

7 Steps To Take After Suffering A Fire Loss

1 File your claim right away and press the insurance company to act ASAP

Insurance policies require policyholders to file their fire insurance claims as soon as possible. Call your homeowners' insurance agent immediately to get the process started. The insurance company will require you to submit a "**proof of loss** claim". This is the form on which you include all of the items you lost, including their value. Your prompt action is especially important if there were many other homeowners affected by the fire. If you don't act immediately, you could fall to the bottom of the list of policyholders who have fire insurance claims, and it could be a long time before the adjuster reaches you. The following is a list of information to include in your claim.

1. Date of loss
2. Type of loss or damage
3. Location of damage
4. Any related injuries
5. Others involved
6. Condition of the home
7. Description of damaged contents
8. Whether or not temporary repairs are necessary
9. A police report

2. Make a list of everything you've lost and do not throw anything away

You will want to make a list of everything you lost in the fire. This can take some time and reflection from everyone in your household. You want to be sure to start making this list as soon as you can so that you are able to remember to include everything lost by the time you file your fire insurance claim.

Be sure not to throw anything away. It will be easier to prove that you really lost the items on your list if you hold on to them for the insurance adjuster to see. If you throw them away, the insurance company may refuse to compensate you.

3. Ask for an advance against your ultimate fire insurance claim

If you were forced to evacuate due to the dangerous conditions, you may not have grabbed essentials like toiletries or clothes for school and work. Some of these things may have even been completely lost in the fire. Don't panic. Call your insurance company and ask that someone bring a check to wherever you are staying. That way you can go purchase your necessities without having to wait for your ultimate insurance coverage.

Take care of your needs, but be sure to not go overboard. Be practical with what you buy, because the insurance company will refuse to reimburse you for frivolous things. For example, if you need a pair of slacks and a dress shirt for work, don't assume you can head to the most expensive suit place in town.

This advance will be deducted from the total amount you finally

4. Secure your property to mitigate damage

The insurance company will require you to take reasonable care of your property. Call a Restoration Company to secure your property from further damage. If something is a total loss, of course, this is unnecessary. However, where only one section of your home is damaged, be sure to take proactive measures in preventing further damage. Insurance companies call this "mitigating damage," which just means reducing the amount of damage. Ways to mitigate damages include Covering holes in the walls and roof to protect from the elements Boarding up or building a fence to prevent looters Smoldering all embers Moving property that is at risk of further damage (for example, moving the unharmed television out from underneath the hole in the ceiling).

5. Keep track of your living expenses

Your insurance policy includes a clause called "loss of use," which means that the insurance company reimburses you for your living expenses while displaced from your damaged home. Note, however, that you are only entitled to the difference between what it costs you while displaced and what it was costing you in your home. For example, if your monthly living expenses are \$4,000 per month, but now you are having to add hotel stays, restaurant meals, laundry expenses, and extra gas for your car, totaling an additional \$1,000, your insurance company will only reimburse you the extra \$1,000 per month.

Many people decide to stay with family members or friends instead of at a hotel. Sometimes, the insurance company will reimburse your hosts for the additional costs of your stay. Ask your host to itemize the additional costs. Take extra care to be reasonable and not frivolous, and be patient with your insurance company should they want to negotiate with you for this cost. Politely remind the company that you are saving the company a great amount of money in hotel and restaurant expenses by staying with loved ones.

6. Get the right repair estimates and keep receipts and documentation to everything

Filing fire insurance claims enables you to repair or even rebuild your damaged home. "Actual cash value" policies entitled you to the amount it would take to return your home, including its contents, to its pre-fire fair market value.

"Replacement" policies entitled you to the amount it would take to replace the home and its contents, regardless of the value of what you lost. "Replacement" coverage does not require you to actually rebuild your home on the exact same lot. You can choose where you want to rebuild. So, long as it is the same value as your old lot, your insurance covers it. Of course, if you move to where property is more expensive, you will end up paying the difference. If you decide not to rebuild, but to invest the money in something completely unrelated, like a business or college fund, the "replacement" policy will become an "actual cash value" policy, providing you with about 15% less.

The insurance company will require an estimate of the fair market value or cost of replacement of damaged property before the fire. Insurance companies will send out their own adjusters, but remember that these folks work for the insurance company and so will make decisions in the insurance company's best interest, not yours. You do not have to accept the numbers that they throw at you, so it could be best for you to hire your own independent estimator or contractor. The estimator or contractor you hire is being paid by you and therefore is looking out for your best interest, not that of the insurance company. Do not accept any amount from the insurance

company unless you are certain it is what a buyer would have paid for your home and its contents just before the fire.

Be sure to be picky when choosing a contractor. Choose one who is not only good and experienced in building, but also is experienced in how insurance companies handle issues. Before you agree to commence any work, be sure that you and the insurance company are in agreement regarding the scope of the work to be done.

7. Keep paying your insurance premiums

Many people make the error of discontinuing their insurance premiums once they've filed fire insurance claims. This is a huge mistake. Your homeowners' insurance includes liability protection for your home, including pets. So, if Spot, upset by the disaster and sad demeanor of the household, chews up your expensive sofa, you're covered. If you stop paying your premiums, the destruction from Spot's puppy aggression will not be covered.

Also, remember to give your insurance agent the new address of where you're staying and have that added to your liability coverage. To reduce your premiums, you can also ask that the section of the policy that covers the structure of your home be cut back, in the case that your home was a total loss. Just be sure to adjust this after your new home is built.