



Chicago, IL | **Leading Wealth/Insurance Advisor**

**Lane McVicker LLC**

Brett Woodward, Senior Vice President and Member  
Kelley Danis, Assistant Vice President  
Christopher Shanks, Account Executive  
Julie Lovall, Associate Manager

# “Why do I need flood insurance?”

By Kelley Danis

In spring 2010, a freak rainstorm pounded the Boston region and produced unprecedented flood damage in areas where flooding had never before occurred. Some of the hardest-hit properties were in affluent neighborhoods, and many of the owners found themselves severely undercovered for flood damage.

Most of us, when we hear the word “flood,” think of rivers overflowing and whole towns under water. But for most homeowners, a flood following a severe rainfall is more along the lines of surface water spilling in through a window well or coming in through a lower-floor door. An event like this can destroy most of that lower level’s contents, not to mention floors and walls and other elements of the dwelling itself. **For high net worth owners the question is not whether their insurance covers this type of flood, but if the coverage is adequate to make their property whole.**

Companies covering homes in the million-dollar-plus range would nearly always recommend at least a primary flood policy for their clients, but that usually means coverage of \$250,000 for the dwelling and \$100,000 for contents. Flood damage to a below-grade floor in say, a \$5 million home could total well above that standard

coverage. One antique alone could eat up the contents compensation. So how do you make certain you have adequate flood coverage?

The place to start is the most obvious: your location. If your residence is in a high-hazard flood zone, even the premier insurance providers will balk at providing flood coverage. So you may have to purchase a policy through the National Flood Plan, which is fairly simple to do.

First, it will be determined via an elevation certificate how high your home is in relation to your area’s base flood elevation. If the base is, say, 10 feet and your home’s elevation is 10 feet or above, the likelihood is your location will not impact your rate. However, the further your home is below the base, the higher your risk of flood damage and the higher your premium will be.

**To make certain you have sufficient flood coverage, even in a non-flood zone, you need to calculate what it would take to make your property whole should a flood occur.** If the standard \$250,000/\$100,000 combination is insufficient, then consider purchasing excess flood insurance to a level that will fully cover the damage to your home and its contents. ☎

## INSURING AGAINST BACK-UP OF SEWERS AND DRAINS

Whether a flood occurs because surface water enters your home through a window well or because a sewer or drain backs up, the same damage occurs to your dwelling and its contents. So you need to make sure your policy covers back-up of sewers and drains.

Also, make certain you understand how your policy defines “back-up of sewers and drains.” For example, a carrier might define it as “water that backs up through sewers or drains on the residence premises,” and that a sewer or drain “is a pipe mechanically connected to the residence plumbing system, gutters or downspouts.” Yet, a carrier could deny a claim if a drain was outside the house and the policy stated the water had to come from inside the house.

**Bottom line:** Always make certain that your homeowners policy includes back-up of sewers and drains, up to your policy limits.

“For most homeowners, a flood is more along the lines of surface water spilling in through a window well.”

– Kelley Danis

How to reach the Lane McVicker Team

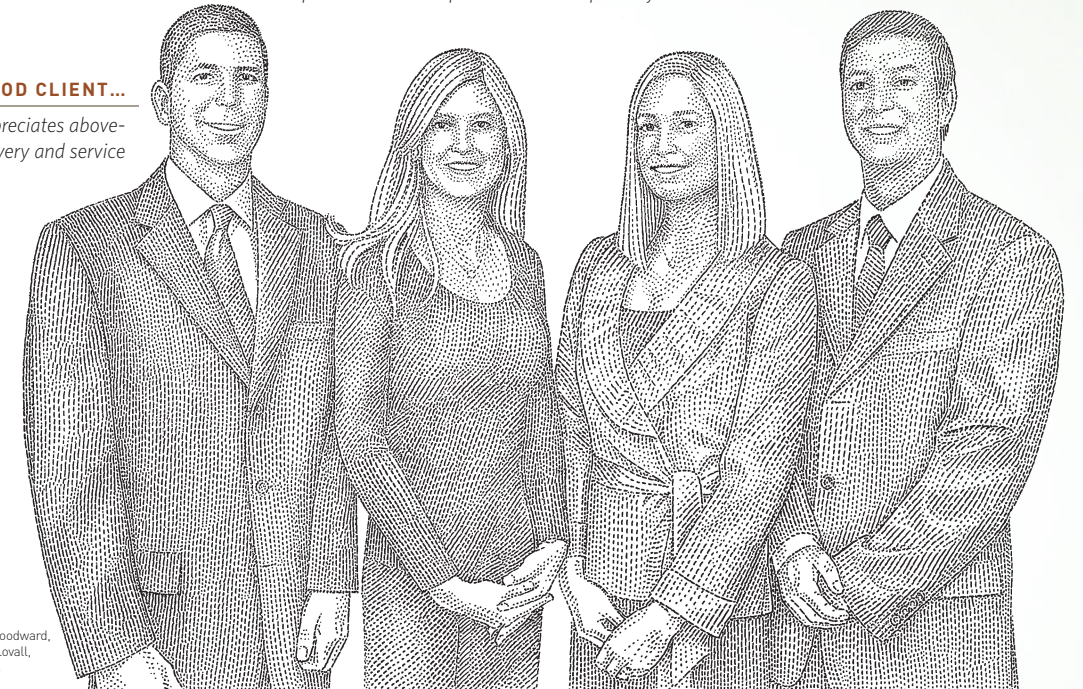
We would be pleased to hear from you. Please call us at 312.704.7000.

## WHAT MAKES A GOOD INSURANCE ADVISOR...

A team focused on the needs of the individual, delivering product with compassion and competency

## WHAT MAKES A GOOD CLIENT...

Someone who appreciates above-average product delivery and service



Left to right: Brett Woodward, Kelley Danis, Julie Lovall, Christopher Shanks

## About the Lane McVicker Team

Lane McVicker is a personal lines insurance agency headquartered in New York City, with offices across the country. The agency specializes in personal insurance, ranging from homeowners and automobile insurance to specialty lines, such as coverage for yachts, aircraft, fine art and antique cars. Lane McVicker has agency appointments with a number of leading insurance markets, including ACE, Chartis, Chubb, Fireman’s Fund and PURE. Brett Woodward, who began his career at Chubb in appraisal management, is a senior vice president at Lane McVicker and leads a four-person team that combines sales and service. He has management experience with PLI Brokerage and holds a BS from the University of Scranton. Mr. Woodward has appeared frequently before wealth planning professionals. Kelley Danis, assistant vice president, holds a BS from Vanderbilt University and began her career at AON. Christopher Shanks, account executive, earned a BS from Illinois State University, has worked at PLI Brokerage and is completing the certified insurance counselor designation. Julie Lovall, associate manager, has a BS from Missouri State University, and holds the designation of certified insurance service representative.

Largest Client Net Worth | Insurance Services Experience | Website | Email  
\$500 million | 50 years (combined) | www.lanemcvicker.com | brett.woodward@lanemcvicker.com

Lane McVicker LLC | 222 South Riverside Plaza, Suite 825, Chicago, IL 60606 | 312.704.7000