

INITIAL ASSIGNMENT



Tree Impact Leads to Catastrophic Loss to Rental Property and Rental Income



Client Profile

- Type of Property: Single-family dwelling
- Use: Income-generating rental property
- Location: Tyler, Texas
- Occupancy at Time of Loss: Tenant-occupied

Loss Description

When a powerful storm rolled through Tyler, Texas, a massive tree collapsed onto a tenant-occupied rental property, piercing through the roof. The home was left structurally compromised, unsafe for habitation, and immediately unlivable.



Claim Challenges

- **Severe Underpayment:** The carrier's initial offer failed to account for structural, interior, or income-related losses.
- **Asbestos Contamination:** Testing confirmed asbestos-containing materials (ACM) in the drywall joint compound, requiring abatement before any rebuild could begin.
- **Rental Displacement:** Tenant was forced to relocate, and the landlord's income stream was cut off indefinitely.
- **Policy Interpretation:** Disputes arose over scope, code upgrades, loss of use, and proper remediation protocol.

Solutions Applied

- Detailed estimates were created that reflected not only the physical damage, but also code-required upgrades, asbestos abatement, and full restoration.
- Coordinated environmental testing, which confirmed the presence of asbestos in drywall compound shifting the loss into an environmental exposure category that triggered abatement procedures.
- Documented rental income loss and submitted a Loss of Use claim to secure fair rental value during the displacement period.
- Negotiated directly with the desk adjuster and carrier's field team to challenge scope reductions, exclusion attempts, and delay tactics.

Outcome

- Final Settlement: \$285,000 for structural repair and asbestos abatement
- Additional Settlement: \$11,000 for rental income loss
- Timeline: Claim dispute resolved within 10 weeks of representation / Construction completed in 6 months
- Total Recovery: \$296,000
- Initial Offer: \$3,000
- Net Gain to Policyholder: + \$293,000

Client Impact

Thanks to proper asbestos identification and careful coordination with licensed professionals, the property was fully abated and rebuilt in compliance with environmental and building code requirements. The landlord recovered both the structure and income avoiding financial devastation from the carrier's original \$3K offer.