



ABI Insurance | March 2021 Newsletter

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Association Burning Question

Q: In the recent ice storm, several trees have fallen over and need to be cleaned up. Does insurance cover that?

A: I wanted to address a hot topic that has come up with the Ice Storm that we experienced in February. Many communities experienced trees falling, causing damage to nearby property. Insurance policies typically do not cover falling objects such as trees, however, the insurance policy responds to the resulting damage of insured property. If there are no buildings or structures that are insured damaged in the insurable loss, there likely is no coverage. Most policies have debris removal, but that is if the tree needs to be removed after damaging the building insured. The insurance policy likely will not respond just to clean fallen trees that have not damaged any property. The amount of damage is a consideration as well with the claim if a tree has struck the insured structure. If the damage does not exceed the association's deductible, the association's insurance policy is not triggered. It is easy to get the insurance company involved, but keep in mind that these policies are meant for catastrophic losses. If the association can afford to pay for the cleanup, it might be worth it to do so. Talk to your agent before filing a claim.





An Owner's Burning Question!

Q: My Association has insurance coverage that is referred to as all-inclusive. I am confused because I am responsible for inside my unit.

A: All-Inclusive coverage means that the association is insuring the common area (exterior) and the units, plus any betterments and improvements done to the building. An owner can still be responsible for the maintenance in a unit such as upgrading your plumbing fixtures. If damage occurs that is not an insurable loss, the owner is very well liable for their own damage.

Loss Prevention: Tree Inspection

With the recent storm that happened, it might be a good idea for associations to consider having their trees inspected over the spring and summer months to make sure they are healthy. A tree that falls from the associations' property to a neighboring property is not automatically liable for that neighbor's damage. Negligence typically happens when the association knows of a tree that is not healthy and does not take it down or taking complaints seriously. If the community is concerned, hiring a licensed and insured arborist is going to give the association documentation if a future claim occurred.

Update of the month: Galvanized Pipes

Homes built in the 60's, 70's and early 80's sometimes had galvanized pipe material that was used in construction; however, these pipes are prone to leaking and causing insurance claims. Insurance carriers are aware of the higher risk piping and are starting to ask on applications if the buildings/units have any galvanized pipes, which is becoming an eligibility issue. Redoing plumbing in a unit or building is a project but starting to plan is a step. I have seen some communities come together to complete the project so that the overall cost is significantly less and is being done at the same time. Utilizing resources like CAI (Community Association Institute) www.caioregon.org can help provide a platform to start researching.



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