

The Hanover Square News

Hanover Square Condominium Association

Editor's Message

by Larry M. Adrian

You just can't please everyone

The roof replacements are finished.

I'd like to thank Valerie Hodge for a superb job of arranging the funding for the roofing project. I also want to congratulate Style Construction on a job well done.

Yes, we had a few complaints, someone's flowers got crushed, and others were upset because the contractors plugged into their porch light and used \$1 of electricity to run their compressors.

It's a shame to have to say this but these people need to get a life, they are selfish and have myopic vision. Chances are with these traits they probably already have a tough life and they will continue to have a tough life until they change their thinking.

The Board and Management have been constantly berated for the leaky roof problems in the past.

The fact is the roof problems date back to 30 years ago when the previous Boards failed to assure sufficient funds were being set aside by the time they would be needed to handle roof replacements.

Now that we have solved this problem guess what, the Board is already being chastised because we "spent too much" to have the roofs replaced.

This was no ordinary roof replacement. The roofs should have been replaced 15 years ago, but because of the lack of funding this was not possible. Consequently we suffered additional damage as we had to resort to fire fighting methods to keep things up the best we could.

The end result was we had to replace a lot more than we would have 15 years ago.

To assure the most life out of our new roofs, we also corrected mistakes made by the original builder such as inadequate attic venting, improper flashing and improper plumbing venting.

Enjoy your new roof.

LMA

President's Message

by Tom Schaefer

The newsletter & website are back. Did you miss us? Ah, come on we know you did.

2004 FIRE Update!

For those of you who haven't heard about the fire in 1303F early in the morning on February 8th 2004, here's the scoop.

Reports from the fire department indicate that the fire was most likely started in one of the bedrooms when a lighted lamp was either left too close to or on a bed. The fire department was called and the fire was quickly put out, but the unit was severely damaged. Luckily no one was injured and no other units were seriously damaged.

Due to the amount of damage a claim had to be filed with the Association's insurance company. As you may already know we had a fire in 1999 that gutted the entire 7603 building. In 2001 we had a fire in the 7601 building that gutted 2 units and all the garages.

Because of these fires and claims the Association had to make to rebuild these units, we are paying an EXTREEMLY HIGH premium. At the time of the 1303F fire, about 25% of the year's budget went for insurance.

After this fire the insurance premium went up to \$97,320 a year, 29% of our budget. I don't think I have to tell you that the additional funds taken up by insurance seriously cut into the funds available for important projects the Association needs to accomplish.

The damages from these fires were restored using funds from Hanover Square Condo Association insurance proceeds. Consequently Hanover Squares' insurance premium increased from around \$30,000 per year to \$97,320 per year. Every month instead of \$17.36 of your Association fee going to pay for property insurance \$56.32 was going toward this expense.

Two of the three fires were caused by the negligence of residents. The bottom line is that all Hanover Square homeowners are now paying around three times what they should be paying for Association property insurance coverage because of the negligence of a few.

Newish Insurance Requirement:

We instated a rule in 2004 that REQUIRES ALL unit owners to carry a minimum of \$50,000 in liability insurance. The insurance will cover losses either caused by a resident's intentional or negligent acts, negligence or merely the operation of equipment in a unit that causes damage to another. This insurance should cover the deductible cost of the owner whose unit is damaged.

My guess is that at the time this rule was instated most of us already had this insurance. By now all owners should have it.

Let me give you a little background on why we instated this rule.

First I need to mention that changes in the Illinois Condominium Act that became effective in 2002 specifically provide that the Board has the right to require this insurance.

The Board felt that all unit owners should accept responsibility for and the consequences of the actions of residents of their units.

Legal opinion:

Following is an excerpt from a January 27, 2002 Chicago Tribune article by Mark Pearlstein, a Chicago lawyer who specializes in condominium law. Mark explained recently enacted changes to the law in this article and the following excerpt is what he had to say about the liability insurance provision.

"In response to continuing complaints by owners that damage to their units from other residents has not been covered, the board of directors may require unit owners to obtain insurance covering their personal liability and compensatory damages to another unit. The board may impose this requirement alone by rule or an amendment to the declaration approved by the ownership.

The insurance will cover losses caused by a resident's intentional or negligent acts, negligence or merely the operation of equipment in a unit that causes damage to another. This insurance should also cover the deductible cost of the owner whose unit is damaged."

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Our Mission: to provide a good place to live