



HOME



AUTO



BUSINESS



LIFE

Protect Yourself With Flood Insurance

Standard homeowners insurance doesn't cover flooding, so it is important to have protection from the floods associated with hurricanes, tropical storms, heavy rains and other conditions that impact our area. Congress created the NFIP in 1968 to help provide financial protection for property owners whether they are homeowners, renters or business owners in participating communities. These communities agree to adopt and enforce ordinances that meet or exceed FEMA requirements to reduce the risk of flooding.



Flood Facts

- Everyone lives in a flood zone.
- Flooding is the #1 natural disaster every year.
- Last year, 1/3 of all paid claims were in low risk zones (B, C, and X zones).
- Most homeowners insurance does not cover flood damage.

What Is A Flood?

Anywhere it rains, it can flood. A flood is a general and temporary condition where two or more acres or normally dry land or two of more properties are inundated by water or mudflow. Many conditions can result in a flood: hurricane, broken levees, outdated or clogged drainage systems and rapid accumulation of rainfall. Just because you haven't experienced a flood in the past does not mean you won't in the future. Flood risks are based on history, but also on rainfall, river-flow and tidal-surge data, topography, flood-control measures, and changes due to building and development. Flood-hazard maps show the different degrees of risk and this will determine the cost of the insurance. The lower the degree of risk, the lower the flood insurance premium.



FEMA Flood Zone Designations

Severity or Type of
Flooding Community

Zone

NFIP

Moderate to Low Risk Areas
High Risk Areas
High Risk - Coastal Areas

B, C and X
A, AE, AH, AO, AR
V and VE

Available
Mandatory
Mandatory

What To Expect

Congress mandated federally regulated or insured lenders to require flood insurance on properties located in areas of high risk of flooding. If purchased in connection with the making, increasing, extending, or renewing of a loan, there is no waiting period; otherwise there is usually a 30-day waiting period after premium payment before the policy is effective.

Residence of High Risk Areas...

Are areas that have a 1% or greater chance of flooding in any given year, which is equivalent to a 26% chance of flooding during a 30-year mortgage? You can buy National Flood Insurance Program no matter where you live if your community participates in NFIP, except in Coastal Barrier Resources System (CBRS) areas.

Residence of Moderate to Low Risk Areas...

Are areas where 25% of all flood claims occur and flood insurance is highly recommended, although not required by the lender? A lender can require flood insurance, even if it is not federally required.

Type and Limit of Coverage

The NFIP's Dwelling Form offers coverage up to \$250,000 for Building Property and up to \$100,000 for Personal Property. Both should be purchased as well as Excess Flood for Limits up to the Replacement Cost of the Dwelling and Personal Property over the basic limits under the NFIP Program.

Why Excess Flood?

The lessons of Katrina and Rita and predictions of a future with bigger and stronger storms highlight more than ever the importance of flood insurance, even in areas where it was previously thought unnecessary. The cost of excess varies depending on the risk of flood and the replacement cost of the property. Estimated average premiums for a residential policy with a \$1 million replacement cost would be about \$1,000 annually.



For More Information please visit fema.gov and floodsmart.gov.

Insurance Zone is a full-service personal and commercial lines independent insurance agency!

