

# 5 Reasons You Must Purchase Flood Insurance



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A flood can happen quickly and without warning, ruining your home and possessions. To be financially protected in the event of a flood, it is important to have flood insurance. Here are five reasons why you should purchase flood insurance:

## 1. Flooding can occur anywhere, at any time

Floods can be caused by several factors that just cannot be predicted, like sudden heavy rainfall combined with snow melting quicker than normal. You may want to prepare your home for the flood about to happen and minimize expensive damage. Still, sometimes Mother Nature doesn't give you a warning or manufactured structures don't hold up to the pressure.

As a result, it is important for everyone to be aware of the risks associated with flooding and to take steps to protect their property. Anyone can flood. You don't have to be near a body of water.

With new construction going up all the time, it is getting harder and harder for water to find somewhere to go. If manufactured drainage is not prepared for an onslaught of rainwater run-off or the drains are clogged with the neighbor's yard debris, the rainwater will be looking for an exit. Your home will be in the way.

Flood insurance is one of the best ways to financially protect yourself from the devastation of a flood. It is important to remember, however, that flood insurance typically takes 30 days to go into effect, so it is important to purchase it even when you feel like you don't need it.

## **2. Floods are one of the most common natural disasters in the United States.**

According to the National Flood Insurance Program, floods cause billions of dollars in damage every year. Although FEMA has created the Flood Insurance Rate Map (FIRM) to help determine a property's flood risk, about 25% of recent flood claims have come from moderate to low-risk areas.

Flooding can occur any time of year or in any part of the country. It can cause property damage, loss of life, and displacement of residents. Flooding is also a leading cause of power outages.

Regardless of the time given to prepare for a flood, there will always be areas of your home that you cannot protect from the water. Let's face it, you cannot pick up your home and evacuate with it. You may be able to move things to higher ground, but you will never be able to predict how high is high enough.

To ensure the safety of residents and minimize property damage, communities need to be aware of the risks associated with flooding and take steps to prepare for and respond to this type of disaster. Flood insurance policies can help to cover the cost of repairs and replacement of damaged property. FEMA also provides grants to states and local governments to assist with flood mitigation efforts. By taking steps to prepare for and respond to flooding, communities can minimize the impact of this common natural disaster.

## **3. Property damage caused by flooding can be costly to repair or replace.**

Unlike a small fire or a leaky pipe, rising water will likely touch the entire footprint of your home. Water damage is one of the costliest types of insurance claims. And it's no wonder—just one inch of water can cause thousands of dollars of damage. Water can seep through cracks in walls and floors, damage insulation, and ruin carpeting and wood flooring. It can also cause mold and mildew to grow, leading to even more extensive damage.

Flooding can also make it difficult to return home. The water that entered your home does not leave as quickly as it entered. If you were forced to evacuate, you may not be near enough to open your home or structure to let the water out. As many residents of the New Orleans area found out after Hurricane Katrina, a few inches of flood water stuck in your home can lead to a few feet of damage as your walls and furniture soak in the water. Many possessions become unsalvageable and need to be replaced.

Having adequate flood insurance coverage on your home and your contents can help relieve some of the financial burden and heartache after a damaging flood. Although it cannot place a magic bubble around your house to protect it from the water, having the peace of mind that you will have financial help to set your life right after such devastation allows you to focus on the other tasks at hand – the hard work of clean up.

**4. If you do not have flood insurance, you may not be able to recover all your losses after a disaster strikes.**

Unfortunately, most standard homeowner's insurance policies do not cover flood losses. This means that if your home is damaged by a flood, you will likely have to pay out of pocket to repair the damage. As a result, homeowners who live in areas at high risk of flooding are usually required to purchase a separate flood insurance policy. However, even if you don't live in a high-risk area, it's important to make sure your home is covered in the event of flooding.

According to the National Flood Insurance Program, only 12 percent of homes in the United States are covered by flood insurance. As previously discussed, everyone is at risk of flooding at any time. That means 88 percent of homeowners are at risk and have no protection. If you're one of those people, it's time to re-think your decision.

**5. Flood insurance is typically affordable and can provide peace of mind.**

Flood Insurance is typically very affordable. A policy covering your home and your possessions could cost less than \$500 a year.

There have been many reforms to the National Flood Insurance Program that have made flood insurance more accessible and more affordable. In the last ten years legislation has been passed allowing private insurers to enter the market and be more widely recognized by lenders and regulators. This has increased competition in the market and provided some alternate options to homeowners.

When considering the devastating effects of water on your home, possessions, and even your well-being, the added expense of flood insurance isn't all that expensive.

Even though flooding can happen to anyone, anytime, anywhere, many people still do not have flood insurance. If you don't have it, you should seriously consider getting it. Have you gotten flood insurance? If not, what is holding you back? Contact your insurance agent today to find out how you can start protecting your assets.