

## On Property Newsletter

Fall 2011



[Dick Tutwiler](#)

*"The main message here is not to hesitate to challenge the value and depreciation applied to your claim. Every dollar you reduce depreciation/holdback is a dollar in your pocket."*

### Depreciation/Holdback- Understanding this Property Insurance "Cost Driver"

The replacement cost provision in your property policy for building and personal property coverage took an about face with the passage of the most recent property insurance legislation in 2011. As previously written, due to the dissatisfaction and outcry by policyholders after the 2004/05 hurricanes, the legislature required insurance companies to pay the full "replacement cost" of your loss up-front with no depreciation/holdback of your money. This legislation only applied to "admitted" insurance carriers in the personal lines market. Subsequently, the lobbyists for the insurance companies said this legislation was over generous to the policyholder and this largeness became what is now known as a huge "cost driver" for the insurance industry...[read more](#)

### Featured Claim

#### Thorough Investigation Helps Commercial Tornado Victim Properly Repair Tenants Property

Tornadoes wreaked havoc through the Tampa Bay area on March 31, 2011. Among those affected was a prominent St. Petersburg shopping center that had a portion of its roof torn off creating leaks throughout the building. A large retailer who was



*"Based on the claim investigation, it was*

the anchor store, as well as three other businesses suffered damage. The property owner promptly reported the claim to his property insurance carrier located in Jacksonville, Florida. In turn the carrier sent out a local independent adjuster who wrote an estimate to repair the northwest corner of the roof plus some interior damage. In this instance the building owner had a large windstorm deductible and the local independent adjuster's estimate came in at a lower amount than the deductible. While the property carrier acknowledged coverage, they sent a nice letter to the owner saying that no payments could be made because it was under the windstorm deductible. Meanwhile, the owner had called in a general contractor whose initial estimate was far in excess of the deductible...[read more](#) *clear that more than 25% of the roof was damaged from the windstorm event."*



*"You may be able to argue the raccoon damage is an ensuing loss."*

## Ask Tutwiler Insurance Claims Questions

Each issue we ask our readers to submit burning questions they have so we can answer and share them to the benefit of all our readers. Please keep in mind that we are not attorneys and do not provide legal advice. We thank those who submitted questions.

**Q1** - *A claim submitted to my insurance company for raccoon contamination cleanup and attic remediation by me and Allstar Animal Removal was denied. Raccoons can become very hazardous to one's health. Feces can contain Baylisascaris and also fungus that can grow on the feces releasing airborne spores that cause Histoplasmosis, a serious and potentially fatal disease. My insurance carrier claims there is property coverage for the repair of physical damage but no coverage to evict raccoons, remove their excrement or repair and replace property which has been damaged by the raccoon excrement. Total cost to remove raccoons, fix facial soffit, remove insulation, disinfect attic and replace insulation is \$11,475.50. Can you help me reverse their decision?...[more](#)*

**Q2** - *Why is it that some insurance company adjusters use one thickness when writing out*

*scopes and others use different numbers? This is for a hail damage claim. My house is aluminum sided. One adjuster had it at .024 and the other had it at .19...[more](#)*

## **Dick Tutwiler Lends His Expertise at Insurance Seminar**

**I**n September, Dick Tutwiler presented an "Update of Florida Insurance Reform" at the Anderson Kill & Olick, P.C. Policyholder Conference on Property and Business Interruption Losses in Miami. Commenting on some of the new insurance legislation Dick exclaimed: "The ever changing landscape of insurance regulation requires both policyholders and those of us who manage claims to either understand or become victims of the new rules," stated Tutwiler. "Even though some of the legislation is not consumer friendly, we must learn to operate within these boundaries in order to continue to protect our clients' claims."



*Dick Tutwiler ushers the audience through important updates to Florida insurance law.*

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