



NEWSLETTER

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ROOF INSPECTIONS

A building's roof is the first line of defense against the elements which protects the unit's interior from damage. Roofs that are past their life cycle or not properly maintained, pose a liability issue for the association when they cause damage to units and the common structure. If the association is the responsible party for maintenance to the roofs, it's important that inspections, maintenance and replacement plans are followed so that claims do not occur. When damage occurs, an association either needs to tender a liability claim against the association's policy or they will self-insure paying the damages out of pocket which may not have been budgeted for. Insurance underwriters look at loss activity and reserve funding among other things, to gain insight to an association and if they are a good risk to insure. Liability losses can negatively impact association and cause increased insurance premiums. Having an aging roof can affect eligibility with preferred insurance companies leaving only higher risk options available. Carriers across the nation have started making changes to the insurance policy such as offering roof coverage at Actual Cash Value (ACV) and not Replacement Cost (RC). The depreciation is the difference between ACV and RC and the insurance carrier is relying on the association to be collected in a properly funded reserve study.



Associations that have roofs older than 20 years will be required to provide an annual roof inspection report. Having the inspections completed on a regular basis will document the roof quality and make the association aware of critical issues that need to be addressed, thus reducing the association from liability claims. Doing repairs in a timely manor is important to reduce the risk of future losses occurring. The governing documents should state the requirement for roof responsibility and it's important that every Board know what's their responsibility.

Does your community follow their reserve study, and include annual roof maintenance and inspections? Working with reputable contractors that specialize in our industry can be highly beneficial. Look to your management company and resources such as CAI (www.caioregon.org) to find industry specialized service providers.

LOSS PREVENTION: APPLIANCE SAFETY: AVOID USE WHEN AWAY

It is convenient to start an appliance at night time before going to sleep or when departing the unit. However, this convenience has risks when a sudden leak or overflow occurs because the damage is often not caught soon enough. Unit owners including their fellow neighbors can experience water damage to their units causing a loss. Having multiple units damaged can increase the overall claim damage amount and cause delays depending on the severity of damages. Claims are never an ideal situation and often when a claim is caught early, there can be far less damage than finding the damage hours or days later.

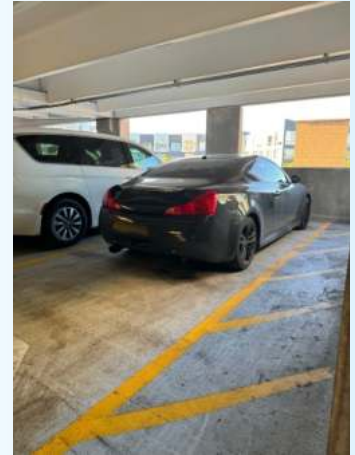
Appliances, like any machinery, are prone to malfunctions. A leaky dishwasher, a faulty washing machine hose, or an overflowing washing machine can quickly escalate from minor to major damages the longer they go undetected. When the plumbing fixtures in a unit are frequently inspected and properly maintained, owners can help an association reduce the risk of insurance claims. This action can positively impact a community financially. Association Boards can implement a maintenance schedule for all owners to help support the proactive initiative. Owners should consider using appliances when they are home and can be aware of their surroundings.



OWNERS CURIOUS QUESTIONS:

Is my vehicle covered under the association's insurance policy?

The question is asked frequently and good to clarify that the association's policy does not extend coverage to vehicle damages for unit owners, tenants, or guests' automobiles. Regardless if the parking type is attached, within a carport or parking in onsite garage, owners of the vehicle will be responsible for damages. For example, in the unfortunate event of a fire in the association's parking garage causing damage to vehicles, the association's policy does not reimburse for the vehicle. It would be the responsibility of the vehicles owner to look to their insurance policy for coverage. The owner would also be responsible for their own deductible and that would not be something the association reimburses.



UPDATE OF THE MONTH: WASHING MACHINE HOSES



Checking your unit's washing machine hose might not be top of mind, but it plays a critical role in your home's plumbing. Over time, these hoses can wear out, leading to leaks or bursts that cause significant water damage to the unit. It's an unfortunate claim which can be prevented. Experts advise replacing them every five years with durable, reinforced braided stainless supply lines to avoid costly repairs from washing machine leaks. The hoses cost around \$30 for replacements. Make sure to not overtighten when faceting. Do not overlook this simple maintenance task—protect your home and your wallet by replacing your washing machine hoses regularly.



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ACT NOW: Community Association Corporate Transparency Act Exemption Delay

Let your voice be heard, click the link to write your legislator.

<https://www.votervoicenet.com/CAI/Campaigns/108066/Respond>

Current Filing Deadline for existing corporations is January 1st 2025