

# MIND your business



Institute for Catastrophic  
Loss Reduction

Building resilient communities

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## What to know

Questions every condo owner should ask

### **Building maintenance and inspections**

Does our Condo/Strata Corporation or Home Owner 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 professional engineer licenced to practice in my province/territory?

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

### **Repairs**

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

Do the repair/mitigation costs seem reasonable?

Should we go with the lowest bid?

### **Structural engineering inspections and 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 condo/strata fees 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. This resource, compiled by the Insurance Institute for Business & Home Safety (IBHS) and used by the Institute for Catastrophic Loss Reduction under permission, is designed 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 major winter 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 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 on a coastline that sits approximately 300 ft from salt water).

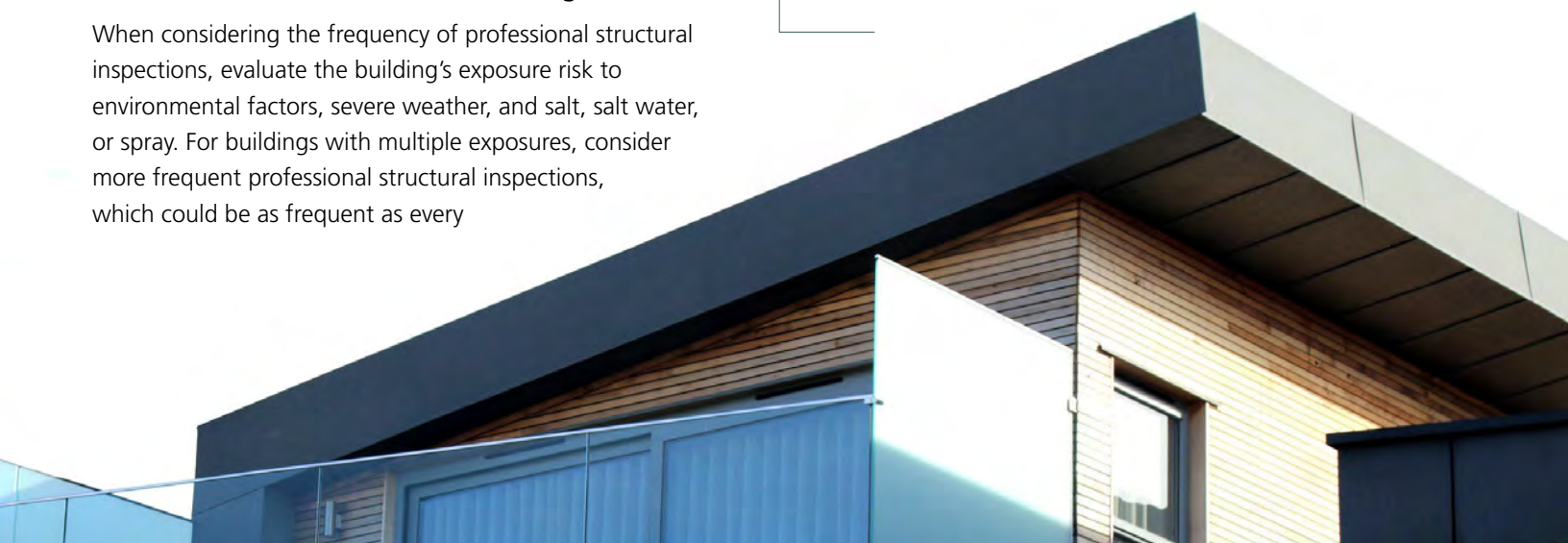
For buildings in mild to moderate climate conditions away from salt exposure, consider a professional structural inspection at least every 10 years, or after extreme weather events. This should be discussed with a professional engineer to better determine and understand your building's risk. Any suggested maintenance items and repairs identified during inspection should be captured in a Reserve Study to understand potential future financial expenditures for the condo/strata corporation. Ask that all inspection reports be made available to owners as a condition for engagement.

***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 condo/strata corporation to condo/strata corporation, 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.



## 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 GST/HST number 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 insurance is current.
- Discuss available material warranties from building products manufacturers 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.

## Structural engineering inspection and report

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

Every province and territory requires professional engineers to be licensed. The license and status of individual engineers can often be verified on the website of the professional engineering association for your province or territory. See [here](#) for a list of provincial/territorial engineering regulators

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

Discuss this question with your structural engineer. A range of issues 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 structural issues. If you are concerned about the pricing for repairs, additional quotes may help provide competitive prices.

## Finances

### **Does our condo/strata corporation 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 Fund Study and a new updated Reserve Fund Study performed every three years.

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

The condo/strata corporation board will take the amount needed to address the cost and divide it among unit owners. 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 provincial/territorial laws to ensure you are abiding by certain limitations concerning the amount associations can levy in assessment fees. Get professional legal advice if necessary.



Adapted from 'What to Know: Questions Every Condo Owner Should Ask' by the Insurance Institute for Business & Home Safety (IBHS) with sincere thanks.

## Institute for Catastrophic Loss Reduction

### **Mission**

To reduce the loss of life and property caused by severe weather and earthquakes through the identification and support of sustained actions that improve society's capacity to adapt to, anticipate, mitigate, withstand and recover from natural disasters.

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