



**Roofing Contractors Association of Texas**

**Questions? Call 800-997-6631**

**OR visit [www.rooftex.com](http://www.rooftex.com)**

## **HELPFUL TIPS FOR PROPERTY OWNERS**

### **1. DAMAGE?**

Has your property been damaged by hail, wind, lightning, water, fire or other acts of God/nature?

### **2. VERIFY DAMAGE**

Call a professional RCAT roofing contractor in your area with longtime experience and references, certified in the field of restoration and/or roofing code and technology, to perform a professional evaluation to identify any damage your property may have suffered. The contractor should take pictures and document the damage for proof.

### **3. CLAIM INITIATION**

Generally speaking, the property owner places a claim by phone with their insurance agent and sends a certified letter on the same day for verification. The insurance agent then turns in the claim and the insurance carrier assigns it to an adjuster for review and a coverage determination. The owner, when contacted, may want to request a meeting at the property with all parties (owner, adjuster, and contractor) in attendance to discuss the scope of damage and needed repairs. In the case of potential hail damage, metal vents, edging, fascia, gutters, siding, screens, windows, etc., should also be evaluated to help determine the extent of damage (or no damage) to these items. This is where an experienced contractor, with the right tools and know-how, can assist the property owner to objectively identify the scope of damage the property has suffered.

### **4. SCOPE OF DAMAGE**

Insurance property contracts often use these specific words for guidance in settling the claim: "REPAIR OR REPLACE WITH LIKE KIND AND QUALITY". Like kind generally means the property owner is paid the amount the adjuster believes will provide the owner with the same kind of materials that were damaged, and nothing else! You as the property owner may or may not choose the same product or item after the claim, in which case you will be responsible for any difference in price.

### **5. SCOPE OF PRICING**

Pricing methods can vary greatly, however, for more common types of damage, XACTIMATE has become widely used and is generally accepted by insurance companies for claim valuation. With XACTIMATE software, each item of repair is identified and costed out based on the area or region where the property is located.

### **6. CLOSING A CLAIM**

If the owner and adjuster are able to agree on a scope of work, the claim is paid and the work can begin.

### **7. CLAIM DISPUTES**

If a claim cannot be settled, then the next step is for the owner to retain the services of a Public Insurance Adjustor or attorney to work on the owner's behalf in settlement of the claim. This process may or may not require the owner's advocate to initiate the formal appraisal process, mediation, litigation or arbitration. Each option brings with it its own risks, which you should discuss with your legal counsel or Public Insurance Adjustor.

### **8. VARIANCES**

There are several types of policies, which for general informational purposes only, are described below. For each example, an explanation of how depreciation is handled is provided. For specific information on the terms of your policy and their legal effect, consult an attorney.

**A. DEPRECIATION POLICIES** - If ½ of the useful life of the items have been used up, the claim depreciation will be paid by half.

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Example. \$20,000 claim  
-10,000 (1/2 depreciated)  
-1,000 (deductible)  
\$ 9,000 (amount that will be paid) Nothing held.

### B. REPLACEMENT COSTS POLICIES

Example: \$20,000 claim  
-10,000 (1/2 depreciated)  
1,000 (paid)  
\$ 9,000 (first check)

After the work is completed and an invoice is provided by the contractor, the second payment is made for the depreciated part, which is \$10,000. Add that to the \$9,000 and the total paid is \$19,000.

Remember to check to see if you have a \$20,000 claim amount by XACTIMATE.

Less \$1,000 (deductible)  
\$9,000 (paid on first check)  
If you get the work done for \$5,000 (invoice) (Second check, not \$9,000)  
Total received for claim \$14,000 (Not \$19,000) **YOU GET LESS!**

Insurance companies do (and should) vigorously prosecute both contractors and owners for claims fraud and misrepresentation, which can result in fines and possible jail time. Owners should be aware that some contractors encourage practices such as double billing. Take care not to be drawn into this and other improper practices. Honest people want to deal with honest people.

### 9. CODE UPGRADE

The Texas Energy Act specifically establishes the minimal insulation on roof systems. While many policies may pay for code upgrades in the end, the owner is ultimately responsible for this compliance. Be sure you are working with a knowledgeable contractor who understands the complex process required to achieve compliance.

### 10. INDUSTRY GUIDELINES

The SMACNA Architectural Sheet Metal Manual addresses industry guidelines of all sheet metal required and its proper Code application. Both, The National Roofing Contractors Association (NRCA) and The Asphalt Manufacturing Association (ARMA) provide industry approved guidelines for Low Slope and Steep Slope roofing installation.

### 11. MANUFACTURER COMPLIANCE

The next step is to ensure that all work is not only being performed in strict compliance with all applicable Codes, but is also being performed in strict compliance with the manufacturer's requirements. Due to the complexity of today's construction, the owner and contractor can be faced with a multitude of options. Here is where an experienced contractor is also invaluable in assisting the owner with making the best selection for the owner's specific needs.

### 12. WARRANTIES

The warranties offered by today's roofing contractors and product manufactures vary greatly. Be sure to get the warranty(s) in writing, ask questions and understand fully what is covered. Do business with a LOCAL roofing company if obtaining a warranty for labor/installation to ensure you can get a warranty obligation fulfilled if it becomes necessary. Also check with the product manufacturer to see if the contractor is authorized and/or certified to install under their warranty plan.

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