

The 3 common myths about natural disasters.

If you're like most Americans, you probably believe these 3 myths about disasters and your home insurance. But if they were actually true, we wouldn't have created Recoop.

Myth #1: It won't happen to me!

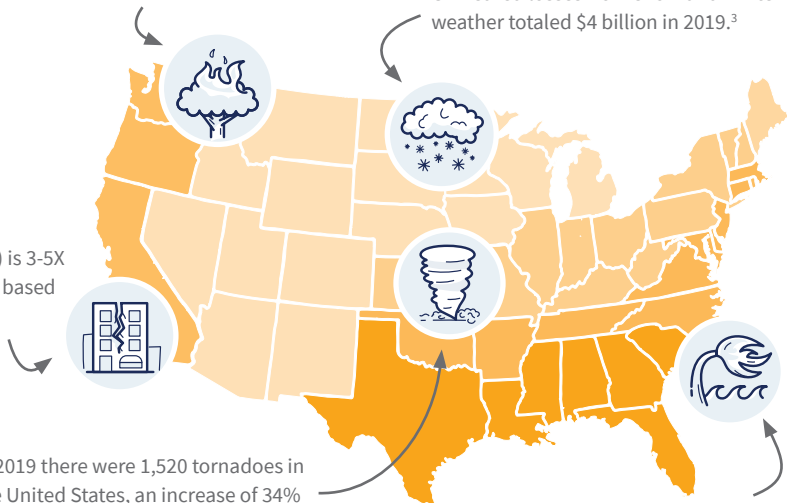
FACT: Natural disasters are on the rise in the U.S.

Counties making up 97% of the U.S. population were affected by a federally-declared disaster since 2010.¹

A major earthquake (7.0+ magnitude) is 3-5X more likely to hit Los Angeles in 2021 based on increased earthquake activity.⁶

In 2020, 58,950 wildfires burned more than 10.1 acres, more than any other year.²

Uninsured losses from snow and winter weather totaled \$4 billion in 2019.³



In 2019 there were 1,520 tornadoes in the United States, an increase of 34% from the previous year.⁵

In 2020, the Atlantic region experienced the most storms (30) ever recorded in one hurricane season.⁴



Myth #2: My home insurance would cover any damage from a disaster.

FACT: 2 out of every 3 American homeowners are underinsured, even with guaranteed replacement.

The majority of guaranteed replacement policies are capped based on a home's insured value.

Myth #3: I can afford to pay for any damage my insurance won't cover.

FACT: The average homeowner may be on the hook for as much as 20% of their home's value because policies are based on market value, not replacement cost.

▶ Disasters are the 5th most common cause of bankruptcies (average of 73,000 a year).⁸

▶ Standard disaster deductibles can potentially cost 5-30% of home value in both high and low risk areas.



¹Environment America, ²Insurance Information Institute, ³Insurance Information Institute, ⁴National Oceanic and Atmospheric Administration, ⁵Insurance Information Institute, ⁶National Geographic, ⁷Munich Re, ⁸Clear Bankruptcy
⁹Strategic Product Partners, LLC, doing business as Recoop Disaster Insurance
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