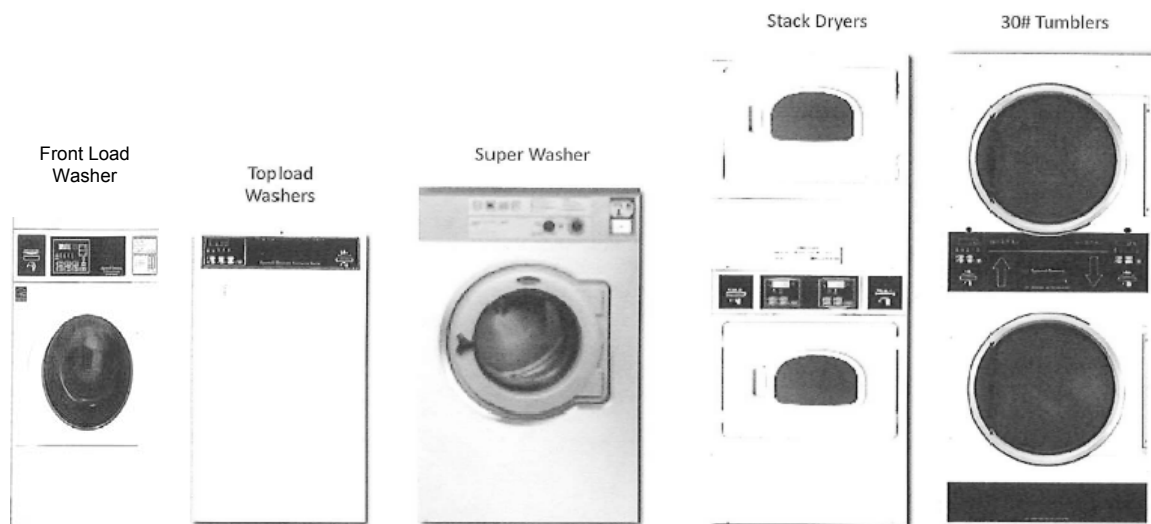


James/Kilmer

Condinium Association Newsletter

Editors: Judy Barnes and Diana Cardenas

EQUIPMENT PLAN WITH STACK 18LB. DRYERS



J/K Laundry Room Upgrades

Richard Vicens, JK Association Property Management

General

The Board of Directors voted at the August 23, 2011 to award Universal Laundry a license agreement to manage the James Kilmer laundry facilities for a 5-year period. The agreement requires that Universal Laundry replace all of the existing machines and remodel both laundry rooms.

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Remodeling

The remodeling will include new machine enclosures, tables, lighting, new color-scheme painting of walls, and commercial grade, maintenance-free flooring. In James House, we would extend the laundry room flooring to include the entire 2nd floor hallway. Work will begin, starting with Kilmer House on Monday, November 28. Each laundry room would be done, one at a time and the rooms will probably be out of service for about ten days. The Management Office will identify nearby laundry shops that will pick up and deliver your laundry items. We will also identify facilities to which you may bring your laundry during this remodeling period.

Equipment-James House

The James House installation will include 20 Speed-Queen Quantum Top Load washers, 4 Speed-Queen Quantum Front Load washers and 1 Speed-Queen 30-Pound Front Load super washer. There will be 10 Speed-Queen Quantum Stack Gas Dryers (20 dryers) and 1 Speed-Queen 30-pound tumbler dryer (2 dryers). Additionally, there will be a soak sink and 4 folding areas.

Equipment-Kilmer House

The Kilmer House Installation will include 6 Speed-Queen Quantum Top Load washers, 1 Speed Quantum Front Load Washer, 3 Speed-Queen Quantum Stack Gas Dryers (6 dryers) and 1 Speed-Queen 30-pound tumbler dryer (2 dryers). Additionally, there will be a soak sink and one folding area.

Technology

Universal Laundries can provide a debit card start system, which will not debit a card without first starting the machine. There is an optional "Wash Alert System" which allows residents to view which machines are available before making a trip to the laundry room. Residents can receive email alerts telling them when their laundry cycle is complete.

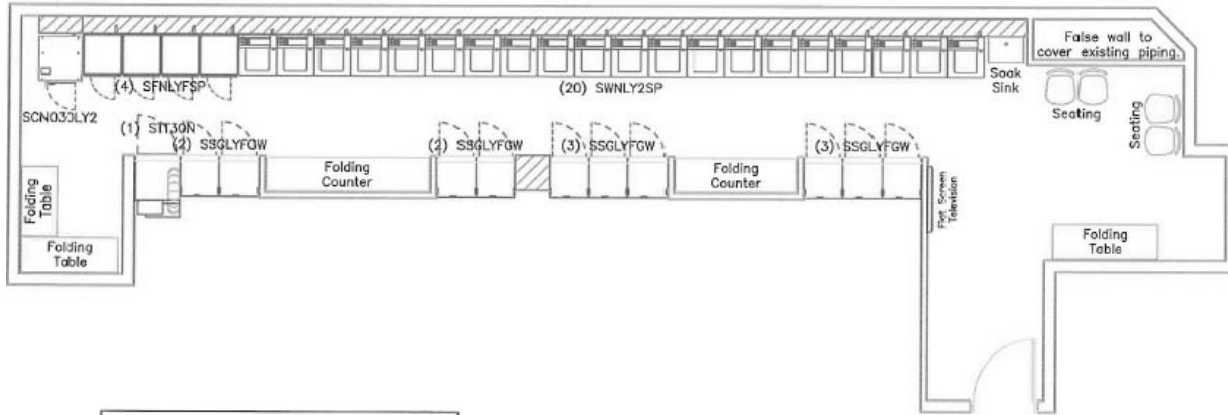
Efficiencies

Universal Laundry is providing Speed-Queen "Top-of-the-Line" Quantum models with improved reliability and special features that allows residents the most cycle choices available today (27 cycles for Front Load Washers and 18 cycles for Top Load Washers). These machines have a larger capacity wash tub, which means fewer loads to wash. The stack dryers provide better results for residents who can sort their wet laundry into clothing type or fabric type for drying. These machines save at least 31% of the cost for natural gas per load.

Additional Provisions

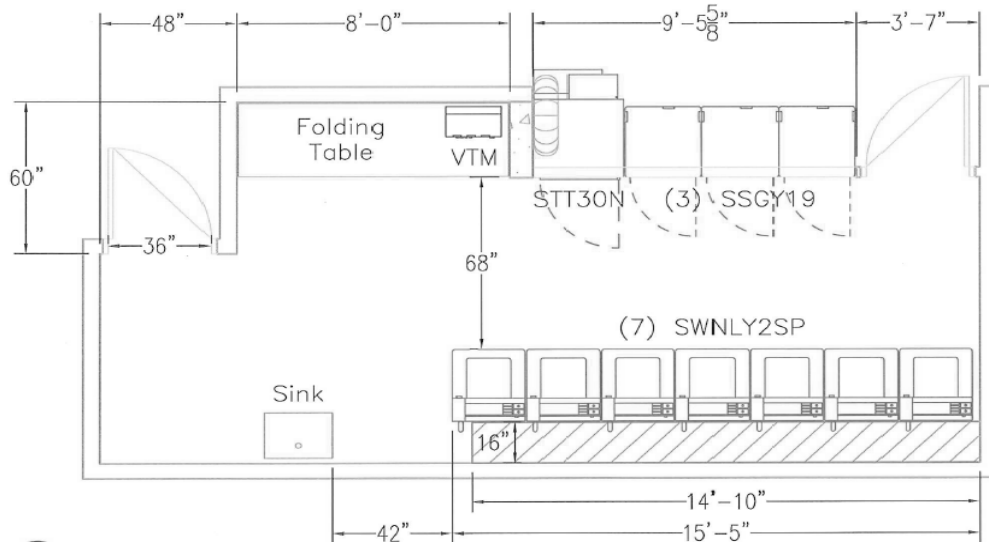
High pressure fill hoses will prevent flooding; hard-pipe dryer venting will be sealed with aluminum tape (per City code). These will replace the existing flex-hose venting. The machines will include instruction signs for all equipment, Individual machine numbers, 800 service numbers on each machine, and instruction signs for the card system, as well as laundry carts.

James House Laundry Room Layout



Speed Queen

Kilmer House Laundry Room Layout



Finance/Treasurer's Report

Betty Latson, JK Association Board Treasurer

Through the first eight months of 2011, the Association continued to report a higher operating deficit than the budgeted deficit. Uninsured losses and repairs related to the HVAC pipe leaks, as well as, higher elevator repair expenses, were the primary reasons for the larger deficit.

At August 31, 2011, our Association reported total revenue of \$3.6 million, excluding the direct charge revenue. Revenues were \$41,000 higher than budget due primarily to higher garage net income. Operating expenses were \$2,776,000, and were higher than budget by \$146,000. After the provision for capital reserves of \$887,000, our Association generated a net operating deficit of \$110,463. The deficit at the end of August was \$8,000 less than the July 2011 year-to-date deficit, but still \$105,000 over the July 2011 year to date operating budget.

Our Association continues to have healthy reserve levels. On August 31, 2011, our operating reserve fund stood at \$151,293. Our capital reserve fund stood at \$6,592,445, and the loan balance stood at \$2,715,353.

Finance Committee - During September, the Finance Committee focused its time on determining the estimated Direct Charge to Kilmer Unit Owners for repairs to the Kilmer first floor patios and terrace walls, repairs to the balconies and railings of units on the 2nd through the 6th floors, and costs to repair the window sealant on all Kilmer Unit Owner windows. Kilmer Unit Owners received a letter in September from the Association, notifying them of their Kilmer Direct Charge estimate. It is expected that the Direct Charge will be officially levied in the fourth quarter of 2011 and collected early in the first quarter of 2012.

It was noted in the letter that the estimated Direct Charge for Kilmer Unit Owners does not include any charges for the HVAC pipe replacement project. The Infrastructure Committee (IC) continues its work on the HVAC Project. The Finance Committee will become involved in the HVAC project, and in determining the Direct Charge to all unit owners for this project, once the IC has completed its diligence efforts. The HVAC Pipe Repair Direct Charge is estimated to be levied in the first half of 2012.

Also in September and in October, the Finance Committee continued its work on the 2012 budget. The Finance Committee's work was nearly completed when the City of Chicago announced certain significant changes that it expects to introduce in its 2012 City Budget. The City is discussing the elimination of the scavenger rebate, increasing certain parking taxes for non-residents, and substantially raising the water rates. Very little firm information is known about these changes and the impact that they will have on our Association. The City is expected to vote on its budget in mid-November. We should have more clarity after the City vote. Meanwhile, the Finance Committee is debating how we deal with the JK budget, given the unknown impact stemming from the City's budget vote. We will keep you informed. (See special notice – Page 5)

SPECIAL NOTICE

2012 James Kilmer Condo Association Budget

The 2012 JK Condo Association Budget distribution will be delayed approximately one month due to the uncertainty of the proposed changes in the City of Chicago's 2012 Budget. It is unclear at this time what impact these changes will have on our 2012 James Kilmer Budget.

Property Manager's Corner

Richard Vicens, JK Association Property Manager

Windows Project

Phase IV (north) is 30% completed and the last installation, if there are no delays, will take place on Thursday, December 1st. Once the window installations are complete, it will take approximately 15 business days to completely dismantle the three mast climbers used for this phase and therefore, everything should be cleared away by Monday, December 19.

The Phase III mast climbers are presently being dismantled. Once this is done, the chain link fencing at the south end of James house will be removed and the ramp at that location will be available for access to the pool and the rear of Kilmer house.

The penthouse and ground level windows were originally scheduled for installation this year. That will not be possible because K&H, our engineering firm, has not yet received shop drawings from Softer Lite for approval prior to manufacture. I am in contact with Softer Lite regarding this matter.

James House Painting and Balcony Repair

Golf Construction stopped working on this project on September 23. The work could not continue because the Phase III mast climbers were in the way. Golf will start on the east side of James House in Mid-March of 2012 and finish up the balcony work and painting in mid-May. The balcony work will be done first so that residents can use their balconies in time for the nice weather.

James House Roof & Sundeck

The Board recently approved awarding the assignment to prepare bid documents for this work to Klein and Hoffman. The scope of work will include replacing the roof, and wind screen and installing a new sundeck. Work would probably begin in May or June of 2012.

Kilmer Façade Project

The Kilmer Façade Project is continuing and the entire project will be completed this year in early December. The Kilmer front entrance ramp will be removed once the James House east side ramp becomes available.

Vault Project

The vault repair contract has been completed and I want to thank all of you for your patience and understanding. The remaining traffic bollards will be removed once the Phase III mast climbers are removed.

Lateral Pipes

Final bids have been received from two contractors and planning is underway to select a contractor and to determine the logistics for the project. Most likely there will be an information session for residents prior to the start of work.

HOA Mall Repair

Most all of the HOA mall repair work has been completed; however, there will now be a second phase that will begin next year that includes work on the expansion joints on the south and east sides of James House. I do not have any further specifics at this time except that this work must be delayed until after the James balcony membrane and building painting work is completed around June 1, 2012.

James House Landscaping

The original plan was to install replacement landscaping at James House in the spring of 2012. The balcony and painting work will now cause the installation to take place in the second quarter of 2012. Once information on the proposed scheme is available, I will pass the information along.

SPECIAL NOTICE

Balcony Electrical Outlets

Part of the windows project included providing an electrical outlet box with a blank plate on each balcony. These outlet boxes have a flexible connection from that point to the nearest electrical outlet box in your living area.

The balcony electrical outlets need wiring to be installed in order to have them operational. This work would be an owner's expense and the Management Office is prepared to obtain a bulk price for a licensed electrician to do the work. If you are interested, please notify the Management Office that you wish to participate in the program.

James/Kilmer Annual Meeting set for Tuesday, November 8

Judy Barnes, JK Association Vice President

The James/Kilmer Association Board of Directors Election and Annual Meeting will be held on Tuesday, November 8, at 7 pm. The following people are running for the 5 director seats that are up for election:

- Frances Andrews
- Barbara Fiacchino
- Barbara Grodzins
- Dorsey Ruley
- Nancy Slattery

This is a time when each owner/member of the association should be prepared to participate in the governance of our association. Although the election does not appear to be 'contested' i.e. five candidates running for five positions, it is still important to understand the positions of each of the candidates and how they are going to represent us on the Board. Knowing if they are 'forward-looking' individuals who are capable of understanding the issues surrounding the long-term viability of our buildings and community is important. Understanding their positions on the issues we will continue to face over the next few years is key to having healthy representation on the Board. **Candidates Night on Wednesday, November 2, 2011**, will provide an opportunity to ask those questions and hear responses.

Again this year, the voting for the board will be a **direct vote** rather than voting by proxy. This means we each have the responsibility to cast our own votes and cannot give our ballot to someone else and allow them to use it as they desire. You can submit your ballot as follows:

- a) in person at the Annual Meeting,
- b) deposited by you directly into the locked Ballot Box located in the JK Office—remember NO ballots will be accepted if they are slid under the JK office door,
- c) for non-resident owners or those traveling, you may deliver it to the JK Office by U.S. mail, over-night delivery service, messenger, fax or electronically, if the ballot is received at the JK office by the close of business (6 pm-Central time), the day of the election/annual meeting,
- d) if you are incapable of physically getting to the office, contact the office and they will assist in picking up your ballot.

Please remember your ballot must be signed by you, the owner, or it will not be valid. Candidates (or their representatives) may not solicit 'signed or unsigned' ballots by going door-to-door or by any other means. The Secret Ballot forms will identify each unit number and the percentage ownership interest of the unit whose votes are being cast and incorporates a tear-off

section that (a) identifies the unit number and the name of the unit's Voting Member(s); and, (b) requires the signature of the person casting the ballot. Any ballot submitted for tabulation without an intact tear-off section or without a signature will not be counted. After all ballots have been tabulated, the tear-off section of each ballot will be removed and kept by Picker Associates (our JK Auditors) for use by any subsequent third party auditor.

Please note, we have 5 votes to cast and can express our confidence or displeasure about the candidates by how we spread our votes. The issues in front of the Board are too important for each of us to remain uninformed and unexpressive of what is important to us. Participation in a representative board will generate positive results for our JK Association. Also, please remember that in order for the annual meeting to be held, we must have a quorum of owners (20%) participate or else the meeting cannot take place and the Association must go through the sizeable time and expense of calling the meeting again. So, we look forward to seeing you and also hearing Alderman Brendan Reilly, who will be present at 6 pm prior to the start of the meeting.

NOTE: ALDERMAN BRENDAN REILLY, 42ND WARD, WILL BE PRESENT AT 6 PM ON NOVEMBER 8 (PRIOR TO THE ANNUAL MEETING) TO SPEAK AND HOLD A Q&A SESSION BEFORE OUR MEETING STARTS AT 7 PM.

TECHNOLOGY TASK FORCE UPDATE

Attention:

Cable/Internet Service

Please be advised that the Board will vote to select a provider for Cable/Internet service at the Tuesday, October 25 Board of Directors Meeting and each provider will have time for a question and answer session. Unit owners and residents should plan on attending the meeting for a first-hand observation of the differences between service providers. Once the presentation process is finished, the Board will vote to select a provider.

There will be an informational document that will be door dropped in the next couple of days to give you background information on the two providers.

Engineer's Corner

Kurt Kruger, JK Association Chief Engineer

Seasonal Reminders

We are now in heat mode. Please direct your white plastic HVAC grids towards the windows.

Use the daylight savings time change coming soon as a reminder to change your smoke detector batteries.

This would also be the time to do your semi-annual filter change for your HVAC units; no tabs are required during the heating season.

Christmas tree bags for live trees will be available at the Receiving Room after Thanksgiving.

Use caution when running extension cords for holiday lights. Check for worn spots. Make sure they are of the proper gage for the length of run you desire. For longer runs you must use a thicker gage.

SINGLE SOURCE RECYCLING NOW INCLUDES BATTERIES— Please use the **designated battery containers provided next to the SSR containers (in the JK Garage and James basement)**. Please tape the ends of the batteries or put them individually in a plastic zip lock bag—*Please note that this is important to protect the batteries from igniting due to any residual current flowing between the contacts.*



Upcoming Meetings and Events

Board of Directors Meeting

October 25th and December 6th – 7:00 p.m.

Candidates Night

November 2nd-7:00 p.m.

Annual Meeting (James House South Lobby)

November 8th-7:00 p.m.

Registration starts at 6:30 p.m.

Alderman Brendan Reilly will speak at 6 p.m.

All meetings will be held at the Penthouse except for Annual Meeting.

Reminder on What to Do If You Have an HVAC Break or Experience Damage

Judy Barnes, JK Association Board Vice President

Although the Infrastructure Committee has bids and the board will soon vote on moving forward with the HVAC replacement project, there could still be some potential breaks that occur prior to replacement--largely since we are in the heating season when many of the breaks have occurred. The Management Office has put together 'Event Notices' for folks who have experienced damage and the JK Newsletters have previously provided information on the importance of your having insurance--as an owner or renter. Here is a quick reminder on "What To Do and Who Pays for What" summary.

- 1) If you see or hear water running or dripping, please call the management office (312-654-1560) immediately. If it is after hours, call the door staff immediately (312-654-1560 x6), and they will reach maintenance immediately. It is CRITICAL to find the leak and get the water (vertical risers) shut down as quickly as possible to minimize damage to all units.
- 2) Maintenance will also immediately call in ServiceMaster, or another contractor, to minimize damage and begin the remediation process.
- 3) If your unit has been damaged, as an owner or tenant, *you need to take the following steps immediately:*
 - a) Call your insurance company, obtain a claim number, and follow their instructions. They may have a preferred remediation company, but most insurance companies are okay with using ServiceMaster.
 - b) Move clothing, lighter furniture and other items out of the damage area (again to minimize damage to your belongings)
 - c) Follow any other direction your insurance company may have on how you proceed with your insurance claim.
- 4) When a break occurs and is found, the HVAC vertical riser in your tier will be shut down immediately and drained and there will be no heat or air conditioning until initial repairs can be made.
- 5) If the pipe failure occurred in your unit, you are NOT responsible for damage to other units.
- 6) In most cases, the Association is responsible for repair and/or replacement of damaged walls.
- 7) Your repairs to your unit, the remedial work that is required to clean up the water and dry everything out, as well as the actual repair/replacement of the HVAC pipe is YOUR responsibility and these repair costs can and should be turned into your insurance company—which is why it is critical that you have insurance. If you have called your insurance company, they also provide direction on how they prefer you handle the remediation and subsequent claim that you are filing.

Neighborhood and 42nd Ward Updates

Judy Barnes, JK Association Board Vice President

Residents Warned to be Watchful for Muggers and Attackers

There are increased reports of muggers and attackers in the River North area around Marina Towers and other areas around the City. This is just a reminder to never let your guard down and be cognizant of your environment--whether walking, or in restaurants and commercial businesses. The bad economy has forced a continued higher level of pick pockets and attackers.

City Budget Hearings begin Wednesday, October 19

Alderman Reilly invites you to attend the City budget hearings, which begin Wednesday, October 19th at 9:00am in City Council Chambers, located on the second floor of City Hall. The Budget Hearings are open to the public and begin at 9:00am (or subject to call of Chair) each day in Council Chambers. If you would like an opportunity to provide any feedback or commentary on the budget in the official record, please attend the Public Hearing session on Wednesday, November 2nd at 11:00am in Council Chambers. Budget Hearings expect to conclude on Wednesday, November 16, 2011 in a City Council Meeting to vote on Adoption of the Budget and the Annual Appropriation Ordinance. We will attempt to keep you apprised of all City Budget issues that may adversely affect our JK Budget. *As you will note in a Special Notice in this October JK Newsletter, we will be delaying the distribution / approval of our 2012 budget (and related 2012 assessment levels) until we know how the City's Budget will impact us.*

Flight 1551 Restaurant and Wine Bar Will Soon Open at 1551 North Wells

After reconfiguring the space occupied by several previous retailers, this wine bar will open soon.

Mama Milano Pizza Bar opening at 1419 North Wells

A newer concept on Wells Street is this restaurant owned by the family behind the former Papa Milano at State and Oak. The décor looks cozy, and pizza bars are today's popular trend in New York. This is a twist that brothers, Joseph and Tony Tomaska, the great grandsons of Papa Milano, are eager to introduce in Old Town.

Rumor on the Jewel-Osco High-Rise Plan for Clark and Division

Information is still speculative about the retailer who is talking bids to build an apartment high rise, possibly 40-stories, which would include a new, improved Jewel store in the building. While our trendy area has always welcomed up-to-date stores to shop, this planned construction would be the biggest Gold Coast development in years.

A Designer Bargain at Mercy Beaucoup! At 1545 North Wells

This new upscale, resale/retail boutique is now open and will benefit the Mercy Home for Boys and Girls. The newly-designed space on North Wells is brimming with higher-end items--all donated from big-hearted Mercy Home supporters. The donations of clothing and accessories today come into the store and are carefully priced, sorted and sized on racks and shelving. Many of the items are not yet worn (or if so, only slightly) and carry familiar designer labels like Armani, Hermes, Coach, Anne Klein, Ellen Tracey, Oleg Cassini and others, such as Gap, Ann Taylor, Brooks Brothers, Burberry and Banana Republic are represented in the mix as well. Women's shoes, handbags, dresses, sportswear, blouses and tops for all occasions are on display. Items for guys are not yet as plentiful, but this could change down the road. Also there are home/decorative/gift items available in the original boxes. The interesting, well-organized assortment is attractively showcased making the experience inviting and worthwhile for area shoppers who are looking for style and value.

2011 GERMANIA PLACE EVENT LISTING

10/22/2011	Wedding	220
10/28/2011	Wedding	150
10/29/2011	Wedding	200
11/5/2011	Wedding	200
11/11/2011	Wedding	200
11/12/2011	Wedding	200
11/19/2011	Wedding	150
12/10/2011	Wedding	200
12/31/2011	Event	1300

HOA Report

Jack Vedra, HOA President

At the time HOA was planning the seasonal rotation of flowers for this year, it appeared that the James House entrance area would be so cluttered with mast climbers, construction barriers and such, that there would be no room for the large planter-containers. Therefore, our plant orders did not include flowers for the James entrance. As it turned out, there was room for three of the planters for the summer rotation, so HOA had Moore Landscapes fill them with their remaining plants. Now, as the mast climbers are being taken down and the painting schedule for the east side of the building has been shifted to next spring, HOA has asked Moore to fill the three planters for the fall and the winter rotations.

Bernard Jacobs of Jacobs/Ryan Associates designed Sandburg's award-winning A-B and C-D Malls and just completed the beautiful renovation of the South Mall. Mr. Jacobs has designed the new landscaping for the east and west sides of James House. He is preparing design boards for display in the James House lobby as a preview for the residents. Installation of new plantings will start sometime in 2012 and be coordinated with building painting and new siding around the base of the building.

Other HOA activities: Having recently closed the Sandburg pools for the season, HOA is about to end the tennis court season and is preparing for Village snow removal activities for the coming winter. Work has also been done in planning the 2012 HOA budget.

Website Update

Ron Miller, JK Association Website Committee Chairperson

JamesKilmerCondo.org . . . A Handy Reference Every Day

Your association website - JamesKilmerCondo.org - contains handy reference information. Site visitor data indicate all features are viewed and used; have you visited lately? We encourage you to visit and explore. From extensive James House window project information, committee information, HOA minutes, and James/Kilmer board meeting minutes, to posted notices, downloadable documents and forms, giving feedback to the office and maintenance department, and much more . . . all available 24/7. And, a reminder, the Maintenance and FAQ sections have information that should be reviewed periodically. We encourage you to visit your official James/Kilmer website and explore its features. Website feedback and suggestions are always welcome. Website Committee meetings are held quarterly and everyone is welcome to attend. Contact our webmaster, Ron Miller, webmaster@JamesKilmerCondo.org.

PET RULES REMINDER

Nichelle Meadors, JK Association

The 2011/2012 Pet Registration ended on September 16th. As of October 14th there are still a few residents that have not registered their pets. If you still have a pet residing in your unit, please complete the Pet Registration form and return it to the Management Office with your form of payment as soon as possible. Forms can be picked up in the Management Office. If you no longer have a pet, please notify the Management Office so that we can update our records.

Also as a reminder, pets are restricted to their unit and to transit through the following common areas only: hallways, service elevators, stairwells and service areas. Pets are NOT allowed in the Laundry Room or by the mailboxes.

While transiting through any common area, pet movements must be controlled and they must be on a leash, in a carrier or in a cage at all times.

JK Association is Saddened by the Death of Joe Neely, JK Garage Employee

Eddie Main, JK Garage Manager



On October 17, 2011 the James Kilmer Condo Association lost a member of our staff with the passing of JK Garage employee, Joe Neely. Joe provided parking service for the association for nine years. Joe was an extremely dedicated employee, who was always willing to provide service at the highest level possible. Joe would always place the customers' needs before any other matters. Joe was honored to be employed at the Association. He felt great comfort in coming to work everyday in the garage. In times like these of great sadness, Joe would always find the silver lining and search for the bright spot. Please help carry on Joe's spirit and remember Joe for the outstanding employee, husband, father and friend that he was.

A memorial service will be held on Saturday, October 22, at 1pm at the Carter Funeral Chapel, 2100 E. 75th Street, Chicago, IL. Donations in his memory can be sent to Joe's home payable to the 'Estate of Joseph Neely'. The family prefers not to publish their home address, but if you would like his address to send a donation, please ask Eddie Main, Garage Manager, and he can provide the information.