



STEPS TO TAKE AFTER LOSING YOUR HOME TO THE MARSHALL FIRE

The Melton Design Build Team has been remodeling and building new homes in Boulder County since 1993. We're devastated by the losses faced by our community, friends, clients, and trade partners. And we are committed to helping our community rebuild and to be a resource for people navigating this journey throughout the years to come.

The steps below are a meant to be a general guide, but please keep in mind that your personal situation may require something slightly different. Currently, for even more information and one-on-one support the State has set up a Disaster Assistance Center located at 1755 South Public Road in Lafayette, and it is intended to be a one-stop-shop for getting assistance. Representatives from FEMA and local and state agencies are ready to help with housing, employment, insurance, health, and mental health questions. They've also set up an "Insurance Village" with representatives from many of the major insurance carriers available to answer questions and help support the community. There is also an extensive resource from the County, developed by CSU "[After the Disaster Guidebook- Boulder County](#)" that is helpful.

#1 UNDERSTAND YOUR RIGHTS UNDER YOUR HOMEOWNERS INSURANCE PLAN

Before reentering your home or filing a claim with your insurance company, go through your insurance plan. Ensure you fully understand the terms laid out in the plan and how these will apply to your loss. The post "[Insurance Tips for Consumers](#)" from the Colorado Division of Insurance elaborates. CDI recommends that homeowners first "stay safe", then "obtain a complete copy of [their] residential homeowner's insurance policy." This should include the declarations page of their policy. According to the CDI, insurance companies are required by law to provide homeowners with this document for free within three days after the request. Homeowners should focus on three primary elements of their policy. These include how much coverage they have to rebuild or repair, to replace their belongings and to cover living expenses. Never be afraid to ask questions to fully understand your rights as a claimant and as a policyholder in Colorado.

CHECK THE FINE PRINT

In [her article for CNBC](#), (written after the California wildfires) CFP Darla Mercado recommends that homeowners understand the limits of their coverage. They should prepare to file for additional aid if needed. Mercado explains that per their individual policies, homeowners might have to front the bill for additional living expenses -- only to be reimbursed later. However, other homeowners might “be entitled to money up-front for these costs.” In fact, according to the [Colorado DOI](#) “If your home is a total loss, your insurance company should provide you with 30% of the contents coverage listed on your policy without requiring documentation.” Homeowners should also check the fine print of how much an insurer is willing to pay out to replace the home. Darla Mercado writes that a policy “that covers the ‘replacement cost’ of your home will only cover certain builds.” They will “pay out the cost of replacing your damaged home with a similar dwelling in the current market.” Directly after a disaster, materials and labor costs are often higher than in typical times. This makes the cost to replace your home more than the valuation applied by the insurer. Such a situation could place the homeowner on the hook for extra expenses.

The Colorado Division of Insurance also states that it’s important for you to “read your policy to understand what benefits you are entitled to and how to access them. If you have questions on your policy ask your insurance agent or adjuster or contact the Division for assistance.” Additionally, it’s important to understand the terms Actual Cash Value (ACV, the amount the item was worth at the time of loss), Replacement Cost Value (RCV, the amount it costs to replace that item), and depreciation (the difference between ACV and RCV).

BE PREPARED FOR DISAGREEMENTS

Homeowners should also prepare themselves for some push-back from their insurer -- particularly if they own a high-value home. In her article “[Rebuilding Your Home After a Disaster](#)” for *The NYT*, Ronda Kaysen writes that insurers are often reluctant to pay up. Quoting Jeff Blyskal from *Consumer Reports*, Kaysen elaborates. She writes that “the bigger the claim, the more likely you’re going to run into more resistance from the company.” Referencing a 2014 report from *Consumer Reports*, Kaysen notes that those who filed more expensive claims were likely to disagree with the insurer’s valuation. The survey found that of those “who filed claims for \$30,000 or more, 41 percent reported complaints.” The complaints included “disagreements over damages or coverage, delays or slow payouts.” Understanding one’s insurance policy before filing a claim helps combat disagreements that might arise.

The Colorado Division of Insurance is a great resource to reach out to and discuss your specific circumstances and gain assistance if needed. They can help answer insurance questions and help get you on the road to recovery.

<https://doi.colorado.gov/>

#2 START TRACKING EXPENSES RIGHT AWAY

"Save all of your receipts for any money you spend. The receipts may be needed later by the insurance company, and you will need them to prove losses claimed on your tax return."

"After the Fire FA-46 | January 2019," FEMA and the US Fire Administration



No matter how minimal the expense, homeowners should track every cost incurred immediately following "loss of use." Homeowners should keep all receipts -- both in paper form and digitized -- related to lodging, clothing, meals and medical care. They should also record costs for replacing important documents like passports, savings bonds, birth certificates and deeds. Apps like Evernote and Mint can help homeowners both keep track of and share expenses without too much hassle. In his article "[The Best Apps for Managing Receipts in 2022](#)" for *The Bench*, Nick Zarzycki recommends the app, Receipt Bank. Zarzycki prefers the app for its ability to scan paper receipts and load that information into a database. Above all, homeowners should avoid relying on their memory for loss-related expenses.

Those who experience traumatic events -- like the loss of a home -- can be disoriented for long periods of time. This can make them unable to recall events properly or record new memories effectively. [According to the National Institute for the Clinical Application of Behavioral Medicine,](#)

“trauma can shut down episodic memory and fragment the sequence of events.” Homeowners who have just experienced the loss of their home and displacement of their family may experience brain fog. They may also experience other impairments due to the trauma. As such, writing down as many details of each expense as possible at the time each expense is incurred is vital. This helps prevent issues with the insurance company in the future. In addition to documenting expenses, homeowners should be sure to record all communication with their insurance company and adjuster before and after filing. Keeping a journal may also help individuals process the emotional toll of this loss.

#3 RETURN HOME TO ASSESS THE DAMAGE ONCE IT IS DECLARED SAFE TO DO SO BY LOCAL AUTHORITIES

“The more you can document your property losses before the insurance adjuster arrives, the faster the claims-filing process will go.”

Michael Barry from the III, Quoted by Tobie Stanger in "How to File a Homeowners Insurance Claim After a Fire" for *Consumer Reports*



If possible, homeowners should try to assess the damage to their home before an insurance adjuster arrives. [According to Consumer Reports](#), this is because “the more you can document your property losses before the adjuster arrives, the faster the claims-filing process.” However, homeowners should never return home until they have checked with local officials about the safety of doing so.

Upon returning home, [Boulder Office of Emergency Management](#) has several resources about safely returning to your home, and proper safety precautions that should be taken. According to Boulder County Public Health on 1/5/22, “BCPH strongly recommends that residents do not attempt to remove debris or clean-up properties that have been damaged or destroyed and under no

circumstance should residents disturb ash regardless of what personal protective equipment (PPE) they may have. Toxic, cancer-causing substances make recovering belongings dangerous. For more information on how to safely clean up after a fire, visit: <https://www.bouldercounty.org/.../safe-cleanup-after-a-fire/> “

Information about the City of Louisville’s plan for debris removal can be found here: <https://www.louisvilleco.gov/living-in-louisville/residents/marshall-fire>

****Document everything you see with photos and notes.** This is important for people with a total loss of their home, as well as those returning to homes that may have smoke or ash damage.

#4 FILE A CLAIM WITH YOUR INSURANCE COMPANY

"The first step is to get in touch with your insurer or the agent who sold you the homeowners insurance."

Tobie Stanger, "How to File a Homeowners Insurance Claim After a Fire" for *Consumer Reports*



Next, homeowners should file a claim with their insurance company -- preferably with their local agent. In the article “[How to File a Homeowners Insurance Claim After a Fire](#)” for *Consumer Reports*, Tobie Stanger offers advice. Stanger writes that “the first step is to get in touch with your insurer or the agent who sold you the homeowners insurance.” After you contact your insurer, the company will provide an adjuster. The adjuster will travel to your home and “assess the damage” before submitting an estimate for the company to review. Their assessment will determine the value of your home and the compensation you are qualified to receive per the terms of your policy.

When dealing with an adjuster, Stanger suggests first verifying his or her identity because scammers often prey upon victim's post-disaster. If the adjuster's estimates do not match what you expected, seek out additional estimates from an independent contractor. The adjuster assigned to your case might not be familiar with the value of custom additions or other elements of your home.

Before and after photos and video will help establish your claim. The Colorado DOI recommends thinking outside of the box to find/ acquire photos of your home before the loss which can help you begin to build an inventory of the items lost. This includes asking friends and family if they have any photos taken while visiting your home, reviewing holiday and birthday photos/videos, and utilizing online shopping account history information or credit card/bank statements.

#5 APPLY FOR ADDITIONAL ASSISTANCE IF NEEDED

"Most of FEMA's activities can't take place until insurance claims have been filed [but] insurance companies may be able to provide funds for living expenses in the meantime."

Audrey Garces, "FEMA Disaster Assistance in California: How Fire Survivors Can Apply," KQED



Even if you have a robust homeowners insurance policy, you still might need additional financial assistance. For instance, if you live in a community that was severely damaged, it might take a while to process the claim. Governor Polis has declared the Marshall Fire a disaster area and FEMA Assistance has been authorized.

According to the [Boulder County Website](#): "Colorado encourages all individuals impacted by the Marshall Fire to apply for FEMA's [Individual Assistance Program](#). Individuals should first call their

insurance agents and then apply for federal assistance. **If you do not have rental or home insurance, please apply for FEMA assistance.**

Residents and business owners who sustained losses in the designated counties can begin applying for assistance by registering online [here](#) or by calling **1-800-621-FEMA (3362)** or 1-800-462-7585 (TTY) for the hearing and speech impaired.”

According to the Colorado Division of Insurance assistance from FEMA may be able to fill insurance gaps, but only after they have filed a claim. They must either have received no answer or too little compensation. Even after you have received money from your insurance company, you can still apply for FEMA assistance if unmet needs remain.

#6 DECIDE WHETHER YOU WANT TO REBUILD OR RELOCATE

"Unlike hurricane and earthquake mitigation, the science of wildfire mitigation is far more complex and still developing."

VP of State Government Relations at APCA
Mark Sektnan, Quoted by the Associated
Press in "California to develop new rules on
home hardening to lower fire risks" for
KTLA5



Deciding whether to rebuild or relocate can be a complex -- and often frustrating -- process. Homeowners who still owe a mortgage on their home might be unable to take a cash payment from their insurance company. However, when the homeowner does not owe on a mortgage, the insurance company pays the entire settlement amount directly to the owner. As such, if the homeowner prefers to move on after a total loss and purchase a home elsewhere, they can do so. Those who choose to cash out rather than rebuild will likely receive a lesser settlement amount than they otherwise would. When deciding whether to rebuild or relocate, homeowners should consider

continuing -- or increasing -- risk of disaster recurrence. They should also consider how long it will take to rebuild their home and how much will be covered by their policy.

SHOULD I BUY OR REBUILD?

As mentioned above, homeowners who are trying to decide whether to buy or rebuild should consider a number of factors. They should consider the risk of recurrence, think about how their community will recover and account for all costs the build will incur. These costs not only include designing and building the new home, but also cleaning up debris and repairing well systems, sewer access and more.

Due to the COVID-19 pandemic the building industry has faced unprecedented shortages in materials and labor over the past couple of years, which have driven building costs up and has increased the length of time it takes to build. These preexisting conditions will continue to impact the timeliness in which rebuilding is feasible, and the total cost.

Additionally, with limited home inventory in the Boulder County housing market, people may consider purchasing a home that may require some remodeling, and could face similar material and labor availability shortages.

CONSIDER RISK OF RECURRENCE

When considering risk of recurrence, homeowners should keep in mind that Colorado's drought conditions and our changing climate are both major players. The number of communities at severe risk of fire damage is increasing in the state and mitigation of risk is not well-understood. Trying to learn from our west coast friends in California, An [Associated Press article](#) published by KTLA5 quotes VP of State Government Relations at APCIA Mark Sektnan. Sektnan notes that "unlike hurricane and earthquake mitigation, the science of wildfire mitigation is far more complex and still developing." He explains that "we understand what steps need to be taken." However, "we do not yet have a quantifiable understanding of the impact these risk reduction efforts will have."

THINK ABOUT HOW THE COMMUNITY WILL RECOVER

Next, the homeowner should consider how their community will recover from damage wrought by the wildfire that destroyed his or her home. It is likely that other homes, businesses, and infrastructure were either damaged or destroyed by the disaster. Years could pass before all infrastructure has been rebuilt and the local neighborhoods have recovered. Thankfully, all messages

from the State of Colorado and the community have been centered around a commitment to support, rebuild, and restore our beloved communities.

PRIORITIZE PERSONAL SAFETY OVER EXISTING LOCAL LAWS

Homeowners should also consider safety over local laws. Instead of relying on local ordinances to protect them, homeowners should seek expert builders who are beyond the curve. They should ensure that a local design-build firm has the tools and experience to rebuild their home to exceed current safety codes. The firm chosen by a homeowner to rebuild their home should look to the future. It's important to note that often these enhanced safety measures or materials often cost more than what insurance covers, and will add to the homeowners cost to rebuild.

#7 GET A QUOTE FROM YOUR INSURANCE COMPANY FOR THE REBUILD – BE PREPARED TO NEGOTIATE

"The value of home insurance is often higher than the cost of new construction or the purchase price of the home. The reason is the many costs that will come up when a home needs to be rebuilt."

Mila Araujo, "Rebuilding Your Home After an Insurance Claim" for **The Balance**



The appraisal value of your home is unlikely to match the cost to rebuild. In her article "[Rebuilding Your Home After an Insurance Claim](#)" for *The Balance*, Mila Araujo explains why. Araujo writes that "the cost to rebuild a home after major damage is often higher than its market value." This can be due to the high cost of materials to rebuild, "rush labor charges and specialists' fees." Additional costs might include "a temporary home for you and your family, and more." How much your insurance company is willing to pay for the reconstruction of your home depends on what kind of policy you have. Typically, homeowners will hold a Replacement Cost Value policy or an Actual Cash

Value policy. In her article "[Rebuilding Your Home After an Insurance Claim](#)" for [Coverage.com](#), Elizabeth Rivelli explains the difference.

REPLACEMENT COST VALUE OF A FIRE DAMAGED HOUSE

"The Replacement Cost Value (RCV) is the cost of rebuilding your house to the condition it was in before it was destroyed."

Elizabeth Rivelli, "Rebuilding Your Home After an Insurance Claim" for [Coverage.com](#)



Rivelli writes that the **RCV** of a fire damaged home "is the cost of rebuilding your house to [its condition] **before it was destroyed.**" However, the **RCV of your home is not the current real estate market value.** This amount is determined by your home's "square footage and the cost of construction in your area." Extended Replacement Cost and Guaranteed Replacement Cost coverages are often found in RCV policies. An extended replacement cost policy "will pay to rebuild your home to its original condition." They will do so "even if the cost is greater than your dwelling coverage limit, up to a certain amount." Guaranteed replacement cost coverage means "your insurance company will pay to rebuild your home to its original condition." They will pay the amount "regardless of the construction cost, with no limit."

ACTUAL CASH VALUE OF A WILDFIRE DAMAGED HOUSE

"Because an ACV policy factors your home's depreciation into your payout...the insurance company will not pay you to rebuild your home to its original condition."

Elizabeth Rivelli, "Rebuilding Your Home After an Insurance Claim" for [Coverage.com](https://www.coverage.com)



Actual Cash Value policies are often less expensive than RCV policies. However, **they do not consider the original condition of the home before it was fire damaged.** Instead, an ACV policy "factors your home's depreciation into your payout." As such, under an ACV policy, the insurance company will not "pay you to rebuild your home to its original condition." Homeowners with ACV policies should check for an inflation protection clause. These clauses "impact your claim payout based on the current inflation rate in your area." Policyholders without this clause will likely end up with a low payout that does not cover the full cost of a rebuild. Regardless of your policy type, homeowners should keep in mind that certain elements of the rebuild might not be covered. These might include debris removal and custom elements. Additional Coverage clauses might include these aspects of your rebuild.

NEGOTIATING WITH YOUR INSURANCE COMPANY

"Adjusters will offer a settlement that's comfortable for them, that many people accept...even though they are entitled to more."

Amanda Leigh for **Element Homes**



Element Homes' Amanda Leigh has over twelve years of experience helping homeowners recover from the loss of their homes due to wildfires in California. She notes that "adjusters will offer a settlement that's comfortable for them, that many people accept." After such a painful experience, homeowners "just want to move on with their lives, even though they are entitled to more." Leigh explains that the majority of settlements offered by insurance companies "don't include code upgrades." They are also rarely "enough to build the house back to its previous square footage."

Doing research and speaking with local firms about current building costs can help you negotiate with your insurance company.

#8 ARRANGE FOR YOUR LOT TO BE CLEARED OF DEBRIS

"The safe and appropriate removal of household hazardous waste (HHW) and debris [is important because improper disposal] may impact you, the environment, and the general public health."

County of Napa, "Wildfire Debris Clean-up and Rebuilding FAQs"



Before the restoration or construction process can commence after fire damage, the lot must be cleared of debris as soon as possible. Homeowners should not attempt to remove this debris by themselves, choosing instead to hire a licensed contractor for the job, or sign up for support from the city or state. Official's state "the safe and appropriate removal of household hazardous waste and debris and ash" must be conducted by licensed professionals. This is because "the improper handling and disposal of hazardous material may impact you, the environment, and the general public health." Click here to learn more about the official [Boulder County Debris Removal Program](#).

Before a lot is cleared of debris, the county will likely send over a team to conduct a mandatory inspection. Debris removal might also be covered under your homeowner's insurance policy. Homeowners can submit the Right-of-Entry form to Boulder County to secure state and federally subsidized debris removal. The ROE will allow the county to immediately remove imminent hazards from properties, and it will also allow the county to perform soil stabilization work in order to prevent ash from being wind-blown and/or from draining into waterways. "Property owners with destroyed homes choosing not to participate in the debris removal program are also asked to submit the form and designate that they are opting out so that Boulder County can accurately track all properties and ensure that cleanup and remediation efforts proceed efficiently and effectively."

#9 HAVE AN INSPECTOR CHECK THE UTILITIES

"If there is damage to your utilities you will need to secure a repair permit from the Onsite Septic Division."

Design Everest, "A Guide to Rebuilding After a Fire"



If your home completely burned down during a wildfire, an inspector is unlikely to check for structural damage and aesthetic damage. Instead, they must check the utilities surrounding your home especially for septic and well water systems. A Design Everest resource notes after removing debris from a fire damaged property, one must contact an inspector. Homeowners should "contact a Town-licensed septic evaluator to have the system inspected." If a licensed inspector approves, you might be able to "continue to use your existing septic system." However, repairs might be required in order to proceed with the build. If your home does require septic system repairs, "you will need to secure a repair permit." According to the fact sheet "[Addressing the Impacts of Wildfire on Water Resources](#)" by R. Waskom at CSU, "following a wildfire homeowners using a private well system are encouraged to first complete a visual inspection of their system." And depending on the extent of the damage outside of their home near their well should have a licensed technician inspect the system. "Fire damage to ground level and underground structures can lead to well contamination and malfunction of wastewater systems."

#10 RESEARCH EXPERIENCED DESIGN-BUILD FIRMS AND LICENSED CONTRACTORS

"Get a good builder. It's worth the wait and expense to get someone who has a track record of building from scratch."

Roger Magoulas, "What I Wish I Knew After My House Burned Down" for **The Bold Italic**



Make sure that the firm you hire understands updated building codes and are licensed. They must also have experience with disaster resilient design and be aware of recent changes to [building codes in Boulder County](#). The right design-build company will not only understand local laws, but also be able to help you navigate the proper permitting requirements. Unfortunately, scammers and unlicensed builders may try to take advantage of this disaster situation, and it's important to do your due diligence when choosing someone to work with.

EFFECTIVE DESIGN-BUILD FIRMS WILL EXCEED STATE SAFETY REQUIREMENTS & UNDERSTAND NEW BUILDING CODES

Instead of relying on local ordinances to protect them, homeowners should seek expert builders who are beyond the curve. They should ensure that a local design-build firm has the tools and experience to rebuild their home to exceed current safety and energy codes. The firm chosen by a homeowner to rebuild their home should "employ emerging technology to protect the property and its inhabitants." According to the [Boulder County website](#), projects located in [wildfire zone 1](#) (West of the Foothills) exterior building materials are regulated, and materials must meet the wildfire classification requirements. Although this regulation is currently only designated for zone 1, it is possible that these regulations will be applied to zone 2 (City of Boulder, Louisville, Superior, etc.) in the future.

[The BuildSmart Code is Boulder County's updated energy code.](#) Understanding and meeting these code requirements will play into whether you can "get a permit to build." If your builder or architect is unfamiliar with these new rules, they might hire a consultant to help. Working with someone who understands the codes and how to talk with the permitting office about the specifics of your project can help save time and money throughout the design and permitting process.

#11 CHOOSE THE PATH FORWARD THAT'S BEST FOR YOU- Benefits of hiring a design-build firm rather than assembling a team yourself

Homeowners can hire a single design-build team to reconstruct their home rather than assembling a team of contractors and subcontractors on their own. Hiring a single firm is often better and less stressful/time consuming than finding licensed professionals yourself. While hiring everyone on your own allows you flexibility in choosing every element, if unexperienced with construction, trying to fit all the pieces and companies together can lead to issues and additional stress and time. The benefits of design-build include working under a single contract and engaging with a team of experts who already know how to work well together. Design-build firms also provide homeowners with an all-inclusive estimate of the reconstruction of their fire-damaged home (including timeline and budget). Unlike piece meal teams assembled by a homeowner, design-build firms handle each element of the rebuild -- from architectural and interior design and obtaining permits to scheduling additional inspections, quality construction, trade partner coordination, and often also include warranty work after the project is completed (as needed). Finally, it is less likely that the vision you have for your home will be lost because you will communicate with a single team. Given these benefits, working with a design-build firm takes a lot of stress off the homeowner. This is particularly true for homeowners who have recently lost their home to a disaster, and are experiencing enough stress already.

#12 TAKE CARE OF YOURSELF

Throughout this entire process make sure you take moments to check in on your emotional well-being. "The aftermath of a wildfire can include mood swings, sleep disruption, and stress reactions. It



is important to be alert to how you are feeling so that the emotions do not become overwhelming.” (Boulder County). This is in addition to the typical stress experienced by most people when building or renovating a home.

For tips and resources please visit: <https://www.bouldercounty.org/safety/fire/mental-health-after-a-fire/>

If you lost your home in the fire and want to speak with one of our dedicated Marshall Fire Project Developers about your specific situation, questions, and goals please email melton@meltondb.com or call (303)473-9542.