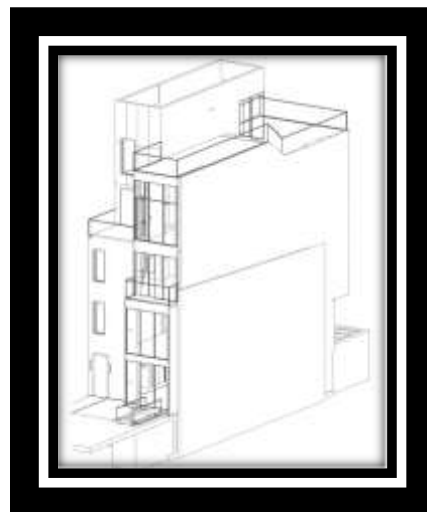




# Budget Review Report

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For:



**Vertical and Horizontal Expansion of a two-family dwelling to a four-family dwelling**  
373 Lincoln Road  
Brooklyn, New York

**Prepared For:**

**Standard Development**  
27 West 20<sup>th</sup> Street, Suite 700  
New York, New York 10011

**Job No. 2021-01S**

**Issue Date: May 17, 2021**

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KOW Building Consultants  
1034 West Jericho Turnpike  
Smithtown, New York 11787  
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[www.kowbc.com](http://www.kowbc.com)

May 17, 2021

Mr. Benjamin  
Standard Development  
27 West 20<sup>th</sup> Street, Suite 700  
New York, New York 10011  
[ben@standarddevelopment.com](mailto:ben@standarddevelopment.com)

Project Name: 373 Lincoln Road

Project Address: 373 Lincoln Road  
Brooklyn, New York

Proposed Scope: Vertical and Horizontal Expansion of a 2-family dwelling to a 4 family dwelling.

Dear Mr. Benjamin:

Enclosed find our **Budget Review Report** for the above referenced project. This Report is in accordance with Standard Development instructions and our May 4, 2019 executed fee proposal.

If you should have any questions or comments, please do not hesitate to contact this office.

Sincerely yours,

**KOW Building Consultants**



Kenneth F. Wille, P.E., LEED AP, C.E.M.

Enclosures

JW:jw  
pr:jh  
ft:ld

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## PROJECT DOCUMENTATION

### PROJECT CONTACT INFORMATION

Owner / Developer:	373 Lincoln 2017 LLC 154 Clay Street, Apt 1F Brooklyn, New York 11222 555-8212
Architect:	ABC Architecture 31 Perry Street New York, New York 10014 555-1379 john@palettearch.com
MEP Engineer:	ABC Engineering 42-40 Bell Blvd, Suite 412 Bayside, New York 11361
Contractor:	ABC Construction and Home Improvements 146-40 225 <sup>th</sup> Street Springfield Gardens, New York 11413 555-3033 GC License # GC612492
Surveyor:	ABC Land Surveying, P.C. 124-09 115 <sup>th</sup> Avenue South Ozone Park, New York 11420 555-8833

## PROJECT DOCUMENTATION

### DOCUMENTS RECEIVED/NOT RECEIVED

#### Received:

Item	Date Received	Comment(s)
Full set of plans	5.9.21	
Construction Applications and/or Permits	5.9.21	
Direct Construction Cost Breakdown Including a Detailed Line Item Breakdown	5.15.21	
General Contract	5.10.21	
Survey	5.10.21	

#### Not Received:

Item	Comment(s)
Architect's Contract	
Construction Progress Schedule (Preferably in Critical Path Format)	

## PROJECT OVERVIEW

### General Description of Project

The proposed project consists of the renovation and expansion of an existing two-family, two story building into a 4-family four-story with penthouse and cellar residential building located at 373 Lincoln Road in the Prospect Lefferts Garden section of Brooklyn, New York.

The rectangular project site is located on the north side of Lincoln Road between Nostrand and New York Avenue.

The building will contain four (4) residential units consisting of two (2) two-bedroom duplex units, one (1) two-bedroom unit, and one (1) three-bedroom unit. Some units will have terraces and there will be a roof terrace. There will be no onsite parking.

A part of the existing building foundation will remain and one of the existing building exterior wall will remain. The remainder of the existing building will be demolished including all joists, ceilings, finishes, roofing and mechanical and electrical system. New structural steel with metal joists will be installed for each floor. New exterior metal stud framing will also be installed. All new windows and doors will be installed. All new finishes and mechanical, plumbing and electrical system will be installed.

Plans have been submitted as an alteration 1 and have been approved. An alteration 1 permit has been issued. A new certificate of Occupancy will need to be obtained at the end of the project. Construction is in progress with CMU and joist work in progress. There is an MTA line running below Nostrand Avenue. MTA approval will be required.

The information contained in this Report is based on plans and information provided by the Developer.

## PROJECT OVERVIEW, Continued

### Critical Issues Affecting Project

The following item is most critical for overall success at the project:

- Our office recommends that the Architect of Record, be retained for Construction Administration services including monthly site inspections, review and certification of Contractor's Application for Payment requests and assistance with TCO/CO issuance
- There is an MTA line running below Nostrand Avenue. MTA will be required for this project. Documentation regarding MTA approval should be provided.
- In our opinion, the Contractor's overall budget is reasonable for the proposed scope of work, however costs for roofing appears low. It should also be confirmed that costs for insulation have been included in the budget. Supply of windows and doors are not included in the budget and will be supplied by the Owner. It should be confirmed that costs for windows and doors are included in the project loan. Also, funds for exterior brick and stucco should be allocated for the exterior façade, as it appears that many of the exterior walls have been removed. We recommend a 5-10% contingency be added for unforeseen conditions and owner upgrades. We also recommend a 6-8% general conditions be added to the budget.
- John Hannigan of our office visited the site on May 14, 2019. Super structure work was in progress with structural steel and metal joists being installed. Our office would estimate the project to be approximately 25% complete. A formal Application for Payment should be submitted requesting funding. We also recommend a 10% retainage be withheld.

**PROJECT OVERVIEW, Continued**

**Code and Zoning Summary**

<b>Construction Type:</b>	Existing: 3: Non-fireproof structure Proposed: II-A: 1 hour protected, non-combustible
<b>Occupancy Group:</b>	Existing: J3: Residential 1-2 Family Houses Proposed: R-2 - Residential Apartment House
<b>Zoning:</b>	R6 – General Residence District C2-3 – Local Service District
<b>Map:</b>	17b
<b>Code:</b>	2014/2008 Code
<b>Primary Structural System:</b>	Steel (structural)
<b>Structural Occupancy Category:</b>	II – Other than I, III or IV
<b>Seismic Design Category:</b>	A



## SITE OVERVIEW

### Site Description

#### Site Information:

<b>Address:</b>	<b>373 Lincoln Road</b>
<b>Borough:</b>	Brooklyn
<b>Tax Block:</b>	1330
<b>Tax Lot:</b>	69
<b>Special District:</b>	No
<b>Last Survey Date:</b>	June 13, 2017
<b>Frontage:</b>	20' along Lincoln Road
<b>Site Area:</b>	2,053 SF
<b>Shape:</b>	Rectangular
<b>Flood Zone:</b>	Not indicated

## SITE OVERVIEW, Continued

### Initial Site Visit Notes

An initial site visit was performed by John Hannigan of our office on May 14, 2021. We were accompanied by the lender and contractor during our visit. Weather condition were overcast and approximately 68° F. The purpose of the site visit was to review the proposed Scope of Work with the existing conditions. The following is a description of our findings:

- The building is located on the north side of Lincoln Road in the Prospect Lefferts Gardens neighborhood in Brooklyn.
- There is a construction fence and sidewalk shed installed at the front of the building.
- Structural steel and c-joists are being installed.
- Stairs are in place to the second floor.
- The surrounding area is made up of similar low-rise residential buildings.
- The roadway is in good condition around the site.
- The sidewalk and curbing are in good to fair condition around the site.



Google Earth View

## SITE OVERVIEW, Continued

### Initial Site Visit Photographs



Photo 1 – View of the project. The subject project is the steel structure, not the masonry structure located at 371 Lincoln Road.



Photo 2 – Signage and permits are posted at the site.

## SITE OVERVIEW, Continued

### Initial Site Visit Photographs, Continued



Photo 3 – Interior view of the project.

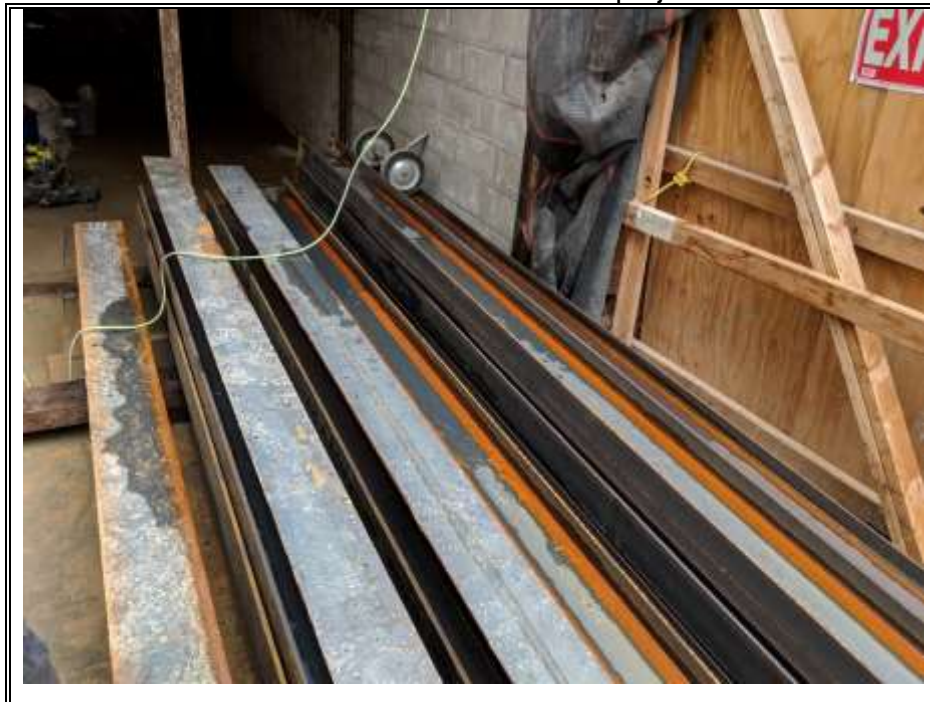


Photo 4 – Structure steel is stored on site.



## SITE OVERVIEW, Continued

### Initial Site Visit Photographs, Continued

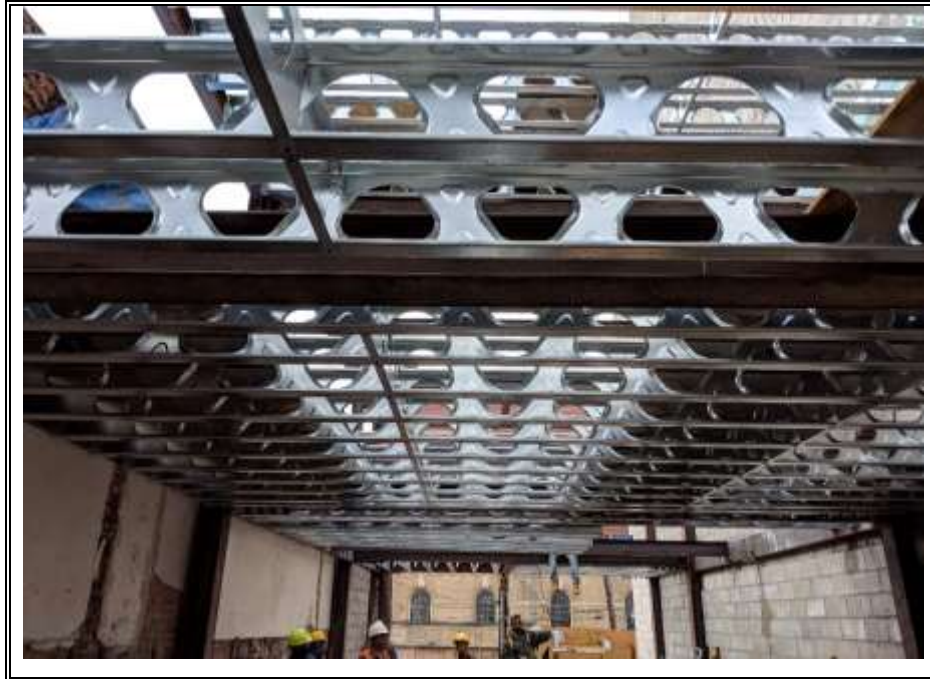


Photo 5 – C-joists are being installed.

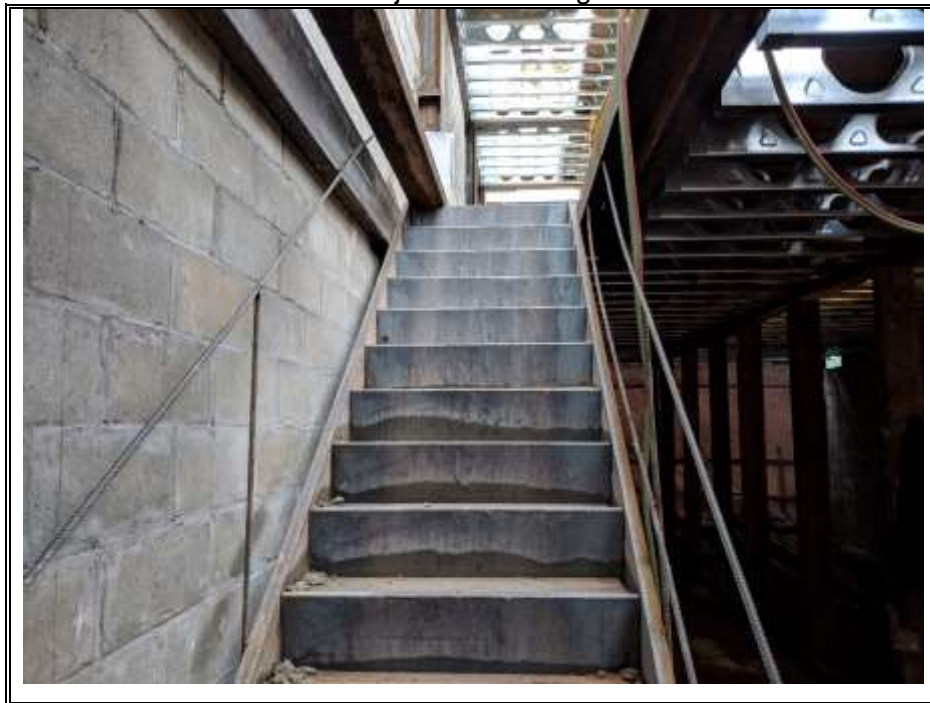


Photo 6 – Stairs are in place to the second floor.

## SITE OVERVIEW, Continued

### Initial Site Visit Photographs, Continued

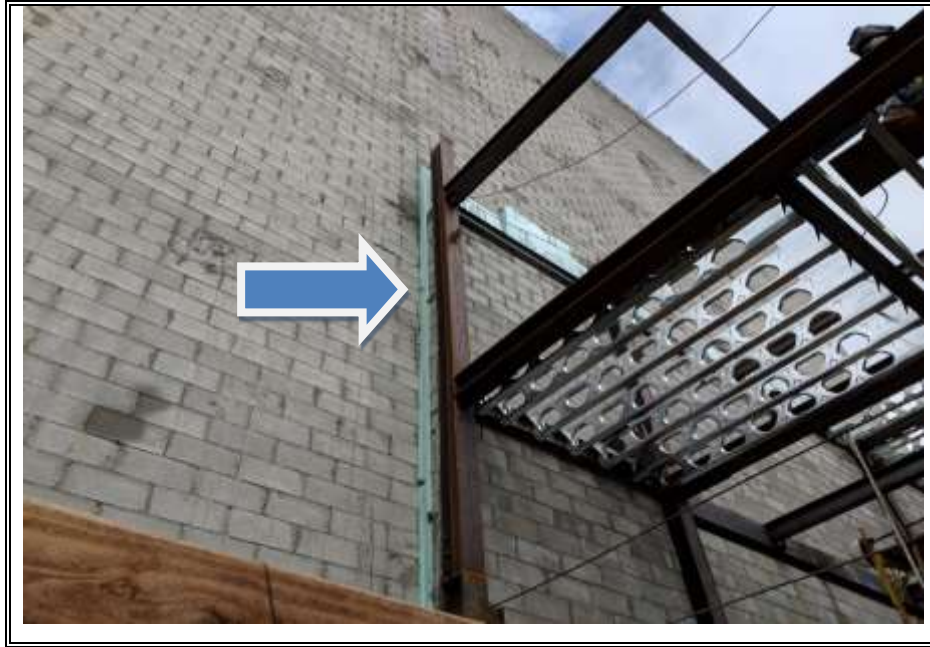


Photo 7 – Insulation has been installed between the two buildings.



Photo 8 – View of the church across the street.

## SITE OVERVIEW, Continued

### Initial Site Visit Photographs, Continued



Photo 9 – The street is in good condition.



Photo 10 – The sidewalk and curbing are in good to fair condition.



## BUILDING CONSTRUCTION

### Building Layout

373 Lincoln Road	
Total Building Height:	55'
No. of Floors Above Grade:	4
No. of Floors Below Grade:	1

### Building Floor Area (From Zoning Analysis):

PROPOSED FLOOR AREA (REFER TO Z-001):

LEVEL	EXISTING (ZSF)	ADDITIONS (ZSF)	DEDUCTIONS (ZSF)	USE	TOTAL (ZSF)
CELLAR	1,013	57	1,070	ACCESSORY	0
LEVEL 01	1,020	64	0	RES - 1 UNIT	1,084
LEVEL 02	1,020	164	0	RES - 1 UNIT	1,184
LEVEL 03	0	1,154	0	RES - 1 UNIT	1,154
LEVEL 04	0	1,061	0	RES - 3/4 UNIT	1,061
PENTHOUSE	0	348	0	RES - 1/4 UNIT	348
<b>TOTAL:</b>					<b>4,831</b>



## BUILDING CONSTRUCTION

### Building Layout, continued

**Unit Breakdown By Floor:**

Level	Two-bedroom Duplex Unit	Two Bedroom	Three Bedroom	Total
Cellar	1			1
1st				
2nd			1	1
3rd		1		1
4 <sup>th</sup>	1			1
Penthouse				
<b>Total</b>	<b>2</b>	<b>1</b>	<b>1</b>	<b>4</b>

**Building Layout:**

**Cellar:** Lower level to two-bedroom duplex unit, storage spaces for each unit, and sprinkler room with outdoor terrace.

**First Floor:** Building entry, upper level of one (1) two-bedroom unit.

**Second Floor:** One (1) three-bedroom unit

**Third Floor:** One (1) two-bedroom unit with terrace

**Fourth Floor:** Lower level of one (1) two-bedroom duplex unit with terrace

**Penthouse:** Upper level of one (1) two-bedroom duplex unit and open roof terrace.

**Residential Units:** Living/Dining, kitchenette, bathroom(s), bedroom(s), closet space, with washer/dryer. Some units will have a terrace.

**Residential Bathrooms:** Water closet, lavatory, tub/shower,

**Residential Kitchens:** Range, dishwasher, refrigerator, sink.

**Vertical Access:** One (1) interior staircase

## BUILDING CONSTRUCTION, Continued

### Building Layout, Continued

#### Typical Unit



## SCHEDULES, CONTRACTS AND AGREEMENTS

### Construction Schedule

A Construction Schedule was not provided.

As of our initial site visit demolition has been completed and new steel C joists and CMU block is being installed. The project is estimated to be 25% complete.

Based upon our office's experience with similar type projects, with sufficient manpower and resource allocation our office would estimate an additional 10 - 12 months required to complete construction with an additional one (1) to two (2) months for DOB inspections, sign-offs and TCO/CO issuance.

## SCHEDULES, CONTRACTS AND AGREEMENTS

### Review of General Contract/Scope of Work

<b>Agreement Type:</b>	Non- AIA Contract
<b>Owner:</b>	373 Lincoln 2017 LLC
<b>General Contractor:</b>	ABC Builders Group
<b>Appropriateness:</b>	Many details missing
<b>Basis of Payment and Contract Sum:</b>	Not indicated
<b>Retainage Provisions:</b>	\$10,000 retainage will be withheld until electric, plumbing and mechanical permits are signed off. \$2,500 per permit will be released back when each signoff is obtained.
<b>Stored Material, Deposit Funding:</b>	Not detailed
<b>Change Order Process:</b>	Signed by Contractor and Owner in writing
<b>Lien Waiver Requirements:</b>	Not detailed
<b>Construction Schedule:</b>	Commencement on or before December 4, 2017. Completion date not indicated. Liquidated damages not indicated.
<b>Contract Exclusions and Clarifications:</b>	No rock removal or excavating of soil with inadequate soil bearing capacity.  Electrical work shall not include change to existing service panel.  Limitation of patching plaster.
<b>Quality Assurance/ Quality Control Procedures (construction testing):</b>	Not detailed
<b>Owner/Builder Relationship and Experience:</b>	Un-related parties
<b>Is it executed:</b>	Yes
<b>Attachments:</b>	None
<b>Subject to Prevailing Wages/Davis Bacon Act:</b>	No

### Review of General Contractor's Qualification Statement

The Contractor has not provided a Contractor's Qualification Statement.

## SCHEDULES, CONTRACTS AND AGREEMENTS

### Review of Architect's Contract

A copy of the Architect's Contract was not provided for our review.

## BUILDING DEPARTMENT FILINGS

### Filed Applications

FILE DATE	JOB #	DOC #	JOB TYPE	JOB STATUS	STATUS DATE	LIC #	APPLICANT	IN AUDIT	ZONING APPROVAL	
04/25/2018	<a href="#">321577058</a>	07	A1	P APPROVED	04/30/2018		SUNWOO		<a href="#">GRANTED 08/04/2017</a>	
				POST APPROVAL AMENDMENT FOR 01 Work on Floor(s): CEL,PEN,ROF 001 thru 004						
03/16/2018	<a href="#">321577058</a>	06	A1	P APPROVED	03/30/2018	0079468 PE	LUK		<a href="#">GRANTED 08/04/2017</a>	
				POST APPROVAL AMENDMENT FOR 03 Work on Floor(s): CEL,PEN,ROF 001 thru 004						
12/22/2017	<a href="#">321577058</a>	05	A1	P APPROVED	01/04/2018		SUNWOO		<a href="#">GRANTED 08/04/2017</a>	
				POST APPROVAL AMENDMENT FOR 01 Work on Floor(s): CEL,PEN,ROF 001 thru 004						
09/08/2017	<a href="#">321577058</a>	04	A1	R PERMIT-ENTIRE	11/30/2017	0067012 PE	BECKER		<a href="#">GRANTED 08/04/2017</a>	
				FILING HEREWITH SUBSEQUENT APPLICATION FOR SUPPORT OF EXCAVATION. Work on Floor(s): OSP,CEL						
06/29/2017	<a href="#">321614375</a>	01	A3	R PERMIT-ENTIRE	10/20/2017	0034329 RA	SUNWOO		NOT APPLICABLE	
				FILING HEREWITH BPP APPLIATION IN CONJUSCTION W/ ALT1 APPLICATION # 32157 Work on Floor(s): OSP						
06/09/2017	<a href="#">321577058</a>	03	A1	R PERMIT-ENTIRE	11/30/2017	0079468 PE	LUK		<a href="#">GRANTED 08/04/2017</a>	
				HEREWITH FILING SUBSEQUENT DOC FOR STRUCTURAL WORK TYPE. Work on Floor(s): CEL,PEN,ROF 001 thru 004						
05/22/2017	<a href="#">321577067</a>	01	A2	R PERMIT-ENTIRE	10/30/2017	0085930 PE	LEE		NOT APPLICABLE	
				FILING HEREWITH INSTALLATION OF AUTOMATIC SMOKE DETECTION AND SPRINKLER FI Work on Floor(s): CEL,001,004						
05/22/2017	<a href="#">321577058</a>	02	A1	R PERMIT-ENTIRE	11/30/2017	0085930 PE	LEE		<a href="#">GRANTED 08/04/2017</a>	
				HEREWITH FILING SUBSEQUENT DOC FOR SPRINKLER WORK TYPE. Work on Floor(s): CEL,PEN,ROF 001 thru 004						
05/22/2017	<a href="#">321577058</a>	01	A1	Q PERMIT-PARTIAL	01/11/2018	0034329 RA	SUNWOO		<a href="#">GRANTED 08/04/2017</a>	
				FILING HEREWITH APPLICATION FOR MAJOR RENOVATION TO CONVER 2 FAMILY TO A 4 Work on Floor(s): CEL,PEN,ROF 001 thru 004						

## BUILDING DEPARTMENT FILINGS, Continued

### Zoning Approvals

Status	Date	Details
Granted	August 4, 2020	for job # 321577058

### Issued Permits

Premises: 373 LINCOLN ROAD BROOKLYN				BIN: 3035434 Block: 1330 Lot: 69		
NUMBER	JOB TYPE	SEQ NO	ISSUED DATE	EXPIRATION DATE	STATUS	APPLICANT NAME
<a href="#">321577058-01-AL</a>	A1 - ALT1	02	01/11/2018	01/12/2019	REISSUED	RODRIGUEZ MICHELL
<a href="#">321577058-01-EQ FN</a>	A1 - ALT1	01	11/17/2017	11/17/2018	ISSUED	RODRIGUEZ MICHELL

### Violations

Violation Type	Open Violations	Issued	Details
Department of Buildings	0		
Environmental Control Board	0		

## BUDGET ANALYSIS

### Overview

A copy of construction budget titled construction proposal prepared by ABC Builders Group dated December 1, 2020 was provided for our review. Two budgets were provided one structural and one for interior. The combined budgets total \$890,000. This amount does not include General Conditions, Overhead and Profit, or contingency. The budget is not broken down into sub-trade categories and does not show unit costs.

Our budget comments are based upon a comparison to projects of similar scope in the New York City area.

### Square Footage Cost Analysis

- The average Cost per Square Foot (5,844 SF includes cellar) is \$152.29/SF. This appears reasonable for a renovation and expansion.

### Unit Cost Analysis

- The average Cost per Unit (4 units) is \$222,500/unit. This appears reasonable.

### Trade Related Comments

- Site work has been budgeted at 5.45% which includes demolition and is reasonable. Typically, site work accounts for 2-8% of the budget.
- Concrete has been budgeted at 4.66% of the budget, which is reasonable as the existing foundation will remain. (typically, 3-15%).
- Masonry has been budgeted at 1.12% which is low (5-15% typical) as exterior walls have been mostly taken down. CMU block walls is included in the structure amount included below under metals. Costs for brick and stucco for the façade should be allocated.
- Metals have been budgeted at 28.65%, which is high however CMU block costs are included in this amount. (typical 6-14%).



## BUDGET ANALYSIS, Continued

### Trade Related Comments, Continued

- Woods, Plastics, Composites have been budgeted at 8.99% which is reasonable (typical 8-16%).
- Thermal and Moisture Protection has been budgeted at 1.35% which is low. (typical 1-5%). It should be confirmed that costs for insulation have been allocated.
- Doors and Windows have been budgeted at 2.92%, which is slightly low as the Owner will be supplying windows and doors. (typical 5-10%). It should be confirmed that costs for windows and doors supplied by the Owner are included in the project loan.
- Finishes have been budgeted at 5.34% of the budget which is reasonable (typical 5-10%).
- Specialties have been budgeted at 8.76% of the budget which is reasonable (typically 2-6%).
- Mechanical is budgeted at 26.01% which is slightly high but not unreasonable (typically 12-20%). Cost for all bathroom finishes are also included in this amount.
- Electrical is budgeted reasonable 5.39% (typically 6-12%).

### General Conditions

- General Conditions have not been budgeted. We recommend a 2-6% general conditions be added to the budget.

### Contractor's Overhead and Profit

- Contractor's Overhead and Profit have not been budgeted. Typically, overhead and profit are each budgeted at 3-6%.

### Contingency

- The budget does not include a contingency. We recommend a 5-10% contingency be added to the budget for unforeseen conditions and owner upgrades.

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## BUDGET ANALYSIS, Continued

### Conclusion

In our opinion, the Contractor's overall budget is reasonable for the proposed scope of work, however costs for roofing appears low. It should also be confirmed that costs for insulation have been included in the budget. Supply of windows and doors are not included in the budget and will be supplied by the Owner. It should be confirmed that costs for windows and doors are included in the project loan. Also, funds for exterior brick and stucco should be allocated for the exterior façade, as it appears that many of the exterior walls have been removed. We recommend a 5-10% contingency be added for unforeseen conditions and owner upgrades. We also recommend a 6-8% general conditions be added to the budget.

### Funding Recommendation

John Hannigan of our office visited the site on May 14, 2021. Super structure work was in progress with structural steel and metal joists being installed. Our office would estimate the project to be approximately 25% complete. A formal Application for Payment should be submitted requesting funding. We also recommend a 10% retainage be withheld.

## LIMITING CONDITIONS

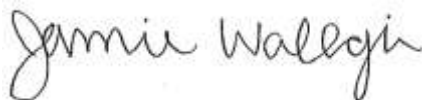
Neither our review of the plans nor any subsequent site observations or reports concerning the project during construction shall constitute a warranty by us or any of our agents, representatives or designees as to the technical sufficiency of adequacy or safety of the structure or any of their component parts, including, without limitation, fixtures, roofing, equipment or furnishings, nor shall such reports or site observations constitute such a warranty as to the sub-soil conditions involved in the project or any other physical condition or feature pertaining to the project.

This Report should not be construed as a zoning analysis or code compliance Report. Adherence to code and other governmental regulations is the sole responsibility of the design professional and this Report reviews and comments on design aspects as a matter of overall feasibility and not as a code check.

All comments regarding budgeting are a matter of overall cost assessments and not a cost certification or "take off" cost analysis.

All acts, including any failure to act, relating to this project by any of our agents, representatives or designees are performed solely for the benefit of the lending institution to aid in their disbursement of funds from the construction loan and not for the benefit of any other person, including without limitation, owner, contractor, purchasers, tenants or any other parties. No warranties or guarantees made by any Insured; no of probable construction costs, or any cost estimated being exceeded; no commingling of or inability or failure to safeguard funds; no services rendered by or on behalf of the Named Insured as an Architect and/or Engineer have been made.

**KOW Building Consultants**



**Jamie Walegir Potucek, PE, LEED AP**

**KOW Building Consultants**



**Kenneth F. Wille, PE., LEED AP**

## APPENDICES

### Listing of Documents Reviewed

- Plans dated October 14, 2021 signed and sealed by the Architect.
- Construction Budget
- General Contract
- Permits
- Survey

### Attachments

- Budget provided for our review on May 15, 2021.
- Comparative Cost Budget Analysis prepared by our office.