

## CASE STUDY

# JSTONES WHITEHOUSE RESTAURANT



## Historic Victorian Mansion Devastated

The historic JStones Whitehouse Restaurant suffered significant damage in a nighttime fire in an exterior stairwell. Constructed in 1873 as a beautiful Victorian mansion known as the Kruger-White House, it later operated as the White House Hotel for the better part of the 20th century before being remodeled in the 1980s and turned into a fine-dining establishment. The building is listed on the National Register of Historic Places, which complicated matters because the restaurant could not be rebuilt unless restored to its pre-disaster state and specifications. The claim faced a considerable number of issues.

## KEY ISSUES

- Could the presence of lead and asbestos in the structure's materials be resolved?
- Would meeting ADA requirements for persons with disabilities become a hindrance for a building on the National Register of Historic Places?
- Was the insurance sufficient to cover the replication costs associated with a vintage building?
- What was the extent of damage to the restaurant's other property (equipment, furniture, tablecloths, etc.) due to the asbestos and smoke permeation?
- As a result of the fire, the restaurant never opened for business. Could the owners collect Business Income Loss with their restaurant closed for repairs?



## RESOLUTIONS

- Before any reconstruction could begin, the Adjusters International (AI) team consulted with hazardous removal experts to address the presence of lead and asbestos and arranged for partial remediation and necessary replacement.
- In return for the loss of some parking spaces, the restaurant was able to incorporate ADA-access without compromising the historic building's charm and essence.
- Many of the damaged areas did not meet current code requirements, specifically the ceiling heights. The AI team met with experts in the construction field and reconfigured the building's interior while retaining its intrinsic detail.
- AI's inventory team determined that all soft goods were compromised by asbestos. The team researched and developed replacement costs and arranged for support and documentation. Presented with concrete evidence, the insurance company agreed to cover the replacement cost for the business's personal property in addition to paying for the rebuild.
- Although the restaurant owners had business income coverage, they had no history of income. AI's forensic accounting team developed a projection of what the income should be, which resulted in a recovery of over \$125,000 for the period of interrupted business.



## OUTCOME

Ultimately, Adjusters International proved to be an integral part of the restaurant's recovery process. The owners were able to settle the building, code upgrades, and one hundred percent of their business personal property loss, providing them the funds to rebuild and restore the building, replicating its original grandeur.

