

January 8, 2026
Via email

RE: Insurance Claim 9377401

Dear Liz,

Further to our conversation on Friday, January 2, 2026, and your subsequent correspondence, I am writing in response to your request that I address the concerns raised in your December 15, 2025 letter, which was emailed to our office. For ease of reference, a copy of that letter is attached.

In addition, you have submitted several emails and other communications relating to the “frozen pipe” claim reported on Friday, January 2, 2026.

In this email, I will endeavour to address the concerns you have raised and provide the requested documentation. Where applicable, certain points have been expanded upon to reflect information provided in subsequent correspondence.

RESPONSE TO DECEMBER 15, 2025 EMAIL:

1. Heating Concerns & Undocumented Damage

- you note that the mini split heating system is not performing optimally and you query if this is due to torn vapour barrier, missing insulation, cracked or out of plumb framing or other concerns, as evidenced by a draft on the floor and the struggles of the heating to bring the home up to temperature**
- you have requested confirmation that the “assemblies were fully restored” and, without it, the area cannot be reasonably ruled out “as a contributor to the ongoing heat assembly”**
- accordingly, we have copied in Scott from Stellar Concepts/Refresh Restorations who did the rebuild portion of the loss to comment**

Part of a usual restoration process, even when the damage is at floor level, is to remove the wall sheathing to 2' in order to ensure there is no moisture wicked up. Drywall is a porous material and can wick moisture upwards and usually removals to 2' are adequate unless there was standing water to a considerable depth. Your walls are pine tongue & groove which, while less likely to wick moisture, were removed to 2' in accordance with restoration practices. Had there been wet insulation, it would have been removed. It would be the part of the rebuild contractor to replace any missing insulation and apply Tuck Tape to the vapour barrier to ensure a seal within the wall. Any concerns regarding if that work was completed should be directed to Refresh Restorations.

We also feel it important to note that Valet Restoration were engaged solely for the removals of wet materials and the drying of the structure. They were not part of the rebuild process at all, including the decision or process to move the home to Salmo. The rebuild was done by Refresh Restorations.

Also of note is that it is extremely common for, upon commencement of the rebuild process, the contractor to find items that were not noted on the original estimate or scope of work and to approach the adjuster to revise the scope and get approval for additions. Should there have been more than incidental work not encompassed by the scope or estimate, Refresh Restorations had the opportunity to reach out to Gary Kanda to review the damages.

Additionally, we note that being installed on a wall slightly out of plumb would not affect a heat pump's performance. The guidelines do suggest installation of a mini split on a vertical wall so that the condensate drips into the holding tray and being too much at an angle would affect the ability of the tray to hold the condensation. However, it would still heat as normal.

2. Structural Safety Concern — Stair Wall & Pocket Door Framing

- you noted Valet's photo #20 (which is also attached) expressing concerns regarding a “significant vertical crack” in the framing along with discolouration and staining related to moisture

- your concerns seem to be that the pocket wall structure is potentially unable to bear a load and this is both a safety concern as well as being out of plumb which has affected the mini-split

A visible inspection of the photo shows there is very minor checking (cracking) on the end of the 1x4 sill plate that would not be of structural concern, nor would the minor staining of the lumber be of any structural concern as simply being wet and then dried doesn't affect the ultimate structural integrity of the wood. No visible material deterioration of the framing is indicated by this photo and the staining appears cosmetic, not an indication of rot or other structural deterioration.

We do note of more concern that the photo clearly shows that the wall is partially unsupported from below and the bulk of the wall is resting only on the subfloor sheathing instead of on the joist which the manufacturer of the tiny home has simply missed during construction of the home. It is an error by the manufacturer. This is a pre-existing condition of the home that is unrelated to the water leak as the water leak did not create this condition.

As this structural defect dates from construction of the home and is not a result of this pipe leak, it would not have been addressed as part of the claim and repairs would not appear on the documentation of claim repairs. The policy contains specific exclusions for repairing faulty materials and workmanship regardless of how it is discovered.

For your reference, the exclusion reads as follows, found on page three of the enclosed Tiny Home Wording applicable at the time of this loss:

(21) the cost of making good faulty material, construction, design or workmanship;

We understand from comments that Refresh Restorations did perform some additional repairs and bracing of this area in July 2025 which he would have done outside the scope of the claim. Of interest is that you note that "Scott's scope was limited to general reconstruction —

replacing joists, subfloor, flooring, trim, and cabinets — and did not include evaluation or repair of existing structural damage." This statement is both correct and incorrect – it is correct that the water leak did not cause the support issue and therefore it would not be included in the scope of repairs relevant to this claim, but it is incorrect in that a competent general contractor would have assessed all evident damages and suggested doing repairs that improve the final result, whether or not those repairs were included in the claims cost.

Again I note that the contractor can reach out to the adjuster if they feel newly discovered damage should be included in the repair scope. Valet would not have commented on this issue as they were not engaged in the rebuild process, nor were they aware at completion of their tasks that the plan was to move the home off site for repairs.

In this case, it appears that Refresh Restorations and/or yourself did note the issue with the wall and did perform repairs, presumably at your own expense, which puts the support of the wall improved over what it had been prior to the loss. Based on the photo provided, and the understanding that repairs were conducted to shore up this unsupported wall, we would expect that the wall is now better secured and safer than prior to the loss.

We leave it to Refresh Restorations to comment on the repairs they did to the pocket door wall and how that has affected the structural integrity and safety of the home. It is unclear why you wouldn't have reached out to them right away regarding your concerns rather than bearing additional stress and advising your roommate to not sleep in the room.

3. Electrical Damage & Safety Risks

- you advised that Valet left a modem plugged in after they were done with their emergency work which kept tripping a breaker and, when you expressed concerns with this, you were advised by an unidentified person to turn off the main breaker and the electrical would be inspected as part of the repair process

Valet Restoration do not have a record of a modem being left on site which gives rise to both the question of why they would have left a modem after completion of their work and, had there been one, why a breaker would be tripped by a low-draw piece of equipment, especially as the electrical did not appear to be an issue during the drying period in May when there were multiple industrial dehumidifiers and fans running.

- you also note that you were told in August 2025 (part or most of the way through the repair process) by an unidentified person that electrical would not be addressed unless there was a correlation between the water damage and the electrical, but you could get your own electrician to address your concerns

We don't know with whom you had this conversation and note that, depending on the concerns you were expressing, it may be that those concerns were unrelated to the claim in that they could not be related to the water leak or were related to concerns about humidity which would not be covered by the policy.

We also note that we authorized Gary Kanda from Kootenay Adjusting to re-attend your home in late August to document your concerns in hopes of confirming if they were indeed related to the water loss and you repeatedly declined to have him attend. You advised you felt he was biased and unable to brook any criticism of Valet Restorations. The writer agreed to handle the remaining items as they were initially described as being quite minor – final repair payment, some extra cleaning of the heat pump and testing of appliances, as well as a small contents loss. We note that you advised the complete contents loss has not been addressed and suggested you would provide it in the new year. Please provide documentation of any outstanding contents loss within the next 30 days to resolve this matter.

- you advised that the electrician found water damage/corrosion in an outlet upstairs which he replaced, accompanied by a very brief report, and your view is that this outlet and others in the same circuit were all affected by water, possibly by water wicking up the wall

It wasn't until late November that concerns regarding electrical, heating etc. were brought to me though noted from your December 15, 2025 email that you had Bowick Electric attend on September 23, 2025 to replace an upstairs receptacle damaged by water. When we discussed how a ground-level leak could have affected an upper floor outlet, you advised that you felt this could have been from water wicking up the wall from the location of the leak at the dishwasher below. This does not seem to be a likely scenario. We note the electrician did not comment, in the very brief note, on how the water damaged the outlet.

Before confirming if coverage would apply for damaged electrical, we would need to confirm that the damage was caused specifically and directly by the water leak from the dishwasher that forms the April 8, 2025 water loss, as it is also possible for damage to have been caused by condensation, humidity, or another source of water besides this loss. This isn't us denying the damage is related; it is us advising we need to do our due diligence in investigating the loss.

- you note that after Valet concluded their work and prior to the rebuild, either on June 1, 2025 or in 'mid-June', you noticed visible moisture droplets on the plastic vapour barrier which made you believe the drying process was not completed

Did you mention the moisture to your adjuster, Gary Kanda? Did you mention it to Valet Restoration, or to Refresh Restorations?

4. Kitchen Water Path & Cupboard Mold

- you note that the photos do show water staining towards the kitchen peninsula cupboards and that is the cupboard with the ongoing mould growth issues which, to you, indicates it wasn't properly dried in the first place
- you also believe the photos show staining extending to the bathroom-adjacent wall
- you find a mildew smell toward the bathroom entry

The photos make it easy to track where moisture traveled as the highly permeable OSB subfloor material stains in presence of water. Despite your concerns, the staining does not reach the kitchen peninsula on the sink side of the kitchen. The insulation and vapour barrier under the

cabinets was removed so that area could also be both thoroughly cleaned and to give airflow access to allow full performance of the industrial dehumidifiers and fans. It is not a thing where moisture would move through the OSB without visible staining. Even if that were possible, and there was water trapped under the kitchen cabinets or in the gable end of the peninsula, all that water would be drawn about by the drying equipment. Rather, caution has to be taken with wood paneling to not dry it too quickly as it is known that those materials can be over dried.

If Valet had found a credible reason to believe water had extended to underneath the sink cabinets or the bathroom floors, they would have proceeded with the tear out. There is no reason for them to do less if they are concerned about additional damage.

- your review of Valet's Kitchen photo #75 shows a moisture reading in that area at 45.3% and that means they knew that area was "high-risk and yet [they] failed to verify its clearance or open the assembly for full inspection"

The use of moisture meters in water remediation is not a precise science. Basically all substances contain moisture to varying degrees at all times. Moisture meter readings are highly dependent on ambient humidity and are looked at relative to other readings both in terms of location of test and historical moisture in the same area. They give information principally on how the drying process is going. There is no one reading that is looked at in isolation and simply a meter showing 45.3% moisture is meaningless without knowing the moisture of areas around it and previous readings. Additionally, a 45.3% moisture rate in OSB is likely very normal for OSB in a relatively dry area of a home that has experienced high humidity for an extended period.

The photos of these pre-restoration moisture meter readings in Valet's report are simply snapshots in time of relative moisture levels and were not meant to be interpreted how you are interpreting them as they are not meant to be a useful tool other than to the people performing the restoration. Calling this reading "high risk" out of context only shows that you aren't interpreting the matter correctly.

5. Clarification Regarding Valet & Claim Delays

- you 'correct an assumption' and note that instead of blaming Valet for the delay in restoration services commencing, you note that the "remediation scope and timing" were "constrained by insurer authorization"

Valet Restoration attended the site on April 11, 2025, responding to the report of the claim and being called to attend to emergency services. You could have opted on that date to sign the work authorization for Valet to begin emergency services. That meant that, had coverage not applied to the loss, you would be responsible to pay for Valet's services. Most homeowners opt to sign the work authorization regardless of claim status in order to begin the mitigation process expediently to both prevent further damage to their home as well as fulfil the policy condition of loss mitigation.

We draw your attention to page 14 of the policy wording, under the Statutory Conditions (Required by Law) portion where you find the following:

(9) *Salvage.*

- (1) *In the event of loss or damage to insured property, the insured **must take all reasonable steps to prevent further loss or damage to that property and to prevent loss or damage to other property insured under the contract**, including, if necessary, removing the property to prevent loss or damage or further loss or damage to the property.*
- (2) *The insurer must contribute on a prorated basis towards any reasonable and proper expenses in connection with steps taken by the insured under subparagraph (1) of this condition.*

It is the right and obligation of the insurer to properly investigate losses. Given the extent of mould and the high humidity, it was necessary to investigate the length of time the dishwasher had been leaking before confirming coverage was in force. You say Valet was waiting for approval, but our coverage confirmation was not needed for repairs to commence.

- **you advised that, at the time the leak was discovered, you were told the house was likely a total loss but the position later shifted to one of “minor repairs”**
- **you request documentation explaining the basis for this change of scope**

Please advise who told you that the house was likely a total loss as that was never a consideration. There was no change of scope or position because it was never thought that this water loss was not repairable.

6. Mold & Air Quality Testing — Purpose Clarification

- **you advise that you are not submitting a standalone claim for mould but that you are presenting the presence of mould as evidence of unresolved or trapped moisture/ incomplete mitigation**
- **you note building assemblies were not “fully opened, dried, or independently verified”**
- **you request air quality testing to confirm if the home was properly mitigated**

The building assemblies were significantly opened and were thoroughly dried with industrial dehumidifiers and fans.

It is not a claims practice where drying is ‘independently verified’ though it could be argued that had Refresh Restorations agreed there were concerns that the drying was incomplete, they could have asked the adjuster to add a supplemental scope and estimate to the claim for additional removals to determine if there was additional areas that required attention.

We leave it to Refresh Restorations to comment on same.

The exclusions applicable to mould or mildew apply regardless of whether there is a standalone claim for mould or if mould appears as a result of water damage.

We draw your attention to page 2 of the policy wording, where exclusions are found:

EXCLUSIONS

“We” do not cover loss or damage “caused by” one or more of the excluded perils listed below, and such loss or damage is excluded even if the excluded peril operates concurrently or in any sequence or combination with other perils that are insured.

We also note the following exclusions that may be relevant to your specific situation, and note that additional exclusions and conditions may apply:

“We” do not insure loss or damage:

- (3) “caused by” condensation, acid rain or contamination;*
- (4) “caused by” dampness of atmosphere or extremes of temperature;*
- (15) “caused by” continuous or repeated seepage or leakage;*

“We” do not insure:

- (19) wear and tear, deterioration, mechanical breakdown, rust, corrosion, wet or dry rot, inherent vice, latent defect unless loss or damage occurs concurrently with other loss or damage “caused by” a “Specified Peril”;*
- (20) “fungi” or “spores” unless such “fungi” or “spores” are directly “caused by” or directly result from:
 - (a) fire;*
 - (b) lightning;*
 - (c) “explosion”;*
 - (d) impact by aircraft, spacecraft or land vehicle;*
 - (e) riot, vandalism or malicious acts;*
 - (f) smoke;*
 - (g) windstorm or hail;*
 - (h) leakage from fire protective equipment;*
 - (i) sewer backup;*
 - (j) freezing or weight of snow and is not otherwise excluded in this “policy”;**
- (21) the cost of making good faulty material, construction, design or workmanship;*
- (22) any mysterious disappearance;*
- (23) settling, expansion, contraction, moving, bulging, buckling or cracking;*

The definition of “fungi” is found on page four of the policy wording, as follows:

- (14) “Fungi” includes, but is not limited to, any form or type of mould, yeast, mushroom or mildew whether or not allergenic, pathogenic or toxigenic, and any substance, vapour or gas produced by, emitted from or arising out of any “fungi” or “spores” or resultant mycotoxins, allergens, or pathogens.*

As previously advised by email, air quality testing is not done for water losses due to the exclusions for fungi. Further, we do not doubt that there was mould present in the home as a result of the loss, both from the high levels of humidity pre-existing the loss and from the delays in mitigation.

7. Timeline & Delay in Mitigation

- you lay out a timeline of leak discovery on April 8 and water shut off on April 11, then a start date of repairs on May 12 and you advise any mould is due to this delay in response

We note your original statements to Gary Kanda where you advised that you had, on several occasions noticed water on the floor and carpet during the month of March but attributed it to your large dogs tracking snow and water into the house. You didn't realize the water was excessive until water squished up through the laminate floor and decided to make a claim. The evidence of water damage having occurred for an extended period of time is well documented.

The mould was pre-existing Gary's attendance and was no doubt exacerbated by the delay in beginning the emergency restoration.

- you advise the removal of 80% of the flooring and removals of 2' of pine walls indicates "a scope of work that appears inconsistent with the later implication that the damage was limited"

We have previously advised that the flooring was removed in order to accurately determine the extent of the water travel which was visually apparent across the OSB subfloor. Removals of wall coverings to 2' is standard in any water loss at floor level. We are unsure what you are implying here or how this indicates that 'standard mitigation practices were not fully applied'. The damage was limited as it was not a total loss and the scope reflected the damages that were found to be present.

8. Moisture Meter Inconsistency / Inspection Methodology

- you note you are having difficulty understanding how moisture testing was used during remediation**
- you note that Valet took moisture meter readings and documented them "which suggests they were relied upon to inform remediation decisions"**
- Valet advised by email that some removals were not done because there was no moisture read in that area "which tells [you] [readings] were relied upon to determine scope"**
- "However, I am now being told that moisture meter readings are unreliable or not meaningful for my home's construction."**

As advised, the moisture meter readings are used in relation to other readings over time to determine if an area is wet compared to other areas which are also tested throughout the drying process as the changes in readings over time indicate if an area is drying as expected.

Your focus on moisture meter readings as the primary driver of remediation scope is misplaced. They are one tool used to determine trends in drying, interpreted by experience and education. Remediation doesn't have to be a precise science to be effective.

9. Contractor Clarification

- you note that Refresh Restorations wasn't "your builder" but rather one you sourced as Valet wasn't available and the rebuild had stalled**
- Gary Kanda asked you to see if you could find a local contractor willing to take the job**
- you forwarded Refresh Restorations' information to Gary and "Scott's credentials and proposal were reviewed and approved"**

The contractor was found and approved by you. Gary confirmed the scope was reasonable and the contractor's knowledge seemed up to the task. It is unclear why this is relevant.

10. Obscurement of Final Repair Area

- you advise that it is unacceptable that photos of the completed work are obscured by the unattached stairs as it limits a visual inspection "and further necessitates intrusive inspection to verify dryness and structural integrity in the affected region"

We don't find that photos with the stairs on the floor indicates that the remediation work was not done correctly. Further, as Refresh Restorations would have removed the stairs to conduct the work, if they had noted moisture or a lack of structural integrity, they would have addressed it during the rebuild process.

11. Unauthorized Policy Change & ALE Denial

- you were told you didn't have coverage for 'Additional Living Expense' but then you noticed multiple changes to your policy 'mid claim', including policy number, change to down payment, new deductibles and limits, and a change to the policy term

As explained by your broker, who we are also copying on this communication, Agile Underwriting changed computer systems last year, which produced a new policy number upon renewal. The tiny home program has changed which did result in some changes to your policy. It is typical for a deductible to change after a loss and building values are often changed yearly to reflect increased rebuild costs. The new computer systems did change the down payment process. The policy term was unchanged but you transposed the dates. For more explanation, please contact your broker.

At the time of the loss in April 2025, Additional Living Expense (ALE) was not an available coverage for tiny home policies. It doesn't even appear as a heading on the policy wording.

12. Requests for Written Confirmation

- you request the 'expository report' from Valet that I reference in my December 12, 2025 email

As advised, the report is a brief description of how Valet found the property and outlines their repair process. A copy of the photo sheet with report is attached.

As of December 15, 2025, you made the following demands:

Within 5 business days, I respectfully request:

1. Electrical inspection arrangements
2. Reconsideration of ALE or written confirmation of next steps given the safety concerns
3. Confirmation of whether the stair wall and pocket-door-adjacent framing shown in Valet Emergency Completion photo #20 was assessed, repaired, or cleared by a structural professional
4. A written explanation of the policy changes and approval process

Within 14 days, I request written confirmation of:

- Whether wall cavities and vapour barriers were opened and inspected in all affected areas
- All moisture testing and drying verification records for walls, subfloor, vapour barriers, and outlets
- The documented basis for denial of ALE, refusal of air-quality testing, and reversal of the total-loss determination

We trust that the foregoing detailed response to the 12 points brought up on December 15, 2025 have addressed these points also.

ADDITIONAL CONCERNS SINCE DECEMBER 15, 2025 EMAIL:

We note that, since this email, we have received a quantity of correspondence from you expressing a number of concerns, which principally appear to be the following:

1. Concerns regarding electrical, principally apparently one circuit which isn't working, a power outage and odd electrical noises and behaviour, and your email of 8:30pm on January 8, 2025 in which you express safety concerns related to water being found in an area adjacent to an electrical service pathway;
2. A frozen pipe on or about Sunday, December 28, 2025 that apparently necessitated that you leave your home and resulted in you, on Friday, January 2, 2026, submitting a claim for damages.

Electrical:

With regards to the electrical issues, we note that not only did we suggest Gary Kanda return to review your concerns in August 2025, which you declined, but your December 21, 2025 email was sent to Gary for him to respond in order for you to get the fastest possible review of your concerns, and you declined his attendance again. Additionally, when we spoke on January 2, 2026 and we presented our plan to attend personally with Gary Kanda, Valet Restorations, Refresh Restorations, and a qualified building consultant, you again declined to have us attend. You advised, on January 2, 2026, that only after we respond to your December 15, 2025 email points would you consider having the suggested meeting.

We have suggested you obtain a fulsome report from a qualified electrician to document your concerns, confirm if those concerns were caused by April's dishwasher leak, and then we could review same. To date, we received from you a note on December 15, 2025 from Bowick Electric dated September 23, 2025 advising there was a receptacle damaged by water as well as your document titled 'incident report' December 21, 2025 in which you describe the strange electrical behaviour following a December 17, 2025 power outage. In that report you note that you called an electrician (Bowick Electric) to inspect your panel. The electrician advised you that there was no visible damage noted and tightened some connections in the panel. A call to Bowick Electric confirmed that they believe the odd behaviour to be related to the multiple trees on the line from the windstorm as many people noted explosions and surges/brownouts during the storm as transformers failed due to trees on the line.

We are struggling to appreciate the urgency regarding safety you feel regarding the electrical issues when you decline to have the adjuster attend to perform the investigation which we are within our rights to do.

Claim for frozen pipes/January 2, 2025 conversation:

On January 2, 2026 you reported a claim for frozen pipes with a date of loss of December 28, 2025 and advised you were unable to stay in the home. We assigned Gary Kanda, the prior adjuster, so we would have continuity in case there was overlap in water damage from the frozen pipe and from the claim in April 2025. We spoke on the phone and you advised you were unwilling to work with Gary, though you previously confirmed that Gary had not been rude or unprofessional; rather you pointed to his failure to return calls (which he can refute) and your concerns about his bias towards Valet Restoration. You also mentioned his passive-aggressiveness for which you used the example of his returning the failed pipe from the dishwasher to you by mail without explanation. We do not find this passive aggressive and, had you called him, we are confident he would have been happy to explain.

We note that we offered to attend the site that day with Gary if that increased your comfort levels of having him attend to assess the damage, even though this is unusual for my role.

Further, we suggested our plan to meet on site with yourself, Gary, Tony from Valet, Scott from Stellar/Refresh, myself, and a building consultant who would be impartial and expert. This meeting would go over the extent and process of tear out and drying, the rebuild construction, and how they all related to your current concerns. It was hoped that the meeting would give everyone the opportunity to communicate, to answer questions in situ, and verify if the work done was to standards. Also, it would indicate if your current concerns could be related to the April 8, 2025 pipe leak claim. This would give us an expert report and a jumping off point to consider your concerns addressed or to embark on additional investigation.

You did confirm, in our conversation, that the pipe had frozen at the inlet line where the exterior water supply line meets the tiny home supply line as the heat tape that usually would warm it was attached to the electrical circuit that was not working. You confirmed that the pipe had not burst, that there was no leaking or damage caused to your home, and that your principal concern was staying in the home with a frozen pipe.

You also reiterated your concerns noted as follows:

- your belief that water would travel through OSB without showing on the surface or being affected by dehumidifiers
- that water wicked up the pine wall to the outlet
- that Valet left a whole part of the house unsupported for months then 'let it' be transported by Refresh which endangered your roommate
- that there is a cold draught across the floor that is taxing the heat pump
- that there is not a humidity problem causing anything

We reiterated that we would like to investigate these issues by having all the parties attend for a site meeting to review the work that was done and how that could relate to your current issues. You noted you wanted a response to the December 15, 2025 concerns and the documentation

you requested. You were advised that some of that information would need to come from the broker, some is more hypothetical and would be best addressed by the building consultant and/or Refresh, which is why a group meeting is so important. You eventually declined this meeting and ended the call, declaring that it was unfair that we enjoyed our holidays while you were left hanging and unsafe.

We do note again that Gary Kanda called you on December 21, 2025 and you refused to take his calls. You also declined to return his calls to you on January 2, 2025.

With regard to the claim for the frozen pipe with a declared date of loss of December 28, 2025, we note the following:

A claim is triggered by physical loss or damage to property. Without damage to the property, there is no claim. Additional Living Expense coverage is only available when the home is rendered uninhabitable by damage caused by an insured peril. A frozen pipe does not constitute damage to the property.

Should you wish to pursue a claim dated December 28, 2025, our chosen adjuster would attend to attend to assess the physical damage caused by the frozen pipe, confirm that the damage from the pipe rendered the home uninhabitable, and investigate the loss. Loss investigation would include a review of historical temperatures to see when the freezing temperatures started and ended, and if you took steps to mitigate your loss.

Additionally, we note that you specifically related the frozen pipe to the April 8, 2025 loss on the basis that your heat tape was plugged into the circuit that was inoperable as a direct result of the water loss (though the breaker seems to have been in use at the time of the windstorm, as it is noted to have been tripped by the power outage). At the time of the April 8, 2025 loss, there was no ALE coverage on the policy.

We note your second email of Monday, January 5, 2026 in which you outline the challenges with the heating system and advise you require Additional Living Expense coverage or “the concrete measures Agile intends to take to establish that the dwelling is safe and fit for occupancy.”

Again, we reiterate our proposal to have a site meeting with all parties including a building consultant to address the issues, though we have addressed safety in other parts of this letter.

RESPONSE TO EMAIL OF JANUARY 5, 2026 REGARDING JANUARY 2, 2025 CONVERSATION

We also draw attention to your first email of Monday, January 5, 2026 to summarise our conversation of January 2, 2026, and I will also respond to your points *in italics* here:

1. Moisture Readings

That wood moisture readings of approximately 45% are considered “dry,” and that no further drying or remediation is required based on those readings. – *this has been addressed and it is correct, depending on other relevant findings and circumstances, that these readings would be fine.*

2. Drying Timeframe

That it is standard practice to allow water to remain in a structure for approximately one month with no drying efforts or invasive investigation (including opening of wall assemblies), and that this timeframe does not raise concerns regarding secondary damage. – *this has been addressed and, no, we would not choose to have water mitigation delayed but the onus is on the homeowner to engage the appropriate contractors to mitigate their loss while investigation into coverage occurs.*

3. Water Migration

That water migration follows a single path, and that no moisture spread occurred beyond the areas previously addressed, including into adjacent structures or finishes. – *this has been addressed and this is a misrepresentation of our position.*

4. Property Layout and Plans Used for Assessment

That the assessment discussed appeared to rely on an incomplete or incorrect understanding of the home's layout, including the presence of two separate sets of stairs. Please confirm that Agile's assessment and conclusions are being made using the correct and current blueprint or layout of the property, and advise which plans or drawings were relied upon in forming those conclusions. – *in our conversation, you referred to a set of stairs that I initially identified as the other set of stairs. This is hardly a reasonable response to a simple misunderstanding.*

5. Unresolved Concerns

That Agile has concluded no unresolved issues remain, despite not having produced documentation to support that conclusion, including water moisture logs and other records previously requested. – *again, this is a bold misrepresentation of our position as I spent much of the call advocating for a site visit to address your concerns, which may or may not be related to the original loss.*

6. Scope of Proposed Consultant Visit

That the proposed building consultant's site visit would be limited to reviewing the scope and process to date, and would not include invasive investigation (including opening of wall assemblies), electrical assessment, or evaluation of related safety concerns. – *again, a misrepresentation of our position though it is unlikely to include opening wall assemblies or a full electrical assessment.*

7. Electrical Issues

That the electrical issues reported—and confirmed as water damaged—are attributed solely to humidity, despite the presence of a two-fan Lunos HRV system in an approximately 380 sq ft home, and that no electrical inspection is required beyond what has already been performed. – *the starting place is the site meeting and decisions beyond that would be addressed after the findings of the site meeting.*

8. Electrical Inspection Commitment

That Agile does not have documentation supporting the prior commitment made to me regarding an electrical inspection. – *I do not have documentation of a commitment to an electrical inspection.*

9. Structural Crack

That responsibility for identifying and reporting the documented structural crack was described as unclear between Valet Restorations and Scott, and that no structural engineer has been retained to assess this issue to date. Please confirm whether a structural engineer will be engaged to evaluate the crack, and if so, when. – *no, I did not*

say the identifying and reporting roles were unclear, and, for reasons previously explained, an engineer is not deemed warranted at this time.

10. Influence of Property Value on Investigation

That investigative and remediation decisions were influenced by the assessed value of my home, including statements that more extensive investigation would not be pursued because the home was not valued at “a million dollars.” Please confirm whether claim-handling standards, scope, or investigation depth were adjusted based on the insured property’s value. – *no*

PAYMENT SUMMARY:

For your reference, we note the following payments have been made on your claim:

- \$14,670.48 Valet Restorations – Building – Emergency
- \$14,700.00 Stellar Concepts – Building – Rebuild – Deposit
- \$7,238.38 Valet Restorations – Contents – Manipulation
- \$4,045.00 Stellar Concepts – Building – Transport and Final Clean
- \$14,700.00 Stellar Concepts – Building – Rebuild – Final
- \$2,160.35 Elizabeth Johnston – Contents & Building

The payment to yourself is broken down as follows:

- \$1,003.51 fridge including front door delivery
- \$838.88 replacement sofa – noted no answer regarding if delivery was needed for the sofa
- \$200.00 HVAC/mini split cleaning
- \$52.50 Valhalla Kings – fridge move into spot
- \$52.50 Valhalla Kings – old fridge disposal
- \$12.95 Temu slippers

We note that the \$500 deductible remains outstanding.