



# Are Your Homeowner Clients Ready If A Quake Strikes Today?



Scientists warn a massive earthquake can strike California at any moment. It is estimated a 7.0 magnitude earthquake today could displace over 150,000 people and cause billions of dollars in property damage.<sup>1</sup> The risk of earthquakes and their financial toll should be top of mind for every insurance agent and homeowner in California.

## Top 3 Reasons

You Should Offer **GeoVera Earthquake Insurance** to Every Homeowner Client:

### 1 **GeoVera Earthquake insurance fills a severe coverage gap for your clients.**

Standard homeowners insurance policies do not cover earthquake damage, and FEMA grants don't take the place of earthquake insurance. As a result, most people are not financially able to bear the loss of a home, rebuild that home, and still pay off their mortgage at the same time.

### 2 **Offering GeoVera Earthquake insurance provides you Errors & Omissions protection.**

Your clients come to you as an expert in home insurance. Therefore, you should educate them on their risks and liabilities, including that earthquake coverage is not included with the standard Homeowners insurance policy. In our increasingly litigious society<sup>2</sup>, you do not want to risk the possibility of a client suing your agency because you did not inform them of their earthquake loss risks.

### 3 **GeoVera Earthquake insurance & bundled policies have a very high retention rate.**

Over 95% of GeoVera earthquake insurance policies renew annually. As home equity grows and the risk of a devastating earthquake also grows over time, an earthquake policy can increase in value yearly. It is widely known that bundling more policies for a client will improve the retention rate for all policies. GeoVera's Earthquake product is the perfect solution to help increase retention rates for all your accounts.

## It's Easy to Expose the **Coverage Gap** to Your Clients with these Talking Points:

**You Have No Coverage:** "Your Homeowners policy does not provide coverage for earthquake damage, yet you own a home in one of the most seismically active regions in the world. You are protected from fire, wind, theft, and plumbing losses, but you still risk losing your home to an earthquake."

**Your Home Equity is Growing:** "Is your home equity increasing? California homeowners experienced some of the largest equity gains in the nation in 2021, with an average equity gain of \$117k."<sup>3</sup>

**Your Earthquake Risk is Growing:** "Recent earthquakes show a pattern of steadily increasing damages and losses, and California has the nation's highest losses in property damage due to earthquakes."<sup>4</sup>

**You're Not Prepared for a Total Loss:** "If you experience a total loss, can you afford to rebuild, replace your belongings, find another place to live, and pay off your existing loans?"

**You Need Your Retirement Savings:** "Earthquakes can be emotionally and financially devastating events for homeowners. Avoid dipping into your retirement savings to recover after an earthquake; buy insurance now."

**You Can Get Back on Your Feet Faster:** "After a large quake, having earthquake insurance can get you back into your home months faster (than not having insurance) because contractors and service providers are more likely to work with earthquake insurance clients first. Plus, coverage for Loss of Use and Additional Living Expenses will be critical after a damaging quake."

**Expect the Unexpected:** "Many homeowners think a catastrophe will never hit their neighborhood; until it does. History has taught us that a catastrophe can strike anywhere at any time. Your Homeowners policy protects your home from wildfire, but your earthquake risk is just as real."

**Some Protection is Better than None:** "If affordability is a concern, you can choose a policy that covers only the dwelling with a higher deductible and a convenient payment plan to protect your most important asset at a lower cost."

GeoVera is the longest-standing, highest-rated, and most user-friendly company writing stand-alone earthquake insurance in California. Go with the best<sup>5</sup> and the original writer of earthquake policies in California – GeoVera!



## Quote GeoVera for Every Client & Spread the News:

**New Business:** The best time to sell an Earthquake policy is when you are bundling insurance quotes for a new Homeowner client. Bundled insurance policies are convenient for your clients and have higher retention rates.

**Homeowners Renewal:** It is smart to offer an Earthquake quote at every renewal for every unprotected Homeowner client. Remind your clients of increasing home equity and the fact that an earthquake can wipe out all that equity in an instant.

**Quake Activity:** Another opportune time to engage your clients is when an earthquake strikes in your area and residents feel the ground shaking. Offer a quote to all your clients right after a quake strikes your area, or when a large-scale global quake takes over the news.

**Share GeoVera Quake Alerts:** GeoVera reports earthquakes of magnitude 4.0 and higher to agents in the impacted area. You can also follow GeoVera on LinkedIn and Twitter to share quake alerts. Visit [GeoVera.com](http://GeoVera.com) to see the latest seismic activity in California.

**ShakeAlert & USGS Alerts:** Subscribe to ShakeAlert and USGS Earthquake Notification System for automated alerts.

## Share the Facts about California Earthquake Risk:

More than 70% of California's population resides within 30 miles of a fault where ground shaking could occur in the next 50 years.<sup>6</sup>

Each year, California generally gets two or three earthquakes large enough to cause damage to structures (magnitude 5.5 and higher).<sup>7</sup>

Within the next 30 years, there is at least a 60% chance that California will have an earthquake of 6.7 or greater magnitude.<sup>8</sup>

## Why Choose GeoVera?

GeoVera is the longest-tenured, highest-rated, and the most user-friendly company, rated "A" (Excellent) by A.M. Best. GeoVera has provided stand alone earthquake insurance in California longer than any other company, including the CEA.



Unlike CEA policies, GeoVera Earthquake policies are backed by the California Insurance Guarantee Association.

GeoVera has the most advanced, user-friendly tools for earthquake quoting, policy management, and mobile claims reporting.<sup>9</sup>

GeoVera Earthquake is also available on popular comparative raters, PL Rating, EZ Lynx, and more, making it easy for our agents to quickly bundle an accurate Earthquake quote with every Homeowners quote!

<sup>1</sup> USGS HayWired Scenario [https://pubs.usgs.gov/fs/2018/3016/fs20183016\\_.pdf](https://pubs.usgs.gov/fs/2018/3016/fs20183016_.pdf)  
<sup>2</sup> California was ranked NUMBER 1 in the American Tort Reform Foundation's most recent listing of "Judicial Hellholes" <https://www.judicialhellholes.org/>  
<sup>3</sup> Core Logic 2021 Homeowner Equity Report  
<sup>4</sup> FEMA - Estimated Annualized Earthquake Losses for the United States  
<sup>5</sup> Bob Vila – Best Earthquake Insurance Company of 2022: GeoVera  
<sup>6</sup> USGS.gov  
<sup>7</sup> California Department of Conservation  
<sup>8</sup> USGS.gov  
<sup>9</sup> Investopedia - Best Earthquake Insurance Providers of 2022 – Best Online Experience: GeoVera