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THIS WEEKS FEATURES

- | | | |
|---|--|------------|
| 1 | CONDITIONS OF RISK UNDERWRITING | Ron Wilkes |
| 2 | HERITAGE RESTORATION | Ron Wilkes |
| 3 | FIRE CLASSIFICATIONS | Ron Wilkes |
| 4 | CAULKING – WHAT SHOULD YOU USE AND WHERE | Ron Wilkes |
| 5 | ANNOUNCEMENT | Ron Wilkes |
| 6 | WE LEAVE YOU WITH THIS THOUGHT | Editors |

1. CONDITIONS OF RISK UNDERWRITING

Ron Wilkes, Integral Property Loss Consultants

Although this art has been around since the creation of insurance, it is not routinely done today for property risks.

A building has to have a controlled balance of temperature, moisture, and pressure to function normally. Not only do the occupants of the building affect the balance, so does the environment, the building use and services, and the protective coat surrounding the building commonly called the envelope.

Hidden conditions, that exist, that are not observed or declared, can affect an insured loss at a later date, not only in extent of damage, but the cost to restore the damage as well.

These conditions can be found in the landscaping, to the structure, to the exterior walls, to the roofs, in the basement, in the attics, to the heating system, to the plumbing system, to the electrical system, in the occupancy areas, and to the security features. Standard underwriting inspections to not necessary reveal these exposures.

Poor Condition means that the building is not functioning correctly.

Average Condition means that the building is functioning but not to its fullest capacity.

Good Condition means that the building is functioning to its fullest capacity and is actually in a loss prevention mode.

2. HERITAGE RESTORATION

Ron Wilkes, Integral Property Loss Consultants

There are numerous old buildings in geographic areas that saw pioneer settlement. These buildings have over the years been converted to other uses or now are hidden by a cloak of disrepair and unconcern. Many have been destroyed by short sighted owners or developers. In addition to their obvious historic value, these buildings can become valuable real estate. There is nothing more exciting to watch than to see these buildings being transformed into their former grandeur. However the construction process that results in this rehabilitation is a special one. The techniques that a new construction builder uses to ply his trade often do not apply to this type of work. The materials, subcontractors, methods and skills necessary to accomplish a quality restoration are very different from those that are needed to build or remodel a modern structure.

Restoring an older building can be rewarding, sometimes fun and when done well, but can also become one of the most unpleasant experiences of your life. It is a major investment.

Older buildings always require substantial renovation to make them habitable by today's standards. In most cases, the electrical systems are antiquated and must be entirely replaced. While some portions of the plumbing may be restorable, much will have to be upgraded or added. The most common repair problems are a series of small repairs such as wood exteriors, roofs, porches, baths, kitchens, etc.. By the time you have restored an older building you will have spent the same amount of money or more to buy a tract or spec building. Building a replica building is just as expensive because of all the detailed work and high ceilings. The average cost of restoring an older building is two to three times as much as standard construction.

Restoration is a specialized form of construction. Experience in new construction is of limited use to a person seeking to do a good job of restoring an older building. Most aspects of old building restoration differ from conditions in new construction therefore the building owners could do some of the work themselves only if they have experience in construction of this type. However this does not mean that the building owners can not do some of the work themselves in order to reduce costs. They can complete some of the demolition, install some types of floor coverings, refinish wood floors, do painting, wallpapering, landscaping, or shop for appliances, plumbing fixtures and fittings, light fixtures, finish hardware, etc..

Even though the building is already built, drawings are still required for inspections, pre planning of future work or changes, and most importantly they

form part of the contract. They will assist the building owners to determine what they really want to be results of the restoration and they do keep the project within budget. Without detailed plans, specifications, and scope of work or damage these types of restoration projects or repairs can escalate to fifty percent or more in additional costs.

If the building owners decide to act as the general contractor themselves, then at the very least they should hire an experienced restoration manager because

- It is a business. Inexperience can run the costs up higher.
- It is mandatory to know materials, methods and cost. Wrong material, incorrect methods of construction, and not knowing the market value will increase costs substantially.
- There are many roles to play. They have to be a builder, a marriage counselor, an arbitrator, an aggressive general and a patient listener. They will ensure that all individuals and personalities work together to get the job done.
- The restoration manager will have the ability to visualize the finished space. Not everyone can do this and with out some vision to the finished product delays will occur and costs increase.

Whether it is an insurance claim or not, projects of this nature usually tend to require additional work and therefore additional expense. If the building owner decides to do only a little bit at a time due to the expense remember this:

- The bigger the project the cheaper it is to do all the work at the same time rather than in phases.
- Whole projects are generally of better quality than those done a piece at a time.
- The value of a restored building is much greater than the value of a building under construction.

3. FIRE CLASSIFICATIONS

Ron Wilkes, Integral Property Loss Consultants

Class A Ordinary combustibles like wood, paper, textiles, etc.

Class B Flammable liquids such as gasoline, oils, fats, etc.

Class C Live electrical wiring, motors, appliances, etc.

Class D Combustible metals, magnesium, potassium, etc.

4. CAULKING – WHAT SHOULD YOU USE AND WHERE

Ron Wilkes, Integral Property Loss Consultants

TYPES OF CAULKING AND GLAZING COMPOUNDS

Silicone Rubber lasts 12 to 30 years or more and offers the best adhesion for use in seams, cracks and gaps up to 1/4". Adheres very well to all clean surfaces. Pure silicone does not allow paint to adhere, so impurities are added for adhesion in some formulations. It is available in many colors and clear.

Butyl Rubber lasts 8 to 10 years, has some shrinkage and is for use in seams, cracks, gaps up to 1/4". It is available in many colors.

Acrylic Latex Silicone Blend lasts 12 to 20 years and features easier application than the preceding rubber caulks. It is intended for use in seams, cracks, gaps up to 1/4". Depending on manufacturer, it may not take painting.

Acrylic Caulk lasts 8 to 10 years. It features easy water clean-up and is for use in seams, cracks, gaps up to 1/4". It goes on easily and has no offensive odor. It is available in many colors.

Latex Caulk lasts 2 to 10 years, features water clean-up and is intended for use in seams, cracks, gaps without expansion or contraction up to 1/4". Most are paintable. Many are available in colors.

Oil Base Asphalt Caulk lasts 1 to 4 years. It is dispensed as a soft and tar like compound for use in seams and gaps on the roof around chimneys, stacks and pipes to 1/4". It hardens rapidly cracks.

Caulking Cord is usually considered a temporary weather-stripping product. It lasts 1 to 2 years, peels from a roll and then pushed into place. It is usually a temporary filler around storms and air conditioners. It comes in rolls and unused portion can be stored for years.

Oakum is twisted hemp treated with tar. It is cut to needed length pushed into place. It is used to stuff large gaps before using caulking over the oakum.

Glazing Compound lasts indefinitely. Application requires some practice with a putty knife, and is used as a seal between the window glass and frame, an often overlooked area needing repair.

Linseed Oil Putty has basically been replaced by glazing compound in recent years. It is harder to work with, offers less adhesion and cracks faster.

WHERE TO USE CAULKING

Unfilled gaps and cracks in the foundation, around windows and doors, vents, and so on, let winter cold air and summer heat in exactly the same as leaving a window open. In fact, a 1/8 inch opening around just two door frames can let in as much cold air as a 12 inch window opened 6 inches all winter long.

Caulking is used around outside window and door frames, and to fill outside wall and foundation cracks. The money you spend on caulking is usually recovered in one heating season or less. This one season "pay-back" period means that money for heating fuel is saved equal to or greater than what you spend for caulking and weather stripping materials.

A clean joint is the first and most important step. Clean away all old caulk and loose paint or dirt and apply new caulk to dry surfaces. The most common and easiest to use caulking comes in cartridges for which you will need a caulking gun. A good rough estimate is that you will need ½ cartridge per window or door, 4 for the foundation sill, and at least 1 more for around faucets, vents, pipes, electrical outlets and so on.

Cut off about ½ inch of the cartridge tip on a 45 degree angle and puncture the tip seal with a nail. You can use the nail later to act as a stopper for any unused caulk. With a little practice on a joint that's not visible you'll soon be able to lay a uniform wide bead that overlaps both sides for a good seal. Finish the surface with a moistened finger if you like but that's not necessary. Remember to use a filler, like oakum, for wide joints before you caulk.

Some but not all the places you should look when surveying your home before caulking are around doors and windows, dryer vents, faucet pipes and wires, where porches attach to the house, seams between masonry and siding, chimneys and inside corners.

BEFORE APPLYING CAULKING COMPOUND

Clean area of paint build-up, dirt, or deteriorated caulk with solvent and putty knife or large screwdriver. Drawing a good bead of caulk will take a little practice. First attempts may be a bit messy. Make sure the bead overlaps both sides for a tight seal. A wide bead may be necessary to make sure caulk adheres to both sides. Fill extra wide cracks like those at the sills (where the house meets the foundation) with oakum, glass fiber insulation strips, etc.) In places where you can't quite fill the gaps finish the job with caulk.

5. ANNOUNCEMENT

Ron Wilkes, Integral Property Loss Consultants

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6. WE LEAVE YOU WITH THIS THOUGHT

“Everyone has the will to win but not everyone has the will to prepare”

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