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APRIL 2026 NEWSLETTER
INDUSTRY NEWS, TIPS, TRICKS, & RESOURCES

Unoccupied vs. Vacant Condo Units: Coverage and Loss Prevention

Did you know your insurance coverage can change the moment your condominium unit becomes unoccupied or vacant? Many owners don't know that being away for too long can limit or even void coverage. If you plan to be away for 60 days or more, it's advisable to notify your insurance agent to avoid losing your insurance coverage. Insurers are concerned about an empty condo unit because it poses higher risks. Water damage, break-ins, and vandalism can turn into larger problems and require repairs while a unit owner is away.

What "Unoccupied" Means

Your unit is considered **unoccupied** when you live in it but are away temporarily. Vacations, business trips, extended visits, and seasonal travel are all examples of unoccupied units. Unoccupied differs from vacant because the unit is furnished and someone is away for an extended time.

What "Vacant" Means

A unit is **vacant** when no one is living in it, and it has no furniture inside. This could include the owner moving out, the unit is undergoing renovation, or it is empty and for sale. Some insurance carriers won't insure a vacant unit and instead require a new policy.

Loss Prevention Measures

Loss prevention for unoccupied or vacant units is essential. When a unit is unoccupied or vacant, the risks increase. For example, water leaks can go unnoticed and spread to other units, or vandalism and break-ins can occur. Before leaving for an extended period, the unit owner must take steps to prevent a loss.

Those steps include:

- Contact your insurance agent and clarify whether your policy covers your unit while you are away.
- Let the building concierge know that you will be away.
- Ask a trusted friend or neighbor to check on your property.
- Keep the thermostat at 55 degrees Fahrenheit, especially during the winter months.
- Lock all windows and doors and activate security systems.
- Unplug appliances and electronics that are not in use.
- Turn off a refrigerator's water dispenser and ice maker according to the manufacturer's instructions.
- Consider installing a water detection device to detect water leaks.
- Make your home look occupied by using timers, and post your vacation pictures on social media **after** you return.

If you're gone longer than your policy allows — sometimes as little as **60 days** — your insurer can deny claims for damage that happens while you're away. If you're ever unsure whether your unit counts as unoccupied or vacant, ask your insurance agent — **a quick call now can prevent a denied claim later.**

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UPCOMING EVENTS

04/16	OWCAM EXPO | EMBASSY SUITES, PORTLAND AIRPORT	8 AM - 4 PM
05/16	FREE DOCUMENT SHREDDING EVENT | ABI INSURANCE 4800 SW GRIFFITH DRIVE BEAVERTON	9 AM - 12 PM

Smart Signage: A Way to Prevent Costly Claims

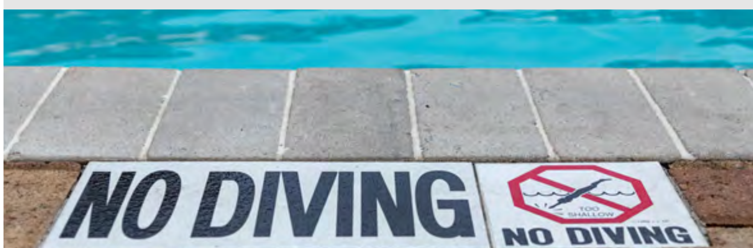
Installing clear signs on community property helps a condominium association or HOA reduce accidents and prevent insurance claims. This simple step can lower liability, protect residents, and support the association if a claim occurs. Associations often install signs in shared areas where accidents are more likely. Signs also show that the HOA is taking reasonable steps to maintain a safe property.

Common types of safety signs include:

- No lifeguard on duty
- No diving
- Children must be supervised
- Stop signs
- Speed limit signs
- Fire lane or tow-away warnings
- Wet floor
- Slippery when wet
- Caution: uneven surface
- Private property
- Surveillance or security camera notices
- Restricted access areas

Safety signs reduce risk and can help prevent claims in several important ways. First, they warn residents and guests about potential hazards so people can take precautions and avoid accidents. When people clearly see a warning, they are more likely to slow down, watch their step, or supervise children more carefully. Signs also encourage safer behavior by reminding people about community rules and safety expectations in shared areas.

Additionally, signs help document that the association has provided notice of known risks on the property. This shows that the association is taking reasonable steps to maintain a safe environment for residents and visitors. If an accident does occur, visible warning signs can also help defend liability claims by demonstrating that the hazard was clearly identified and communicated.



How Insurance Resolutions Reduce Risk and Disputes

Whether you are a first-time unit owner or a long-time board member, understanding what an insurance resolution is and why it is important may be new to you. An insurance resolution, in the context of a condominium association or homeowners association, is a document that clarifies any ambiguities related to insurance requirements, processes, or guidelines in the governing documents. Essentially, it is used to fill in any cracks and provide clarity in the governing documents, foster transparency, and minimize disputes. Due to the importance of the insurance resolution, it is highly recommended to have an association attorney help draft the resolution to make sure it does not conflict with any laws or the governing documents.

One common use of an insurance resolution is to lay out who is responsible for insurance deductibles. In a multi-unit association, individual responsibilities can quickly get confused when multiple unit owners are involved in a claim or when negligent vs. non-negligent scenarios arise. If the governing documents do not clearly define the parties responsible for deductibles, then the association may be on the hook. If the association has a “per unit” deductible in place, the cost could get out of hand quickly.

Certain catastrophic insurance coverages, like flood or earthquake insurance, should also be clarified in the insurance resolution. You may not currently have the coverage in place or be required to carry it by the governing documents now, but the coverage may be added later. Rewriting the resolution to account for these coverages may be a costly and time-consuming endeavor.

Insurance coverage can change annually, and it is critical that the insurance resolution stays up-to-date with current coverage and association needs. Insurance resolutions need to be reviewed every seven to 10 years or when a significant change occurs in your insurance policy. If you do not have an insurance resolution in place, it is highly recommended to reach out to your association’s insurance agent and attorney to develop one for the association.

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