

Flood Insurance

The National Flood Insurance Program (NFIP) defines “flood” as, “A general and temporary condition of partial or complete inundation of two or more acres of normally dry land area or two or more properties (at least one of which is the policy holder’s property) from one of the following events:

- Overflow of inland or tidal waters
- Unusual and rapid accumulation of runoff of surface waters from any source
- Mudflow
- Collapse or subsidence of land along the shore of a lake or similar body of water as a result of erosion or undermining caused by waves or currents of water exceeding anticipated cyclical levels that result in a flood as defined above.

In simpler terms, a flood is on terrain that is usually dry; one must not live near a body of water to live in an area that is classified as a flood zone. Actually, everyone lives in a flood zone; however, the level of risk varies.

The NFIP insures buildings, for both structural and contents. Items that are permanently attached to the building, for example: walls, floors and furnaces, qualify for structural coverage. Contents coverage can be purchased separately. Flooding is not covered in your homeowner’s insurance policy; therefore, if you live in a Special Flood Hazard Area (SFHA), a high risk area, your mortgage company requires coverage. The homeowner’s policy must equal the amount of the loan. If the loan exceeds the maximum amount of coverage available, \$250,000 for a single family home, the maximum amount

must be purchased. The mandatory requirement does not affect loan qualifications.

Online resources are available regarding flood insurance:

www.fema.gov/library

www.usgs.gov

www.redcross.org