

601 Lofts Annual Meeting

February 19th, 2024

Agenda

1. Call to Order - Confirmation of Quorum
2. Approval of 2023 Annual Meeting Minutes
3. 2023 Financials & 2024 Budget
4. Projects: Completed & Future
5. Owner Questions & Concerns
6. Opening of Election
7. Adjournment

2023 Board Members



2006 to present

Feb 2021 to present

Sep 2022 to present

Feb 2023 to present

2023 Financials & 2024 Budget

Presented by: Lindsey Ashenden

Consolidating & Moving Reserve Accounts:

- Homeowner Brian Carey proposed the idea of moving the Association's reserve funds into a higher yield account. The details were discussed with Treasurer Lindsey Ashenden and compiled into a recommended proposal for review by the full Board

- The Board approved consolidating the 2 reserve accounts into a Merrill Lynch Working Capital account to be invested in FDIC-insured savings

- The 2023 Working Capital yield was 4.5% - 5%, which more than quadrupled our previous return.

- The Association's BMO account will be maintained for operating expenses.

- 2023 interest earnings $4k (started in Sept), with projected earnings of ~$12k in 2024

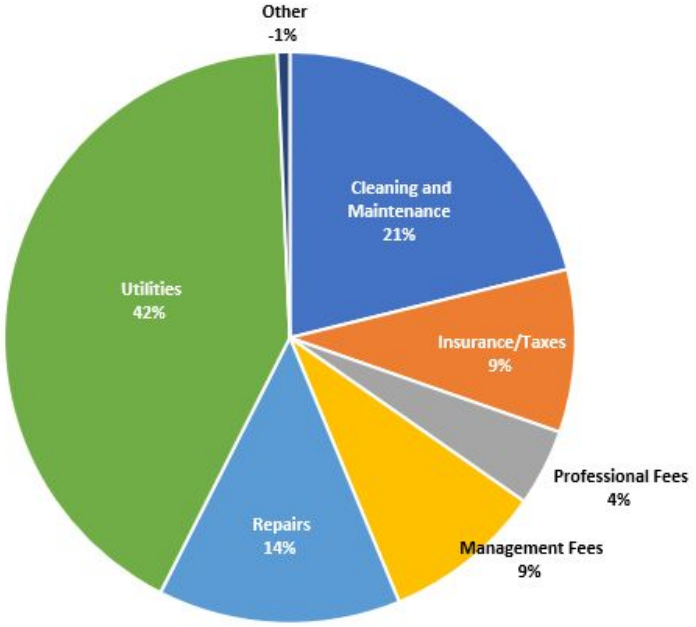
2023 Financials

FY 2023 Income Statement

601 Lofts Financials	YTD 2023 Actuals	YTD 2023 Budget	YTD 2022 Actuals	Variance to Budget $	Variance to Budget %	Variance to PY $	Variance to PY %
Association Dues	313,824	317,101	292,573	(3,277)	*-1.0%*	21,251	*7.3%*
Late Fee	7,038	-	5,575	7,038	*0.0%*	1,463	*26.2%*
Miscellaneous Income	35,000	25,800	28,953	9,200	*35.7%*	6,047	*20.9%*
Legal Fee Reimbursement	8,436	-	-	8,436	*0.0%*	8,436	*0.0%*
Interest Income	3,753	-	732	3,753	*0.0%*	3,021	*412.7%*
Total Operating Income	**368,051**	**342,901**	**327,833**	**25,150**	***7.3%***	**40,218**	***12.3%***
Total Operating Expense	301,188	307,601	313,420	(6,413)	*-2.1%*	(12,231)	*-3.9%*
Reserve Contribution	17,674	35,300	32,700	(17,626)	*-49.9%*	(15,026)	*-46.0%*
Reserve % of Op Expense	*5.9%*	*11.5%*	*10.4%*	*-561 bps*	*-457 bps*		
Net Operating Profit	**49,189**	**(0)**	**(18,287)**	**49,189**		**67,475**	***-369.0%***
Special Assessments	100,636	131,513	123,247	(30,877)	*-23.5%*	(22,611)	*-18.3%*
Transfer from Reserve	-	-	102,800	-	*0.0%*	(102,800)	*-100.0%*
Capital improvements	160,720	131,513	192,645	29,207	*22.2%*	(31,925)	*-16.6%*
Special Projects	**(60,084)**	**-**	**33,402**	**(60,084)**	***0.0%***	**(93,486)**	***-279.9%***
Total Income	468,687	474,414	553,880	(5,728)	*-1.2%*	(85,193)	*-15.4%*
Total Expense	479,582	474,414	538,765	5,168	*1.1%*	(59,183)	*-11.0%*
Total Net Income	**(10,896)**	**(0)**	**15,115**	**(10,896)**		**(26,011)**	***-172.1%***

Operating Cash	18,279
Reserve Account 1	8,758
Reserve Account 2	152,845
Total Cash	**179,882**

2023 Expense Detail



Overview of Fee Changes

- Association dues will be **increased by 3.0%** total for the year to cover estimated increases in utilities, property taxes, and maintenance & repairs
- This increase is estimated at $7-$10/month based on current dues
- Because dues for January and February have already been paid at 2022 rates, this increase will be reflected as a **3.6% increase** on the remaining 10 payments of the year
- In addition to the association dues, there will be an annual HVAC inspection charge of $125/unit, scheduled to occur in September

2024 Operating Budget

601 Lofts Financials	FY 2024 Budget	FY 2023 Actuals	Variance to PY $	Variance to PY %
Association Dues	326,614	313,824	12,790	*4.1%*
Late Fee	-	7,038	(7,038)	*-100.0%*
Miscellaneous Income	38,800	35,000	3,800	*10.9%*
Interest Income	12,000	3,753	8,247	*219.7%*
Total Operating Income	**377,414**	**359,615**	**17,799**	***4.9%***
Total Operating Expense	328,122	301,188	26,934	*8.9%*
Reserve Contribution	49,292	17,674	31,618	*178.9%*
Reserve % of Op Expense	*15.0%*	*5.9%*		
Net Operating Profit	**(0)**	**40,752**	**(40,752)**	***-100.0%***
Special Assessments	-	100,636	(100,636)	*-100.0%*
Capital improvements	-	160,720	(160,720)	*-100.0%*
Special Projects	**-**	**(60,084)**	**60,084**	***-100.0%***
Total Income	377,414	468,687	(91,272)	*-19.5%*
Total Expense	377,414	479,582	(102,168)	*-21.3%*
Total Net Income	**(0)**	**(10,896)**	**10,896**	***-100.0%***

Assumptions:

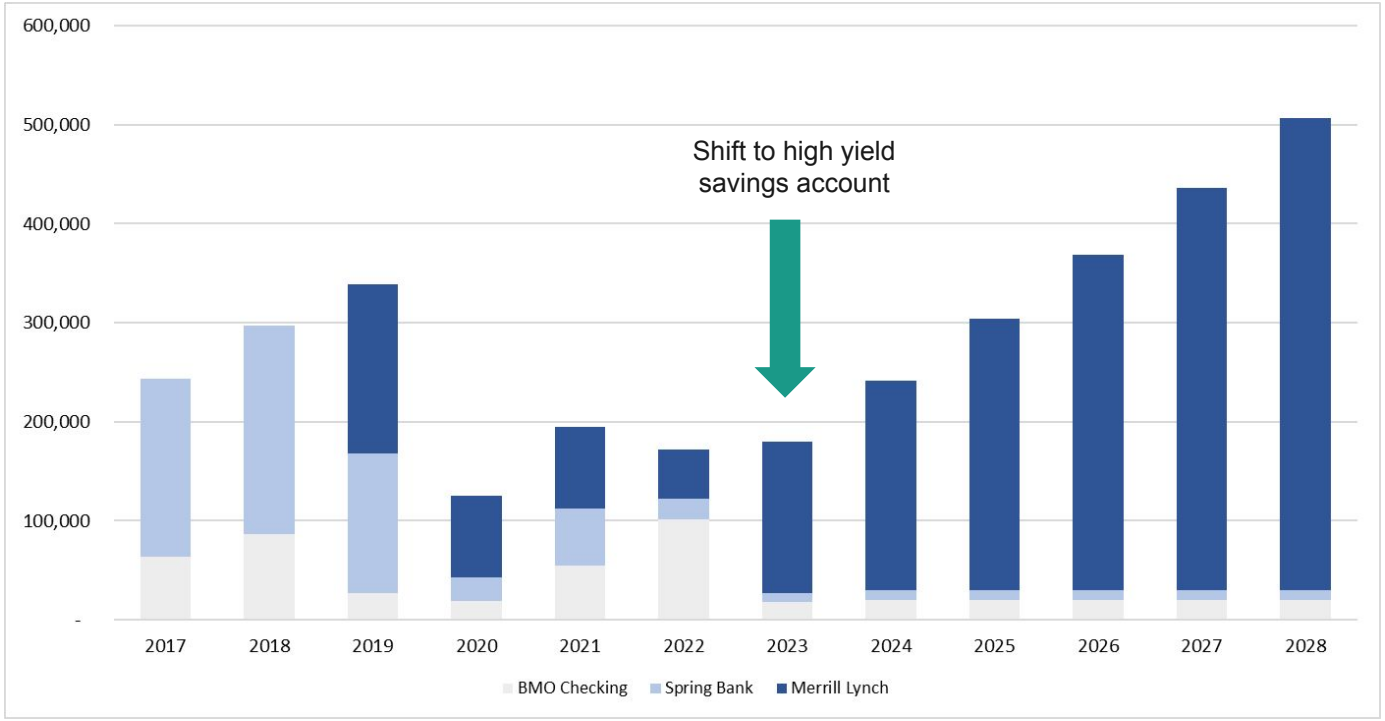
- Association Dues +3%; higher due to timing of actual payments in 2023
- Operating Expenses +8.9%; +4.4% when excluding several 2023 one-time items including insurance claims and owner-paid expenses
- 2024 reserve budgeted at 15% of expenses; 2023 reserve expense low due to re-org of accounts with $150k moving into high yield account

2024 Operating Expenses by Category

Operating Expense by Category					Assumptions:
CLEANING AND MAINTENANCE	67,185	64,612	2,573	*4.0%*	Increase in snow removal and garage maintenance
INSURANCE/TAXES	38,053	33,503	4,550	*13.6%*	15% increase in property insurance beginning in May
PROFESSIONAL FEES	13,700	13,289	411	*3.1%*	
MANAGEMENT FEES	29,294	27,636	1,658	*6.0%*	
REPAIRS	49,990	41,938	8,052	*19.2%*	General repairs budgeted at $600/month
UTILITIES	124,800	128,944	(4,144)	*-3.2%*	Reduction driven by phone; excluding +10% from electricity, gas and water
OTHER	5,100	4,276	824	*19.3%*	
one-time	-	(13,009)	13,009	*-100.0%*	2023 Insurance claims and owner-paid expenses
Total	**328,122**	**301,188**	**26,934**	***8.9%***	
Less one-time	328,122	314,198	13,925	*4.4%*	

2024 budget

Cash Accounts: Historical Data + Projections



Assumptions:

- BMO Checking at $20k
- Spring Bank at $10k
- Merrill Lynch Account assumes +$50k/year and 4.5% interest income

Projects:
Completed & Future

Presented by: Paul Nowak + Cindy Galvan

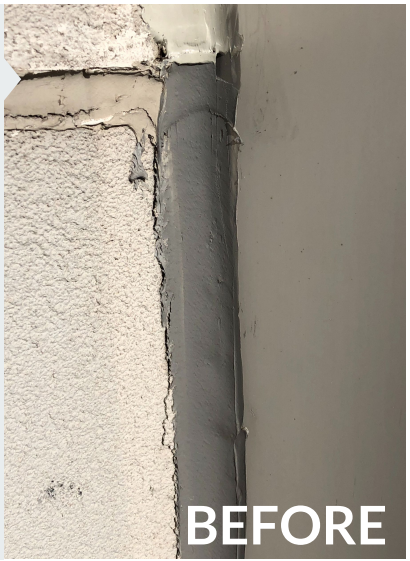
Completed Projects

EIFS Project

2023 marked the end of a 4-year project to seal the building's EIFS joints from water.

Cracks & erosion in caulking

Water damage occurred in units around the building, due to erosion of the caulk and sealant over the joint of the building's EIFS.



Fully enclosed & protected joints

Water has no entry point as the joints are fully caulked, protected with a silicone barrier and sealed with silicone paint.

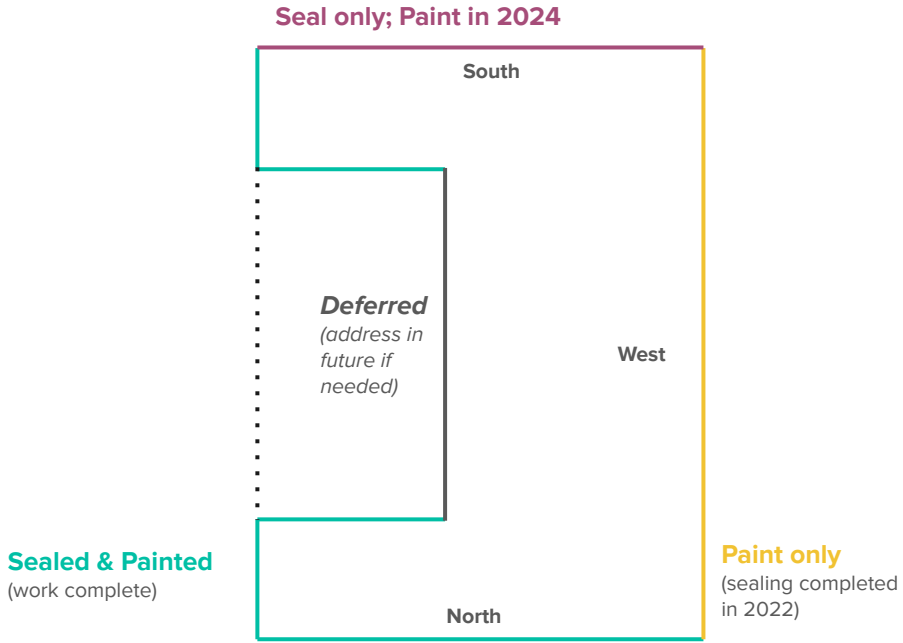


EIFS Project

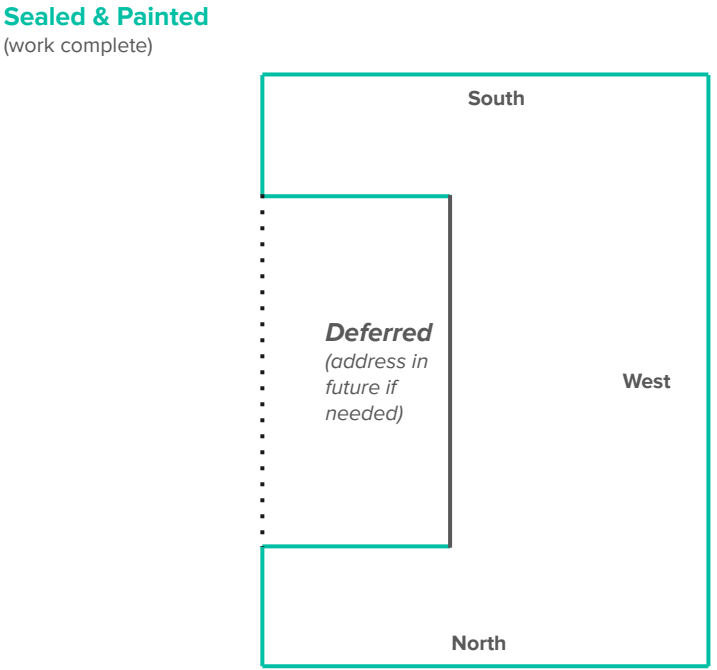
- Our top priority for 2023 was securing the best solution to wrap up the EIFS project cost-effectively and within a timeline that ensured our warranty would be honored.
- Going into 2023, our original painting vendor quoted an amount that was 87% higher than the projected cost for labor and materials.
- While the Board originally planned to extend the timeline for painting into 2024 to avoid transferring this inflated cost into another round of Special Assessment fees, an alternate vendor was secured to handle the painting at a much reduced cost.
- This vendor’s competitive pricing and flexibility enabled us to fully seal and paint all exterior unit walls in 2023 without prolonging the timeline or tapping reserve funds.

EIFS Project

Original 2023 Plan



Actual 2023 Outcome



EIFS Project

Total EIFS Project Funding:

	2020	2021	2022	2023	3 year Total
Special Assessment	5,723	151,000	152,011	100,486	403,497
Late Payment (Jan 2024 actuals)				8,552	8,552
Estimated Outstanding				5,000	5,000
Reserve Fund Transfer	-	-	102,800	-	102,800
Total Funding	**5,723**	**151,000**	**254,811**	**114,038**	**519,850**
Capital Improvements	**270,491**	**165,684**	**192,645**	**160,720**	**519,049**
Net Special Fund	(264,768)	(14,684)	62,166	(46,682)	801

Completed Projects

Summer Social Gathering

- In response to requests for more informal gatherings, the Board held its first annual social event on August 8th, 2023 at the Juneau Park Beer Garden.

- Over the course of the evening, we had 31 owners attend and received extremely positive feedback on the event and plan to continue these moving forward.

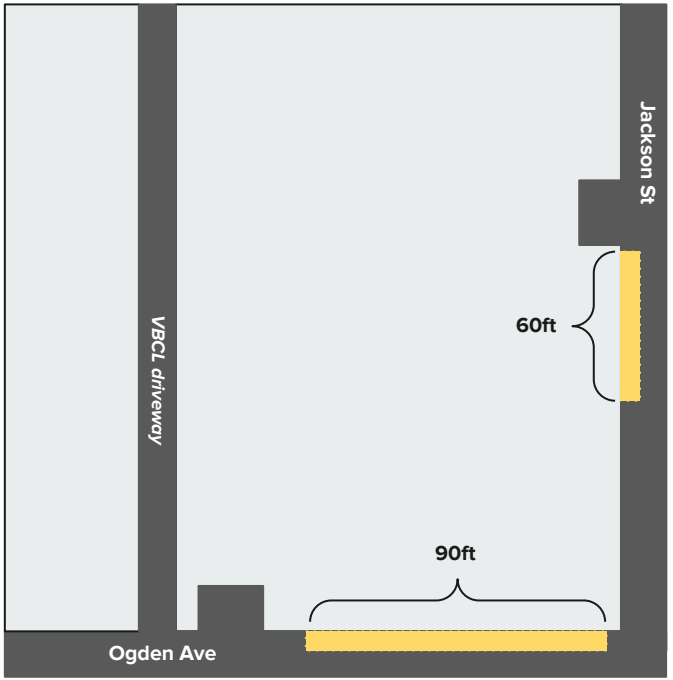




Completed Projects

Building Access for Guests and Deliveries

- To help reduce the number of cars parking in the VBCL driveway, we have applied for **loading zones** on both Ogden and Jackson, which are pending city approval.
- This will discourage long-term parking in front of and alongside our building, leaving space for deliveries and guests to temporarily park.
- **Cost:** $1,375 for 2 years *($275 per 30 feet)*.



Completed Projects

Garage Leak Repairs & HVAC Maintenance

- Two leaks occurred in the 2nd floor garage in July 2023, originating from different units.
- It was determined that these were due to issues with HVAC system valves and blocked condensation pipes, respectively.
- To mitigate further leaks and potential water damage, the Board decided to have all condensation pipes cleared and to schedule building-wide HVAC unit inspections.
- An annual unit inspection will be scheduled by management and charged at a reduced rate to each unit at $125/unit.

Completed Projects

Review of Square Footage & Dues Calculations

- A discrepancy in square footage used to calculate monthly dues was identified by previous Board member, Dean Kaja, in 2022.
- Units 302 and 808 are recorded as larger than they actually are because the developer did not subtract square footage for common area staircases from those units.
- Section 11.1 of the Declaration states that square footage is not the only factor that went into the developer's determination of the assigned percentage interests of each unit.

> Percentage interests were determined based on "floor space…the location of such space and additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use and the overall dimensions of a particular Unit."
>
> - **Declaration, Section 11.1**

Completed Projects

Third Floor Terrace Repairs

- In March 2023, heavy volumes of water on the terrace from snowmelt and strong thunderstorms caused flooding in the third floor hallway, as well as water damage in several units.
- It was determined that shifts in the building's foundation have caused the pitch of the terrace to be inadequate for water runoff and drainage.
- As immediate next steps, the Association filed an insurance claim to repair damage to the common areas, including drywall and replacing carpet.
- However, the Board recognized that a bigger fix is necessary not only to mitigate risk to the third floor residents, but also to maintain the structural integrity of the building's garage.
- More details will be provided in the pending projects portion of our presentation, but we want to reiterate that this future project was top of mind for us when making decisions throughout the year.

Future Projects

Third Floor Terrace Repairs

We are here.

Due to the expected cost of $100k for drainage repair alone to $250k for a paver system and greenery, we anticipate a new special assessment in either 2024 or 2025.

Nov 2023 ✓	Feb 2024 ✓	Spring 2024	TBD	TBD
Select Project Coordinator Gathered bids from engineering firms to identify most competitive pricing. Selected RCL Engineering as coordinator.	**Discovery Phase** Cut holes in concrete to understand structural integrity and determine next steps.	**Finalize Scope, Timeline & Budget** Review estimates and proposals from RCL to determine whether to repair drainage alone or to invest in a paver system (a sturdier long-term solution).	**Design Phase** Solicit design proposals for materials and layout, including any greenery. Make final selection.	**Construction Phase** Begin work on repairing the terrace deck.

Access & Security System Upgrades

Over the last 5 years, there have been a series of thefts from the mailroom and from the garages. The Board has explored options to increase the building's security with minimal disruption to owners' day-to-day life.

- **ButterflyMX Fobs:** Installing fob readers in the elevators and at the staircase entrances in the garages and lobby to ensure that intruders or thieves would have extremely limited access to the building. *Estimated cost: $15,000 + installation*
- **Security Camera Upgrades:** Install high resolution cameras with remote access and cloud storage, as well as add an additional camera covering the north exterior side of the building, where we've had vandalism and an increase in people loitering outside of the door. *Estimated cost: $16,000*

EV Charging Upgrades

- Installing a central hub to handle metering of individual charging stations for up to 20 units in the building, at a one-time cost of $36,000 to the Association.
- Individual owners who want to install a charging station near their parking space would pay 2 additional one-time costs to run additional electric lines:
    - from the central hub to their parking space (estimated at $9,700)
    - from their parking space to their unit's electrical meter (cost will vary by distance from unit to the charging station in the garage)
- The 20 charging station connections would be available to all owners, granted on a first come, first served basis.
- Charging stations would be owned and maintained by unit owners. They may not be sold independently of the unit they are metered to.

Future Projects

Future Projects Proposed:	Estimated Cost
Third floor terrace repairs	$100,000 - $150,000
Third floor terrace paver system	$200,000 - $250,000
Access Upgrade - Butterfly fobs to stairs/elevator	$15,000 + Installation
Security camera upgrades	$16,000
Electric vehicle panel *(pending vote)*	$36,000 + Owner Costs

Owner Concerns + Questions

Q&A with The Entire Board

Q+A unit owner concerns

ELECTRIC VEHICLE CHARGING

- What is the central hub for for EV charging?
    - The central hub is not a charging station itself. The hub would make it possible to establish and meter up to 20 individual charging stations.
- Why is there a limit of 20 charging stations? What happens if we want to include more?
    - 20 is the maximum number of charging stations that can be supported with the building's as-built electrical. To support more charging stations, we would need an additional generator and hub.
- How would owners of Electric Vehicles be approved for a charging station connection?
    - If owners approve the expense to install a central hub for charging electric vehicles, the Board would create a procedure for owners to secure one of the connections, including:
        - An application process
        - A requirement that the unit has no fee delinquencies
        - The owner includes a check to cover the installation of power to their parking spot

Q+A unit owner concerns

CONDO DOCUMENTS

- Why are we seeking to limit the number of rentals to 10% of residential units?
    - To protect the mindset of shared ownership in the building — and the financial costs that come with it — we want to ensure that residential units remain primarily occupied by owners, rather than tenants.
- Who is responsible if a window in my unit is broken by one of the Association's contractors?
    - If a window is broken due to negligence by the Association or one of its vendors (such as a window washer), the Association would cover that replacement cost and file a claim against our vendor's insurance.
    - If a window is broken due to any other reason, the owner would be responsible to cover the replacement cost.

Q+A unit owner concerns

SECURITY UPGRADES

- How would the new ButterflyMX fob system work?
    - Owners would be able to tap their fob to the reader to open doors or operate the elevator without needing to enter their PIN or use the ButterflyMX app.
    - To grant access to visitors, owners would use the ButterflyMX app to open the lobby or back door door. Visitors would have a predetermined amount of time to enter the elevator to access the unit they are visiting. The elevator would only allow them to access the floor of the unit they're visiting.
- Which doors would receive fob readers?
    - A fob reader would be placed on all staircase entry doors in the garages and lobby. Owners would be able to open these doors with theirs fobs; visitors or intruders would not be able to open these doors.

Opening of Election

Voting Process

- Electronic ballots were sent by email on the morning of Feb 19th, 2024. The title of the email was be “2024 601 Lofts Ballot.”
- Voting is now open and ballots will remain active until:
    - 11:59 PM CT on Mar 31st, 2024 for the Condo Document & EV Charging updates.

Questions on the voting process or didn’t receive a ballot?
Please reach out to Cindy (Cindy@realestatespl.com) and we will troubleshoot with you.

Thank you!



Appendix

Updating the Declaration & Bylaws

What are these documents?

Condo associations are governed by three sets of documents:

Declaration

- "Creates" the Association.
- Describes the physical building.
- Defines percentage of ownership each unit has in the building.

Covers things that are essentially permanent, unless there are structural changes to the building.

Bylaws

- Outlines how the Association operates and the responsibilities of the Board.

Typically, associations evaluate these every 5-7 years to ensure they're relevant and modern.

Rules & Regulations

- Describes standards that owners and their guests are held to when in the building.

These are updated on an as-needed basis by the Board. Updates to this document are not voted on by owners.

Why update the Declaration & Bylaws?

- The current Declaration defines operations that should be defined under the Bylaws instead (insurance requirements, leasing process, and right of entry).
- The current documents don’t reflect that the Association has a property manager who handles a good portion of operations.
- The current documents focus heavily on the building’s original construction, outlining processes that will never happen again.
- The documents are not aligned with updated Wisconsin insurance statutes.

Updating the Declaration & Bylaws

Declaration: Summary of Proposed Updates

- Remove all content related to the building's original construction.
- Correct the number of residential units that were actually built from 80 to 79.
- Move all content that defines operations to the Bylaws instead (insurance requirements, leasing process, and right of entry).

Updating the Declaration & Bylaws

Bylaws: Summary of Proposed Updates

- Increase amount of advance notice given to owners from 3 days' notice to one week's notice for right-of-entry on projects that will require more than one week's access.
- Limit the number of total residential unit rentals to 8 units (10% of the residential units). All active rentals would be grandfathered in and allowed to continue.
- Establish a one-time transfer fee (equal to 2 months' common charges) to be paid by new buyers upon closing of a sale.
- Update processes to reflect how the Association works with our Property Manager, Cindy (RES).
- Bring insurance coverage requirements in line with Wisconsin statutes.

Updating the Declaration & Bylaws

Process to Approve

These documents have different requirements in order to be adopted:

Declaration

- 75% of Residential Owners (59 units) and 75% of Commercial Owners (3 units) must vote in favor.
- Once this is met, the updated declaration will be sent to Mortgage Lenders for final review.
- The updated declaration will be adopted if no objections are received from the Lenders.

Bylaws

- 67% of Unit Owners (56 units, residential or commercial in any combination) must vote in favor of adoption.

601 Lofts Condo Association
Annual Meeting
Wednesday, February 19, 2025
6:00PM on Zoom

DRAFT MINUTES - To be approved at 2026 Annual Meeting

Call to Order: Meeting was called to order at 6:07 PM by Cindy Galvan.

Confirmation of Quorum: A quorum was confirmed with a total of 11 proxies and 30 Owners attending live.

Approval of 2024 Annual Meeting Minutes: Board Secretary Paul Nowak motioned to approve. Seconded by residential owner Brian Carey. Minutes were approved.

Financials: Board Treasurer Lindsey Ashenden covered the 2024 actuals and 2025 budget, as detailed below:

2024 Expenses

- Operating income was inline with PY; with Association dues up 6% due to timing of actuals (3% increase overall) offset by lower late fees, misc income, and reimbursements.
- Compared to budget, we had planned for in-unit HVAC inspection but determined annual inspections were not necessary - offset was in expenses.
- There was a lower reserve contribution due to a large number of unexpected one-time expenses:
    - Higher insurance rate from new provider
    - Several material HVAC repairs including cooling tower and boiler replacements impacting the 9th and 10th floors
    - Several unbudgeted professional fees including legal fees for the updated Condo documents, and roof, sprinkler, electric vehicle and terrace inspections.
    - True-up of the 2023 insurance claim related to the 3rd floor leak
    - Jackson garage door opener and spring replacement
- Total cash at the end of the year is at $170k; close to where we began the year
- Utilities are still the highest expense driver at 29%, followed by repairs and maintenance both at ~20%

2025 Budget

- Association Dues +8% driven by an increase in property insurance and utilities
- Operating Expenses -14%; +11% when excluding one-time items in 2024.

- 2025 reserve budgeted at 15% of expenses; 2024 reserve expense low due to several large one-time items in 2024 that required reserve funding.

Project Updates: Board President Mary Reavey and Board Secretary Paul Nowak presented updates on capital projects, as detailed below:

EIFS Repairs

- EIFS Project work was fully completed in 2024 with the waterproof paint being applied. The project was fully completed $800 under budget and no reserves were tapped.

Loading Zone Applications

- To help reduce the number of cars parking in the driveway of our neighboring condo building (Van Buren City Lofts) and owners from parking moving vehicles in the garages, the Board applied for loading zones on both Ogden and Jackson.
- Due to congestion in the area, Alderman Robert Bauman rejected the loading zone applications.
- The Board chose to receive a refund for the application fees rather than appeal.

Updating the Condo Documents

- The Board proposed updates to the Condo Declaration and Bylaws at the 2024 annual meeting based on feedback from the Association's legal counsel.
- At the 2024 annual meeting, there was a motion to create a working group to provide feedback on the Board's proposed updates. The Board incorporated feedback from the working group.
- The documents were put to a digital vote in August 2024. More owners voted in favor of adopting the new documents than against, but there was simply not enough participation to move forward.
    - Turnout rate of 46% (38/82 units)
    - Declaration Outcome: 35% in favor; 11% against; 54% did not vote
    - Bylaws Outcome: 27% in favor; 20% against; 54% did not vote
- The 2024 Board still believes the updates are necessary, but will leave the decision to the 2025 Board on whether or not to have another vote.

Third-Floor Terrace Repairs

- As a follow-up to the temporary fixes to the water damage sustained on the third-floor terrace in 2023, the Board selected RCL Engineering as a project coordinator to determine how to best address the incorrect pitch of the terrace.
- RCL identified that the pitch of the deck is only on the surface level of the concrete, rather than extending to the waterproofing membrane below. This

means that when cracks or shifts in the surface layer occur, they can affect the pitch of the deck and adequate drainage.

- The Board agreed with RCL's recommendation to use pavers as the surface material to maintain the accessibility of the terrace as a shared space.
    - Aggregate was proposed as a cheaper alternative surface material, but RCL cautioned that this would make the space unusable and could open us up to the possibility of injuries if owners accessed the terrace.
- Repairs and paver installation are planned for Q2 2025.
- The costs will be covered via a special assessment that is divided into 4 payments, due on Apr 1st, Jun 1st, Aug 1st, and Nov 1st to meet the final payment due to the contractor.
- Final paver design will be voted on by owners once mockups are received from Langer and RCL.

Access & Security System Upgrades

- Over the last 5 years, there have been a series of thefts from the mailroom and from the garages.
- To address these issues, the Board decided in late 2023 to install additional fob readers in the entrances, garages, and lobby to ensure intruders have limited access to the building, as well as to upgrade our security camera to high-resolution.
- The fob system was purchased in 2024 and will be installed in late Q1 / early Q2 2025.
- The camera upgrades were deprioritized in 2024 due to the unexpected higher costs of insurance, the terrace repair project, and several HVAC and garage door repairs.
- The 2025 Board will have the option to revisit the camera upgrades.

Owner Q&A: The Board responded to questions submitted by Owners, as detailed below

Improving Communication

- Owners should attend bi-monthly board meetings for up-to-date building news and awareness.
- Board will communicate upcoming meetings through email and include draft agenda.
- Board will post meeting minutes to Appfolio within 1 week following the meeting.
- Owners to consider monthly/quarterly newsletter with support from a new subcommittee team.

ButterflyMX Fob System

- Will owners be required to go down to the lobby to meet their guests?

    - There is an option to install a keypad in the elevators and stairwells that would allow guests to access the building. Cindy is determining the final cost of the keypads and will share updates soon.
- Each unit will receive one fob for each deeded parking space — what if we only have one parking space, but more than one person living in our unit?
    - Additional or replacement fobs will be available for $30 per fob.

Unit Rentals

- In 2024, there was a proposal to limit the number of rentals to 10% of residential units—has this been put into effect?
    - No, there was not enough participation in the vote to adopt the new documents. The building's original Declaration and Bylaws are still in place.
    - The 2025 Board may choose to hold another vote to adopt the new documents.

Election:

- 5 candidates ran for the residential committee of the 2025 Board: Lindsey Ashenden (Unit 412; incumbent), Paul Nowak (Unit 1001; incumbent), James Garcia (Unit 403), Michael Campbell (Unit 807) and Jill Hanson (Unit 901).
- 1 candidate ran for the commercial committee of the 2025 Board: Behzad Shabahang.
- Owners voted and selected the 2025 Board. After the meeting, roles were assigned as follows:
    - President: James Garcia
    - Vice President: Behzad Shabahang
    - Treasurer: Lindsey Ashenden
    - Secretary: Paul Nowak

Adjourned - 6:57 PM

Next Board Meeting - Thursday March 27th, 2025; 5:30pm at Shabahang Rugs

601 Lofts Condo Association
Meeting of Board of Directors
May 26, 2026
5:30PM on Zoom

Present: Jimmy Garcia, Brian Carey, Paul Nowak, Cindy Galvan, Behzad Shabahang
Owner Attendees: Tom & Shelley Ziech (603); Mike Campbell (807); Ryan Kotek (506); Brian Miller (303)

Call to order - 5:31 PM

Approved March 2026 Minutes.

Outstanding Business:

- **3rd Floor Terrace Repairs.**
    - The court-mandated mediation session between 601 Lofts and the VBCL Boards was held on May 11.
    - The 601 Lofts Board offered a lump sum payment of $20,000 for indefinite non-exclusive access rights to use the VBCL driveway for repairs and building maintenance, with the expectation of future access happening for a week roughly every 10-15 years.
    - The VBCL Board rejected the offer and agreed to provide a list of their demands to the judge after the session concluded.
    - No resolution was reached during the mediation session, so a second round of mediation was scheduled for June 25th.
    - The Board will review the list of VBCL's demands and discuss next steps in more detail ahead of the next mediation session.

- **Security Camera Upgrades.**
    - Pieper Electric has reviewed the camera upgrade plans and will walk the property to discuss logistics on May 29 with Cindy and Paul.
    - After the discussion, Pieper expects to provide an updated plan and estimate for labor and materials. As long as materials are in-stock, installation can occur in late June or early July.

- **Reserve Study.**
    - Treasurer Brian Carey proposed deferring the reserve study until 2027 after completion of the third floor terrace repair in order to to focus on Terrace project and be able to start from a clean base/ledger after Terrace project completion.

- The Board unanimously voted in favor of deferring the reserve study.
- Owner Mike Campbell asked for the cost and timeline of running the study. It would be ~$5k to run in 2026. A reserve study takes roughly 30 days to conduct.

- **Ogden Garage Door Replacement.**

  - The Ogden garage frame is damaged after being struck by vehicles a couple of times over the last few years. None of the incidents were caught on camera.
  - Because of this damage, pressure is placed on the glass panels, causing them to develop stress fractures, shatter and fall out.
  - The solution is to replace the garage door, which will be quite expensive.
    - Metal with glass panels (replacement in kind): $15,000
    - Metal with plexiglass panels: $12,000
    - Aluminum door with no panels: $8,000
  - While this is an issue that needs to be addressed, it is primarily cosmetic for the time being rather than an urgent structural or safety issue.
  - Given the other expenses occurring at the moment, the Board has decided to monitor for now.
  - Another glass panel shattered and fell out on May 20. Cindy ordered a replacement piece that will arrive during the first week of June.

New Business:

- **Storm Repairs.**

  - During the severe weather that occurred in April, the structure surrounding the cooling tower on the roof was damaged and a panel is missing. Cindy ordered a replacement panel and the structure will be repaired once it arrives.

- **Miscellaneous Building Maintenance.**

  - On May 28, the common area thermostats will be set to 72° and the timing on the exterior lights will be adjusted to match the extended daylight hours.
  - The 3rd floor trash chute is occasionally difficult to open, which has led to some residents leaving their trashbags on the floor.
    - Cindy has had the door lubricated and confirmed that it does work.
    - Residents may need to jiggle the handle a couple of times to unstick it.
    - If the chute door does not open, residents should contact Cindy, then take their trash to a different floor rather than leaving it on the trash room floor.

Adjourned - 6:35 PM
Next Board Meeting - Monday July 13, 2026; 5:30pm on Zoom.

601 Lofts Condo Association
Special Meeting of Board of Directors
October 23, 2026
5:10PM via conference call

Present: James Garcia, Paul Nowak, Behzad Shabahang

Context

- **Prior to meeting.**
    - After signing with the new counsel for the ongoing lawsuit against the Van Buren City Lofts (VBCL) on 10/22, the Board discussed deferring the scheduled extra payment of one month's dues via email.
    - Treasurer Brian Cary requested a Legal opinion on whether or not the Board can take actions in between meetings. Counsel responded that the Bylaws do permit action between meetings if every director consents in writing to the outcome.
    - A unanimous decision was not reached outside of a meeting as to deferring the scheduled payment.
        - Consenting: James Garcia, Paul Nowak, Behzad Shabahang
        - Not Consenting: Brian Carey
    - Because of the financial burdens already placed on Owners from the previous payment in October, the consenting Board members called for a Special Meeting of the Board of Directors to vote based on a quorum of the Board.
        - Treasurer Brian Carey noted that the Bylaws require 5-days notice to call a Special Meeting and declined to attend without said notice.
        - In order to reach an expedited decision and communicate transparently with Owners, the consenting Board members convened via conference call to vote.

Call to order - 5:10 PM

Business:

- **Deferring Additional Special Assessment Payment.**
    - Motion to indefinitely defer the scheduled Special Assessment payment of one month's dues until the Association has a concrete need to request additional funds for the project.
        - In Favor: James Garcia, Paul Nowak, Behzad Shabahang
        - Absent: Brian Carey

Adjourned - 5:13 PM

601 Lofts Condo Association
Board of Directors Meeting
March 18, 2026
5:30PM on Zoom

Present: Jimmy Garcia, Lindsey Ashenden, Paul Nowak, Cindy Galvan, Behzad Shabahang
Owner Attendees: Tom & Shelley Ziech (603); Kamron Moore (304); Mike Campbell (807), Brian Carey (711)

Call to order - 5:31 PM

Approved January 2026 Minutes

Homeowner Concerns:

- **When will the thermostat in the lobby be adjusted from heating to cooling? It seems like it is set high for the current weather.**
    - The building's thermostats must be adjusted manually. This is a transition season where temperatures are still fluctuating, so Cindy hasn't changed them yet. If the forecast for next week holds steady, she plans to change them on 3/20.
- **When is the garage cleaning scheduled for this Spring?**
    - The Board recently approved a vendor bid for the annual garage cleaning. Cindy is working with the vendor to finalize a cleaning date for May. Notice will be sent out once that date is available.
- **The rules and regulations state that vehicles must be fully contained within the lines of a designated parking space. However, there are some oversized cars parked in the garage that are slightly longer than the parking spot. This is a potential safety hazard in areas with bidirectional traffic. How will these rules be enforced?**
    - The intention behind this rule dates back several years to when some owners were parking motorcycles in front of their primary vehicles and extending into the driving area.
    - The Board acknowledges that vehicles have gotten larger over the last few years and that this can pose challenges for neighbors who have to park next to larger vehicles.
    - Moving forward, the Board will assess this on a case by case basis to determine if there is a safety risk or excessive nuisance associated with a particular vehicle. Owners whose vehicles are found to be protruding by an excessive amount may not be allowed to park the offending vehicle in the garage.

- **While reviewing the financial statements, it appears that not all of the reserve & special assessment funds are in a high-yield savings account. Why is this?**
    - The Board maintains $10-15k in an interest-free account to be easily accessible for operational needs.
    - The remaining reserve funds & special assessment funds are in a HYSA with Merrill Lynch, earning roughly $1,100 per month in interest YTD. The entirety of the special assessment funds should be in a HYSA. Lindsey is meeting with our advisor next week and will confirm.
- **What is the delinquency status on monthly dues and special assessment payments. Is everything up-to-date?**
    - Only one unit has an outstanding delinquency across both monthly dues and the special assessment. That issue has been escalated to Legal. All other units are in good standing.

Outstanding Business:

- **Reserve Study**
    - Because it has been 9 months since our original bids for the reserve study, Cindy will follow up with those vendors for updated quotes. The Board will then select a vendor and work to schedule the study in Q2.

- **3rd Floor Terrace Repairs.**
    - The terrace repair project continues to be under negotiation with our neighboring property, the Van Buren City Lofts (VBCL) over our ability to access their driveway to complete the project.
    - Contact info for vendors has been submitted and reviewed to our attorney.
    - All legal costs are paid to date, exactly what was forecasted with retainer ($500-600 per month).
    - Mediation is tentatively scheduled for May 11, 2026. The Board will be represented by either Secretary Paul Nowak or Vice President Behzad Shabahang, depending on availability.
    - Because things are now moving at the pace of the legal system, residents can expect litigation updates in the Board Meeting minutes every other month unless there is a substantial update that requires more immediate communication.

- **Security Camera Upgrades.**

- Treasurer Lindsey Ashenden added a $15,000 placeholder in the 2026 budget for camera upgrades.
- Paul Nowak will begin conversations with the Arlo Sales team to finalize materials and submit our order.
- Once the equipment arrives, Cindy will schedule installation.

- **Ogden Garage Door Replacement.**
  - The Ogden garage door frame is damaged after being struck by vehicles a couple of times over the last few years. None of the incidents were captured on camera.
  - Because of this damage, pressure is placed on the glass panels, causing them to develop stress fractures, shatter and fall out.
  - The solution is to replace the garage door, which will be quite expensive.
    - Metal with glass panels (replacement in kind): $15,000
    - Metal with plexiglass panels: $12,000
    - Aluminum door with no panels: $8,000
  - While this is an issue that needs to be addressed, it is primarily cosmetic for the time being rather than an urgent structural or safety issue.
  - Given the other expenses occurring at the moment, the Board has decided to monitor for now.

- **Spring Cleaning.**
  - Exterior window cleaning is tentatively scheduled for May 18 or 20th (weather permitting).
    - Note: Balcony windows are not included in this annual cleaning. Owners are responsible for cleaning their own balcony windows.
  - Carpet cleaning is scheduled for June.

Adjourned - 6:15 PM

Next Board Meeting - Tuesday May 26, 2026; 5:30pm on Zoom.

601 Lofts Condo Association
Meeting of Board of Directors
July 13, 2026
5:30PM on Zoom

Present: Jimmy Garcia, Brian Carey, Paul Nowak, Cindy Galvan, Behzad Shabahang
Owner Attendees: Tom & Shelley Ziech (603); Mike Campbell (807); Mary Kay & Jim Mills (801); Jill Hanson (901)

Call to order - 5:31 PM

Approved May 2026 Minutes.

Outstanding Business:

- **3rd Floor Terrace Repairs.**
    - On 6/25, a second round of court-mandated mediation was held between the 601 Lofts and the VBCL. No agreement was reached.
    - VBCL has requested to send an engineer and their attorney to verify the state of the terrace.
    - The Board plans to move forward with a court appearance and to have a judge make the decision.
        - In August, our attorney Michael Heller will attend the preliminary appearance where a trial date will be set for later in Q4.
        - It is expected that the trial will take 1-2 business days and will conclude before the end of the year.

- **Security Camera Upgrades.**
    - Pieper Electric reviewed our diagram of proposed security camera upgrades and completed a feasibility assessment on 5/29.
    - Due to the scale of the project and size of building, Pieper assessed that the structural upgrades required to maintain a stable WiFi connection throughout the building for the Arlo wireless cameras would be far more expensive than working with the existing camera infrastructure.
    - They recommended an alternative camera system, Ubiquity, that would offer the same functionality as the Arlo system while operating on a wired connection.
    - Pieper also assessed that we can accomplish the new camera coverage with fewer cameras; 25 instead of 33.

- Including installation and materials, this upgrade comes to roughly $900 per camera. Pieper's estimate came in at $24,975—roughly $10,000 over what was budgeted for this project in 2026.
    - This estimate does not include cameras in the elevators. Pieper says that the elevator cars do not have enough electrical connections for a camera system, as well as that they would not be able to be wired into the existing system.
    - As a workaround, we would need to install battery-powered Ring cameras in the elevators and add wireless routers in the mechanical room on every other floor.
- The Board discussed removing several cameras from scope, increasing the budget to accommodate, or splitting the project into phases.
- They unanimously voted to seek Pieper's input to identify any camera angles that could potentially be consolidated without losing significant coverage. Installation will move forward based on Pieper's recommendation. We will not install elevator cameras at this time.

New Business:

- **Storm Repairs.**
    - During the severe weather that occurred in April, the structure surrounding the cooling tower on the roof was damaged and a panel is missing. Cindy ordered a replacement panel and the structure will be repaired once it arrives.
- **Move Out Policy & Security Deposit.**
    - The Board has observed that the majority of residents are not following the Association's rules & regulations during the move out process.
        - This can lead to security threats (leaving an access point to the building open and unattended), property damage (garage door mechanisms being broken) and violations of the city fire code (blocking the entrances/exits to the building with furniture or vehicles.
    - Secretary Paul Nowak proposed implementing a security deposit to incentivize owners to continue following the Association's rules through the duration of their move.
        - The Board voted unanimously to implement a $1,000 security deposit that will be charged to the current owner's ledger when they list their unit.
        - Owners will receive their full deposit back if they do not commit any rules violations during their move out process.
- **Miscellaneous Building Maintenance.**

- HVAC performance was impacted on the 3rd, 9th and 10th floor hallways during the first week of July while a leaky valve was detected in the cooling tower. This valve was temporarily capped while the technicians waited for the part to come in. The valve was repaired on 7/10 and the hallways should now be maintained at the expected summer temperature.
- On 7/3, renters moved out of the building without providing notice to Cindy. During their move, they propped the Jackson garage door open, which resulted in a broken cable. The door was repaired and the owner who was renting the unit was billed for the cost of the repair.
- Additionally, on 7/3, the North elevator sustained damage to one of the door closing mechanisms, causing the doors not to close correctly and putting it out of service. A repair was made the same day. It is unclear what caused the damage.
- The front and rear entrances of the building are not fully latching. These will be repaired next time Pieper is onsite for maintenance.

- **Landscaping.**
    - Homeowner Jill Hanson complained about the appearance of another unit's balcony planters. This unit is not yet occupied and the new owners plan to address the balconies once they are moved in.
    - Hanson also complained about the current state of the building's main landscaping alongside the commercial units.
    - President James Garcia offered to do a walkthrough of the landscaping to create an action plan to address it.

Adjourned - 7:307PM
Next Board Meeting - Tuesday September 8, 2026; 5:30pm on Zoom.

601 Lofts Condo Association
Board of Directors Meeting
November 3, 2025
5:30PM at Shabahang Rugs

Present: Jimmy Garcia, Lindsey Ashenden, Paul Nowak, Cindy Galvan, Behzad Shabahang
Owner Attendees: Michael Campbell (Unit 807); Michael & Cindy Eddy (Unit 903/1003); Brian Carey (Unit 711); Jill Hanson (Unit 901)

Call to order - 5:30 PM

Approved September 2025 Minutes

Homeowner Concerns:

- **There is a pet stain on the hallway carpet on the 7th floor. Can this be cleaned?**
    - Cindy has extra carpet tiles that could potentially replace it. Cindy will see how many tiles the Association has and how many are needed to replace the stain.
- **The 7th floor trash room is looking dirty. What is the cleaning schedule for the trash rooms on individual floors?**
    - Cleaners should be mopping trash rooms once per month. There is a monthly mopping schedule for each floor. Cindy will follow up with the cleaning service to ensure that the 7th floor trash room is cleaned next time they are on site.
- **The Association has a rule against nuisances and disturbances between 11pm to 7am, but the City of Milwaukee's ordinance for noise violations begins at 10:30pm. Can we update the rules & regulations to follow Milwaukee's ordinance?**
    - Yes, we can do this. Action Item: Paul Nowak to update Rules & Regulations.
- **Board meeting notices have not been posted in the elevators. Can these be posted there alongside notices in the mailroom and on Appfolio?**
    - Yes. There have been multiple board meeting notices removed from the elevators after they were posted. Action Item: Jimmy Garcia will update the notices after the Board meeting and post them in the elevators.
- **After the fob readers were installed on the South stairwell door, how can I get in and out of the building without triggering the alarm?**

    - Residents should use the ButterflyMX app to enter and exit the building until the fobs are sent out. To unlock the South stairwell door, swipe the “1st Floor South” button.
    - Fobs are being programmed and will be distributed during the week of 11/10.

- **Is there a key to the front door in case the intercom system goes down? Last month, there was an issue where the exterior touch panel was not responding to touch.**

    - There are hard keys to the South door, but not to the North door. All keys (and fobs) should have been transferred at closing from the previous owner.
    - If the panel is not responding, owners should contact Cindy. Troubleshooting the system takes roughly 20 mins. If the issue is the internet connection, Cindy will contact a Board member to manually reset the router.

- **Is there a manual way of opening the garage door if there is no power?**

    - Yes, if there is a building-wide power outage, residents can use the chain next to the door to open it by pulling hand over hand. This method should only be used as a last resort in the event of a building-wide power outage.

- **We have some guests coming into town for the holidays. Does the Association offer guest parking?**

    - No, unfortunately, the Association does not own any guest parking spots. All parking spots are deeded to individual units.
    - Owners who need guest parking can purchase temporary street parking permits from the City of Milwaukee (link here) or rent a space from a public parking garage in the area.

- **Was the trash room cleaned after the last meeting?**

    - Yes! It was cleaned and we received new garbage bins.

- **There is a slab in front of the trash room door that is uneven, creating a potential tripping hazard. Can something be done to minimize the potential risk?**

    - Cindy will have her team investigate, as it’s possible the slab is there to stop liquid from seeping out. There are a couple of options: potentially to paint a yellow line to increase visibility, or, if the unevenness is due to the foundation of the building shifting, it may be able to be shaved down so it is level.

- **I think the Board set a bad precedent by postponing the final special assessment payment and changing the payment schedule. Ensuring that the HOA can cover its expenses should come before individual interests. Does the Board see risk in potentially having a shortfall if owners are unable to pay once the project is complete?**

- The Board heard from owners who felt strongly about continuing to collect special assessment payments, as well as some who felt strongly about pausing payments.
- Ultimately, the Board decided to wait until the outcome of the lawsuit is known and a project timeline has been finalized before collecting the final payment. There are many unknowns at the moment, including the final cost of labor, that are likely to evolve over the next few months. The Board does not feel right collecting the money before the final cost is known, but recognizes that not everyone will agree.

- **There is an odor of marijuana coming from a unit on the 7th floor, and is now detectable in the hallways and adjacent units. What can be done about this?**
    - The City of Milwaukee has made the decision not to enforce the Wisconsin state ban on marijuana and the Milwaukee police will not get involved in neighborly disputes over marijuana consumption.
    - As such, the Board considers the smell of marijuana similarly to cigarettes: we believe that owners are entitled to privacy and do not monitor what individuals do in their units. However, offensive odors are considered as a nuisance under the Rules & Regulations.
    - If the odor continues to be present in common areas or seeps into adjacent units, the Board may investigate the source of the odor more thoroughly and apply fines.
    - Owners are reminded to be considerate when it comes to consuming items that may be offensive to their immediate neighbors. They should consider smoking outside or consuming edibles instead of smoking indoors.
    - Cindy will send a building-wide friendly reminder about expectations.

- **The Jackson garage door seems to be acting up regularly, with the door not closing. What is the cause of the issues? Have we considered alternative technology to replace the manual garage door remotes?**
    - Often, the Jackson garage door just needs to be manually closed. Residents can do this by pressing the button on their garage remotes after they have entered or exited the building. Pressing the button a second time should close the door.
    - Now, there have been some unexpected irregularities with the garage door system where it does not close at all. These have been investigated by our garage door vendors and there is no singular common cause. If residents experience scenarios where the door won't close, they should contact Cindy as soon as possible.

    - The Board is aware of new technologies that can open/close the garage doors based on a radio frequency from a sensor on residents' cars or based on license plate readers. Our intercom system (ButterflyMX) offers garage door technology.

- Because there have been several technology upgrade projects and the third-floor terrace repairs, the Board has not yet seriously explored upgrading the garage door systems. Need to price out the base technology and installation costs. The Board will take up exploration in 2026.

- **There are several cracked panes in the Ogden garage door. What is the cause and has a work order been submitted to repair these?**

    - The plastic panes in the garage door are cracked due to people hitting them with their vehicles. Unfortunately, we do not currently have security cameras placed to capture these events. Cindy will get pricing for replacement panels and the Board will consider this cost among others while planning the 2026 budget.

Outstanding Business:

- **Fob System.**

    - Installation of the fob readers is expected to be completed before Thanksgiving.
    - Cindy's company, Real Estate Specialists, is programming the fobs for distribution to owners of the 601 Lofts. Programming is expected to be completed by 11/7.
    - During the week of 11/10, Cindy will distribute fobs to all owners who are up-to-date on payments. Cindy will schedule a few blocks of time where owners can pick up their fobs in the main lobby. Owners will be required to provide a signature confirming that they have picked up their fob(s).
        - Owners who are unable to pick up fobs from Cindy will receive their fobs in an envelope that will be left outside of their unit door.
    - After fobs are distributed, residents will be able to enter the building using the ButterflyMX mobile app (by swiping to open the door), the ButterflyMX fob (by tapping against a fob reader) or using their key to the main doors.
    - As a reminder, owners will receive a number of fobs equal to the number of parking spaces deeded to their unit.
    - Fobs are considered property of the Association. Owners who are selling their unit must remember to transfer the fobs along with all other keys (mailroom, trash room, south door key, etc.) upon closing of a sale.

- **3rd Floor Terrace Repairs.**

    - The terrace repair project continues to be under negotiation with our neighboring property, the Van Buren City Lofts (VBCL) over our ability to access their driveway to complete the project.
    - Our lawsuit was filed with the City of Milwaukee during the week of 9/15. The VBCL Board filed their legal response with the court on 10/22.

    - The court will discuss scheduling matters with both parties in December. Then around February, the litigation will pick up.
    - Because things are now moving at the pace of the legal system, residents can expect litigation updates in the Board Meeting minutes every other month unless there is a substantial update that requires more immediate communication.

- **Special Assessment Payments.**
    - The 601 Lofts Board voted to defer collecting the final payment for the Special Assessment until the outcome of the lawsuit is known and a timeline for construction has been set.
    - If the outcome of the lawsuit between us and the VBCL is in our favor, demolition can kick off in late Q1 2026. Langer expects they will be able to accomplish 75% of the work done before labor contracts are renegotiated in April.
    - Langer expects that labor cost will increase around 10% once the labor contract is finalized. If Langer is able to complete 75% before the contract change, this higher labor cost would potentially only impact 25% of the labor (and minimize the impact on 601 Lofts Owners).
    - Special Assessment dues collected to date are in special Meryl Lynch HYSA, earning ~4% interest.

- **Security Camera Upgrades.**
    - Treasurer Lindsey Ashenden added a $15,000 placeholder in the 2026 budget for camera upgrades. Cameras are expected to be installed early in Q1 2026.

- **Insurance Policy Renewal.**
    - The Association renewed its insurance coverage and changed its umbrella policy. We will be receiving a $1,000 refund.

Adjourned - 6:40 PM

Next Board Meeting - Monday December 8, 2025; 5:30pm at Shabahang Rugs.
NOTE: The next meeting is a closed session for 2026 budget planning.

601 Lofts Condo Association
Board of Directors Meeting
September 15, 2025
5:30PM at Shabahang Rugs

Present: Jimmy Garcia, Lindsey Ashenden, Paul Nowak, Cindy Galvan, Behzad Shabahang
Owner Attendees: Michael Campbell (Unit 807); Jill Hanson (Unit 901)

Call to order - 5:33 PM

Approved July 2025 Minutes

Homeowner Concerns:

- **Have there been any adjustments to the projected cost of the terrace repair project?**
    - The Association currently owes $50,000 for the material cost of pavers & membrane, which are currently being stored in a warehouse.
    - Langer says that if the outcome of the lawsuit between us and the VBCL is in our favor, demolition can kick off in late Q1 2026. They expect they will be able to accomplish 75% of the work done before labor contracts are renegotiated in April.
    - Langer expects that labor cost will increase around 10% once the labor contract is finalized. If Langer is able to complete 75% before the contract change, this higher labor cost would potentially only impact 25% of the labor (and minimizing the impact on 601 Lofts Owners.
    - Langer will provide adjusted final cost projections that show impacted cost at 25:75, 50:50, 75:25, and 100:0 ratios of current vs. expected future labor rate.

- **Will the Board consider postponing the final Special Assessment payment until 2026?**
    - The Board has heard from owners who feel strongly about both sides of the topic of continuing special assessment payments.
    - The Board will evaluate how the legal process pans out with the lawsuit, as well as what the projected financial impact will be, before making a decision. They will regroup in early October for further discussion.

- **Two units reported not having access to hot water over the weekend of 9/13. The Real Estate Specialists (RES) emergency line was called and the operator told residents that it was not considered an emergency and would be dealt with on Monday, 9/15. What constitutes an emergency?**
    - As defined in the Bylaws, an “Emergency” refers to a condition requiring repair or replacement immediately necessary for the preservation or safety of the Building

or for the safety of occupants of the Building or other persons, or required to avoid the suspension of any necessary service in the Building.
    - RES defines an emergency as involving flooding, fire, injury, death, or other life-threatening situations. As this situation did not involve any of the above, it was classified as a non-emergency.
    - Per the Association's contract with RES, RES may identify scenarios where they believe that emergency maintenance would be required and request permission from the Board. If the Board approves, the Association would be billed at off-hours rates from RES ($97.50 per hour), at a minimum of 2 billable hours. This would be in addition to any third-party repair service.

Outstanding Business:

- **Fob System.**
    - Installation of the ButterflyMX fob readers is scheduled to start on 9/16.
    - Fob readers will be installed on the exterior North and South doors, as well as at the stairwell doors in all garages.
    - Once installation is complete, Cindy will schedule a few blocks of time where owners can pick up their fobs in the main lobby. Owners will be required to provide a signature confirming that they have picked up their fob(s).
    - Owners will receive one fob per parking space deeded to their unit. The Association has additional fobs available for purchase if Owners would like to have an extra or a replacement fob. These additional fobs will cost $30 per fob. Owners who are interested should contact Cindy.
    - After fobs are distributed, residents will be able to enter the building using the ButterflyMX mobile app (by swiping to open the door), the ButterflyMX fob (by tapping against a fob reader) or using their key to the main doors.

- **3rd Floor Terrace Repairs.**
    - The terrace repair project continues to be under negotiation with our neighboring property, the Van Buren City Lofts (VBCL) over our ability to access their driveway to complete the project.
    - In May 2025, the Board voted to retain Michael Heller as our legal representation to handle negotiations with the VBCL Board and property management.
    - At the July 2025 Board meeting, the Board voted unanimously to move forward with litigation if VBCL did not grant unconditional access to their driveway for this project by 8/4. The deadline passed with no response from VBCL and we are moving forward with litigation.

- The terrace repair project has been pushed to April 2026 due to the timeline no longer permitting the work to be completed in 2025. A communication outlining the details was sent to residents on 8/7.
- Michael Heller submitted a draft of the lawsuit to the Board for review during the week of 9/8 and all outstanding information requested was provided to him. The lawsuit will be filed with the City of Milwaukee during the week of 9/15.
- Because things are now moving at the pace of the legal system, residents can expect litigation updates in the Board Meeting minutes every other month unless there is a substantial update that requires more immediate communication.

- **Special Assessment Payments.**
  - The 601 Lofts Board is waiting on final projected costs for labor in 2026. Langer says that if the outcome of the lawsuit between us and the VBCL is in our favor, demolition can kick off in late Q1 2026. They expect they will be able to accomplish 75% of the work done before labor contracts are renegotiated in April.
  - Langer expects that labor cost will increase around 10% once the labor contract is finalized. If Langer is able to complete 75% before the contract change, this higher labor cost would potentially only impact 25% of the labor (and minimizing the impact on 601 Lofts Owners.
  - The Board has heard from owners who feel strongly about both sides of the topic of continuing special assessment payments.
  - The Board will evaluate how the legal process pans out with the lawsuit, as well as what the projected financial impact will be, before making a decision. They will regroup in early October for further discussion.
  - Board to wait until October to make a decision; we will communicate in early October.
  - Special Assessment dues collected to date are in special Meryl Lynch HYSA, earning ~4% interest.

- **Security Camera Upgrades.**
  - Paul Nowak presented a project plan outlining the current scope of our camera system and ideal placement for new cameras.
    - The Board agreed on the proposed plan, discussed and voted in favor of adding 2 cameras to the plan, which would be installed on the terrace upon completion.
    - The Board also discussed and voted against placing cameras in the trash rooms of each floor.
  - As a next step, Paul will send the financial summary for all technical specs included in scope of the amended plan. The Board will then decide how and when to prioritize the upgrades.

New Business:

- **Lobby Cleaning.**
    - Behzad will clean the lobby carpet at cost, $180.
- **Elevator Review.**
    - North door is scraping on 1; South elevator makes a snapping noise between floors 6 & 7.
    - Cindy will have Schindler out to investigate.
- **Insurance Policy Renewal.**
    - Lindsey met with the insurance provider and shared that we're still working through the legal process. No concerns about being dropped.
    - We've received 1 bid so far; still waiting on the 2nd bid.
    - Renewal is in Spring.

Adjourned - 6:55 PM

Next Board Meeting - Monday November 3, 2025; 5:30pm at Shabahang Rugs.