

Condominium Association of Parker Plaza Estates, Inc.

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May 16, 2006

Dear Unit Owner,

The need to protect Parker Plaza and your individual unit against hurricane damage is essential and must be addressed immediately. The exterior windows of the building are common elements; therefore, the Board can make the decision to have the Association install hurricane impact glass. On the other hand, in order for the Association to install shutters, a majority of the unit owners must vote in favor of shutters. **SO THAT YOU CAN MAKE AN INFORMED CHOICE AND HAVE A VOICE IN THIS IMPORTANT DECISION, WE ARE PROVIDING YOU WITH THIS LETTER, A COST ANALYSIS, SOME FREQUENTLY ASKED QUESTIONS, AND A BALLOT.** Every year we risk the possibility of experiencing a strike from a major hurricane without having proper protection in place. In addition, the overwhelming hurricane activity over the past several years has created a crisis in the segment of the Florida insurance industry that covers condominium associations. Insurance carriers are declining to provide coverage to condominiums that do not have hurricane protection throughout the building.

We have established a Hurricane Protection Committee comprised of structural engineers, architects, and other professionals who understand the type of damage that our building could sustain. They have researched and sought advice about what is needed to safeguard our individual and collective interests. The facts and recommendations given to us by these professionals are as follows:

- In the event that a substantial hurricane hits our building, many windows and sliding glass doors may fail. We have already experienced this in 2005.
- Wind and water, once inside the building, may cause damage not only to the private property of unit owners, but also to neighboring units and all common elements. We have already experienced this in 2005.
- Repairs could be prolonged and would create a huge and costly inconvenience for many unit owners. We have already experienced this in 2005.
- Our insurance deductible was previously 2% (\$1,200,000.00±). This year, on our upcoming renewal, the insurance deductible will be 3% (\$1,800,000.00±). **In the event of a casualty loss, all unit owners share the deductible expense. We have already experienced this in 2005. It is to the benefit of everyone to limit our exposure by installing hurricane protection.**
- We can significantly reduce our insurance premium by having hurricane protection throughout the building. Our risk would be less; therefore, more companies would be willing to insure us at more competitive rates.

The Building Protection Committee recommends that all unit owners have hurricane protection on all windows and exterior doors. The two means of protection that the committee recommends are **HURRICANE IMPACT GLASS WINDOWS AND EXTERIOR DOORS** or **ACCORDION SHUTTERS**. Roll-down shutters have been eliminated from the recommended options because they have all the disadvantages of accordion shutters, yet cost the same price as impact windows and doors. The two recommended solutions provide equivalent protection and all products meet the required standard. However, there are distinct advantages and disadvantages to both options, and they are outlined below.

OPTION A: HURRICANE IMPACT GLASS WINDOWS AND EXTERIOR DOORS

ADVANTAGES

- We would be permanently replacing our deteriorating 35-year old windows and doors. Many existing windows and doors are difficult to operate, rattle, and allow infiltration of water and air.
- Our new windows and exterior doors would comply with the most current building code.
- They would require minimum maintenance.
- They would improve the appearance of our building and modernize our exterior.
- They would reduce noise and provide UV protection and enhanced energy efficiency.
- We would have the opportunity to change the color and design of our windows.
- Hurricane protection would be in place at all times and no one would have to worry about closing their shutters while being away.
- Maintenance would be able to concentrate on securing the common areas of the building before a hurricane, rather than attending to the shutters of unoccupied apartments.

DISADVANTAGES

- Impact windows and doors cost approximately twice the price of accordion shutters.
- Installation could be somewhat disruptive to each unit owner.
- The cost of replacing any broken or damaged glass is more than standard glass.

OPTION B: ACCORDION SHUTTERS

ADVANTAGES

- Shutters cost approximately half the price of impact glass.

DISADVANTAGES

- We would still have non-compliant aging windows.
- Someone would need to be in the unit to close the shutters in the event of an impending storm.

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- Shutters could be difficult to close and would require the use of an extension pole at some locations.
- Shutters require lubrication on a semi-annual basis.

A great deal of time and effort has been devoted to the research and investigation of the different types of protection, as well as ongoing work to secure the most competitive price for the best quality product. Please find enclosed a **COST ANALYSIS**, based upon your proportional share of ownership in the association, for both **HURRICANE IMPACT GLASS WINDOWS AND EXTERIOR DOORS (OPTION A)** and **ACCORDION SHUTTERS (OPTION B)**. You will also find a list of **FREQUENTLY ASKED QUESTIONS** that anticipate some of the many concerns that we all have about this issue.

Also enclosed you will find a **BALLOT**. **PLEASE MARK THIS BALLOT AND RETURN IT TO THE OFFICE BY 5:00 PM, JUNE 7, 2006.** If Item 1 on the ballot is approved by a majority of the voters, the Association will install hurricane protection. Regarding Item 2, you are deciding on the type of hurricane protection for the entire building. If a majority votes for shutters, the Association will install shutters; if a majority votes for hurricane impact glass, the Board will vote for the Association to install hurricane impact glass. Whether or not you currently have hurricane protection, please complete and submit your ballot. This is an important decision that affects all unit owners and we urge all unit owners to participate in this vote! You can help decide the direction of Parker Plaza. **EVERY VOTE COUNTS!**

If Item 1 is not approved, all unit owners are **STRONGLY** encouraged to provide hurricane protection for their units. Unit owners may install their own shutters. However, they may not install their own hurricane impact glass, as the Association's documents state that a unit owner may not alter the common element windows without the approval of 75% of the unit owners. We will continue to help with the purchasing of either impact glass or shutters for those unit owners who are interested. Please remember that if you choose not to protect your unit, you are putting your property, and the property of your neighbors, at risk.

Florida has been experiencing an increasing amount of hurricane landfalls, and the storms have been stronger and larger in size. In truth, no matter how active the hurricane season, all it takes is one serious storm, headed in our direction, to create a disaster. We cannot continue to rely on old construction standards to protect us and it would be irresponsible for us to leave our safety up to chance. We must be proactive and take care of ourselves, each other, our homes and our building.

Respectfully,

Your Board of Directors

HURRICANE PROTECTION COST ANALYSIS

		<u>OPTION A</u>	<u>OPTION B</u>	
		<u>IMPACT WINDOWS AND EXTERIOR DOORS</u>	<u>ACCORDION SHUTTERS</u>	
<u>UNIT TYPE</u>	<u>UNIT NUMBER</u>	<u>PRICE</u>	<u>PRICE</u>	<u>NOTES</u>
A	02-11-16-25	\$9,907.00	\$5,510.00	
B	01-03-15-17	\$10,119.00	\$5,627.00	
C	04-05-08-09-10-18-19-22-23-24	\$10,773.00	\$5,991.00	
D	06-07-12-20-21-26	\$10,938.00	\$6,081.00	INCLUDES ONE FLOOR-TO-CEILING IMPACT WINDOW AT INACCESSIBLE LOCATION
E	14-27	\$11,959.00	\$6,651.00	INCLUDES ONE FLOOR-TO-CEILING IMPACT WINDOW AT INACCESSIBLE LOCATION
<u>TOTAL</u>	520 UNITS	\$5,547,600.00	\$3,084,980.00	
PRICES MAY VARY. WE ARE STILL VIGOROUSLY BIDDING ALL ASPECTS OF THIS WORK.				
ALL PRICES INCLUDE COMMON AREA				

FREQUENTLY ASKED QUESTIONS

- 1. What happens if a majority of the votes are for hurricane protection?**
 - Every unit owner will be required to have hurricane protection.
- 2. What happens if a majority of the votes are not for hurricane protection?**
 - Every unit owner will not be required to have hurricane protection. However, keep in mind that the exterior windows of the building are common elements; therefore, a unit owner may not install their own hurricane impact glass. Although, the Board can make the decision to have the Association install hurricane impact glass. On the other hand, a unit owner may install his/her own shutters.
- 3. Suppose the majority votes for hurricane protection and most people prefer windows (Option A). What happens then?**
 - The Association will install hurricane impact glass windows and exterior doors as a common expense to all members of the association.
 - Unit owners who want shutters will be able to install shutters, at their own expense, in addition to impact glass.
 - Unit owners who have shutters will be able to keep their shutters, but the Association will still install impact glass as a common expense to all members of the association.
- 4. Suppose the majority votes for hurricane protection and most people prefer shutters (Option B). What happens then?**
 - The Association will install accordion shutters on all windows and doors as a common expense to all members of the association; the one exception being those units that have a floor-to-ceiling fixed glass window that, due to accessibility constraints, will have impact glass on that one window.
 - Unit owners who have shutters that meet the present code, and were permitted, will receive credit for those openings that have shutters.
- 5. I don't have hurricane protection and I don't want any. Will I have to get hurricane protection?**
 - If a majority of the votes are for hurricane protection, every member of the association will have to get hurricane protection and it will be a common expense shared by all members of the association.
- 6. If everyone is required to have hurricane protection, will there be an assessment?**
 - Yes
- 7. If so, how much will it be?**
 - Please see the COST ANALYSIS. We are still vigorously bidding all aspects of this work and, at this time, this is our best information.
- 8. What about the common area?**
 - Protection for the common area is included in the COST ANALYSIS.
- 9. I did not plan for this expense. Do I have to pay for this all at once?**
 - Unit owners will be able to pay in one payment or in several installments.
 - **THE BUILDING WILL NOT BE TAKING OUT A LOAN!**
- 10. How long will this work take?**
 - Our best estimate is one year. However, as we all know, there are many variables that are beyond our control.

11. What is the warranty?

- The current front-running contractors are providing the following warranty:
 - PGT Hurricane Impact Glass Windows and Exterior Doors:
 - 3 years parts and labor
 - 10 years paint finish (powder coat)
 - Accordion Shutters:
 - 1 year parts and labor
 - 5 years parts
 - 10 years paint finish (powder coat)

12. How do I know I'm getting the best product at the best price?

- We are diligently researching all contractors and materials, including but not limited to:
 - viewing previous installations
 - interviewing past customers
 - visiting manufacturing plants
 - checking with the Better Business Bureau and the Florida Department of Business and Professional Regulation
 - confirming that all products have the Notice of Acceptance issued by the Miami-Dade Building Code Compliance Office
- All unit owners are invited to visit the office and review all proposals.

13. What units will be first to have hurricane protection installed?

- From the date that we place our order, the front-running contractors are prepared to start work in ten weeks if we are ordering windows, or four weeks if we are ordering shutters.
- Work will proceed vertically; however, we have not yet put the line numbers in order.

14. Can I use my own contractor?

- If a majority of the votes are for hurricane protection, we will all be using the same contractor and you may not use your own contractor.
- If a majority of the votes are not for hurricane protection, you may use our contractor or your own contractor. If you use your own contractor you must comply with the following:
 - all materials must conform to the building standard
 - you must have a letter of approval from the Association
 - your contractor must be licensed and insured
 - your contractor must obtain a permit

15. I'm not a full-time resident. Can the work in my unit proceed if I'm not there?

- Yes, if you are comfortable with that. However, the Condominium Association of Parker Plaza Estates, Inc. does not assume or accept any responsibility.

16. Suppose we all have shutters. What about unit owners who can't or don't close their shutters when a storm is approaching?

- All unit owners will be required to close their shutters if they are out of town between June 1 and November 30.
- If a key has been provided, an employee will close the shutters. There will be a fee for this service.

BALLOT

HURRICANE IMPACT GLASS WINDOWS AND EXTERIOR DOORS OR ACCORDION SHUTTERS

1. All unit owners must be required to have hurricane protection on all windows and exterior doors.

_____ YES

_____ NO

2. Please select the type of hurricane protection that you prefer:

_____ Impact glass on all windows and doors (Option A)

_____ Accordion shutters on all windows and doors; the one exception being those units that have a floor-to-ceiling fixed glass window that, due to accessibility constraints, will have impact glass on that one window (Option B)

UNIT NO.: _____

OWNER: _____

AUTHORIZED
SIGNATURE: _____

DATE: _____

EVERY VOTE COUNTS!

**PLEASE COMPLETE THIS BALLOT AND RETURN IT TO THE
OFFICE BY 5:00 PM, JUNE 7, 2006!**

RETURN BY MAIL:
PARKER PLAZA ESTATES
2030 SOUTH OCEAN DRIVE
HALLANDALE BEACH, FL 33009

RETURN BY FAX: 954-458-3276