



Flood & Mudslides

Fact Sheet

1. People living in floodplains are 27 times more likely to experience a flood during their 30-year mortgage than they are to have a fire. (NFIP)
2. Flood, earth movement and mudslides are excluded from standard Homeowners and Business Owners insurance policies.
3. Surface water runoff from any source is excluded from standard Homeowners and Business Owners insurance policies.
4. Standard Homeowners Insurance does cover some kinds of water damage such as rain that enters a home through a broken window or a hole in the roof caused by a covered peril (wind or falling tree limbs).
5. According to FEMA, less than 20% of Washington homeowners in Zone A flood plains (the highest risk areas) have flood insurance through the National Flood Insurance Program. Less than 25% of Oregon homeowners and less than 14% of Idaho homeowners in Zone A flood plains have Flood Insurance.
6. Sewer & Drain backup coverage is included in some Homeowners policies and available as an optional endorsement in others. Cost ranges from \$25 to \$50 per year.
7. Find out if you are located in a floodplain and if your community participates in the NFIP. You can call your city or county Building or Planning Departments and ask to see the Flood Insurance Rate Maps published by FEMA.
8. Flood Insurance covers direct physical loss from floods and losses resulting from related erosion caused by waves or currents or water exceeding anticipated levels and accompanied by a severe storm, flash food or an abnormal tide surge. Flood Insurance may also cover mudslides.
9. If you are at risk for flooding, buy as much flood coverage as allowed. Primary residences insured for 80 percent of their value, or for the maximum amounts allowed, get replacement cost coverage.
10. In low-to-moderate flood risk areas, coverage is available for as little as \$112 per year for a Preferred Risk Policy. The average premium in high-risk areas ranges from \$500 to \$2,500 per year. (*Insurance Information Institute*)



11. There is a 30-day waiting period from the time a Flood Insurance policy is purchased until you are covered.
12. Maintain a Home Inventory of your personal belongings and the home's contents. Having an inventory can help adjusters assess damage and speed up the claims process if you do experience a flood.

The Recovery Process

- 1) Take pictures of damaged property and keep notes. Use pictures and inventory lists to help your insurance agent and adjuster assess the damage.
- 2) Don't be rushed into signing repair contracts. Deal only with reputable contractors. If you're unsure about a contractor's credentials, contact your claims adjuster, Better Business Bureau or Chamber of Commerce for referrals.
- 3) Be sure of payment terms and consult your agent or adjuster before you sign any contracts.

More information:

- 1) Loss Assessments coverage for Condo owners only applies to a loss that would be covered under your Condo-unit owners policy. Landslide and mudslide are excluded from the policy, so no coverage would apply for Loss Assessments if the association assesses all residents to repair landslide damage.
- 2) Many large and moderate size businesses do carry optional Commercial Flood Insurance. Flooding will trigger Business Interruption Insurance coverage under the flood policy. Some large corporations, however, self-insure against various risks such as flood.

Sources: National Flood Insurance Program (FEMA); Insurance Information Institute.