

WHAT YOU SHOULD KNOW ABOUT FLOOD INSURANCE

For most of us, our home is by far our most valuable possession. But every year, more homes in the U.S. are damaged by floods than any other natural disaster. 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 a 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. Flood insurance provides coverage that your homeowners insurance doesn't - coverage for damages caused by floods. The good news is that about 20,000 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.

Flood insurance vs. Disaster Assistance.

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 pay is one annual premium. Then, if you suffer losses due to flooding, you will be reimbursed for your covered losses and never have to pay a nickel back. Flood insurance is affordable. The average flood insurance premium costs approximately \$400.00 a year for an average of \$100,000.00 of coverage. However, paying back a \$50,000.00 disaster home loan, for example, will cost an average of \$240.00 a month - for an average repayment period of 30 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 family, your home, and your financial future.