

Protect Yourself with Flood Insurance (Residential Coverage)

Residential Coverage: Overview

Just a few inches of water from a flood can cause tens of thousands of dollars in damage. Over the past 10 years, the average flood claim has amounted to over \$33,000. Flood insurance is the best way to protect yourself from devastating financial loss.

Flood insurance is available to homeowners, renters, condo owners/renters, and commercial owners/renters. Costs vary depending on how much insurance is purchased, what it covers, and the property's flood risk.

All policy forms provide coverage for buildings and contents. However, you might want to discuss insuring personal property with your agent, since contents coverage is optional. Typically, there's a 30-day waiting period - from date of purchase - before your policy goes into effect. That means now is the best time to buy flood insurance.

Homeowner

As a homeowner, it's important to insure your home and its contents. Depending on your property location, your home is either considered at high-risk or at moderate-to-low risk for a flood. Your insurance premium will vary accordingly.

Moderate-to-Low Risk

Most homeowners in a moderate-to-low risk area are eligible for coverage at a preferred rate. Preferred Risk Policy premiums are the lowest premiums available through the NFIP, offering building and contents coverage for one low price. In fact, building and contents coverage starts at just \$119 per year.

If you don't qualify for a Preferred Risk Policy, a standard rated policy is still available. Even though flood insurance isn't federally required, nearly 25% of all NFIP flood claims occur in moderate-to-low risk areas.

High-Risk

If you live in a high-risk area, a standard rated policy is the only option for you. It offers separate building and contents coverage.

The Dwelling Form provides insurance for buildings with one to four units, including single-family condominium units and townhouses. The General Property Form provides insurance for other residential and commercial buildings. Both forms provide flood insurance on contents, if you have purchased this optional coverage.

Flood insurance premiums are calculated based on factors such as:

- Year of building construction
- Building occupancy
- Number of floors

- The location of its contents
- Its flood risk (i.e. its flood zone)
- The location of the lowest floor in relation to the elevation requirement on the flood map (in newer buildings only)
- The deductible you choose and the amount of building and contents coverage

If your home is in a high-risk flood area and you have obtained a mortgage through a federally regulated or insured lender, you are required to purchase a flood insurance policy.

Renter

If you are a tenant, it is wise to insure your contents. The policy premium is based on several factors including the flood risk of the building that you occupy.

Moderate-to-Low Risk

Most renters in moderate-to-low risk areas are eligible for coverage at a preferred rate. Preferred Risk Policy premiums are the lowest premiums available through the NFIP, offering building and contents coverage for one low price. In fact, residential premiums start as low as \$39 per year for Contents Only coverage.

If you don't qualify for a Preferred Risk Policy, a standard rated policy is still available. Even though flood insurance isn't federally required, nearly 25% of all NFIP flood claims occur in moderate-to-low risk areas.

High-Risk

If you live in a high-risk area, a standard rated policy is the only option for you. It offers separate building and contents coverage.

Flood insurance premiums are calculated based on factors such as:

- Year of building construction
- Building occupancy
- Number of floors
- The location of its contents
- Its flood risk (i.e. its flood zone)
- The location of the lowest floor in relation to the elevation requirement on the flood map (in newer buildings only)
- The deductible you choose and the amount of coverage

What's Covered

Flood insurance policies cover physical damage to your property and possessions. You can use the following list as a general guide to what is and isn't covered or simply refer to the Summary of Coverage to help you better understand your policy and coverage.

Building Property

- The insured building and its foundation
- Electrical and plumbing systems
- Central air conditioning equipment, furnaces, and water heaters
- Refrigerators, cooking stoves, and built-in appliances such as dishwashers
- Permanently installed carpeting over unfinished flooring
- Permanently installed paneling, wallboard, bookcases, and cabinets
- Window blinds
- Detached garages (up to 10 percent of Building Property coverage) Detached buildings (other than garages) require a separate Building Property policy
- Debris removal

Personal Contents Property

- Personal belongings, such as clothing, furniture, and electronic equipment
- Curtains
- Portable and window air conditioners
- Portable microwave ovens and portable dishwashers
- Carpets that are not included in building coverage

- Clothing washers and dryers
- Food freezers and the food in them
- Certain valuable items such as original artwork and furs (up to \$2,500)

Condo Owner/Renter

http://www.floodsmart.gov/floodsmart/pages/about/nfip_overview.jsp

Find Your Rates

http://www.floodsmart.gov/floodsmart/pages/about/nfip_overview.jsp

Flood Information 101

http://www.floodsmart.gov/floodsmart/pages/about/nfip_overview.jsp

Questions for Your Agent

http://www.floodsmart.gov/floodsmart/pages/about/nfip_overview.jsp

Commercial Coverage: Overview

Business Property Risk

As a business owner, you know that protecting your building and your contents is vital to its survival. Your business is either in a high-risk or moderate-to-low risk area and insurance premiums vary accordingly.

Moderate-to-Low Risk

Most commercial buildings in a moderate-to-low risk area qualify for coverage at a preferred rate. Preferred Risk Policy premiums are the lowest premiums available through the NFIP, offering building and contents coverage for one low price. You can also opt for Contents Only coverage, if you prefer. Premiums start as low as \$550 per year for both Building and Contents, while Contents Only coverage starts at \$145 per year. Commercial coverage gives you up to \$500,000 of insurance to protect your building and up to \$500,000 to protect its contents.

If you don't qualify for a Preferred Risk Policy, a standard rated policy is still available. Even though flood insurance isn't federally required, nearly 25% of all NFIP flood claims occur in moderate-to-low risk areas.

High-Risk

If you live in a high-risk area, a standard rated policy is the only option for you. It offers separate building and contents coverage.

Flood insurance premiums are calculated based on factors such as:

- Year of building construction
- Building occupancy
- Number of floors
- The location of its contents
- Its flood risk (i.e. its flood zone)
- The location of the lowest floor in relation to the elevation requirement on the flood map (in newer buildings only)
- The deductible you choose and the amount of building and contents coverage

If your commercial property is in a high-risk flood area and you have a mortgage from a federally regulated or insured lender, you are required to purchase a flood insurance policy.

What's Covered:

Flood insurance policies cover physical damage to your property and possessions. You can use the following list as a general guide to what is and isn't covered or simply refer to the [Summary of Coverage](#) (PDF 108K) to help you better understand your policy and coverage.

Building Property

- The insured building and its foundation

- Electrical and plumbing systems
- Central air conditioning equipment, furnaces, and water heaters
- Refrigerators, cooking stoves, and built-in appliances such as dishwashers
- Permanently installed carpeting over unfinished flooring
- Permanently installed paneling, wallboard, bookcases, and cabinets
- Window blinds
- Detached garages (up to 10 percent of Building Property coverage) Detached buildings (other than garages) require a separate Building Property policy
- Debris removal

Personal Contents Property

- Personal belongings, such as clothing, furniture, and electronic equipment
- Curtains
- Portable and window air conditioners
- Portable microwave ovens and portable dishwashers
- Carpets that are not included in building coverage
- Clothing washers and dryers
- Food freezers and the food in them

Certain valuable items such as original artwork and furs (up to \$2,500)

Flood Insurance for Basements and Areas Below the Lowest Elevated Floor

http://www.floodsmart.gov/floodsmart/pages/about/nfip_overview.jsp

Questions for Your Agent

http://www.floodsmart.gov/floodsmart/pages/about/nfip_overview.jsp

Understanding the Basics Flood Information 101

http://www.floodsmart.gov/floodsmart/pages/about/nfip_overview.jsp

Policy Rates Find Your Rates

http://www.floodsmart.gov/floodsmart/pages/about/nfip_overview.jsp

Time to Get Covered

When you're ready to buy flood insurance, talk to your agent. Together, you can discuss how best to meet your insurance needs.

Protect Yourself with Flood Insurance

Residential / Commercial

County Government Center

455 County Center, 2nd Floor

Redwood City, California 94063

Tel (650) 363-4161

FAX (650) 363-4849

www.co.sanmateo.ca.us/planning