

Flood Insurance: the only way to protect against a flood event

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In Florida, less than 50 percent of those living in a high-risk flood areas carry flood insurance; after Hurricane Irma, many others probably wished they did. Neither homeowners nor rental insurance covers damage caused by flooding. Most business insurance policies exclude flood damage. Only flood insurance protects you in a flood event.

- In the U.S., floods are the most common and costly natural disasters causing millions of dollars in damage every year.
- Floods can happen anywhere. More than 20 percent of flood claims come from properties outside the high risk flood zones.
- Most federal disaster assistance comes in the form of low-interest disaster loans from the Small Business Administration and you have to pay the loans back.
 - o FEMA disaster grants are often much less than what is needed to recover.
 - o A flood insurance policy could and often does provide more funds for recovery than what you could be eligible for from FEMA or an SBA loan. You do not have to pay these funds back.
- Flood insurance policies cover you 365 days a year and can provide assistance even if a flood event is not a presidentially declared disaster.

High Risk Areas or Special Flood Hazard Areas (SFHAs)

- In a high-risk flood area, known as a Special Flood Hazard Area, there is at least a one-in-four chance of flooding during the life of a 30-year mortgage.
- The standard National Flood Insurance Program flood insurance policy covers the building. Contents coverage may be purchased separately through the NFIP.
- If you buy a home in a SFHA, the lender may require you to purchase a flood insurance policy.
 - o If you live in a moderate-to-low risk flood area, flood insurance is available and strongly recommended.



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Disaster Assistance for Survivors in Special Flood Hazard Areas

- If you live in a SFHA and received a grant from FEMA, you may receive a Certificate of Flood Insurance for a Group Policy as a part of your federal assistance.
- Survivors who receive federal disaster assistance and live in a SFHA are required to maintain flood insurance on their affected property.
 - o If the property is sold, the flood insurance requirement is transferred to the new owner and continues for as long as the property address exists.
- If you are a renter and receive federal disaster assistance, you must maintain flood insurance coverage on the contents of the property for as long as you live at the flood-damaged rental.
- Failure to maintain flood insurance will affect your ability to receive assistance if another disaster occurs.

Buy Flood Insurance Now

- Forecasters at the National Oceanic and Atmospheric Administration predict a near- or above-normal 2018 Atlantic hurricane season.
 - o An average season produces 12 named storms; six become hurricanes, including three major hurricanes.
- An NFIP insurance policy generally has a 30-day waiting period before the policy becomes effective so don't wait, buy now.
- If you don't have flood insurance, you may be left without any coverage when you need it most. The NFIP cannot pay a claim if you don't have a policy in effect when damage occurs.

For more information about the NFIP and flood insurance, call 800-427-4661 or your insurance agent, or go online to www.fema.gov/national-flood-insurance-program.

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