

[Wildfires breed home insurance woes, even far from flames](#)

ABC 7 News

BERKELEY, Calif. (KGO) — With all the wildfires in California these past few years, homeowners have begun dealing with unprecedented difficulties with their insurance companies. And we're not talking only about areas that burned.

When Sue Von Baeyer of Berkeley received the letter from Allstate Insurance saying they would not renew her homeowners policy, it left her angry, frightened, and puzzled. "They said because of the fire danger."

And that, to a woman who had paid premiums for 17 years, and spent thousands of dollars more cutting back the trees around her home.

Nine others on this street have received similar letters from insurance companies. It is happening in fire zones across the state.

"Well it doesn't seem like insurance companies are operating in good faith. If they will insure me when nothing happens, then why not when something might happen...."

Von Baeyer lives in a neighborhood untouched by the Oakland Hills Firestorm of 1991, but like so many others, it sits in what the industry calls a WUI, or wildland urban interface. As the climate changes, insurance companies do not like what they're seeing.

"Insurance companies are taking a good look at their portfolios. And the risk of wildfire has gone up exponentially," explained Susan Piper who knows the problem intimately.

She and her husband lost their home in the 1991 East Bay Firestorm. Now she's on the board of United Policyholders, which advocates for disaster victims in dealing with their insurance carriers.

"The system must change," said Piper. "The fact remains that homeowners need insurance if they have a mortgage. And they cannot have a mortgage without homeowners insurance."

In Von Baeyer's case, she did find new insurance, but it costs \$2,000 a year more and does not cover her as well. She hopes her new insurers will visit, see the work on her property and improve coverage.

Meantime, this insurance consequence of California's new normal leaves many of us not sleeping at night

and angry with the companies who we thought had us covered.

“So, your insurance company had said they want to raise your rate, would that have been alright?”

“Yes.”

“Would you have paid it?”

“Yes.”

“But when they said they’re not renewing you?”

“That’s wrong.”

ABC7 News did reach out to Allstate Insurance for a comment.

The company did not get back to us. But an industry spokesman has said this is all about spreading the risk to better serve customers.