FREE RESOURCE

Nevada County wildfire insurance: what buyers and sellers need to know

Why policies are getting dropped this year, what it means if you're buying or selling, the exact numbers to call, and how to make your case to an insurance company before it costs you a deal.

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WHY I MADE THIS

I've spent 21 years selling homes in Nevada County, and eighteen years before that in tech support — which mostly meant taking something confusing and turning it into a plain next step for someone who was stressed out. Insurance is the new version of that. Right now it's the single most common thing derailing deals in this county, and almost nobody sees it coming until they're already in escrow.

This update goes further than my first version. Buyers and sellers kept asking me the same follow-up questions — who's actually still writing policies here, what number do I call, what do I say when I get an agent on the phone, how do I keep from getting dropped in the first place. So I went and got the answers. Nothing here is a sales pitch. It's the same conversation I have with clients before they make an offer or put a sign in the yard — just written down, with the phone numbers included.

THE NUMBER DRIVING THIS

One in seven.

One in seven Nevada County homeowners has had their fire insurance policy dropped or non-renewed in the past three years, according to a CBS13 report. It's not limited to remote acreage back in the trees — it's hitting regular subdivisions in Grass Valley, Nevada City, and Penn Valley too. Cal Fire has designated large parts of Grass Valley a Very High Fire Hazard Severity Zone, and it's one of the state's 35 wildfire priority projects. A lot of local homes sit at the end of long, narrow, dead-end roads, far from a hydrant — and that's exactly what an underwriter's model flags, whether the house itself is beautifully maintained or not.

THE BACKGROUND

Why it's happening

Insurance companies have taken heavy losses from wildfires across California over the past several years — the Camp Fire, the LA fires in January 2025, and a long list of smaller ones in between. A lot of carriers have simply stopped writing new policies, or stopped renewing old ones, in what they consider high-risk areas. Nevada County sits right in that zone.

We're forested, we're in what's called the wildland-urban interface, and insurers' risk models take that seriously — whether your home is tucked into the pines out in Alta Sierra, sitting lakeside at Lake Wildwood, or on a quiet street in downtown Grass Valley.

Standard private policy	California FAIR Plan
Broader coverage, typically lower cost, written by a private carrier (State Farm, Allstate, Farmers, Mercury, and so on).	A state-mandated last-resort plan when private carriers won't write you. Fire coverage only, usually costs more, usually covers less. A safety net, not a replacement.

Who's actually writing policies right now

This changes month to month, so treat this as a starting point for your agent's conversation, not gospel. As of mid-2026:

State Farm — stopped writing new homeowners business in California in early 2026 and has been non-renewing policies in higher-risk zip codes since 2024. If you already have a policy with them, don't assume it's safe at renewal.

Allstate — paused on new California homeowner policies since late 2022, though in talks with the state about resuming under new rate rules — worth checking again at renewal time.

Mercury, Farmers, CSAA/AAA, Kemper — among the admitted carriers still actively writing statewide, including in higher fire-risk counties like ours, though every one underwrites the specific address, not just the zip code. Farmers lifted its new-business cap in November 2025.

USAA — writes for eligible military families, generally only on the lowest-risk homes.

Surplus lines / E&S market — a fast-growing slice of local coverage placed through a broker rather than sold directly. New surplus-lines homeowners policies statewide jumped from roughly 50,000 in 2023 to over 320,000 in 2025. Increasingly the realistic path for harder-to-place homes in the foothills — not a red flag by itself, just a different market with different paperwork.

California FAIR Plan — grown from about 154,000 policies statewide in 2019 to roughly 668,000 in early 2026. A lot of your neighbors are already on it.

The honest takeaway: no single "best company" exists right now. What matters is working with someone who can shop your specific address across a dozen markets in one afternoon, instead of you calling five 1-800 numbers yourself.

UNDERSTANDING THE FALLBACK

The California FAIR Plan and wrap policies, explained simply

If a private carrier won't write you, the FAIR Plan is where most people land. Two things to understand before you assume it's your only option:

It's fire coverage only. The FAIR Plan doesn't cover water damage, theft, liability, or most of what a normal homeowners policy covers. Most people pair it with a **Difference in Conditions (DIC)** policy — sometimes called a "wrap" — from a separate carrier, which fills in the water, theft, liability, and personal property coverage the FAIR Plan leaves out. It's a second policy, a second deductible, and usually a separate agent, but together the two approximate a normal homeowners policy.

It's not necessarily permanent. Mitigation work on the property — a Class A roof, ember-resistant vents, cleared defensible space — can sometimes bring a private carrier back to the table within a year or two. Don't assume FAIR Plan today means FAIR Plan forever.

California FAIR Plan customer service

1-800-339-4099 (Mon–Fri, 8:30am–4:00pm)

FAIR Plan claims line

(213) 487-0111 or (800) 339-4099 — 24/7 online claim filing at cfpnet.com

KEEP THESE HANDY

The numbers to have in your phone

California Department of Insurance Consumer Hotline — 1-800-927-4357 (927-HELP)

For questions about your policy, a non-renewal you think was wrongly issued, or a dispute with your insurer. Live chat at insurance.ca.gov.

California FAIR Plan — 1-800-339-4099

Nevada County Office of Emergency Services — 530-265-1515

Nevada County Defensible Space Inspections — 530-470-2727

Free inspections, and a clean report in hand is genuinely useful when you're shopping a hard-to-place property.

Fire Safe Council of Nevada County — 530-272-1122, areyoufiresafe.com

Who to call about getting your neighborhood or road association designated a Firewise Community, which some insurers now discount for.

Me – 530-489-4892

Happy to walk your specific address through this before you write an offer or list a home. That's the whole point of this guide.

How to not get cancelled

Non-renewal doesn't wait for a claim. Plenty of my clients never filed one and got dropped anyway — it's about risk modeling, not your personal claims history. But there's real ground you can hold.

1. **Do the home hardening work insurers actually score you on.** Under California's Safer from Wildfires regulation (Insurance Code 2644.9), every admitted insurer that prices in wildfire risk must offer a documented discount for a Class A fire-rated roof, dual-pane or tempered windows, and enclosed eaves. As of January 2026, that requirement got wider.

2. **Get defensible space right, including the first five feet.** The state is finalizing "Zone 0" rules requiring an ember-resistant zone in the five feet immediately around your house — no mulch, no dry vegetation, no wood fencing touching the structure, no stored firewood against the wall. Not fully locked into statewide law yet, but insurers are already scoring for it.

3. **Document everything.** Photos and receipts for a new roof, brush clearance, gutter guards, ember-resistant vents. That folder is what lets an underwriter see a lower-risk property instead of just a zip code.

4. **Get a free defensible space inspection from the county** (530-470-2727) and ask for something in writing. It costs nothing and it's evidence.

5. **Ask about a Firewise USA designation for your neighborhood.** Some insurers file a credit — up to 20% of the wildfire portion of your premium — for recognized Firewise communities. The Fire Safe Council (530-272-1122) can tell you if you already qualify.

6. **Know your rights after a declared wildfire disaster.** California law (originally SB 824, expanded since) bars insurers from non-renewing or cancelling policies within or adjacent to a governor-declared wildfire emergency's zip codes for one year, whether your home was damaged or not — up to 24 months for a total loss. Already used to protect homeowners in Sierra foothill counties near us.

7. **If you get a non-renewal notice, call and ask why — specifically.** Insurers have to give a reason. Sometimes it's fixable and reversible once you fix it and send proof. Don't treat the notice as final without asking.

What to say to an insurance company

Most people call an agent and just answer questions passively. You'll get a better outcome, and often a better price, if you go in with the property's story already organized. Use this as a rough script:

1. **Lead with the address and the mitigation, not just "I need homeowners insurance."** Give them the specific reasons it's a better risk than the zip code average — Class A roof, defensible space cleared to X feet, ember-resistant vents, recent inspection.

2. **Ask directly whether they're currently writing new business in Nevada County.** Some agents spend twenty minutes gathering your information before mentioning they've paused new policies here.

3. **Ask for the dwelling coverage number, not just the premium.** Make sure it's at least 80% of what it would actually cost to rebuild today — construction costs have moved a lot, and being underinsured is its own kind of disaster.

4. **Ask specifically about the wildfire deductible.** Many high-risk-area policies carry a separate wildfire deductible, often 1–5% of the dwelling coverage, on top of your regular deductible.

5. **If quoted a FAIR Plan policy, ask what a matching DIC wrap would cost** so you're comparing an apples-to-apples total, not just the FAIR Plan premium against a full private policy.

6. **If declined, ask why, in writing if possible.** That reason is what you fix, document, and bring back in twelve months.

7. **Work an independent agent, not a single-carrier call center.** An independent agent can shop your address across a dozen carriers, including surplus lines markets, in one conversation.

FOR BUYERS

What to look for in a property

Before you fall for a listing, a few things are worth a five-minute check, because they directly affect whether you can insure it at all:

1. **Roof age and material.** A Class A fire-rated roof (composition shingle, tile, metal) is table stakes now. An old wood shake roof can make a home effectively uninsurable through standard markets.

2. **Distance to a fire hydrant and road access.** Homes on long, narrow, dead-end roads — common in Alta Sierra and outlying foothill areas — get flagged harder, regardless of how well-kept the house is.

3. **Defensible space as it exists today, not as it could be.** Overgrown brush, trees touching the roofline, or dense understory within 100 feet all show up in insurer risk scoring.

4. **Vents and eaves.** Open, unscreened attic and foundation vents are an ember entry point insurers increasingly ask about. Ember-resistant vents are a relatively cheap retrofit.

5. **Whether the seller is currently on the FAIR Plan.** Not disqualifying, but it changes your homework — ask if a DIC wrap is already in place and what it costs.

6. **Any non-renewal notices in the property's recent history.** A past non-renewal doesn't mean you'll be non-renewed, but it tells you what an underwriter flagged.

FOR SELLERS

How to make your case to an insurance company

If your home has any of the risk factors on the previous page, don't wait for a buyer's insurance search to surface them. Get ahead of it:

1. **Pull your defensible space inspection report** (or get one — 530-470-2727, free) and have it ready to hand a buyer's agent.

2. **Compile your mitigation paperwork:** roof age/type, any vent or eave upgrades, brush clearance receipts, Firewise community status if applicable. This is the packet that keeps a buyer's insurance shopping from stalling your deal in escrow.

3. **Know your own policy status cold** — carrier, FAIR Plan or private, what you pay, and whether you've had a non-renewal notice in the past three years. A prepared answer builds trust; a surprised one raises red flags even when there's nothing to hide.

4. **If you've had a non-renewal, disclose it early and explain what you did about it.** Buyers respect that a lot more than finding out two weeks before closing.

THE MISTAKES I SEE MOST

Three ways people get caught off guard

01

Shopping for a house before shopping for insurance. By the time you love the place, it's too late to walk away over a quote. Get a real insurance quote — not an estimate — before you're in contract, ideally before you write the offer.

02

Assuming a policy you've had for years is still safe. Non-renewal doesn't wait for a claim — plenty of my clients never filed one and got dropped anyway.

03

Waiting until escrow to check. A policy cancelled mid-escrow is one of the fastest ways a deal falls apart in this county — the buyer's lender won't fund without insurance in place, and everyone's back to square one after weeks of work.

> *"Get the quote before the offer, not after."*
>
> — Bob Sawyer

If you're buying

1. Get an insurance quote before you're in contract, not after — give the exact address, get a real number back.
2. Some lenders won't close without proof the home can be insured. Don't find out with ten days left on your contingency.
3. Ask the seller what they pay and about any non-renewal notices. A good seller will have the answer ready.
4. A hard-to-insure home isn't automatically a dead deal — FAIR Plan, DIC wraps, surplus lines are all real options.

If you're selling

1. Check your policy status before you list, not after you're in escrow.
2. If there's an issue, disclose it early. Buyers respect that more than a surprise.
3. A cancelled policy mid-escrow is one of the more common ways local deals fall apart right now.
4. A little homework before you put a sign in the yard avoids almost all of it.

What you can actually do about it

1. Defensible space, ember-resistant vents, and a Class A roof can make a real difference with FAIR Plan eligibility and private carriers alike.
2. Mitigation work like that is sometimes enough to bring a private carrier back to the table entirely.
3. Work with a Nevada County insurance agent — independent, if possible — not a national call center reading from a statewide script.
4. If you're buying or selling with me, insurance gets looped in early — before there's a problem on the table.

Questions people ask me

Should I just avoid buying in Nevada County because of this?

No. It's a factor to plan for, the same way you'd plan for well water or a septic system — not a reason to rule out the whole county.

If I get dropped, can I switch to another carrier?

Sometimes, especially after mitigation work on the property. Sometimes the FAIR Plan plus a DIC wrap is the realistic answer for right now, and that's fine too, as long as you know it going in. Every property is different by address, by lot, by how the home's built.

Is my current policy actually safe just because I've never filed a claim?

Not necessarily. Non-renewals here are driven mostly by risk modeling on the property and its surroundings, not your personal claims history. Worth re-shopping every year or two even if nothing's changed on your end — the insurer's model might have.

What if there's a wildfire declared nearby — am I protected automatically?

If your home is within or adjacent to the zip codes of a governor-declared wildfire emergency, state law generally bars your insurer from non-renewing or cancelling you for one year, regardless of damage. Call the Department of Insurance hotline (1-800-927-4357) to confirm your zip code is covered rather than assuming either way.

WHAT TO DO NEXT

The next step

If you're buying, call an insurance agent before you write an offer — not after. If you're selling, check your policy status this week, before a buyer's lender does it for you. Either way, I'm happy to go through your specific address and situation with you before it costs you a deal.

ABOUT BOB

I'm Bob Sawyer — a straight shooter, no fluff. I've lived in Nevada County more than 40 years and sold homes here for 21 of them, after 18 years in tech support learning how to keep people calm through stressful and sometimes confusing situations. I take care of people. Buying, selling, or relocating anywhere in the county, that's the job.

Sources for this update: CBS13 Sacramento wildfire insurance non-renewal reporting; California Department of Insurance (insurance.ca.gov) — Safer from Wildfires regulation, non-renewal moratorium bulletins, and consumer hotline; California FAIR Plan (cfpnet.com); Nevada County Office of Emergency Services and Wildfire Recovery pages (nevadacountyca.gov); Fire Safe Council of Nevada County (areyoufiresafe.com); California Board of Forestry and Fire Protection Zone 0 rulemaking materials; industry reporting on carrier availability (Insurance Journal, United Policyholders, Latent Insurance) current as of August 2026. Carrier availability changes month to month — verify current status directly before relying on any single company name in this guide.

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Buying, selling, or relocating anywhere in Nevada County — if this guide raised a question about your specific address, let's go through it before it costs you a deal.

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40+ year local
200+ homes sold
Top 5% local agent