

**The Miller Law Firm Helps a South Bay Homeowners Association
Recover for Construction Defects**
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The Miller Law Firm has reached a confidential settlement for a boutique South Bay Homeowners Association in only 8 months from taking the case, successfully getting the developer's insurance company to pay their remaining policy limits.

Two very important issues are highlighted in this case to help Associations make sound decisions when faced with construction defect claims.

Burning Limits Wrap Insurance Policies:

The challenge in this case was protecting what was left on the Developer's burning limits policy while aggressively pursuing the construction deficiencies that had to be repaired. Often developers only obtain a limited Wrap Policy, which removes the opportunity to obtain additional funds from other parties, such as the general and subcontractors. Further, these policies are constantly eroding, where defense fees and costs burn down the limited funds.

"Policy limits must be detected early to preserve the policy amounts. Taking a smart approach to investigating the deficiencies, placing the claim in early mediation and issuing policy limits demands puts enough pressure on the insurance carrier to pay much earlier in this case," states Thomas E. Miller, Founding Partner and CEO of The Miller Law Firm.

Hourly v. Contingency Fees and Costs:

Hiring The Miller Law Firm on a contingency fee agreement reduces the financial burden inherent in hourly fee arrangements. In some cases, the SB 800 or pre-litigation process can last for years, and when a firm does not advance expert costs, the association can find themselves facing special assessments, accessing their reserves, and/or paying down a large outstanding bank loan, all to cover these hourly fees and expert costs.

According to Tom Miller, "Associations do not often know there are available attorney fee alternatives. Hiring a law firm and experts to pursue a construction defect claim on an hourly basis requires the use of reserves, bank loans or even special assessments. Stopping the bleeding, putting the case into settlement and containing costs is what has to be done to help association's in these situations."

Rachel Miller, Senior Partner of The Miller Law Firm, states, "Reducing the financial burden for this Association, together with a realistic mediation effort to stop the insurance policy from further eroding, allowed our firm to bring resolution for this Association and its community."

Thomas E. Miller and Rachel M. Miller of The Miller Law Firm (www.ConstructionDefects.com) are the co-authors of, "Home and Condo Defects: A Consumer Guide to Faulty Construction," (Seven Locks Press, 2012), available online at www.amazon.com.