

# Fire Damages Brand New Home

After the COVID-19 pandemic delayed their wedding, a young couple was thrilled to purchase a brand new, 2,600 sq. ft. house in Royal Oak, Michigan, and start their life together. After only two months in their new home, their lives were upended by an electrical fire.

The blaze started on the exterior, ignited the porch overhang, spread to the garden mulch and burned through to the interior of the house resulting in extensive fire and smoke damage.

The couple felt uneasy with the insurance company when their claim adjuster recommended cleaning instead of replacement for most of the affected areas. The two-story home was brand-new construction and the couple naturally wanted to remove all damage to restore it to brand-new condition.



## ISSUES

**The adjuster and consultants for the homeowners' insurance company suggested that most areas not affected by direct flame could be cleaned as opposed to replaced.** Smoke and other potentially harmful particulates in the home were present in many areas and on all surfaces. The couple was concerned about hazardous conditions that may exist long after the insurance claim had been paid.

**The insurance company refused to address the smoke damage present within the walls throughout the entire property** and only wanted to focus on the most obvious and severely damaged areas.

After a fire, odor from smoke can emanate from wall and ceiling cavities through outlet covers, wall and ceiling fixtures, heat registers, and cold air returns. Weather changes, especially conditions of increased heat and humidity, trigger and exacerbate odors.

The insurance company refused to extend the insurance policy-imposed deadlines for the claim submission date and repairs/replacement, stating repairs must be made within 180 days of the loss. The fire occurred in March, during the COVID-19 pandemic and the couple did not contact Globe Midwest/Adjusters International until April. In addition, the insurance company was slow to respond, and the pandemic caused significant delays but the insurance provider did not want to issue any deadline extensions.



## SOLUTIONS

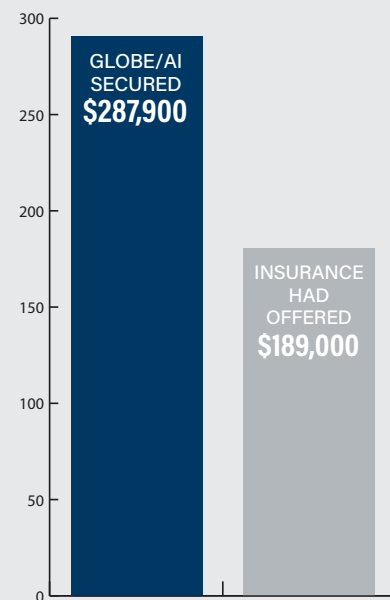
Globe Midwest/Adjusters International (Globe/AI) challenged the insurance company's position, hiring an industrial hygienist to assess the fire and smoke damage. This expert helped Globe/AI document smoke damage within the wall and ceiling cavities. The recommended and necessary course of action was to remove all wall and ceiling materials down to the framing for proper remediation. Globe/AI pointed out that the couple's insurance policy stated that the intent is to restore the insured property to its condition before the incident occurred ("pre-loss condition").

Globe/AI prepared and submitted the property damage claim in a timely fashion. Since our experts were able to provide meticulous records of correspondence to document the insurance company's delays, a 180-day extension for property repair and replacement was secured.

The couple was able to make sufficient repairs and replace all of their personal property allowing them to restart their lives together with the clean, smoke-free home to which they were entitled.

## OUTCOME

**Globe Midwest/Adjusters International negotiated a 52% increase in the settlement originally offered by the insurance company. The initial offer was \$189,000, and Globe/AI secured a final settlement of \$287,900.**



**GLOBE/AI SECURED 52% MORE THAN THE INSURANCE COMPANY OFFERED.**