

[Some under-insured North Bay fire victims in for a shock](#)

ABC 7 News

SANTA ROSA, Calif. (KGO) —

Fire victims working to start the rebuilding process may be in for a shock. After running the numbers, some homeowners are finding they are under-insured.

Residents in hazmat suits are searching through rubble, taking photos of what's left after the North Bay fires. Santa Rosa fire victim Brad Sherwood showed me around.

"I have had two arborists come out," said Sherwood, who thought he was insured for the cost of rebuilding his home. "I am paying a monthly fee for my home insurance, always thinking that it would pay to rebuild my home the way it was. And everything I am hearing is we may be short."

Sherwood is not alone; it happens after every major disaster.

Amy Bach, who heads up the consumer insurance group United Policyholders, told us, that 60 percent of the people they work with after disasters are under insured.

Bach said she met with homeowners who now believe they are under insured by \$200,000, maybe more. I asked what victims like Sherwood can do now.

"Well, he can find out why," she said. "Why is he under insured? Was the formula the insurance company used to calculate his structure coverage wrong?"

Insurance companies do not have a legal duty to fully or properly insure you. They do, however, have a responsibility to be truthful.

"Did the agent comply with the law? The law that requires them to give an accurate replacement estimate, if they give them any estimate at all," Bach said.

For most fire victims, the answer will be that their insurance company did nothing wrong.