

2017

WARRANTIES

Guide To Commercial Roof Warranties



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Your commercial roof serves a critical role in protecting your property. It's also a significant investment — so you need to think about your roof warranties as financial assets. The more the warranties cover, the more valuable they are.

Warranty terms, dates, remedies, and responsibilities can all vary depending on the materials manufacturers and contractors. As with any other contract, each party has obligations, including you as the property owner or manager.

Commercial roofing warranties is a big topic — this guide covers commercial warranty product types, who's responsible for what, differences between types of repairs, and some common ways you can inadvertently void your warranties.



UNDERSTANDING WARRANTIES

Commercial roof warranties are legal relationships between roofing materials manufacturers, roofing contractors and property owners. They guarantee the roof will perform according to the defined specifications for the stated period of time, and they spell out the remedies if the roof doesn't perform. Warranties vary in length of term and total coverage. A building's size or its occupancy status have no impact when it comes to the terms of a commercial roof warranty — it's all about the roofing system.

Types of Warranties

There are two main categories of warranties — warranties from manufacturers and warranties from contractors (installers). As a property owner or property manager, you need one of each. The terms of each warranty should weigh into your decision-making process about which materials to use and who will install them. A reputable contractor will help you weigh your options.

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Manufacturer Warranties

1. Manufacturer's NDL (No Dollar Limit) Warranty

A Manufacturer's NDL Warranty states that the manufacturer will fully cover its defective products or failure of its products under proper use during the warranty period regardless of the cost to replace the defective materials. If it costs more the fix a problem than it originally cost to install the roof, the problem is still covered. The most common materials failures are due to manufacturing defects or premature aging.

Only materials that you purchase directly from the manufacturer are covered. If your roof is leaking due to roof damage or protrusions in the roofing system, such as exhaust vents, a Manufacturer's NDL Warranty won't cover the problem. It also typically won't cover labor costs to repair or replace defective materials. Still, a Manufacturer's NDL Warranty is the top of the line warranty a manufacturer will provide, and there is often an additional fee for it.

2. Manufacturer's Materials Warranty

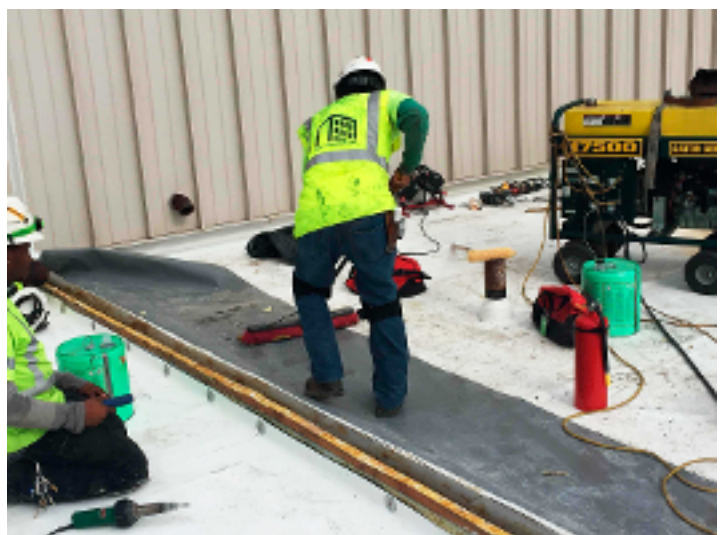
This type of commercial roof warranty guarantees that the manufacturer's products won't fail within a certain period of time — such as 10 years, 20 years or 30 years. There is usually no fee for a Manufacturer's Materials Warranty. Keep in mind that materials a roofing contractor uses that are not provided directly by the manufacturer are not covered by this manufacturer's warranty. However, depending on the manufacturer, certain types of defective workmanship may be covered.

3. Manufacturer's Labor and Material Warranty

This limited type of warranty covers defects in materials and labor up to a certain dollar limit. Here's where the size of your roof comes into play — if you have a large roof you can reach your covered limit rather quickly. This type of warranty is also often prorated so the coverage limit for repairing or replacing defective components declines over time.

4. Manufacturer's Roof System Warranty

This type of warranty is often referred to as a “membrane only” warranty because it only applies to the membrane of the roofing system. This warranty isn't comprehensive and doesn't cover problems with the insulation or decking, for example. It can have a “limited” or “no dollar limit”, which can improve its value and cover roof leaks resulting from defective labor or materials other than the roof membrane, but it's the most basic warranty that manufacturers offer.



Roofing Contractor Warranties

When it comes to your roofing contractor (installer) warranty, it's the workmanship that's covered. You can use the greatest roofing products in the world but if the installation is not the greatest, you can still get leaks. Your Roofing Contractor Warranty covers the work performed to install the manufacturer's products, plus the products the contractor uses to install the roof.

Most roofing labor warranties don't exceed five years and some are as short as one year. The length of time a contractor will cover is a negotiating point — and indication of how confident your contractor is in their skills and the materials. A longer warranty can be a very valuable financial asset.

Small print caveat: warranties tend to be written to favor the parties offering them

At first glance, commercial roof warranties may seem to favor you, the property owner or manager, but the opposite is often true. Warranties are typically created by attorneys to protect the financial interests of the manufacturers and roof installers without getting in the way of a sale. The exclusions may sound reasonable and the customer service features may sound impressive, but what is the warranty really worth as an asset?

As with any contract, read the small print. Better yet, have your lawyer read the small print if you don't have a lot of experience with commercial roof warranties or if your roof is expensive.



What a commercial roof warranty is not: insurance

Sometimes property owners and managers assume that commercial roof warranties cover anything that goes wrong with the roof. They do not. That's why you also need to have an insurance policy that covers damage to the roof. If a tree falls on your roof, no warranty will cover the costs to fix that problem. Property insurance covers accidental damage to your building due to storms, fires, natural disasters, theft or other unforeseen (and expensive) events.

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WARRANTY RESPONSIBILITIES AND REPAIRS

Roof repair costs can have a major impact on your operating expenses — make sure you know what to expect before signing any contracts.

Which party is responsible for what?

The roofing materials manufacturer is responsible to the property owner for replacing its defective products free of charge for the duration of the warranty. The manufacturer is not required, however, to replace defective materials that the roofing contractor supplies or to cover defects that result from poor workmanship on the part of the contractor.

The roofing contractor is responsible to the property owner for repairing or replacing defective materials that the contractor supplies and to provide the labor required to correct poor workmanship free of charge for the duration of the warranty. Contractor warranties are generally much shorter than manufacturer warranties, so look into a Manufacturer Labor and Material Warranty to help cover contractor costs down the road.



Property owners are responsible to both the manufacturer and contractor for maintaining the roof so the materials and workmanship can function properly.

The property owner (or owner representative) is responsible for any costs not covered by either the manufacturer's warranties or the contractor warranty — and for maintaining the roof. Typically these costs include the labor associated with repairing or replacing the materials, as noted above. But it's roof maintenance that is the most important consideration.

Property owners are responsible to both the manufacturer and contractor for maintaining the roof so the materials and workmanship can function properly. An annual maintenance program makes this easy and provides the paper trail that's required in case a problem comes up.

Differences between warranty repairs and insurance repairs

Knowing what's covered by your warranties and insurance — and to what degree — helps you better predict annual operating expenses. Roof warranty repairs are repairs made based on a manufacturer's or contractor's warranty — materials and workmanship.

Not all roofing contractors can perform warranty repairs. As with installation, the work often needs to be done by an approved contractor or it won't be covered. Make sure your contractor is approved before you begin any roof warranty

repairs, and if you want to cover repairs after a warranty expires, talk to your insurance agent. Insurance policies can cover costs associated with your roof after the manufacturer's warranties expire.

Roof insurance repairs are repairs made based on your insurance coverage — damage and accidents. Building insurance coverage and costs vary widely, and, unlike your warranties, you can adjust your insurance coverage over time as you renew your policy.

Property owners are responsible for the cost of building insurance but the cost of a commercial roof warranty is usually paid for by the installing contractor. For reference, annual insurance for a small office building can be as low as \$1,000 whereas annual insurance for a large office building can easily top \$15,000.

Keep in mind that neither warranties nor insurance covers owner neglect.

WHAT CAN VOID A WARRANTY?

It's not a good idea to ignore your commercial roof — your roof is an asset that protects your property and your roof warranties are assets that protect your budget.

Most commercial roof warranties require owners to do an annual inspection at minimum. If they don't, the warranties may be voided. Making sure it's in good shape not only keeps your warranties intact, it can also add years to the life of your roof. Still, it's easy to fall prey to some warranty-voiding mistakes.

Here are the most common ways owners void their warranties and end up footing the bills for problems that would've otherwise been covered by warranty:

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1. Unauthorized modifications made to the roof

Certain types of construction can really damage your roofing system.

For example, if your tenants added mechanical equipment that penetrates the roof structure — such as adding additional air conditioning capacity, ventilation for new machinery or items related to renovations, especially bathrooms — your roofing system may have been compromised. Elements that go through the system need to be properly installed by professionals who are trained in proper flashing techniques. If your tenants hired their own contractors or did the work themselves, chances are the installers were not sufficiently trained. As a result, your property could end up with one or more leaks that are not covered by your warranties.

2. Authorized modifications (or services) are completed carelessly

Most contractors aren't trained to be aware of how their activities can impact roofing systems. If your building has a low-sloped roof, chances are it also has rooftop air conditioning units that are serviced regularly by authorized technicians.

Technicians can inadvertently drop tools, step on screws or spill chemicals as they go about their work. Or they can leave old equipment on your roof, like chunks of metal and old parts that they don't want to haul down the ladder. It's also common to find an old compressor sitting right there next to the new one!

Some contractors may think applying a bead of silicone around roof penetrations will keep the water out. It doesn't.

3. Storm damage isn't addressed

Pay attention to weather that may impact your roof. Storms that may have caused damage — especially hailstorms — need to be documented.

If the storm was bad, have your roof inspected soon afterward and don't wait until your next regularly scheduled maintenance visit. You also definitely want to have before-and-after photos



and reports on file. Since storm damage may not cause your roofing system to leak immediately — the membrane may start to crack later, for example — your best bet to have it covered under warranty is to have a documented history on file. In the past, hail damage used to void warranties completely. But now roofing materials have improved and so have warranty coverages.

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4. Regular maintenance isn't performed or isn't performed by a professional

As with most other problems, the longer you have it, the harder it is to fix. Let's say you have a clogged drain that isn't cleared. Water begins to build up around the drain and standing water accumulates. After a while, the water gets very heavy and also grows algae. Silt comes next and then comes the breakdown of your roofing system. If the roof gets accidentally punctured in that area, there's the potential for a lot of water to get into your building. Which means you'll have a lot of associated repairs, like ceiling and sheet rock replacement. It's OK to have a little water accumulation on your roof after it rains — those are called "bird baths" — but you definitely don't want standing water for longer than 72 hours.

Roofing professionals know a potential problem when they see it. That's why warranty providers require proof of maintenance before they'll perform repairs.

Proof of Maintenance

The key to meeting your responsibilities is to be proactive. Get a maintenance contract with a reputable roofing contractor, have them work alongside HVAC and construction crews when any work is being done, and schedule an inspection after a bad storm.

Also, make sure they take pictures so everything is documented. Proper maintenance not only keeps your warranty intact, it can extend the life of your roof by 25%, which is five to eight years in most cases. Now that's a good investment!

BOTTOM LINE: WARRANTIES HAVE REAL FINANCIAL VALUE

There's a lot to consider when it comes to choosing a new roofing system and taking care of the one you already own — and warranties play a big role.

For help reviewing warranty products for your unique situation and goals for the property, consider consulting with a commercial real estate attorney. Or get advice from an experienced commercial roof contractor like Sentry Roof Services.

At Sentry, we [warranty](#) all of our work — repairs, re-roofing, and new construction. The length of the warranty depends on your project and roofing system, yet in most cases you'll find our contractor warranty provisions are some of the best in the industry. We work in conjunction with manufacturers to solve problems covered by manufacturer's warranties and we make sure that all of the work is in line with the product specifications. If something isn't covered by a warranty, we'll let you know before doing any work. For a good example of manufacturer warranty options, check out [Firestone's sample roof warranties](#).

If you have any questions about commercial roof warranties, please contact Sentry Roof Services at 687-301-5555 or info@sentryroof.com. We have 35 years of full-service commercial roofing under our belts and are as adept at working on small projects as we are on big ones.

Please visit our website at www.sentryroof.com for more information.

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