Understanding Your Flood Insurance Policy

A FLOOD INSURANCE POLICY IS THE BEST OPTION TO FINANCIALLY PROTECT YOUR HOME FROM FLOOD DAMAGE.

- Flash floods, inland flooding and seasonal storms bring flooding to every region of the country. A flood insurance policy from the National Flood Insurance Program (NFIP) covers damage from these events. The NFIP also covers flood damage caused by storm surge.

- Flood insurance covers damage up to $250,000 for your building and up to $100,000 if you purchase contents coverage. Contents coverage is not automatically included in a standard flood policy. For businesses, flood insurance covers damage up to $500,000 for your building and up to $500,000 if you purchase contents coverage.

- Policies are available in three forms: Dwelling (homes and individual condominium units), General Property (other residential buildings (apartments, etc.) and businesses) and the Residential Condominium Building Association Policy Form (residential condominium buildings). Renters are also eligible to purchase a flood insurance policy.

PREMIUMS ARE SET BY THE NATIONAL FLOOD INSURANCE PROGRAM AND DO NOT DIFFER AMONG INSURANCE COMPANIES.

- The average premium for a yearly flood insurance policy is less than $ $570. You can financially secure your home or business at a cost equivalent to a year's cable television subscription.

- If you live outside of the high-risk areas or special flood hazard area and are eligible for the lower cost Preferred Risk Policy, your flood insurance premium may be as low as $119 a year, including coverage for your contents.

- One catastrophic event does not dramatically change the overall cost of flood insurance.

THE FOLLOWING ARE COVERED UNDER "BUILDING COVERAGE:"

- Structural damage

- Foundation elements

- Cleanup after a flood

- Sump pumps

- Well water tanks and pumps, cisterns and the water in them

- Oil tanks and the oil in them, natural gas tanks and the gas in them

- Pumps and/or tanks used in conjunction with solar energy

- Furnaces, hot water heaters, air conditioners and heat pumps

- Electrical junction and circuit breaker boxes and required utility connections

- Stairways, staircases, elevators and dumbwaiters

- Unpainted drywalls and ceilings, including fiberglass insulation

BUILDING AND PERSONAL PROPERTY COVERAGE DOES *NOT* COVER THE FOLLOWING:

- Damage caused by moisture, mildew or mold that could have been avoided by the property owner
- Currency, precious metals and valuable papers such as stock certificates
- Property and belongings outside of a building such as trees, plants, wells, septic systems, walks, decks, patios, fences, seawalls, hot tubs and swimming pools
- Living expenses such as temporary housing
- Basement improvements like finished walls, floors or ceilings, or personal belongings that may be kept in a basement, such as furniture and other contents
- There are also some exceptions for coverage in areas below the lowest elevated floor of your home
- Enclosed areas under the first floor used for storage; the contents will not be covered by flood insurance

FOR MORE INFORMATION:

- A Summary of Coverage document helps you understand your flood insurance policy. It provides general information about deductibles, what is and isn't covered by flood insurance, and how items are valued at the time of loss. You can find this document at: http://www.fema.gov/pdf/nfip/summary_cov.pdf.
- The Flood Insurance Claims Handbook is available to help you through the process of filing a claim and appealing the decision on your claim, if necessary. You can find this document at http://www.fema.gov/library/viewRecord.do?id=2187.
- Contact your insurance agent to help you decide what kind of flood protection is best for you.
- Visit **FloodSmart.gov** or call **1-800-427-2419** to learn how to prepare for floods, how to purchase a flood insurance policy and what the benefits are of protecting your home or property investment against flooding.