

## Flood Insurance for residential and commercial properties

**Virtually, all of us are in a flood zone.**



Even if you are not located near a lake or river, you still face flood risks. Of course there are the obvious threats of flood—hurricanes, heavy rainstorms and melting snow—but you can also experience flooding from other *not-so-obvious* causes:

✓ damaged water mains ✓ broken levees and dams ✓ ruptured tanks and towers

### **Most property policies do not cover flood damage.**

Contrary to what many people believe, *very few* property policies insure flood damage. In fact, most of them only cover damage that is caused by overflow or accidental discharge of water from *within* a structure.

**In the event of flooding, federal disaster assistance, if available, comes in the form of a loan that must be repaid with interest.**

On top of that, if you are uninsured and receive federal disaster assistance, *you may need to purchase flood insurance* to remain eligible for future relief. Compare these key differences between disaster relief and flood insurance, then decide (with the help of your agent) which is the better alternative for you.

### **Disaster Assistance**

- Most forms of federal disaster assistance require a presidential declaration.
- Federal disaster assistance declarations are issued in *less than 50%* of all flood incidents.
- Disaster assistance is usually provided as a Small Business Administration (SBA) loan, *which must be repaid with interest.*
- The typical duration of a disaster loan is 30 years.

### **Flood Insurance**

- As long as a general condition of flooding exists, flood insurance claims are paid even if the President does *not* declare a disaster.
- Once a claim has been paid, there is no payback requirement. Benefits are paid out of insurance premiums, not from federal tax dollars.
- 25% of all NFIP (National Flood Insurance Program) claims involve damage that occurs *outside* of designated “Special Flood Hazard” areas.

*NOTE: The NFIP defines a flood as a general or temporary condition during which at least two properties in an area (one of which is your property)—or two acres of normally dry land—are partially or completely covered by water.*

## How flood insurance provides the help you need.



**Buildings**—*Residential: Up to \$250,000 coverage*      *Commercial: Up to \$500,000 coverage*

Once the floodwaters recede, you may discover damage to the structure's load bearing walls, utility systems, heating and air conditioning systems, and other parts of your building. Flood insurance provides coverage for expenses you incur to repair or replace your property (subject to policy limitations and exclusions), including:

- ✓ Walls and ceilings
- ✓ Permanently installed cupboards, bookcases, paneling and wallpaper
- ✓ Built-in dishwashers
- ✓ Ventilating equipment
- ✓ Central air conditioners
- ✓ Appliances
- ✓ Kitchen cabinets
- ✓ Blinds
- ✓ Outdoor antennas and aerials attached to building
- ✓ Fire sprinkler systems

**Contents**—*In homes/apartments at the described location: Up to \$100,000 coverage*  
*In an insured commercial building: Up to \$500,000 coverage*

A flood's aftermath reveals the severe toll on your personal belongings and business property...furniture and furnishings... clothing...and other possessions. You can purchase flood insurance (on an actual cash value basis) for damage to your contents, including:

- ✓ Clothes washers and dryers
- ✓ Portable dishwashers
- ✓ Air conditioning units
- ✓ Carpets, including wall-to-wall, over finished flooring
- ✓ Food freezers and their contents
- ✓ Portable microwave ovens
- ✓ Artwork, books, furs, jewelry, photographs, collectibles, memorabilia, sports cards, autographed items (up to \$2,500)

**Note:** There are coverage limitations in basements and post firm elevated buildings with enclosures. Please refer to the policy for a complete list of covered items.

**Debris removal**—After a flood loss, coverage pays (up to the policy limit) for costs you incur to have debris on, in or from insured property removed as a result of flooding. For removal work performed by you or a member of your household, you may be eligible to be reimbursed at federal minimum wage.

**Increased cost of compliance**—After a flood strikes, your community may impose certain floodplain management ordinances and other flood-proofing measures to comply with FEMA (Federal Emergency Management Agency) guidelines, and to help combat future flood loss. Flood insurance pays up to \$30,000 for the extra costs you incur to bring your building in compliance—even if it means elevating or relocating it—when eligibility requirements are met. (Coverage is subject to qualifying limitations, qualifications and maximum statutory limitations.)

### Never say never

Well over half of all declared natural disasters involve floods; 25% of all flood claims occur in areas not identified as high flood risk zones. Don't be fooled into thinking it couldn't happen to you.

Harleysville Insurance is one of the top ten insurers that, through an agreement with the Federal Insurance Administration, sell and service federal flood insurance policies. The National Flood Insurance Program (NFIP) was instituted by the Federal Emergency Management Agency (FEMA) to reduce property owners' dependency on government disaster relief to cover losses due to floods.

Discuss this important coverage with your independent Harleysville agent today.



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Write Your Own (WYO) Insurers  
National Flood Insurance Program

Note: This product summary is intended only to highlight key features of the Standard Flood Insurance Policy Dwelling (home) Form and the General Property (commercial) Form. We advise you to consult your independent agent for details and to examine the policy carefully for limitations, exclusions, etc. In the event there are discrepancies between this information and your policy, the terms of your policy will govern.