



## ABI Insurance | March 2020 Newsletter

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### **“Water damage” is not considered “Flood”**

Very often, owners refer to a large amount of water in a unit possibly due to an overflow or burst pipe in a wall as a “flood”. This sudden and accidental event is just considered a “water damage” event.

Flood damage is caused by a sudden rise of water over two or more acres or two or more properties. We often see floods occur after heavy rains making a creek or river rise and flooding a building with water. Another couple unique situations that might result in floods occurring could be a neighboring water tower falling over causing a gush in water over the surrounding areas or a public city main pipe bursting causing flooding of homes.

Per FEMA, 33% of all flood occurrences happen to properties that are not in a high hazard flood zone. It is important to read your individual homeowners’ policies to see what coverages you have. Most carriers exclude “flood” coverage and it must either be endorsed separately if available or the owner needs to purchase a stand-alone flood policy.



### **An Owners Burning Question!**

**Q:** I didn’t know my HO6 policy had a deductible. Can you explain?

**A:** Most insurance policies (especially property policies) have a deductible that must be met before the insurance carrier will respond in a covered loss. Deductibles can range from a couple hundred dollars to thousands of dollars. Determining what kind of deductible is best for you, can be done through analyzing the risk you are willing to take on when a claim occurs in conjunction with the amount you can pay on an annual or monthly basis. The lower the deductible, the higher the premium and similarly, the lower the premium the higher the deductible. Remember, to keep premium lower in general, filing small claims will almost always not be beneficial in the long term. Insurance coverage is really meant for large losses that many can’t bounce back from. An example would be a fire burning a house down worth \$350,000 or a bad car accident that does \$50,000 in damage. Having higher deductibles helps reduce smaller claims, ultimately keeping premiums lower. Understand your policy and what deductible you have.



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### Loss Prevention Tip: The Dangers of Moss

Moss in the Pacific Northwest is not a stranger, especially to roofs and sidewalks. Moss may not appear to be too dangerous however it can create a lot of problems for an association.

When Moss accumulates on a roof, it can trap moisture from evaporating and drying out. Lingering water can make its way into the structure below and causing rot. Remember, most insurance policies are going to exclude damage caused by roof leaks as common maintenance will reduce the chances of leaks occurring and causing damage.

Another danger moss poses is when wet, it becomes slippery and a hazard when on the sidewalk. Slippery sidewalks and stairs can cause someone to slip and fall and severely injure themselves. Boards and Committee members should be on the lookout this spring, as it is the season, we see moss grow rapidly. By cleaning up the moss throughout the association, property can be preserved, and injury prevented.



### Update of the Month! Door Sweep

A great and inexpensive update for the month is the door sweep which goes under the door jam and helps keep water and air drafts out. Doors are constantly opening and closing with day to day use as well as being exposed to various weather conditions which takes a toll on the seals. Updating the door sweep can allow exterior water from entering and causing damage. You might even save some money on the electric bill with cold air or summer heat drafts. The cost for this item ranges from \$10-\$30 depending on the material, style and length.

Garage doors also tend to have various seals on the bottom and another great update idea to keep water out.



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