

# Personal Property Coverage



*Insuring your possessions is just as important as financially protecting the structure of your home or business. Even a few inches of water can cause thousands of dollars in damage to your belongings. Without flood insurance to cover those losses, your financial security may be at risk.*

*Personal property coverage, commonly known as contents coverage, is an important option to consider because it is **not** automatically included in your standard flood insurance policy. Currently, only one in four homeowners with a standard flood insurance policy is covered for damage to their contents. However, contents coverage is available to homeowners, business owners, and renters to protect valuable belongings from potential flood damage.*

## CONTENTS COVERAGE IN HIGH-RISK AREAS

Property owners who live in high-risk areas with a mortgage from a federally regulated lender are required to purchase flood coverage for their building, but the requirement *does not automatically* extend to contents coverage. For a homeowner to protect their personal property, contents must be purchased. Coverage up to \$100,000 is available.

For example, a home owner living in Zone AE (high-risk area), can purchase \$100,000 of building coverage at an annual premium of about \$580. For as little as \$60 more, a homeowner can include \$40,000 of coverage for their personal property.

Personal property coverage up to \$100,000 is also available for renters in high-risk areas. Business owners can purchase up to \$500,000 of coverage for contents in their building.

## LOWER COST FLOOD INSURANCE OPTIONS

If your property is located in a low- to moderate-risk area, your flood risk is reduced, but *not removed*. You may be eligible for a lower cost Preferred Risk Policy (PRP) that provides both building and contents coverage or contents-only coverage.

A PRP offers the same coverage to homeowners, business owners and renters for less than half the price of a standard policy. PRP yearly premiums for building and contents can start as low as \$112, and \$39 for contents-only coverage. The premium for \$100,000 in building and \$40,000 in contents coverage would only be \$233.

Visit [FloodSmart.gov](http://FloodSmart.gov) or call **1-800-427-2419** to learn more about how to prepare for floods, how to purchase a flood insurance policy and what the benefits are of protecting your home and property against flooding.

## WHAT COULD YOU LOSE IN A FLOOD?

- Personal items like a television, DVD/VCR, computer, clothes, shoes and toys
- Couch, dining room table, entertainment center, and other furniture and fixtures
- Portable and window air conditioners
- Portable microwave ovens and portable dishwashers
- Clothes washers and dryers.
- Food freezers and the food in them
- Certain valuable items such as original artwork and furs (up to \$2,500)
- Stock or inventory (non-residential contents)
- Machinery and equipment (non-residential contents)

Without personal property coverage included in your flood insurance policy, **you** could end up paying for all of these losses.

A thorough home inventory to document your belongings will help if you need to file a flood insurance claim. For more information and tips, visit [www.knowyourstuff.org](http://www.knowyourstuff.org).

