United Policyholders™

Roadmap to Recovery Program™

Financial Considerations Related to Selling Your Lot or Rebuilding

June 25, 2026
2025 LA Wildfires
Roadmap to Recovery™ webinar #17
Zoom Webinar
uphelp.org

About United Policyholders (UP)

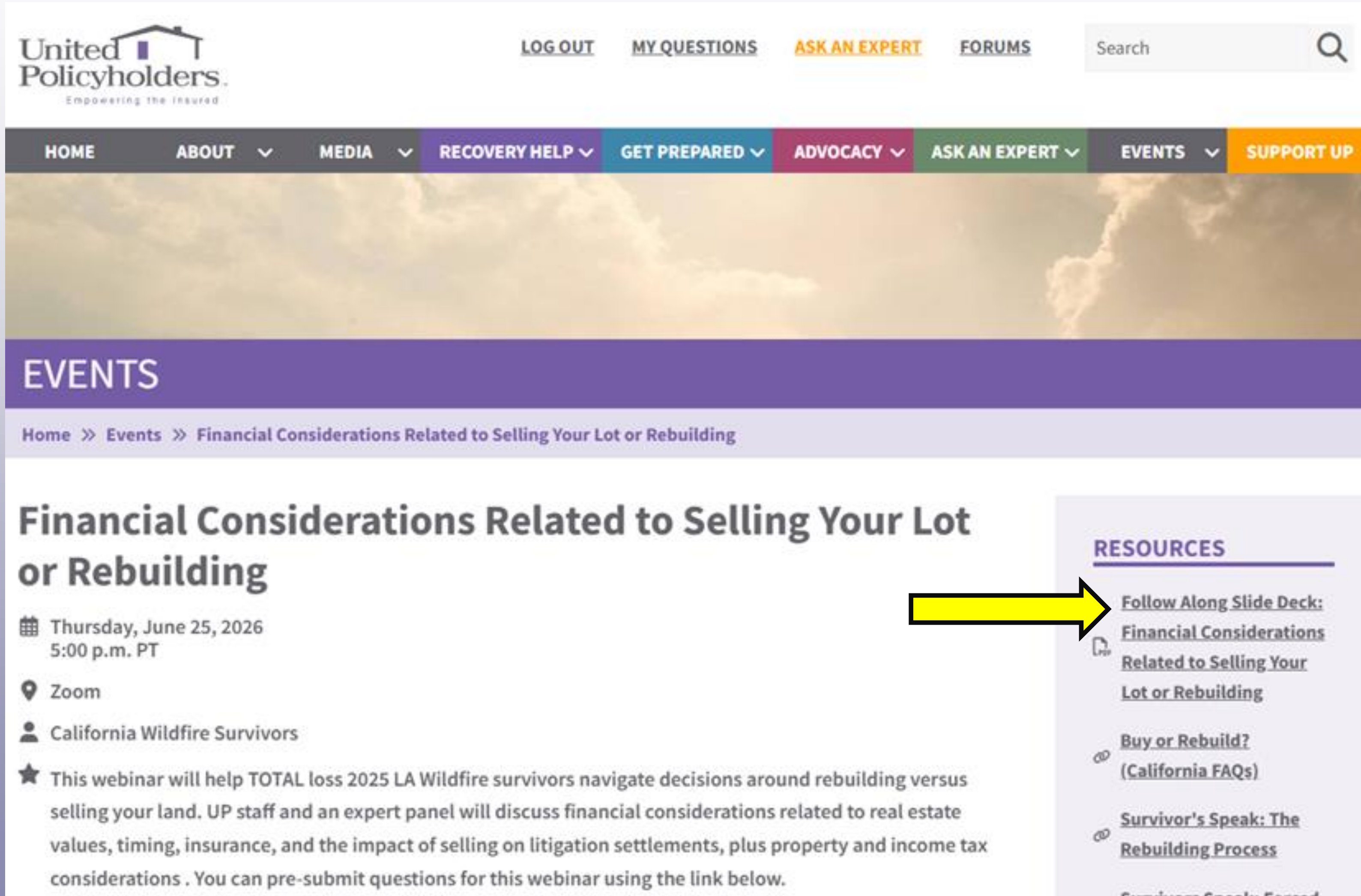
- A 501(c)3 nonprofit based in California with a 35-year track record of helping wildfire-impacted households and communities rebuild and recover by giving road-tested, reliable, free guidance that improves the flow of insurance funds and helps with decision-making

- Funded by donations and grants

- A professional staff and a professional volunteer corps with expertise in financial, legal, construction, tax and insurance matters

Follow Along Slide Deck

www.uphelp.org/june25



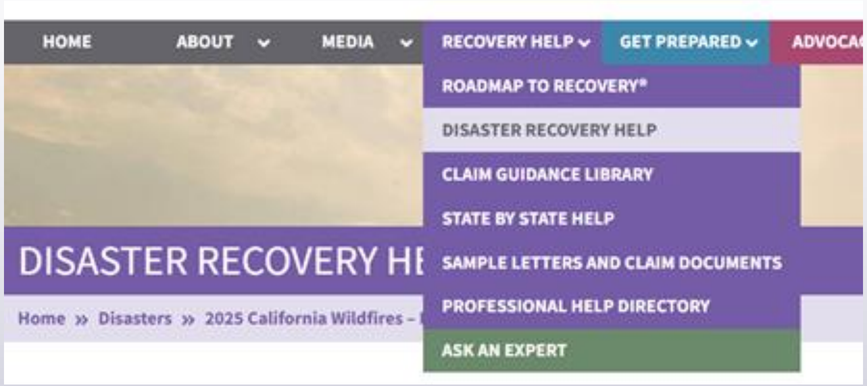
The Fine Print

- This workshop is intended to be general guidance only, not legal advice
- We don't endorse or warrant any of the sponsors listed at www.uphelp.org or speakers at our workshops
- Our speakers are volunteering their time as educators

www.uphelp.org

www.uphelp.org/2025cawildfires

- Step-by-Step guidance for the typical recovery timeline
- Links to sign up for events and updates
- Sample letters & claim documents
  www.uphelp.org/samples
- Survivors Speak Tips
  www.uphelp.org/survivorsspeak
- Upcoming Workshops and Resources
  www.uphelp.org/events
- Links to specialized professionals
  www.uphelp.org/findhelp



Tonight's focus:

- Options for replacing your home
- Insurance claim and future insurance considerations
- Personal, household and financial planning factors
- Lot sale considerations…timing, sale price, disclosures, mortgage
- Property taxes
- Income taxes
- The impact of selling your lot if you're a plaintiff in a wildfire-related lawsuit

Relevant 2025 LA Wildfires R2R Webinars

- **Replacing Your Wildfire-Destroyed Home: Options and Insurance Considerations** https://uphelp.org/events/replacing-your-wildfire-destroyed-home-options-and-insurance-considerations/ February, 2025
- **Options and Strategies for Replacing Your Wildfire Destroyed Home** https://uphelp.org/events/survivors-speak-options-and-strategies-for-replacing-your-wildfire-destroyed-home/ June, 2025
- **Underinsured? Strategies and Remedies for Wildfire Impacted Property Owners**
- https://uphelp.org/events/underinsured-strategies-and-remedies-for-wildfire-impacted-property-owners/ March, 2025
- **Taxing Matters** https://uphelp.org/events/2025-california-wildfires-taxing-matters-for-la-impacted-households/. September, 2025
- **Mechanics of Rebuilding Your Home** https://uphelp.org/events/la-wildfire-survivors-mechanics-of-rebuilding-your-home/ November, 2025
- **Settling Your Dwelling Claim** https://uphelp.org/events/settling-your-dwelling-claim/ April, 2026
- **Avoiding & Solving Problems During a Post-Wildfire Rebuild**

https://uphelp.org/events/rebuilding-05-21-26/ May, 2026

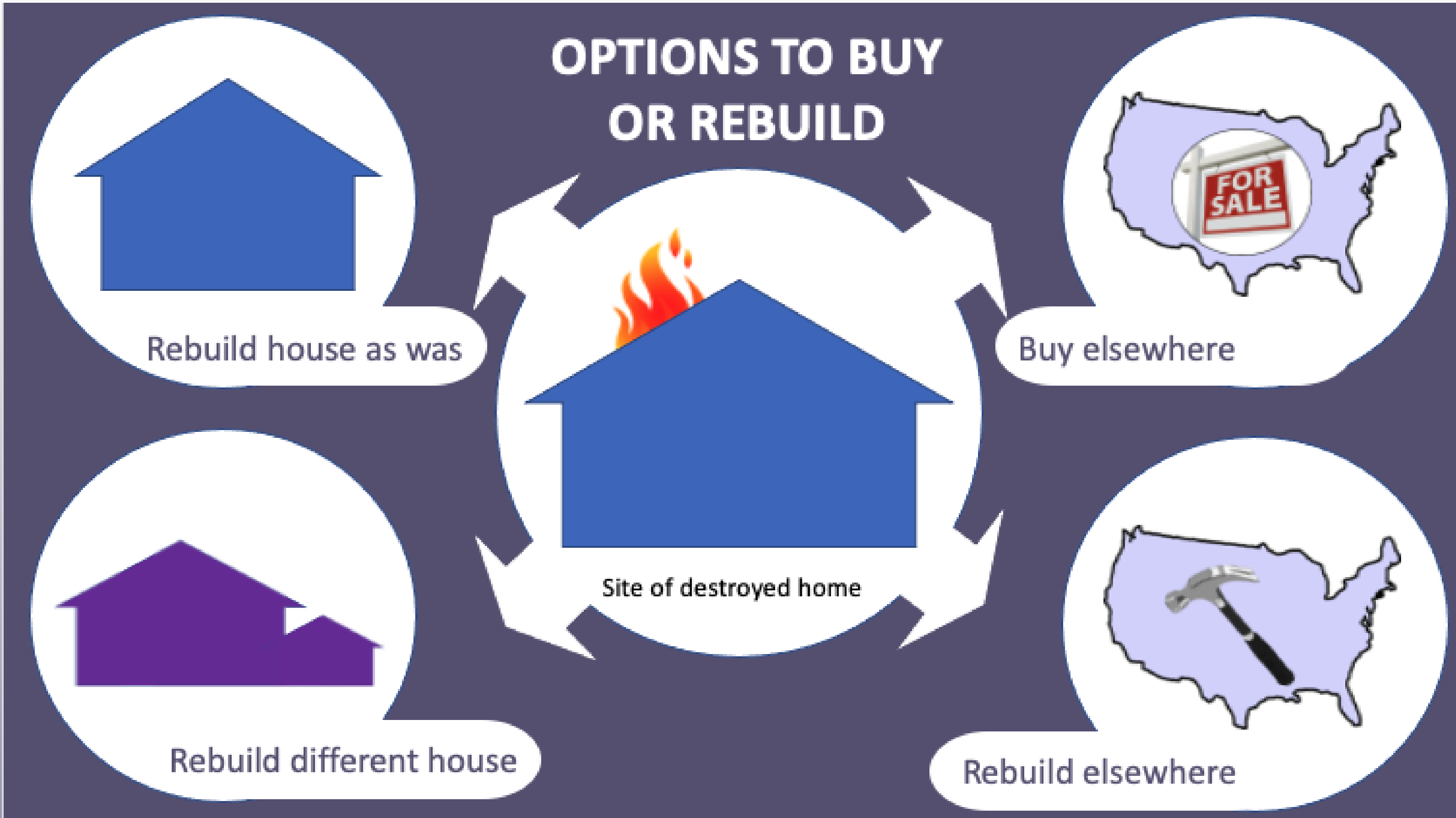
Today’s Panel

- Amy Bach, Esq. Executive Director, UP
- Shelly Hiskey – Woolsey fire survivor
- Jamie Rugg, Certified Financial Planner
- Anthony Marguleas – Realtor, Palisades fire survivor
- Robert Isozaki- L.A. County Assessor’s Office
- Joanne Cordero – Altadena Land Initiatives

Amy Bach: Co-Founder, United Policyholders

- A professional insurance consumer advocate since 1984
- Shaping and leading the Roadmap to Recovery®, Roadmap to Preparedness, and Advocacy & Action programs since 1995
- Published author, experienced trial and regulatory attorney
- Official Consumer Representative, National Association of Insurance Commissioners
- Appointed member: Federal Advisory Committee on Insurance (US Treasury)

Options for replacing your home



Rebuild options

- Production home
- Semi-Custom home
- Custom home
- Group rebuild
- Pre-fab/Modular home
- Design/Build

Each situation is unique, there is no “one right way”…

Shelly Hiskey, Woolsey Fire Survivor

Before

After


ASSISTIVE
LISTENING
SYSTEM
AVAILABLE

Shelly Hiskey:

What was your decision-making process related to selling your lot versus rebuilding?

How did you land on your final decision?

What tips are you giving other survivors on buying versus rebuilding and selling their lot?

How did your status as a plaintiff in a lawsuit against a utility impact your decision?

Insurance claim and future insurance considerations

Your insurance rights in CA:

If you have Replacement Value Coverage on your dwelling, and suffer a total loss, Cal Ins. Code 2051.5 *(c)*] allows you to use your full replacement benefits, *including any building code upgrade costs and extended replacement cost coverage* you may have, to:

- rebuild your home at the current location,
- rebuild at a new location, or
- purchase an already built home at a new location.

Out of state adjusters don't always know about this law, and it's relatively new. Logistics around insurance funds and real estate purchases vary

www.uphelp.org/pubs/buy-or-rebuild

Answers you need related to your insurance

1) What are my maximum available policy limits for replacing my home, and what is left to resolve so I can collect them?

- Has the replacement cost value of the home you lost been agreed on?
- Are there amounts you're still owed due to recoverable depreciation and holdbacks?
- Have code upgrade costs been priced and included in dwelling replacement scope/estimate?

2). If I'm underinsured, what are my options?

- What sources of financing are available and best suited to my situation?
- If I'm a plaintiff in a lawsuit, can I wait until it's resolved to replace my home?

Upgrades required for compliance w/local building codes should be specified and priced in your home's Replacement Cost Value

Building Code or Ordinance/Law Compliance
https://uphelp.org/claim-guidance-publications/building-code-ordinance-or-law-compliance/

Sample Letter Requesting Extension of Policy Benefits for Building Code Upgrades
https://uphelp.org/claim-guidance-publications/sample-letter-requesting-collecting-policy-benefits-for-building-code-upgrades/

If buying or rebuilding in the "WUI", aim for a home that meets wildfire resilient standards (Base or +)

- 5 ft of clear space around the home
- No wood fence touching the home
- Screens over all vents to keep embers out
- Trees near home limbed

For a complete list see: www.wildfireprepared.org

See also: https://uphelp.org/preparedness/wrap-resource-center/

Common questions related to rebuilding

- Do I want to keep living here given the trauma and devastation?
- Is it safe to rebuild on my lot?
- Do I know what kind of replacement home I want?
- Do I have enough money to rebuild a home I want to live in (or sell) and pay for temporary rent until it's completed?
- If not, how will I fund the gaps?
- If I rebuild, will I be able to find a reputable, available builder and how long will it take?
- Am I strong enough/do I have time/energy to oversee a major construction project?

Deep Breath

Personal, household and financial planning factors

Can I sell my lot if I still have a mortgage?

Yes, but your lender must be paid off at closing from the sale proceeds.

Under CA Civil Code section 2924 and your deed of trust, the lender holds a lien on the property regardless of whether a structure exists.

If your lot sells for less than your payoff amount, you will need to negotiate a short payoff or pay the difference at closing. Contact your lender early and get the payoff amount in writing before listing.

The "Phantom Residence" Mortgage Deduction

When a home is destroyed by a natural disaster, the owner is left paying a mortgage on an empty lot while renting a temporary place to live. Under normal tax rules, you cannot deduct mortgage interest on raw, unbuilt land.

Rev. Rul. 96-32 provides a specific safe harbor for this: It states that you can **continue to deduct your mortgage interest as Qualified Residence Interest** on your federal taxes for a "reasonable period" between the destruction of the home and the eventual sale of the lot or completion of a new build.

Confer w/an income tax expert with casualty loss experience on your individual situation before you sell

Taxing Matters https://uphelp.org/events/2025-california-wildfires-taxing-matters-for-la-impacted-households/. September, 2025

Casualty Loss versus Involuntary Conversion

- **"Involuntary Conversion"** occurs when your property is destroyed, stolen, or condemned through no will of your own, and you receive money in payment for the property (IRC Section 1033).
- A **"Casualty Gain"** may occur if those payments/reimbursements exceed the **"Cost Basis"** of the property.
- For personal, primary residences, it may be possible to utilize an **"exclusion"** to offset the gain under sale of personal residence rules (IRC Section 121).
  - Must have been your personal residence 2 out of the last 5 years (pro-rata exclusion amount if less than 2 years)
  - Exclusions are up to $250K per individual or $500K per couple
  - Can defer gain if reimbursements are reinvested in rebuilding home or to acquire a **replacement** home or homes within four years if in a **"Federal Disaster Declaration"** area

Personal finance questions:

What should people know about the SBA draw deadline?

What topics should a fire survivor discuss with a planner or CPA before deciding to sell vs. rebuild?

What does a funding gap look like in real numbers? (Pali? Eaton?) sources to fill? Rebuild calculator

Your SBA Disaster Loan: What to Know Right Now

The Facts

Max homeowners can borrow	$500,000 real property + $100,000 personal property = $600,000 combined maximum
Interest rate	2.563% fixed · 30 years 5.125% if income qualified you for credit elsewhere
First 12 months	***No interest accrues*** · No payment required Voluntary payments allowed · No prepayment penalty
Interest after month 12	***Accrues only on funds you've actually received*** — not your full approved amount

Source: sba.gov (updated July 2025)

Clearing up the Confusion on SBA Loans

1. Interest only applies to funds you've actually received — not your approval amount
2. Reducing your approval cap permanently limits what you can borrow
3. Loans must be accepted and executed by June 30

If you reduced your loan — act now:

Pali Hub: 15239 La Cruz Dr., Pacific Palisades

Mon–Fri 8:30am–5pm

The Collaboratory: 540 W. Woodbury Rd.,

Altadena · Mon–Fri 8:30am–5pm

Or call SBA: 800-659-2955 · appointment.sba.gov

SBA Draw Deadline of June 30, 2026

The June 30 deadline is real — but fire survivors have received conflicting information

What June 30 IS

- The deadline to execute and accept your loan — sign the closing documents in the MySBA Loan Portal or in person
- After June 30, undisbursed approved funds are only available "on a case-by-case basis" (SBA, June 16, 2026)
- Typically, disaster survivors have 6 months from approval to draw — this is the third extension granted by SBA

What June 30 IS NOT

- It is not a deadline to spend the money or begin construction
- It is not a deadline to draw the full approved amount
- Accepting even a small initial disbursement is enough to activate the loan

What to do today

- Log in to lending.sba.gov (MySBA Loan Portal) and look for the option to **accept or execute your loan**
- Or visit in person: Pali Hub (Pacific Palisades) or The Collaboratory (Altadena)
- Or call: 800-659-2955 · schedule at appointment.sba.gov

FPA of Los Angeles · United Policyholders

What Does the Funding Gap Look Like?

Pacific Palisades Example

Home size	2,500 sq ft
Rebuild cost ($1,100/sq ft)	$2,750,000
Insurance — Coverage A	– $800,000
Gap	**$1,950,000**
SBA loan (maximum)	– $500,000
Remaining gap	**$1,450,000**

→ *Construction loan, grants, personal assets*

Altadena Example

Home size	1,800 sq ft
Rebuild cost ($750/sq ft)	$1,350,000
Insurance — Coverage A	– $550,000
Gap	**$800,000**
SBA loan (maximum)	– $500,000
Remaining gap	**$300,000**

→ *ALI Rebuilds, grants, personal assets*

Sources to fill the gap:

Community grants: CCF · Pacific Community Foundation
Construction loan interest rate: (~7.5–9% current market)
Personal savings · Bridge Loans · retirement accounts (see your CPA)

The gap is not just the home:

Rebuilding often takes 3–5 years. Your plan needs to account for:
- Ongoing rent or housing costs while rebuilding
- Existing mortgage payments on the lost property

Before You Decide: Questions for Your Tax Professional

- [ ] **What is my adjusted cost basis in this property?**
  Your basis (what you paid + improvements) determines whether you may have a taxable gain.
- [ ] **Will my insurance or lot sale proceeds create a taxable gain?**
  Understanding whether a gain exists is the first step to knowing which tools apply.
- [ ] **Should I claim a casualty loss deduction — and how does that interact with my gain?**
  A casualty loss deduction reduces your basis, which can affect your Section 1033 calculation.
- [ ] **Can I defer my gain under Section 1033, and what is my reinvestment deadline?**
  Section 1033 gives you until December 31, 2029 to reinvest in a replacement home.
- [ ] **Can I transfer my Prop 13 assessed value to a California replacement home?**
  Prop 13 assessed value can be transferred to another replacement home in California, if it meets a few requirements.
- [ ] **What are the CA vs. federal tax implications of any SCE or utility settlement?**
  CA excludes wildfire settlements under SB 132/159. Federal treatment differs.

FPA of Los Angeles · United Policyholders

Tax Tools That May Reduce What You Owe When You Sell

Section 121 — Home Sale Gain Exclusion

If you lost your primary residence, you may exclude up to $500,000 of a gain (if married) or $250,000 (single) from taxes — even when selling just the land.

Apply this first.

Section 1033 — Gain Deferral

Any remaining gain above the §121 exclusion may be deferred — ***not paid now*** — if you reinvest in a replacement home within 4 years.

Reinvestment deadline: **December 31, 2029**
No intermediary required.

The deferred gain is embedded in the new home's basis.
It will be recognized when you eventually sell that home.

Illustrative Example

Purchased in '98 for $400K + Improvements ($50K)	Basis ≈ $450,000
Lot sells today for $800,000	Gain = $350,000
Section 121 exclusion (MFJ)	Offsets up to $500,000
Remaining gain	**$0 — fully offset**
Tax owed today	**$0**

Your numbers may differ — please work with a CPA.

Prop 19 — Property Tax Transfer

Transfer your Prop 13 assessed value to any California home at any price. There is cap on square footage.
Window: ~2 years from lot sale to purchase a new property (e.g. ~January 2027 if the lot was immediately sold after the fires).

~Jan 2027
Lot sale window

Dec 31, 2029
§1033 reinvestment deadline

How Is a Gain Calculated?

1

Your "Basis" — What You Paid, Adjusted

Original purchase price + capital improvements = adjusted basis

Example: Paid $350K in 1998 · Added $100K in improvements
Adjusted basis = $450,000 · Land portion ≈ $90–135K

No records? County assessor records, prior mortgage docs, cloud photos, old emails.

2

What You Are Receiving

Insurance payout + lot sale proceeds = total recovery amount

Example: $700,000 insurance + $750,000 lot sale = $1,450,000

3

The Realized Gain

Total recovery − adjusted basis = realized gain

$1,450,000 – $450,000 = $1,000,000 realized gain

4

Apply Section 121

Exclude up to $500,000 (MFJ) or $250,000 (single)

$1,000,000 − $500,000 = $500,000 remaining

5

Apply Section 1033

Reinvest in a replacement home by Dec 31, 2029

$500,000 deferred → Tax owed today: $0

The deferred gain stays in the new home's basis.

What About a Casualty Loss?

If insurance left a significant uninsured gap, you may be able to deduct the uninsured portion. This interacts with the gain calculation. Ask your CPA to model both scenarios.

**Consider speaking with a CPA familiar with wildfire casualty losses before making any decision.*

FPA of Los Angeles · United Policyholders

SCE Settlements & Lawsuits: CA vs. Federal Tax Treatment

California excludes wildfire settlements from income. Federal treatment is more complicated.

Type of Payment	Federal	California
SCE settlement or judgment	Generally taxable as ordinary income	**EXCLUDED — CA SB 132/159**
Insurance (Coverage A)	Not taxable up to basis; §1033 defers gain	Same as federal
Contents (Coverage C)	100% tax-free	Same as federal
FEMA grants	Taxable (Form 1099-G issued)	Taxable

California SB 132 & SB 159 (signed 2025)

Full exclusion from CA gross income for wildfire settlements received 2021–2029
No dollar limit · Covers both SCE quick-pay program AND litigation settlements

If you received SCE funds in 2021–2024 and paid CA tax on them: you may be able to file an amended CA return — consult your CPA.

**Tax treatment is individual and complex. Consult a CPA familiar with wildfire settlement taxation.*

Federal — Current Status

A federal wildfire settlement exclusion existed through December 31, 2025.

For settlements received in 2026 and beyond: generally taxable as ordinary income federally.

Narrow exception: amounts specifically compensating physical injury may be excludable under IRC §104.

Connect With Us

Pro Bono Financial Planning for LA Fire Survivors

Jamie Rugg

Principal, Highline Wealth Partners
jamie@highlinewp.com

Pro Bono Director,
Financial Planning Association of Los Angeles

Pro bono inquiries:

probono.fpala@gmail.com

Highline Wealth Partners:

highlinewp.com

Rebuild vs Buy Calculator

For survivors planning their next steps

Deep Breath

Lot sale considerations…
timing, sale price, disclosures, mortgage

AMALFI
ESTATES

ANTHONY MARGULEAS

FOUNDER, AMALFI ESTATES

- 35 year Palisadian with 700 plus Palisades clients
- $3 billion in career sales with 1,700 families served
- 300 published articles, Quoted in The Wall Street Journal, LA Times
- Teach negotiation and RE valuation at UCLA for past 22 years
- 10% to charity, totaling $3M which has helped 124,000 families & pets

AMALFI
ESTATES

REBUILD, HOLD, OR SELL

Four questions every fire-affected homeowner is asking

AMALFI
ESTATES

HOW DID YOU MAKE THE DECISION TO REBUILD?

- Home and office both burned
- Considered all options: rebuild, hold, or sell
- Strong connection to the Palisades community
- Loss-of-use benefits were running out, forcing a long-term decision
- Moving forward with rebuilding — hoping insurance proceeds and SBA financing close the gap
- Every family's circumstances are different

> *These aren't just financial decisions. They're life decisions.*

AMALFI
ESTATES

WHAT QUESTIONS DO PROSPECTIVE SELLERS ASK MOST?

- Should I sell now or wait?
- What is my lot worth?
- How long will rebuilding take? 40
- What will the community look like in 5–10 years?
- Education is critical before making a decision

“ *The more information you have, the better decision you'll make.*

650+
FIRE LOTS SOLD
SINCE THE FIRES

~40%
OF LOT
ESCROWS
FALL OUT

WHAT ADVICE DO YOU GIVE PEOPLE WHO WANT TO SELL?

- Don't make decisions based solely on frustration or fatigue
- Understand all your options before selling
- Consult your CPA, attorney, insurance professionals, and trusted advisors
- Ask: "If I sell today, where am I going next?"
- Price correctly from day one

> *Don't make a permanent decision based on temporary exhaustion.*

AMALFI ESTATES

WHAT FACTORS SHOULD HOUSEHOLDS WEIGH BEFORE SELLING?

1 FINANCIAL

Net proceeds, rebuilding costs, buying elsewhere, and: "Can I afford not to rebuild?"

2 EMOTIONAL

A long-term decision versus reacting to a difficult moment.

3 LIFESTYLE

Where you want to live, stage of life, and willingness to manage a rebuild.

“ *The key is making an informed decision that's right for your family.*

AMALFI
ESTATES

CLOSING THOUGHT

There is no universal right answer. Some families should rebuild, some should sell, and some should wait. The biggest mistake isn't rebuilding or selling — it's making a major decision before fully understanding all of your options.

650+
FIRE LOTS SOLD SINCE THE FIRES

~40%
OF LOT ESCROWS FALL OUT

0
ONE-SIZE-FITS-ALL ANSWERS

SECTION 1033 EXCHANGE

Deferring capital gains on involuntary conversions. It is a tax-advantaged strategy that allows property owners to defer capital gains taxes when a property they own is lost **due to an “involuntary conversion.”**

1031 vs. 1033 — Same IRS family, totally different personalities.

Feature	1031 Exchange	1033 Exchange
Sale Type	Voluntary	Involuntary* (Gov’t takes, disasters)
Time to Reinvest	180 days	**Up to 3 YEARS**
Like-Kind Rule	Yes (strict)	**Nope! More freedom**
Flexibility	Low-ish	**High**

AMALFI ESTATES

PROP 19 - The Home Protection for Seniors, Severely Disabled, Families, & Victims of Wildfire or Natural Disasters Act

NEW: PROP 19	TRANSFER	OLD
Homeowners 55+, severely disabled, or victims of wildfire or natural disaster (any age)	WHO	Homeowners that are 55 or older only (Prop 60 & 90).
Transfer your property taxes anywhere in California.	WHERE	Transfer property taxes in the same county only (Prop 60 in 1986) or within 10 specific counties (Prop 90 in 1988).
Equal, less, or more in value (specific equation for more).	VALUE	The new home must be equal or lesser in value (Prop 60).
Within 2 years	TIMEFRAME	Within 2 years
3 times for 55+ and severely disabled.	OPPORTUNITY	1 time for life (Prop 60 & 90).
<u>Primary Residence:</u> The qualified child or grandchild must reside in the home as their primary residence. If the current value exceeds the parent's taxable value by more than $1M, then: Property Taxable Value = Current Value – $1M. <u>All Other Properties:</u> (non-primary residences) will be reassessed at the current market value.	INHERITING PROPERTY AND ITS BASE TAX RATE	Transfers must be from a parent to their child (Prop 58) or grandparent to grandchild if the parents are deceased (Prop 193). <u>Primary Residence:</u> There is no reassessment on the property tax base rate (no value limit). <u>All Other Properties:</u> (vacation home or income property): There is a $1M exclusion for each property.

AMALFI
ESTATES

Contact Details

Anthony Marguleas

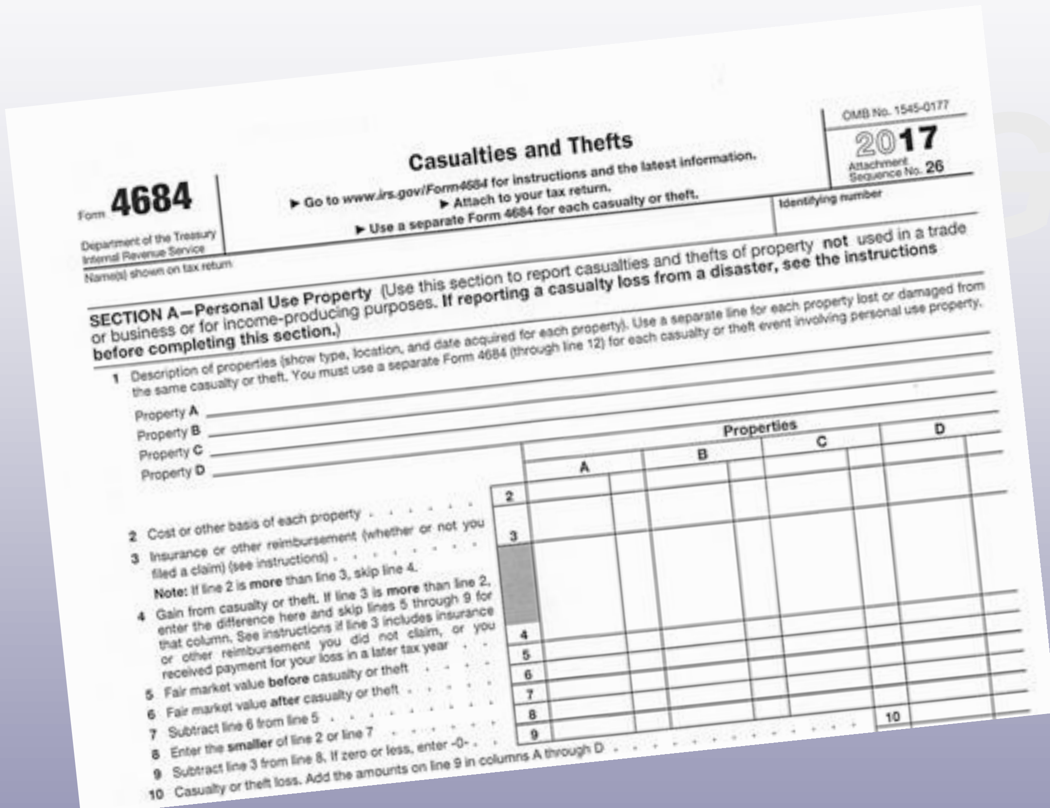
(310) 293-9280

anthony@amalfiestates.com

www.amalfiestates.com

@amalfiestates

Income tax considerations



Form 4684

Department of the Treasury
Internal Revenue Service

Casualties and Thefts

► Go to www.irs.gov/Form4684 for instructions and the latest information.
► Attach to your tax return.
► Use a separate Form 4684 for each casualty or theft.

OMB No. 1545-0177

2017

Attachment Sequence No. 26

Name(s) shown on tax return

Identifying number

SECTION A—Personal Use Property (Use this section to report casualties and thefts of property **not** used in a trade or business or for income-producing purposes. **If reporting a casualty loss from a disaster, see the instructions before completing this section.**)

1 Description of properties (show type, location, and date acquired for each property). Use a separate line for each property lost or damaged from the same casualty or theft. You must use a separate Form 4684 (through line 12) for each casualty or theft event involving personal use property.

Property A
Property B
Property C
Property D

		Properties A	Properties B	Properties C	Properties D
2 Cost or other basis of each property	2				
3 Insurance or other reimbursement (whether or not you filed a claim) (see instructions)	3				
Note: If line 2 is **more** than line 3, skip line 4.					
4 Gain from casualty or theft. If line 3 is **more** than line 2, enter the difference here and skip lines 5 through 9 for that column. See instructions if line 3 includes insurance or other reimbursement you did not claim, or you received payment for your loss in a later tax year	4				
5 Fair market value **before** casualty or theft	5				
6 Fair market value **after** casualty or theft	6				
7 Subtract line 6 from line 5	7				
8 Enter the **smaller** of line 2 or line 7	8				
9 Subtract line 3 from line 8. If zero or less, enter -0-	9				
10 Casualty or theft loss. Add the amounts on line 9 in columns A through D	10				

Consult a CPA about the tax implications of buying vs. rebuilding

Deep Breath

Property Tax Considerations

www.boe.ca.gov/proptaxes/disaster-relief.htm

JEFF PRANG

LOS ANGELES COUNTY ASSESSOR

ASSESSOR.LACOUNTY.GOV

LOS ANGELES COUNTY ASSESSOR

MISFORTUNE & CALAMITY (M&C) TAX RELIEF

- Temporarily reduces the assessed value of a property that was damaged or destroyed by misfortune or calamity (earthquakes, floods, fires, and other natural disasters)
  - The damage must be at least $10,000 or more,
  - Submit form (ADS-820) within 24 months from the date the damage occured.

51

ASSESSOR.LACOUNTY.GOV/DISASTER

JEFF PRANG
LOS ANGELES COUNTY ASSESSOR

PROPERTY TAX RELIEF OPTIONS

1. Stay & Rebuild

- START: The Assessor's Office identifies rebuild projects based on copies of permits provided by local building departments.
- DURING REBUILDING: The property is incrementally assessed each January 1st and added to the property's taxable value.
- AFTER COMPLETION: your pre-fire tax base will be reinstated, provided certain requirements are met →

ASSESSOR.LACOUNTY.GOV/DISASTER

JEFF PRANG
LOS ANGELES COUNTY ASSESSOR

REBUILDING STANDARDS

Substantial Equivalence

- Maintains Prop 13 base value if the rebuilt home is *similar in size and use* up to 110% of square footage to the pre-disaster home.
- Any excess square footage or added features (i.e. more bedrooms and bathrooms) will be assessed at the current market value.
- No time limit to complete your rebuild

ASSESSOR.LACOUNTY.GOV/DISASTER

120% Comparison Test

- Maintains Prop 13 base value if the rebuilt home is valued at 120% of your pre-damage market value.
- Any value exceeding this threshold will be assessed at market value and added to your original tax base.
- 8 years to rebuild

JEFF PRANG
LOS ANGELES COUNTY ASSESSOR

PROPERTY TAX RELIEF OPTIONS

2. Relocate Without Selling the Damaged Property

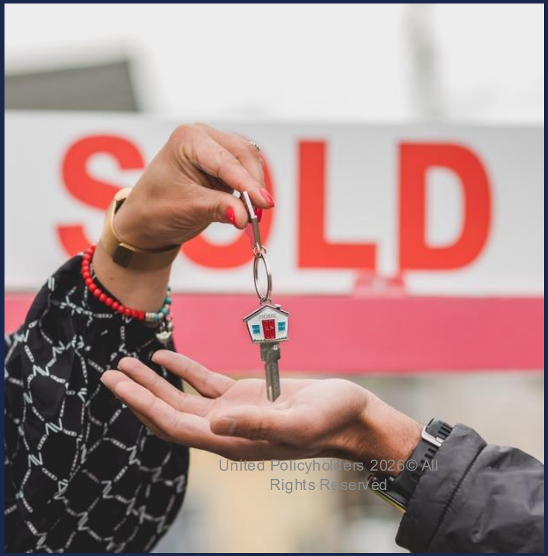
- Proposition 50 allows you to transfer your damaged property's tax base to a replacement property in the same county within 5 years.
- Proposition 171 allows you to transfer your damaged home's tax base to a replacement property of equal or lesser value in a different county, within 3 years.
  - Applies to 14 participating counties, including Ventura, San Bernardino, and Orange Counties.

ASSESSOR.LACOUNTY.GOV/DISASTER

JEFF PRANG

LOS ANGELES COUNTY ASSESSOR

PROPERTY TAX RELIEF OPTIONS



3. Sell & Relocate

- Under Proposition 19, if you sell your damaged *primary residence* in its current condition, you have 2 years to buy or build another home anywhere in California and transfer your tax base.
- To avoid a tax increase, the replacement property must be of equal or lesser value than your pre-damage home.

ASSESSOR.LACOUNTY.GOV/DISASTER

JEFF PRANG
LOS ANGELES COUNTY ASSESSOR

The impact of selling your lot if you're a plaintiff in a wildfire-related lawsuit

Confer with your attorney before deciding

- The amount you recover in a successful lawsuit settlement or verdict is tied to your "damages" (the harm you suffered due to an at-fault party's conduct). Selling your lot impacts your recovery, so it's important to discuss w/your attorney

- If you are a plaintiff in a wildfire-related lawsuit against an at-fault party, we recommend that you confer with your lawyer before deciding to sell your lot

- There are two different methods of calculating your damages related to your lot: COR (Cost of Rebuild) and DIV (Difference in Value). COR applies where you still own the lot at the time of the settlement or verdict, DIV applies where you've sold your lot before the settlement or verdict

- It matters whether you're suing So Cal Edison where liability is reasonably clear, versus Palisades suits where liability is less clear

Eaton fire rebuild options

How is ALI helping fire survivors replace their homes?

How to apply/qualify?

Altadena Land Initiatives

Rebuilding Homes. Preserving Community.

alirebuilds.org

01

"Altadena Land Initiatives was created to ensure that families are not forced out of their community because of a rebuilding funding gap beyond their control. By facilitating access to interest-free loans tied to Edison recovery proceeds, we help homeowners move forward with dignity, stability, and a clear path back home."

Ursula Hyman, Co-Founder

The Gap Rebuild Program

- After the Eaton wildfire, many homeowners face a rebuilding funding gap, as insurance and other aid often don't cover the full cost to rebuild

$ Rebuild Cost – $ Available Funds = Rebuild Gap

- ALI helps fill this gap so families can return home facilitating:
  - Facilitating the Gap Construction Loan
  - Insurance review and consultation to maximize recovery dollars
  - Coordinates mortgage company insurance payments tied to rebuild
  - Oversight of milestone payments to builders

$ Rebuild Cost – $ Available Funds = Rebuild Gap Loan

alirebuilds.org

03

Gap Rebuild Program

Eligibility Criteria

- Owner occupied at time of fire; plan to return
- No other options available for funding the rebuild with a Builder in ALI network
- Rebuild appx 110% of prior home
- Gap amount appx $200k-$300k
- Paying as agreed on mortgage, property taxes and insurance
- No bankruptcy in the last four years
- Have an active case or participating in expedited settlement with Edison.
- Title held (or to be) in homeowner's Revocable Trust

* In network Builders as of 06/2026: Genesis, Williams Rebuild, Habitat, DSW & Boulder Creek

Gap Rebuild Program

Loan Features:

- Originated by Cathay Bank
- 0% Interest and No Monthly Payments
- No Income Based Qualification
- Reduced loan fees
- Direct costs for title, escrow, recording, origination, appraisal, and notary
- Allocation for independent property inspections during rebuild
- Repayment tied to SCE settlement, refinance, or sale of property

Gap Rebuild Program Process

HO Intake & Program Criteria Review by ALI

Accepted into Rebuild Program

Work with Lending Partner Cathay Bank for Gap Loan Origination

Sign Building contract with In Network Builder

Gap Loan funded & other funds deposited into rebuild account

Construction begins on Your Home

ALI
ALTADENA
LAND INITIATIVES

Get in Touch:

www.ALIRebuilds.org

info@alirebuilds.org

SCAN ME

Questions?

Post them on the UP “Ask an Expert” forum: https://uphelp.org/ask-an-expert/

Or email info@uphelp.org

Thank you for your attention, and to our Roadmap to Recovery® funders:

California COMMUNITY Foundation

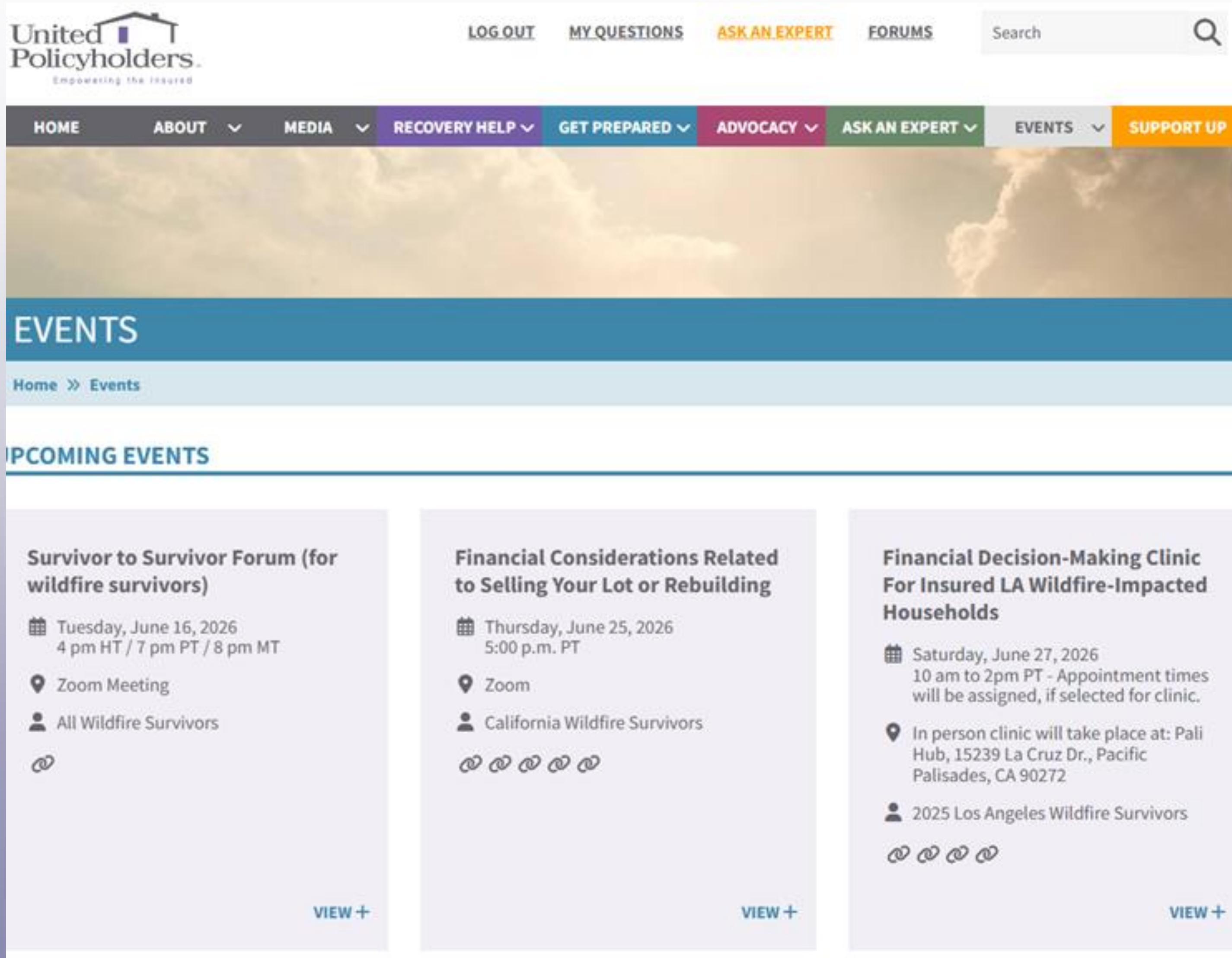
Emergency Network Los Angeles

Voluntary Organizations Active in Disaster for LA County

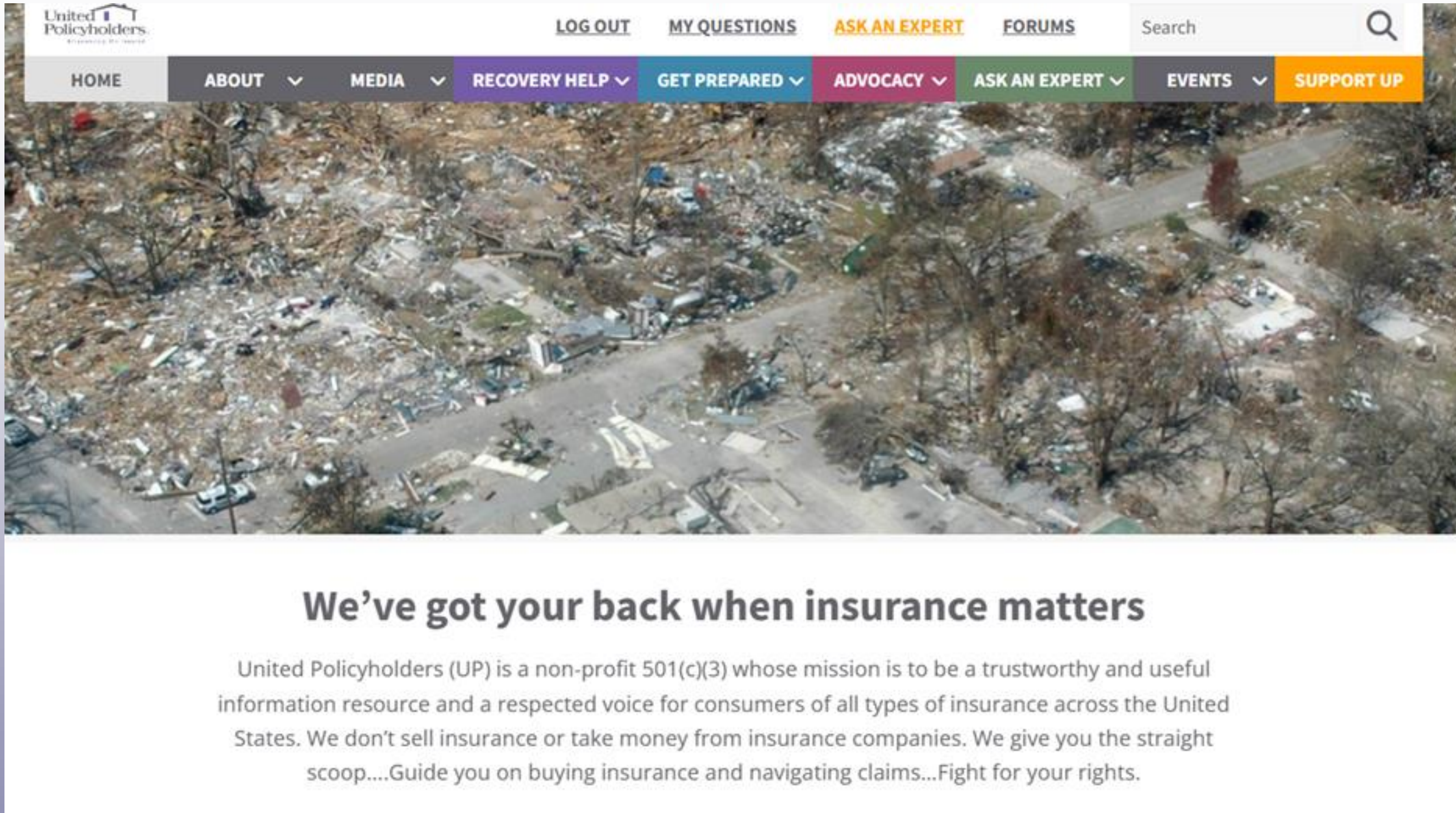
Anthony Pritzker FAMILY FOUNDATION

UPcoming Events

www.uphelp.org/events



info@uphelp.org | www.uphelp.org



LA Rebuild Resources

LA County Unincorporated Area - Permitting Progress Dashboard

As of 5/20/2026*

All Unincorporated Areas | Eaton | Palisades

6,571
Damaged/Destroyed **Parcels** (Unincorporated)

7,417
Damaged/Destroyed **Units** (Unincorporated)

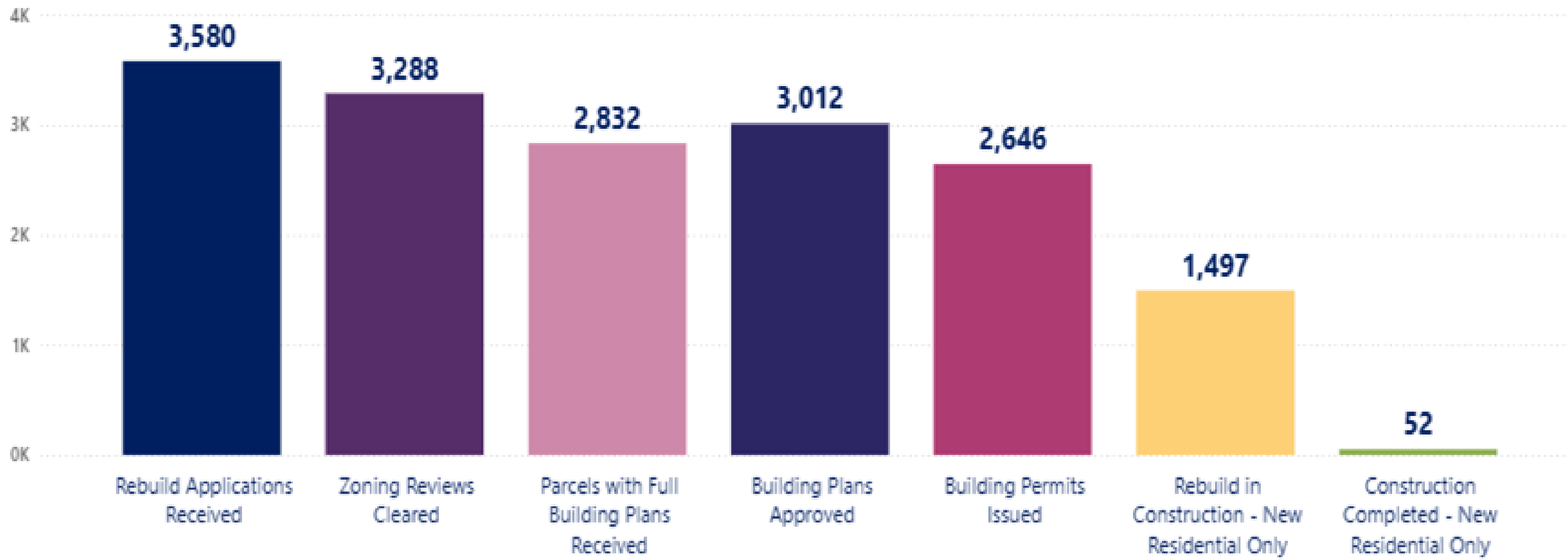
141
New Residential
Average Business Days to Permit Issuance

36 Average Business Days Spent in **County Review****

106 Average Business Days Spent with **Applicant****

**Data is refreshed weekly

Rebuild Progress | Plans in Review | Permits in Construction



Detailed Recovery Map

View Detailed Permitting Data

Navigating Manufactured & Factory Built Homes

The Rebuilding Process: A Step-by-Step Guide

- Property owners begin the rebuilding process by submitting a permit application
    - LA County will review and provide comments on initial submittals within 10 business days

- Once full building plans are ready, applicants then move into the building plan review phase.
    - Applicants may be required to submit additional documentation as needed

Submit Your Application: EPIC-LA

- Online applications can be submitted through **EPIC-LA**, LA County's online permitting portal

- Track permit status, get alerted when action is needed and view all project documents all in one place

epicla.lacounty.gov

Submit Your Application: In-Person

Get in-person assistance at our One-Stop Permit Centers

- **Calabasas One-Stop Permit Center**

  27001 Agoura Road, Suite 250, Calabasas, CA 91302

-

- **Altadena One-Stop Permit Center**

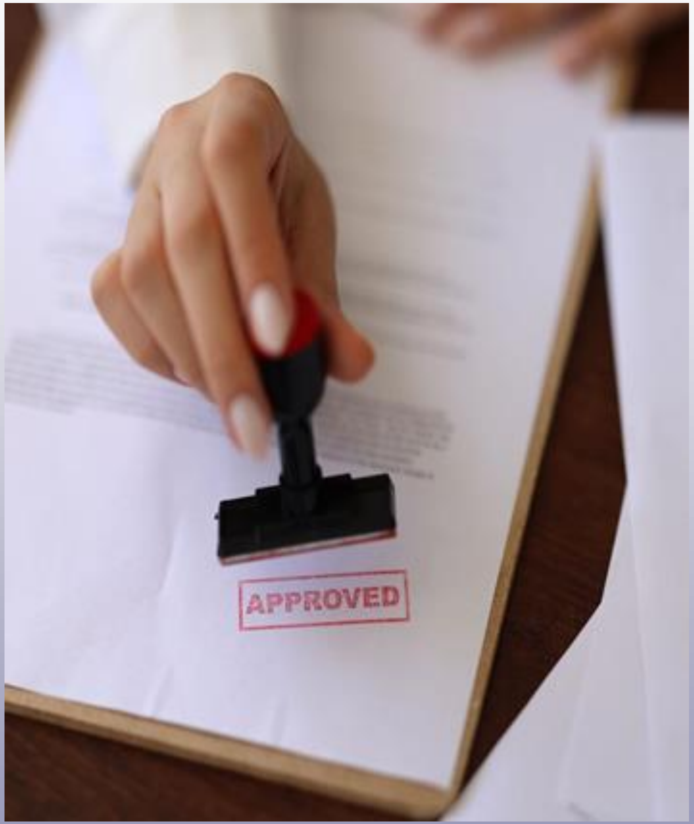
  464 W Woodbury Rd. Suite 210, Altadena, CA 91001

epicla.lacounty.gov

LA County eCheck: a Smarter Way to Rebuild

LA County eCheck, powered by Archistar, is a customer-facing web application that reviews building plans before they are submitted.

- Uses artificial intelligence to check for compliance with zoning regulations
- Flags potential issues early, reducing errors and unnecessary delays



epicla.lacounty.gov

Pre-Approved Plans Program

- **Who's It For:**
  - Property Owners rebuilding homes, accessory dwelling units (ADUs), or appurtenant structures
- **What It Means:**
  - Residents choose a pre-approved plan and work with the designer on site specific requirements.
- **How It Works:**
  - Speeds up the rebuilding process by offering a selection of County-reviewed building plans that meet current codes, reducing time and costs for design and review

Inspections and Sequencing

- Underfloor slab/plumbing
- Location/Setbacks
- Foundation Forms
- Floor Sheathing
- Underfloor framing/insulation
- Roof Sheathing
- Framing – Rough Inspections (exterior shear walls)
- Lath/Insulation
- Drywall/Shower pan
- Final Inspection

Common Errors & Corrections

- Plans do not meet Minimum Plan Submittal Requirements or current code requirements
    - recovery.lacounty.gov/rebuilding/self-certification
- Plans do not meet LA County code amendments
    - dpw.lacounty.gov/building-and-safety/general
- Missing information on first sheet of the plans, including Separate Permit and Deferred Submittal items
- Proposed square footage, number of floors, height, occupancy classification
- Missing utility information (gas, septic, electric)