



CHU

CASE STUDY

Water and Fire Damage Claim IN MELBOURNE

THE SITUATION: A complex claim involving extensive water and fire damage to a high-rise strata property in Melbourne, caused during the redevelopment of the vacant 10th floor, impacting the family occupying the apartment below.

The redevelopment of the vacant 10th floor, managed by external contractors, resulted in two major incidents that disrupted the lives of the owner occupier family who lived in the apartment below.

The claim included:

- Fire Incident: During the construction, a fire caused by trades led to damage within the 10th floor apartment, marking the beginning of a series of misadventures.

- Water Damage Incident: Following the fire, a severe flooding incident occurred affecting approximately 2 square meters of parquet flooring. As parquet flooring cannot be patched seamlessly the entire 240 square meters of flooring throughout the apartment required replacement.

These incidents not only caused significant physical damage but also led to considerable inconvenience,

financial burden, and privacy concerns for the affected family.

As with all claim events, there is little to no warning and the inconvenience, stress and financial burden of these events are often underestimated. In this case the family had been living in the affected apartment for more than 20 years so the unforeseen damage, inconvenience and disruption to their lives took a toll on them.

i AT A GLANCE

- Affected Unit: 9th floor apartment in a high-rise building
- Initial Incident: Fire damage to 10th floor apartment
- Subsequent Incident: Flooding damage to 9th floor apartment
- CHU appointed DL Brown Adjusting Pty Ltd as the Loss Adjuster and Skyline Building Group as the builder.

☂ THE COVER

POLICY COVER & CLAIM

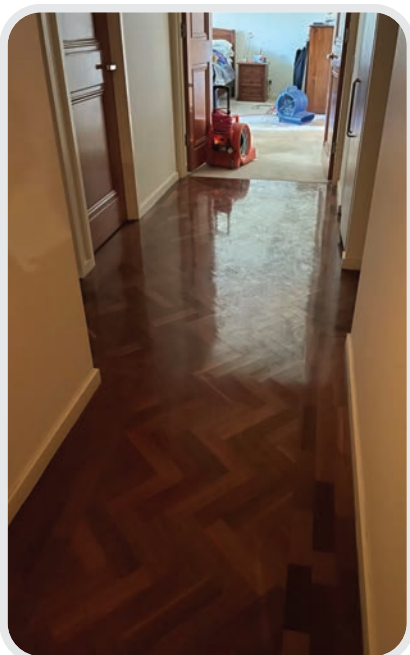
Policy Type:

Residential Strata Insurance Plan

What was covered:

- Temporary Accommodation
- Rectification work

(Within the definitions and limits of the policy)



THE PROCESS:

CLAIMS AND RECTIFICATION PROCESS FOLLOWED BY CHU AND THE LOSS ADJUSTER

Due to ongoing issues with the upstairs renovations, there were a lot of unforeseen issues that occurred aside from the fire and flood. This included plumbing corrections and concrete leveling by the builders of the upstairs renovation, six separate occasions of ceiling re-plastering and repainting. During the renovation of the 10th floor apartment the affected family experienced minimal communication.

The extensive damage required the family to vacate their home for the repairs to be completed. This relocation led to significant inconvenience and financial costs for temporary accommodation. The need for parquetry flooring replacement mandated packing and moving all personal belongings.

Faced with these daunting challenges, the apartment owner turned to CHU for support. CHU and the appointed loss adjuster took a structured and empathetic approach to resolve the claim.

ASSESSMENT AND COMMUNICATION:

- **Open Communication:** The CHU appointed Loss Adjuster (David Brown from DL Brown Pty Ltd) maintained transparent and continuous communication with all stakeholders including CHU, broker, strata manager and the owners. He provided everyone with regular updates and addressed any concerns promptly. His empathetic approach helped reduce the owners' anxiety and build trust.
- **Detailed Assessment:** An in-depth assessment of the damage was conducted, ensuring that all aspects of the claim were accurately documented and understood.

APPOINTMENT OF A CHU PANEL BUILDER:

- **Professional Repair Work:** The CHU appointed Loss Adjuster

coordinated with the appointed panel builder to carry out the necessary repair work to the affected apartment.

CHU, the appointed loss adjuster and the builder followed a structured and empathetic approach to resolve the claim.

- **High-Quality Execution:** The panel builder's professionalism and commitment were evident in the high-quality repair work. The project manager maintained open communication with the owner, providing assurance and addressing their questions, even after hours.

TEMPORARY ACCOMMODATION ARRANGEMENTS:

- CHU arranged for temporary accommodation at a nearby serviced apartment for the duration of the repair period, ensuring that the family had a comfortable place to stay despite the inconvenience of being away from home.

COORDINATION AND OVERSIGHT:

- **Efficient Coordination:** The Loss Adjuster managed the coordination and communication throughout the repair and claims process and kept the lines of communication open between all parties involved in the repair process and claim lifecycle.
- **Effective Solutions:** By implementing effective solutions and maintaining strong communication, CHU and the appointed partners successfully navigated the complexities of the claim.

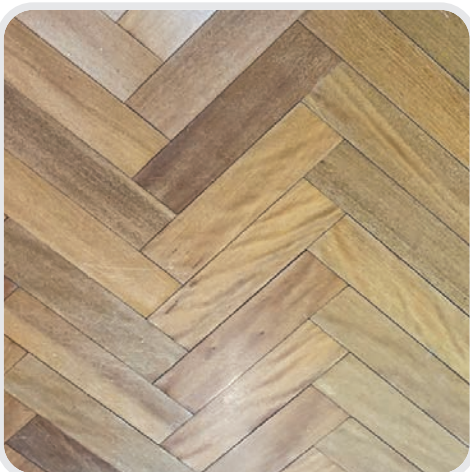


THE OUTCOME:

Despite the initial challenges and disruption, the claims process, expertly managed by CHU and the Loss Adjuster, led to a successful resolution for the affected family.

The high-quality repair work carried out by CHU's appointed panel builder restored the family's apartment to its original state.

The empathetic approach and professional handling throughout the claims process ensured that the family felt supported and valued throughout the process.



CLIENT TESTIMONIAL

“David's (appointed Loss Adjuster) confident and empathetic nature and experience shone through and gave us great encouragement during this incredibly stressful time. At all times, he kept us informed and readily had solutions to the issues at hand. The arrangement of alternate accommodation was all that it could be, though not home; it was comfortable. The coordination with the CHU appointed building team ensured the repair work was completed to the highest standard.

The professional handling of our residential strata claim stood in stark contrast to our experience with our Home & Contents insurer, which has been a time-consuming exercise filled with constant challenges. The support provided, including clear communication and consistent dedication, brought much-needed peace of mind during this difficult time.

We deeply appreciate the competent and professional support, which turned a miserable situation into a more manageable experience. Our sincere thanks to you, David.

— Apartment Owner, Melbourne

This testimonial is an extract of a written appreciation letter from owners to DL Brown Pty Ltd the CHU appointed Loss Adjuster.

The claim event occurred August 2023 and the Case Study was issued on 23 Oct 2024. This case study has been prepared by CHU Underwriting Agencies Pty Ltd (ABN 18 001 580 070, AFS Licence No. 243261) (CHU). CHU acts under a binding authority as agent of the insurer QBE Insurance (Australia) Limited (ABN 78 003 191 035, AFS Licence No: 239545). The information in this material is of a general nature only and does not take into account your objectives, financial situation or needs. You must not rely on any statement in this material without taking specialist independent advice. The claim event occurred in Aug 2023 and case study information is accurate at the date of issue (Oct24). While CHU has taken all reasonable care in producing this material, CHU make no representations or warranties (including in relation to the quality, accuracy, completeness or fitness of a product for any particular purpose) and accept no responsibility for any loss, expense or liability incurred from your reliance on this material. For more information please read the relevant Product Disclosure Statement ("PDS"), Financial Services Guide ("FSG") and the Target Market Determination ("TMD") which can be viewed at www.chu.com.au or obtained by contacting CHU directly.