

## Report From State Division of Insurance Details Extent of Underinsurance in Marshall Fire

Since the devastating Marshall Fire last December in Boulder County, many homeowners may have contacted their insurers to see whether they might be under-insured, meaning that their homeowner's policy does not cover the full cost of repair or replacement of their home should a similar disaster strike.

You may be interested to read the following April 26 release from the Colorado Division of Insurance containing initial estimates of the extent to which the homes destroyed in that fire were underinsured.

Here are the relevant paragraphs from that DOI release, omitting the charts referenced, which you can see on the division's website:

Of the 951 total loss claims analyzed, 76 homes had guaranteed replacement coverage, meaning that the insurance policy on these homes provides coverage for replacement of the home with similar quality, square footage, finishes, etc. without a cap — meaning under-insurance is not a problem for these homes. These 76 homes represent 8% of the homes in the analysis.

Determining the extent of the underinsurance issue is largely dependent on the anticipated rebuilding costs. The Division analyzed under-insurance using various rebuilding costs — \$250, \$300 and \$350 per square foot. Of the 951 policies, here is the breakdown for how many are

*underinsured. [Chart omitted—see it on DOI's website.] Note that these policies that are underinsured include both policies that have extended benefits coverage, meaning coverage that provides some additional coverage if rebuilding costs exceed policy limits (83% of policies), and policies without such extended coverage (9% of policies).*

- ◆ At a rebuild cost of \$250 per square foot, a total of 344 (36%) policies are underinsured.
- ◆ At \$300 per square foot, 523 (55%) policies are underinsured.
- ◆ At \$350 per square foot, 639 (67%) are underinsured.

*The DOI also calculated the average amount of underinsurance per policy, using the same rebuilding costs of \$250, \$300 and \$350 per square foot.*

- ◆ At \$250 per square foot, for the 344 policies, the average amount of underinsurance per policy is estimated at \$98,967.
- ◆ At \$300 per square foot, for the 523 policies, the average amount of underinsurance per policy is estimated at \$164,855.
- ◆ At \$350 per square foot, for the 639 policies, the average amount of underinsurance per policy is estimated at \$242,670.

*The DOI will hold a town hall the week of May 16th to discuss this data and any other next steps that have been identified for assistance. As soon as a date and time are decided, information about the town hall will be posted on the Division's Marshall Fire Response website, and information will be sent to the Division's Marshall Fire email list.*

I checked the Division of Insurance's website, and it did not yet have information on when that town hall will take place. You can check it yourself in coming days at <http://doi.colorado.gov>.

I was disappointed that the report didn't clarify why it was providing estimates based on those three different price-per-square-foot rebuilding costs, without mentioning why

an insurer would use one or the other and why different insurers might use different cost figures for homes that were, for the most part, tract homes built to the same quality by the same builder or builders.

Consult your own insurance agent to see whether your policy contains "guaranteed replacement coverage" or if it could be added.

## DMAR Creates an App for Realtors & Homeowners

The Denver Metro Association of Realtors (DMAR) just released a new app called the **DMAR Home Kit**. Download it free from the App Store or on Google Play..

We downloaded it, and you'll find it useful, especially for finding vendors in multiple trades, plus discounts from some of them. Since Golden Real Estate's own service provider app vendor went out of business, I find this a good substitute.

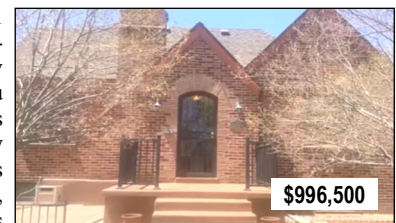
You can search for vendors by key word. For example, I entered "fireplace," "sewer" and "mortgage" and found vendors that I would recommend myself. What each vendor

has in common is that they are dues-paying affiliate members of the Realtor association, which is a good measure of business ethics and responsibility. They won't disappoint you because they want to maintain a good reputation among Realtor members. There were no vendors under "heat pump" or "electrician," but maybe the existence of this app will encourage one or more of them to become affiliate members of DMAR. I recommend it!

The app also provides access to the association's statistical reports. You can search statistics by individual city or county. Download and play with it!

## Just Listed: 1939 Tudor in Denver's Mayfair

This 1939 brick Tudor at **1301 Glencoe Street** was built by a neighborhood builder for his own family and it has many unique features. You have a rare opportunity to own this very special home since this is only the third time in 65 years that it has been offered for sale. (I know it well, since I lived two blocks from this house in the 1990s.) You'll love the vaulted ceiling in the living room and the beautiful main level hardwood floors. What sets this home apart from other Tudors in this area is its deceptive size: 4,030 total square feet (3,526 finished). An extra large master suite with built-ins and private bath, 2 additional bedrooms and a 2nd full bath are on the first floor. Two non-conforming bedrooms, full bath, large family room and a huge workshop are on the lower level. Flexible room layouts are ideal for a home office (or two) or a hobby room. A detached garage is accessed from 13th Avenue. On a price-per-square-foot basis this home comps out well above \$1.1 million, but the seller chose to price it to sell quickly. A broker-only open house will be held on Friday so ask your broker to attend or call Jim Smith to set a private showing. Also, the narrated video tour at [www.MayfairHome.site](http://www.MayfairHome.site) is like a showing by Jim Smith. Watch it before calling for an in-person showing.



## Morrison 2-Story Just Listed by Ty Scrable

This home at **4839 S. Coors Ct.** has it all! This corner lot gem welcomes you into the home with hardwood floors, custom window coverings and 10-foot ceilings. You will find the living room and custom kitchen of your dreams, featuring high-end Kitchen Aid appliances with floor to ceiling cabinets. A covered deck is off the kitchen and a backyard that has been professionally landscaped. The yard was carefully planned to include an aspen grove, apple trees and custom masonry. Upstairs you will find four bedrooms and another living area. Three of the bedrooms, including the primary suite, have west-facing mountain views. The basement is unfinished and ready for your personal touch. Built in 2014, this home is in the perfect location for easy access to Red Rocks and Golden. Hwy. 285, C-470 and I-70 provide easy access to the mountains. Photos and video tour are at [www.MorrisonHome.info](http://www.MorrisonHome.info). Then call your agent or Ty Scrable at 720-281-6783 for a showing. Open house will be Saturday, May 14th, 11 am to 2 pm.



Every element of this ad is also posted at [GoldenREblog.com](http://GoldenREblog.com)

### Jim Smith

Broker/Owner, 303-525-1851  
[Jim@GoldenRealEstate.com](mailto:Jim@GoldenRealEstate.com)  
 1214 Washington Ave., Golden 80401

Broker Associates:

JIM SWANSON, 303-929-2727  
 CHUCK BROWN, 303-885-7855  
 DAVID DLUGASCH, 303-908-4835  
 TY SCRABLE, 720-281-6783  
 ANAPaula SCHOck, 303-917-1749

