



## Contents Coverage



### 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 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 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 (high-risk area), can purchase \$100,000 of building coverage at an annual premium of about \$874. For \$349 more, a homeowner can include \$30,000 of coverage for their personal property. Personal property coverage 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.

A PRP offers the same coverage to homeowners, renters, and business owners for less than half the price of a standard policy. PRP yearly premiums can start as low as \$129 for building and contents coverage and \$55 for contents-only coverage. The premium for \$100,000 in building and \$40,000 in contents coverage starts at \$282 a year.

### What Could You Lose in a Flood?

Contents coverage pays the Actual Cash Value of your belongings. In a flood, you could lose personal items such as a television, computer, clothes, toys, couch, 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 what the benefits of purchasing flood insurance are. To learn more about obtaining a policy, call your insurance agent or call **1-800-427-2419** to find an agent near you.

