

## [State Negotiates Deal for Sayre Fire Victims](#)

Mobile home owners whose properties were destroyed by the 2008 Sayre Fire and who were insured by AIG will receive as much as an extra \$125,000 from their policy under an agreement announced today by the state insurance commissioner.

The Sylmar-area fire destroyed 485 mobile homes, 370 of which were insured by American International Group Inc.

Those policies included a stipulation that home owners would receive additional compensation if their homes were destroyed, but policyholders found that what they were provided with was insufficient to replace their mobile homes, according to the Department of Insurance.

The DOI negotiated a deal with AIG — worth up to \$46 million - to provide owners with an additional \$100,000 to \$125,000 per policy.

“Losing your home and all your belongings in a wildfire is absolutely devastating,” said Insurance Commissioner Steve Poizner. “After years of making payments on their policies, homeowners count on their insurance companies to come through when they need them most — when they lose everything.”

The State got involved after receiving complaints from fire survivors who complained that their AIG policies included a stipulation that provides either 110 percent or 125 percent for additional coverage in the event of a total loss. However, the company advised the policyholders that the 110 percent enumerated in their policies actually meant 10 percent additional coverage, and 125 percent actually meant 25 percent additional coverage for policyholders. As many wildfire victims attempted to rebuild their lives, they found that the policy limits being offered by AIG were insufficient to replace their mobile homes. DOI took the position that coverage should be afforded for 110 percent



or 125 percent of additional coverage and urged AIG to offer the higher policy limits to all wildfire victims.

“We commend the Commissioner and his team for negotiating this important agreement on behalf of the hundreds of AIG policyholders who lost their Sylmar homes and need every promised dollar of insurance coverage to rebuild,” said Amy Bach, a consumer rights advocate and executive director of United Policyholders in a press release from the DOI.

During a meeting with fire victims at Olive View Middle School earlier this week, Los Angeles City Councilmember Richard Alarcón called the deal “an amazing accomplishment”.

“I want to thank the local disaster recovery advocates who brought this to the attention of my office so we could work with the Insurance Commissioner to ensure that the Oakridge residents received what they were entitled to and I thank the Insurance Commissioner for following through,” said Alarcon in a press release.

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