

Dear 2 anonymous referees and the editor,

I would like to thank your valuable comments. I had posted my responses right after your comments. I want to further explain how can we revise to responses your major concern.

The most concerning issue of suggesting rent-seeking mechanism is that we don't have the flooding probability before 2006. The reason is that we have to get a large sample size to do this empirical study but the wide spaced flooding events seldom happen and the affected regions might not the same. However, the 0702 flooding which was caused by 2004 Typhoon Mindulle, and the flooding during 2008 Typhoon Kalmaegi both mainly happened in Southern Taiwan. We may calculate the flooding probability of rich and non-rich communities to show that the flooding probability before 2009. Whether we have the flooding probability before 2006 may not be an issue as well. The Project was the first project funded by the central government to reduce the flood risk in rivers managed by local governments and before the Project started in 2006 all local governments in Southern Taiwan did not have enough flood reduction budget (see page 1 line 54-60). That is another reason why this study should be published. After this eight-years project started in 2006, a series of huge budget flood reduction plans kept conducted but the budget allocation is still mysterious. In order to avoid misunderstanding that this result had been proven as a long-term phenomenon, the topic of this paper can be changed to 'Are the Rich less Prone to Flooding during Typhoon Morakot and Typhoon Fanapi in the Southern Taiwan?'

Other issues had been proposed by reviewers including what type of construction in the project, the definition of flooding, the luxury dwellings during inundations in Taiwan, introducing hedonic price method on flood reduction benefit assessment, the motivation of rich people to reduce flood loss will be added, further explain or revise in the main content.

Sincerely yours,

The corresponding author