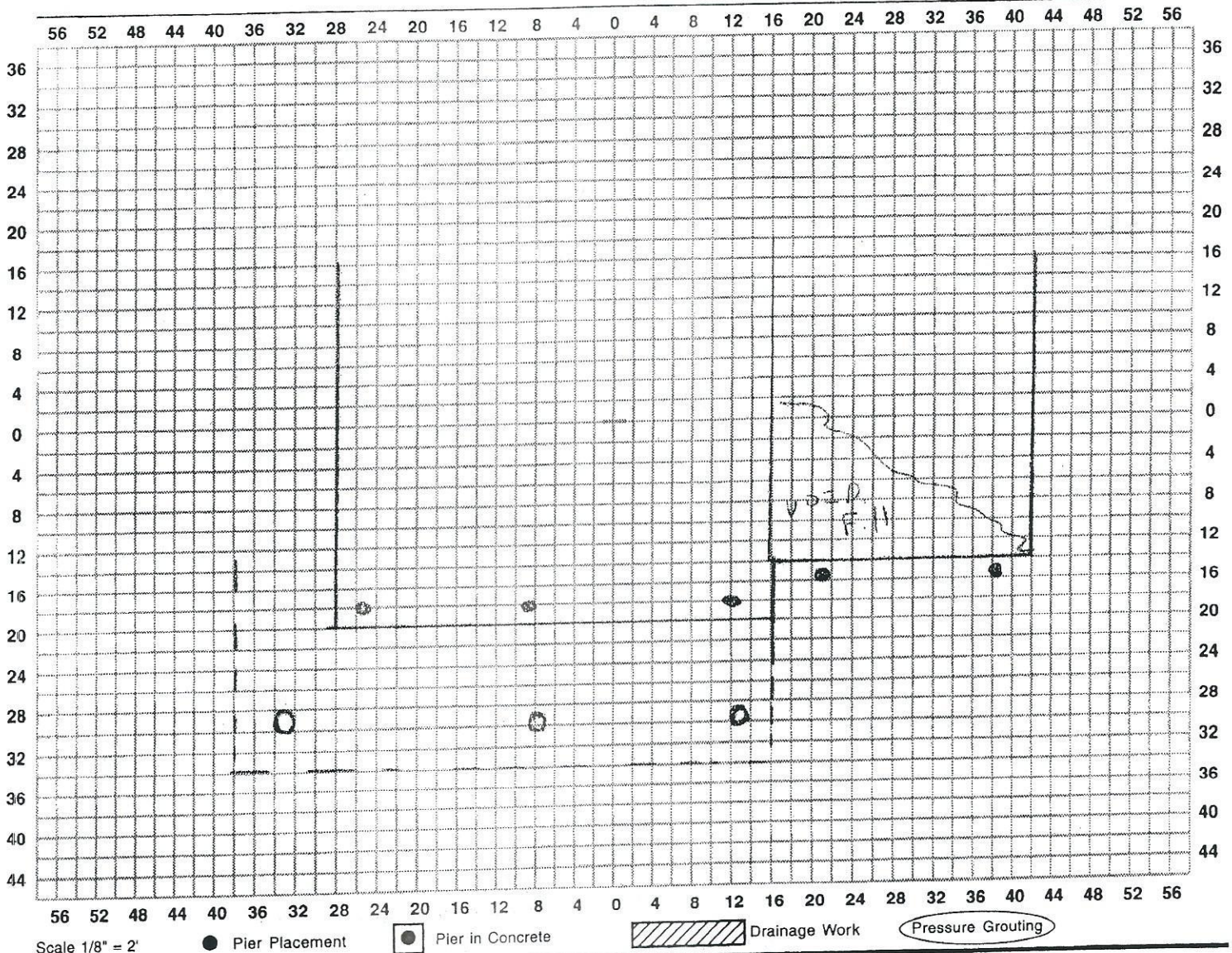
TOTAL DUE UPON COMPLETION \* \$ 3000.00

\* \$ 3000.00

[Signature] 5/20/04  
Date

UPON COMPLETION OF EACH SERVICE

Special Instructions: \_\_\_\_\_



Name Morningside Residential # E-13  
 Number: Home 6614-6834 Work 4/2575-4800  
 Site Address Carlyle Heights  
 City/State Atlanta GA Zip \_\_\_\_\_

**RAM JACK SERVICES:**  
 Steel Piers/Area A: (Estimated 5 piers) \$ 5000.00  
 Steel Piers/Area B: (Estimated \_\_\_\_\_ piers) \$ \_\_\_\_\_  
 Helix Piers: (estimated 3 piers) \$ 3000.00  
 Pressure Grouting: 22 cubic Feet \$ 1000.00  
 Drainage Work: \_\_\_\_\_ \$ \_\_\_\_\_  
 Other Services: \_\_\_\_\_ \$ \_\_\_\_\_

\* Additional charges will be necessary if production crew encounters any of the following:

|                                     |             |
|-------------------------------------|-------------|
| Exterior Slab Cut .....             | \$50.00/ea  |
| Interior Slab Cut .....             | \$100.00/ea |
| Pre-Construction Piers .....        | \$100.00/ea |
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| Special Bracket .....               | \$100.00/ea |
| Footing Deeper Than 24 Inches ..... | \$125.00/ea |

Pier depth exceeding 30 ft. will be charged extra \$12.00/foot  
RAM JACK 5/20/04

TOTAL DUE UPON COMPLETION \* \$ 9,000.00  
 \_\_\_\_\_ OF EACH SERVICE