

**LESSON 6.5 FLOOD INSURANCE: WHY BUY IT?****NOTES GUIDE**

People often have no idea that they or their property are at risk because they don't live in areas with historical records of flood events. They may think floods only happen to people who live in flood zones.

\_\_\_\_\_ % of flood claims are made by property owners who reside in flood zones.

\_\_\_\_\_ % of flood claims are made by property owners who reside outside flood zones.

Because flood risk changes over time, FEMA reviews and updates flood zone maps regularly. Flood Insurance Rate Maps show areas of "high," "moderate," and "low" flood risk.

Look at the example of a Special Flood Hazard Area map on the next page.

Zones labeled with the letter "A" are \_\_\_\_\_. Areas in zone A that are part of the National Flood Insurance Program MUST have \_\_\_\_\_.

Zones labeled with the letter "V" are also \_\_\_\_\_, but these locations are in coastal areas. Once again, areas in this zone that are part of the National Flood Insurance Program MUST have \_\_\_\_\_.

Zones labeled with the letters "B," "C," and "X" are in \_\_\_\_\_ to \_\_\_\_\_. Flood insurance is not required, but is \_\_\_\_\_ to property owners and renters in these zones if their communities are part of the National Flood Insurance Program.

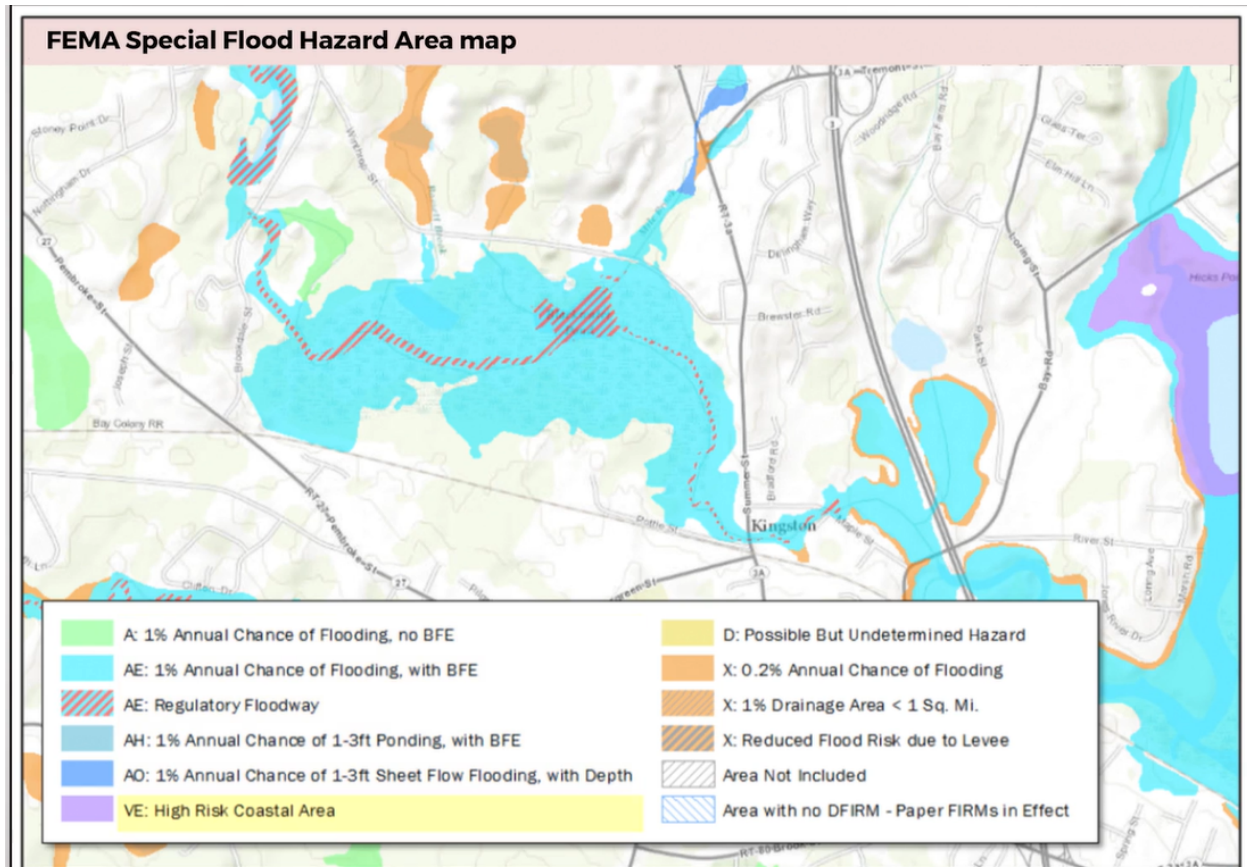
Many factors can lead to changes in the size and impact of flooding events, including \_\_\_\_\_ growth and \_\_\_\_\_.

Homeowners have flood-insurance options, and given the existing and growing risk, you may need to prepare a solid answer should they ask, "Why buy flood insurance?"

## LESSON 6.5 FLOOD INSURANCE: WHY BUY?

### ACTIVITY: WHERE WOULD YOU BUILD?

Look at the FEMA map below and answer the following questions.



1. Which zones are the most likely to be flooded and required NFIP Flood Insurance?
2. What is BFE?
3. Which zones have the lowest risk of flooding?
4. The area, "X," has a reduced flood risk due to a levee. Does this eliminate the need for flood insurance?