



MEMORANDUM

TO: REF ATTORNEY, ENGINEERS and LEGAL ASSISTANTS

DATE: 3/14/89

FROM: FRED MEHLMAN

RE: Estimates for Repair Costs

On November 22, 1988 the Court of Appeals decided in Council for Owner Occupied Housing v. Abrams that the Attorney General could not compel sponsors to agree to cure violations of record and dangerous and hazardous conditions. Review attorneys then asked those sponsors who did not agree to cure such conditions to include cost estimates for repairs in order to provide full disclosure to prospective purchasers. The professional engineer or registered architect who had prepared the Description of Property was required to include such cost estimates for all violations and dangerous or hazardous conditions which the sponsor did not agree to correct.

Several engineers and architects informed us that they are the wrong professionals to make this disclosure. First, the preparation of such cost estimates is not within their field of expertise and second, it is unnecessarily expensive and time consuming for engineers and architects to prepare such estimates. After considering these points, there seems to be no reason not to accept cost estimates from contractors or professional cost estimators. The estimates should be added to the engineer's or architect's report and will become part of the offering plan; they need not be certified by the contractor or cost estimator. Questions about these cost estimates should be addressed to Oliver Rosengart.