

To the unit owners of the Gayle Condominium
Regarding the 1994 annual meeting

12/7/94

In attendance were 6 owners; Gordon Culliton (102), Chris Kalinski (103), Simon Zirians (106), Lisa Holley (201), Bob Peterson (202), and Matt Perrett (303). Others who responded to the announcement but couldn't be present for various reasons were; Jeannie Adams (204) who volunteered to work on special projects, and Clay Whatley (301) who volunteered to be the treasurer.

Of the 6 owners who didn't respond, 5 were non owner occupants.

Topics.

A) Election of the board.

President - Tami Zirians (105)

Treasurer - Clay Whatley (301)

Secretary - Lisa Holley (201)

The new board will take over January 1st.

B) The budget

Bob presented a 1995 operating budget. Based on his review of numerous apartment budgets, he suggested that the homeowners dues should be greater than operating expenses by about \$200.00 per unit per year to pay for capital expenses. Because of the thin margin between income from homeowners dues and expenses, and coupled with the fact that our reserve is dangerously low, Gordon suggested that the homeowners dues be raised by 20% effective February 1st.

All present agreed. The new fee amount is as follows:

Unit	Owner	old amt	new amt
101	Van Tol	114.07	136.88
102	Culliton	104.54	125.45
103	Kalinski	75.42	90.50
104	Roller	70.99	85.19
105	Zirians	109.78	131.74
106	Haley	75.55	90.66
201	Holley	120.38	144.46
202	Peterson	108.57	130.28
203	Driskill	76.90	92.28
204	Adams	70.99	85.19
301	Whatley	126.28	151.54
302	Guillot	116.49	139.79
303	Perrett	82.94	99.53
304	Cufley	88.84	106.61

C) Late fees

Once a bigger problem, the late fee policy will continue for the present time. The newly elected board members will analysis it and may adjust it. Any suggestions from the owners regarding this matter will be appreciated.

D)Capital improvements

-The backstairs has had to withstand all kinds of adverse weather and should be checked. Replacing the back stairs may be required.

-The water pipes on the north side of the building have a chance of freezing in the winter. We will get an estimate for this project and the new board will decide whether to have it insulated.

E) The Memos

Bob and I recently sent two memos; 1) many owners don't seem to care about the day to day events and general upkeep of the building. 2) how to prevent the trend of turning this building into an apartment building.

These matters are important not only because lenders are less apt to lend to a prospective buyer when the owner occupancy rate is low, but also insurance companies can reclassify condos as apartments. This would increase the rates.

Lisa, although agreeing that this was a problem, said that to disallow owners from being able to rent their units would decrease the number of buyers who may otherwise want to buy.

Some suggestions made where; a) An owner wouldn't be able to rent more than so many years. b)If your unit were the one to put the owner occupancy rate under that magic number it would have to be approved by the board. c)Turn this problem to a professional group who would suggest options and rewrite the by-laws. d) Charge the owners who choose to rent a "penalty", say \$10.00 a month and have this amount increase \$10.00 a year. The purpose of which would be to slowly make prospects of renting less attractive and encourage the owner to either live in the unit or sale. e) charge the owner \$100.00 every time they find a new renter.

Lisa volunteered to see what other condominiums are doing.

F) Other items

a) Gordon will, for the most part, be in the building between the hours of 8am and 6pm and would like all owners to know that if for any reason there is a need for someone here he will help. But don't call after 8pm.

b) Chris will be cleaning and painting the laundry room. He will also insulate the water heater. Thanks, Chris.

c) The owner of the bike that is locked to the back stairs will be given a warning to move it before it is discarded.