



## The Importance of Roofs to Loss Reduction

### Roof Damage Losses

The Insurance Information Institute (III) notes that property losses in 2008 resulting from natural disasters in the United States totaled some \$26 billion. Focused research efforts by the Institute for Business & Home Safety (IBHS) and others indicate that a large percentage of those losses were roof-related.

Roofs are critical to overall performance when buildings are subjected to high winds, wind-driven rain, hail, ice/snow, and wildfire. In recent IBHS closed-claim studies of hurricane damage, there were payouts for roof covers in more than 90 percent of the claims. Given the overall magnitude of catastrophe losses as measured by III, significant improvements in roofing materials and installation practices would save many millions of dollars annually in hurricane losses.

### Hail

Roof cover repairs and replacement also dominate hail claims. There are approximately 3,000 hailstorms annually in the United States. The lifespan of an average roof is 20 years, yet roofs in severe hail-prone areas must be replaced every seven to 10 years, according to insurance industry data. States in the Great Plains and Southeast can expect hailstorms producing hail stones of least 1.5 inches in diameter during the life of a typical roof.

Using impact-resistant roofing materials is one way to reduce hail losses. Moreover, previous IBHS residential roofing studies reinforce the need for more research on roofing materials and installation practices. Findings include:

- The loss rate for impact-resistant metal roofs is 13 percent, 53 percent lower than asphalt, clay or tile.
- Products classified in accordance with the UL 2218 standard have been shown to sustain significantly less damage after being impacted by 1- to 2-inch hailstones.
- 44 percent of all non-impact-resistant, single-family roofs investigated needed repair or replacement after being struck by hailstones with diameters of 1 to 2 inches.
- Requiring impact-resistant roofing materials in vulnerable areas would result in a 50 percent reduction in hail-related property losses.
- A recent IBHS hail-loss investigation of 320,000 homes in 115 ZIP codes, with 77,000 claims found:
  - 40 percent fewer claims for homes with impact-resistant roofs;
  - 55 percent reduction in losses for homes with impact-resistant roofs;
  - Homeowner savings of \$200 to \$300 per household for homes with impact-resistant roofs.

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## **Wildfire**

Each year, thousands of homes, businesses and other structures are damaged by wildfire, resulting on average in more than \$200 million in annual property damage. The flammability of a roof is considered to be a major factor affecting vulnerability to wildfire, making fire-resistant roofing the single most important mitigation measure in reducing wildfire risk.

## **Severe Winter Weather**

Severe winter weather also poses a threat to roofs. Deep snow can result in a total or partial roof collapse, which can cause extensive damage to the interior contents. This is a particular problem for flat roofs, which are often used in commercial construction. Similarly, ice dams can back up underneath a roof covering, leading to water leaks into the attic.

Utica National has a wide array of materials available to assist you in controlling these risks to your property. Visit us online at [www.uticanational.com](http://www.uticanational.com) or contact your local Risk Management Representative for more information.

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