



Inside Insurance

Flood Insurance: What is it and how do I get it?

According to the National Flood Insurance Program (NFIP), a flood is a general and temporary condition of partial or complete inundation of two or more acres of normally dry land area, or of two or more properties (at least one of which is your property) from:

- ▶ Overflow of inland or tidal waters;
- ▶ Unusual and rapid accumulation or runoff of surface waters from any source;
- ▶ Mudflow in the form of a river of liquid and flowing mud; or
- ▶ Collapse or subsidence of land along the shore of a lake or similar body of water as a result of erosion or undermining caused by waves or currents of water exceeding anticipated cyclical levels that result in a flood as defined above.

The National Flood Insurance policy form for one to four family residential buildings provides coverage for buildings up to \$250,000, and if purchased separately, coverage for personal property up to \$100,000. Flood insurance coverage is limited for damage in areas below the lowest elevated floor (including crawl spaces) depending on the flood zone and date of construction, and in basements regardless of zone, or date of construction. Also limited are enclosed areas under an elevated building.

Physical damage to your building and personal property, which is directly caused by a flood, is covered by flood insurance. Some things that are not covered by either building or property coverage are:

- ▶ 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 and patios, fences, seawalls, hot tubs and swimming pools.
- ▶ Temporary living expenses.
- ▶ Business interruption losses.
- ▶ Most self-propelled vehicles.

You might be tempted to take a big chance and go without this valuable coverage. When you consider that the cost of this coverage can be less than \$200 annually, you will be doubly disappointed if you have an uninsured loss. If you are interested in adding this coverage to your package, call our office. We will work with you to provide this valuable coverage.



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Inside:

- Liability Insurance
- The Coverage Gap: When Furnished a Company Vehicle
- Life Insurance and Long-Term Care Insurance
- Driving Drowsy

