



THE HARBOURS  
Condominiums

# The Harbours Newsletter

August 2014

## August 2014

- 8/1 RiverStage presents:  
Juice Box Heroes w/  
The Killer Lips
- 8/2 Twilight Cinema:  
Beethoven
- 8/3 International Friendship  
Day
- 8/7 Twilight Cinema
- 8/8 RiverStage presents:  
Blues Brothers w/Linda  
Smith Band
- 8/10 Full Moon
- 8/13 International Left-  
Handers Day
- 8/15 RiverStage presents  
Tony and The Tanlines  
w/The Mad Taxpayers
- 8/22 RiverStage presents:  
Unlimited Show Band  
w/Radiotronic
- 8/29 RiverStage presents:  
Endless Summer Band  
w/Devereaux
- 9/1 Labor Day

### *RiverStage* **Fitness**

Every Monday 6:00 pm:

**JAZZERCISE**

Every Tuesday 6:00 pm:

**ZUMBA**

Every Saturday 10:30 am:

**YOGA**

### *From The President ...*

The building refurbishment project is underway. The caulking of the saw-tooth section (stacks 5-11) will be completed this week. The feedback we've received from the contractor has been positive. There were very few areas that required additional repair and so far the contractor has not run into any unforeseen problems.

Our engineering consultant has reported that the quality of the caulking project has passed his inspection and that he is pleased with the work thus far.

Phase 2 of the caulking work will start immediately after we complete Phase 1 and will include the remaining West and South facing windows. This phase should be completed within about two weeks and will mean that all of the windows that have been subject to leaking will have been re-caulked.

We are in the process of obtaining quotes for Phase 3, the East and North facing windows. It is our goal to start this phase in early September.

Significant progress has been made toward reaching a final decision on the cleaning and coating of the EIFS. The current plan is to clean and coat all the West and South facing surfaces and the South East wall nearest I-65.

The North and remaining East facing walls (off the hallways) will be caulked, but not cleaned or coated at this time because our budget is not sufficient to cover the cost. These walls are the least in need of cleaning and

coating. If we only have sufficient funds to clean the building we will wait to accumulate the funding. We have been advised that we will need to clean the building prior to coating it and it would not be prudent to clean now, only to have to clean again before we coat.

We have one quote which is within our budget if we do not clean the East and North facing walls. We are expecting another quote within the next 2 weeks. It has been difficult finding qualified contractors who are willing to work on a high-rise condominium but it looks like we have finally been successful. Daniel has done a superb job in getting all of the bids and spec's together while the Building & Grounds committee has done a superb job in defining the requirements and assisting with technical issues.

The South and West facing surfaces have by far the worst appearance due to the stains that come from the dirt on the balconies. Cleaning alone will not eliminate the unsightly stains, we must also coat the EIFS. While these areas can be cleaned it would be almost impossible to remove all of the stains. If we only scrubbed the EIFS the cleaning solutions would make the surface more porous and subject the EIFS to more staining, potentially worse than the way it currently looks. When the surface is coated the EIFS will be less subject to staining and offer more protection against the weather. In addition, we believe this will improve the image of The Harbours and potentially increase the value of our property.

This project is very costly but we have the money set aside required to complete all of the phases I've mentioned. We still have to address the North and remaining East surfaces. These sections will have been water-proofed so delaying this phase of the project will not have a negative impact on the structure of the building. This last phase will be delayed until we have the funds needed to clean and coat these areas.

By coating and caulking the sides that are most affected by the sun and elements, we should provide a surface that will last for 15 or more years. We will review the long-term advantages and costs to have an ongoing preventative maintenance program. This type of program would be a periodic light cleaning of the balconies and surfaces underneath the balconies so that the building remains in excellent condition for 15 or more years. We will continue to pursue a long-term plan as we progress through the phases of our project.

We have been advised to not vary from the existing color of the EIFS very much since we will not be coating the entire building at this time.

If you have questions or just want to discuss the project, Daniel has all of the information.

*Russ*



## Notes from the P. M.

The Jeffersonville Board of Public Works has approved the parking of the hi-lift on Riverside Drive. The lift will be parked during the caulking phase of the windows above the townhomes on the 11th floor and condo numbers 401, 501, 601, 701, 801, 901 & 1001.

**Please do not park on Riverside Drive during the week of August 4th thru the 8th.**

### Recycle Rooms:

As you know, there are recycle rooms located on the 7th, 8th, 9th, 10th and 11th floors for your convenience. If the containers in one recycle room are full please use the containers on another floor. Please do not use these areas for storage. The recycle dumpsters are emptied weekly and any item remaining in these areas are discarded.

### Pets:

We've had numerous instances recently in which pet owners did not pick up after their pets. There is a fine of \$25.00 for our staff to pick up after your pet. One or more fines have been applied to an owner who disregarded this policy.

### Contractors

If you have a contractor completing work in your condominium, please have them register in the office. There are policies & procedures that must be reviewed prior to a contractor gaining access to our building and beginning/completing any work.

- Hours allowed for a contractor to perform non-emergency services
- Freight elevator reservations
- Disposal of debris
- Contractor Parking

A Special 'Thank you' to all of the committee members who have helped make the following improvements this year:

- \* New service area lobbies
- \* New Awning to service area
- \* New Exterior Furniture
- \* New Main Lobby Wallpaper
- \* New and/or handicap accessible doors in garage levels 3, 4, 5, and 6
- \* New Water Intrusion alarms
- \* Replacement of worn out fire stops
- \* New signage
- \* New business center equipment
- \* New Hallway Lighting
- \* Start of the Exterior Building Project

### Parking

Please be cognizant that all parking in the garage is reserved. Recently, there have been numerous instances in which a resident came home to find a car parked in their assigned parking space.

The assumption should be...."***if you park in a parking space that doesn't belong to you, assume that it could be towed immediately***"

If someone has parked in your assigned parking place, please call the office and we will assist you in removing the vehicle. During the current exterior project guest parking (the four places in front of the HOA office) is off limits to accommodate the hi-lift. As a result, parking has been very tight.

***Please do not use the contractor or other spaces in the surface lots. This area is also reserved parking.***

*Daniel*

## Extraordin-Air

### Pre-Season Fall Maintenance Special \$50.00

502-409-4609

◆◆◆  
*We Work on Your Unit  
As if it was Our Own!*

Mark Edwards, Owner  
Paid Advertisement

## Sell It In The Newsletter

*If you have an item or two that you would like to sell, consider placing an ad in our monthly newsletter.*

*We'll have a section that lists items residents would like to sell.*

*If you're interested, send a note to Daniel giving him the following:*

- a description of the item
- the price you're asking
- your contact information

Cost: \$2.00 per line

## J P the Housemother Cleaning Service

J P Bell, Owner

502-639-6810

Young8873@yahoo.com

◆◆◆  
*Weekly, Bi-weekly and  
Special Occasions*

Residential or Commercial Cleaning

Paid Advertisement



## Tile Your Balcony?

Tiled balconies are attractive, desired by many homeowners, and not inexpensive. To keep a tiled balcony from becoming even more expensive it's important that the tile is installed properly. This generally means you'll need to make your balcony water-resistant. We all know that water penetrates into any opening or crack. You need to make sure that your tile installation does not create a surface that traps or holds water.

When tile is installed indoors, such precautions are usually not necessary, with the exceptions being in a shower or perhaps a basement where water is present. The added problem with installing tile outdoors is that water will freeze in winter and entrapped water can be especially destructive to both the tile and underlying surface (concrete). Water must be kept from penetrating through the tile.

We have recently had a couple of instances that had this exact problem. Removing the old balcony tiles was the only way to properly fix the issue. In one or more instances the owner also had to make repairs to a neighbor's unit that suffered damage.

Depending on the finish of the tile, the extent of repairs required and the type of replacement tile you want, a complete renovation of the balcony tile will cost around \$2,000.

Experienced tile contractors have recommended materials and procedures that must be followed to ensure water does not penetrate the tile. A water barrier of some type - (i.e., *RedGard*) beneath the tile or a rubberized paint is essential to keeping water from accumulating under tile on a balcony. A roll membrane material should also be used to cover expansion joints beneath the tile to keep the joints clear of obstructions. None of these water-resistant materials are cheap. Enough *RedGard* to properly coat one balcony costs around \$150 for the compound material alone.

These materials are expensive because of their compositions and because they will do the job properly. You should never simply apply the same procedures and materials that you typically use on an interior tile installation onto an outdoor tile installation. You may get lucky and never have a problem or you may end up paying a lot of money to fix a problem that occurs due to improper installation..

Please consult with our Property Manager or a member of the Building & Grounds Committee if you plan to apply any product to the concrete surface of your balcony. Make your tiled balcony truly a lifetime investment that you will always enjoy.

## HOA Utility Recap for July 2014:

Cost per sq.ft. for July:

Electricity: \$ .0288  
Water: \$ .0090  
Sewer: \$ .0200

Type of Unit & Square Footage:

Type of Unit	SQ FT
AA	845
A	992
B	987
BB	1,974
BC	1,929
BD	1,800
C	942
CF	2,140
D	813
E	1,353
EE	1,500
F	1,198
G	1,420
T	2,469
U	1,832
V	1,358
W	3,537
X	1,988
Y	1,988
Z	1,957
TH1	1,953
TH2	1,903

Example: Type AA Unit

July Electricity for AA Units:  
845 sq.ft. x \$.0288 = \$24.34

July Water for AA Units:  
845 sq.ft. x \$.009 = \$ 7.60

July Sewer for AA Units:  
845 sq.ft. x \$.020 = \$16.90

## Choice Covered Parking Spaces For Sale

Excellent Locations  
"Try Before You Buy"

\$9,000 each

Contact Kevin

**502-299-9907**

[kzipperle@mail.com](mailto:kzipperle@mail.com)

Paid Advertisement

## Medley's Total Home

### Improvements

(502) 593-8015

Rmedley22@aol.com

## Specializing in Tile & Stone work

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## EDITORIALS

### Reasons to allow owners to rent:

1. When I purchased my unit I never dreamed I would lose my job. I had to temporarily move out of town. Without the ability to rent I would have had to sell at a loss. It's simply a part of an owner's rights just like any other property owner.

2. One board member has acquired numerous properties along with the voting rights for those properties. In my opinion, this gives him an unfair advantage over other owners. If this board member sold his extra units I would vote to reduce renting for future owners if it benefited the value and stability of The Harbours as a whole.



I have been part of other residential condominiums that profited as a whole when rentals were allowed, creating a mutually beneficial arrangement for owners and renters alike. Unlike other condominiums in the area, The Harbours was originally marketed as a rental-investment property.

Additionally, many of the units are too small to consider as year-round living accommodations and therefore more suited for rental.

One issue that is not being properly addressed is owners who lease their property and yet the owner continues to use the amenities. If every owner had two families using the amenities this would put an enormous burden on the amount of money required to manage our facilities. Those owners should be required to give up their right to use the amenities and quit pretending year after year that they are not really renting.

Why should potential buyers who are purchasing with the intent to rent their unit be turned away so that those who have rented multiple units for years be allowed to continue renting their units? I believe this would be unfair to owners trying to sell their Harbours' Property.

It is my opinion that this amendment would be a detriment to property values. With appropriate staff & owner cooperation, rentals could be beneficial to The Harbours financially & also increase our sale ability.

A good, responsible renter is a better steward of our Community than a bad owner.



My perspective as an owner, Realtor and real estate investor for nearly 30 years:

Our current bylaws make the rules pretty clear: if your tenant breaks it, you pay for it. I won't try to quote that section as I am sure everyone has referenced and understands this section.

### 1. Any changes to the rental policies should start with a "hands off" approach of the HOA.

We don't need to be checking renters applications, their "worthiness" to live here. That is called a co-op and not a condo. The more the HOA interferes with the free market transaction the more liability they are exposed to.

A tenant's name is all the HOA needs. Like other tenants outside this HOA, owners do not freely give out their personal information to anyone unless the renter makes that request.

Because the basis of real estate investment is to protect the asset so it generates income, it is foolish to think given the investment dollars required to purchase a small unit here an owner would not perform their due diligence when handing over the key to their investment. Yeah, sure there are some that slip through the cracks; but as a general rule prudent investors work hard to insure the safety of their asset and thus their income.

### 2. Rentals shall be for no less than 6 months.

This will stop the in/out revolving door and one-time Thunder & Derby rentals.

### 3. All rentals shall be furnished.

This stops the day long occupation of our freight elevator and the damage to our property of renters moving in/out heavy furniture.

I think the free market will take care of our rental issues over time. That is evident by the fewer units available today. Back in 2006 this building was at least 50% renter occupied. If an honest owner is paying the 2% real estate tax along with the HOA fees, then ownership as an investment here is counter productive. I keep my rental here because values since the housing crash have yet to rise back up to a number that I can live with selling and our building is saturated with inventory; supply is more than demand.

Finally, by grandfathering units you are allowing a hand full of investors a "golden key" of opportunity. They will never sell out their units; you have added value to the supply side. Hell, I might not sell my unit if that happens. Yes, saturation of rentals in any area brings down values, but merely fine tuning our current laws and the progression of time will help our problems.



It's not uncommon to find homeowner associations taking the extraordinary step of limiting or prohibiting rentals. In May 2013, the Indiana Supreme Court declared that it is "undisputed" that "an owner-occupant is both psychologically and financially invested in the property to a greater extent than the renter." Whether or not anyone including the Indiana Supreme Court knows that factually, it is "undisputed" that there is that perception. And in real estate, perceptions affect market values.

As a Harbours landlord, I have come to know and appreciate many renters who have lived here. I find that most are good and responsible people, or at least I filtered applicants for those types. However, I also recognize that important entities like the Federal Housing Administration scrutinize the percentage of rentals in a development to approve financing based in part on the opinion expressed by the Indiana Supreme Court. And there's very little that we can do to change that. We must come to grips with the fact that renters at a property like The Harbours are viewed - valid or not - as undermining its value.

Responding to what the market and counterparties tell us is important. We should not try to move too quickly, and we should not implement policy changes unconditionally. We need to allow for unforeseen circumstances such as economic downturns and family-related situations and emergencies.

Transitioning to a renter-free property will require long term planning, cooperation, and the support of individual homeowners who recognize what is best for our community and not just for their own self.

Although I value the tenants I have done business with over the years, I understand that The Harbours is more important than what I want as an investor. And considering that it's a process that will take years to complete, we have to start down that road now. I support a proposed amendment to reduce and perhaps eliminate rentals at The Harbours and I encourage other homeowners to consider doing the same.



**From the Editor:** thanks to everyone who submitted an editorial on this topic. If anyone has an additional comment on this topic, please submit it to:  
Kathy.mathews@gmail.com

Or leave a written copy at #905.

Editorials should not include any personal information. Please include your name and condo # when submitting your editorial.

## 2012 Audit

Monroe Shine has completed their audit of The Harbours Condominium Association, Inc. financial statements which comprise the balance sheet and related statements of revenue, expenses and change in fund balances for the year ending December 31, 2012. Their report, dated July 7, 2014 includes the following statement:

*"In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Harbours Condominium Association, Inc. as of December 31, 2012, and the results of their operations and their cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America."*

A copy of the 2012 Audit will be available on our website on or before August 15th.

## Quote for August

*When one neighbor helps another, we strengthen our communities.*

Jennifer Pahltko