

Facts about Earthquake insurance in California

Why would I need earthquake insurance?

Damage or loss to your residence as a result of an earthquake is not covered under your Homeowners policy. So you may wish to purchase Earthquake insurance to protect your home and belongings from loss resulting from an earthquake.

In 1996, the California Legislature created the California Earthquake Authority (CEA) — a privately funded, publicly managed insurer to offer basic earthquake coverage for homeowners, tenants/renters, mobilehome and condominium unit owners.

In addition to providing rebuilding benefits for major structural damage to your insured residence, a CEA policy provides specified living expenses and limited replacement dollars for earthquake-damaged personal belongings.

Where can I purchase a CEA policy?

CEA policies are offered and serviced by participating private insurance companies and their agents. Farmers is a participating company and your Farmers agent can help you purchase a CEA policy.

Companies not participating in the CEA are still required to offer earthquake coverage with each Homeowners policy sold.

CEA rates

Rates will vary according to the age, location and construction of your residential property. Your Farmers agent can provide you with the exact cost of your coverage.

Important facts

You must have your Homeowners Condominium unit or Tenant/Renters insurance with a CEA participating

company to purchase earthquake insurance through the CEA.

The earthquake coverage amount for your residence structure must be the same as you have on your Homeowners policy.

The CEA policy pays for repair or replacement of the dwelling, but not for damage to pools, spas, patios, fences and detached garages.

The CEA policy provides up to \$1,500 in living expenses while your uninhabitable home is under repair.*

For all earthquake policies, replacement of damaged personal belongings is limited to \$5,000 and applicable deductibles must be met.*

The deductible amount is 15 percent of the residence structure coverage for Homeowners policies. The Tenant/Renters and Condominium unit policy deductible is \$750.*

* 10 percent deductible and/or increased personal property and loss of use coverage limits are available for an additional premium.

Next steps

Your Farmers agent will prepare a California Earthquake Authority policy offer for you to review.

Ask your Farmers agent about the premium payment options that are available.

