

Restoration Committee

This committee is to be appointed to deal with claims resulting from a major disaster such as a hurricane.

The committee should be made up of a chairman and two members or two co-chairmen to share responsibilities.

Duties:

1. Collect the damage information form provided by the property management company.
2. Make sure the forms are completely filled out.
3. Make copies of the form for:
 - a. Adjuster
 - b. Association Board of Directors
 - c. Property management company
 - d. Insurance agent
4. Be available to meet with the adjuster. Be sure he/she can either have access to the damaged unit or meet with the unit owners to identify damages inside the unit.
5. Be available to accompany the adjuster around the property to identify damages to the outside of the units as well as the common areas.
6. Be the contact with the insurance agent when there are questions regarding the claims or coverage.

Sometimes Assessments are Necessary

After a large loss, sometimes it becomes necessary to assess the unit owners for amounts not covered by the insurance contract.

In order for the unit owners to have insurance coverage for these type of assessments, he/she must collect the assessment or a portion of it from his/her own personal insurance (HO-6). Loss assessment coverage varies depending on the insurance company providing the coverage. Most policies have a basis limit of \$1,000, but this amount can be increased for a very nominal premium up to \$50,000 or higher depending on the insurance company. It is recommended to each unit owner that they discuss this very important coverage with their individual insurance agent.

Furthermore, in order for the unit owner to present a claim, the assessment invoice must be given in the proper form setting forth the assessment as respect to the insured damages, the deductible, and the other items not directly related to the loss, such as an operating deficit or repairs not related to an insured loss.

A sample form follows:

Breakdown of Losses

Association: _____

Loss Date: _____

1. Roof and outside damage \$ _____
2. Interior & other building damages \$ _____
3. Total insured damages (1 + 2) \$ _____

4. Less deductible -\$ _____

5. Total replacement cost due \$ _____

6. Insurance reimbursements:

 Check #1 \$ _____
 Check #2 \$ _____
 Check #3 \$ _____
 Check #4 \$ _____

7. Total reimbursement \$ _____

8. Total replacement less total amount
 reimbursed (5 - 7) \$ _____

Plus:

9. Other related damages:

 Trees and debris removal \$ _____
 Roofing consultant \$ _____
 Legal fees \$ _____
 Claim administration fees \$ _____

10. Total other hurricane damage \$ _____

11. Total damage assessment (10 + 8) \$ _____

12. Divided by _____ units = \$ _____

13. Other items of assessment not related to damages:

 _____ \$ _____
 _____ \$ _____
 _____ \$ _____

14. Total other items of assessment \$ _____

15. Divided by _____ units = \$ _____

16. Total assessment: \$ _____ plus \$ _____ per unit
(15 + 12)

Summary of Assessment

Date: _____

Name of Association: _____

Type of Insured Loss and Date: _____

Total Net Loss \$ _____ divided by # of units _____ = \$ _____

Insurance Deduct \$ _____ divided by # of units _____ = \$ _____

Other related damages \$ _____ divided by # of units _____ = \$ _____

Other items of assessment not related to insured loss:

\$ _____ divided by # of units _____ = _____

Total assessment per unit = _____