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Hiring a public adjuster can result in a higher settlement

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During a busy hurricane season, insurance companies are faced with their own emergency situation: not enough adjusters to handle the influx of insurance claims. The insurance companies typically then employ outside adjusting firms and adjusters they have never used before. Not wanting to refuse work from insurance companies, these firms often hire inexperienced and unqualified people to adjust claims. This can become a troublesome situation for you, the policyholder, as shown in the following examples from Hurricane Katrina.

Case 1: A homeowner who suffered extensive damage to his home during Hurricane Katrina called me in a state of panic. He informed me that the claims adjuster had offered him only half the amount needed to repair his home.

After careful inspection of the loss, I found approximately 15 large trees on the dwelling. An inspection of the roof framing showed every rafter and joist had suffered damage. The entire roof and framing system had to be replaced. I then inspected the interior of the dwelling, finding separation in 90% of the drywall seams. The insulation in the walls was saturated from the rain entering through the damaged roof. In my opinion, the entire interior of the home had to be gutted and replaced.

The homeowner then showed me the repair details his adjuster had prepared. The adjuster's repair details included replacement of the roof shingles and 25% of the decking. The adjuster allowed for painting of the soffit and fascia, drywall repairs for the interior walls, painting of the walls and replacement of the carpets and pads. The amount of the offer, \$22,000, would not nearly cover the necessary repairs.

I contacted the adjuster and had him come back out to the home. After about an hour of reviewing the damages, I asked him why he did not allow for several other items that required replacement. The adjuster informed me that this was his first time adjusting a loss and he was not familiar with this type of construction. I requested the insurance company send out another adjuster, which they did.

After trying to adjust the loss with the new adjuster, I discovered he, too, did not have very much experience with construction, as his offer was only \$10,000 higher than the prior offer. After weeks of fighting with the insurance carrier, they sent a third adjuster from their home office. After several inspections, many phone conversations and numerous e-mails, we reached a settlement agreement of \$119,000. The homeowner was very pleased and recommended us to all his friends and business associates.

Case 2: A doctor and her husband contacted me with a similar situation. The company adjuster estimated the damage to their dwelling and, as a result of inexperience, failed to address all the issues caused by the hurricane damage. The adjuster allowed for minimum repairs to the roof, exterior and interior. The offer was approximately \$50,000.

I inspected the loss and found serious damage. The entire roof had been lifted in the high winds. The exterior walls had shifted and would need extensive repairs. The interior of the dwelling was far from average. All the finishes were high-end and had to be replaced as a result of water damage and mold. A large in-ground pool and pool house, which also sustained damaged, were not even addressed in the adjuster's original repair estimate.

After several weeks of trying to settle the loss with the adjuster, I requested the insurance company send out a more experienced adjuster to work with me. The new adjuster agreed with my findings and together we settled the loss for \$224,000—an increase of \$174,000 over the original offer.

Your home or business is one of your most valuable assets. You've already protected it by purchasing the insurance policy. Let a professional adjuster secure those assets by representing your interests to get the most out of your claim.

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