

## Things You Should Know About Flood Insurance



For information concerning your flood risk, and details on how to protect yourself and your property, please visit <http://www.floodsmart.gov/floodsmart/pages/index.jsp>

For most of us, our home is by far our most valuable possession. Every year floods damage more homes in the U.S. than any other natural disaster. Homeowner's insurance DOES NOT cover damage caused by flooding! You must purchase a separate policy from your insurance agent.

People who live near water are not the only ones who experience flooding. Floods move, and can spread for miles. They can have strong currents that, in a few moments, can sweep away everything that took a lifetime to accumulate, leaving a thick residue of mud and debris behind. It's not just high-risk areas that are flooded. Between 20 and 25 percent of flood insurance claims come from medium or low flood-risk areas.

The fact is, a flood could happen to you.

Fortunately, you can protect yourself and your future from the crippling financial losses often caused by flooding through a program administered by the Federal Emergency Management Agency (FEMA). Under FEMA's National Flood Insurance Program (NFIP), federally backed flood insurance is available in communities that adopt and enforce regulations to reduce flood losses (Calcasieu Parish is one of these communities). Flood insurance provides coverage that your homeowners insurance doesn't - coverage for damages caused by floods. When you purchase flood insurance, there is a 30-day waiting period before coverage begins.

The good news is that more than 19,000 communities in the United States and its territories that are faced with potential flooding participate in the NFIP, so the chances are excellent that flood insurance is available to you. Calcasieu Parish is a participating community in the National Flood Insurance Program.

Flood insurance is far better protection than depending on Federal disaster assistance, which is available, only if a disaster is Federally declared. If you have a flood insurance policy, you can be reimbursed for all your covered losses, even if a disaster is not Federally declared. In contrast, Federal disaster assistance is often a loan - repayable in full - with interest! With a flood insurance policy, all you have to pay is one annual premium. Then, if you suffer losses due to flooding, you will be reimbursed for your covered losses, and you'll never have to pay a nickel back.

Flood insurance is affordable. The average flood insurance premium costs approximately \$390 a year for an average of \$100,000 of coverage. However, paying back a \$50,000 disaster home loan, for example, will cost an average of \$311 a month - for an average repayment period of 20 years! And of course, if you are not insured, and a Federal disaster is not declared, your home and belongings may be ruined with no hope for recovery.

**Protect yourself, your home, your family, and your financial future.**

Call your insurance company or agent to find out if your community participates in the NFIP. If it does, ask for details about how to buy flood insurance. Policies go into effect 30 days after a policy is purchased. Protect your home and your family today.

As long as your community participates in the National Flood Insurance Program, except for areas protected by the Coastal Barrier Resources Act, you can purchase a flood insurance policy. Whether you live in an area likely to flood or in one that is at low risk, you can purchase flood insurance.

There are times when you may be required to purchase flood insurance. If you buy a house in a designated high-risk area, and receive a mortgage loan from a Federally regulated lender, your lender must, by law, require that you buy flood insurance.

Coverage is available for residential and commercial buildings and contents, and can also be purchased by renters:

Up to \$250,000 for single-family, two-to-four family, and other residential buildings.

Up to \$500,000 for non-residential buildings, including small businesses.

Up to \$100,000 for contents coverage for residences for owners and/or renters.

Up to \$500,000 for contents for businesses, including small businesses

For more information about the NFIP and flood insurance, contact your insurance company or agent, or call the NFIP at 1-888-CALL-FLOOD, TDD# 1-800-427-5593.