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CBS Sacramento

GRIZZLY FLATS (CBS13) — A military dad and his wife who lost their home to the Caldor Fire learned they weren't insured and their lender didn't pay their fire insurance bill.

More fire victims are coming forward after our investigation saying the pair learned they weren't covered by insurance. Each case involves confusion surrounding the FAIR Plan fire insurance and a home refinance.

Trevor Hammond was in Afghanistan when the Caldor Fire destroyed their Grizzly Flats home. His wife Hannan and their three kids, all under 12, evacuated, but they lost everything.

The couple initially paid for both fire and homeowners insurance through their monthly mortgage, but when they refinanced, somehow the fire insurance was not transferred to the new loan and went unpaid.

The family is staying with their parents.

"Being at my parents' house, after the shock wears off, all the feelings start to come up," Hannah Hammonds said.

"There's a whole lot of emotions going on at the same time." Trevor Hammonds said. "I'm angry one minute, complacent the next."

Consumer advocate Amy Bach is with the non-profit United Policyholders.

"This scenario is unfortunately going to become more common," Bach said.

With so many insurance companies choosing to no longer insure people against fire, Bach worries lenders

will get confused when they have two bills to pay: one for the fire insurance of last resort called the FAIR Plan, and a separate homeowners policy.

The same thing happened to the [Green family, whom we've also reported on](#). After losing their home to the Caldor Fire, their claim was denied. Turns out, after a refinance, their new lender paid their homeowners insurance, but not the FAIR Plan bill.

After we got involved the lender stepped up saying the family is now fully covered.