



Topic: **Flood Insurance** – *Savannah Morning News* Real Estate Section, August 2010
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Floods Happen Here – Are You Prepared?

It's August – almost the peak of the Atlantic hurricane season. Afternoon thunderstorms with drenching downpours are frequent in Savannah, and storm waters could suddenly surge. The likelihood of floods and the need for flood insurance are crucial issues in coastal Georgia, because – you knew this, right? – homeowners' insurance *doesn't* cover flood damage to the insured's house or belongings!

Fortunately, options for flood insurance policies that pay for physical damage to your insured property are available to coastal homeowners – from the Federal Emergency Management Agency's (FEMA) National Flood Insurance Program and through your individual agent or insurance company.

During my insurance career in Atlanta, I prepared a flood damage policy for a client who owned a second home on Tybee Island. That policy was really difficult for me to write, since Atlanta agents rarely deal with floods – or so I thought. You may recall the damage done to downtown Atlanta after a shocking 20 inches of driving rain, or the flooding of Buckhead mansions due to Chattahoochee River overflows. (And don't forget the recent devastations from deluges in Tennessee and Arkansas, too.)

Two years ago, I moved my family and my insurance practice to Savannah. I clearly remember a talk with a local fellow who assured me there was “no way a hurricane would hit Savannah,” and so he refused to buy flood insurance for his home. Now, I'm sure you see the problem with his assessment!

I've heard from a Savannahian who described floodwaters that swamped Southside properties a few years ago and turned streets into flowing rivers too deep to drive through. This event resulted from thunderstorms combined with high tides! So – it doesn't take a hurricane to create flood conditions.

Sadly enough, many folks who have suffered damages from torrential downpours and muddy waters lacked flood insurance to protect them from property losses. These victims may have paid for home insurance,

but the peril of floods due to rising water levels – such as overflows of inland or tidal waters, rapid surface-water runoff, “mudflows” and more – isn’t covered under homeowners’ policies.

As I’ve talked to coastal Georgians about flood insurance, I’ve heard the same phrase repeatedly – “But I’m not in a flood zone!” – and I’ve heard it most often when people are closing on their homes. Folks say this when the houses they’re buying are in low-risk “X” zones – or those areas unlikely to be inundated by water – and so they know that obtaining a flood insurance policy isn’t required for closing.

True, some Savannah homes *are* in “low-risk” zones – but keep in mind that approximately one-fourth to 30% of flood insurance claims come from homeowners who *live* in low risk areas. Remember the damage wrought by Hurricane Katrina? Then you know that floods can spread for miles – and when they do, it’s not only homes in high-risk areas that are suddenly spoiled by muddy debris!

Don’t risk a lot – your new home, your treasured possessions – to save a little money. Affordable flood policies are available for coastal Georgia homeowners. The average flood insurance premium costs around \$400 per year for coverage of \$250,000 for your residence and coverage of \$100,000 for the contents of your home. I encourage you to contact your insurance company or agent soon, and for more information on the National Flood Insurance Program, call toll-free 800-427-4661.