FAQ for Homeowners Affected by the Eaton Wildfire #AltadenaStrong

Based off of conversations with folks who've had experience with wildfires, as well as some wise wisdom from fellow Altadenans

- *Leave a COMMENT if you'd like for me to add any additional suggestions, or if there's more nuance to any of the suggestions below. - Andrew King (Bellaire Drive)*
- *I'll continue to add more information as I read through the different Altadena threads and get information from colleagues, experts, and friends. Feel free to add comments if you have additional suggestions.*
- *Happy to chat with anyone via Facebook or to set up a call just to discuss what I've learned if that's helpful to you. I lost my home too, and have just been absorbing myself in all this nonsense. But if I can help answer questions, I'd be happy to. There's also a lot of folks going through this, so I'm sure the Altadena Brain Trust Collective can get all the answers.*

General Information

1. **General Links**
    a. Eaton Canyon Community Relief Resources
    b. FEMA ← apply for disaster relief
        i. Please note: if FEMA denied your claim, they suggest you reapply. There was a glitch, but noted that it was fixed.
        ii. Additionally, not a lawyer, but our understanding is that GoFundMe will not prevent you from accessing FEMA funds (whether that's a small or big amount is unclear). But, you should disclose all gifts provided by GoFundMe if/when prompted. Concealing those gifts may be considered fraud.
        iii. The thing to keep in mind is FEMA cannot pay for things wherein gifts were specifically allocated for. So, if you have a Rebuild Fund, then FEMA cannot double dip here. However, your GoFundMe could be used for 1) living expenses during your temporary relocation, 2) mental health grace like a vacation, or 3) covering the costs NOT covered by insurance and FEMA when rebuilding or refurnishing your home.
    c. Compiled list of available resources
        i. More housing links
            1. Dena Housing Guide
            2. [The Kindness Hub] LA RESOURCE AID TRACKER: January 2025
    d. 211 and AirBNB → i've heard that this has not been helpful, and that they've run out of vouchers, but still call if you're in need.
    e. IRS Tax deadlines have been pushed to October 15, 2025 (link)
    f. Eaton Canyon Fire Updates Daily at 4pm here
        i. https://www.youtube.com/@LosAngelesCountyFD
    g. Altadena Town Council
        i. Link to Community Meetings

1. **Is it better to have a total loss or partial loss of my home?**
   While it may seem counterintuitive, a total loss can make the claims process simpler. Partial loss claims often involve more complexities with repairs, inspections, and additional back-and-forth with adjusters.
2. **Seek out your next temporary residence ASAP.**

    a. There's going to be a rush on rentals. You should consider looking into those by going to apartment websites (apartments.com, hotpads) or ask your realtor to help.
    b. List of Properties that was shared (not sure how frequently updated it is) https://www.compass.com/c/torih/la-leases-jan-10-2025?agent_id=567849a72fb5206875d588b2
    c. If you don't have a realtor, consider getting one to help you have temporary housing. Often times, if your realtor knows the other realtor, it'll help.
3. **Take some time for yourself. It's okay to not be okay. It's okay to cry. When you're not busy with all the things.**
    a. Pro bono therapy sessions available HERE

So what's next?

1. It is recommended to start a GOFUNDME or a request for help.
    a. People want to support and in the end this will help quite a bit. It took some friends to convince me that it was okay to ask for help, especially given the circumstances. People want to help. If you wait too long, support will dwindle.
    b. Having a list of things gives folks an opportunity to give. Determine what you're okay with being gently-used versus things you'd prefer new.
    c. IF you're not sure what you need, you can also go through your previous purchases through Amazon or Target or other services that may save your purchase history. You can add these to a wish list or registry.
    d. Remember, you have friends and family who want to give at different levels and different ways. Some want to give items for kids, others more practical, and even more just cash to let you decide.
2. **Seek out your next temporary residence ASAP.**
    a. There's going to be a rush on rentals. You should consider looking into those by going to apartment websites (apartments.com, hotpads) or ask your realtor to help.
    b. Be sure that it falls within the requirements of the Home Insurance Loss of Use Policy. Even if you haven't finalized this with insurance yet, you can start looking and getting leads and submitting applications.
3. **Take screenshots of your property from zillow and redfin NOW to lock in the value of your home.**
4. **Track your insurance proceeds through a separate account. It makes tracking it easier, or you can take meticulous notes if that's your style**.
5. **Scan all receipts** digitally.
    a. Apps like Genius Scan are good options, or just a simple photo. Consider creating a photo album for your receipts on your phone.
6. Check our the United Policyholders' website at www.uphelp.org. Here's the specific link to 2025 California Wildfires: https://uphelp.org/disaster-recovery-help/2025cawildfires/
    a. This looks like a very comprehensive document built on the experiences of others in our situation. Its more than what I have here, and is a great read when you have more time.
7. **Request a forbearance on your mortgage (and additional future rebuild info)**
    a. This may change depending on your mortgage company, but here's what CMG Home Loans shared with me
        i. **Forbearance**
            1. You can request forbearance for 3 months at a time, and extend for an additional 3 months.

2. You will not incur late fees, face foreclosure, or hurt your credit. You may still receive collection calls (which is dumb).
3. Note: the forbeared payments WILL NOT accrue additional interest. Just the standard interest.
4. After the end of your forbearance, a couple things can happen:
    a. You can pay the forbeared sum in full at the end of your requested forbearance
    b. You can request to defer that sum (up to 6 months). This WILL NOT accrue additional interest.
    c. If you refinance, this will include the forbearance sum.
5. They will continue to pay your tax and insurance as part of their usual duties whenever they collect on your escrow account. However, if the escrow accounts end up being less than what is owed, they'll charge you the difference at the end of forbearance.
    a. If your property tax basis changes, they'll lower your monthly.
6. The downside of forbearance:
    a. If in 6-12 months, you're in a different financial situation, and you're unable to pay the forbeared loan amount (which could be a lump sum of 6 months), it will impact your credit, etc.

ii. **Loan Flex Modification**

1. If your mortgage offers this, you can request a loan modification that could lower your monthly payments, KEEP your interest rate, BUT extend the life of your loan. For example, if you had $4000 monthly payment, and had 20 years left on your loan, you could theoretically reduce the payment to $3500 but extend the loan to a 30 year repayment, while keeping your interest rate. NOW - if the interest is lower now than it was before, they will likely lower the interest. It was noted that it rarely happens that they would INCREASE your interest rate. So talk to your mortgage company.

iii. **Additional Info on how insurance and rebuilding may work**

iv. They will reach out to your insurance to confirm if the home is a total loss, as well as whether you have sufficent coverage.

v. If you choose to rebuild, the insurance will likely cut TWO checks:

1. The following is based on conversations with AAA (insurance) and CMG (Mortgage):
    a. You may receive 1 or 2 checks
        i. One for personal property
        ii. One for dwelling
        iii. Or you might receive all in ONE check
    b. Your dwelling settlement claim will be endorsed to you AND your mortgage company
        i. Your mortgage company will likely request that you endorse the check and send it over to them
        ii. They **SHOULD** place your mortgage balance in an Escrow Account (that should earn interest per CA legislation)
        iii. Any overages **SHOULD** be sent back to you
            1. E.g. If your insurance settlement is $500,000, and you owe $100,000 on your mortgage, your mortgage company will keep $100,000 in escrow, and send you check for $400,000 as the overage

2. What do you do with that money?
    a. Start paying contractors
    b. Pay of other debts
    c. Invest it
        i. nvest some of it in a CD or something while you're waiting to pay your contractors. You likely won't have work started in your home for a year or two anyway. So if you get a $400k settlement, let's say. Even if you save $200k for coming rebuild expenses (deposits, retainers, etc), you can put the remaining $200k in a CD at 4%. That's going to be $8,000 in one year. That's not othing. So think about it!

b. How do you access funds for your rebuild from the insurance escrow?

i. You should receive 33% advance to begin your rebuild.
ii. At around the 25% completion of work phase, the mortgage company will send inspectors. Depending on the progress made on the project, they will disburse the next percentage of funds. For example, if you are at 50% completion, they will release the next 17% of funds. If you're at 66%, they'll release 33% of funds.
iii. Around the 90-95%, usually with a certificate of occupancy, they will release the remaining funds to you

c. I'm unclear as to what happens if we choose NOT to rebuild. If you know, please let me know.

8. Cancel your utilities

a. Stop/Transfer Services (most of these need to happen during their business hours)
    i. Water,
        1. Lincoln Water Company automatically shut off water. You have to call to restart.
    ii. Gas,
    iii. Electrical
        1. For SCE: call 1800-250-7339
            a. This is to ensure that you put your home on disaster relief notification. It has implications for restarting service and locking in NEM rates if you have solar.
    iv. Trash
        1. 800-631-7016
    v. Internet, TV, Phone
b. Cancel/freeze subscriptions
    i. Magazines
    ii. Monthly/weekly subscriptions
    iii. Streaming
    iv. Security monitoring
    v. Gym
c. Contact USPS to hold mail or forward
    i. Mail is currently being rerouted to USPS Distribution Center at 600 Lincoln
    ii. Reroute deliveries
    iii. If you're going to get a PO Box, you're going to need multiple forms of ID.

9. Lower your property tax base (temporarily)

a. You can request to have your property appraised and lower your tax basis while your home is being rebuilt. It will be reappraised when you've rebuilt. To qualify, you must file an Application for Reassessment: Property Damaged or Destroyed by Misfortune or Calamity (ADS-820) with the Assessor's Office within 12 months from the date the property was damaged or destroyed. The loss must exceed $10,000 of current market value.

i. You can estimate your losses, and so long as it is over $10,000, you can submit.
ii. **LINK to website:** https://assessor.lacounty.gov/tax-relief/disaster-relief

b. Application is here: https://res.cloudinary.com/los-angeles-county-assessor/image/upload/v1621576735/Form/ADS-820.2.pdf

c. So what will likely happen?

i. The tax collector will reimburse us the 2nd installment of our taxes and reassess our property for taxes on the land only, not the building. The public adjuster says right now, the insurance companies are advancing money to us and they will forward 30% of our personal property limit and 4 months loss of use from our insurance policy no inventory necessary. Some insurance companies are doing higher % so call your insurance company and inquire. He said to grab all the money and resources that you can now.

Understanding Your Insurance Policy

1. **Get a CERTIFIED copy of your insurance policy (not just the declaration page) and be sure to get everything in writing. Follow-up any conversations with an email summary**.
2. **What do the different elements of my insurance policy mean?**
    - **Dwelling Coverage**
      This covers the cost of repairing or rebuilding your home, including the structure itself (e.g., walls, roof, and floors).
    - **Other Structures**
      This covers structures on your property not attached to your home, such as a detached garage, fences, or sheds.
    - **Unscheduled Personal Property**
      This covers personal belongings like furniture, clothing, electronics, or items taken offsite (e.g., luggage). Be prepared to itemize everything for reimbursement and provide receipts if possible.
    - **Loss of Use**
      This covers additional living expenses if you cannot live in your home, such as rent, hotel stays, and increased food or utility costs.
3. **Can I speed up the process in any way?**
    - Be organized and send receipts (See below) to your adjusters regularly. You do not need to send them all at the end. Biweekly,monthly - whatever works for you.
    - Organize all of your files into digital folders that you can easily email if possible. Save all communications and link with folder names by date
    - If you have a copy of your floor plan and lay out, send that to your adjuster. That will put you at the front of the line. Otherwise, they will have to request it from the county.

Claims Process & Tips

3. **What should I know about <u>Loss of Use</u> coverage?**
    - This covers temporary housing costs, including rent, utilities, and furnishings.
        i. This also includes more mileage since you're likely driving all over the place.

        ii. You **may** be asked for receipts, so save those. Some folks may rent furniture, but be mindful of how long you think you'll be renting your space, and how long you'll burn through your funds. You're limited to your loss of use coverage.
    - Determine how long your coverage will last by dividing your **Loss of Use cap** by your estimated monthly expenses.
    - There is no time limit for use.
    - Some insurers work with third-party vendors (e.g., for rental accommodations or short-term housing like Airbnb or VRBO).
        i. **AAA offers a 10-day digital advance** to cover immediate costs like hotel stays. If your expenses exceed this, **keep your receipts** for reimbursement.
        ii. You should also be receiving 30% (of your Personal Personal Property Coverage) to help furnish your housing. Please note, this 30% will be coming from your Loss of Use coverage portion.
4. **What happens to my mortgage and insurance payments?**
    - You will still need to pay your mortgage and homeowner's insurance even if your home is destroyed.
    - Contact your mortgage lender to request a moratorium or grace period if needed.

Adjuster and Payout Information

6. **What can I expect during the adjuster and claims process?**
    - **Internal Adjuster**: The initial adjuster assigned by your insurance company will assess the damages.
    - **External Field Adjuster**: They'll provide a more detailed valuation.
    - **Second Adjuster**: Often provides a lower estimate; it's your responsibility to **maximize the value** by providing accurate and detailed information.
    - Be sure you have a copy of your **declaration page** to understand your full policy, including ordinance/law coverage. Older homes (50–80 years) may qualify for additional funds to bring them up to modern codes.
7. **Should you hire a public adjuster?**
    - It's hard to say. Given the devastation, you might have adjusters that are focusing on the number of clients vs. maximizing each individual claim. You might individually lose out since they won't be able to prioritize all of their clients.
        - If you are detail-oriented and think that you can itemize all your items to get **ABOVE** your unscheduled personal property coverage limit, you could probably build out a spreadsheet yourself. It will take a lot of time but it may be worth it.
        - If you don't have the time, a public adjuster could be helpful. They may charge anywhere from 3-10% (negotiable) of whatever your personal property coverage is.
            1. Ask your friends for referrals
8. **How do I maximize my payout for personal property?**
    - This pays for all your stuff. Imagine if you took the roof off your house, turned your home upside down, and then shook. All the things that fall out are covered by this policy.
    - Now - they may just pay out your limit. If so, congratulations. If not, read below:
    - You'll want an itemized list that values your assets as far above your coverage as possible since they'll likely factor in depreciation. It was suggested that 30% above would be a good target if you can.

        - I really like State Farm's Personal Property Templates. They are details AND they are a good reminder of items that you might forget. HOWEVER, there's doesn't include a dollar value, which I strongly recommend you include.
        - Don't skimp on the details - a lot of folks miss out on ⅓ of their coverage due to undervaluing or underlisting items. List EVERYTHING.
            1. Everything in your nightstand. That junk drawer? Document it. A box of paperclips. Furniture, appliances, clothing, dishes, tools, toys, loofahs, toothpaste, etc
        - Highlight every premium feature of your home. Example:
            1. **"Soft-close drawers with easy-release latches"** instead of just "drawers."
            2. **"Built-in counter-depth dishwasher with matching wooden panel"** instead of just "dishwasher."
            3. If you use expensive brands, CITE THOSE.
            4. Consider "Like Kind and Quality" in your lists
            5. When valuing your items, do your research. It is not in the interest of the insurance to give you a high value. That's YOUR job.
        - When building your spreadsheet, be as specific as possible.
            1. Be thorough, as every detail increases the payout for rebuilding or replacing.
            2. It's recommended that you go room by room. If you have photos or videos, that may help joy your memory. Don't skimp on the details. Every item has a dollar value and you're looking to maximize your claim.
            3. You are likely NOT required to show receipts for your purchases (because they burned in the fire), but they may ask for some evidence: photos, videos, etc. A receipt could help if you have it, but you're not required to have it.
        - Regardless of whether you intend to rebuild or buy, it is recommended to tell your insurer that you are going to rebuild.
            1. You can now use your full insurance coverage, including extended replacement coverage and code upgrade coverage, to put towards buying a new home if you're not up for rebuilding. You can now combine all your coverages to rebuild if you need to.
9. **How do I maximize the dwelling portion i.e. how do i get paid for my house?**
    - This pays for everything attached to your house. Walls, cabinets, floors, windows, etc.
    - They will likely determine the cost of construction per square footage and multiply that by the square footage of your home.
        - Estimated residential construction cost for 91001: $200-400 (source)
            1. Construction cost (sqft x cost) range: $370,800-$741600
    - Some do NOT recommend bringing in a contractor at this stage to estimate your cost.
        - Here's why: it's generally a conflict of interest for them. They are in a position to know how much your payout is, which leaves you no room for negotiation. It is also in their interest to recommend a lower cost to rebuild because they want your business. However, this may result in not maximizing your coverage payout. Additionally, they may incorrectly forecast the increased costs of construction. As such, negotiated with your insurance company FIRST. THEN, bring in a contractor afterwards so that you hold all the cards with regards to your finances.
    - Provide any invoices you can regarding upgrades and updates. Highlight any high-end finishes or high-end features that may be hidden (upgraded HVAC, solar panels, attic fan, heated floors, etc.)
10. **What happens after the rebuild price is determined?**
    - Your insurance will issue a check based on the rebuild value.

- You can use the funds to rebuild, purchase a new home, or sell the land and relocate.
  - Ask your friends for referrals for architects, designers, etc.
- If you choose to rebuild, additional insurance coverage may be available to protect construction materials and the site.

Additional Resources

9. **What are some services I should know about?**
   - **CalRecycle Debris Removal**: FEMA will offer to handle debris removal and bill your insurance. If your policy limit is exceeded, they will continue debris removal at no cost to you.
     i. You should ABSOLUTELY accept this offer.
     ii. Here is the most recent information regarding Debris Removal:
       1. FEMA and EPA will conduct the initial debris removal and hazardous waste
       2. You will need to submit the Right of Entry (ROE) for the next phase of debris removal, or you will have to privately contract that yourself.
       3. There is a benefit to having your neighbors agree to ROE to quicken the process.
   - **Rental Accommodations**: Consider accommodations that justify increased costs (e.g., a higher-end hotel like The Langham) if local hotels are in high demand. Insurers are likely to approve reasonable expenses.
10. **What happens if my expenses exceed my insurance allotment?**
   - **Keep receipts.** Insurers often reimburse reasonable overages, especially if justified by market conditions (e.g., higher hotel rates due to demand). This may still come out of your Loss of Use or Personal Property Coverage Claim.
11. **Should I rebuild**? The following is a summary of what was shared by an Altadena Realtor whose home also suffered damages in the Eaton Fire. It discusses pros and cons:
   - **Key Factors Driving Property Value Recovery Post-Disaster**
     i. **Rebuilt Homes with Higher Standards:** Modernized homes are often safer, energy-efficient, and more desirable due to updated safety standards and amenities.
     ii. **Improved Infrastructure:** Rebuilding efforts frequently enhance local transportation, retail, and walkability.
     iii. **Limited Housing Supply:** With California's ongoing housing crisis, demand in desirable areas remains strong, driving appreciation.
     iv. **Smart Features in New Homes:** Buyers are drawn to homes with modern technologies and sustainable designs.
     v. **Long-term Appreciation:** Southern California's economic resilience and housing market trends favor recovery and growth over time.
   - **Challenges to Consider**
     i. **Insurance Costs and Availability:**
       1. Higher premiums and stricter requirements in wildfire-prone areas.
       2. WUI-related mandates (e.g., home hardening, defensible space) add to rebuilding complexity.
     ii. **Perception of Risk:**
       1. Some buyers may be hesitant to invest in previously affected areas due to perceived vulnerability.
     iii. **Economic Uncertainty:**
       1. Prolonged rebuilding timelines can deter businesses, potentially impacting local economic vitality.

iv. **Rebuild Timeframe:**
    1. The experience of Paradise (Camp Fire) shows how delays, regulatory hurdles, and labor shortages can extend rebuilding timelines significantly.
    2. A 7-year recovery timeline highlights the importance of patience and perseverance.

- **Considerations for Rebuilding**
    1. **Plan for Resilience:** Incorporate fire-hardening techniques (e.g., gravel defensible space, fire-resistant materials) and explore grants or incentives for WUI compliance.
    2. **Understand Insurance Challenges:** Partner with knowledgeable agents to navigate coverage requirements and ensure your rebuild meets insurability standards.
    3. **Embrace the Long-Term Vision:** Despite delays and challenges, rebuilding offers the opportunity to design a home tailored to your needs and aligned with modern safety and environmental standards.
    4. **Stay Connected to the Community:** Engage in local rebuilding efforts to influence infrastructure improvements and maintain Altadena's unique character.

Updates from Eaton Fire Press Conference 1/10: Eaton Fire - Community Meeting 1.10.25

- Evacuation orders have begun being lifted and you can find that at the link below
    - https://protect.genasys.com
- There is a curfew in place for evacuation zones
- There is county initiative to begin a repopulation of Altadena
- Tree cleaning starts Monday
    - But not from private property, just public right of way
- An LA County Mobile Public Works site will be established in Altadena to focus on rebuilding
- Expedited plan check and reduced fees for folks who want to rebuild
- FEMA rejection is a glitch. Applicants should reapply.
- LA County will notify homeowners about signing up for debris removal and toxic cleanup
- Water is still unsafe to drink for most. You can bathe, but not drink.
    - Water distribution at Lake and Villa St (8am-5pm)
    - waterford.lacounty.gov
- Town Meetings will continue to be hosted at www.altadenatowncouncil.org