



The Power of Preventive Maintenance

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Introduction:

What is Preventive Maintenance, and why do it? Preventive Maintenance (PM) is the proactive scheduled care of equipment and assets (before they break). There are different types of PM (doing it based on age, doing it based on usage, or based on observed condition, but a common example is a coat of fresh paint, or replacing the oil in your car. Taking good care of what you own is frankly good policy. It always has been.



It is best to have a plan (a Maintenance schedule), and another foundational document is a “Maintenance Matrix” that shows who (owner or association) is responsible for the care of an asset.

In this webinar we take a look at three very different associations, learning if there is any measurable financial benefit to “taking good care of what they own”: a Beachfront HOA, a Midrise Condo association, and a Mountain Midrise condo association. What we learn, from examining the extension of Useful Life possible in major Reserve components due to “taking good care of the asset), is that Reserve Funding requirements will drop anywhere from 9.9% to 15.25%. But it’s easy to remember: about 10% cost savings to Reserve Funding requirements just due to normal, responsible, inexpensive Preventive Maintenance.

So – have your attorney draw up a Maintenance Matrix. Then begin developing your own PM schedule for your association (with the assistance of a maintenance professional, or your existing service providers).

Expect that your Reserve Study professional will by default treat your association as doing “average” PM. Expect your insurance professional will presume you are doing little or no PM. So communicate clearly that your association has a Maintenance Matrix and is following your PM schedule, getting smiles all around from your Reserve Study professional and your Insurance professional. They will then adjust their findings to reflect the proactive care you are doing for your association’s common areas, likely saving you a measurable chunk of your annual budget in lower Reserve Funding requirements and lower (or more stable!) insurance premiums.

Summary:

Owning and maintaining Real Estate is expensive. Mother Nature and Father Time are undefeated. But with a little ongoing PM care, you can limit your costs. Expect that “doing the right thing” to provide timely care for your common areas will trim a bit from the approximate 25% of budget going towards Reserve Funding, and put your association into the “preferred risk” category with your Insurance professional (limiting the upward movement of your insurance premiums). Benjamin Franklin was right in 1736 when he said “An ounce of prevention is worth a pound of cure.”

Want an experienced professional to prepare your next Reserve Study update, ensuring appropriate component selection, life estimates, pricing, and development of an appropriate Funding Plan *custom designed* for the needs of your association? Launch a free online proposal request by clicking [here](#). See our network of regional offices across the country [here](#), serving clients in all 50 states.



Other Links:

“Understanding Reserves” book (**updated for 2025**). Order single copies on Amazon [here](#), or download chapter one for free [here](#).

Learn about uPlanIt, our free online Reserve calculator tool [here](#)

CAI Blog: [Preventive Maintenance: 6 Steps to Secure a Safe Future for your Community](#)

[Preventive Maintenance Planning: Incorporating it into Reserve Studies](#)

[The True Cost of Deferred Maintenance... and How to Avoid It](#)

Webinar Questions Asked by 2026 Attendees

GENERAL RESERVE QUESTIONS