*National Flood Insurance Program*

# The Benefits of Flood Insurance Versus Disaster Assistance

FEMA

# Here's What To Tell Your Clients About

## 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 losses up to $250,000 for homeowners and $500,000 for businesses.
- The average cost of a $100,000 flood policy is a little more than $400 annually, or just over one dollar per day. The cost of a $50,000 flood policy may be as low as $180 annually, depending on where you live, or less than 50 cents per day.

### Disaster Assistance

- Most forms of federal disaster assistance require a Presidential declaration.
- Federal disaster assistance declarations are awarded in less than 50% of 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 is approximately 30 years.
- The average Individuals and Households Program award is about $4,000.
- Repayment on a $50,000 SBA disaster home loan is $240 a month or $2,880 annually at 4% interest.

**To order** The Benefits of Flood Insurance Versus Disaster Assistance **as a stuffer for client mailings, call 1-800-480-2520 and ask for form F-216.**

**For additional information, contact us at:**
**1-800-427-4661 • TDD 1-800-427-5593 • http://www.fema.gov/**

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