

Condominium Home Owners' Association

Serving BC's Strata Property Owners since 1976

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Condo Smarts

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Part two of a five-part series on strata insurance

Dear Condo Smarts: We've been fighting with our strata council for the past two years about fixing the roofs on our buildings before it's too late. Well, now it's too late. After the last rain storm, we noticed a huge water bulge in our ceiling paint that let go all over our dining room furniture, Persian carpets and family photo albums. The damage to our personal property is more than \$10,000. We paid our own deductible of \$1,000 and we're now living under a tarp while the water and cold seep in to every crack.

Our once modest townhouse has become a disaster construction site and there is now extensive water damage to the sub roofing, attic insulation and our drywall and flooring. The strata insurance company have generously agreed to pay the initial claim for restoration but they are not paying for roof repairs and deferred maintenance.

We have two questions. Who pays when the loss is not our fault and how do we get our strata to move on roof replacement?

-- Saturated in North Van

Dear Saturated: Deferred maintenance or replacement is, simply put, a bad decision. No one benefits. The costs are substantially higher -- 30 to 50 per cent more when you finally get around to the repair and the collateral damage to owners' personal

property, disruption to their lives, loss of work and general discomfort and loss of property value can never be recovered. Deferred maintenance that results in insurance claims is also a nightmare for strata corporations because you may find your insurer may or may not cover your claims.

Tim Helson at Vancouver Island Insurance Centres advises that claims have to be generally sudden and accidental. Resultant damages may be claimed but the maintenance item may not. In many circumstances, insurance policies refer to claims relating to maintenance, mould resulting from maintenance, or damages resulting from deferred maintenance. Leaking roofs, plugged gutters, damaged balconies and failed window systems are common maintenance culprits that may not be insured.

Insurance is for those events you can't plan on, whereas you can plan for a responsible maintenance program. If your strata is deferring maintenance, the owners might want to take control. Demand a special general meeting to address the repairs and formulate a repair and payment schedule. Your strata corporation may find themselves facing a lawsuit for damages to personal property or betterments if the strata has failed to meet its obligations.

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