

Fast Facts on EARTHQUAKE INSURANCE



THE BASICS

- A standard homeowners policy does not cover earthquake damage.
- An earthquake endorsement may be available from your current carrier for an additional fee.
- Earthquake insurance is also available as a stand-alone policy.
- Most companies won't sell new earthquake insurance policies for 30-60 days after a quake due to the expectation of aftershocks.

WHAT'S COVERED?



Home repairs needed due to earthquake damage



Replacement of personal property directly damaged by an earthquake



Additional living expenses while the home is under repair



Debris removal

WHAT'S NOT COVERED?



Damage to lot or land, such as sinkholes



External water damage



Vehicle damage



Some insurance companies do not cover replacement of the brick, rock or stone that covers the outside of the home

COVERAGE NEEDS



- In the event of a total loss, you need enough insurance to rebuild your home at current construction costs and replace its contents.
- Keep in mind the amount of repair and replacement costs you can afford to pay out-of-pocket after a total loss.
- If your home is only insured for its appraisal or loan value, there will only be enough coverage to repay the mortgage lender and not enough to repair the home.
- You should also be aware of sub-limits on specific items, such as a \$50,000 limit on personal property replacement with a \$5,000 sub-limit on computers.

COST



- Earthquake premiums vary depending on multiple factors including coverage, deductible amount and the property's location, age and construction type.
- Typically, an Oklahoma homeowner can expect to pay \$100 to \$150 per year for earthquake coverage.

DEDUCTIBLES



- Earthquake insurance carries a separate and substantial deductible. The deductibles work differently than those of standard homeowners policies, including separate deductibles for the home, outside structures such as a detached garage or a fence, and for personal contents.
- The deductible is calculated as a percentage of the insured property's value, usually 5 to 10 percent. For instance, a \$100,000 home would require a deductible of \$5,000 to \$10,000.

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Consumer Hotline at (800) 522-0071