

1997 Vol 1 No.1

1997

Feature Article: Housing

by Dan Thompson, R.R.P., R.V.P.

In many of the cases in which I am retained, plaintiff lawyers and adjusters all agree that housing for insured with injuries is of the utmost concern.

Let's face it, housing is one of the biggest expenses an individual will incur over a lifetime. Where the insured is still a minor, the insurer may be reluctant to subsidize home renovations because the parents own the home.

Statistics reveal that the highest divorce rate is with couples who have one spouse who has sustained a spinal cord or closed head injury. Insurers become skittish because their responsibility is with the injured party, not with the uninjured spouse. If the insured divorces, there may be the legal ramifications as to who owns the home.

Plaintiff lawyers, who are looking at getting the most money for their clients, may focus on the dollar value and not always look at practical housing solutions. Those of you who have retained me in the past will recognize that the following suggestions have appeal for both sides.

It is probably in the client's best interest to consider moving to a condominium within a metropolitan area. The costs of renovating a condominium are less than for an average home. Say \$20,000 for the condominium compared to \$152,600 for the average home. This is so, in part, because condominiums don't have stairs requiring modification to make them accessible. They usually have fewer rooms, which keeps down the cost of furnishings. Property taxes are comparable to an average home, but can be offset if a home based office is established. An additional factor is that the work of making the unit accessible would not have to be undone if the insured decided to move. The unit could be sold as is, for market price. In many cases, if a client moves back into a home, there are several areas that are left inaccessible.

Most condominiums are equipped with advantageous amenities such as in-suite laundry facilities. If attendants are required, they can perform laundry within the condominium and concentrate on the needs of the client. Condominiums usually have extensive security systems, important these days, and are included within the maintenance fees. Other conveniences such as a pool or party room may assist with the client's social integration.

I strongly recommend that clients participate on the condominium's board of directors, with an eye on the financial soundness of the condominium. As an example, it is important for resale value to ensure that the appropriated reserve fund has enough to cover major maintenance items such as a new roof.

Condominiums are often centrally located, which provides accessibility to shopping, banking, employment, restaurants and leisure activities. A centrally located condominium broadens the selection of potential attendants.

Condominiums with underground parking ensure that snow will not have to be removed from a mini-van.

Obviously people should always have a choice. They may perceive living in a condominium as being confining and may long for the openness of a home in the countryside. My suggestions may provide convince them that the condominium option is the most feasible and economical solutions.

