

## Contents 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 tens of thousands of dollars in damage. 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 1 in 4 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 financially protect 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 or insured lender are required to purchase flood coverage for their building, but the requirement *does not automatically* extend to contents coverage. Coverage up to \$100,000 is available.

For example, a homeowner living in Zone AE (a high-risk area), can purchase \$100,000 of building coverage to meet the lender requirement. For an additional charge, the homeowner can add \$30,000 of contents coverage for their personal property.

Personal property coverage of up to \$100,000 is also available for renters. 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 moderate- to low-risk area, your flood risk is reduced, but *not removed*. You may be eligible for a lower-cost Preferred Risk Policy (PRP) that provides building and contents coverage or contents-only coverage.

### What Could You Lose in a Flood?

Contents coverage pays the Actual Cash Value of your belongings. In a flood, you could lose such personal items as televisions, computers, clothes, toys, couches, and much more. 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 [knowyourstuff.org](http://knowyourstuff.org).

Visit [FloodSmart.gov/contents](http://FloodSmart.gov/contents) to learn more about how to prepare for floods and the benefits of purchasing flood insurance. To learn more about obtaining a policy, call your insurance agent or **1-800-427-2419** to find an agent near you.