

Scam-proofing your home after a storm

Red flags to look for if contractor claims your roof has damage

By Christina Vazquez - Reporter

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PEMBROKE PARK, Fla. - Hurricane season is upon us, as is the threat of severe storms.

Be warned. National Insurance Crime Bureau (NICB) investigator James "Herb" Price told Local 10 News investigative reporter Christina Vazquez that after a big storm, some unscrupulous roofers will talk homeowners into a new roof after they manufacture damage.

WEB EXTRA: [What you should know before hiring a contractor](#)

Video provided to Local 10 News by NICB shows one roofer ripping up shingles, scraping away some of the adhesive, and outlining fake wind damage in chalk.

In another video, a roofer creates damage by spinning a dime on shingles.



"Rub it into the asphalt," Price said. "Shingles, especially on a hot day like it is today, make it look like its hail. We heard people taping marble to the bottom of their foot and stepping hard on the asphalt to make a deep impression."

Price said roofing scammers usually target neighborhoods with aging roofs after a storm.

Spot the red flags: The concerns with AOBs

"Let's say you are sitting at your house, a hail storm comes up, you get some minor damage on your roof, (and) within a few days you can have someone show up at your door (and) say, 'Hey, you have damage on your roof,' or the term now that a lot use is the term "bruising," Price said. "So what they would do is say, 'You have some bruising, you have some damage, we can take care of this type of damage to your property,' and they will then push forms toward that individual."

Price said one of the red flags includes a contractor who wants you to sign an AOB or "Assignment of Benefits."

WEB EXTRA: [A 'Call Christina' conversation about contractor concerns with Ray Robinson](#)

READ: [The issue of AOB and policyholders](#)

"What you don't know is that when you've signed that form, you're giving away your rights to deal with your insurance company," Price said.

It means your insurance claims check goes directly to the roofing company. Price said they've seen cases where a roofer has then subcontracted out the job for less money to pocket the difference. He said some homeowners have been left with shoddy roofs after the sub uses substandard materials or rushes the job to save labor costs.

In some cases, the sub is never paid, which means they could put a lien on your house.

"It always behooves you to look at your policies, know what your coverage is, know what you're covered for and you shouldn't sign over any document that's going to give your rights away," Price said. "It's your home, it's your insurance company. You have a right to contact your insurance company."

"A practice has started here in Florida called the Assignment of Benefits," State Rep. David Santiago said. "Where contractors have found a new tool, that is currently legal, that allows homeowners or property owners to sign away all their benefits and all their rights and allow contractors to handle the entire claim for a

customer. That is something that may sound good on the surface, but it has been riddled with tons of problems and fraud and it is costing Floridians millions of dollars, not only in fraud and work not being done, but also in the cost of insurance, especially in South Florida."

Santiago said his office has been keeping his eye on AOB-related home repair scams.

"We've seen incidences where the work wasn't done or it was shabby work and not completed, and then it drags the homeowner into litigation," Santiago said. "It is a very slippery slope that the state needs to solve."

Santiago is working on ideas to protect homeowners and stem insurance fraud.

"We have to plug this hole, because if a major storm were to come to Florida, this will be the major tool that will take down the insurance industry in the state of Florida and will hurt all Floridians. We need to pass legislation," he said.

PUTTING CLAIMS TO THE TEST: [Haag's Ice Ball Launcher](#)

Using a testing machine called the IBL-7 (Ice Ball Launcher), engineers at Haag's lab launch simulated hailstones at roof shingles to document the impact.

Samples of asphalt composition roofing are mounted onto test panels that mimic real-life support conditions. After the samples are impacted, they are examined for failure (or fracture of the mat, in the case of composition shingles), using with a variety of techniques. The IBL-7 produces velocities real hail achieves in free-fall or wind-driven conditions.

It is how experts can tell what genuine hail damage looks like.

Haag Engineering Co. of Texas has been impacting roofing with ice balls since 1963.

According Polly Prado, director of corporate communications, "our research and inspection methods have helped set the industry standard for hail damage evaluation to roofing."

DWS's HailStrike Reports and Custom Maps:

Insurance carriers and claims adjusters are now utilizing advanced technology to verify hail or severe weather events like HailStrike's OneSite Report and custom maps that can pinpoint if a severe weather event happened in your neighborhood, down to the street.

Dynamic Weather Solutions' (DWS) [HailStrike](#) patent-pending algorithm can determine the size of hail, speed

of the storm, direction of storm, length of storm and storm intensity.

READ: [HailStrike sample report 1](#) and [sample report 2](#)

WATCH: [HailStrike demo video](#)

CEO Daron Sneed told Local 10 News that they are able to turn those reports around in less than 30 minutes.

The reports can also be used in litigation.

As real estate attorney Ray Robinson explained, insurance fraud is a crime.

"Very definitely; to the extent that the owner participates in some type of insurance fraud, that could subject them to some type of criminal liability and even possibly civil liability as well," Robinson said.

NICB CONTRACTOR CHECKLIST:

- Work only with licensed and insured contractors.
- Get more than one estimate.
- Don't be pressured into signing a contract right away.

- Get everything in writing: cost, work to be completed, time schedule, guarantees, payment schedule and any other expectations.
- Require references, ask for the names of the contractor's last three jobs.
- Never sign a contract with blanks. Fraudulent contractors may enter unacceptable terms later.
- Never pay a contractor in full or sign a completion certificate until the work is completed.
- Make sure you review and understand all documents sent to your insurance carrier.
- Ask to see the person's driver's license and write it down. Also, get the vehicle's license plate number.

NICB Tip Line: 1-800-TEL-NICB

You can also text "FRAUD" to TIP411 (847411) or call the [NICB's Speak Up page](#).

NICB is the investigative arm of the insurance industry. Insurance companies fund the non-profit to investigate fraud.

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