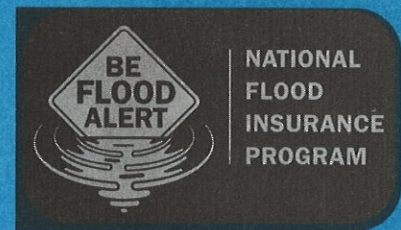


What You Need to Know About Federal Disaster Assistance and National Flood Insurance



When you think about buying a flood insurance policy, do you have these kinds of reactions:

Disaster assistance will be available if my home (or business) is flooded. I don't need to buy flood insurance!

It's too expensive!

My home isn't going to be flooded—we've never been flooded before!

Here are the facts you need to know before you decide.

Disaster assistance will be available if my home (or business) is flooded. I don't need to buy flood insurance!

Did you know that before most forms of Federal disaster assistance are offered, the President must declare a major disaster?

Did you know that the Federal Emergency Management Agency's Individual and Family Grant Program (for Personal Property) and Temporary Housing Program (for Home Repair and Rental Assistance) are available **only** if the President declares a major disaster and makes that assistance available?

Did you know that the most typical form of Federal disaster assistance is a loan that must be paid back with interest?

Did you know that the average Individual and Family Grant payment is less than \$2,500?

Did you know that to qualify for Home Repair Assistance, your home must have relatively minor damage that can be repaired quickly?

Did you know you cannot qualify for Rental Assistance unless your home has been destroyed or significantly damaged?

It's too expensive!

Did you know that the average duration of a Small Business Administration (SBA) disaster home loan is **20 years**?

Did you know that the average payment for a \$50,000 SBA residential disaster loan is **\$311 a month**?

Did you know that the average premium for an NFIP flood insurance policy is just over **\$300 a year**?

My home isn't going to be flooded—we've never been flooded before!

Did you know that floods are the most common natural disaster?

Did you know that 61 percent of all Presidentially declared disasters included flooding in the last 5 years?

Did you know that because more and more buildings, roads and parking lots are being built where forests and meadows used to be, floods are becoming more severe?

Did you know that buildings in areas with the greatest risk of flooding, called Special Flood Hazard Areas (SFHAs), have a 26 percent chance of being flooded during a 30-year mortgage?

Did you know that between 20 and 25 percent of all claims paid by the NFIP are for policies outside the special flood hazard area?

So what's so great about flood insurance?

Homeowners, business owners and renters can all purchase flood insurance, as long as their community participates in the NFIP.

Flood insurance puts you in control: You don't have to wait in lines or qualify for Federal disaster assistance that you may have to pay back with interest.

Flood insurance claims are paid even if a disaster is not declared by the President.

You can buy flood insurance no matter where you live—in high-, low- or moderate-risk areas—as long as your community participates in the NFIP.

Flood insurance claims are handled quickly so flood victims can recover quickly.

When you file a flood insurance claim, you can request a partial payment immediately so you can start recovering faster.

Flood insurance reimburses you for all covered losses. Homeowners can get up to **\$250,000** of coverage and businesses up to **\$500,000**.

There is separate contents coverage, so renters can get flood insurance, too.

Flood insurance claims are paid by policyholder premiums, **not taxpayer dollars**.

Maintaining a flood insurance policy is one of the most important things you can do to protect yourself and reduce the cost of flooding disasters.

For more information about the NFIP, ask your insurance agent or company, or call the NFIP's toll-free number at 1-888-CALL-FLOOD, ext. 304 • TDD# 1-800-427-5593 or visit FEMA's web site at: <http://www.floodalert.fema.gov>



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