

The Insurance Inspection Times

August 2012 Edition

The Agent's Corner Annually

Wind Mitigation Inspections, From The Forms To The Re-Inspections To The New Forms To The Re-Inspections.....

Well, it's 2012 & yes, there's a NEW & IMPROVED form again, much like the last form, it has its pros and cons. On the up side, it greatly improves on defining protection materials and codes, better defines roofing types & ages and does away with a horrendously written rule that has been a thorn in the backs of inspectors, agents, homeowners and relative logic.

The previous form had a little tidbit stating any roof shape with 100 square feet or more of flat roof would negate a hipped roof credit.

For many of us in the business of inspecting, two questions arise about that rule. One is the position and extent of relevance as to the amount of negative pressures accumulated on an inset deck on an otherwise hipped roof system with no additional eave uplift support to that of what would be found on a protruding open or partially enclosed porch or Florida room. Two, what bearing should/does the flat roof rule on the OIR 2010 form have on previous inspections as opposed to what was/is actually being done & observed by many insurance companies and their respective re-inspecting inspection firms.

After reviewing many papers of statistical importance & wind tunnel studies, the best layman way to explain the wind bearing pressures on flat roofs is in "Wind Actions on Flat-Roof-Mounted Photovoltaic Panels; A Comparison of Design Guidelines" as it looks particularly at flat roof systems, outlining all the relevant wind studies globally. In the study it states:

"The influence from the structure on the wind actions comes from the deflection of the air stream from the structure geometry (Cook, 1985, p.167)."

An easier understanding is, when the inward pressure of the prevailing winds deflect off the impacted side of the building, it creates "separation bubbles" which is a region of negative pressure. This is like sticking a giant vacuum hose over the frontal section of roof where the inward winds are and suctioning up on the roof. The harder the winds prevailing, the stronger the vacuum effect or negative pressure. Flat roof covers are the most vulnerable for this type of negative pressure uplift more than any other roof system.

However, in the field statistics show much of Florida's home construction employs architecturally unique forms of roofing sometimes perplexed in nature and designed accordingly with inset sections that would have less than 2:12 pitched roofs, classified as flat that may encompass an area of 100+ square feet. Where these particular sections of roof are located they may not be subject to considerable negative pressures. Flat roofs that are equipped with parapet walls are also found to have improved performance.

These unique design parameters need to be taken into effect. Especially for new construction, architects should take the unique design parameters into effect when incorporating any other design feature into a roof shape primarily of the prestigious hip design and be required to provide an affidavit to file with the permits department that all roof shapes in the designing of the roof system are or are equal to a hipped equivalent design.

The second question is what bearing should/does the flat roof rule on the OIR 2010 form have on previous inspections. The answer is clear and encapsulated in bold print on the bottom left of every page in the form since the 1802

forms inception. Previous forms stated the form is good for 5 years provided no CHANGES have been made to the HOME, not to the forms revisions and rule revisions.

Though the form in its own words as a legal notice informs the insured that changes to these hurricane features may negate their due premium reductions, it also states in clear legal terms that the insurance companies have to respect the forms findings for that 5 year time frame and reduce the premium accordingly as specified by the OIR. Countless occasions we find insurance companies denied the acceptance of the older 2 page form on the grounds that it was for another policy and carrier &/or it is not accompanied with photos etc. The bottom line is the letter of the law here lies in how, word for word, it is written. It clearly states that the form and assumed findings under the rules at the time the inspection is performed and all then applicable picture and document requirements are issued are valid for 5 years. Countless occasions insurance companies are found denying wind mit

forms on unmerited conditions such as denying forms pre 2010 that may rightfully not expire until 2014. Where the company would have had to have a legitimate re-inspection to deny credits, companies were found removing clip credits in one case where an insurance company hired firm, re-inspected a home & wrote unknown or undetermined on the form. The first inspector located the h2.5 clips and again after the re-inspector and submitted his findings. They still denied the credit.

This is by far the most stunningly unorthodox way of interpreting code and how its enforced.

Additionally, other questions about the credibility of the...—Continued Pg.2

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What are the Basic 4 Points of Interest in a 4-Point?

- A Visual Inspection of The Roof Systems Features, Age & Condition.
- A Visual Inspection of The HVAC Systems Type, Age & Condition.
- A Visual Inspection of the basic components w/in The Electrical Systems, Its Operability, Age & Condition.
- A Visual Inspection of The Readily Available Areas Within The Plumbing To Determine The Type, Age, Operability & Present Overall Condition.

Wind Mitigation Inspections, From The Forms To The Re-Inspections To The New Forms To The Re-Inspections.....

Continued From Pg.1- of the report since the re-inspectors are allowed by law to NOT be accredited, Florida State licensed inspectors/contractors, but any one “deemed” suitable by the insurance companies to be worthy! In order to help reduce incomplete or improper re-inspects, First Quality Inspections LLC met with various inspectors during the re-inspect process from all 3 major companies providing them to the state. We observed their presentation & information gathering and found it incredibly useful. In our assessment, re-inspectors are often paid way below that of an accredited inspector, their demeanor is bland and without regard to the homeowners responses. Since we were on site, the re-inspectors appeared to afford the homeowner all the basic observations as done in a standard inspection. Routinely, however, homeowners complain that the individuals in some cases never enter their accessible attics, request further documentation on anything on site that may be needed to fully diagnose their protection such as skylight and windows/coverings and retrofits by state licensed contractors to garage door windows etc. Re-inspectors, to our knowledge, do not review prior inspections to better elaborate and confirm factually, that discrepancies existed. Rather, the re-inspector provides their findings and without question, even when the original inspector accessed and obtained photo evidence, and the re-inspector simply stated unknown or not accessible, their findings are unquestioned and credits are removed.

Although the old form clearly states that the form is good for 5 years, the insurance companies also claim the intention of that footnote was for the initial insurance company it was provided to. This is a clear deception by some of the largest insurance companies. It appears the insurance companies are implementing such procedures to force the insured to obtain a new inspection at an additional expense so the company can then obtain the picture evidence and clarity that the new form has. Other reasons may be to negate the credits so as to raise the premiums since many re-inspections are done providing many differing opinions without even some evidence to compare against the original report, to disclaim areas, particularly roof cover, geometry and windows. Re-inspectors many times improperly assess gross linear footages and misestimate when comparing as well. While the former intentions rather than the latter make good business sense to obtain the relevant evidence of such components, it is in my opinion that this is an unjust act that borders on defrauding the homeowner of what they already were

granted & paid for. When reviewing a report with an underwriter from one of Florida’s top insurance companies, the underwriter knowingly on record, stated they apply new form rules to all re-inspections performed on old inspections done with old rules and that we would have to “agree to disagree” as to how the re-inspections should be done. Additional emails etc. also provided by the same company a year or so earlier stated they were accepting MSFH Inspectors well after they were allowed and even after I had provided verbal record from the MSFH financial officer stating they were not allowed to be accepting them. Just because the old form does not supply this new evidence requirement does not mean the company should penalize the homeowner as they were told the form would be good for up to 5 years as it implies.

I contacted the OIR to inquire with them as to the validity of the insurance companies ability to refuse to except the form. They stated, though they agreed the practice seems “questionable”, the forms terminology is not specific and the stance the insurance companies are making on this will not be able to be contested unless a home owner or home owners rise up and file suit in protest. Then a court can decide the original context of the footnote. If the court should decide the rule applies across the board, then the OIR and the insurance com-

panies would be forced to accept the older 1802 forms based on the precedence of the ruling.

To date, as we are aware, no homeowners have contested the companies in this way.

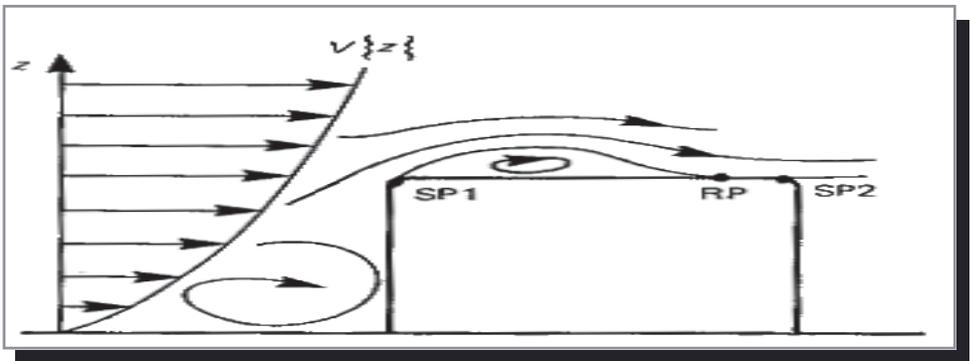
As to the companies accepting re-inspections that are questionable but without question or the companies/re-inspectors not accepting refuting evidence from the original inspector that would challenge and otherwise provide irrefutable evidence to support hurricane features.

I have personally submitted 3 very poor re-inspections to this effect, to one of the largest companies but not the largest. Without saying names, many agents already know the company by the high volume of absurdities and irrational denials of credits. To date, they have yet to review and honor the refuting evidence and I had advised our clients to pursue further action through the OIR.

As for a just response by the OIR, I am not holding my breath.

So to conclude on another revision to the form and its processes, while the new form seems to aid in slowing the fraud issues from the end user as well as forcing the poor inspectors to shape up or ship out, the new form appears to bring yet more confusion and problems to the table that very well might take another 3 or so more years to resolve. So again, I’m not holding my breath!

Daniel Zevetchin./ First Quality Inspections LLC



New State Licensing Requirements

A recap of the new state laws for all unknowing participants. State laws are now in forceable effect. This means all home inspectors must be state licensed. Home inspectors cannot refer any contractor or entity to which any compensation has or may be received as a response for referring them. Home inspector, holding an active license in the state as well as one in another field, may NOT work on any home they inspect for at least 3 years from the inspection date for those areas inspected especially. Home inspectors are now required to withhold any paid for inspection until full payment/agreements are recieved. Any inspection that

is accompanied with a pass/fail result that may complicate the sale of the home or by extension, the insurability of the home, must be paid for prior to the release of the report or ANY information therein as per state statute chapter 468. This is to reduce the influence over an inspector to omit any areas of deficiencies in the home that can be life threatening, hazardous and subject to a future claim etcetera. This is not a full list of inspector obligations. Errors may be present. It is advised to research this area yourself by reading the aforementioned statute as needed.

Written By: Daniel Zevetchin / First Quality Inspections LLC

First Quality Inspections
Providing Inspection News
Direct To The
Insurance Agent!

Roof Architecture & The New 1802 Form

Hipped, Gabled, Flat, Mansard, Shed, Pyramidal, huh? For most agents, these terms can usually be accompanied by high blood pressure and un-needed stress. Agents are usually over-encumbered processing policies and managing clients to be bothered with becoming a junior architect. But we all know the importance of getting it right. Agents lose dollars when clients go elsewhere after finding they missed out on discounts and the insurance companies do not like giving them when they don't have to. So how do you get it right. We found there is an overwhelming amount of agents that get it wrong, but inspectors sometimes don't help either.

In this edition, we reiterate our last editions lessons on how to interpret roof geometry plus review the new guidelines set forth by the OIR as to what is required for the hipped credit when there are other roof shapes. We'll show you how to identify the hipped & pyramidal

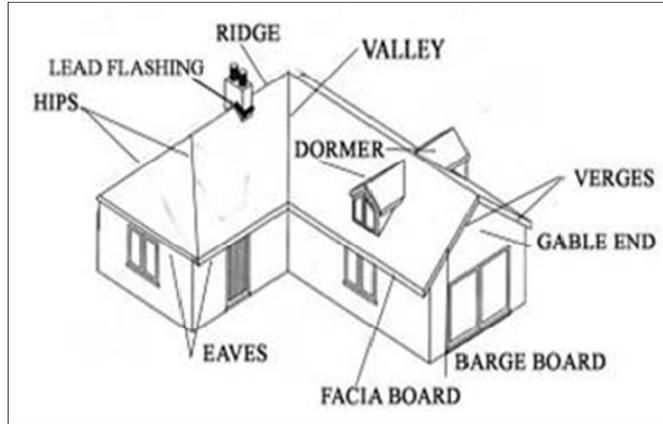


Figure 1-Picture Courtesy of NRCA.net

each turn of the buildings exterior wall. Although a hipped roof is not gabled, it may have **dormers** or connecting wings with **gables** as seen in the picture.

Gabled Roof Systems, as seen in figure 1 and figure 2 (first house) typically have two angled portions verging in toward each other and meeting at the top to form a "ridge line" or the peak of the roof. The gable ends typically are flush with the structures exterior wall, vertical in direction.

Gambrel style roof system is termed after a "Gambrel", which is a hooked stick or piece of timber used for hanging game. A Gambrel style roof has gable ends with an angled pitch to the roofs contour much like a Mansard style roof but on two sides instead of four. Gambrel roof systems can commonly have **dormers** or connecting wings with **gables** as seen in the picture (figure 1).

Mansard Roof Systems are angled inward around the structure and commonly have a reduced angle, with a pitch sloping inward and meeting in the middle like a hipped style roof system. Another roof style termed "Mansard" has an outer contour as shown in figure 2 but has a flat top. This second design comes packed with all the potential problems that accompany a flat roof which make it much harder to main-

tain.

Shed Roof Systems are termed after the common shed roof and are commonly designed with one slight to moderate diagonally angled pitch. Shed style roof systems are common on Florida homes for porches, decks, Florida rooms and additions but can also be the main style of a homes roof system.

Butterfly Roof Systems (figure 2) are like two shed style roof systems converging in the middle forming a valley. These roof systems are not very common and usually are secondary roof systems to an architecturally intricate structure or dwelling. **Flat** Roof Systems are just that, flat. They generally come with frequent maintenance to prevent problems. New home construction now prohibits the use of flat roof systems and as well, have made other modifications to roofing code due to the most recent hurricane damage data obtained. Also, roof systems commonly combine any number of primary & secondary roof styles to be used in a roof's construction and/or are added on at a later date.

As discussed previously in this newsletter edition, the new 4 page 1802 form has caused much frustration and confusion. In regards to roof geometry, it can be hair pulling and ulcer forming. It has never been more important to get it right then now as more and more, insurance companies are forming fraud bureau's within their own companies,

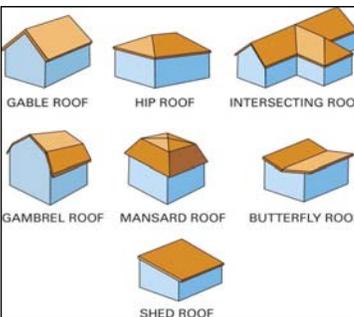


Figure 2-Roof Architecture

style from other roof system architecture and how much of the roof system has to be hipped to qualify for the credit so you get it right every time.

A Hipped Roof, as seen on the picture to the right with the area labeled "HIPS", is fashioned in some respects after a pyramid. A hipped (or hip) roof slopes down to the eaves on all four sides. Typically, the contours of a hipped roof fold in (hip jack rafters as seen in figure 3) with

A Proper Insurance Roof Inspection should always entail:

- A brief, yet thorough observation of the roof cover to determine the age and condition.
- Observation of its flashing components whenever possible, especially the drip edge and valley flashing.
- Observation of the fascia and soffit for any tell tail signs of leaks and untreated wood.
- Condition of areas where roof system cover transition and/or any areas where the roof pitch changes.
- Any trees encumbering the roof system.
- Satellite Dishes, solar panels and any other device anchored to the roof should be observed for any readily visible features that may compromise the water resistance of the roof cover.

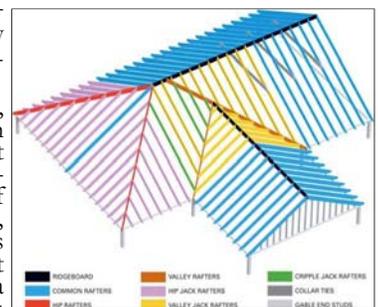


Figure 3-Roof Architecture

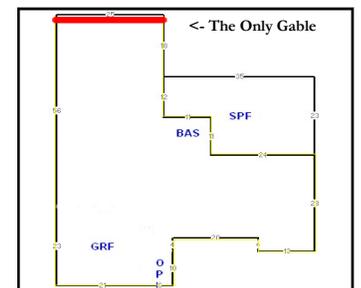


Figure 4 - Gable Ends

<Continued On Pg.4

Roof Certification Inspections - What NOT To Do Before An Inspection

By now, most agents understand that for now, roof certification inspections are here to stay. Through this inspection, companies are able to get a birds eye view of the first line of defense in a high wind storm, the roof.

Underwriters can obtain in depth reporting on the roof covers for homes that fall into the less than 50/30 year age that may not require a more thorough inspection such as the 4-point. The roof certification inspection can illuminate any broken/missing tiles or shingle tabs, excessive mulching or debris build up, general condition and averaged life expectancy based on all the variables.

What to do? In brief, homeowners need to ensure there roof covers are free from excessive leaf/tree debris as they can block the observance of the roof cover and can be considered a deficiency themselves. All valleys and gutters should also be free of debris/leaves. If there are any known deficiencies or readily observable damages, such as missing shingle tabs, that the homeowner can see from the ground or where capable, these deficiencies should be remediated before the insurance related inspection as these deficiencies/conditions will inhibit the completion of a passable report.

Now, what NOT to do? Hire a Roofer to Inspect! That's right, if it can be avoided,

hire a state licensed inspector. The insurance company would assume a roofers opinion should trump that of an inspector given the field of interest. Unfortunately, many roofers assess serviceable roofs as needing to be replaced. Some roofers assessments may be valid, however, the majorities of occurrences and experiences we have been equated to direct and indirect is roofers taking advantage of Florida's retired community and people not understanding of roofing systems such as the non construction working single women or man not construction savvy enough to smell a rat.

Roofers will commonly employ fear tactics and large words used more commonly in the roofing industry when reviewing there finding, often soliciting for the repair or replacement work at a discount.

Rather, home inspectors working in accordance with the new laws, cannot work on a home inspected if they happen to have roofing or any other licensing. Additionally, the law abiding home inspector will not refer anyone so as to eliminate receiving any kickback/compensation.

The above coupled with the pay per play approach, requiring payment for services received but prior to a furnished report or its findings can be received, has greatly reduced fraud or questionable services in the field of inspectors.

That, however, does not resonate over to

the roofing industry where systemic inspecting flaws keep sprouting up, resulting in thousands of dollars of unneeded and many times improper work.

What to do? If a roofer claims your roof has significant damages and cannot substantiate what they are, or if they allege the roof itself does not have sufficient life and you cannot see the level of degradation they claim, the homeowner can elect to get a second opinion.

To avoid a conflict of interest, the homeowner can then hire an inspector IF they are on the preferred listing of inspectors in most cases. The preferred list is of inspectors deemed satisfactorily accurate to the insurance companies. This is assessed by the companies by various re-inspections performed and cross checked to see if the first inspector was accurate over the course of time. The homeowner can relay who the inspector is to the underwriter/agent to have them ok there credentials and/or to provide additional inspectors who may be qualified. Or, the homeowner can hire a preferred inspector to begin with, reducing the possibility of a botched inspection. More importantly, if the re-inspection provides an opinion greatly varying from the roofers, the homeowner should report any major difference of opinions to the state. This may help reduce the occurrence of problems.

Written By: Daniel Zevetchin / First Quality Inspections LLC

Continued - Roof System Architecture & The New Wind Mitigation Rules

Continued From Pg.3 - heavily scrutinizing every detail of the 1802 forms.

So, lets get started. The original 2 page form was commonly completed utilizing the rules set forth by the My Safe Florida Program that required no more than 50% of any elevation to be comprised of any other roof geometry other than hipped to gain the hipped credit. The new form has annihilated this process and removed all terminology that would allow assumptions to this regard to be made thus putting the ball back in the court of the inspectors and agents as far as who to point fingers at, should there be systemic errors.

Now, in order for a roof system to be classified as a hipped roof, the roof system must have NO other roof shapes greater than 10% of the total building perimeter. That is, when calculating the roofs gross

geometry or shape when there is a roof shape other than a hip, the total perimeter of the building or roof (whichever is greater) must be measured as shown in figure 4. Next, calculate the total linear footage of the buildings perimeter (add up each exterior wall length). Then calculate the total width (linear length) of the roof shape/s that are not hipped. You than compare the total linear footage (including the gable/other shapes exterior wall) against that of just the non hip wall perimeter. If the gable end is larger then 10% of the total perimeter, then the entire hipped roof credit is negated.

To clarify, look at fig.4. The walls outlined in a yellowish tint have a hipped geometry whereas the exterior wall highlighted in red has gable features (The wall not highlighted,

labeled SPF is a screened in porch added on later and is not apart of the roofs structural framing thus is not applicable to the equation.). To decipher between the percentages, I will first add all exterior wall/roof lengths. The total linear wall length is 277 feet including the gable end. The total length of the gable from eave to eave is 25 linear feet. Using a calculator, input the total length of 277 & multiply it by 10 & then the % button. The resulting number is 27.7, this means 10% of the linear wall total is 27.7 feet. That means the 25 foot gable is less then 10% the total perimeter of the building. This roof shape can be classified as a hipped roof. Additionally, there are other exceptions and exclusions regarding gables i.e. Dutch Hipped roof systems.

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Your clients are our clients. That's why our inspection practices far exceed those of other firms because we genuinely care about your clients.

From taking time to review the systems conditions to explaining what it is we are inspecting to helping empower the home owner and providing them basic maintenance knowledge.

We find if you treat the client like the human being they are, keeping them in the loop and making ourselves accessible for any questions and concerns, they employ a higher sense of confidence and trust with there insurance agents. We realize we are your representative, like it or not. What we do reflects on you. So if Quality means your looking for experience, accuracy and customer commitment, then look no further!

Inspector / Agent Relations & How to Limit Your Work Load

Well its 2012 an though things change (sometimes for the collectively worse) some things stay the same (sometimes for the collectively worse). As stated in the last issue of Insurance Inspection Times, during the real estate collapse, inspectors and contractors flooded the insurance industry to supplement there monetary declines. As a result, competition in densely populated regions have seen an onslaught of systemic negligence and fraud. This mostly was bred from panic in competition as many strived to hang on, providing deep discounts while neglecting there primary job to inspect and report. This coupled with systemic fraud allegations. FQI called for some grass roots action for many years, to aid in slowing these egregious acts, and the companies finally listened.

At First Quality, we are attempting to do everything we can to aid insurance companies,

homeowners and agents alike in reporting these abuses. To date, we have aided in reporting dozens of suspected fraud cases, improper allocations of inspection statistics, blatant neglect from inspectors, attempts to defraud homeowners of refunds from inadequately licensed individuals from the initial inspections to company issued re-inspections etcetera.

As small business men and women and as inspection firms and insurance agencies, we all have a part in turning back the clock to better days. If inspectors fail to provide adequate reporting and if agents/companies are found knowingly aiding in this process, then the viability of both industries ceases to be profitable for the insurance companies &/or as well, may harm or defraud the homeowners. This is just bad business. If we participate to stop these practices rather than reflecting only on short term gains, we will all have prominent and thusly, financially secure long term futures.

Talk to your clients about the inspectors prac-

tices. Remember, like it or not, if the inspector performs poorly either on site or in there reporting, it reflects poorly on the agency that referred them or provided the list.

If the inspector is often being reported as rude then chances are it will be a common occurrence. If they report issues with the home that need addressing, they should discuss these areas with the insured if able & should be provided on site so as to establish a coherent understanding of why the area needs to be addressed, thus reducing the backlash at the agents and companies.

Wind mitigation inspections should also incorporate the same review. When re-inspectors issue flagrantly negligent reports, agents need to ally with good inspectors to assist the insured in retaining there legitimate credits, upholding the form & state statutes mandate.

Written By: Daniel Zevetchin / First Quality Inspections LLC