

Hurricane Awareness: The Season Is On Us

By Sara Rosen

Rosen & Company, Inc.

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The 1st anniversary of Super Storm Sandy is fast approaching. With a diameter reaching a whopping 800 miles, with a duration of 10 days and a geographic reach from the Bahamas to Canada; Sandy was certainly a storm for the record books. Unfortunately for us, our Mid-Atlantic States bore the brunt of her anger.

Though Sandy may not have been classified a hurricane when she made landfall in our backyard, her insured losses of *\$65 billion* well exceeded those of Hurricane Katrina at \$46 billion. Hard to imagine, but true. More alarming, the science suggests that the frequency and severity of similar storms to impact the United States will only continue at an increasing pace.

Though none of the storms of 2013's hurricane season (which began June 1st) have matched Sandy's level of destruction, there's been plenty of storm activity already. On June 5th, tropical storm Andrea made landfall in Florida, and on June 20th tropical cyclone Barry visited Central America and Mexico. On July 10th, tropical storm Chantal severely damaged parts of the Dominican Republic & Haiti, and just recently on July 25th tropical storm Dorian dissipated off the east coast of Florida.

Whether tropical storm, cyclone, hurricane or nor'easter, the frequency and severity of such events is proving to be just as acute as the meteorologists are predicting. Despite these warnings, many homeowners are not adequately protected against storm damage.

During Super Storm Sandy, 30% of people with flood damaged property were without flood insurance, and 54% of homeowners in Sandy's direct path experienced some sort of property damage.

Luckily, due to careful planning and risk management, not a single Rosen & Company client was without flood coverage, and those with other property damage were properly insured to recover damages incurred.

Whether your home is in Florida, New York, or New Jersey, a single family home or a downtown loft, when a hurricane is approaching, it's absolutely essential to be prepared:



- **Create a Hurricane Kit:** include overnight clothes, extra cash, flashlights (with extra batteries), a battery operated radio, bottled water, a first aid kit and non-perishable foods (both for you and your pets!).
- **Stockpile Water:** If you live in an area with well and septic, putting aside extra water for voiding toilets and clean drinking water is critical.
- **Remove Projectiles:** Secure outside furniture, toys, garbage bins and the like. With high winds, these items can become dangerous projectiles.
- **Secure Against Wind:** Be sure your roof, gutters and other exterior home adornments are well fastened to the dwelling.
- **Anticipate Tree Damage:** Make trees more wind resistant by removing diseased or damaged limbs. This can prevent trees from puncturing roofs, damaging parked vehicles or taking down overhead service lines.
- **Fill Up the Tank:** Top off your car with gas before a storm (and a potential supply shortage) hits.
- **Listen Up:** Heed all warnings of government authorities. If you're ordered to evacuate, don't hesitate.
- **Plan Ahead for Energy Loss:** Installing a back-up generator or other alternate power sources keeps sump pumps and other infrastructure service equipment operating even when the power is out.
- **Consider Hurricane Shutters:** Properly engineered and installed hurricane shutters significantly reduce property damage.

Keep in mind that homeowners' insurance policies *do not* cover damage caused by flooding. As a result, separate flood insurance *must* be purchased to protect against flood damage. The good news is that flood insurance can be affordable, subject to your property's flood zone determination. For example, to purchase the maximum limits of protection under the Federal Flood Insurance Program (\$250,000 on Dwelling and \$100,000 on Personal Property), costs begin at *only* \$385. Limits in excess of these maximums are available for an additional cost. (And of course, properties with close proximity to tidal water or with low elevation will come with higher associated costs.)

For those of us nearer to a body of water, an increasing number of insurance policies include Hurricane and/or Wind Deductibles, which are significantly higher than your base *other perils* deductible. Be sure to check your policy details so you're not caught unaware of these financial responsibilities. Understanding the conditions of your policy and how it will respond to a catastrophic event will allow you to make adjustments to the scope of coverage, introduce loss mitigation techniques or create a catastrophe fund for expenses not covered by insurance.

November 30th brings an end to the 2013 hurricane season. There is still time to prepare, prevent and be positioned for a speedy recovery. Peace of mind will come with knowing you *will* recover without financial hardship.

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