



INTEGRAL CONSULTANTS

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NEWSLETTER

OCTOBER, 2009

MOLD IN OLD CLAYBURN VILLAGE



A hot water pipe ruptured in the crawl space of this Heritage Home sending a spray of hot water and steam throughout the space. It has affected all the areas of the crawl space as the moisture readings went off the scale. The combination of hot water and steam has produced heavy mold in the crawl space. The ruptured pipe was not discovered until a few weeks after the insured returned home from England. The residence was checked by his son next door on a regular basis but he did not notice any problem. The dirt floor crawl space is restricted in height (between 2 feet and 2 ½ feet in height), and has heavy beams and timbers, heating ducts and runs, and debris. This home was constructed prior to the 1948 Matsqui Flood in British Columbia.



The main floor of this 1 ½ storey brick home is constructed of a shiplap sub floor with a tongue and groove softwood floor on top of it. It has been remodeled in some rooms by adding a plywood underlay with a lino floor. In other rooms carpet and pads have been installed over it. The moisture and mold has wicked up through this part of the structure and with so many layers it will be difficult to dry and treat. Moisture readings ranged from 50 % to off the scale depending upon the floor finish and distance from the ruptured pipe location. All lino and vinyl floor tiles had to be removed in order to dry the floor. The hardwood floor in the hall and living room warped.



In recent years a frame addition was added to the rear of the home which provided the main floor layout with a larger kitchen, laundry room, and living room. There is roof deck above these rooms accessible from the master bedroom in the finished attic.



The structure was constructed for the old Clayburn Brick Company to test the brick that was designed and constructed for the Hotel Vancouver. Therefore the exterior walls are two solid brick walls with an air space in between. When the insured renovated the residence he applied drywall on battens to the interior of these walls leaving an open air space between the brick and the drywall. Moisture and mold has gotten up into these walls and is now surfacing on the drywall in some of the rooms. The moisture reading varies from 10 % - 90 % throughout the main floor area and between 10 % - 30 % upstairs when we took readings on the evening of September 24th. The main floor needs to have all vinyl wall paper removed and drywall removed up to at least 2 feet to dry out the residence and treat for mold.



The attic needs to have tests made to the drywall in order to determine the extent of the moisture and mold.



The furnace and hot water tank requires service and cleaning due to the location of the ruptured pipe and the direction of the spray from the pipe. There is an odor of gas in the area of these appliances. Our reading for a gas leak was .0004 on September 24th which is normal near gas appliances.

The insured should be relocated while this process takes place. The contents should be treated for mold spores, packed up, and either placed in storage or moved to temporary living quarters for the insured as this could be a lengthy process.

The cost of this heritage restoration was \$ 250,000 which is higher than the resale value, but half the reproduction cost at the time of the loss.



Claims & Underwriting Reports

REPRODUCTION APPRAISAL REPORTS

We are please to introduce combined RCR/ODF Insurance Appraisal Report for underwriters, brokers and the consumer and our Loss Appraisal Report for adjusters in the event of a loss. This appraisal provides a Replacement Cost Reproduction (RCR) Appraisal based upon Reproduction Costs for *Replacement Cost Value* using the Calculator Method by means of the Marshall Valuation format or the R. S. Means Cost Guides for contractors and they will incorporate Physical and Functional factors in the Depreciation segment for *Actual Cash Value*. This report is designed for a total loss or to determine co-insurance for both RCV and ACV.

The Underwriting Format provides the following Recommended Individual Policy Limits; Replacement Cost (RCV) or (RCT); Occupancy Design Fixtures (ODF); Bylaw Coverage (BC); Demolition & Debris Removal (DDR); Guaranteed Replacement Cost (GRC); Blanket Insurable Value (BIV); and Depreciation Applicable (ACV) in the form of a percentage for underwriting reports and the actual cash value for claims reports.

Occupancy Design Fixtures (ODF) is now incorporated into the format and can be added for an additional cost. Incidental Occupancy Design Fixtures such as free standing appliances for apartment buildings are included in a RCR Appraisal Report for no additional cost.

Occupancy uses with sizeable ODF requirements such as Security Equipment, Janitorial, Cash Registers, Checkroom Equipment, Business Offices, Laboratories, Mortuaries, Medical Offices, Dental Offices, Motels, Lobby and Reception Area Furniture & Equipment, Residential, Automotive – Repair & Service, Automotive – Tire Retreading, Automotive – Spray Booths, Barber and Beauty Shops, Photo Labs, Laundry and Dry Cleaning, Laundromats, Billiard Rooms, Amusement Arcades/Casinos, Health Clubs, Bowling Centers, Restaurants and Soda Fountains, Snack Bars, Retail Stores, Bakeries, Food and Beverage Markets, Churches, Stage/Theater Equipment, Chimes and Carillons, Organs, Theater Seats, Schools, Libraries, Warehousing, Hazardous Material Storage, Shipping Docks, etc will not be included unless requested as part of the appraisal.

DAMAGE ASSESSMENT REPORTS

This report is designed to establish value for a partial loss to a building that provides a Scope of Damage and a Damage Assessment for both RCV and ACV. Since every loss is not a total loss, the rates will reflect costs for cutting and patching to existing construction; dust protection; material handling & storage; protection of existing finishes, shift work requirements; temporary shoring & bracing; equipment usage curtailment; and work inside secure premises, where applicable. All of these conditions are associated with retrofitting replacement material for partial losses.

Logistics have been changed with added or revised sections which now include Ceiling Height, Building Shape, Basement, Building Height, Building Size, Green Construction, Hillside Location, Shortages, High Wind Areas, Weather Extremes, Congested Areas, Resort/Remote Areas, Retrofitting Construction, Seismic Construction, Current Cost, and Location.

FILE AUDITS

So you think you have done everything right. There was an assigned approved insurance contractor to complete the restoration and the project was put out to bid. But why did the costs escalate and the insured is not happy with the results? There are a number of reasons why. Outside influences such as government bodies can directly impact the how the restoration process is going to take place. There really is no control over these situations and inevitably the construction costs are directly impacted by decisions a government body can make concerning the restoration process.

We offer peace of mind through knowledge and expertise, call us at (778) 239 – 6308 or email us at integral@shaw.ca for more information, as our audit reports start at \$ 125.00 and our full reports start at \$ 375.00 plus GST.

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