

## Do I Need Flood Insurance?

As we have stated earlier, flooding can occur anywhere, anytime. Even if you are not required to have flood insurance, serious consideration should be given to purchasing it anyway.

Homeowners insurance may cover fire and wind damage, but virtually never covers damage from flooding...nature's most common natural disaster. Damages associated with floods can easily total \$25,000 or more... sometimes much more.

Because Palm Beach County participates in the National Flood Insurance Program, all county residents qualify to apply for NFIP flood insurance.

Without flood insurance, losses must be covered out of pocket. Some limited relief might be obtainable through government aid. But, government assistance is not available automatically. It is offered only when the President makes an official disaster declaration. Less than half of flooding events are "declared disasters". Declarations require rather widespread damage. Most often, when government aid is available, it comes in the form of an interest bearing loan.

Flood insurance is **mandatory** if:

- your property resides in a Special Flood Hazard Area
- you have a federally backed mortgage on a home in a high risk area
- you have received a federal grant for previous flood losses and you wish to qualify for future aid

### **A flood policy can cover:**

- flood debris cleanup
- structural damage (walls, ceilings, floors, stairways, etc.)
- household appliances/utilities damaged by floodwater
- wall to wall carpeting, tile and other flooring surfaces

### **Contents coverage can cover:**

- furniture
- collectibles, artwork, knickknacks
- clothing, shoes, accessories, jewelry, etc.

Added coverages may be available for dislocation expenses such as rent, hotel stays, meals, etc.

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The maximum coverage limits under a standard flood policy are \$250,000 for a single family home structure (\$500,000 for businesses) and \$100,000 for single-family home contents (500,000 for businesses). The coverage limit for renter contents is \$100,000.

Property owners living in lower risk areas may qualify for a "preferred risk" policy which provides the same coverage's at substantially lower rates.

## **For More Information on Flood Insurance**

Your homeowner's insurance agent most likely can provide you with all the information you need and answer any questions you have. If not, additional information can be obtained directly from the National Flood Insurance Program by calling 1-888-CALL-FLOOD. You can access the NFIP website at [WWW.FEMA.GOV/BUSINESS/NFIP](http://WWW.FEMA.GOV/BUSINESS/NFIP)