



# Hurricane Recovery

 **American Property Casualty  
Insurance Association**<sup>SM</sup>  
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# Contact your insurer or agent

## IF YOUR HOME IS A TOTAL LOSS

- ✓ The Additional Living Expense provisions of your policy will enable you to secure temporary housing.
- ✓ If you own your home, continue paying your mortgage and property taxes while the home is being rebuilt or the land is sold.
- ✓ Arrange for your insurance company to inspect the damaged property as soon as possible.
- ✓ You will need an inventory of the contents of your home.
- ✓ Check whether your policy pays replacement cost or actual cash value for a covered loss.

## IF YOUR HOME IS DAMAGED

- ✓ Make temporary repairs if it is safe to do so.
- ✓ Keep all receipts for anything you buy that is associated with your loss.
- ✓ Make a list of damaged items.
- ✓ Contact your insurer to report all damage as soon as possible.



## IF YOU'RE FORCED OUT OF YOUR HOME

- ✓ Save all of your receipts from hotels, restaurants, etc.
- ✓ If a covered loss results in your home being unsafe to live in, you may be eligible for additional living expenses.
- ✓ The Additional Living Expense coverage limit is typically 20% of the dwelling limit. For example, if a home has a dwelling limit of \$100,000, there would be a maximum limit of \$20,000 in Additional Living Expense coverage.



# The bank's role in insurance payments



Based on the mortgage loan documents you signed, your insurer is required to make the settlement check payable to you and the bank to ensure the bank's interest in the property is protected and the insurance proceeds are used for repairs. Generally, the banks will hold the money in an escrow account. Payments are released in installments as the repair work progresses.

## **TIPS FOR WORKING WITH YOUR BANK OR MORTGAGE LOAN SERVICER:**

- ✓ If you have a mortgage on your home and sustain significant damage (\$10,000 or more) after a natural disaster, contact your bank or loan servicer after you submit your insurance claim. Ask about the process they will require to complete the construction and repair of your property.
- ✓ Provide the bank with the contractor's bid and how much money is needed up front to start the job.
- ✓ If the check you receive from your insurer includes payment for the loss to contents or additional living expenses, the bank or loan servicer should release those amounts immediately. Only payments related to the structural losses should be held in escrow.
- ✓ Once the work is completed, do not sign over the check to the contractor until you are satisfied with the job.



# Vehicles damaged by flood waters

Water damage to a vehicle is typically covered under an auto policy if the policyholder has chosen to purchase “comprehensive” physical damage coverage.

Be cautious about attempting to start a vehicle that has been exposed to flood waters, and if your vehicle is missing report it to the police.

**If your vehicle is damaged by flooding, take the following steps:**

- ✓ If the water got above the floorboards, or the seats are wet, do not try to start the car. The electrical system is the most sensitive to water damage and trying to start the car could cause more damage.
- ✓ Open the hood and check the air filter, which is easy to find under the hood. If it is wet, do not try to start the car.
- ✓ Report the loss to the covering insurer, and protect the car from further damage by covering any broken windows, etc.

