

Choice Flood
Insurance

Trusted Choice
INDEPENDENT INSURANCE AGENTS

Flood Insurance

BEYOND THE FUNDAMENTALS

Scan for Contact info

with Lisa Sharrard

1

1

Introduction

- Over 38 years direct experience in floodplain management and flood insurance
- Flood Insurance Agent, writing Nationwide
- Member, Big "I" National, Flood Insurance Committee and Flood Insurance Producers National Committee (FIPNC)
- Certified Floodplain Manager (CFM); Served on the Board of Regents 12 years
- Associate National Flood Insurance (ANFI)
- Frequent presenter at the annual National APCA Flood Insurance Conference (ACPIA)
- Adjunct Instructor for FEMA and EMI
- Former Senior Trainer for the NFIP Direct
- Former Licensed Adjuster
- Former NFIP State Coordinator
- Past Chair of the Association of State Floodplain Managers
- Serviced on the FEMA Community Rating System (CRS) Task Force for 7 years

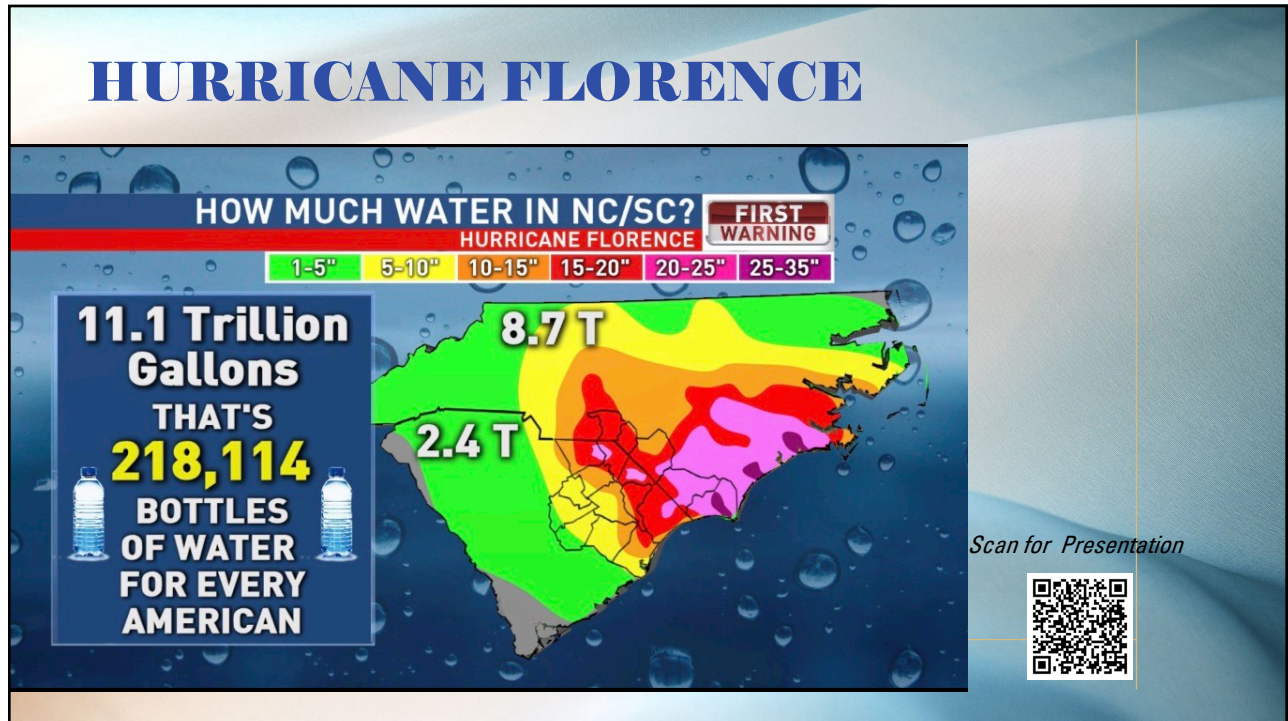
Scan for Presentation

©CHOICE FLOOD INSURANCE LLC

9/22/24

2

2



3

Why am I here?

Building losses to single-family residences - expected to cost:

- more than \$7 billion annually;
- more than 87% of those losses are estimated to be uninsured by the NFIP.

Residential Flood Risk in the United States Milliman May 2020

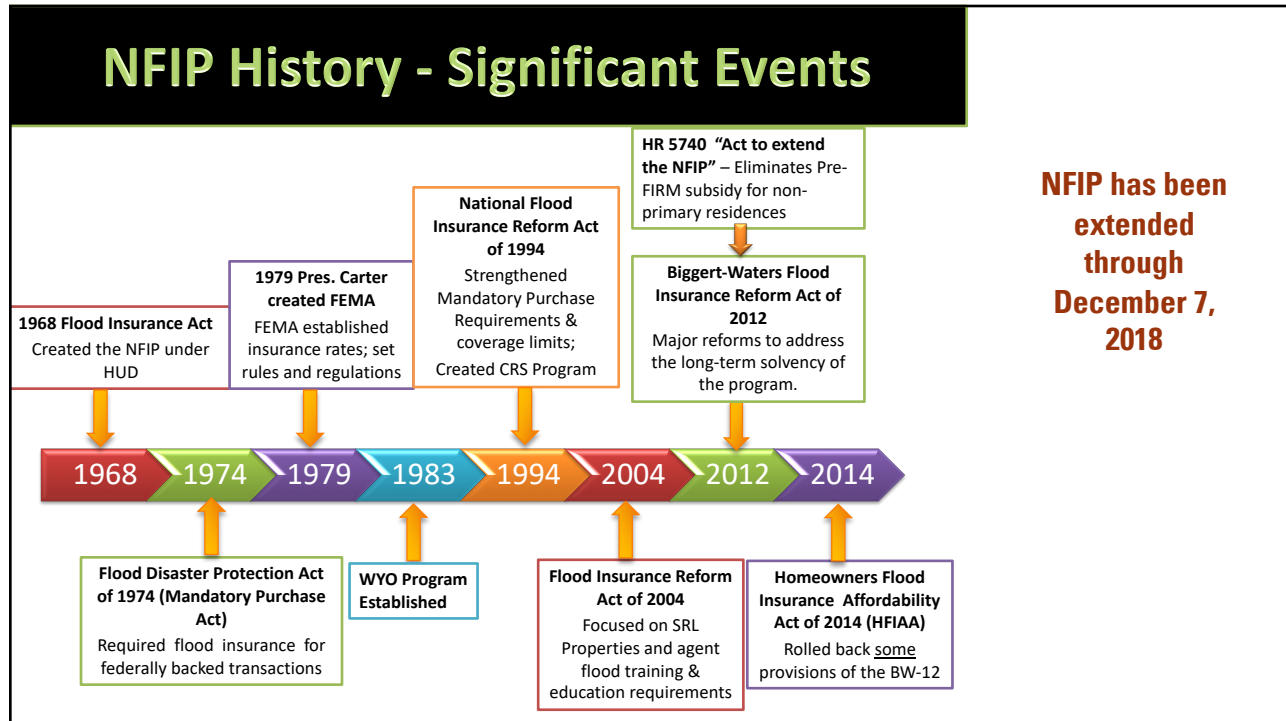
Protect YOUR Errors and Omissions Exposure

©CHOICE FLOOD INSURANCE LLC

Scan for Presentation

9/22/24

4




5

Understanding the NFIP

- Flood Insurance Disaster Act of 1968
- NFIP Federally-backed
- For sale within PARTICIPATING COMMUNITIES
- Quid Pro Quo

©CHOICE FLOOD INSURANCE LLC

Scan for Presentation



6

9/22/24

6


NFIP STATUS

As of October 22, 2023

- 4.7 million flood insurance policies
- \$1.3 trillion in coverage
- collects about \$4.6 billion in revenue from policyholders' premiums, fees, and surcharges
- Over 22,000 Participating Communities in 53 state and territories
- 1,505 Communities in the Community Rating System
- \$30.425 billion borrowing authority from the U.S. Treasury
- In 2024, the NFIP transferred \$1.92 billion in risk to the Private Sector

©CHOICE FLOOD INSURANCE LLC

Scan for Presentation



9/22/24

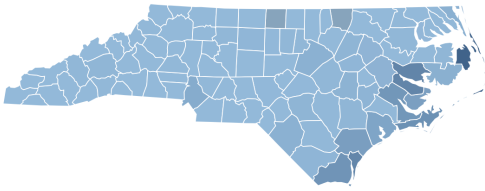
7

7

Do My Clients Need Flood Insurance?

USA / North Carolina


NFIP CLAIMS SINCE 1980



North Carolina
\$1,978,521,415.50
Dollar amount of claims paid by NFIP
77,934
Number of NFIP claims paid

©CHOICE FLOOD INSURANCE LLC

Scan for Presentation



Source: FEMA

9/22/24

8

8


HURRICANE IAN

Average Building Coverage	Average Contents Coverage	Average Building Claim Paid	Average Contents Claim Paid
\$236,984	\$74,342	\$245,320	\$39,700

Hurricane Ian is the fourth highest flood disaster in terms of NFIP payouts.

Source: Hurricane Ian NFIP Claims Analysis
FEMA December 2023

Scan for Presentation



©CHOICE FLOOD INSURANCE LLC

9

9/22/24


9

Hurricane Ian Building Claims

Table 75: Hurricane Ian NFIP Building Claims for all Areas of Interest by Decade Built

Decade Built	Active Policies	Average Total Claim	Average Building Claim	Average Size	Average Building Claim per square foot	Average Building Coverage	Quantity Max NFIP Coverage	Quantity Max Building Coverage
Pre 1980	426	\$191,378	\$164,891	1,799	\$98.03	\$224,593	89	41
1980s	344	\$117,074	\$100,584	1,863	\$56.85	\$237,892	20	10
1990s	173	\$73,857	\$62,496	2,256	\$27.77	\$244,554	9	0
2000s	205	\$73,898	\$61,791	2,675	\$23.09	\$247,078	18	1
Post 2010	122	\$54,894	\$48,091	2,977	\$17.50	\$250,000	4	0
All	1,270	\$123,168	\$105,662	2,133	\$57.47	\$236,985	140	52

Scan for Presentation



Hurricane Ian NFIP Claims Analysis
FEMA December 2023

©CHOICE FLOOD INSURANCE LLC

10

9/22/24

10

Hurricane Ian Contents Claims

Table 76: Hurricane Ian NFIP Contents Claims for all Areas of Interest by Decade Built

Decade Built	Active Policies	Average Total Claim	Average Contents Claim	Average Size	Average Contents Claim per square foot	Average Contents Coverage	Quantity Max NFIP Coverage	Quantity Max Contents Coverage
Pre 1980	294	\$209,007	\$38,265	1,898	\$20.48	\$58,916	29	115
1980s	249	\$115,867	\$22,781	1,878	\$12.71	\$71,564	9	53
1990s	151	\$74,217	\$13,017	2,258	\$5.40	\$79,524	6	5
2000s	183	\$78,448	\$13,562	2,707	\$4.95	\$89,464	7	2
Post 2010	86	\$63,757	\$9,651	2,933	\$3.83	\$93,847	0	0
All	963	\$126,007	\$23,053	2,195	\$11.67	\$74,342	51	175

Scan for Presentation



Hurricane Ian NFIP Claims Analysis
 FEMA December 2023

9/22/24

11

©CHOICE FLOOD INSURANCE LLC

11

Why insureds don't have flood insurance?

Figure 1

NFIP Consumer Experience Survey Question: Why don't you have flood insurance?



*Respondents were asked to select all reasons that apply

resentation



9/22/24

Source: FLOODED (A REPORT BY FEMA) EMERGENT THEMES, INSIGHTS AND OPPORTUNITIES FOR AGENTS SELLING FLOOD INSURANCE

12

©CHOICE FLOOD INSURANCE LLC

12



©CHOICE FLOOD INSURANCE LLC

Why Have the Conversation?

High-Level Insights:

-  A **low perception of flood risk** is the most common reason, more than price, that non-policyholders do not have flood insurance.
-  Many consumers are **unaware** that flood damage is **not covered** by standard homeowner insurance policies.
-  Many consumers who are covered by flood insurance purchased it for **peace of mind** and **think they paid a fair price**.
-  Half of the agents surveyed who do not sell flood insurance agree there is **flood risk and consumer demand for insurance** in the areas where they write policies.

Scan for Presentation



9/22/24 Source: FLOODED (A REPORT BY FEMA) EMERGENT THEMES, INSIGHTS AND OPPORTUNITIES FOR AGENTS SELLING FLOOD INSURANCE

13

13




©CHOICE FLOOD INSURANCE LLC

How to have the Conversation?

Talk to clients about:

- *The difference between homeowners and flood insurance*
- *The flood risk from National Risk Index to help consumers identify real flood risk in their areas.*
- *Consider using the NFIP's **Cost of Flooding Tool** (an interactive web page) to show consumers the risk of flooding based on rainfall*
- *Educate them on the flood risk related to other disaster events specific to their area.*
- *Additionally, inform clients that just **1 inch of floodwater** can cause roughly **\$25,000** of damage to their home.*

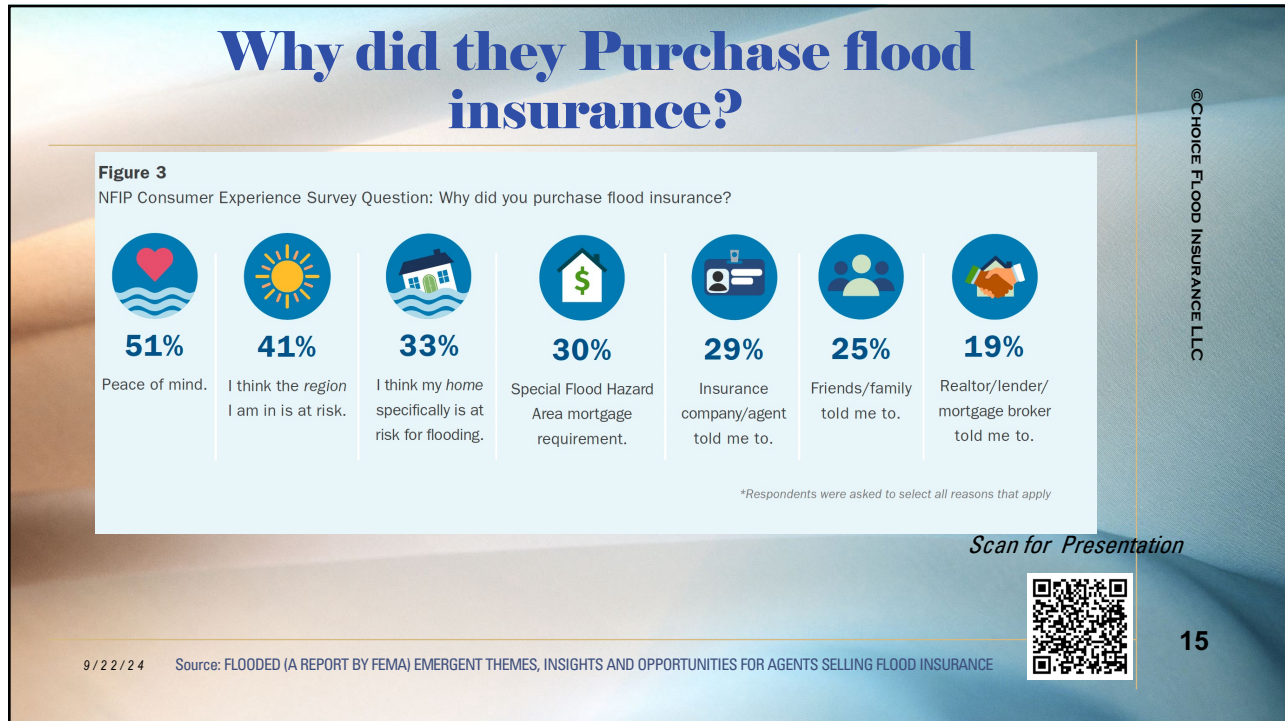
Scan for Presentation



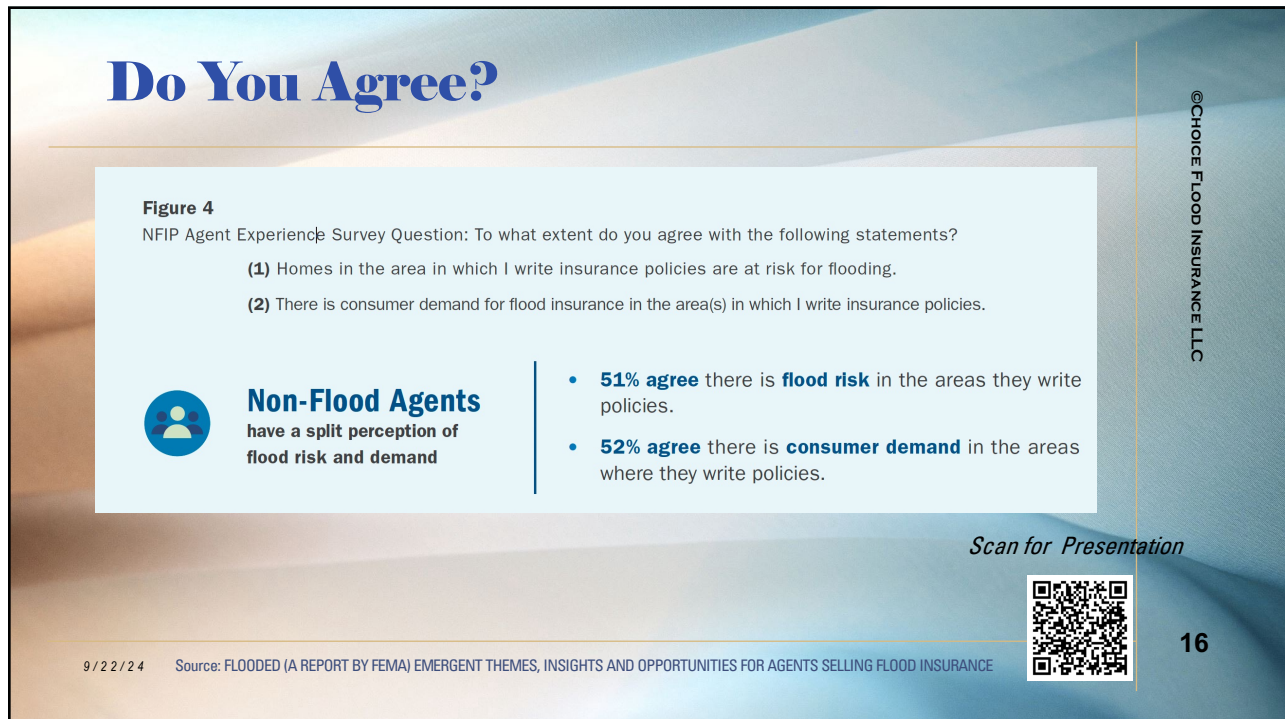
9/22/24 Source: FLOODED (A REPORT BY FEMA) EMERGENT THEMES, INSIGHTS AND OPPORTUNITIES FOR AGENTS SELLING FLOOD INSURANCE

14

14



15



16

NATIONAL FLOOD INSURANCE PROGRAM
WHY DO I NEED FLOOD INSURANCE?

Free Tools for Agents

©CHOICE FLOOD INSURANCE LLC

Scan for Presentation

9/22/24 Source: FLOODED (A REPORT BY FEMA) EMERGENT THEMES, INSIGHTS AND OPPORTUNITIES FOR AGENTS SELLING FLOOD INSURANCE

17

This slide features a dark blue background with a palm tree and a house. It includes the FEMA and National Flood Insurance Program logos, a QR code, and the text 'Free Tools for Agents'.

17

Agent Tools

Sign Up for Updates | Find a Provider | Resource Library | FloodSmart for Agents

FEMA NATIONAL FLOOD INSURANCE PROGRAM

Search

Buying a Policy | Renewing a Policy | Flood Risks and Costs | Before and After a Flood | Flood Zones and Maps

WIN THIS HURRICANE SEASON

When there's a hurricane, luck is a plan that doesn't hold water.

Hurricane Flooding

Chat with an Expert

Steps to Prepare for Flooding

Take steps to protect your home, family, and financial security throughout the year, and take extra precautions when flooding is predicted in your area.

Start Your Flood Claim

Report your loss immediately to your insurance agent or carrier. Be sure to ask them about advance payments. Need help finding your insurance agent or carrier? Call the NFIP at 877-336-2627.

©CHOICE FLOOD INSURANCE LLC

Scan for Presentation

9/22/24

18

This slide shows a screenshot of the FEMA Agent Tools website. A red box highlights the 'FloodSmart for Agents' link in the navigation bar, with a red arrow pointing to it. The page includes a search bar, navigation menu, a hurricane season promotion, and sections for preparing for flooding and starting a flood claim.

18

Tips on Getting Started

The screenshot shows the FEMA National Flood Insurance Program website. The navigation bar includes 'Get Started', 'Market and Sell', 'Write a Policy', 'Before and After a Flood', 'Retain Clients', and 'Flood Zones and Maps'. The 'Get Started' dropdown menu is open, listing options such as 'Get Started', 'About Flood Insurance', 'Flood Risks', 'Why Buy Flood Insurance', 'Agent Testimonials', 'Become a Flood Insurance Agent', 'Starter Kit: Key Documents', and 'NPIP's Pricing Approach'. A red box highlights this menu. The main content area features a blue background with a tree and a sofa, and a 'Get Started' button. A QR code is located in the bottom right corner.

©CHOICE FLOOD INSURANCE LLC

Scan for Presentation

19

19

Marketing & Selling Tools

The screenshot shows the FEMA National Flood Insurance Program website. The navigation bar includes 'Get Started', 'Market and Sell', 'Write a Policy', 'Before and After a Flood', 'Retain Clients', and 'Flood Zones and Maps'. The 'Market and Sell' dropdown menu is open, listing options such as 'Market and Sell', 'The Cost of Flooding', 'Identify Marketing Opportunities', 'How to Leverage Social Media', 'Identify Clients', 'Get to Know Clients', 'Real Estate Agent Toolkit', and 'Participate in Campaigns'. A red box highlights this menu. The main content area features a blue background with a tree and a sofa, and a 'Get Started' button. A QR code is located in the bottom right corner.

©CHOICE FLOOD INSURANCE LLC

Scan for Presentation

20

20

Social Media Campaigns

The screenshot shows a website interface for social media campaigns. At the top, there is a navigation bar with dropdown menus for 'Get Started', 'Market and Sell', 'Write a Policy', 'Before and After a Flood', 'Retain Clients', and 'Flood Zones and Maps'. The main content area features a 'HURRICANE TOOLKIT' section with a sub-header 'Tips and messaging to help property owners before, during and after a hurricane to mitigate and recover from flooding.' Below this, there is a grid of social media graphics. A sidebar on the left lists 'MORE TOOLKITS' including 'Flood After Fire Toolkit', 'Metropolitan Flooding Toolkit', and 'General Flooding Toolkit'. The date '9/22/24' is visible in the bottom left corner of the slide.

©CHOICE FLOOD INSURANCE LLC

can for Presentation

21

21

Writing a Policy Tools

The screenshot shows the FEMA National Flood Insurance Program website. The navigation bar includes 'Sign Up for Updates', 'Articles', 'Training', 'Resource Library', and 'FloodSmart for Consumers'. A search bar is present. The main content area features a 'Show your client flooding.' section with a 'Get Started' button. A red box highlights the 'Write a Policy' dropdown menu, which includes 'Write a Policy', 'Resources for Writing a Policy', and 'Elevation Certificates'. The date '9/22/24' is visible in the bottom left corner of the slide.

©CHOICE FLOOD INSURANCE LLC

Scan for Presentation

22

22

Before and After a Flood Tools

Sign Up for Updates | Articles | Training | Resource Library | FloodSmart for Consumers

FEMA NATIONAL FLOOD INSURANCE PROGRAM

Get Started | Market and Sell | Write a Policy | **Before and After a Flood** | Retain Clients | Flood Zones and Maps

Before and After a Flood
Flood Loss Avoidance
Claims Support

Show your clients the cost of flooding.

Floods are the most common and most destructive natural disaster in the United States. Our interactive "Cost of Flooding" tool can help you show your clients just how much even a few inches of water could cost them.

Get Started

With flood insurance from FEMA's National Flood Insurance Program, your clients are protected before, during and after the storm.

9/22/24

©CHOICE FLOOD INSURANCE LLC

Scan for Presentation

23

23

THE BASICS

Step by Step Instructions

UPDATES every 6 months

NFIP Manual April 2024

9/22/24

NATIONAL FLOOD INSURANCE PROGRAM
FLOOD INSURANCE MANUAL
April 2024

Aerial photo showing widespread flooding in a Texas neighborhood as a result of Hurricane Harvey.

FEMA NATIONAL FLOOD INSURANCE PROGRAM

©CHOICE FLOOD INSURANCE LLC

Scan for Presentation

24

24

Will Your Community **Float Or Sink** in the Next Wave of Disasters?

Compelling and empowering others to reduce risk

Mitigation Saves 2.0 National Mitigation Investment Strategy Catalyzing Mitigation Investment



Scan for Presentation




25

Community Participation

- Required for federally backed flood insurance to be for sale within a community
- Community Status Book
 - <https://www.fema.gov/flood-insurance/work-with-nfip/community-status-book>

Scan for Presentation




©CHOICE FLOOD INSURANCE LLC

9/22/24

26

26


Community Status Book



Community Status Book Report

Communities Participating in the National Flood Program


[Click here for not participating](#)



NORTH CAROLINA

CID	Community Name	County	Init FIRM Identified	Init FIRM Map Date	Curr Eff Map Date	Reg-Emer Date	Tribal	CRS Entry Date	Curr Eff Date	Curr Class	% Disc SFHA	% Disc Non SFHA
370165#	ABERDEEN, TOWN OF	MOORE COUNTY	11/30/73	05/15/86	01/02/08	05/15/86	No					
370131#	AHOSKIE, TOWN OF	HERTFORD COUNTY	02/22/74	05/01/87	08/03/09(M)	05/01/87	No					
370001K	ALAMANCE COUNTY*	ALAMANCE COUNTY	01/03/75	12/01/81	11/17/17	12/01/81	No					
370457K	ALAMANCE, VILLAGE OF	ALAMANCE COUNTY	01/03/75	08/15/90	11/17/17	12/17/87	No					
370223#	ALBEMARLE, CITY OF	STANLY COUNTY	12/21/73	12/01/81	06/16/09	12/01/81	No					
370398#	ALEXANDER COUNTY*	ALEXANDER COUNTY	06/09/78	02/01/91	07/07/09	02/01/91	No					
370004#	ALLEGHANY COUNTY*	ALLEGHANY COUNTY	07/01/77	02/01/04	11/04/09	02/01/04	No					
370404K	ALLIANCE, TOWN OF	PAMLICO COUNTY	07/14/78	08/05/85	06/19/20	08/05/85	No	10/01/92	10/01/21.8	10%	05%	
370060#	ANDREWS, TOWN OF	CHEROKEE COUNTY	03/08/74	02/01/85	04/19/10	02/01/85	No					
370522L	ANGIER, TOWN OF	HARNETT COUNTY	08/18/78	04/16/90	07/19/22	02/03/00	No					
370284#	ANSON COUNTY *	ANSON COUNTY	07/15/77	06/18/90	10/16/08	06/18/90	No					
370467K	APEX, TOWN OF	WAKE COUNTY		03/03/92	07/19/22	03/20/92	No					
370273#	ARCHDALE, CITY OF	GUILFORD COUNTY/RANDOLPH	03/01/74	07/16/81	03/16/09	07/16/81	No					

Scan for Presentation



9/22/24


27

27

Requires Congressional Reauthorization

- The NFIP is a federal program.
- Just like the federal budget, the NFIP requires authorization.
- Borrowing Authority, paid back with interest.

Scan for Presentation



9/22/24

28

28

NFIP LAPSES in Authorization


30 Short-term Extensions

1. September 30, 2017	17. September 30, 2021
2. December 8, 2017	18. December 3, 2021
3. December 22, 2017	19. February 18, 2022
4. January 19, 2018 (lapse Jan 20-22, 2018)	20. March 11, 2022
5. February 8, 2018 ;FEB 9, 8-hour lapse)	21. March 15, 2022
6. March 23, 2018	22. September 30, 2022
7. July 31, 2019	23. December 16, 2022
8. November 30, 2018	24. December 23, 2022
9. December 7, 2019	25. September 30, 2023
10. December 21, 2019	26. November 17, 2023
11. May 31, 2019	27. February 2, 2024 (2-day lapse)
12. June 14, 2019	28. March 8, 2024
13. September 30, 2019	29. March 22, 2024
14. November 21, 2019	30. <u>September 30, 2024</u>
15. December 20, 2019	
16. September 30, 2020	

Prior LAPSES*:

- March 1 to March 2, 2010 (1 day);
- March 29 to April 15, 2010 (16 days);
- June 1 to July 2, 2010 (31 days);
- October 1 to October 5, 2011 (5 days)

Scan for Presentation



29

*Congress reauthorized the NFIP retroactively.

9/22/24

©CHOICE FLOOD INSURANCE LLC


29

What is a flood?

A general but temporary inundation of normally dry land from:

- Overflow of inland or tidal waters
- Unusual or rapid accumulation or runoff of surface waters
- Mudslides or mudflows
- Collapse or subsidence of land along the shore of a lake or similar body of water as a result of erosion or undermining caused by waves or currents of water.

Scan for Presentation



30

NFIP MANUAL Page A-4

9/22/24

©CHOICE FLOOD INSURANCE LLC


30

General Condition of Flooding

- The flood or inundation of water must affect two or more properties, or must be displaced over two or more acres
- It must be of a temporary duration, having both a beginning point and ending point
- It must be fortuitous (i.e., unintentional, accidental)
- Flooding can result from natural causes or from other sources (but must fall within the definition)

©CHOICE FLOOD INSURANCE LLC

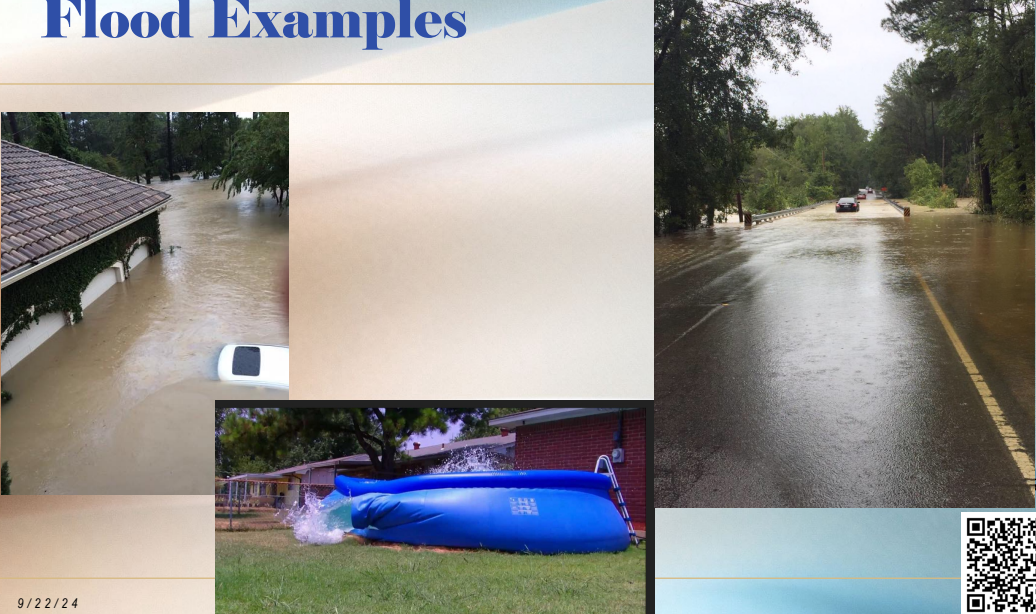
Scan for Presentation



9/22/24 NFIP MANUAL Page A-4 31


31

Flood Examples



©CHOICE FLOOD INSURANCE LLC

resentation




9/22/24 32

32

The Cost of Flood Damage

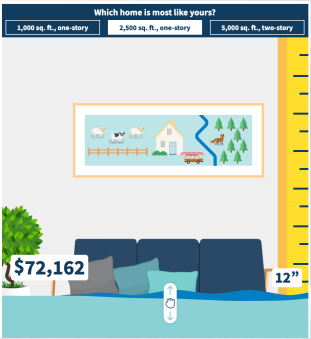
Which home is most like yours?
3,000 sq. ft., one-story 2,500 sq. ft., one-story 5,000 sq. ft., two-story



\$29,360

12"


Which home is most like yours?
1,000 sq. ft., one-story 2,500 sq. ft., one-story 5,000 sq. ft., two-story



\$72,162

12"


Which home is most like yours?
1,000 sq. ft., one-story 2,500 sq. ft., one-story 5,000 sq. ft., two-story



\$143,519

12"

Scan for Presentation



Floodsmart.gov

9/22/24

©CHOICE FLOOD INSURANCE LLC

33

33

Why Do We Need To Offer Flood Insurance

- Errors and Omissions Claims
- Keep a copy of the signed waiver
- Mandatory Purchase requirement

Scan for Presentation



9/22/24

©CHOICE FLOOD INSURANCE LLC

34

34

Mandatory Purchase

- Flood Insurance is required
 - Federally backed Mortgage in a SFHA
 - Structure located in Zones
 - AE (A1-A30), VE (V1-V30), V , AH, AO, A
- Flood insurance required for secured Property located in a SFHA
- Coverage Required- Amount of loan
 - Down payment? Is policy holder underinsured?
 - Proper rating
- **Optional** for Zones B, C, or X – Lender's Discretion



©CHOICE FLOOD INSURANCE LLC

Scan for Presentation



9/22/24 NFIP MANUAL Page L-6 35

35

When do we need to offer Flood Insurance?

Every time we speak to a client about coverage

©CHOICE FLOOD INSURANCE LLC

Scan for Presentation



9/22/24 36

36

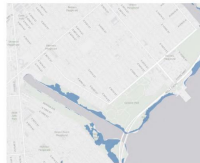
Origin of Flood Maps

Flood Factor: Communicating America's Flood Risk

FEMA flood maps are shaped by multiple interests.

There are 8 steps involved in the issuing of updated or new FEMA flood maps. These steps involve select local leaders and business interests resulting in compromised flood maps that can take years to adopt.

Source: FEMA



2007
FEMA implements minor flood map updates to original map created in 1983.

Source: FEMA



2012
Superstorm Sandy floods Canarsie representing true flood risk.

Source: City of New York



2015
FEMA proposes new flood map. NYC rejects it and appeals.

Source: FEMA



2016
FEMA accepts NYC's appeal and proposed map.

Source: City of New York

More Capture

©CHOICE FLOOD INSURANCE LLC

Scan for Presentation



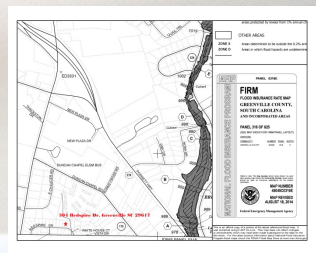
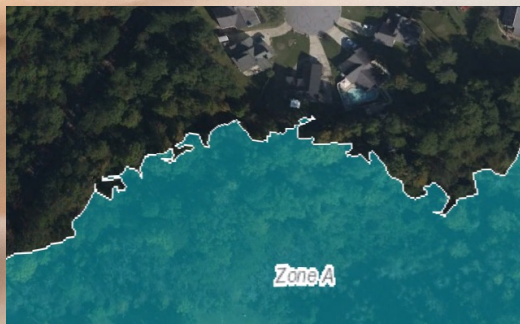
37

9/22/24

Graphic: First Street Foundation

37

Flood Insurance Rate Maps



©CHOICE FLOOD INSURANCE LLC

Scan for Presentation



38

9/22/24


NFIP MANUAL APPENDIX D

38

Sources of Flood Zone Information

- FEMA Map Service Center
 - <https://msc.fema.gov>
- Community Official,
- Recent Elevation Certificate,
- Current NFIP Policy Declaration's Page,
- Flood Hazard Determination Form, or
- Letter of Map Change

Scan for Presentation

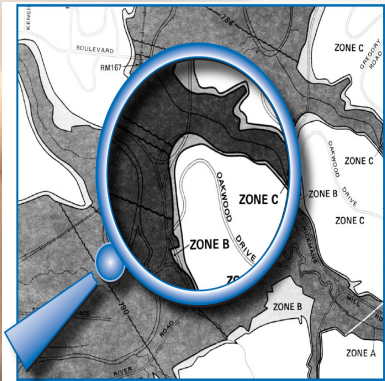


©CHOICE FLOOD INSURANCE LLC

9/22/24 NFIP MANUAL APPENDIX D 39


39

FIRMette: Flood Maps On-Line



- You can find and print a FIRM by using FEMA's on-line tools.
- Go to <http://www.msc.fema.gov>.
- Click "Map Search" link (top of page) and select "Public Flood Map" from the product pull-down menu.
- Enter the address and click the "Go" button.
- On the Map Search Result Page, click the green "View" button (far right).
- When the map appears, drag the red translucent box to the area you want to print.
- Select paper size and select the scale, north arrow, and title block.
- Your FIRMette will be displayed and you can print or save the file as an Adobe Acrobat (pdf) or graphic image file (gif).

Scan for Presentation



©CHOICE FLOOD INSURANCE LLC

9/22/24 NFIP MANUAL APPENDIX D 40

40

How to read a flood map?

©CHOICE FLOOD INSURANCE LLC

Scan for Presentation

41

41

Mandatory Purchase Flood Zones

Special Flood Hazard Area (SFHA)

Geographic region that has at least a 1% chance of being flooded in a given year.

A, AE (A1-30), AH, AO, V, VE
(V1-30), VO, A99, AR, AR dual

Mandatory Purchase requirements apply for mortgages

Scan for Presentation

42

42


Non-Mandatory Flood Zones

Medium to Lower Risk-Flood Hazard Areas

Geographic region that has less than 1% chance of flooding in a given year.

B,C,X and shaded X
(D is undetermined)

Scan for Presentation



Flood Insurance is Optional and Recommended

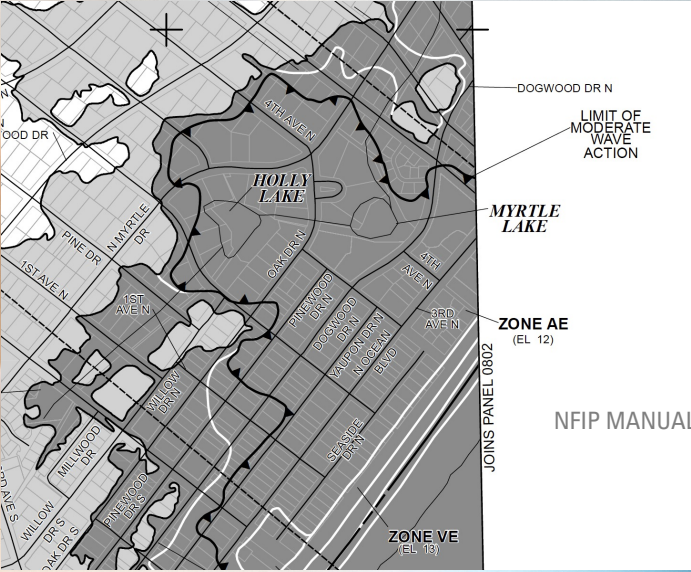
9/22/24

©CHOICE FLOOD INSURANCE LLC

43

43

LIMWA (COASTAL A-ZONES)



DOGWOOD DR N


LIMIT OF MODERATE WAVE ACTION

MYRTLE LAKE

ZONE AE (EL 12)

NFIP MANUAL APPENDIX D

Scan for Presentation



9/22/24

©CHOICE FLOOD INSURANCE LLC

44

44



45

<https://www.arcgis.com/apps/webappviewer/index.html?id=ccd847ed81124ff391fc31cf1d6b5c6a>

Effective	Preliminary
POI Longitude/Latitude	-80.4888, 32.3203
Effective FIRM Panel	4500250159E
Effective Date	11/4/1992
There is no modernized effective data to determine the flood hazard for the selected location; please refer to the static legacy FIRM which can be accessed by selecting the following link: http://msc.fema.gov/portal/viewProduct?productID=4500250159E	
POI Longitude/Latitude	-80.4888, 32.3203
Preliminary FIRM Panel	45013C0353G
Preliminary Issue Date	8/9/2019
Flood Zone	AE
Estimated Static BFE*	9.0 Feet
Estimated Flood Depth	Not Available
Vertical Datum	NAVD88

FEMA Preliminary Map Comparison Tool

© CHOICE FLOOD INSURANCE LLC

Scan for Presentation

46

Coastal Barrier Resources Areas

- No longer shown on new FIRM or the Standard Flood Hazard Determination form
- Must look up separately through the CBRS Validation tool
- <https://www.fws.gov/cbra/Documentation.html>
- Federally backed flood insurance not available

©CHOICE FLOOD INSURANCE LLC

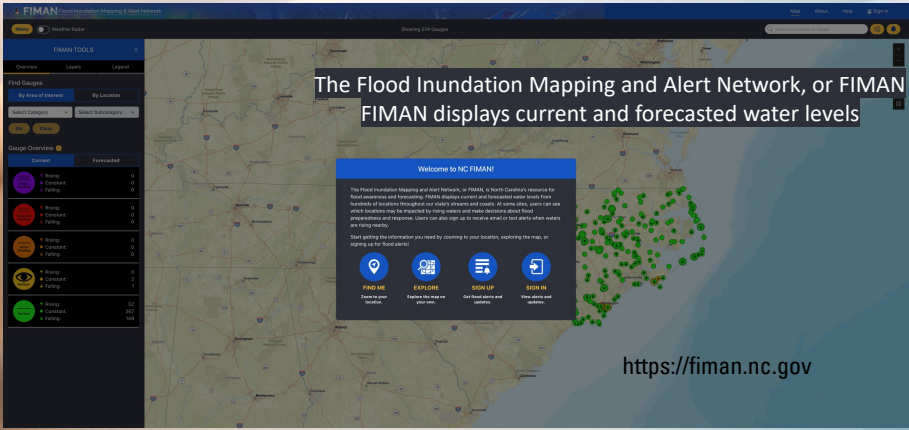
Scan for Presentation



9/22/24 NFIP MANUAL APPENDIX D 47

47

North Carolina Products




The Flood Inundation Mapping and Alert Network, or FIMAN
FIMAN displays current and forecasted water levels

https://fiman.nc.gov

©CHOICE FLOOD INSURANCE LLC

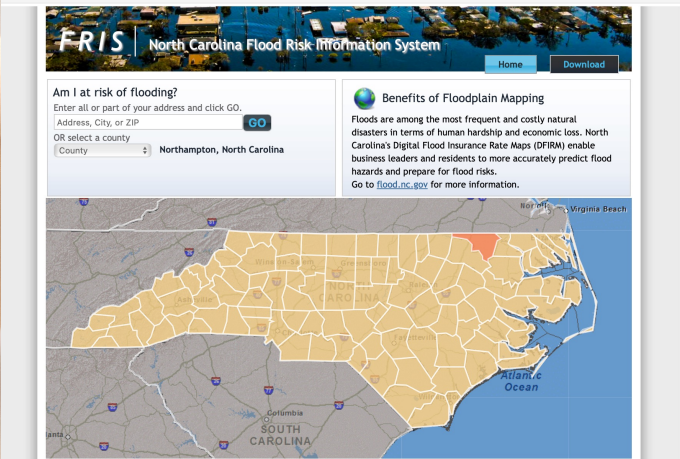
Scan for Presentation



9/22/24 48

48


FRIS – NC Flood Risk Information System



Am I at risk of flooding?
Enter all or part of your address and click GO.
Address, City, or ZIP
OR select a county
County: Northampton, North Carolina

Benefits of Floodplain Mapping
Floods are among the most frequent and costly natural disasters in terms of human hardship and economic loss. North Carolina's Digital Flood Insurance Rate Maps (DFIRM) enable business leaders and residents to more accurately predict flood hazards and prepare for flood risks.
Go to flood.nc.gov for more information.

Scan for Presentation



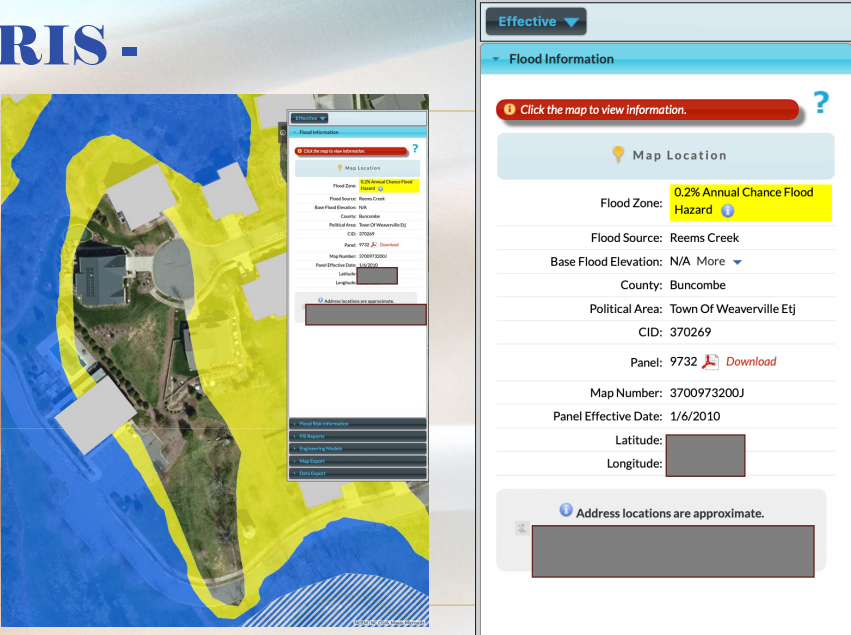
9/22/24

©CHOICE FLOOD INSURANCE LLC

49

49

FRIS -



Effective

Flood Information

Click the map to view information.

Map Location

Flood Zone: 0.2% Annual Chance Flood Hazard

Flood Source: Reems Creek

Base Flood Elevation: N/A More

County: Buncombe

Political Area: Town Of Weaverville Etj

CID: 370269

Panel: 9732 Download

Map Number: 3700973200J


Panel Effective Date: 1/6/2010

Latitude: [Redacted]

Longitude: [Redacted]

Address locations are approximate.

Scan for Presentation



9/22/24

©CHOICE FLOOD INSURANCE LLC

50

50

FRIS

Effective ▾

Flood Risk Information

Click a building to view risk information.

Property

Building Value (\$): 399779

Stories: 2

Square Feet (ft²): 6274

Foundation: Slab on Grade

Occupancy Type: Retail Trade

Recalculate

The river flooding hazard is rated high for this location.
 This year you have a 0.1% chance of flooding.

Annual Chance of Flood	Depth Above Finished Floor (in feet)	Damage	Building Losses
10%	-7.8	0%	N/A
4%	-6.2	0%	N/A
2%	-4.9	0%	N/A
1%	-3.6	0%	N/A
0.2%	-1.9	0%	N/A

Reduce My Risk

Address locations are approximate.

FIS Reports

Engineering Models

Scan for Presentation

51

51

flood.NC.gov

Do You Know Your Flood Risk?

PRELIMINARY FLOOD RISK INFORMATION

Property Risk

Learn about Flood Risk at specific address, to include floodplains, structure and content, property type and characteristics, mitigation opportunities, and the location of flood warning sirens near you.

Learn More

Red-Estate Agent Insurance Agent Professional Engineer/Surveyor Community Official

Contact
 NC Floodplain Mapping Program
 4108 Mail Service Center
 Raleigh, NC 27619-4218
 Phone: 919-715-5711
 Fax: 919-715-6400
 Email: FloodMapping@nc.gov

Scan for Presentation

52

52

Future of Mapping

TMAC 2023 Recommendations

Recommendation

TMAC Topic 1 Recommend a new definition for the SFHA

AR-45 FEMA should develop two new flood hazard areas:

- a. New Special Flood Hazard Area (SFHA) – to be used for determining mandatory purchase requirements more confidently based on existing conditions.
- b. New Flood-Prone Area (FPA) – to be used for floodplain management requirements based on future conditions

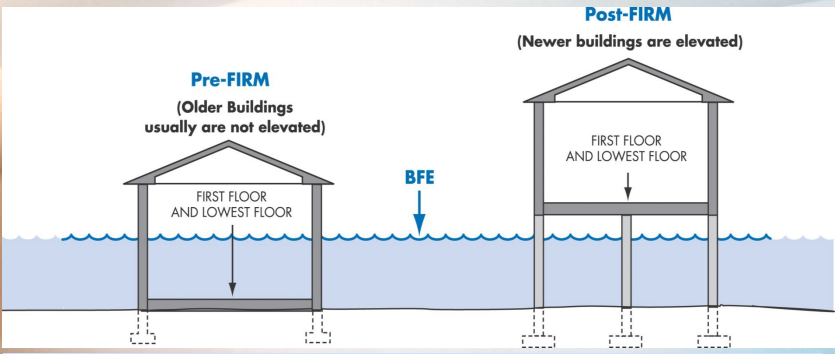
AR-46 FEMA should develop new Special Flood Hazard Areas (SFHAs) based on the existing 1% annual-chance flood at the 95% confidence limit, not the median (50% confidence limit), as is currently done.

AR-47 FEMA should require new Flood-Prone Areas (FPAs), used for floodplain management, to be based on 1% annual-chance future conditions (including land use and climate change) at the 95% confidence limit.

AR-48 FEMA should develop 0.2% annual-chance flood estimates for existing conditions at the 95% confidence limit and evaluate the need for a future condition equivalent.

53

What is Meant by Pre-FIRM & Post-FIRM?



Pre-FIRM
(Older Buildings usually are not elevated)
FIRST FLOOR AND LOWEST FLOOR


Post-FIRM
(Newer buildings are elevated)
FIRST FLOOR AND LOWEST FLOOR

BFE

A building is **Pre-FIRM** if it was built before the date of your community's first FIRM or 12/31/1974. If built after that date, a building is **Post-FIRM**. Improvements or repairs to Pre-FIRM buildings may require permits.

©CHOICE FLOOD INSURANCE LLC

Scan for Presentation



54

9/22/24

NFIP MANUAL PAGE L-8

54


What is an Insurable Building?

To be insurable, a building must be:

- Walled and roofed
 - 2 rigid exterior walls and a roof
- Principally above ground
 - 51% or more of the actual cash value of the building must be above ground
- Affixed to a permanent foundation site
 - And, if mobile home located in SFHA, anchored to resist flotation, collapse and lateral movement

©CHOICE FLOOD INSURANCE LLC

Scan for Presentation



9/22/24 NFIIP MANUAL PAGE 2-4 55


55

Coverage Limitations

- Emergency Program
- Regular Program

©CHOICE FLOOD INSURANCE LLC

Scan for Presentation



9/22/24 NFIIP MANUAL PAGE 3-45 56

56

Coverages Limits–Emergency Program

Table 23. Maximum Coverage Limits in the Emergency Program¹²

Building Occupancy	Building Coverage	Contents Coverage
Single-Family Dwelling		
Single-Family Home	\$35,000 ¹³	\$10,000
Residential Manufactured/Mobile Home	\$35,000 ¹³	\$10,000
Residential Unit ¹⁴		
Residential Condominium Unit (in Residential Building)	\$35,000 ¹³	\$10,000
All Other Building Descriptions	None	\$10,000
Multifamily Building		
Two-to-Four Family Building	\$35,000 ¹³	\$10,000
Other Residential Building	\$100,000 ¹⁵	\$10,000
Non-Residential		
Non-Residential Building	\$100,000 ¹⁵	\$100,000
Non-Residential Manufactured/Mobile Building	\$100,000 ¹⁵	\$100,000
Non-Residential Unit	None	\$100,000

Scan for Presentation



©CHOICE FLOOD INSURANCE LLC

57

9/22/24

NFIP MANUAL PAGE 3-45

57

Coverages Limits–Regular Program

Table 22. Maximum Coverage Limits in the Regular Program

Building Occupancy	Building Coverage	Contents Coverage
Single-Family Dwelling		
Single-Family Home	\$250,000	\$100,000
Residential Manufactured/Mobile Home	\$250,000	\$100,000
Residential Unit ¹⁰		
Residential Condominium Unit (in Residential Building)	\$250,000	\$100,000
All Other Building Descriptions	None	\$100,000
Multifamily Building		
Two-to-Four Family Building	\$250,000	\$100,000
Other Residential Building	\$500,000	\$100,000
Residential Condominium Building		
Residential Condominium Building ¹¹	Not to exceed the lesser of: <ul style="list-style-type: none"> • The building's replacement cost value; or • Total number of units x \$250,000. 	\$100,000
Non-Residential		
Non-Residential Building	\$500,000	\$500,000
Non-Residential Manufactured/Mobile Building	\$500,000	\$500,000
Non-Residential Unit	None	\$500,000

NFIP MANUAL PAGE 3-45

Scan for Presentation



©CHOICE FLOOD INSURANCE LLC

58


9/22/24

58

NFIP New Pricing Approach

- Max Rate Single Family is \$12,265
- No Cap under the legacy program
- Concentrated Risk – Lot of Policies and reinsurance available
- Lack of Concentrated Risk – No reinsurance.

Scan for Presentation



©CHOICE FLOOD INSURANCE LLC

9/22/24


NFIP MANUAL PAGE 3-1

59


59

NFIP New Pricing Approach

GEOGRAPHIC RATING FACTORS



Scan for Presentation



©CHOICE FLOOD INSURANCE LLC

9/22/24

60

60

NFIP New Pricing Approach

PROPERTY & CONTRACT RATING FACTORS

First Floor Height has a large impact

Scan for Presentation

©CHOICE FLOOD INSURANCE LLC

61

9/22/24

61

NEW PRICING APPROACH SUMMARY

- Geographic variability can lead to large peril rate differences.
- Mitigation measures reduce overall rates; may not be apparent in premiums due to rate maximums.

Scan for Presentation

©CHOICE FLOOD INSURANCE LLC

62

9/22/24


62

New Pricing Methodology - Agents

- Agents had to touch every single policy in their book
- Defaults applied if agent did not respond
 - MACHINERY AND EQUIPMENT = "NO"
 - APPLIANCES = "NO"

©CHOICE FLOOD INSURANCE LLC

Scan for Presentation



9/22/24

63


63

Calculating Square Footage – RESIDENTIAL

- Confirm Real Estate listings with tax records or appraisals
- Square footage is required for:
 - Total finished living area
 - Attached garage or finished attic converted to living space
- DO NOT include:
 - Finished or unfinished basements;
 - Any garage used solely for parking, storage or building access;
 - Finished or unfinished enclosure area;
 - Porches or decks

©CHOICE FLOOD INSURANCE LLC

Scan for Presentation



9/22/24

NFIP MANUAL PAGE 3-33

64


64

Calculating Square Footage – NOT RESIDENTIAL

- Confirm Real Estate listings with tax records or appraisals
- Square footage is required for:
 - Other residential buildings
 - Non-residential buildings
 - Non-residential units
 - Non-residential manufactured/mobile homes
 - Residential condominium buildings
- INCLUDE stairwells and Elevator Shafts
- DO NOT include mezzanines or basements

©CHOICE FLOOD INSURANCE LLC

Scan for Presentation



9/22/24 NIFIP MANUAL PAGE 3-33 65


65

First Floor Height

- Height of the buildings first lowest floor above the adjacent grade
- Two ways to determine first floor height
 - FEMA elevation certificate Section C, Section E or Section H
 - FEMA determined

©CHOICE FLOOD INSURANCE LLC

Scan for Presentation



9/22/24 NIFIP MANUAL PAGE 3-23 66

66

Building Occupancy Types

Single Family Dwelling


- Residential dwelling
- One unit only
- Contents considered to be throughout the structure

2-4 Family Dwelling

- Residential unit
- Up to four units per dwelling

©CHOICE FLOOD INSURANCE LLC

Scan for Presentation



9/22/24 NFIP MANUAL PAGE 3-9 67

67

Building Occupancy Types

Other Residential Dwelling


- Residential unit
- More than four units per dwelling
- Hotel or motel stay of six months or more

Non-Residential

- Agricultural structures
- Commercial unit
- Hotel stay of less than six months
- Grain bins

©CHOICE FLOOD INSURANCE LLC

Scan for Presentation



9/22/24 NFIP MANUAL PAGE 3-9 68


68

APPURTENANT STRUCTURE

A property require separate policies with the exception of a detached garage at the described location. This is available under the Dwelling policy only.


Appurtenant structures located on the same 10% of total building coverage limit applies to the structure.

- Use of coverage is at the policyholder's option
- May not be used for residential, business or farming purposes



©CHOICE FLOOD INSURANCE LLC

Scan for Presentation



9/22/24

NFIP MANUAL PAGE 2-9

69

69

Additional and Extensions

The NFIP will insure an addition or extension if it is attached to the building by means of any one of the following:

- A rigid exterior wall
- A solid, load-bearing interior wall
- A stairway
- An elevated walkway
- A roof


- The insured can opt for getting each addition and extension insured separately.
- Additional and Extensions not consider a primary residence (\$250 surcharge).

NOTE: Additions and extensions attached by means of a common interior wall are always considered part of the building and cannot be insured separately.

The Application Form for the main building should reference the policy number or quote number for the policy separately insuring the addition or extension.

©CHOICE FLOOD INSURANCE LLC

Scan for Presentation




9/22/24

NFIP MANUAL PAGE 2-7

70

70

Additional and Extensions Example




\$250 Surcharge

©CHOICE FLOOD INSURANCE LLC

Building \$500K x 3 = \$1.5M
 Contents \$500K x 3 = \$1.5M

Building \$250K NOW \$500K
 Contents \$100K

Scan for Presentation



71

9/22/24

71


Deductibles

**Table 24. Deductible Options: Single-Family Home, Residential
 Manufactured/Mobile Home, Residential Unit, Two-to-Four Family Building**

Standard Building Options		Exception Building Options: Pre-FIRM Building Receiving Any Statutory Discount		Contents Options
Building Coverage of \$100,000 or less	Building Coverage over \$100,000	Building Coverage of \$100,000 or less	Building Coverage over \$100,000	Contents Coverage of Any Amount
\$1,000	\$1,250	\$1,500	N/A	\$1,000
\$2,000	\$2,000	\$2,000	\$2,000	\$2,000
\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
\$10,000	\$10,000	\$10,000	\$10,000	\$10,000

Note: For more information on statutory discounts see the [Statutory Discounts](#) heading below.

©CHOICE FLOOD INSURANCE LLC



72

9/22/24

NFIP MANUAL PAGE 3-44

72

Deductibles

Table 25. Deductible Options: Other Residential Building, Non-Residential Building, Non-Residential Manufactured/Mobile Building, Non-Residential Unit

Standard Building Options ¹⁸		Exception Building Options: Pre-FIRM Building Receiving Any Statutory Discount ¹⁸		Contents Options
Building Coverage of \$100,000 or less	Building Coverage over \$100,000	Building Coverage of \$100,000 or less	Building Coverage over \$100,000	Contents-Only Coverage
\$1,000 / \$1,000	\$1,250 / \$1,250	\$1,500 / \$1,500	N/A	\$1,000
\$2,000 / \$2,000	\$2,000 / \$2,000	\$2,000 / \$2,000	\$2,000 / \$2,000	\$2,000
\$5,000 / \$5,000	\$5,000 / \$5,000	\$5,000 / \$5,000	\$5,000 / \$5,000	\$5,000
\$10,000 / \$10,000	\$10,000 / \$10,000	\$10,000 / \$10,000	\$10,000 / \$10,000	\$10,000
\$25,000 / \$25,000	\$25,000 / \$25,000	\$25,000 / \$25,000	\$25,000 / \$25,000	\$25,000
\$50,000 / \$50,000	\$50,000 / \$50,000	\$50,000 / \$50,000	\$50,000 / \$50,000	\$50,000

9/22/24

NFIP MANUAL PAGE 3-45



©CHOICE FLOOD INSURANCE LLC

Presentation

73

73

Deductibles

Table 26. Deductible Options: Residential Condominium Building

Standard Building Options ¹⁸		Exception Building Options: Pre-FIRM Building Receiving Any Statutory Discount ¹⁸	
Building Coverage of \$100,000 or less	Building Coverage over \$100,000	Building Coverage of \$100,000 or less	Building Coverage over \$100,000
\$1,000 / \$1,000	\$1,250 / \$1,250	\$1,500 / \$1,500	N/A
\$2,000 / \$2,000	\$2,000 / \$2,000	\$2,000 / \$2,000	\$2,000 / \$2,000
\$5,000 / \$5,000	\$5,000 / \$5,000	\$5,000 / \$5,000	\$5,000 / \$5,000
\$10,000 / \$10,000	\$10,000 / \$10,000	\$10,000 / \$10,000	\$10,000 / \$10,000
\$25,000 / \$25,000	\$25,000 / \$25,000	\$25,000 / \$25,000	\$25,000 / \$25,000

9/22/24

NFIP MANUAL PAGE 3-46



©CHOICE FLOOD INSURANCE LLC

Presentation


74

74

Deductibles

- Separate deductible for both building and contents coverage.
- Selecting a higher, optional deductible will lower premiums.
- Check with Mortgage holder first

Scan for Presentation



©CHOICE FLOOD INSURANCE LLC

9/22/24


75

75

RCBAP

- **Replacement Cost (RCV)** must be updated every 3 years
 - Ask if they have a recent appraisal
- **Coinsurance Penalty**
 1. Actual amount of insurance carried
RCV x 80%.
 2. Multiply the amount of loss, before application of the deductible, by the percentage above
 3. Subtract the deductible from the figure determined in 2 above.

Scan for Presentation



©CHOICE FLOOD INSURANCE LLC

9/22/24

NFIP MANUAL PAGE 3-55

76

76

Co-Insurance Penalty - Inadequate Insurance Example

1. **Replacement value of the building** – \$250,000 Required amount of insurance – \$200,000 (80 percent of replacement value of \$250,000)

2. **Actual amount of insurance carried** – \$180,000

3. **Amount of the loss** = \$150,000; Deductible -- \$500

Step 1: $180,000 / 200,000 = .90$ (90 percent of what should be carried.)

Step 2: $\$150,000 \times .90 = 135,000$

Step 3: $\$135,000 - \$500 = 134,500$

The NFIP will pay no more than \$134,500. The remaining \$15,500 is not covered due to the coinsurance penalty (\$15,000) and application of the deductible (\$500).

Scan for Presentation



©CHOICE FLOOD INSURANCE LLC

77

9/22/24

77

Co-Insurance Penalty – Adequate Insurance Example

1. **Replacement value of the building** = \$500,000 Required amount of insurance = \$400,000 (80 percent of replacement value of \$500,000)

2. **Actual amount of insurance carried** = \$400,000

3. **Amount of the loss** = \$200,000

4. **Deductible** – \$500 In this example there is no coinsurance penalty, because the actual amount of insurance carried meets the required amount.

NFIP will pay no more than \$199,500 (\$200,000 amount of loss minus the \$500 deductible).

Scan for Presentation



©CHOICE FLOOD INSURANCE LLC

78

9/22/24

78

Commercial; Non-Residential

- Agent must provide Replacement Cost
- Floodproofing in lieu of elevation, approved floodproofing plan required

©CHOICE FLOOD INSURANCE LLC

Scan for Presentation



79

9/22/24


79

Replacement Cost Value

- Single Family provided by FEMA
- Agent provides RCV
 - Commercial or Non-Residential
 - Condominium
- Ask for recent appraisal?

©CHOICE FLOOD INSURANCE LLC

Scan for Presentation



80

9/22/24

80

Other Building Factors

- Date of Construction
- Number of Floors
- Detached Structures
- Number of Elevators
- Primary or non-primary Residence
- Condo – Unit Floor
- Rental Property or Business

©CHOICE FLOOD INSURANCE LLC

Scan for Presentation



81

9/22/24


81

Effective Dates

- At LOAN closing: Policy effective immediately
- Required by lender due to **map change**—1 day
- All others—30 days (even for cash purchases)

©CHOICE FLOOD INSURANCE LLC

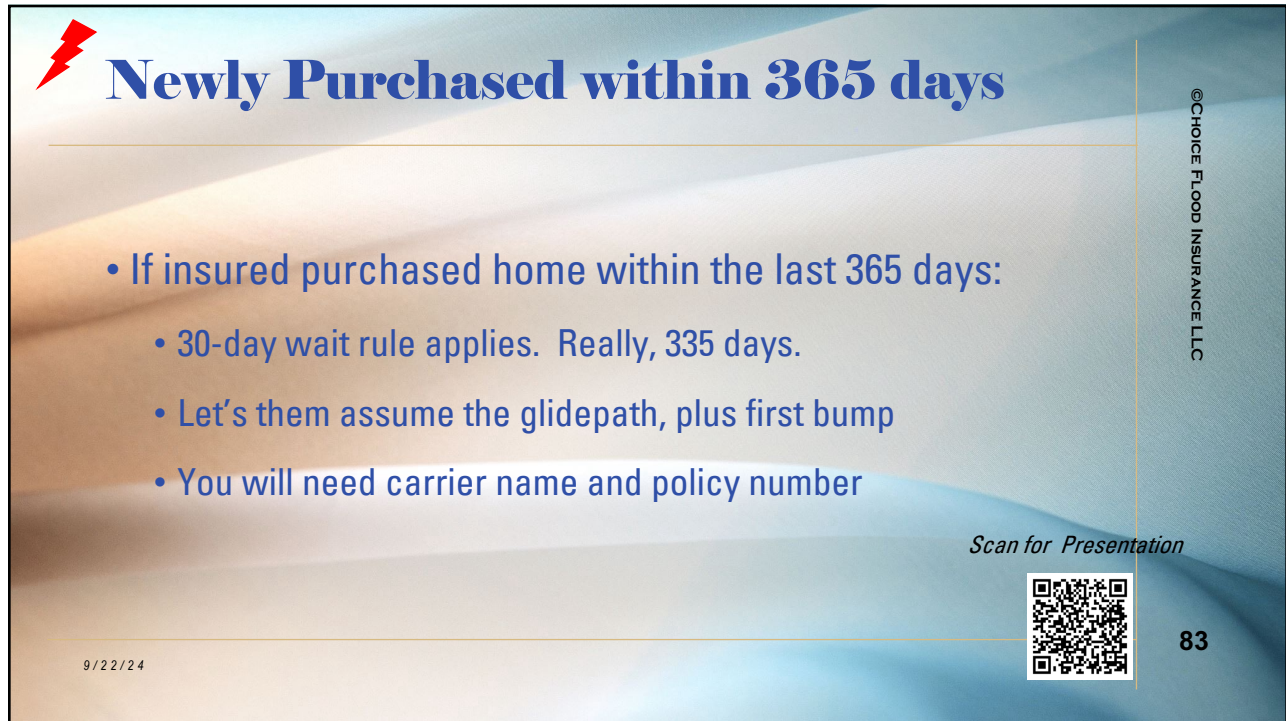
Scan for Presentation



82

9/22/24

82




Newly Purchased within 365 days

- If insured purchased home within the last 365 days:
 - 30-day wait rule applies. Really, 335 days.
 - Let's them assume the glidepath, plus first bump
 - You will need carrier name and policy number

©CHOICE FLOOD INSURANCE LLC

Scan for Presentation



9/22/24

83

83



Elevation Certificate and Instructions
2023 EDITION

National Flood Insurance Program



FEMA

Elevation Certificate 2023 Edition

©CHOICE FLOOD INSURANCE LLC

Scan for Presentation



9/22/24

84

84

Elevation Certificate

©CHOICE FLOOD INSURANCE LLC

Form Instructions

U.S. DEPARTMENT OF HOMELAND SECURITY
Federal Emergency Management Agency
National Flood Insurance Program

OMB Control No. 1660-0008
Expiration Date: 06/30/2026

ELEVATION CERTIFICATE
IMPORTANT: MUST FOLLOW THE INSTRUCTIONS ON INSTRUCTION PAGES 1-11
Copy all pages of this Elevation Certificate and all attachments for (1) community official, (2) insurance agent/company, and (3) building owner.

SECTION A – PROPERTY INFORMATION FOR INSURANCE COMPANY USE

A1. Building Owner's Name: _____ Policy Number: _____
A2. Building Street Address (including Apt., Unit, Suite, and/or Bldg. No.) or P.O. Route and Box No.: _____ Company NAIC Number: _____
City: _____ State: _____ ZIP Code: _____
A3. Property Description (e.g., Lot and Block Numbers or Legal Description) and/or Tax Parcel Number: _____
A4. Building Use (e.g., Residential, Non-Residential, Addition, Accessory, etc.): _____
A5. Latitude/Longitude: Lat. _____ Long. _____ Horiz. Datum: NAD 1927 NAD 1983 WGS 84
A6. Attach at least two and when possible four clear color photographs (one for each side) of the building (see Form pages 7 and 8).
A7. Building Diagram Number: _____

A8. For a building with a crawlspace or enclosure(s): _____ sq. ft.
a) Is there at least one permanent flood opening on two different sides of each enclosed area? Yes No N/A
c) Enter number of permanent flood openings in the crawlspace or enclosure(s) within 1.0 foot above adjacent grade:
Non-engineered flood openings: _____ Engineered flood openings: _____
d) Total net open area of non-engineered flood openings in A8.c: _____ sq. ft.
e) Total rated area of engineered flood openings in A8.c (attach documentation – see instructions): _____ sq. ft.
f) Sum of A8.d and A8.e rated area (if applicable – see instructions): _____ sq. ft.

A9. For a building with an attached garage: _____ sq. ft.
a) Is there at least one permanent flood opening on two different sides of the attached garage? Yes No N/A
c) Enter number of permanent flood openings in the attached garage within 1.0 foot above adjacent grade:
Non-engineered flood openings: _____ Engineered flood openings: _____
d) Total net open area of non-engineered flood openings in A9.c: _____ sq. ft.
e) Total rated area of engineered flood openings in A9.c (attach documentation – see instructions): _____ sq. ft.
f) Sum of A9.d and A9.e rated area (if applicable – see instructions): _____ sq. ft.

SECTION B – FLOOD INSURANCE RATE MAP (FIRM) INFORMATION


B1 a. FIRM Community Name: _____ B1 b. FIRM Community Identification Number: _____
B2. County Name: _____ B3. State: _____ B4. Map/Panel No.: _____ B5. Suffix: _____
B6. FIRM Index Date: _____ B7. FIRM Panel Effective/Revised Date: _____
B8. Flood Zone(s): _____ B9. Base Flood Elevation(s) (BFE) (Zone AO, use Base Flood Depth): _____
B10. Indicate the source of the BFE data or Base Flood Depth entered in item B9:
 FIS FIRM Community Determined Other: _____
B11. Indicate elevation datum used for BFE in item B9: NAVD 1928 NGVD 1988 Other/Source: _____
B12. Is the building located in a Coastal Barrier Resources System (CBRS) area or Other/Protected Area (OPA)? Yes No
Designation Date: _____ CBRS OPA
B13. Is the building located seaward of the Limit of Moderate Wave Action (LIMWA)? Yes No

FEMA Form FF-206-FY-22-152 (formerly 086-0-33) (8/23) Form Page 2 of 8

9/22/24

- Not required
- Make sure the address matches
- For insurance purposes, EC age doesn't matter.
- Must be signed and dated

Scan for Presentation



85

85

Elevation Certificate

©CHOICE FLOOD INSURANCE LLC

Form Instructions

U.S. DEPARTMENT OF HOMELAND SECURITY
Federal Emergency Management Agency
National Flood Insurance Program


OMB Control No. 1660-0008
Expiration Date: 06/30/2026

ELEVATION CERTIFICATE
IMPORTANT: MUST FOLLOW THE INSTRUCTIONS ON INSTRUCTION PAGES 1-11
Copy all pages of this Elevation Certificate and all attachments for (1) community official, (2) insurance agent/company, and (3) building owner.

SECTION A – PROPERTY INFORMATION FOR INSURANCE COMPANY USE

A1. Building Owner's Name: _____ Policy Number: _____
A2. Building Street Address (including Apt., Unit, Suite, and/or Bldg. No.) or P.O. Route and Box No.: _____ Company NAIC Number: _____
City: _____ State: _____ ZIP Code: _____
A3. Property Description (e.g., Lot and Block Numbers or Legal Description) and/or Tax Parcel Number: _____
A4. Building Use (e.g., Residential, Non-Residential, Addition, Accessory, etc.): _____
A5. Latitude/Longitude: Lat. _____ Long. _____ Horiz. Datum: NAD 1927 NAD 1983 WGS 84
A6. Attach at least two and when possible four clear color photographs (one for each side) of the building (see Form pages 7 and 8).
A7. Building Diagram Number: _____

Scan for Presentation



86

86

SECTION A – PROPERTY INFORMATION	FOR INSURANCE COMPANY USE
A1. Building Owner's Name: _____	Policy Number: _____
A2. Building Street Address (including Apt., Unit, Suite, and/or Bldg. No.) or P.O. Route and Box No.: _____	Company NAIC Number: _____
City: _____ State: _____ ZIP Code: _____	
A3. Property Description (e.g., Lot and Block Numbers or Legal Description) and/or Tax Parcel Number: _____	
A4. Building Use (e.g., Residential, Non-Residential, Addition, Accessory, etc.): _____	
A5. Latitude/Longitude: Lat. _____ Long. _____ Horiz. Datum: <input type="checkbox"/> NAD 1927 <input type="checkbox"/> NAD 1983 <input type="checkbox"/> WGS 84	
A6. Attach at least two and when possible four clear color photographs (one for each side) of the building (see Form pages 7 and 8).	
A7. Building Diagram Number: _____	
A8. For a building with a crawlspace or enclosure(s):	
a) Square footage of crawlspace or enclosure(s): _____ sq. ft.	
b) Is there at least one permanent flood opening on two different sides of each enclosed area? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	
c) Enter number of permanent flood openings in the crawlspace or enclosure(s) within 1.0 foot above adjacent grade: Non-engineered flood openings: _____ Engineered flood openings: _____	
d) Total net open area of non-engineered flood openings in A8.c: _____ sq. in.	
e) Total rated area of engineered flood openings in A8.c (attach documentation – see Instructions): _____ sq. ft.	
f) Sum of A8.d and A8.e rated area (if applicable – see Instructions): _____ sq. ft.	
A9. For a building with an attached garage:	
a) Square footage of attached garage: _____ sq. ft.	
b) Is there at least one permanent flood opening on two different sides of the attached garage? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	
c) Enter number of permanent flood openings in the attached garage within 1.0 foot above adjacent grade: Non-engineered flood openings: _____ Engineered flood openings: _____	
d) Total net open area of non-engineered flood openings in A9.c: _____ sq. in.	
e) Total rated area of engineered flood openings in A9.c (attach documentation – see Instructions): _____ sq. ft.	


9/22/24

Elevation Certificate

Section A

Address Information
Lat/Long
Building Diagram
Enclosure Info
Opening Information
Main Building
Attached Garage (*not over elevated building*)

Scan for Presentation



©CHOICE FLOOD INSURANCE LLC

87


87

Building Diagram Number Changes

Read the instructions and the Diagram *Distinguishing Features*

- **Diagram 8 Crawlspace:** *If the distance from the crawlspace floor to the top of the next higher floor is more than 5 feet, use Diagram 7.*
- **Diagram 9 Subgrade Crawlspace:** *If the distance from the crawlspace floor to the top of the next higher floor is more than five feet, or the crawlspace floor is more than two feet below the grade [LAG] on all sides, use Diagram 2A or 2B.)*

Scan for Presentation



©CHOICE FLOOD INSURANCE LLC

88

9/22/24

88

Elevation Certificate Form

©CHOICE FLOOD INSURANCE LLC

SECTION C – BUILDING ELEVATION INFORMATION (SURVEY REQUIRED)

C1. Building elevations are based on: Construction Drawings* Building Under Construction* Finished Construction
 *A new Elevation Certificate will be required when construction of the building is complete.

C2. Elevations – Zones A1–A30, AE, AH, AO, A (with BFE), VE, V1–V30, V (with BFE), AR, AR/A, AR/AE, AR/A1–A30, AR/AH, AR/AO, A99. Complete Items C2.a–h below according to the Building Diagram specified in Item A7. In Puerto Rico only, enter meters.
 Benchmark Utilized: _____ Vertical Datum: _____

Indicate elevation datum used for the elevations in items a) through h) below.
 NGVD 1929 NAVD 1988 Other: _____

Datum used for building elevations must be the same as that used for the BFE. Conversion factor used? Yes No
 If Yes, describe the source of the conversion factor in the Section D Comments area.

a) Top of bottom floor (including basement, crawlspace, or enclosure floor): _____	Check the measurement used:	<input type="checkbox"/> feet	<input type="checkbox"/> meters
b) Top of the next higher floor (see Instructions): _____		<input type="checkbox"/> feet	<input type="checkbox"/> meters
c) Bottom of the lowest horizontal structural member (see Instructions): _____		<input type="checkbox"/> feet	<input type="checkbox"/> meters
d) Attached garage (top of slab): _____		<input type="checkbox"/> feet	<input type="checkbox"/> meters
e) Lowest elevation of Machinery and Equipment (M&E) servicing the building (describe type of M&E and location in Section D Comments area): _____		<input type="checkbox"/> feet	<input type="checkbox"/> meters
f) Lowest Adjacent Grade (LAG) next to building: <input type="checkbox"/> Natural <input type="checkbox"/> Finished _____		<input type="checkbox"/> feet	<input type="checkbox"/> meters
g) Highest Adjacent Grade (HAG) next to building: <input type="checkbox"/> Natural <input type="checkbox"/> Finished _____		<input type="checkbox"/> feet	<input type="checkbox"/> meters
h) Finished LAG at lowest elevation of attached deck or stairs, including structural support: _____		<input type="checkbox"/> feet	<input type="checkbox"/> meters

9/22/24 FEMA Form FF-206-FY-22-152 (formerly 086-0-33) (8/23) Form Page 3 of 8
89

89

Elevation Certificate Form

©CHOICE FLOOD INSURANCE LLC

SECTION D – SURVEYOR, ENGINEER, OR ARCHITECT CERTIFICATION

This certification is to be signed and sealed by a land surveyor, engineer, or architect authorized by state law to certify elevation information. I certify that the information on this Certificate represents my best efforts to interpret the data available. I understand that any false statement may be punishable by fine or imprisonment under 18 U.S. Code, Section 1001.

Were latitude and longitude in Section A provided by a licensed land surveyor? Yes No
 Check here if attachments and describe in the Comments area.

Certifier's Name: _____ License Number: _____

Title: _____

Company Name: _____

Address: _____

City: _____ State: _____ ZIP Code: _____

Telephone: _____ Ext.: _____ Email: _____

Signature: _____ Date: _____ Place Seal Here

Copy all pages of this Elevation Certificate and all attachments for (1) community official, (2) insurance agent/company, and (3) building owner.
 Comments (including source of conversion factor in C2; type of equipment and location per C2.e; and description of any attachments): _____


Section D

- Make sure its signed
- Dated
- Sealed, per state law
- Check for comments regarding
- Property uniqueness, engineered
- openings info
- Misc. information

Scan for Presentation

9/22/24 FEMA Form FF-206-FY-22-152 (formerly 086-0-33) (8/23) Form Page 3 of 8
90


90



EC vs NFIP Manual Special Note


Diagram 5: The area below the elevated floor is open, with no obstruction to flow of floodwaters (open lattice work and/or insect screening is permissible).

- NFIP Manual Page 3:18
 - **Note:** Enclosures enclosed with insect screening with no additional support, plastic lattice, or wooden or plastic slats or shutters are treated as no enclosure. See Table 10: Elevated Without Enclosure.



©CHOICE FLOOD INSURANCE LLC

Scan for Presentation



93

93

Understanding Mitigation Discounts

- Proper Openings
- Machinery and Equipment
- Community Rating System (separate line item)

©CHOICE FLOOD INSURANCE LLC

Scan for Presentation



9/22/24

94

94

Proper Openings

Proper flood openings (flood vents) in enclosures or crawlspaces allow the hydrostatic flood forces on the walls to equalize and minimize foundation damage to the building. FEMA provides a discount for buildings, in any flood zone, with proper flood openings in enclosures.

Scan for Presentation



©CHOICE FLOOD INSURANCE LLC

95

9/22/24

95

Why flood openings matter?



©CHOICE FLOOD INSURANCE LLC

96

9/22/24

96

Proper Flood Openings Discount Applicability

Below are the foundation types that may be eligible to receive the proper flood openings discount:

- Elevated With Enclosure on Posts, Piles or Piers
- Elevated With Enclosure Not Posts, Piles or Piers (Solid Foundation Walls)
- Crawlspace (Elevated or Non-Elevated Subgrade Crawlspace)

Source: OCTOBER 2021 RISK RATING 2.0 NFIP PRICING APPROACH NFIP FLOOD INSURANCE MANUAL 3-28

Scan for Presentation



©CHOICE FLOOD INSURANCE LLC

97

9/22/24

97

Proper Flood Openings Discount Requirements

To obtain the proper flood opening discount, all enclosures below the elevated floor must meet the following requirements:

- There must be a minimum of two openings
- two separate exterior walls.
- The bottom of all openings must be no higher than one foot above the higher of the exterior or interior adjacent grade or floor immediately below the openings.
- The openings must have a total net area of not less than one square inch for every one square foot of enclosed area.

For partially subgrade floors, there must be a minimum of two openings positioned on a single exterior wall adjacent to the lowest grade next to the building.

Scan for Presentation



©CHOICE FLOOD INSURANCE LLC

98

9/22/24

98

Machinery and Equipment- Building Only Coverage

If the policyholder purchased building-only coverage, the following M&E must be elevated to receive the discount:

- Central air conditioner (including exterior compressor)
- Furnace
- Heat pump (including exterior compressor)
- Hot water heater
- Elevator machinery and equipment

©CHOICE FLOOD INSURANCE LLC

Scan for Presentation



9/22/24 NFIP MANUAL PAGE 3-27 99

99

Machinery and Equipment- Contents Only Coverage

If the policyholder purchased contents-only coverage, the following appliances must be elevated to receive the discount:

- Clothes washers and dryers
- Food freezers

©CHOICE FLOOD INSURANCE LLC

Scan for Presentation





9/22/24 NFIP MANUAL PAGE 3-27 100

100

Machinery and Equipment

Table 17. M&E Location for Discount Eligibility

Diagram Showing Location	Guidance on Location
	Slab on Grade (Non-Elevated) <ul style="list-style-type: none">• One floor: Elevated at least to the height of the attic• More than one floor: Elevated to the height of the second floor or higher
	Basement (Non-Elevated) <ul style="list-style-type: none">• Elevated to the height of the floor above the basement or higher

©CHOICE FLOOD INSURANCE LLC

Scan for Presentation



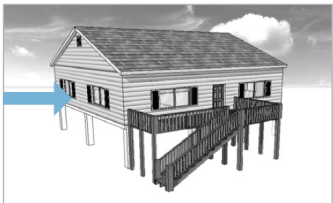

101

9/22/24

NFIP MANUAL PAGE 3-29

101

M/E Location

	Elevated Without Enclosure on Posts, Piles or Piers <ul style="list-style-type: none">• Elevated to the height of the lowest elevated floor or higher
	Elevated With Enclosure on Posts, Piles or Piers <ul style="list-style-type: none">• Elevated to the height of the lowest elevated floor or higher

©CHOICE FLOOD INSURANCE LLC

Scan for Presentation



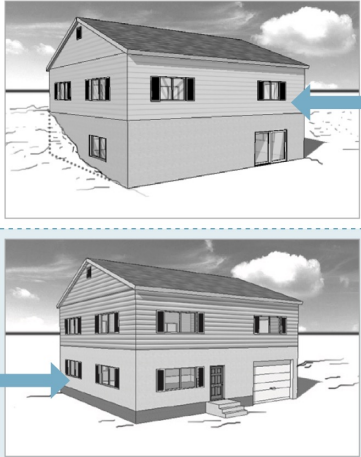
102

9/22/24

NFIP MANUAL PAGE 3-29

102

M/E Location



Elevated With Enclosure Not Posts, Piles or Piers

- Elevated to the height of the lowest elevated floor or higher

Crawlspace (Elevated or Non-Elevated Subgrade Crawlspace)


- Elevated to the height of the floor above the crawlspace or higher

9/22/24

NFIP MANUAL PAGE 3-28

©CHOICE FLOOD INSURANCE LLC

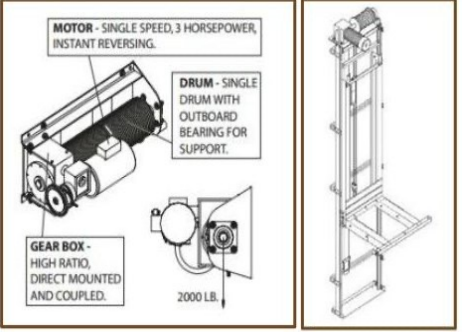

Scan for Presentation



103

103

Elevators




Vents required in A Zones or Breakaway walls in V-Zones

9/22/24

©CHOICE FLOOD INSURANCE LLC

Scan for Presentation




104

104

Building Under Construction

- If a building under construction, **alteration, or repair does not have at least two rigid exterior walls and a fully secured roof at the time of loss**, then the deductible amount will be **two times the deductible** that would otherwise apply to a completed building.
- No interruption or stoppages for more than 90 days
 - If this occurs policy has to be canceled, **Reason Code 01** to receive a **pro-rata refund** for the remainder of the policy term.
 - When construction resumes, it can be rewritten as new business.
- When the construction is complete, then the policy must be **endorsed to reflect that the building is no longer under construction** and **update any other rating variables** as needed.
- An **Elevation Certificate** will be available.

Scan for Presentation



©CHOICE FLOOD INSURANCE LLC

105

9/22/24


NFIP MANUAL PAGE 3-41

105

Substantial Damage or Substantial Improvement

- Determined by local floodplain manager
- Ask insured questions
- FEMA and communities are now using claims data to audit local government enforcement of their floodplain ordinance as a condition for participation in the NFIP

Scan for Presentation



©CHOICE FLOOD INSURANCE LLC

106

9/22/24

NFIP MANUAL PAGE 3-40


106

Substantial Improvement Determination

- When a building has been substantially improved, **the agent must confirm if a local community official has declared the building substantially improved.**
- The Application Form must report both the original date of construction and the substantial improvement date.
- The NFIP will use the *substantial improvement* date for policy coverage and rating purposes.

Homeowners may be confused between their opinion, and what is defined as a substantial improvement, by the NFIP.

Scan for Presentation



©CHOICE FLOOD INSURANCE LLC

9/22/24

NFIP MANUAL PAGE 3-40


107

107

Glidepath Discount

- Applied to:
 - For Newly mapped,
 - Pre-FIRM and
 - grandfathered (legacy policies),
- Rates capped at 18% primary residential; 25% for non-primary, SRL and non-residential
- If the policies lapses, discount goes way. Policy goes to full-risk rate

Scan for Presentation



©CHOICE FLOOD INSURANCE LLC

9/22/24

108

108

CAP Increase Explained

LIMITS INCREASE TO 18%


- Individual premium increases
- Includes reserve fund fee
- Does not include:
 - HFIAA surcharge
 - Federal Policy Fee

25% ANNUAL INCREASE

- Pre-FIRM in Special Flood Hazard Areas:
 - Non-primary residences
 - Business Properties
 - Severe Rep. Loss Properties
 - Substantially Damaged
 - Substantially Improved

©CHOICE FLOOD INSURANCE LLC

Scan for Presentation



9/22/24

109


109

Policy Lapsed – No longer eligible for the Pre-FIRM discount

- If a prior NFIP policy for the building in the current applicant's name received a Pre-FIRM discount and lapsed on or after April 1, 2016, then the policyholder is no longer eligible for a Pre-FIRM discount on the previously covered building.
- This applies if any of the applicants for the new policy was either a policyholder named on the expired or canceled policy or had an ownership interest in the building at the time of cancellation or expiration.

©CHOICE FLOOD INSURANCE LLC

Scan for Presentation



9/22/24

NFIP MANUAL Page 3-48

110

110


Policy Lapsed – Retains eligibility for the Pre-FIRM discount

Policyholder retains eligibility for a Pre-FIRM discount on the previously covered property if either:

Policy Lapse occurred because

- **no longer subject to the requirement (such as they paid off the mortgage, the property was remapped out of an SFHA, or the lender no longer required the coverage, etc.)²¹; or**
- property was in a community suspended from the NFIP and the policyholder reinstated the policy within 180 days of the community's reinstatement as a participating NFIP community.

Scan for Presentation



©CHOICE FLOOD INSURANCE LLC

111

9/22/24 NFIP MANUAL Page 3-49

111

Community Rating System Discounts

- Communities No Longer listed in the manual - google NFIP Community Status book
- Changes October and April every year
- Discount no showing on the policy
 - Flagged by National Violation Tracker list
 - Max Rate

Scan for Presentation



©CHOICE FLOOD INSURANCE LLC

112

9/22/24

112

National Violation Tracker

An inventory of all previous minus-rated policies from PIVOT:

- Post-FIRM minus-rated policies listed in PIVOT as of September 30, 2021, for both CRS and non-CRS communities, are included in the NVT. For the minus rated policy buildings in A/V zones with only elevators below the BFE and all other machinery and equipment above the BFE were not included in NVT.

PVs identified during Letter of Map Change (LOMC) application reviews:

The data in the NVT includes historic and ongoing PVs identified by FEMA's contractors during the review of LOMC requests and approved by HQ FPMD prior to issuance of PV memos.

Contractor-developed CRS annual Elevation Certificate (EC) recertification reviews:


The NVT includes PVs

- identified based on submitted EC data during CRS annual EC reviews. Regional Floodplain Management and Insurance Branch and state NFIP compliance work, including
- CAVs/CACs, General Technical Assistance and other engagements: The NVT includes existing violation data from several regions that provided their historic CAV/CAC findings.

9/22/24

©CHOICE FLOOD INSURANCE LLC

Scan for Presentation



113

113


Additional Fees

- Primary vs non-primary
- Non-residential vs business
- Surcharges
- Annual Rate Increases

9/22/24

©CHOICE FLOOD INSURANCE LLC

Scan for Presentation



114

114

HFIAA Surcharges

The surcharge does apply to all other SFIPs, including those for buildings rated under the Emergency Program, Mortgage Portfolio Protection Program (MPPP), Provisional Rating, and Tentative Rating except GROUP Policies.
The insurer must validate primary residence eligibility before applying the \$25 HFIAA surcharge

Class	Surcharge
Primary Residential: single-family and individual condominium units	\$25
Non-Primary Residential: single-family and individual condominium units; includes SF additions and extensions, detached garages	\$250
Multifamily Residential: condominium and other buildings	\$250
Non-Residential	\$250


Applies to a renter's contents-only policy based on the policyholder's occupancy of the building or unit.

Premium Caps: surcharge is not included in the premium
Refund Procedures: The HFIAA surcharge will not be eligible for refunds due to cancellation or reduction of coverage.

9/22/24

©CHOICE FLOOD INSURANCE LLC

Scan for Presentation



115

115


Primary Residence

- A Single Family dwelling that will be lived in for **50 percent** or more of the year.

• named insured or
• named insured's spouse

Loss settlement Impact

Scan for Presentation



9/22/24

©CHOICE FLOOD INSURANCE LLC

116


116

Primary Residence

- One address per policyholder and,
- One policy with building coverage per address may be claimed as a primary residence

©CHOICE FLOOD INSURANCE LLC

Scan for Presentation



9/22/24 NFIP MANUAL PAGE 3-42 117


117

Exception to Primary Residence

- (1) Active-duty military personnel who are deployed for 50 percent or more of the policy year in compliance with military orders;
- (2) Policyholders displaced from a primary residence and living in a temporary residence due to:
 - a federally declared disaster or
 - a loss event on the primary residence claimed on any line of insurance for 50 percent or more of the policy year; or
- (3) Policyholders who are absent from a primary residence for 50 percent or more of the policy year due to:
 - routine business travel;
 - Hospitalizations; and/or
 - vacation

©CHOICE FLOOD INSURANCE LLC

Scan for Presentation



9/22/24 NFIP MANUAL PAGE 3-42 118

118

Primary Residence Verification

- To maintain the primary residence Pre-FIRM subsidized rate, you or your agent must submit one of the following:
 - Driver's license;
 - Automobile registration;
 - Proof of insurance for a vehicle;
 - Voter's registration;
 - Documents showing where children attend school; or
 - Homestead Tax Credit Form for Primary Residence
- **Failure to provide within 30 days request:**
- your policy will be rated as a "non-primary residence" renewal premium is subject to 25% annual increases until full-risk rate achieved.

9/22/24

NFIP MANUAL PAGE 3-43

©CHOICE FLOOD INSURANCE LLC

Scan for Presentation



119

119

Primary Residence and Trusts


- BENEFICIARY OF THE TRUST IS using the building as a primary residence,
- OBTAIN documentation that the **person using the home** as a primary residence is a **beneficiary of the trust named as the policyholder (CERTIFICATE FO TRUST)**.

9/22/24

NFIP MANUAL PAGE 3-43

©CHOICE FLOOD INSURANCE LLC

Scan for Presentation



120

120

Non-Primary Residence

- Non-Primary insured under a separate policy:
 - detached structures, at the same address, as a primary residence
 - detached garage or
 - guest house,
 - additions and extensions to a primary residence
 - CONDOMINIUMS BUILDINGS (RCBAP)

Scan for Presentation



121

©CHOICE FLOOD INSURANCE LLC

9/22/24

121

Federal Policy Fee

Table 33. Federal Policy Fee

Building Occupancy	Federal Policy Fee Amount								
<ul style="list-style-type: none"> • Single-Family Home • Residential Manufactured/Mobile Home • Residential Unit • Two-to-Four Family Building 	\$47								
<ul style="list-style-type: none"> • Other Residential Building • Non-Residential Building • Non-Residential Manufactured/Mobile Building • Non-Residential Unit 	\$47								
Residential Condominium Building	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="border-bottom: 1px dashed black;">Units 1–20</td> <td style="border-bottom: 1px dashed black;">\$47 per unit</td> </tr> <tr> <td style="border-bottom: 1px dashed black;">Units 21–40</td> <td style="border-bottom: 1px dashed black;">\$20 per unit</td> </tr> <tr> <td style="border-bottom: 1px dashed black;">Units 41–100</td> <td style="border-bottom: 1px dashed black;">\$10 per unit</td> </tr> <tr> <td>Units 101+</td> <td>\$2 per unit</td> </tr> </table>	Units 1–20	\$47 per unit	Units 21–40	\$20 per unit	Units 41–100	\$10 per unit	Units 101+	\$2 per unit
Units 1–20	\$47 per unit								
Units 21–40	\$20 per unit								
Units 41–100	\$10 per unit								
Units 101+	\$2 per unit								

Scan for Presentation



122

©CHOICE FLOOD INSURANCE LLC

9/22/24


NFIP MANUAL PAGE 3-54

122

Reserved Fund Fee Assessment

- 18% on all Policies
- percentage of the Discounted Premium (excluding the Federal Policy Fee, HFIAA surcharge, and probation surcharge)

Scan for Presentation



©CHOICE FLOOD INSURANCE LLC

123


9/22/24 NFIP MANUAL PAGE 3-53

123

Probation Surcharge

- \$50 fee for communities who are not enforcing their ordinance

Scan for Presentation



©CHOICE FLOOD INSURANCE LLC

124

9/22/24 NFIP MANUAL PAGE 3-54


124

Mandatory increases above CAP

- Premiums on **subsidized policies** are being increased 25 percent for:
 - Non-primary residences,
 - Severe Repetitive Loss properties, and
 - Substantially-damaged
 - substantially improved properties.

*The 25 percent premium increase on **business properties** will be implemented next year.*

Scan for Presentation



©CHOICE FLOOD INSURANCE LLC

125


9/22/24

125

“Business” Defined

- For rating purposes:
- a business property means a building where a licensed commercial enterprise is carried out to generate income and coverage is for one of the following:
 - A building not used for habitation or residential uses.
 - A building used as an office, retail space, wholesale space, factory, hospitality space, or for similar uses; or
 - A mixed-use building in which the total floor area devoted to non-residential uses is:
 - 50 percent or more of the total floor area within the building, if a single family building; or
 - 25 percent or more of the total floor area within the building for all other buildings.

Scan for Presentation



©CHOICE FLOOD INSURANCE LLC

126

NFIP MANUAL PAGE 3-10


126

Increase Cost of Compliance

- Floodproofing
- Relocation
- Elevation
- Demolition

Up to \$30,000
Available If structure is
declared substantially
damaged

Scan for Presentation




9/22/24 NFIP MANUAL PAGE 3-45 127

127

Flood Application is non-binding

- Buyer buys a policy at closing based on agent quote of \$2,500.
- *Three weeks after closing company paid, insured was notified there is a mistake. Please send us another \$9,000.
Total Annual Premium \$11,500.*

Scan for Presentation



9/22/24 ©CHOICE FLOOD INSURANCE LLC 128

128


Endorsements – some examples

Submit endorsements timely – Protect E&O exposure

- Money endorsements
 - Increase/decrease/add coverage
 - RCV
 - Deductible changes
 - Commission charge backs
- Non-money endorsements
 - Name change
 - Address change

©CHOICE FLOOD INSURANCE LLC

Scan for Presentation



9/22/24 NFIP MANUAL PAGE 4-1 129


129

Policy Assignments

- Provides for continuous coverage
- Current policy holder can transfer docs (e.g., elevation certificate, etc.)
- Glidepath Rates retained
- All paperwork must be signed before closing

©CHOICE FLOOD INSURANCE LLC

Scan for Presentation



9/22/24 NFIP MANUAL PAGE 4-14 130

130

Insufficient Premium (Reformation)


Type of Premium-Bearing Endorsement	Procedure if Premium is Insufficient
Elective Endorsement <i>Including but not limited to: Coverage or deductible change</i>	<ul style="list-style-type: none">• If the insurer receives payment but less than the full amount due to purchase the endorsement requested, it must proceed with endorsing the policy to the amount of coverage that the premium received can purchase after deducting the costs of all applicable fees and surcharges.• If the insurer receives no payment, the endorsement is nullified.
Required Endorsement <i>Including but not limited to: Rating adjustment, rating correction, rate category change</i>	<ul style="list-style-type: none">• If the insurer receives no payment or a payment less than the full amount due, see the applicable procedures under the Reformation Due to Insufficient Premium or Rating Information heading in Section 2: Before You Start. The insurer must process the endorsement to correct the rating and reform the policy by reducing coverage to the amount that the premium received can purchase.

9/22/24

NFIP MANUAL PAGE 5-4

©CHOICE FLOOD INSURANCE LLC

for Presentation



131

131

Renewals – Plan ahead


- 30-day wait applies for increase in coverage beyond Option B offer
- Does RCV need to be updated?
- Offer coverage increases or excess coverage

9/22/24

NFIP MANUAL PAGE 5-1

©CHOICE FLOOD INSURANCE LLC

Scan for Presentation



132


132

Insureds' Renewal Options

The insurer may present the payor with two coverage options:

- Option A – Renewing for the Same Amounts of Insurance: This option provides the current amounts of insurance and applicable deductibles.
- Option B – Renewing for Higher Amounts of Insurance: This option provides an inflation option of 10 percent for building coverage and 5 percent for contents coverage with applicable deductibles.
- The amount of insurance offered cannot exceed the maximum limits.
- The minimum deductible may change based on the amount of insurance offered at renewal.

Scan for Presentation



©CHOICE FLOOD INSURANCE LLC


9/22/24 NFIP MANUAL PAGE 5-2 133

133

Cancellations – 15 Reasons only

- No Insurable Interest
- Establish a common Effective Date
- Duplicate Coverage
- Not Eligible for Coverage
- Lender No Longer Requires Insurance
- Invalid Payment or Fraud
- Other Factors (SRL wrong carrier, prior to effect date, etc.)

Scan for Presentation




©CHOICE FLOOD INSURANCE LLC

9/22/24 NFIP MANUAL PAGE 6-1 134

134

How to request Claims data?

- PROPERTY OWNER MUST INITIATE
- **1-877-336-2627**
- Email: FEMAMapSpecialist@riskmapcfs.com




©CHOICE FLOOD INSURANCE LLC

135

9/22/24

135

POLICY FORMS




©CHOICE FLOOD INSURANCE LLC

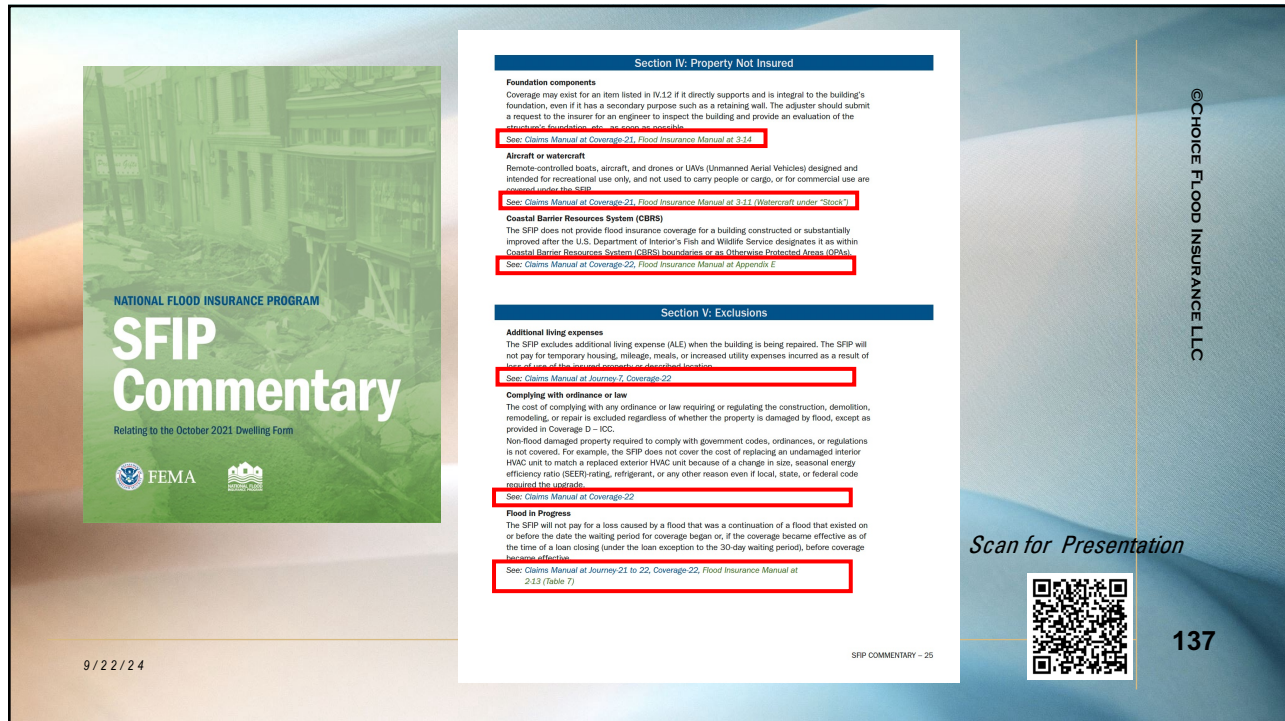
136

9/22/24

Scan for Presentation



136



Section IV: Property Not Insured

Foundation components
Coverage may exist for an item listed in IV.12 if it directly supports and is integral to the building's foundation, even if it has a secondary purpose such as a retaining wall. The adjuster should submit a request to the insurer for an engineer to inspect the building and provide an evaluation of the structure's foundation, etc. as soon as possible.
See: Claims Manual at Coverage-21, Flood Insurance Manual at 3-24

Aircraft or watercraft
Remote-controlled boats, aircraft, and drones or UAVs (Unmanned Aerial Vehicles) designed and intended for recreational use only, and not used to carry people or cargo, or for commercial use are **excluded under the SFIP**.
See: Claims Manual at Coverage-21, Flood Insurance Manual at 3-11 (Watercraft under "Stock")

Coastal Barrier Resources System (CBRS)
The SFIP does not provide flood insurance coverage for a building constructed or substantially improved after the U.S. Department of Interior's Fish and Wildlife Service designates it as within **Coastal Barrier Resources System (CBRS) boundaries or as Otherwise Protected Areas (OPAs)**.
See: Claims Manual at Coverage-22, Flood Insurance Manual at Appendix E

Section V: Exclusions

Additional living expenses
The SFIP excludes additional living expense (ALE) when the building is being repaired. The SFIP will not pay for temporary housing, mileage, meals, or increased utility expenses incurred as a result of **loss of use of the insured property at described location**.
See: Claims Manual at Journey 3, Coverage-22

Complying with ordinance or law
The cost of complying with any ordinance or law requiring or regulating the construction, demolition, remodeling, or repair is excluded regardless of whether the property is damaged by flood, except as provided in Coverage D – ICC.
Non-flood damaged property required to comply with government codes, ordinances, or regulations is not covered. For example, the SFIP does not cover the cost of replacing an undamaged interior HVAC unit to match a replaced exterior HVAC unit because of a change in size, seasonal energy efficiency ratio (SEER) rating, refrigerant, or any other reason even if local, state, or federal code required the upgrade.
See: Claims Manual at Coverage-22


Flood in Progress
The SFIP will not pay for a loss caused by a flood that was a continuation of a flood that existed on or before the date the waiting period for coverage began or, if the coverage became effective as of the time of a loan closing (under the loan exception to the 30-day waiting period), before coverage began **effectively**.
See: Claims Manual at Journey 21 to 22, Coverage-22, Flood Insurance Manual at 2-13 (Table 7)

9/22/24

SFIP COMMENTARY – 25

©CHOICE FLOOD INSURANCE LLC

Scan for Presentation



137

137


Claims Process

- FEMA does not hire adjusters, adjusting firms do.
- Customer Service
 - Be empathetic and knowledgeable
 - Be respectful
 - Show willingness to be helpful
 - Be mindful of unconscious bias.

9/22/24

©CHOICE FLOOD INSURANCE LLC

Scan for Presentation



138

138


Agent Touchpoints

Make updates before filing the claim

- Date of Loss
- Verify Contact information, may have changed
 - Contact Name and Secondary Contact
 - Phone Number
 - Email Address
- Verify the Mortgagee Information
- Notes: How high did the water get inside the building?
- What damage occurred? Encourage photos or videos
- Have the insured save "samples," note make model and serial numbers of Damaged appliances

Follow up

Scan for Presentation



©CHOICE FLOOD INSURANCE LLC

139


9/22/24

139

Mortgagee Clause

- Mortgagee's interest is protected
- Confirm lienholder information
- Notify the carrier of any additional lienholders
- Does not apply to Coverage C (Other Coverages) or Coverage D (ICC)

Scan for Presentation



©CHOICE FLOOD INSURANCE LLC

140

9/22/24

140


Photographs

- Photograph the address of the building
- Photograph the building damage in the same order of the scope
- Take meaningful photographs - damage and non-damage
- Single wide-angle view if adequate; others require multiple views with close-up photographs
- Address content damage the same way
- Take the proper number of photos to support the written scope of loss and/or denial recommendations

9/22/24

©CHOICE FLOOD INSURANCE LLC

Scan for Presentation



141

141

Replacement Cost Loss Settlement


RCV – The cost to replace damaged items using similar materials and construction without a deduction for depreciation

- Must be a **SINGLE FAMILY** dwellings
- PRINCIPAL RESIDENCE** at the time of loss meaning Insured OR insureds spouse lives there 80% of the time. Different from PRIMARY residence.
- INSURANCE COVERAGE** is 80% or more of the full replacement cost or the maximum coverage available

9/22/24

©CHOICE FLOOD INSURANCE LLC

Scan for Presentation



142

142

What's covered (Building)? 1 of 2


The following items of property are covered

Under Building Coverage **A** only:

- Awnings and canopies
- Blinds
- Built-in dishwashers and microwave ovens
- Carpet permanently installed over unfinished flooring
- Central air conditioners
- Elevator equipment
- Fire sprinkler system
- Walk-in freezers
- Furnaces and radiators
- Garbage disposal units

©CHOICE FLOOD INSURANCE LLC

Scan for Presentation



143

9/22/24 NFIP MANUAL PAGE A-3


143

What's covered (Building)? 2 of 2

- Hot water heaters, including solar water heaters
- Light fixtures
- Outdoor antennas and aerials fastened to **buildings**
- Permanently installed cupboards, bookcases, cabinets, paneling and wallpaper
- Plumbing
- Pumps and machinery for operating pumps
- Ranges, cooking stoves and ovens
- Refrigerators
- Wall mirrors, permanently installed

©CHOICE FLOOD INSURANCE LLC

Scan for Presentation



144

9/22/24 NFIP MANUAL PAGE A-3

144


Claims Exclusions

We do not insure for direct physical loss caused directly or indirectly by any of the following:

- The pressure or weight of ice
- Freezing or thawing
- Rain, snow, sleet, hail, or water spray
- Water, moisture, mildew, or mold that results primarily from any condition:
 - a. Substantially confined to the dwelling; or
 - b. That is within your control, including but not limited to:
Failure to inspect and maintain the property after a flood recedes

©CHOICE FLOOD INSURANCE LLC

Scan for Presentation



145

9/22/24

145


Loss Settlement - Replacement Cost

RCV – The cost to replace damaged items using similar materials and construction without a deduction for depreciation

- Must be a **SINGLE FAMILY** dwellings
- PRINCIPAL RESIDENCE** at the time of loss meaning Insured OR insureds spouse lives there 80% of the time. *Different from PRIMARY residence.*
- INSURANCE COVERAGE** is 80% or more of the full replacement cost or the maximum coverage available

©CHOICE FLOOD INSURANCE LLC

Scan for Presentation



146

9/22/24


146

Loss Settlement – Actual Cash Value

- Non-PRINCIPAL Residence
- Non-Primary Residence
- ALL Contents

©CHOICE FLOOD INSURANCE LLC

Scan for Presentation



147

9/22/24

147


Loss Avoidance – No Deductible

The following items are considered covered flood loss avoidance expenses. To ensure eligibility, keep copies of all receipts for submission to your insurance agent, flood insurer, or adjuster.

- Water pumps**
Pumps are instrumental in moving water and other liquids away from the home, limiting damage.
- Plastic Sheeting and Lumber**
These materials used in connection with flood loss avoidance measures are covered.
- Sandbags**
Sandbags and the sand to fill them are covered. They become heavier when saturated, providing protection for your property.
- Fill to Create Temporary Levees**
This covered flood loss avoidance method is effective at diverting the flow of water from your property and belongings.
- Labor**
You may claim labor at the federal minimum wage, including your own or a family member's. You can also request reimbursement for work performed by a professional.
- Moving and Storage Expenses**
If you move personal property, it must be placed in a fully enclosed building or otherwise protected from the elements. Property removed is covered by your flood policy for 45 consecutive days from the date the move begins.
Any property removed, including a moveable home (that meets the definition of a building in the flood policy), must be placed above ground level or outside of a high-risk flood zone.

©CHOICE FLOOD INSURANCE LLC

Scan for Presentation



148

9/22/24


Does not count as a claim

148

Loss Avoidance Claims Numbers


From September 2014-2024
2307 Claims Paid

Total paid **\$1,382,255**



CHECK THE NFIP CLAIMS MANUAL FOR ELIGIBLE ITEMS

Scan for Presentation



©CHOICE FLOOD INSURANCE LLC

149


9/22/24

149

Severe Repetitive Loss

- Any building that:
- Is covered under a Standard Flood Insurance Policy;
- Has incurred flood-related damage for which:
 - Four or more separate claim payments** have been made under a Standard Flood Insurance Policy, with the amount of **each such claim exceeding \$5,000**, and with the cumulative amount of such claims payments exceeding \$20,000; or
 - At least two separate claims payments** have been made under a Standard Flood Insurance Policy, with the **cumulative amount of such claim payments exceed the fair market value of the insured building on the day before each loss.**

Scan for Presentation



©CHOICE FLOOD INSURANCE LLC

150

9/22/24

NFIP MANUAL PAGE 3-35

150


Severe Repetitive Loss - Prior NFIP Claims Rating Factor

©CHOICE FLOOD INSURANCE LLC

Table 20. Applying the Prior NFIP Claims Rating Factor

TOPIC	GUIDANCE
Implementation of the Prior NFIP Claims Rating Factor	The Prior NFIP Claims Rating Factor is determined on the effective date of the next policy renewal term following the date of loss of the second claim.
Date of Loss	The Prior NFIP Claims Rating Factor is the number of NFIP claims with a date of loss of April 1, 2023 or later. Note: Claims with dates of loss within 10 days of each other will be counted as one claim.
10-Year Window	The Prior NFIP Claims Rating Factor is the number of NFIP claims with loss dates that are within 10 years of the policy effective date.

Scan for Presentation



9/22/24

151


151

Severe Repetitive Loss - Prior NFIP Claims Rating Factor

©CHOICE FLOOD INSURANCE LLC

- The Prior NFIP Claims Rating Factor excludes the following claim types:
 - Claims with a date of loss prior to April 1, 2023;
 - Increased Cost of Compliance (ICC) claims;
 - Closed Without Payment (CWOP); and
 - Loss Avoidance claims.

Scan for Presentation



9/22/24

152


152

Severe Repetitive Loss - Prior NFIP Claims Rating Factor

Table 21. Policy with Prior NFIP Claims Example

Policy Effective Date		9/1/2023	9/1/2024	9/1/2025	9/1/2026	9/1/2027	9/1/2028	9/1/2029	9/1/2030	9/1/2031	9/1/2032	9/1/2033	9/1/2034	9/1/2035	9/1/2036	9/1/2037
Claims Date of Loss	4/1/2023															
	1/1/2025															
	6/1/2026															
	1/1/2034															
Total Number of Prior NFIP Claims		1	1	2	3	3	3	3	3	3	3	2	3	2	1	1
Does It Impact the Premium?		No	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	No

Scan for Presentation



153

NFIP MANUAL PAGE 3-36

9/22/24

153

SRL List Correction/Removal Resetting the Prior NFIP Claims History


Correcting an Invalid Claim History Association

- Documentation that may be required to correct or update a property's claims history includes:
 - Incorrectly linked addresses and/or losses; *or*
 - A second address added to a Property Locator Record.

Mitigation Actions Used to Reset the Prior NFIP Claims History

- Elevation
- Floodproofing Non-Residential
- Flood Control/Stormwater Management Project
- Building Removed and Relocated
- Building Demolition
- Elevation of Machinery and Equipment

Scan for Presentation



154

NFIP MANUAL PAGE 3-37

9/22/24

154

SRL Example


Flood Loss History:

Year	Claim Paid Amount
2016	\$144,627
2015	\$7,016
2009	\$12,434
1999	\$248

Building Value \$101,00

- (Claims History since 1999 are 164% of current building value)
- They will not count the \$248 claim payment towards the total number of claims

Scan for Presentation



©CHOICE FLOOD INSURANCE LLC

155


9/22/24

155

Excess Flood

- Coverage above the NFIP max of \$250,000 residential or \$500,000 commercial.
- Private carrier
- Make the offer
- Keep signed waivers on file

Scan for Presentation



©CHOICE FLOOD INSURANCE LLC

156

9/22/24


156

Private Flood

- Insurer chooses what they want to insure!
- Some may have restrictions on limitations on:
 - No historic structures
 - No pile structures
 - No mobile homes
 - No townhomes
 - Distance to water
 - Building under Construction

©CHOICE FLOOD INSURANCE LLC

Scan for Presentation



157

9/22/24


157

Marketing Flood Insurance

- Offer everyone flood insurance or partner with someone
- Get signed waiver of they decline

©CHOICE FLOOD INSURANCE LLC

Scan for Presentation



158

9/22/24

158


Flood Insurance Waiver

- Declining the offer to purchase flood insurance
- Declining forms of basic coverage, e.g., contents
- Declining Excess Flood Coverage. or
- Coverage limits, if under RCV
- Condo Unit owners flood policy
- Moving from NFIP to Private insured acknowledging they can lose their glidepath
- Cancellation Waiver – required by FEMA when cancelling an NFIP policy

9/22/24

©CHOICE FLOOD INSURANCE LLC

Scan for Presentation



159

Flood Insurance Acknowledgement Waiver of Agent's Responsibility

I hereby certify that my agent offered flood insurance coverage in the National Flood Insurance Program. I understand that because I declined this policy/coverage, my agent, and/or agency will be held harmless and not liable in the event that I suffer a flood loss. I understand that the rejection of this coverage will apply to all future renewals, endorsements, and changes unless I notify the agent otherwise in writing. I certify that I am aware that there is a **penalty 30 days waiting period before coverage takes effect**, should I elect to purchase flood insurance at a later date.

I reject building & contents coverage for flood protection
 I reject contents coverage for flood protection
 I reject condominium unit owners coverage for flood protection
 I reject excess flood insurance coverage
 I understand that the building is underinsured which may affect a claim settlement

Building Description: _____
Property location: _____

The only agreement structure covered by the Standard Flood Insurance Policy is a detached garage, which is covered under the dwelling form. Coverage is limited to no more than 10% of the limit of liability on the dwelling. Use of this insurance is at the policyholder's option, but reduces the building limit of liability. This does not apply if the detached garage is used for residential (i.e., dwelling) business or living purposes.

In all other instances a separate policy is required for each building.

Agent: _____ Title/Relationship To Insured _____
Building Owner/Applicant: _____
Signed: _____
Agent: _____

159

Disaster Assistance


- Designed for structures that were not required through the Mandatory Purchase Act to obtain flood insurance;
- Requires Presidential declaration;
- Awarded in less than 50% of occurrences;
- Typical assistance is a low interest loan;
- Duration for 30 years for SBA;
- Must obtain flood insurance policy before disaster assistance payment is paid.

9/22/24

NFIP MANUAL PAGE 3-35

©CHOICE FLOOD INSURANCE LLC

Scan for Presentation



160

160

Community Actions & Impacts

- Flood hazard awareness activities
- Promoting Flood Insurance
- Community Rating System
- National Violations Tracker Corrections or Validation

©CHOICE FLOOD INSURANCE LLC

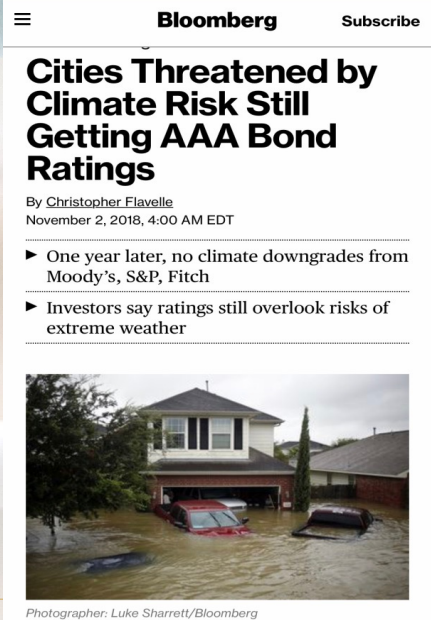

Scan for Presentation




9/22/24

161

161



Scan for Presentation



162

Building/Zoning and Floodplain Management Codes/Regulations

- National Standards – one size fits all NOT
- Height Restrictions –
 - Leads to flatter roofs and/or replacement structures less (square footage, value)
 - Compromises ascetics over safety and resiliency
- Minimum Floodplain Management Codes don't minimize flooding – last update 1989

Scan for Presentation



163

High Insurance Premiums & Disasters

- Takes money out of the local economy
- Affects the entire community
 - Tax base
 - Abandon structures
- Small Businesses
 - 40% failure rate. Small businesses fail to plan
 - Underinsured

Scan for Presentation



164

Paradise Lost

Before Hurricane Michael struck, FEMA maps showed more than 200 homes in Mexico Beach, Florida, were in a zone considered to have minimal flood risk (gray on the map). About 80 percent of those homes were either destroyed or severely damaged by Michael's storm surge.

X Zone
Described as minimal flood risk: 0.2% chance in any year (500-year flood). No flood insurance required.

AE Zone
Subject to inundation by a 1%-annual-chance flood event (100-year flood). Flood insurance required.

VE Zone
Subject to inundation by a 1%-annual-chance flood event (100-year flood), with additional hazards from waves. Flood insurance required.

DAMAGE REPORT
+ Gone (71%)
+ Major damage (9%)
+ Standing (20%)

SOURCE: Western Carolina University Program for the Study of Developed Shorelines
PAUL HORN / InsideClimate News

Scan for Presentation

165

FEMA MITIGATION GRANTS

- **PRESIDENTIALLY DECLARED DISASTER**
 - BUY OUT – MUST REMAIN OPEN SPACE
 - ELEVATION
 - DEMO-REBUILD

PLUS
ICC up to \$30K for policy holders, if they have no maxed out policy limits.
No duplication of benefits

Scan for Presentation

©US. FLOOD SOLUTIONS
© CHOICE FLOOD INSURANCE LLC

166

How much does elevation cost?



Approx. \$15.00-\$18.00 per square foot plus new foundation

Scan for Presentation



©US. FLOOD SOLUTIONS
© CHOICE FLOOD INSURANCE LLC

167

After the next disaster will your community be ready?



You get to choose today

Scan for Presentation




168

Action items for Communities


- Scope the REAL Flood Hazard beyond the FEMA Maps
 - Storm water/Drainage
 - Sea Level Rise
- JOIN CRS
- Update and Implement the Mitigation Plans
- Update local codes and ordinances
- Seek public input
- Ask for help from professional insurance agents and Realtors

Scan for Presentation




169

Office of the Flood Insurance Advocate



- HFIAA Created the office
- Annual Report
- When you need FEMA's help

Scan for Presentation



©CHOICE FLOOD INSURANCE LLC

170

170


The Future...Rule making

Eliminate the 'one size fits all' coverage for policyholders that has been in place for 50 years.

- Possible 4th SFIP form—the "Homeowner Flood Form"
 - proposed to supersede the existing Dwelling Form
 - designed to align more closely with property casualty homeowners' insurance policies
 - expand their coverage and therefore increase their policy's flood risk exposure
 - purchase the basement coverage endorsement (higher premium)
 - purchase the actual cash value endorsement (lower premium)

©CHOICE FLOOD INSURANCE LLC

Scan for Presentation



171

9/22/24

171


Agent & Product Resources

- Flood Map www.msc.fema.gov
- FloodSmart.gov
 - Social Media Suggestions
 - Videos
 - Handouts
- [Dam Easy Flood Barrier](#) Coupon Code "Flood10"

©CHOICE FLOOD INSURANCE LLC

Scan for Presentation

SCAN FOR ADDITIONAL RESOURCES



172

9/22/24


172

Some Claims resources

- **Flooded Homes Cleanup Guidance**
<https://www.epa.gov/flooded-homes>
- **EPA Flood Clean Up Guide Air Quality**
<https://www.epa.gov/sites/default/files/2015-09/documents/floods.pdf>

This is not meant to be a complete list nor should be interpreted as an endorsement by the agency, employees or presenter.

Scan for Presentation



©CHOICE FLOOD INSURANCE LLC

173

9/22/24


173

I am not comfortable writing flood what options do I have?

- NOT offering it, is **NOT an option.**
- Not working to get your client a referral, is **NOT an option.**

*Find another agent to work with,
who won't compete with you, on
your other lines.*

Scan for Presentation



©CHOICE FLOOD INSURANCE LLC

174

9/22/24

174

CONCLUSION

Thank you for the opportunity to share my passion, for flood insurance, with you!



LISA SHARRARD
CHOICE FLOOD INSURANCE LLC
NORTH CAROLINA AGENT WRITING "FLOOD ONLY" NATIONWIDE
lisa@simplyflood.com

Disclaimer: Laws, regulations, materials, policy and guidelines presented are subject to change without notice. Please check interpretations against the current laws, regulations, manuals, policies and procedures.

Scan for Presentation



©CHOICE FLOOD INSURANCE LLC

175

9/22/24

175