

## Lawsuits brought by WL businessman found in favor of defendants

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The Independent

A pair of lawsuits filed by Wonder Lake businessman and property owner T.P. Mathews was heard by Judge Michael Caldwell of the 22nd Judicial Circuit of McHenry County Aug. 17. Judge Caldwell found against Mathews in both cases, spelling relief for the Wooded Shores Property Improvement Association and the Master Property Owners Association. The judgments were filed Aug. 30.

### Mathews challenged validity of Wooded Shores association, votes

Mathews initially filed a lawsuit in 2009 which asserted that the current voting association for the Wooded Shores subdivision was not the legal association representing the subdivision's homeowners. Currently, there are two associations – the Wooded Shores Property Improvement Association and the Wooded Shores Property Owners Association. The original association, formed in 1945, was known as the WSPA in the 1950s.

Because the Secretary of State did not accept post office boxes as legitimate addresses, the association secretary at the time used her home address to register.

When she moved, this information was not communicated to the new secretary. When the registration forms, which had to be renewed yearly, came to that address, the new secretary never received them and the association was dissolved for not staying current on its registration payments.

Later, Mathews discovered the association had been dissolved and registered himself as the new agent. He believed his group should have been recognized as the legal association for Wooded Shores.

Members of the old association filed for reinstatement, which was granted, but the old name was unavailable. So they called themselves the Wooded Shores Property Improvement Association and continued to conduct association business.

In a second lawsuit, Mathews asserted that if the Wooded Shores Property Improvement Association was an invalid organization, its two votes in favor of the Wonder Lake Special Service Area should also be invalidated. At the MPOA meeting held in March, the SSA passed by a margin of 34-32 with 1 abstention. If Mathews had won his suit, the vote would have been tied, and the resulting agreements to enable bonds to be issued to fund the permit application process for the lake dredging

would be null and void.

On June 1, the MPOA asked for and was granted an expedited hearing. It also requested that this lawsuit and the previous one against the WSPIA be combined since they were so closely tied together. Both requests were granted, leading to the August 17 hearing date.

### Judge rules in favor of defendants in both cases

After four days of testimony, Judge Caldwell ruled that Mathews and the Wooded Shores Property Owners Association do not represent the property owners in the Wooded Shores subdivision. He further stated that when Mathews incorporated the WSPA, it was "a formulaic act without substance or impact. It was an inappropriate attempt to co-opt the corporate name of the original corporation."

The judge also found that the WSPIA is, by covenants and deeds, responsible for governing the subdivision's common areas and is the sole representative of all lot owners in the subdivision. As the sole representative organization, the WSPIA is a charter member of the MPOA and votes cast by the Wooded Shores delegates are valid.

The judge suggested that Mathews dissolve the WSPA and further enjoined him from using the corporate name Wooded Shores Property Owners Association in any dealings with the MPOA.

Mathews did not respond to calls from *The Independent* requesting comment.

Dick Hilton, President of the MPOA and a WSPIA delegate, was cautiously optimistic after the ruling.

"But I'm never confident that it's all done until the bonds are issued," he said.

### Fight continues with the filing of an appeal

Hilton's comment, made Sept. 20, turned out to be prophetic, as Mathews filed an appeal Sept. 16, which was received by the MPOA through the mail Sept. 21. The MPOA and its attorney Dean Krone of Hodges, Loizzi, Eisenhammer, Rodick & Kohn in Arlington Heights have filed a motion in response for sanctions against Mathews and his attorney to recover funds they have spent on defending these lawsuits.

No date has been set for the appeal hearing. Krone was not sure what if any affect this appeal will have on the issuance of bonds for the lake restoration SSA.