

Protecting Your Home

No matter where you live in America, September is the time to prepare and to protect yourself from natural disasters. Those who live in hurricane, tornado or brush fire prone areas understand this. But even those who don't live in these areas know to begin anticipating nor'easters or blizzards. All of these potential disasters are very real and protecting yourself, your family and your assets are very doable. But to do so you must act! Here's a guide to help you know what to do.

Evacuation Plan

Before protecting your assets, something that must be done carefully and therefore, something that the rest of this article will be dedicated to, one must first and foremost to have a plan to protect one's life, the lives of family members and pets. The following steps need to be thought and should be done so well before any storm arrives:



Make a list of places you can go. These can include family, friends or motels in other states or regions far enough away not to be affected by a disaster that's close to your area.



Plan how to get there. Know the exact number of people you will need to take and plan accordingly. Can they all fit into the car you have? Is there room for pets or other belongings? Know what you need to take and make sure that you can.



Find out about your emergency destination. If you have children or elderly people with you, make sure they can be provided for at your emergency destination. If you plan or taking pets with you, find out if your proposed destination allows them. If not look for other alternatives



Listen to evacuation warnings. They are always broadcast on radio news stations and network TV channels. Check your county website or call your county government's main phone line for disaster update information.



Act – When told to evacuate, do so. When told a storm or other disaster is coming, even if not told to evacuate, consider your options and prepare. Few people have regretted leaving for no reason as much as those who didn't have for not leaving.



Basic Asset Protection

No matter where you are, never keep much money lying around at home (aside from the fact that it would be better put to use earning interest, leaving money lying around just isn't safe – especially in a disaster) and try to use a bank insured safety deposit box for other valuables. Consider installing a home alarm system and buy homeowners insurance to protect valuables from loss.

Aside from the above, take precautions that are region specific. In hurricane prone areas make sure to have shutters on all windows. In flood zones make sure to use a water sealer on your home, sheds and so on and seriously consider renting a bank safety deposit box for valuables. Ensure that there are no unnecessary cracks that would allow water to seep through into your home and have adequate drainage outside. In places with large numbers of forest fires use a fire resistant sealer on the outside of your home and have a safety deposit box as well.

Insurance

Basic Homeowners Insurance covers 11 disasters:



- Aircraft (that damages structure of home)
- Wind/Hail
- Explosion
- Riots/Civil Unrest
- Fire/Lightning
- Vehicles (that damages structure of home)
- Volcano Eruptions
- Vandalism
- Theft
- Smoke
- Self-damaging instances (part of building falls on itself, etc.)

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Insurance

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Some policies cover these categories as well:



- Falling Objects
- Water damage (mold, freezing, major washing machine/dish washer spills and other factors – varies by company and state)
- Snow/Sleet/Ice
- Electrical Surge Damage



The Insurance Information Institute provides a large amount of information related to:

- How to save money on auto insurance
- How to select homeowners insurance
- Home security
- How to prepare for a hurricane
- How to file a claim

Visit: <http://www.iii.org/consumer.htm>

What to Watch Out For

Disasters not typically covered include flood, earthquake, war, and nuclear blasts. This is especially important in hurricane prone areas where insurance companies have often differentiated between wind damage and damage caused by flooding and accordingly, have denied portions of many claims. Earthquake insurance is also sold under separate cover and should be purchased in areas most prone to such events.

When Insurance Doesn't Help

Many times after a disaster, to make matters worse, insurance companies refuse to pay. In this situation you need to not only know your rights but also know who is on your side. A public adjuster can dispute the claims of your insurance company.

Protect Yourself

When Disaster Strikes Con Artists Come Out of the Woodwork.

People should be especially alert for phone or door-to-door solicitors who hand out flyers and promise to speed up the insurance or building permit process, and those who ask for large cash deposits or advance payments in full.

Whether they are architectural, engineering, electrical, or general contractors, most service providers in the building industry are honest. But disasters attract scam artists. According to the **Federal Emergency Management Agency**, some firms claim to be **'FEMA certified,'** when in fact, FEMA neither certifies nor endorses any contractor.

Tips For Hiring Contractors

- **Get a written estimate.** Compare services and prices before making a final decision. Also, read the fine print. Some contractors charge a fee for a written estimate, which is often applied to the cost of subsequent repairs they make.
- **Check references.** Contractors should be willing to provide names of previous customers. Call several former customers who had similar work done to make sure they were satisfied with the job.
- **Ask for proof of insurance.** Make sure the contractor carries general liability insurance and workers' compensation. If the contractor is not insured, the homeowner may be liable for accidents that occur on the property.
- **Use reliable, licensed contractors.** Call your local Better Business Bureau to inquire about a business before signing a contract. Insist on a written contract. A complete contract should clearly state all tasks to be performed, all associated costs and the payment schedule. Never sign a blank contract or one with blank spaces. Make sure the contract clearly states who will apply for the necessary permits or licenses. Have a lawyer review the contract if substantial costs are involved, and keep a copy for your records.
- **Get guarantees in writing.** Any guarantees made by the contractor should be written into the contract. The guarantee should clearly state what is guaranteed, who is responsible for the guarantee and how long the guarantee is valid.
- **Obtain a local building permit, if required.** Permits may be required for site work, other than demolition, and for reconstruction. Contact your local government for permit information.
- **Make final payments when the work is completed.** Do not sign completion papers or make the final payment until the work is completed to your satisfaction. A reputable contractor will not threaten you or pressure you to sign if the job is not finished properly.
- **Pay by check. Avoid on-the-spot cash payments.** The safest route is to write a check to the contracting company. A reasonable down payment is 30 percent of the total cost of the project, to be paid upon initial delivery of materials. Federal law gives consumers a three-day "cooling off" period for unsolicited door-to-door sales of more than \$25.
- **If necessary, cancel a contract in the proper manner.** This should be done within three business days of signing. Be sure to follow the procedures for cancellation that are set out in the contract. Send the notification by registered mail with a return receipt to be signed by the contractor.



For more information on this topic, call a Certified Credit Counselor at **1.800.556.1548** or visit our Learning Center at www.anewhorizon.org

