

Think you can't get flood insurance because you don't live in a "flood plain?" Think you can't afford it? Think it wouldn't give you coverage for your personal belongings? Think you don't need flood insurance if your mortgage company doesn't require it? While this article is designed to answer these and other basic questions on flood insurance, it is not a substitute for discussion and advice from your insurance agent.

First, everyone lives in a "flood zone," or in other words, has an exposure to risk from flood. The National Flood Insurance Program (NFIP) has designated different zones to indicate the flood risk in any particular area. No matter how low or high the flood risk is, flood insurance can be purchased if you are located in a participating community (which Marshalltown is). For a complete listing of participating communities in Iowa, go to www.fema.gov/cis/IA.

You may have heard the term "100 year flood plain." This does not mean that a flood will only occur in that area once every 100 years, but rather refers to an area subject to flood that has a 1% (or 1 in 100) or greater probability of being flooded in any given year. These areas are referred to by the NFIP as "Special Flood Hazard Areas (SFHA)" and are shown on the flood map as zones starting with "A" or "V". They are designated as higher flood risks, which means the flood insurance policy will cost more.

In addition to SFHA zones, there are lower or minimal risk zones shown as zone B, C, or X on the flood map. A flood insurance policy for a home in one of these lower risk zones could qualify for a "Preferred Risk Policy." These policies provide coverage for the most affordable price. Premiums start as low as \$120 a year for a Preferred Risk Policy!

If you rent, a flood policy to cover your personal property (contents) is available as well. There are also policies available for condo unit owners, business owners (whether you own the building or just lease) and for condo associations. A residential homeowner can purchase coverage up to \$250,000 on the building and \$100,000 on contents. A business owner can purchase up to \$500,000 on the building and \$500,000 on their contents.

And what about flood coverage for property in a basement? The coverage will depend on the type of contents (personal property), what flood zone the house is in, the construction or layout of the house, and even the year the house was built. For example, in a lower risk flood zone with a walk-out foundation, there could be coverage for contents on that lowest level. Also, some items that you may think of as "contents" may actually be covered under the "building" coverage, such as mechanical equipment like a furnace, hot water heater, and central air conditioner. A basement where personal property is excluded is defined by the NFIP as any area of a building having its floor below ground level on all sides.

It is never too early to consider flood insurance. There is normally a 30 day waiting period for coverage to begin after your insurance application is submitted. Spring, along with its melting snow and thawing ice, is upon us. Give your insurance agent a call today to discuss protecting your home and/or personal property (contents) from the danger of floods.