CAPITAL BUILDERS INC. 6400 Gisholt Drive, Suite 105 Madison, WI 53713 (608) 222-9480

July 14, 2010

Letter of Intent for Baumann/Schwichtenberg Residence, 4942 Lake Mendota Drive

Herman Baumann and Kay Schwichtenberg are the current owners of the property located at 4942 Lake Mendota Drive, in the City of Madison. The existing structures on the property include a two-story house built in 1938, a detached two-car garage, and a boathouse. The property owners intend to make improvements to the property as detailed below.

Following is a summary of the proposed improvements to the property: Existing garage - To be demolished and removed

Existing boathouse - To be demolished and removed. New boathouse per plans to be constructed in location as shown on site plan to meet the minimum sideyard setback of 3 feet. The existing boathouse does not comply with sideyard setback requirement and has concrete walls that are cracking. The new boathouse will have exterior roofing and siding materials to match new home.

Existing house - To be demolished and removed. Materials including wood flooring, cabinets, and doors to be salvaged and incorporated for use in the new home. Other useable materials to be salvaged through Habitat for Humanity Restore. New two-story home with attached garage to be constructed per location on site plan which was approved by Zoning Board of Appeals on July 8, 2010. Exterior materials to include stone accents on south and north elevations and chimney, with fiber cement siding in a shake pattern and composition corner and window trim boards. Roofing to be high profile fiberglass shingles. Colors are yet to be determined.

The existing shoreline area will have weeds and overgrowth removed and new terraced area with plantings per landscape plans.

The scheduled date for the start of work would be the beginning of September for the boathouse demolition and reconstruction, and the shoreline work. The proposed start date for the demolition of the garage and house, and reconstruction would be early spring of 2011. The expected completion date for all of the work would be late summer of 2011.

Designer and Building Contractor	Landscape Design and Contractor
Capital Builders Inc.	Watts I andscape

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