

**The FACTS show:
Flood insurance is the
prudent choice.**

Flood insurance from the NFIP puts you in control. Homeowners, business owners, and renters can all buy flood insurance, as long as their community participates in the NFIP.

Flood insurance claims are paid even if a disaster is not declared by the President. Claims are paid promptly, so flood victims can recover quickly. If you file a flood insurance claim, you may also request an advance partial payment for your immediate needs.

Flood insurance reimburses you for covered losses. Homeowners can buy up to \$250,000 of coverage; businesses, up to \$500,000. Separate contents coverage is available, so renters can also buy protection.

**The risk of flooding is real.
Do not gamble any longer.**

For more information about the NFIP and flood insurance, call
1-800-427-4661
or contact your insurance company or agent.

For an agent referral, call
1-888-435-6637
TDD 1-800-427-5593

<http://www.fema.gov/business/nfip>
<http://www.floodsmart.gov>



National Flood Insurance Program

**What You Need to
Know about Federal
Disaster Assistance
and National Flood
Insurance**



FEMA

Answers to Common Misconceptions about Flood Insurance

When it comes to flood insurance, do you have feelings like these?

"Who needs flood insurance? If my home or business is ever flooded, disaster assistance will bail me out."

"Flood insurance is too expensive."

"We are not going to be flooded. This area has never been flooded."

"Who needs flood insurance? If my home or business is ever flooded, disaster assistance will bail me out."

THE FACTS ARE:

- Before most forms of federal disaster assistance can be offered, the President must declare a major disaster.
- The most common form of federal disaster assistance is a loan, which must be paid back with interest.
- The average Individuals and Households Program award for Presidential disaster declarations related to flooding in 2008 was less than \$4,000.
- To qualify for federal home repair assistance, your home must have relatively minor damage that can be repaired quickly.
- You do not qualify for federal rental assistance unless your home has been heavily damaged or destroyed.

"Flood insurance is too expensive."

THE FACTS ARE:

- The duration of a Small Business Administration (SBA) disaster home loan can extend to 30 years.
- The monthly payment on a \$50,000 disaster home loan at 4 percent interest is \$303 for 20 years.
- The average premium for federally backed flood insurance through the National Flood Insurance Program (NFIP) is \$550 a year.
- The cost of a Preferred Risk Policy starts as low as \$119 a year.



"We are not going to be flooded. This area has never been flooded."

THE FACTS ARE:

- Floods are the most common, and most costly, natural disaster.
- In the past several years, about 60 percent of all declared disasters involved flooding.
- Because more roads, buildings, and parking lots are being constructed where forests and meadows once stood, floods are becoming more severe throughout the U.S.
- In areas with the greatest risk of flooding, Special Flood Hazard Areas (SFHAs), a building has a 26 percent chance of being flooded during a 30-year mortgage.
- On average, 25 to 30 percent of all flood insurance claims paid by the NFIP are for property outside of SFHAs.