



Advanced Reserve Solutions, Inc.

Deferred Maintenance. Is it worth it?

Governing and managing a community has become increasingly challenging in today's environment, largely due to rising insurance costs. Insurance costs nationwide have increased by 20%. In high-risk areas, increases are even greater.

What does deferred maintenance have to do with insurance costs, you may ask? Deferring maintenance in common areas that are heavily used by community members creates increased risk in insurance claims. Examples of this could be roof leaks, injuries from poorly maintained playground equipment or other failures in common areas. These problems can often be prevented when an HOA stays on top of maintaining common areas.

Many board members feel their job is to keep assessments low, even if it means common areas aren't fully maintained, if their communities reserve funds are low or maintenance has been deferred in the past, it can be difficult for the board to plan proactive maintenance. This makes it harder to keep common areas in good condition.

This is where a Reserve Specialist can help immensely. Your reserve analysis lists all major components of the community. Each component's age, condition, and expected lifespan are carefully evaluated. For communities with long-term deferred maintenance, the most urgent needs can be identified. The board can then use the reserve analysis to decide which repairs to address first and when. In some cases, addressing urgent repairs may require a special assessment, but this ensures the community stays safe and well-maintained.

A simple rule to remember: every dollar spent on preventive maintenance can save at least three dollars on future repairs, helping keep your community safe and costs under control.

<Article by Jim Moore, RS ~ March 2026>