

Over 75% of Homes Damaged During Debby May Be Uninsured for Flood

Over three-quarters of the homes most impacted by Hurricane Debby fell outside federal flood zones, which means they weren't required to have flood insurance; flooding is not covered by standard home insurance. Consequently, estimated uninsured damage could be as high as \$12.6 billion, according to an analysis from First Street Foundation.

Hurricane Debby swept ashore on Aug. 5 near Steinhatchee in Florida's Big Bend region before moving inland and causing extensive flooding.

"The storm was characterized by its slow movement, which exacerbated its impacts, especially from heavy rainfall and storm surge in affected areas," said First Street in its report. "As Debby moved inland, the storm's slow pace allowed it to drop significant amounts of rain over the southeastern United States. This led to catastrophic flooding, particularly in parts of Georgia and South Carolina, where several rivers overflowed their banks."

In a simulation of Debby's path, First Street found that an estimated 385,000 properties were affected by the storm, with an estimated 160,000 experiencing flood damage.

About 124,000 or 78% of the total impacted properties fall outside the Federal Emergency Management Agency's (FEMA) Special Flood Hazard Areas (SFHA), according to the report. The owners of these properties would, therefore, not have been required to buy coverage from the National Flood

Insurance Program (NFIP) and likely may be uninsured for the damage.

The simulation estimated between \$9.5 billion and \$15.8 billion in property damage along Debby's path—assuming the properties outside the flood zones did not buy flood coverage—with between \$7.6 billion and \$12.6 billion uninsured.

Most regions experienced 1-in-100-year events for flooding, but the damage in a few areas equaled 1-in-200 or 1-in-240-year events from a modeling perspective, the foundation said. Damage was "disproportionately centered" in Florida, with extensive damage reported in Hillsborough, Duval, Pasco and Marion counties. Fairfax County, Virginia, Charleston, South Carolina, and Wake County, North Carolina, all experienced significant flooding.

"Events like Debby continue highlighting the potential damage from water, notably storm surge and precipitation-induced flooding, and the need to model those sources of loss effectively when quantifying hurricane risk," said Jeff Waters, director of North Atlantic hurricane models for Moody's RMS, in a statement.

Hurricane Debby may act as a wake-up call to the many homeowners who don't have flood insurance due to perceived safety from floods. Unfortunately, flood maps can change over time and are not a guarantee of protection from such occurrences.

Flood events can happen anywhere, even outside high-risk flood zones. This underscores the importance of considering adequate insurance coverage.

Speak with SCS Agency Inc to discuss your flood insurance options ahead of the next big storm.