Top Ten Facts...

every consumer needs to know about the National Flood Insurance Program (NFIP)

1. Everyone lives in a flood zone.

- ❒ You don't need to live near water to be flooded.
- ❒ Floods are caused by storms, melting snow, hurricanes, and water backup due to inadequate or overloaded drainage systems, dam or levee failure, etc.

2. Flood damage is not covered by homeowners policies.

- ❒ You can protect your home, business, and belongings with flood insurance from the National Flood Insurance Program.
- ❒ You can insure your home with flood insurance for up to $250,000 for the building and $100,000 for its contents.

3. You can buy flood insurance no matter what your flood risk is.

- ❒ It doesn't matter whether your flood risk is high or low. You can buy flood insurance as long as your community participates in the National Flood Insurance Program.
- ❒ And, it's a good idea to buy even in low-risk areas: between 20 and 25 percent of all flood insurance claims come from low-risk areas.

4. The low-cost Preferred Risk Policy is ideal for homes and businesses in low- to moderate-risk areas.

- ❒ Homeowners can insure buildings and contents for as little as $112 per year.
- ❒ Business owners can insure building and contents for as little as $500 per year.
- ❒ Residential renters can insure contents for as little as $39 per year.

5. Flood insurance is affordable.

- ❒ The average flood insurance policy costs a little more than $400 a year for about $100,000 of coverage.
- ❒ In comparison, a $50,000 disaster home loan can cost you about $240 a month at 4 percent interest over 20 years.

6. Flood insurance is easy to get.

- ❒ You can buy NFIP flood insurance from private insurance companies and agents; call yours today!
- ❒ You may be able to purchase flood insurance with a credit card.

7. Contents coverage is separate, so renters can insure their belongings too.

- ❒ Up to $100,000 contents coverage is available for homeowners and renters.
- ❒ Whether you rent or own your home or business, make sure to ask your insurance agent about contents coverage. It is not automatically included with the building coverage (except under the Preferred Risk Policy).

8. Up to a total of $1 million of flood insurance coverage is available for non-residential buildings and contents.

- ❒ Up to $500,000 of coverage is available for non-residential buildings.
- ❒ Up to $500,000 of coverage is available for the contents of non-residential buildings.

9. There is usually a 30-day waiting period before the coverage goes into effect.

- ❒ Plan ahead so you're not caught without flood insurance when a flood threatens your home or business.

10. Federal disaster assistance is not the answer.

- ❒ Federal disaster assistance is only available if the President declares a disaster.
- ❒ Flood insurance pays even if a disaster is not declared. It's just good sense.