

**PARK AVENUE LOFTS CONDOMINIUM ASSOCIATION  
ANNUAL HOME OWNERS MEETING  
April 13, 2007  
Breckenridge, CO**

Owners present included:

Rocky Sorell	202	David Hale	304
Jim & Marilyn Conner	206	David Kaiser	305
Bob Johnson	208	Denis Franks	307
Steve Cox	303	Rob Young	Commercial

Chad Christy, Keith Kroepler, Patrice Novak and Brian Juchno also attended representing Great Western Lodging.

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**I. CALL TO ORDER**

Denis Franks called the meeting to order at 1:14 pm on April 13, 2007.

**II. STATEMENT OF MEETING NOTICE COMPLIANCE**

Seven residential units and the commercial unit were represented in person and ten proxies were received. A quorum was reached.

**III. APPROVAL OF THE APRIL 7, 2006, ANNUAL MEETING MINUTES**

Denis Franks made a motion to approve the 2006 Annual Meeting Minutes and Bob Johnson seconded the motion. All were in favor and the motion passed.

**IV. FINANCIAL REPORT**

Keith Kroepler gave the review of the financial reports.

**A. Year end 2006 Profit and Loss**

1. Line item 8000 – Legal Fees, \$3000 savings
2. Line item 8030 – Interest Expense, \$4473.41 savings
3. Line item 8300 – Electric & Gas, \$2691.91 loss due to increase of rates
4. Line item 8305 – Cable TV, \$456.53 loss due to the addition of Breeze cable
5. Line item 8320 – Trash Removal, \$1022.19 loss
6. \$3764.66 profit at year end, transferred to the reserve account

**B. Balance Sheet Review**

1. Line item 1025 – Reserves, \$281,178.86
2. All owners are current with monthly dues

**C. Year to Date Profit and Loss**

1. Line item 8025 – Insurance, \$466.34 savings
2. Line item 8200 – Snow Removal, \$400.00 savings due to not having to subcontract out this past winter.
3. Line item 8300 – Electric a& Gas, \$848.97 savings so far this year
4. The association is actually tracking ahead by \$1752.51

D. 2006 and 2007 Budget Overview

1. Line item 8000 – Legal Fees were removed in 2007 since no funds were spent in 2006.
2. Line item 8010 – Management Fee, increased to \$26,000 due to the board of directors granting Great Western Lodging a \$2000.00 raise for 2007.
3. Line item 8100 – Repairs & Maintenance, decreased to \$10,200 from \$13,200

**V. PROPERTY MANAGERS REPORT**

Chad Christy presented the property manager's report

A. 2006/2007 Projects Completed

1. Painted building
2. Installed automatic dumpster door
3. Installed two benches in ski storage
4. Installed weather guard on island card reader
5. Installed artwork and trail map in ski storage
6. Added informational sign in elevator
7. Installed lobby fireplace timer
  - a. Conscious of the utility costs

B. 2007 Projects

1. Paint all exterior metal
2. Install third floor hallway carpeting
  - a. Higher traffic on the 3<sup>rd</sup> floor due to the size of the units, etc.
3. Install bike rack in P1, space #12
  - a. Space #12 is not usable as a parking space
4. Install thermometers on domestic hot water tanks
  - a. Tolin Mechanical installed additional thermostats to save energy
  - b. Bob Johnson asked if there has been any improvements with the building's high temperature issue. Chad explained that the domestic hot water is always circulating to enable the 3<sup>rd</sup> floor to receive immediate hot water. Great Western Lodging constantly adjusts the temperature based on occupancy and the time of year in order to better control the building temperature.
  - c. Educate the guests upon arrival on how to use the in-floor radiant heat system to prevent them from turning the heat up.
  - d. David Hale suggested thermostats that had sensors on them to limit the temperature increase. Sensors were looked into in the past, but these would not work in the building due to a lack of an additional wire.
5. Mount rack of hooks to the right of hot tub
6. Mount visual instructions for opening hot tub cover

## VII. PRESIDENT'S COMMENTS

Denis Franks presented the president's report. Denis thanked Great Western Lodging and staff for all the hard work and help with coordinating the Palace Construction projects. Denis stated the units in Great Western Lodging's rental program had a 30% increase in revenue this past year. Tripadvisor is a web site that offers comments and reviews for vacation areas, and Park Avenue Lofts is the 4<sup>th</sup> most popular in Breckenridge by the guests who have stayed there. This popularity ranking is solely based on positive reviews by guests who have stayed there. Great Western Lodging has no control or influence over this site.

### A. Lawsuit settlement recap

1. The lawsuit was settled in June 2006.
2. Palace Construction and Techniscan were the contractors retained to complete the punch lists.

### B. Palace Construction completed and incomplete

1. Projects completed include: roofs, soffits, gutters, downspouting, heat tape at exits, windows/doors, exterior staining, P1/P2 markings, tile/trim in lobby, etc.
2. Projects to be completed include; conversion of one of the common bathrooms to ADA compliance, hot tub lift (purchased but not yet installed), rear exterior stairway issue, ADA compliant unit conversion (#204).

- a. The rear stairway was not designed to be used during the winter months. Removal of the stairs is not an option, better signage and chains to block off usage need to be enforced.
  1. The town declined the original plans for the stairs, the current stairs are the outcome.
  2. Bob Johnson questioned why the stairs couldn't be removed.
    - a. David Kaiser doesn't believe the town would allow the removal of the stairs.
    3. Rocky Sorrel suggested going to the town to see what improvements, if any, could be made to prevent the stairs from being a hazard.
- b. Unit #204: there was an allowance in the settlement to make the unit ADA compliant.
  1. David Kaiser stated that he believes one unit in the complex must be ADA complaint.
3. Unit re-carpeting
  - a. All Flooring and Design has completed estimates for re-carpeting each floor plan in the building.
  - b. The board would like the association to offer a dollar amount to each owner who replaces their carpet through All Flooring in order to receive a bulk rate.
    1. The monies will come from the lawsuit settlement.
  - c. Jim Conner, David Kaiser and Rob Young suggested the dollar amount be pro-rated per square footage rather than offering each unit the same dollar amount.

- d. The association will offer a \$19,000.00 cap from the lawsuit settlement to be distributed among participating units on a square footage basis.
    - i. Any monies not used (of the \$19,000.00) will be placed back into the reserve account.
    - ii. Rob Young declined the need of the commercial space to be re-carpeted.
  - e. The carpeting project will take place this next fall with an August 1<sup>st</sup> participation deadline.
  - f. Great Western Lodging will distribute an informational letter to each owner asking if they want to participate.
4. Employee unit re-financing
- a. Alpine Bank is the current lender. They increased their rate to 9.25%.
  - b. Wells Fargo has approved a new loan for 15 years at 7.8%.
    - i. The loan will be for \$100,000.00 and the association will pay down the remaining \$63,000.00.
  - c. David Hale suggested assessing each owner to pay off the loan amount.
    - i. Denis Franks and Bob Johnson disagree due to the fact that the employee unit will always be an asset to the association and the current owners may not always be owners.
  - d. Jim Conner suggested shopping additional banks
    - i. Chad Christy explained that because the unit is deed restricted and owned by the association, other banks won't touch it.
  - e. *Denis Franks made a motion to accept the terms of the Wells Fargo refinancing and paying down the loan to \$100,000.00, Rocky Sorrel seconded the motion, all were in favor and the motion was passed.*
5. Cable station line up
- a. David Kaiser suggested a cable station list be placed in each unit.
6. Trash Bin
- a. Jim Conner suggested larger trash bins for the garage. This has been an ongoing issue, as the larger the container the more difficult it is for Jeb to bring it up to the outside dumpster. The smaller the dumpster, the more mess.
  - b. David Kaiser suggested additional signage.
7. Conference room
- a. The conference room was recently rented out to another HOA for their annual meeting.
  - b. The prospects of the conference room for rental are good in addition to exposure for rentals of the units at Park Avenue Lofts.

## **VIII. OLD BUSINESS**

- A. Discuss alleged loss of residential P2 parking spaces
  - 1. A question had arisen regarding residential parking spaces being transferred to the commercial unit.
    - a. All one and two bedroom units receive the use of 1 parking space, the 3 bedroom unit receives the use of 2 parking spaces. P2 has a total of 22 spaces (one of which is handicapped and one of which is not usable).
    - c. There are 2 additional residential parking spaces available in P1 (commercial parking garage)
    - d. The total parking spaces available for the residential units is 22.
    - c. There are enough residential parking spaces as per written in the amendment to the declarations.
  - 2. *After much discussion, Rocky Sorrel made a motion to move forward on the parking space discussion, Denis Franks seconded the motion, all were in favor and the motion was passed.*
- B. Review comments to first amendments to declaration (regarding the parking spaces).
  - 1. The amendments were written and documented by legal counsel

## **IX. NEW BUSINESS**

- A. Discuss front desk removal
  - 1. Due to the cost of the removal of the front desk and aesthetics, it was decided to close off the opening to the office by means of a locked door and leave the front desk as is.
- B. Refinance apartment mortgage (as stated in President's report)
- C. HOA contribution for owners to re-carpet units (as stated in Presidents report)
- D. Cable stations for rooms (as stated in President's report)
- E. Bob Johnson inquired whether Great Western Lodging could send out thank you notes to all past guests of Park Avenue Lofts and offer them first choice on rebooking in the future months.
  - 1. Chad Christy stated Great Western Lodging sends out thank you notes at least four times per year. It's difficult to hold space due to the chance of those units not booking for that time frame.
- F. Bob Johnson commented on the great job Great Western Lodging is doing on both the rental & association management of Park Avenue Lofts. Bob also thanked David Kaiser and David Hale for having the foresight of the potential of the conference room.

## **X. BOARD OF DIRECTORS – TERMS AND CHANGES**

- A. Election of board members
  - 1. All members serving 1-year terms
  - 2. Nominees from the floor
- B. *Denis Franks made a motion to keep the Board of Directors as is, Rob Young seconded the motion, all were in favor and the motion was passed.*

**XI. RESOLUTIONS FROM 2006 TAX RETURNS**

A. Capital Contributions

1. Amounts collected by the association for Capital Replacement purposes for YE 2005 will be set aside for future major repairs and replacements and allocated to capital components.

B. Excess Income Applied Towards Subsequent Year's Assessments

1. Excess membership income over membership expense collected by the association for YE 2005 shall not be refunded to owners, but shall be applied against subsequent tax year member assessments.

**XII. NEXT MEETING DATE**

First or second weekend in April, before the mountain closes as long as it doesn't land on Easter weekend. Easter is March 23, 2008, so this will not be an issue.

**XIII. ADJOURNMENT**

*Denis Franks motioned to adjourn, Bob Johnson seconded, all were in favor and the meeting was adjourned at 3:28 p.m.*