



THE VILLAS OF AMBERWOOD

Villas of Amberwood Condominium Association, Inc. (VOA)
Special Meeting of the Board of Directors
Presentation of Financing Option for Capital Improvement and Maintenance Projects (CIMPs)
December 12, 2005

Call To Order

- Johann A. Ali, PD, called the meeting to order at 7:10 p.m.

Roll Call

- Present:
 - Johann Ali (PD)
 - Jane Dominguez (TD)
 - Lewis Aqui (SD)
 - Pilar Bonariva (DD)
- Absent:
 - Jose Ochoa (DD)
 - Carmen Von Lippke (DD)
- Also Present:
 - Joseph R. Boronat from MJB Management Services
 - Unit owners from Units 36, 42, 44, 60, 62, 69, 83, 85, 93, 94, and 98

Quorum

- A quorum was declared present based on the presence of the directors.

Reading of Prior Meeting Minutes

- The members of the Board of Directors voted in favor of waiving the November 2, 2005, and November 13-19, 2005 Meeting Minutes.

Treasurer's Report

- No treasurer's report was presented due to the closing process of for the year for account reporting.

Specific Business

Special Assessment Financing Review & Presentation

- Johann recapped that at the November 2, 2005 meeting, the Board of Directors are to seek out loan options, perform the CBA, and present the information to the membership of the Association as quickly as possible, so as not to further delay the commencement of major projects and the repayment of the Reserve Funds. He further restated that in order to cover costs of repairs and rehabilitation of the community resulting from damage from Hurricane Wilma not covered by the Association's insurance policy, a contingency of 20% of the Special Assessment amount will be added to the special assessment amount, for a total of roughly \$348,000.00. As a result, loan amounts shall be sought in the amount of \$350,000.00.
- Johann reported that he had secured loan guidance and application materials from Colonial Bank on November 3, 2005 to begin the research process. Carmen, Jane and Joe of MJB indicated that they would also seek information from their contacts at various lending institutions. Carmen would research SunTrust, Jane would research Community Bank and Mercantile Bank, and Joe would put in a request to Executive National Bank and Banco Popular.
- The Board of Directors, as authorized by the condominium's by-laws and condominium declaration, was to perform a cost-benefit analysis (CBA), and choose the most appropriate option in the interests of the association.
- On November 9, 2005, based on the responses received from various lenders, information was transmitted to Johann for Colonial Bank and Executive National Bank for analysis. A cost-benefit analysis was performed, and it was determined that the best interests of the community and the desire of the ownership as expressed at the November 2, 2005 meeting would be served by obtaining a loan to be repaid in 60 months (5 years). The total cost to the ownership would be approximately \$5,900.00 per unit, representing approximately \$1,200 in additional costs to borrow the money (\$69,550.00 in total interest

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C/O MJB Management Services, Inc.

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over the life of the loan). This additional cost is off-set by the ownership's desire to keep the additional monthly payments for the loan at approximately \$100.

- Based on the offers received, Colonial Bank is the lending institution of choice. Colonial offered to provide a one-year Line Of Credit (LOC) at PRIME (7%) for the full amount of the loan, which would then convert to a 5-year fixed payment loan at 7.375%. The Board unanimously agreed to submit a loan application package to Colonial Bank after informing the ownership through mailed notices and a special meeting to be held on December 12, 2005.
- Johann was charged with drafting the notice to explain the CBA and choice of lending institution to the ownership, and presenting a monthly payment schedule through the end of the loan repayment period for each unit type. It was also determined that the owners would be provided a one-time opportunity to repay the loan amount in full.
- On November 18, 2005, Johann was provided electronic approvals from four board members (Lewis, Jane, Carmen and Jose) to mail the notice as presented to the ownership.
- On November 23, 2005, the Board Of Directors issued a Notice to all unit owners detailing the above, and provided written notice of the meeting to be held today (December 12, 2005).
- At the close of the presentations, there were no responses of owners who positively selected to exercise the single payment option except for Unit 80.
- Johann clarified for the unit owners present that the amounts presented through the loan period (i.e. 2010) included both the loan repayment amount and the regular special assessment.
- Johann clarified for unit owners a question asked of a unit owner regarding liens on property; the lender would not lien ANY of the individual units. Rather, the operating account basically becomes the collateral, hence the requirement to move the operating and reserve accounts to the lending institution.
- The question was asked what happened if a unit owner decided to sell during the loan repayment / special assessment period. Johann clarified that if a unit was sold during the collection period of a special assessment, the condominium documents and the law permitted the Association to collect the entire amount of the special assessment balance due at the closing. Johann stressed that the requirement was on the transaction, and did not obligate either party specifically to pay the amount due – the obligation is on the seller, but can be negotiated most often at or before closing. Johann recommended that an owner seeking to sell during the collection period acquire the services of a real estate attorney.
- A unit owner (Unit 94) inquired as to if the interest amount the unit owners were paying back was tax-deductible. Johann directed all owners to seek the advice of a tax attorney or CPA to make this determination. The Association was not capable of making such determinations.
- There being no further questions, the President Director of Board Of Directors sought a motion to formalize the Special Assessment presented and agreed upon by the unit owners. Jane moved to adopt the \$350,000 loan amount, solicit a loan to amortize the payments over a (60) month term, and to Special Assess the unit owners of VOA, Inc. for the repayment amounts over a 60-month term wherein each unit's share will be calculated based on the fixed monthly loan payment amount from the amortization schedule according to the percentage share used to calculate the regular operating maintenance fees. While the loan does not encumber a property, should an owner sell their unit during the collection period of the Special Assessment, the remaining balance will be due and owing at closing. Lewis Aquí seconded the motion. **All board members voted in favor of the motion and the motion carried as stated.**

Hurricane Wilma Recovery Update

- We are still waiting on the final quotes from the various contractors for submittal to AllState for claims processing.
- We will also soon begin the task of repairing the sidewalks and final root removal of the trees that were downed by Hurricane Wilma.
- Costa Greens has almost completed its cleanup of the southern property boundary, and we can commence the fencing replacement and repairs, pending funding.

Good and Welfare

- City of Doral continues to bring up handicapped parking issues with the gate reconstruction project. While the condominium and the architect of record are confident that this is an incorrect assertion by the City of Doral, the Board's representatives will meet with the Architect and the City of Doral building department's representative to resolve the matter.
- A man (identified as Mr. Green) claiming to be the spouse of the owner of Unit 83 (Zoraida Economopoulos), demanded that the tree behind this unit be removed, as they (the owners) were concerned about the tree's ability to withstand another hurricane, and because of the damage to their screen that was done by the trees limbs when they were shorn off during Hurricanes Katrina, Rita and Wilma. The Board agreed to investigate whether the tree needed to be removed or if it could be saved by the employ of proper pruning and tree-trimming. To this end, a member of the Board would meet with the landscaper and the licensed arborist to determine the best course of action. If the tree was to be trimmed and pruned, it would be included in the tree-trimming program scheduled to commence in May 2006. Mr. Green was totally unsatisfied with this commitment and demanded a specific date and time for the tree removal. Johann Ali, PD, explained to Mr. Green that the Board had originally slated the tree for removal and/or pruning in October 2005, following a request from the unit owner, but this had been delayed due to the hurricanes that devastated the community, and due to the fact that the Association was already running in the red, the Association was waiting until the loan funding was approved so that it could tackle this and many other projects that had been forced to wait due to a lack of funds. Mr. Green shouted out loud that this was unacceptable and stormed out of the meeting.
- Beverly Ackerblom of Building 4 asked for the hurricane debris by her unit to be removed.
- A large box in electrical meter room in building four needs to be removed.

Adjournment

- There being no further business to discuss, the Board adjourned at 8:10 p.m.