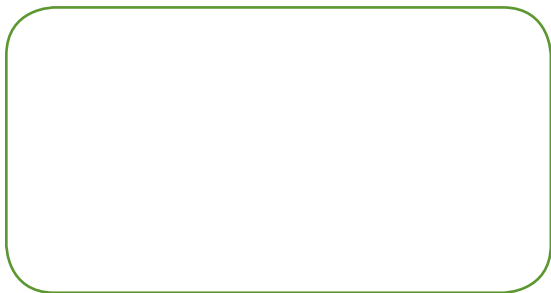




For more information about the NFIP,
call your insurance agent,
insurance company,



or the NFIP at 1-800-427-4661.

For an agent referral call toll-free
1-888-435-6637

TDD 1-800-427-5593

<http://www.fema.gov/business/nfip>

<http://www.floodsmart.gov>

F-216

(11/08)

National Flood Insurance Program

The Benefits of Flood Insurance Versus Disaster Assistance



FEMA

The Benefits of Flood Insurance Versus Disaster Assistance

Flood Insurance

- You are in control. Flood insurance claims are paid even if a disaster is not declared by the President.
- Between 20 and 25 percent of all claims paid by the NFIP are outside of Special Flood Hazard Areas.
- There is no payback requirement.
- Flood insurance policies are continuous, and are not non-renewed or cancelled for repeat losses.
- Flood insurance reimburses you for all covered building losses up to \$250,000 for homeowners and \$500,000 for businesses. Contents coverage is also available up to \$100,000 for homeowners and \$500,000 for businesses.
- The average cost of a \$100,000 flood policy is a little over \$500 annually. The cost of a preferred risk policy is less than \$200 annually, depending on where you live.

Disaster Assistance

- Most forms of federal disaster assistance require a Presidential declaration.
- Federal disaster assistance declarations are not awarded in all flooding incidents.
- The most typical form of disaster assistance is a loan that must be repaid with interest.
- The duration of a Small Business Administration (SBA) disaster home loan could extend to 30 years.
- The average Individuals and Households Program award for Presidential disaster declarations related to flooding in 2008 was less than \$4,000.
- Repayment on a \$50,000 SBA disaster home loan is \$240 a month or \$2,880 annually at 4% interest.