



## Understanding Flood Insurance

**Client:** “I am located on a steep hill, not in a flood zone and nowhere near a body of water. There is physically no way for a flood to occur here.”

**Butwin:** “Of the 100’s of Flood Losses in our office from Ida, not one occurred in a Flood Zone from a rising body of water. One of our larger claims was a house in the middle of a large hill where a river appeared out of nowhere and caused hundreds of thousands of dollars in damage and was gone 20 minutes later.”

We are seeing massive flooding, on a disturbing frequency in the Tri-state area, the remainder of the country and much of the world. Whereas we used to think of flooding as “an unexpected rise of a body of water” we are now seeing rivers forming, running through neighborhoods and towns, causing incredible damage in the process. Often the flooding water is gone in 15-30 minutes We are seeing storm drains unable to receive additional water, reversing and creating lakes where there are houses. We are seeing insureds well above ground in office and apartment buildings unable to enter their building because the basement flooded and destroyed the Physical Plant. The primary cause of flood seems to now be rain. Therefore, the idea that you only need flood insurance in flat flood zones no longer holds water.

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The idea that flooding happens primarily in Flood Zones from a rising body of water is a concept which no longer holds water.

The flooding from Ida was almost exclusively caused by an abundance of rain in a short Period.

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## What are examples of losses caused exclusively by excessive rain in a short period?

- The storm drains reversed from being overwhelmed elsewhere and create a temporary lake over several acres or miles
- Basements in homes, Brownstones, apartments & office buildings flood due to an accumulation of water outside the property
  - Some office buildings are closed, losing all services for weeks
  - Items in storage bins in the basement are destroyed
  - Countless basements in NYC were flooded
- Properties were destroyed as they got in the way of a newly formed river. These rivers usually look like a “class 5” rapid and disappear minutes later.

## What are the options for coverage?

Buying coverage on the same policy which insures your property is almost always the best option. If it is not available there are other private insurance and FEMA options. **CRITICAL NOTE:** each carrier offers very different coverages

We hear every day:

**“I am not in a flood zone. Why do I need Flood Insurance?”**

**Because Flooding is often caused by strong rainfalls...**

**not oceans, rivers and lakes overflowing**

**Butwin Insurance Group recommends that almost every client consider Flood Insurance as part of their insurance coverage.**

*“2 AM is a lousy time to find out you chose the wrong insurance broker”*

