

# What to Know

## Questions Every Condo Owner Should Ask



### Building Maintenance & Inspections

Does our association have a routine building maintenance plan with electrical, plumbing and structural reviews?

What are some vulnerable areas of our building that we should pay more attention to?

During routine maintenance we found a water leak. What should we do next?

How often should we hire a structural engineer?

Are all reports made available to the board and its owners?



### Repairs

What should we look for when hiring a contractor to complete the work?

Do the repair costs/mitigation seem reasonable?

Should we go with the lowest bid?

### Structural Engineering Inspections & Reports



How do we know if a structural engineer is qualified?

What issues should we be concerned about on the engineering report?

How do we know what issues need to be handled immediately?

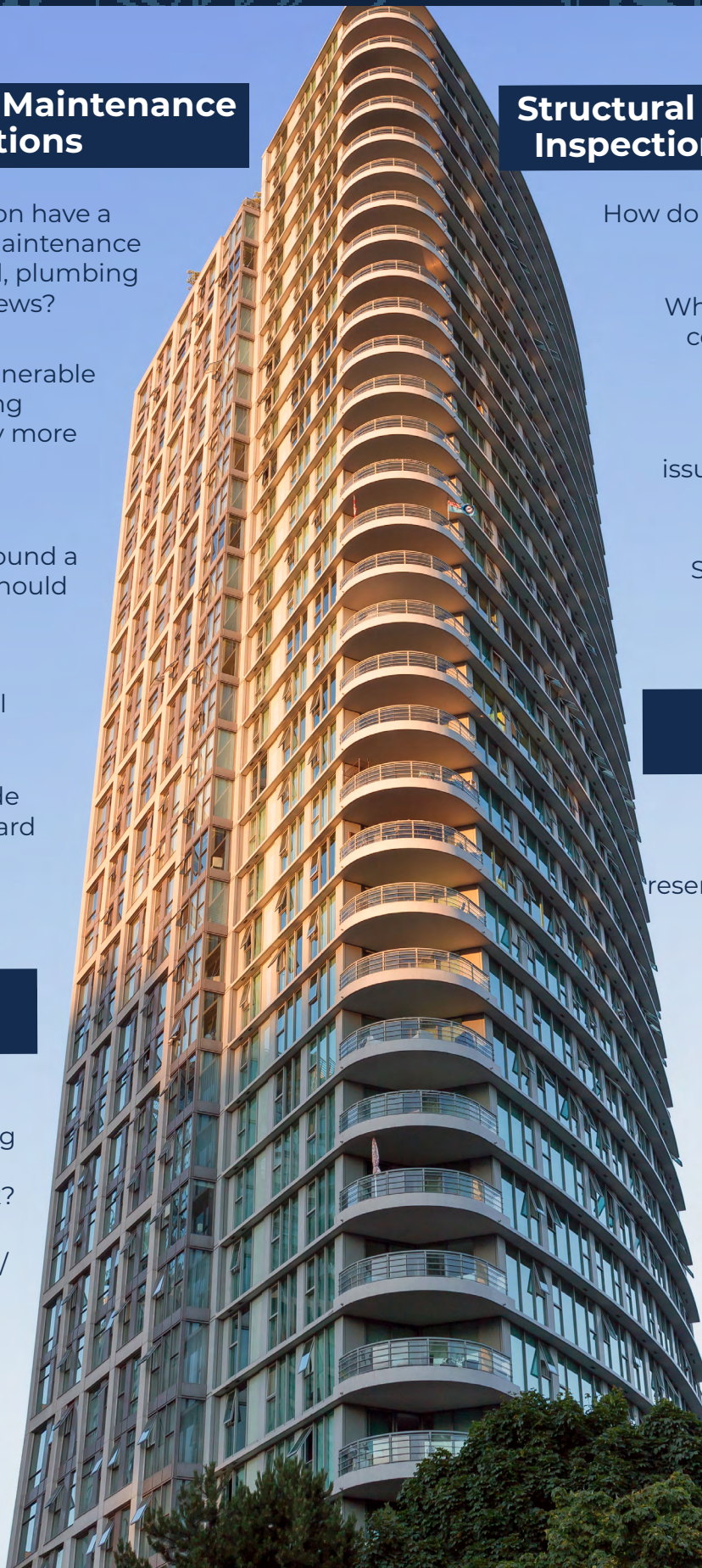
Should we get a second opinion?

### Finances



Does our association have enough money in reserves for any unforeseen structural issues?

If an increase in dues is required, how will we handle this?



# What to Know

## Questions Every Condo Owner Should Ask

Every condo owner should know the condition of their building and any vulnerabilities that could lead to costly repairs or compromise the structure's integrity if not properly maintained. The Insurance Institute for Business & Home Safety (IBHS) has compiled this resource to guide owners and associations through conversations with maintenance staff and structural engineers. By asking the right questions, residents can have peace of mind with an improved understanding of the property's overall condition, plan for upcoming maintenance needs and know when to take critical actions.

### Routine Maintenance/ Building Inspection

**Does our association have a routine building maintenance plan, including electrical, plumbing, and structural reviews? If yes, how often is it conducted?**

Building maintenance staff should conduct routine inspections at every season change and before any severe weather event such as a hurricane or winter weather storm. Call a licensed professional structural engineer if the team notes any areas of concern.

**What are some vulnerable areas of our building?**

Some key vulnerable areas of a building are roofs, exterior walls, windows, package terminal air conditioners (PTAC), doors, exposed structural connections on balconies, pool decks, parking structures, hardscape/landscaping, and any transitions from one material or building component to another. While this list is not comprehensive, it is best to discuss them and other concerns with your routine maintenance crew and structural engineer.

**How often should we hire a structural engineer?**

When considering the frequency of professional structural inspections, evaluate the building's exposure risk to environmental factors, severe weather, and salt, salt water, or spray. For buildings with multiple exposures, consider more frequent professional structural inspections, which could be as frequent as every 5 to 10 years (e.g., a building located in a Gulf Coast state that sits approximately 300 ft from salt water).

For buildings in mild to moderate climate conditions away from salt exposure, consider a professional structural inspection at least every 30 years. This should be discussed with a professional engineer to better determine and understand your building's risk. Any suggested maintenance items and repairs identified during inspection should be captured in the HOA/ Condo Association Reserve Study to understand potential future financial expenditures for the community.

**During routine maintenance we found a water leak. What should we do next?**

Identifying the entry source of a water leak, as well as where the water leaks may have traveled, should be prioritized. Hire a licensed and insured contractor to repair components that have been damaged by water. Water may not only cause interior damage, but also may damage structural components over a time by rusting and degrading the material. If there are any signs of further damage or aging hire a licensed structural engineer to evaluate the components.

**Are all reports (both routine maintenance and structural) made available to the board and its owners?**

While documentation protocol may vary from association to association, all inspections and maintenance reports should be made available to the owners. Transparency between parties can foster better relationships and help resolve any issues as they develop.



# Structural Engineering Inspection and Report

## **How do we know if a structural engineer is qualified?**

Every state requires professional engineers to be licensed. Their license and status can be verified on the Board of Professional Engineers website for your state.

## **What issues should we be concerned about on the engineering report?**

Discuss this question with your structural engineer. A range of issues that may be brought to light from cosmetic to structural integrity. The structural engineer should indicate items that need immediate remediation and prioritize repairs in understandable terms.

## **How do we know what issues need to be handled immediately?**

Discuss this question directly with your structural engineer.

## **Should we get a second opinion?**

If possible, a second opinion can shed light on the structural issues. If you are concerned about the pricing for repairs, additional quotes may help provide competitive prices.

## Repairs

### **What should we look for when hiring a contractor to complete the work?**

- Look for a well-established, licensed and bonded professional with a federal tax identification number and a permanent address.
- Check references that specifically include other commercial buildings in your area.
- Contact your local Better Business Bureau to check for complaints filed against the company.
- Ask to see the company's certificates of insurance. Make sure coverage for liability and workers' compensation insurance is current.
- Discuss available material warranties from the manufacturer and installation warranties from the contractor.

### **Do the repair costs/mitigation seem reasonable?**

If possible, obtain several bids for services to better understand the market.

### **Should we go with the lowest bid?**

Review all bids, contractors, and compare the scope of work. The lowest bid may not necessarily be the best fit for the work outlined.

## Finances

### **Does our association have enough money in reserves for any unforeseen critical issues that may need immediate attention?**

Best practice is an annual audit of the current Reserve Study and a new updated Reserve Study performed every three years.

### **If an increase in dues is required, how will we handle this?**

The HOA board will take the amount needed to address the cost and divide it among homeowners. How the board should divide the amount, though, typically depends on what your governing documents say and often is determined by factors such as unit size. Also, check state laws to ensure you are abiding by certain limitations concerning the amount associations can levy in assessment fees.