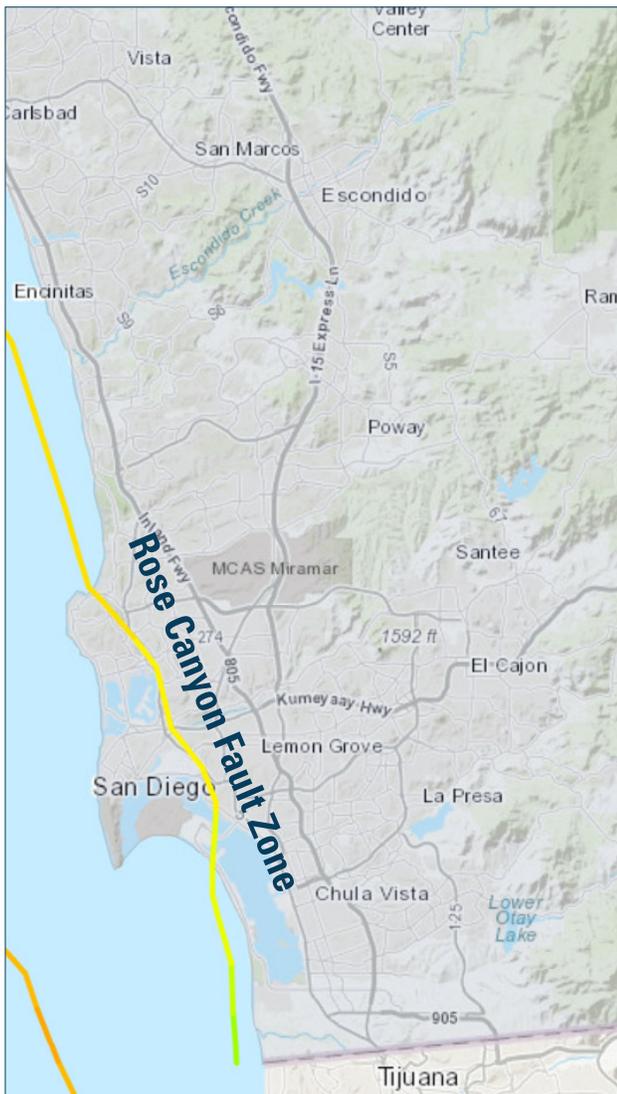


Fact Sheet

Reducing the risk of residential earthquake loss in the San Diego area and statewide

“ There is significant earthquake risk in the San Diego area, as noted by the experts who have produced this new scenario. The Rose Canyon Fault Zone lies directly beneath the city of San Diego, as well as along the coast, and scientists now have a better understanding of the types of damage it could cause. But the risk is insurable—earthquake insurance is far more affordable than many San Diegans may realize—and some damage may even be preventable. San Diegans can reduce their risk of loss in two ways: by purchasing earthquake insurance and by retrofitting older houses to make them less likely to slide off their foundations during an earthquake. ”

—California Earthquake Authority, CEO Glenn Pomeroy



Selected residential-impact findings from the San Diego Earthquake Planning Scenario

A hypothetical magnitude 6.9 earthquake within the Rose Canyon Fault Zone.¹

45%

Estimated percentage of residential buildings in the scenario area that would be damaged.

23,000

Estimated number of residential units in the scenario area that would suffer extensive or complete damage.

36,000

Estimated number of households in the scenario area that would be displaced.

Repair costs could be high

Construction costs in San Diego are higher than the national average.

“Older highly vulnerable structure types will be hardest hit”

With extensive damage, building losses and many possible casualties.

San Diegans should take steps to better prepare themselves financially

More than 50%

The percentage of residential structures in both the city of San Diego and the county that were built before 1980, the year modern seismic building codes were implemented statewide. These homes may be more vulnerable to earthquake damage. At least 11 percent of the housing structures in the city and 7 percent in the county were built prior to 1950 and may be particularly vulnerable.ⁱⁱ



78%

The percentage of residents with home or renters insurance in San Diego County who do not have an earthquake insurance policy from CEA or another insurance company.ⁱⁱⁱ

Many people believe their home insurance covers earthquake damage. But, acting under state law, insurers have excluded shake damage from homeowners policies for more than 30 years.

Others believe the government will bail them out. This is a false hope: Government assistance, if available, is extremely limited.



\$35,500

The maximum Federal Emergency Management Agency disaster assistance grant available in 2020 for presidentially declared disasters. These grants are not designed to cover all disaster-related losses or replace insurance. The average FEMA grant awarded after the 2014 American Canyon (Napa) earthquake was just \$2,670.^{iv}

\$200,000

The current maximum for U.S. Small Business Administration disaster loans for homeowners to replace or repair their primary residence. Renters and homeowners may borrow up to \$40,000 to replace or repair personal property damaged or destroyed in a disaster. Even if a homeowner or renter is approved for a loan from the SBA, that loan must be repaid, and many homeowners may still have a mortgage to pay in addition.^v

“ *It's not enough to be prepared physically—to know what to do when the ground shakes and to have emergency supplies on hand. It's also important to be prepared financially, so that we can recover from expensive damage. California has two-thirds of the nation's earthquake risk, and San Diego lies directly on a fault with the potential for serious losses. Retrofitting older homes and considering earthquake insurance are important parts of building more resilient communities.* **”**

—California Earthquake Authority, CEO Glenn Pomeroy

Educate, Mitigate, Insure:

Strategic goals of the California Earthquake Authority to help Californians reduce their risk of earthquake damage and loss

The **not-for-profit California Earthquake Authority**, established by the California Legislature in 1996 following the magnitude 6.7 Northridge earthquake, is committed to getting more Californians—including those in the greater San Diego area—financially protected against damaging earthquakes through education, mitigation and insurance.

Insurance

66%

The percentage of residential earthquake insurance policies sold in California that are CEA policies.^{vi}

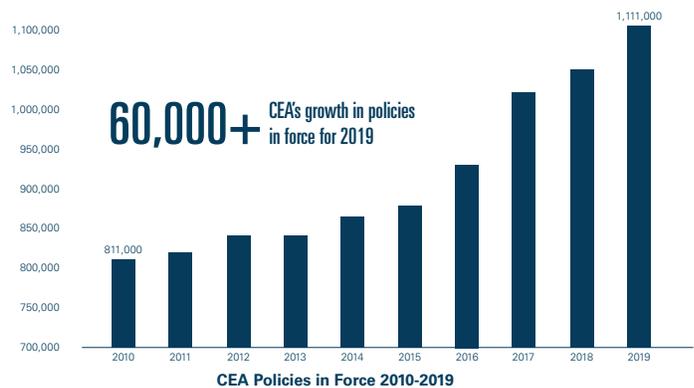


1.1 million

The number of California households CEA insures statewide, as of December 31, 2019.

More than \$18 billion

CEA's **claim-paying capacity** for covered claims—enough to cover claims from the scenario earthquake or even a reoccurrence of the 1906 San Francisco, 1989 Loma Prieta or 1994 Northridge earthquake.



5%, 10%, 15%, 20%, 25%

Deductibles available for CEA earthquake insurance policies.

\$1,500—\$100,000

CEA's range of coverage amounts for loss of use coverage—to cover additional living expenses if you need to eat and live elsewhere because earthquake damage or a civil authority prevents you from residing in your home (even if your home isn't damaged). This coverage has no deductible. After an earthquake like the one examined in the San Diego Earthquake Planning Scenario, residents could be displaced for weeks or even months as a result of damage, limited access to roadways or utility outages.

24

The number of CEA's **participating residential insurers**, offering CEA earthquake **insurance policies** for homeowners, renters, mobilehome owners and condo-unit owners.

Example CEA earthquake insurance premiums for homes in San Diego

Costs below depend on the amount of coverage the policyholder decides to purchase and what deductible they select. Use CEA's [Premium Calculator](#) at [EarthquakeAuthority.com](#) to explore policy options and premium costs for your own home.



\$100–\$444

The annual cost for a CEA earthquake insurance policy for a typical house in San Diego (single-story, wood-framed, built on a slab foundation in 1962, with a reconstruction cost of about \$353,000).



\$35–\$304

The annual cost for a CEA earthquake insurance policy for renters in San Diego.



\$45–\$121

The annual cost for a CEA earthquake insurance policy for a mobilehome in San Diego (built in 1980 with a reconstruction cost of \$100,000).



\$35–\$696

The annual cost for a CEA earthquake insurance policy for a condo unit in San Diego (with a fair market value of more than \$135,000).

Steps CEA policyholders should take if an earthquake damages their house or personal belongings

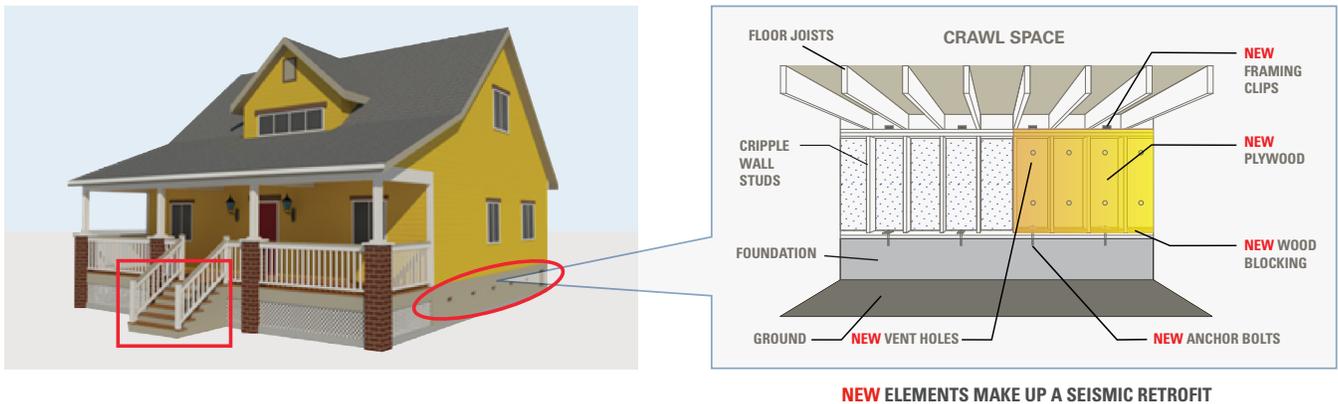
- Contact their [residential insurance company](#) as soon as possible to [start their claim](#).
- Be sure to document damage and keep records and receipts that may be important to include in their claim.
- Remember that CEA's loss of use coverage never has a deductible and that all CEA policies include coverage for emergency repairs, which allows policyholders to take immediate steps to secure their property and avoid further damage.

Mitigation

Nearly 1.2 million

The number of vulnerable homes in high-seismic-hazard areas of California that CEA estimates could benefit from seismic retrofitting because they were built prior to 1980 on raised foundations.

The San Diego area has many houses built before 1980 on raised foundations (such as houses with [wood-framed crawlspaces](#) and [cripple walls](#) and houses with [concrete stem-wall foundations](#)), which could be strengthened with a brace-and-bolt or bolt-only seismic retrofit.

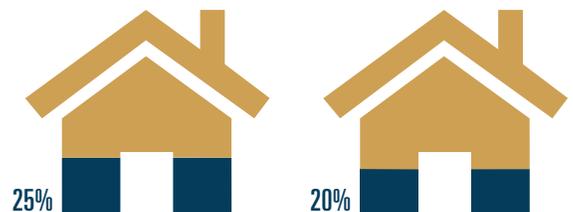


\$4,700 The average cost of a brace-and-bolt seismic retrofit in Southern California^{vii} (the cost for a bolt-only retrofit is typically lower)

CEA funds [seismic-retrofit grants](#) through two programs in California to help offset the cost of retrofitting and strengthen as many older houses as possible: [Earthquake Brace + Bolt](#), for ZIP Codes with high seismic hazard and high concentrations of pre-1980 houses, and [CEA Brace + Bolt](#), a similar program for CEA policyholders.

25% and 20%

CEA's premium discounts for properly retrofitted houses on raised foundations. The 25% discount is for houses built in 1939 or earlier, and the 20% discount is for houses built in 1940–1979.



15% and 10%

CEA's premium discounts for properly retrofitted houses on other (non-slab) foundation types. The 15% discount is for houses built in 1939 or earlier, and the 10% discount is for houses built in 1940–1979.



Education

CEA's Website

EarthquakeAuthority.com, offering information on how to [prepare](#) to [survive](#) and recover from a [damaging earthquake](#).

Users in 2019:

1,188,510

(93,149 in the San Diego metropolitan area)

Pageviews in 2019:

3,334,465

(210,395 in the San Diego metropolitan area)

User sessions in 2019:

1,781,348

(121,849 in the San Diego metropolitan area)

SURVIVAL KIT BASIC DISASTER SUPPLY KIT



WATER SUPPLY



NON PERISHABLE FOOD AND CAN OPENER



IMPORTANT DOCUMENTS



FIRST AID KIT



FLASHLIGHT AND BATTERIES



PET FOOD AND WATER



WRENCH AND PLIERS



BATTERY RADIO AND BATTERIES

Top pages visited during 2019:

- CEA's Premium Calculator
- EarthquakeAuthority.com home page
- California Earthquake Risk Map & Faults By County

Top cities in California where visitors to CEA's website were located in 2019:

- Los Angeles
- San Francisco
- San Diego

Advertising

CEA advertises across the state to educate Californians about earthquakes and encourage them to reduce their risk of damage and loss. The current campaign, “It could happen today,” reminds Californians that earthquakes strike without warning and that the time to prepare is now. Due to its proximity to the Rose Canyon fault, CEA has made San Diego a primary outreach market. CEA uses all major media channels, such as TV, radio, digital and outdoor advertising, to inform residents about how to survive and recover from a major earthquake.



Social Media

CEA uses [Facebook](#), [Twitter](#), [LinkedIn](#), [Instagram](#) and [YouTube](#) to share educational content about earthquake risk and preparedness. One recent Instagram post, part of a CEA series featuring seismicity-related sites around the state, contained [several photos of San Diego's Fault Line Park](#), which sits atop the Rose Canyon fault at J and 14th streets in downtown San Diego and is bordered by large apartment buildings.



Monthly Blog

CEA's blog covers a variety of topics. Many are focused specifically on educating Californians about how to prepare for an earthquake. The most popular blog from 2019, [What to Do Before, During, and After an Earthquake](#), was posted the day after the first Ridgecrest earthquake and proved to be a valuable resource in the following months. Another popular blog from 2019, [How to Make an Earthquake Emergency Kit](#), has been shared widely across social media and is currently incorporated into CEA's social media advertising. CEA's first blog of 2020, [How to Protect Your Home Before an Earthquake](#), educates readers on how to do a home safety check from the inside out, and how to make a home safer.



Community Outreach

CEA also participates in [community outreach](#) events, by providing speakers or other representatives to share information about earthquake insurance and mitigation. From 2016 to 2019, CEA participated in more than 30 community events in San Diego County. CEA is also participating in the 2020 National Earthquake Conference in San Diego, as the presenting sponsor and by providing session speakers and others who can share information about earthquake insurance and seismic retrofitting.



Great California ShakeOut

CEA has collaborated with partner organizations on the [Great California ShakeOut](#), an annual earthquake preparedness drill, since it began in 2008. Drill participants practice how to Drop, Cover, and Hold On when the ground shakes. ShakeOut has become a global event, and 10.8 million people participated in California in 2019.





For more information:

Visit our website

EarthquakeAuthority.com

Media contact

Sarah Sol, Media Relations Manager

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ⁱ Source: [San Diego Earthquake Planning Scenario](#) (Earthquake Engineering Research Institute, San Diego Chapter, 2020).

ⁱⁱ Sources: [2013-2017 American Community Survey Five-Year Estimates for San Diego County](#) and [2013-2017 American Community Survey Five-Year Estimates for San Diego City](#).

ⁱⁱⁱ Source: California Department of Insurance, [Fire and Earthquake Policy Count per County as of December 31, 2017](#).

^{iv} Sources: [Federal Register Notice 84 FR 55323](#) dated Oct. 16, 2019; [DisasterAssistance.gov Frequently Asked Questions](#); and [Federal Emergency Management Agency page about California Earthquake \(DR-4193\)](#).

^v Source: U.S. Small Business Administration [Disaster Loan Assistance page](#).

^{vi} Source: California Department of Insurance, [Earthquake Premium and Policy Count Data Call: Summary of 2018 Residential Market Totals](#).

^{vii} Source: California Residential Mitigation Program, [December 2019 governing board materials](#).