

For Immediate Release

Media Contact:
Julie Mulzoff
Verbatim Communications
312-479-8968
JulieMulzoff@gmail.com



**Association Advocates Inc. Introduces *Simplified Self-Management*
New Resource Helps Condominium Boards Protect Property Values And Decrease Risk**

CHICAGO – February 24, 2010 --- Association Advocates, Inc. (AAI), Chicago’s leading property management consulting firm delivering customized Board and self-management training programs and resources to condominium, townhome, and homeowner associations since 2002, recently introduced ***Simplified Self-Management: A Practical Guide with How-Tos & Forms.***

Simplified Self-Management is the most comprehensive and essential collection of best practices for Boards of condominium and community associations in Illinois, all designed to help ensure these associations operate legally and efficiently to decrease risk and protect property values.

“Today’s homebuyer market is incredibly challenging and competitive. There is a flood of properties available yet buyers and lenders have become increasingly cautious, conservative and selective,” said Shirley Feldmann, Association Advocates’ founder and project manager. “Properties in community associations that can’t sell or obtain financing may not only decrease values for all homeowners, but can result in foreclosures, lost income and higher assessments to the association.”

The mortgage industry has become more restrictive, requiring associations to comply with specific criteria that determines whether properties are “healthy” or stable and safe investments. Feldmann has witnessed numerous incidents where homeowners with excellent credit were denied the ability to refinance or purchase in an association because of board mismanagement and substandard financials.

“Healthy associations don’t guarantee a unit will sell, but these properties rise to the top as better-managed investments, which may sell faster and for higher prices than those considered to be distressed or mismanaged properties,” added Angela Falzone, Association Advocates’ property consultant and a 30-year property management veteran.

Simplified Self-Management was developed utilizing Feldmann’s 20-years of project management and business experience combined with Falzone’s extensive condominium property management expertise. It includes 8 critical management categories, 17 step-by-step “How-To” instructions and more than 70 customizable and user-friendly forms and templates -- all reflecting legal compliance requirements dictated by the Illinois Condominium Property Act (ICPA). It also features industry-standard best practices and management protocols proven effective over the lifecycle of any association, from Start-Up through Annual Compliance.

According to Robert Nesbit, a principal with Kovitz Shifrin Nesbit P.C., the Buffalo Grove, IL- based law firm concentrating in condominium and homeowner association law, and the attorney who reviewed all *Simplified Self-Management* materials for compliance with state, federal and other laws, he has never seen such a comprehensive volume of material to guide Boards in decision-making and minimizing risk.

“To the best of my knowledge, there is no comparable set of documents drafted specifically for associations in Illinois,” said Nesbit. “This is particularly invaluable to the self-managed association, who may not have other resources of this caliber available to them, particularly in such a convenient format.”

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**PROPERTY
CONSULTATION**

Angela Falzone
310 Busse Hwy.
Suite 316
Park Ridge, IL
60068
847.685.0710
fax 847.685.0709

**PROJECT
MANAGEMENT**

Shirley Feldmann
4114 N. Lincoln
Suite 312
Chicago, IL
60618
773.348.0742
fax 773.348.0799



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Feldmann understands Board risks firsthand. She founded Association Advocates in 2002 after several negative experiences owning properties in both new construction and gut rehab condominiums. As a first-time condo owner and Board member for an 80-unit loft building in 1999, she ended up performing duties she discovered the management company was not fulfilling—at a crucial period after their developer turnover. Feldmann quickly realized there are few places for Boards to turn to for trustworthy, reliable and responsive consultation, especially for smaller associations.

She teamed up with Falzone to help homeowners understand that volunteer Boards have a fiduciary duty to their homeowners, and to educate these Boards. “Boards simply don’t know what they don’t know and, when problems arise, the owners end up paying the price,” stated Falzone.

AAI emphasizes that each association must be managed like a well-run business with a proper budget, reserves, maintenance, communication and Board oversight. “When Boards try to make it up as they go, they often spend more time than necessary and get burned out,” Falzone added. “It can also result in challenges to the Board’s decision and costly lawsuits.”

Feldmann explained, “I honestly learned the hard way that if developer turnover issues are not addressed within legal timeframes and efficient start-up protocols aren’t implemented during the first year, the homeowners may eventually pay for it through increased and/or special assessments, lawsuits and decreased property values.” In fact, her 80-unit association hired AAI within six months of Feldmann selling her unit, requesting they consult for the Board on pending developer turnover issues.

Falzone and Feldmann are affectionately known as the ‘Thelma and Louise’ of the Chicago condominium community due to their vigilant approach to protecting homeowners’ rights, holding developers accountable, improving association effectiveness and helping homeowners guard, and ultimately, increase the value of perhaps their largest investment—their homes.

Simplified Self-Management addresses the Administrative, Financial and Physical aspects of managing associations of all sizes and is organized into eight categories. Each category is designed to help Boards proactively identify and prevent errors and reduce Board burnout. Specific topics include Developer Turnover, Management Transitions and Records, Emergency Protocols, Budget and Financials, and Annual Meetings and Elections to name a few. New categories and periodic updates to address significant changes in the ICPA will be added, as applicable.

These interactive materials are stored on a password-protected web site administered by AAI. Housing these documents and templates as an online library offers AAI clients the convenience and efficiency of accessing the How-To instructions and customizable forms from a secure, organized and easily accessible Web-based repository.

Whether self or professionally managed, an association’s Board of Directors is ultimately responsible for ensuring that their association is operating legally, as well as managing any financial, construction or legal issues. “Serving on a volunteer Board can sometimes be a thankless job, but it can often be very rewarding when the Board understands how to perform their role efficiently, they have proper tools and resources, and their efforts result in higher property values for all owners,” stated Falzone.

According to Gael Mennecke, executive director for the Association of Condominium, Townhouse, and Homeowners Associations (ACTHA), *Simplified Self-Management* is filling a growing need. “Boards of self-managed associations often say that they can’t afford a professional management company. But this resource is ideal and a ‘must’ for them. I would also recommend it to professional management companies.”

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Nesbit agrees, "Personally, I think that not only is this product useful for smaller management companies, I also think many of the forms are superior to what I see utilized at some larger companies and could help them in their day-to-day work with Boards."

AAI is no stranger to training property managers and performing management searches to match larger associations with qualified firms. They caution Boards of smaller associations to be wary of the influx of apartment management firms entering the market with limited or no condominium experience. Feldmann explains, "Apartment management is completely different than condominium management. A knowledgeable and trained Board may be better equipped to recognize problems and avert potential risks."

To accommodate the budgets and needs of associations of all sizes, Association Advocates offers support tiers for their *Simplified Self-Management* with introductory packages starting at only \$800. According to Nesbit, this is a good value.

"One of the largest problems with running an association without management is that the job can be overwhelming. It requires a working knowledge of construction, accounting, landscaping, insurance and law (federal, state and local). The forms in this volume alone are worth far more than what is being charged, let alone all the practical advice Boards receive in all areas of running an association," said Nesbit.

"The key to working smarter and keeping costs down is to standardize processes, stay in compliance with the ICPA and transfer that information from Board to Board," added Feldmann. "Incorrect protocols can result in legal risk, increased expenses and reduced property values." *Simplified Self-Management* is designed to help Boards meet these needs and provide a cost-effective alternative to professional management.

In a real estate market where new mortgages and refinances may either be denied or more difficult to obtain if associations aren't managed correctly, AAI's *Simplified Self-Management* and expertise can help Boards create "healthy" associations demanded by buyers, approved by lenders and committed to safeguarding property values.

"Condominium buyers are often impressed by upgrades like steel appliances, granite countertops or new flooring, but the better investment is a well-managed, highly maintained and fiscally sound association," said Falzone.

To learn more about *Simplified Self-Management* and other AAI services for community associations, Realtors, management companies and developers, or to receive a sample How-To or Form, visit www.AssociationAdvocatesInc.com. *Simplified Self-Management* will also be available for preview at the AAI booth at ACTHA's Spring Trade Show & Conference from 8-11:15 am on March 20, 2010 at the Drury Lane Theater in Oakbrook, IL. The Trade Show is free and open to the public. Click on "Seminars/Resources" on www.AssociationAdvocatesInc.com for more information about the conference.

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Editor's Note: Angela Falzone and Shirley Feldmann of Association Advocates Inc., Gael Mennecke of ACTHA, and Robert Nesbit of Kovitz Shifrin Nesbit are available for interviews. Julie Mulzoff can also provide graphics and excerpts from *Simplified-Self Management* in PDF format, for review.