

# AFTER THE FIRE



## REPORT YOUR FIRE

Now that everyone is safe and the firefighters have gone, telephone your insurance agent and/or company and report your fire. As soon as possible follow up this report with a letter to your insurance company and a copy to your insurance agent.

## GET YOUR FAMILY SETTLED

If the house is not livable and if you cannot find a place to stay with family or friends, arrange to rent living space. Insurance contracts are usually structured to pay additional living expenses similar to what an individual had prior to the fire.

## PROTECT YOUR PROPERTY

You must provide "reasonable care" to protect your remaining property in order for your insurance policy to remain in effect. Have the windows and doors boarded up if broken, and cover holes in the roof with plywood and tar paper. If the weather is cold, have all the plumbing shut off and drained. Contact the gas company and have all appliances such as range, hot water heater and furnace checked for safety. Contact a reputable electrician and have all affected electrical equipment and wiring checked for safety and serviceability before reenergizing. If you are charged for any of these services, save your receipts for proof at reimbursement time.



## WHAT ABOUT ODORS?

Sometimes there is a residual *burnt* odor from a small fire. Often, placing small saucers of household vanilla, wine vinegar, or activated charcoal (available at fish supply stores) about your home will help to absorb these odors.

## THE DAMAGE INVENTORY

Itemize everything that has been damaged, room by room. List even the most insignificant items. You are not bound to accept the insurance company adjuster's evaluation. Be as detailed and accurate as you can with your inventory. Cite when you bought the item, what it cost, and what it will cost to replace.

Under many homeowner policies, you are entitled to full replacement for structural damage up to the coverage on your policy, provided your policy was for at least 80 percent of the replacement value of your home.

The best time to prepare for a loss is before it ever happens.

Household inventories are critical and so are pictures, videos, etc. Some people snap photographs of particularly valuable items. It is best to do this on a periodic basis, perhaps every few years. It is advisable to keep the pictures in one place and the negatives in another, such as with a relative, friend, or at the office.

## WHAT IF YOU DISAGREE WITH THE COMPANY'S OFFER?

First, discuss the matter in detail with the adjuster. If you still disagree, turn the offer down and request that the amount of the loss be set by *appraisal*. The cost of the procedure will be borne by both you and the company. Most companies accept the appraiser's decision as binding. If you still are not satisfied, you can sue.

## HOW ABOUT A MORTGAGE?

Be sure to keep up your mortgage payments after the fire unless the lender agrees (in writing) to some other arrangement. If you are a renter, check on your lease agreement to determine the landlord's obligation to provide you with living space.

## HOW ABOUT PAYMENT?

The insurance company will send a check once you have agreed upon and signed the agreement offer. If extensive home repairs must be made, the insurance company may withhold a portion of the settlement until the specific construction is completed. If your home is mortgaged, the settlement check for the structural repairs may be made out to both you and the lender.

## WHAT ABOUT TAXES?

You should keep all records of the final insurance settlement and any other expenses in connection with the fire and go over these items with your tax consultant when filing your income tax return. You should also contact your local tax assessor about a possible adjustment to your local tax bill.

## CASH AND NEGOTIABLES

If burned, handle all cash and negotiables with extreme care and as little as possible. Attempt to encase each piece in stiff plastic in order to salvage as much as possible. Take them to your local bank for advice regarding replacement.