

Wells Street Tower Condominium Association Board Meeting Minutes
SPECIAL MEETING
January 30, 2006

2nd VICE PRESIDENT JAMES GALLAGHER CALL TO ORDER AND ROLL CALL,
6:30 P.M., QUORUM ESTABLISHED

Board Members Present: James Gallagher, 2nd Vice President, Nancy A. Nelson, Secretary, and Hedy Hall, Treasurer

Board Members Absent: James Canham, President, and Joseph English, 1st Vice President

Also present: Jermeise Steele, Property Manager, Attorney Allen Lefkovitz

James Gallagher stated purpose of Special Meeting was to discuss 2002 real estate tax appeal refund and its method of distribution. The Association's attorney, Allen Lefkovitz, who handled the Appeal, would discuss the basis of Appeal and method used to calculate refunds. The gross refund is approximately \$300,000, minus legal fees of 33-1/3% and costs, payable in three installments. The two additional installments will be distributed using the same calculation as the 2006 refund. Within 30 days, Management will distribute a letter to owners indicating amount of refund, if any, and instructions on how to obtain the refund. Mr. Gallagher then introduced attorney Allen Lefkovitz.

Attorney Lefkovitz informed owners that refund is payable in three installments as a result of an agreement reached with the Chicago Board of Education, which intervened in our Appeal. The first installment in the amount of \$219,000, including interest, less 33-1/3% legal fees and costs, was payable in 2006, and the second and third installments of \$45,000 each, less legal fees of 33-1/3% and costs, are payable in 2007 and 2008. Interest on the second and third installments is questionable since Board of Education would not agree to interest on those installments. This is the largest refund ever agreed to by the Board of Education.

The Appeal was strictly based on vacancy during the year 2002. From January 1, 2002 and until each unit closed, property should have been taxed as vacant land only, and without the number of units that closed late in 2002 and in 2003, there would have been no basis for an Appeal.

His firm determined the difference between what was assessed by Habitat, Association's Management at the time, and what they believe should have been assessed based on calculations negotiated with the Cook County Board of Review. The refunds were calculated by multiplying (a) the Board of Review's aggregate market value of the residential condominium units; by (b) the level of occupancy based on the closing dates provided to the Board of Review; and then by (c) the applicable percent of common ownership; and then by (d) the 16 percent level of assessment. The real estate tax was calculated by multiplying the assessment by the county multiplier and tax rate. Mr. Lefkovitz informed the owners that if they had any questions, they should contact him.

NEW BUSINESS:

Hedy Hall made a motion to accept the methodology as outlined by attorney Allen Lefkowitz for disbursement of the 2002 tax appeal refunds to those owners who paid the 2002 taxes. Nancy Nelson seconded the motion, James Gallagher voted in favor, Hedy Hall cast a proxy vote for Joseph English in favor of this motion, and the motion carried.

ADJOURNMENT:

Nancy Nelson made a motion to adjourn the meeting at 7:15 p.m., Hedy Hall seconded the motion and it was unanimously approved.

Nancy A. Nelson, Secretary