

# Free Estimates?

Be careful... *“free estimates could cost you a fortune in claim benefits”!*

## Estimates, Estimates, Estimates....! Can you just give me an estimate please, my insurance company asked me to get one!

Oh boy! Are you confused enough yet?

- Storm Team Roofing Co.’s
- Claim Specialist Roofing Co.’s
- Insurance Contractor Co.’s

The newspapers full of ads, the towns littered with signs all proclaiming their insurance expertise. *At the least a lot of them are public adjusting without a license, others may be practicing law without a license.*

These companies representatives all say the same thing, their bid is your deductible and they’ll represent you to your adjuster and work with them.

Unfortunately most of these proclaimed insurance specialists are not trained or qualified to prepare an accurate professional “insurance type” damage estimate. If the contractor you’re considering to give you an estimate or contract with to repair your home or business does not use professional insurance estimating programs to calculate your damage estimate then you’re wasting your time to collect and present those “lump sum” type estimates to your insurance company. They’ll easily deny and refute those estimates be-

cause they’re worthless!

Why? Because insurance companies can’t be reckless with your premiums and pay-out unjustified estimates. That’s why all the insurance companies and adjusting firms spend millions on estimating software and the training to use it.

The estimating software providers do local pricing research and download these storm related increases quarterly to all the insurance companies working in all the “Hurricane” affected areas. This pricing research is used to build your damage estimate. You’ll never see an insurance estimate without room names, item descriptions, unit costs and a summary page.

The sad fact is that a lot of contractors estimate poorly. That’s why it is so hard to shop for a contractor. Some “bids” may be double others. That’s why we still hear the horror stories about the guy’s that walk off of jobs. They get to the middle of a job and realize that they way undercharged.... You either pay up or they go!



*By law contractors are not allowed to represent you in the claim settlement process*

Insurance companies tell you to get estimates just to keep you busy while they try to get an adjuster deployed to apply the coverage and prepare a professional line item estimate for the covered damages.

They’ll look at the estimates you collected as a courtesy but tell you that they don’t accept the “lump sum” estimates that are typical of almost 100% of the contractors that you’ll have to choose from.

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## Xactimate Dominates the Insurance Industry Claim Estimating Software market!

Where do they get these prices! If you have a claim for damage from Ike this may interest you. Starting in 1986 a software company from Utah has built a dominating presence of almost 80% of the insurance companies using their claims estimating software. Their product, Xactimate

speeds the claims estimating process. They collect and utilize construction average pricing all over the U.S. and Canada. They have researchers that call contractors all year long researching pricing in every market in the country. Your insurance company will probably use Xactimate to

estimate the damages for your

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## Estimates, Estimates, Estimates .....! continued

The insurance company adjusters typically deal with your contractor as a courtesy to you and in good faith trying to resolve the claim quickly. Quite frankly, the contractors don't have the time and training to "adjust" your damage the way an adjuster would and is paid to do. If you went straight off a contractors estimate you would probably be grossly underpaid because they're not trained to adjust claims and don't know what's covered or not.

Adjusting is a dedicated profession and a good adjusters estimate actually provides a starting point for

the knowledgeable contractor. Most insurance companies allow for additional supplements for items that were overlooked or under estimated by the original adjuster. They deploy supervisors to clean up claims because of all the errors and supplements required after the first round of adjusters go through. If you can document the damage related to the claim they're happy to pay. It's their job.

It's important that the contractor you select is well experi-

enced using insurance claim estimating software. A qualified contractor will be able to help the adjuster justify supplements and any low unit price adjustments that need to be revised. Storm damage repair is much harder than typical remodeling because the insurance company is paying for repairs.



*Professional estimating is difficult. Long hours and danger are the order of the day!*

**It's your responsibility to choose a contractor who can write the highest estimate possible that your insurance company can approve!**

## Xactimate Dominates continued

claim. Whatever ins. estimating program they're using, the intended purpose is to as quickly & accurately possible estimate the amount of money necessary to repair all the damages to your property.

Xactimate knows that prices are doubling and then some on local trades and materials, you can bet that they are busy

updating their pricing databases and deploying the updates weekly to the insurance company catastrophe teams \*profiles in the field. (*\*most*

*insurance companies have Xactimate adjust the market prices specifically for them. These price lists are called profiles!*

Because of

their ability to update prices, ease of use and large user base of insurance companies and adjusting firms they dominate insurance claim estimating business.

They also have a contractors version with the average market pricing updates available.

**Successful "Professional Insurance Contractors" choose Xactimate to serve you better!**

***"If a contractor calls themselves an Insurance Claim Specialist they must be able to write a professional insurance type estimate"***

## General Who? General You..., That's Who! Don't be foolish...

Insurance companies base the premiums they charge on anticipated claim payouts to justify their rates. This calculation also takes into account the standard 10% profit and 10% overhead that should be calculated and paid as part of any claim.

In Florida the insurance companies underpaid tens & hundreds of millions in benefits by withholding the additional 20% overhead and profit to unsuspecting homeowners.

When you have to hire all the contractors and sub-contractors then you're acting as the "General Contractor".

You'll need the additional 20% just to try to get your damaged home repaired. If you don't see a line item 10% overhead and 10% profit on your summary page then you need to immediately notify your adjuster that he forgot to include it.

If they try to deny you the addi-

tional 20% on top of your line item estimate then you may want to contact call the State Board of Insurance and complain.

*Many homeowners won't have their homes repaired properly because they don't have the knowledge and skill to general contract the repairs themselves. The most important skill is to have the estimate written professionally so the claims examiners can understand and justify the insurance payout!*

## Public Insurance Adjusters... 10% of your proceeds!

Sometimes it seems that you just can't agree with the valuation of your total claim estimate. There may be coverage issues that affect the settlement in a negative way. Usually we just can't find a general contractor that will agree to repair the damages for the amount of funds the adjusted has approved. This is when you can get really frustrated.

The adjuster says your contractors are too high. The contractors say that your insurance company pays too little. It's a known fact for contractors that some insurance companies pay more for repairs than others. You're caught in the middle!

Public Insurance adjusters represent the insured's interests in the claim settlement process. Most P.A.'s have to be licensed and a lot of them are former insurance company adjusters. The usual fee is 10% of the approved claim.

When you retain a P.A. you assign your claim to them for settlement. They deal directly with your insurance company. They'll review your policy for coverage issues, re-write a new estimate and present it to your insurance company for payment.

If the ins. co. does not cooperate your P.A. will demand appraisal of the claim. Appraisal can help settle money disputes quickly. The insurance company adjuster is removed from the case and your file is handed over to an independent appraiser.

The appraiser and your P.A. select from a list of independent third party umpires. They mutually agree to name an individual as umpire in case they can't agree on a final estimate amount. After they agree on the umpire selection they meet at the insured's house and compare estimates.

If your P.A. and the appraiser agree on a settlement amount the claim award is signed and presented to the ins. co. for payment. If they don't agree they present their estimates to the umpire for settlement. The umpire then determines which estimate to approve. The winning appraiser and the umpire sign the award and present it to the ins. co. for payment.

The P.A. is a state licensed professional. They are qualified to negotiate price and discuss coverage.

Public adjusters are very helpful and have incentive to justify your estimate as high as possible in the guidelines of the policy. A good one can easily double poorly written insurance estimates that were prepared early (before volatile market conditions) after a major storm like Ike!

## Professional Independent Insurance Restoration Contractors

There is a small group of contractors that benefit consumers tremendously. These contractors have invested in insurance estimating software like Xactimate and the training to use it.

The best thing a contractor can do for you is be able to write and justify a detailed estimate.

**Can these contractors write your detailed estimates for free? Of course they can't, it's way too time consuming and expensive!**

This type contractor is very selective of the clients that they assist and will only write these estimates for their clients who agree to let

them repair their home for the total amount that the contractor can estimate and justify to the adjuster.

Their proposal is very simple.

You pay your deductible and they'll look to your insurance company to pay for all the repairs and work directly with your adjuster.

The only other option is to pay them hourly for their estimating services and retain your right to select another contractor for the repairs that are approved.

Your estimating fee will be applied to your job if you select the restoration contractor.

If your objective is to get your home back the way it was before the storm then these guys can help.

If your trying to upgrade your home for the amount of the claim payable you'll have to fund the difference.

Likewise, you'll be credited for repairs not performed.

Independent Insurance Restoration contractors may provide the best value for the consumer. You save the 10% fee that would go to a public adjuster.

Your insurance company wants your claim settled quickly and fairly. The Independent Insurance Restoration Contractor helps speed the process!

*A professional estimate lists everything that the contractor needs to do on your job. Line item description, quantity and unit cost. That estimate is like a work order!*

*It's All in the Details!*



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*\* MorningStar will refund your estimating fees if our detailed estimates don't result in your insurance company increasing your offer by at least triple your estimate fee!*

[www.morningstarrestoration.com](http://www.morningstarrestoration.com)

## Hurricane Ike Xactimate Estimates

Are you happy with your insurance adjusters original estimate? Are sure about the accuracy of the amount necessary to make quality repairs? Did they make any estimating mistakes? Don't gamble with your claim!

### **Professional Storm Damage Estimating**

**Get a detailed professional damage estimate prepared with Xactimate, the preferred estimating software of the insurance industry. The increased value of your estimate will easily surpass the small fees.**

**Wind damage estimates \$500.00 minimum**

**Flood damage estimates \$500.00 minimum**

**Or**

**Combo Wind & Flood \$750.00**

**The estimating fee is applied to the job if you select us for the repairs. Some insurance companies may reimburse you for the expense.**

MorningStar Restoration knows how frustrating it can be to gather quality estimates for your insurance company after a hurricane.

Many property owners have two separate adjusters working two different types of claims. They need an estimate for the flood adjuster and the windstorm adjuster.

MorningStar can write both types of estimates very well and as a courtesy we are willing to discuss both of these estimates with your insurance companies representatives.

It is the adjusters job to apply the coverage and determine the final repair allowance for your claims.

*MorningStar has a better way for consumers to get professional estimates and retain the right to select the contractor of their choice.*