

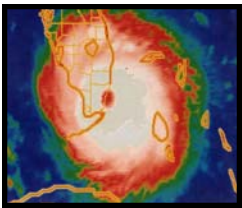


MORRIS & REYNOLDS INSURANCE PRESENTS

SUMMER 2011

# YOUR PROTECTION

## HURRICANE SEASON 2011 PINECREST & PALMETTO BAY DEEMED MOST VULNERABLE TO DAMAGE



A new study finds that a **major hurricane and storm surge that hits South Florida could cause \$44 billion in damage.** After a study of 247,000 properties, the real estate research firm CoreLogic concludes that **South Florida is second only to Long Island, NY** (which has \$99 billion in damage exposure) **as having the most hurricane exposure in America.**

The **areas within our region the study found to be the most vulnerable to damage are Pinecrest, Palmetto Bay, Jupiter, Palm Beach and Palm Beach Gardens.**

Following a few calm years, experts predict significantly more activity during the 2011 hurricane season. Hurricane experts at Colorado State University **estimate that 2011 will have about 9 hurricanes, 16 named storms and 5 major hurricanes.** The probability of U.S. major hurricane landfall is estimated to be about **140%** of the long-period average.

*“We remain – since 1995 – in a favorable multi-decadal period for enhanced Atlantic Basin hurricane activity, which is expected to continue for the next 10-15 years or so,”* said Dr. William Gray of the CSU Tropical Meteorology Project. **“Except for the very destructive seasons of 2004-2005, U.S. residents have experienced no other major land falling hurricanes since 1999. This recent 9 of 11-year period without any major landfall events should not be expected to continue.”**

Dr. Gray’s team announced that there is a **72% chance that at least one major hurricane will make landfall** on the U.S. coastline in 2011, a **48% chance** that a major hurricane will make landfall on the U.S. East Coast, including the **Florida Peninsula**, and a **47% chance** that a major hurricane will make landfall on the Gulf Coast from the **Florida Panhandle** west to Brownsville.

### BEFORE THE STORM

- Review/update your plan for business continuity and disaster recovery.
- Review your procedures with your family or emergency team.
- Check condition of the building (s), specifically the roof covering, roof flashing and roof drains. Make repairs.
- Order supplies such as plywood, mops, tarps, food, and sandbags.
- Identify key equipment, furniture, stock, supplies, planters, and records that need to be relocated or removed.
- Monitor media reports to keep abreast of weather conditions.
- Test generators, emergency lighting, surge protection and sump pumps.

### IMPENDING STORM

- Implement a disaster plan.
- Secure your home or business and shut down operations in an orderly manner.
- Check fire protection equipment such as sprinkler valves and fire pumps.
- Fuel fire pumps, gas stoves, generators, vehicles, and tools such as saws.

- Install your hurricane shutters or plywood over windows and doors.
- Cover computers, machinery, stock, and supplies with tarpaulins.
- If possible, raise equipment, finished goods or items off the floor.
- Secure outside and roof-mounted equipment such as cranes, signs, trailers and HVAC equipment.
- Relocate anything that might ‘fly’ during a storm and cause damage.
- If necessary, turn off utilities to reduce the probability of a fire/explosion.
- Conduct a final inspection of your property or building and make any needed last minute emergency repairs.
- If needed, evacuate.

With the 2011 season here now is a good time to consider whether you have the coverage that you need and how your coverage works. The list on Page Two outlines a few important coverage items to consider before a storm strikes. As always, please contact us with any questions and our TEAM of professionals will be happy to help you.

### 2011 TROPICAL CYCLONE FORECAST

	2011 FORECAST	HISTORICAL AVERAGE
NAMED STORMS	16	9.6
HURRICANES	9	5.9
MAJOR HURRICANES	5	2.3



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# REVIEW YOUR COVERAGE *BEFORE* A STORM



## COVERAGE ITEMS TO CONSIDER

1. **Do you have the coverage limits that you need?** When Hurricane Andrew hit in 1992, many homeowners enjoyed *Guaranteed Replacement Cost* coverage. Homeowners were able to replace their homes whether or not the dwelling was properly insured. Today, insurers do not offer such coverage so it is important that you review your coverage and consider construction costs.

For commercial buildings, limits need to meet your policy's coinsurance clause and perhaps other conditions to avoid being underinsured. Reviewing your limits annually is wise. Obtaining a Replacement Cost Appraisal is an effective way to determine the current "bricks and mortar" cost of construction. Please contact us for referrals of professional replacement cost appraisers that can provide these reports and guidance.

2. **Review your Citizens coverage,** available options and exclusions to be sure your coverage meets your needs. If you use Florida's insurer, Citizens, it is important to know that there are many coverage options such as Personal Property (Contents) Replacement Cost, Screening, Pools, Fences and Awnings optionally available. Certain exposures, such as Docks, Landscaping and Business Income, are typically excluded by Citizens. Review your coverage, the options and the exclusions.

3. **Insurers offer significant premium discounts** for wind mitigation protective features such as shutters, impact glass, hurricane straps, certain roofs and other items. If you have not had a mitigation inspection, or if you have made improvements since your last inspection, we **strongly** suggest that you have one done.

Discounted inspections are available to our clients from:

*Don Meyler* (305) 567-1422 or  
*Inspection Results* (786) 234-7774

Once completed, please forward the inspection to us so that we can request all applicable discounts.

4. **If you own a Condominium Unit,** it is important to know that Florida law makes you, **the unit owner, responsible for interior improvements,** such as floor and wall coverings, electrical fixtures, appliances, and countertops.

5. Review your **windstorm deductible** and understand how it works. Wind deductibles are expressed as a percentage and often are 2%, 3%, 5%, or even 10% of all values insured.

It is important to understand how these deductibles work and what they can cost you in the event of a loss.

6. Claims from rising water via **flooding** must be separately insured with a flood insurance policy. Flood losses are not covered by Home and Commercial Property policies.

Primary flood coverage for Buildings and Contents is available for flooding from a flood insurer supported by FEMA and Excess Flood coverage may also be available. These coverages are suggested in the event that your exposures are greater than the federal primary program allows.



7. **Need to change or add coverage?** Please do not wait until it is too late. Insurers cease writing or changing policies once a storm starts to threaten a region.

Waiting to renew, place or alter coverage until you are "sure" a storm is coming will likely be too late. If you have no current coverage, many insurers require that you wait 30 days before new coverage can begin, unless it is a newly acquired home. Make your changes, or obtain your coverage now, **before** a storm threatens.

## MORRIS & REYNOLDS INSURANCE



The Reynolds family has been in the insurance profession since 1910 and has operated its Independent Agency,

Morris & Reynolds Insurance, since 1950. Now in its third generation of family ownership, Morris & Reynolds offers trusted choices from over 100 of the world's leading insurers for all forms of coverage, as well as innovative care and service from a passionate, award-winning TEAM of professional people, the finest people in insurance.

We are happy to help whether you need Personal Protection, Commercial Coverage or Employee Benefits. Please contact our office at **305.238.1000** or online at [www.morrisandreynolds.com](http://www.morrisandreynolds.com).



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