

INSights



A FOREST INSURANCE PUBLICATION



Flood, Water Backup, and Seepage

KNOWING WHICH WATER PERILS ARE (AND AREN'T) COVERED CAN HELP ENSURE YOU DON'T GET SOAKED COME CLAIM TIME

When it comes to your insurance, not all water damage is the same. Let's look at how perils such as flood, water backup (and seepage) differ:

Flood

Flooding—water damage that occurs from water breaching an egress threshold of your home (for example, a window or doorway)—is defined by the [National Flood Insurance Program \(NFIP\)](#) as “A general and temporary condition where two or more acres of normally dry land or two or more properties are inundated by water or mudflow.”

Despite being the top natural disaster in the U.S., most homeowners insurance policies exclude flood coverage—a fact many homeowners only discover after they run into an issue.

Flood plains

If you live in a flood plain, your mortgage company will likely require you to buy Flood Insurance. But even those who don't live in designated flood plains should evaluate their situation and seriously consider buying Flood Insurance—1 in 4 flood claims is for a home that isn't in a flood plain.

But beware—flood plains (and flood plain maps) change and evolve. Just because you weren't in a flood plain when you bought your home doesn't mean you're not in one now, so continually check your status.

“Despite Water Backup comprising the lion's share of home water claims, most insurance companies offer limited or no Water Backup coverage.”

Basic Flood Insurance is often inadequate

When it comes to the physical structure of your house, federal flood insurance policies top out at \$250,000. For personal possessions, the cap is \$100,000.

Understanding that basic flood limits would not be enough coverage for most clients, Forest Insurance offers flood endorsements with broader definitions and limits up to \$1,000,000 to the home's structure, up to \$300,000 for damaged personal property, and up to \$250,000 for additional living expenses while you restore your home. In addition, these endorsements extend coverage to include incidents that may fall outside of the NFIP's definition of “flood.”

Water Backup, Sewer Backup & Sump Pump Failure

Water Backup coverage protects you from water that comes up through any drain or sewer in your home and causes damage. The lion's share of home water claims are Water Backup claims—resulting from heavy rains overwhelming a sump pump system, or a power outage coupled with heavy rains where a sump simply can't run.

Mitigation efforts such as back up generators, batteries and monitoring systems can help, but none of them is fool proof. If you have a finished basement it's worth a review of your current policy to make sure you have adequate Water Backup coverage.

Though most companies offer limited or no Water Backup coverage, all of Forest's companies provide Water Backup coverage with basic limits that can be increased for an additional premium.

Seepage

Problems from seepage (for example, water seeping through a crack in the foundation) are considered maintenance issues and are generally not covered by insurance. Thankfully, Forest Insurance, has one company that does offer Seepage coverage. ▲

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FLOOD, SEEPAGE, & WATER BACKUP	CLIENT(S) OF THE QUARTER
TRIVIA	SPRING POLICY CLEANING
MILESTONES	REFERRALS
Q2 CHARITY: SARAH'S INN	

For more information on adding a Flood, Water Backup, or Seepage endorsement to your homeowners policy, please contact your Forest Insurance agent at (708) 383-9000 or visit www.forestinsured.com.



Earth Day

TRIVIA

ANSWER THE QUESTION BELOW FOR
A CHANCE TO WIN A \$10 GIFT CARD

**What region produces 20%
of the Earth's oxygen?**

Email your answer to
trivia@forestinsured.com

*Congratulations to **Mary Shen Barnidge**
who correctly guessed the answer to last
issue's trivia question was Casablanca—the
iconic film that contains the famous
line "We'll always have Paris."*

*Thank you to everyone who submitted
answers.*

HAPPY BIRTHDAY

Diane Villagomez (4/10)

Cathy Hall (4/30)

Jeanine Veldman (5/13)

Linda Carrera (5/31)

Mike Frontzak (6/27)

Cecilia Saavedra (6/29)

HAPPY FI ANNIVERSARY

Cathy Hall (34 yrs)

Linda Carrera (26 yrs)

Judy Shelstad (5 yrs)



sarah's inn
together strong

Charity of the Quarter Sarah's Inn

Q1 Wrap Up: For every referral we received during January, February and March, we donated \$20 to [Beyond Hunger](#). In all, we were able to donate \$580 to Beyond Hunger for the first quarter of 2022. Thank you for helping support such a wonderful organization!

For Q2 our Charity of the Quarter is [Sarah's Inn](#). That means that for every friend, colleague, or family member you refer to us for a quote during April, May and June, we'll send YOU a \$10 gift card, and also donate \$20 to Sarah's Inn! ▲

Founded in 1980 to improve the lives of those affected by domestic violence and to break the cycle of violence for future generations, Sarah's Inn has grown to be one of the most comprehensive domestic violence agencies serving the City of Chicago and the Western Suburbs. The organization has three core program areas: The Intervention Program provides supportive services for families affected by domestic violence in order to safely navigate crises, effectively process trauma and establish self-sufficiency. The Together Strong Project provides school-based violence prevention education programming for youth. The Training and Education Program maximizes reach by creating a network of skilled bystanders to appropriately intervene as first responders and community advocates. Sarah's Inn engages 23,000 individuals annually across three program areas.

For more information or to donate to Sarah's Inn, visit www.sarahsinn.org.



Welcome Aboard
Rufina "Ruthy" Apieczonek

CLIENT(S) OF THE QUARTER

Congratulations to Tom & Amelia Hardy—who were randomly selected from the list of clients who referred business to Forest Insurance last quarter. We'll be sending Tom & Amelia a \$100 Visa Gift Card as our way of saying thanks.

Spring Cleaning for Your Insurance Policies



Spring may be the traditional time of year for cleaning out closets and drawers and organizing attics, but it is also a great time to take stock of your insurance coverages.

As your life changes, so do your insurance needs. Instead of just dusting around the corners of your insurance policies this year, take the time to read them over and ask yourself the following key questions:

Is my home covered for its full rebuilding cost?

Review your policy to make sure that you have enough insurance to rebuild your home. If you have made major improvements to your home, such as adding a new room, enclosing a porch or expanding a kitchen or bathroom, you risk being underinsured if you don't adjust your homeowners insurance coverage limits. And if you don't yet have a separate flood insurance policy, now would be a great time to check whether your home is in a flood zone risk zone at www.FloodSmart.gov.

Do I have enough coverage for expensive items?

Have you bought or received as a gift any valuable jewelry since you purchased/renewed your policy? And, when was the last time you had the items you owned appraised? Standard homeowners insurance has dollar limits for the theft of certain types of expensive items like jewelry, furs and silverware. This means that the insurer will only pay the amount specified in the policy—generally \$1,000 to \$2,000. To insure these items to their full dollar value, consider a special personal property endorsement or floater. This coverage includes “accidental disappearance,” meaning coverage if you simply lose that item—and there is no deductible.

But remember that items can go up or down in value. Floaters and endorsements are priced on the appraised value of an item or collection so have periodic reappraisals done to make sure you are purchasing only the amount of coverage you actually need. The best way to keep track of your belongings and make sure they are adequately insured is to create a home inventory.

Do I have enough liability insurance to fully protect my assets?

Standard homeowners and auto policies liability coverage, paying for judgments against you and your legal fees, up to a limit set in the policy. However, in our litigious society, you may want to have additional protection—that's what an umbrella liability policy provides. An [umbrella policy](#) kicks in when you reach the limit on the underlying liability coverage in a homeowners, renters, condo or auto policy. If your assets have increased of late, you'll have more to lose and may want to consider this extra layer of protection.

Have I experienced any important life events that impact my insurance needs?

New children, teen drivers, retirement, marriage, purchase or sale of a business—each of these milestones warrants a call to your agent.

Most importantly, whether it's winter, spring, summer or fall, plan a regular talk with your insurance professional so they can help you get the coverage you need. ▲

SIMPLIFY YOUR LIFE

FOREST INSURANCE
CAN CONSOLIDATE ALL YOUR
INSURANCE ACCOUNTS

Home | Auto | Umbrella
Jewelry | Fine Art
Private Client
Aviation | Life
Business | Commercial

REFERRALS

When you refer someone to Forest Insurance, we'll send you a \$10 gift card and enter your name into our quarterly raffle. We'll also make a \$20 donation to our Charity of the Quarter, which, April through June, is [Sarah's Inn](#).

Thank you to our clients who referred a friend or family member during January, February and March:

Don & Karen Batterson

John & Laura Connelly

Sandi Ross & Gerald Cowles

Anthony Cuda

Albert Jr & Lois Curry

Piero & Laura Fagiolo

Harry & Christine Gaples

Tom & Amelia Hardy

Jeremy & Heather Jackson

Nicholas Loizzi and Shauna Reitz (2)

Magic Dreams Inc.

Maida's Child Care Inc.

Karla Salas Quinones and Mi Casita

Magica Day Care Inc.

Mi Mundo De Aventuras Inc.

Mi Pequeno Mundo 1 Inc.

Sandra V. Garcia and Pokes Daycare

Brooke & David Sloane (2)

Charles & Ines Spinuzza

Katherine Susmilch (2)

Together for Childhood Network (7)



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AIG | Chubb | Cincinnati | Hartford | Hanover | Liberty Mutual | MetLife/Foremost
Nationwide Private Client | Progressive | Safeco | Travelers | West Bend

trusted solutions.
vast possibilities.

Leadership



Dan Browne



Cathy Hall

Contact us for more information
about our services and products:

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Our Team



Melissa Keshen



Gina Costello



Julie Cranley



Linda Carrera



Mike Frontzak



Diane Villagomez



Maria Lopez



Cristine Saucedo



Nichole Hoppe



Susan Huizinga



Fred Arkin



Cecilia Saavedra



Judy Shelstad



Marcia Johnson



Jeanine Veldman