

Preventing Water Damage in Condominiums

Introduction

In the typical high-rise condominium, what happens in one unit can have a negative impact on many others -- and water damage is a costly example. In fact, faulty plumbing is the leading source of condominium property loss. Water damage from a leaky pipe or an improperly installed appliance in one unit may cause substantial damage to others and to common areas.

While more prevalent in older buildings, water damage can be just as costly in newer structures. And damage can be severe, with reports of claims well over \$100,000 per incident. However, in many cases, claims have been below the insurance policy deductible limit, so the complete cost has been born by the condominium owners association.

Preventing water damage losses

Owner associations can take an active role to minimize the chance of water damage, and to contain costs once it occurs, by establishing a formal water damage prevention program. Consider the following guidelines when developing such a program for your association:

- Hire only licensed plumbers to conduct inspections and to perform necessary maintenance and repairs.
- Perform periodic inspections of all appliances connected to water and drainage lines. Licensed plumbers should conduct inspections when appliances are installed and then again on a regular basis. To standardize the inspection process, instruct the plumber to use a 3-part checklist -- one copy goes to the condo owner, one to the condo association, and the plumber retains one. The plumber notes any defects on the checklist and discusses the necessary repairs with the owner of the unit, allowing a reasonable time to correct the deficiency. This process should be carefully coordinated with the building management.
- Require the use of check flow hoses for washing machines. A check valve prevents overflows, a common cause of water damage claims.
- Educate unit owners about the importance of maintaining and using plumbing fixtures and appliances properly. For example, warn against the practice of using toilets or drains as a general-purpose trash receptacle.
- Arrange contracts with qualified water extraction firms and licensed plumbers to help minimize damage and contain costs in case of an emergency.

For further assistance

- Contact your Fireman's Fund Loss Control Consultant;
- Call the Fireman's Fund Loss Control Help Desk toll-free at 1-888-527-6872; or
- E-mail us at:
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