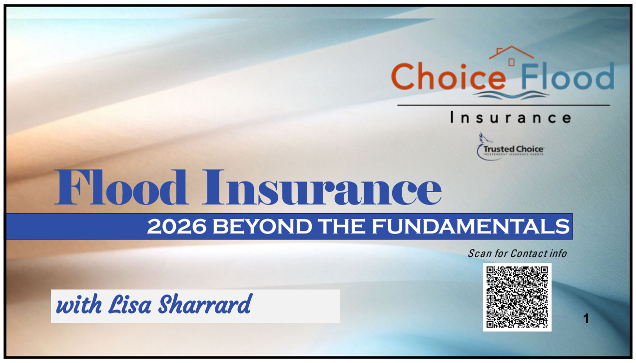
Choice Flood
Insurance
Trusted Choice
Flood Insurance
2026 BEYOND THE FUNDAMENTALS
Scan for Contact info
with Lisa Sharrard
1

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 APCIA 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
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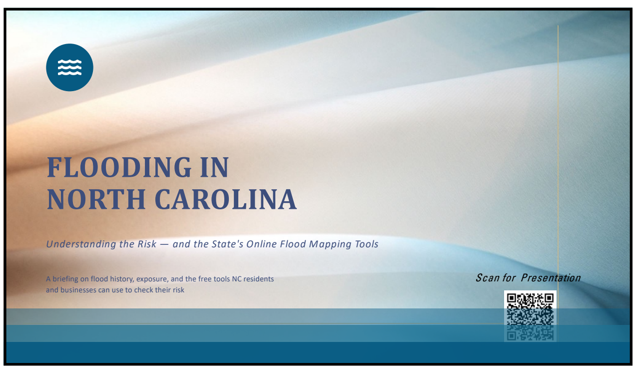
2


FLOODING IN
NORTH CAROLINA
Understanding the Risk — and the State's Online Flood Mapping Tools
A briefing on flood history, exposure, and the free tools NC residents
and businesses can use to check their risk
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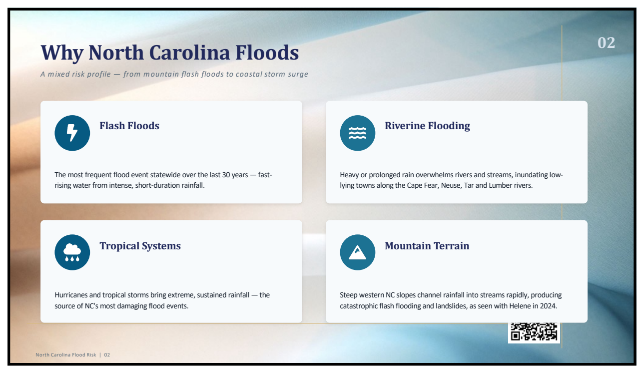
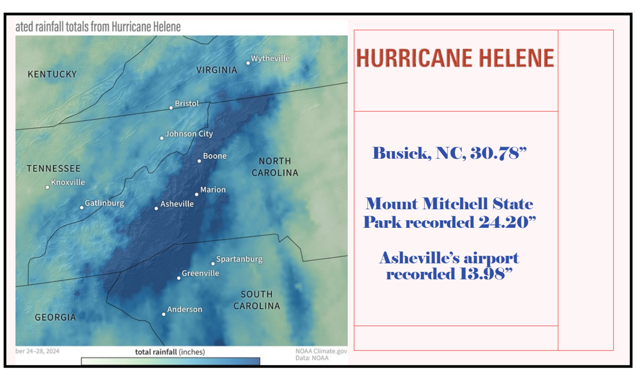
3


Why North Carolina Floods
02
A mixed risk profile — from mountain flash floods to coastal storm surge
Flash Floods
The most frequent flood event statewide over the last 30 years — fast-rising water from intense, short-duration rainfall.
Riverine Flooding
Heavy or prolonged rain overwhelms rivers and streams, inundating low-lying towns along the Cape Fear, Neuse, Tar and Lumber rivers.
Tropical Systems
Hurricanes and tropical storms bring extreme, sustained rainfall — the source of NC's most damaging flood events.
Mountain Terrain
Steep western NC slopes channel rainfall into streams rapidly, producing catastrophic flash flooding and landslides, as seen with Helene in 2024.
North Carolina Flood Risk | 02

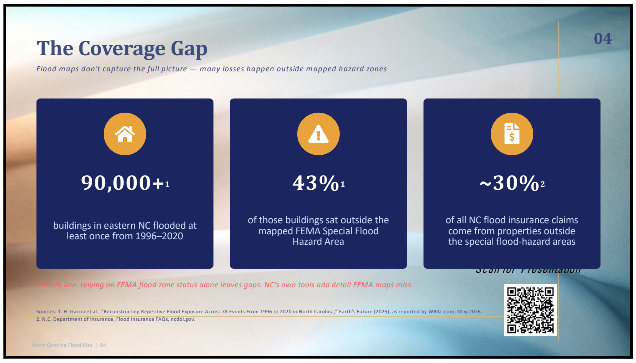
4


ated rainfall totals from Hurricane Helene
KENTUCKY
VIRGINIA
Wytheville
Bristol
Johnson City
TENNESSEE
Knoxville
Boone
NORTH CAROLINA
Marion
Gatlinburg
Asheville
Spartanburg
Greenville
SOUTH CAROLINA
Anderson
GEORGIA
total rainfall (inches)
NOAA Climate.gov
Data: NOAA
HURRICANE HELENE
Busick, NC, 30.78"
Mount Mitchell State Park recorded 24.20"
Asheville's airport recorded 13.98"

5


A History of Costly Storms
03
Three hurricanes in eight years reshaped how North Carolina thinks about flood risk
2016
2018
2024
Hurricane Matthew
58.94 ft
Cape Fear River's 6th-highest crest on record; towns like Princeville and Lumberton inundated.
Hurricane Florence
8 trillion gal
NC's wettest, costliest tropical storm on record — up to 36" of rain. Matthew + Florence: ~$22B in damage across half the state's counties.
Hurricane Helene
#1 costliest
The costliest natural disaster in NC history. Historic rainfall triggered catastrophic river flooding and landslides across western NC.
North Carolina Flood Risk | 03

6


The Coverage Gap
Flood maps don't capture the full picture — many losses happen outside mapped hazard zones
04
90,000+1
buildings in eastern NC flooded at least once from 1996–2020
43%1
of those buildings sat outside the mapped FEMA Special Flood Hazard Area
~30%2
of all NC flood insurance claims come from properties outside the special flood-hazard areas
Scan for Presentation
Bottom line: relying on FEMA flood zone status alone leaves gaps. NC's own tools add detail FEMA maps miss.
Sources: 1. H. Garcia et al., "Reconstructing Repetitive Flood Exposure Across 78 Events From 1996 to 2020 in North Carolina," Earth's Future (2025), as reported by WRAL.com, May 2026.
2. N.C. Department of Insurance, Flood Insurance FAQs, ncdoi.gov.
North Carolina Flood Risk | 04

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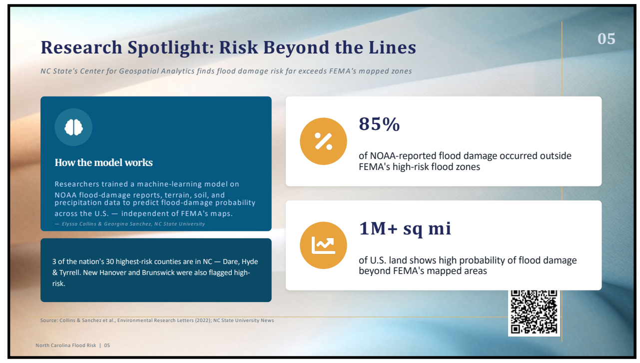
Research Spotlight: Risk Beyond the Lines
NC State's Center for Geospatial Analytics finds flood damage risk far exceeds FEMA's mapped zones
05
How the model works
Researchers trained a machine-learning model on NOAA flood-damage reports, terrain, soil, and precipitation data to predict flood-damage probability across the U.S. — independent of FEMA's maps.
— Elyssa Collins & Georgina Sanchez, NC State University
3 of the nation's 30 highest-risk counties are in NC — Dare, Hyde & Tyrrell. New Hanover and Brunswick were also flagged high-risk.
85%
of NOAA-reported flood damage occurred outside FEMA's high-risk flood zones
1M+ sq mi
of U.S. land shows high probability of flood damage beyond FEMA's mapped areas
Source: Collins & Sanchez et al., Environmental Research Letters (2022); NC State University News
North Carolina Flood Risk | 05

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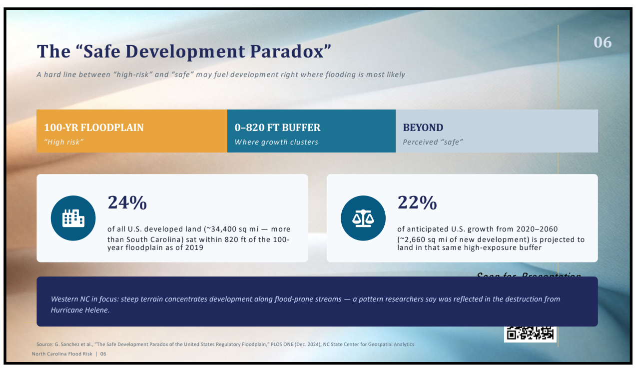
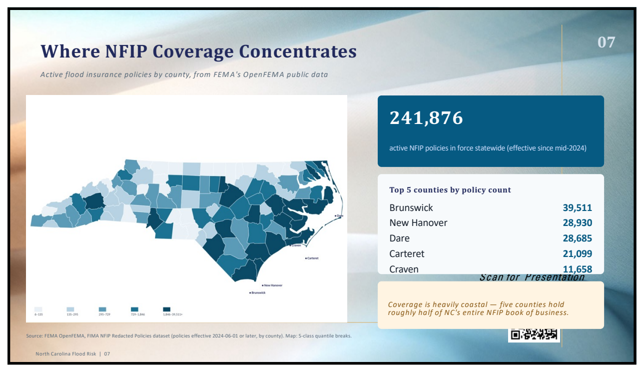
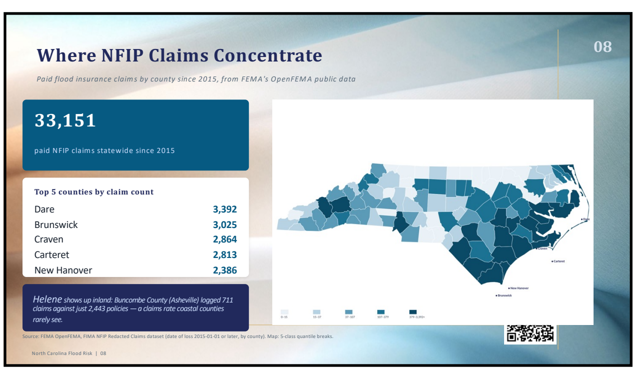

The "Safe Development Paradox"
A hard line between "high-risk" and "safe" may fuel development right where flooding is most likely
06
100-YR FLOODPLAIN
"High risk"
0–820 FT BUFFER
Where growth clusters
BEYOND
Perceived "safe"
24%
of all U.S. developed land (~34,400 sq mi — more than South Carolina) sat within 820 ft of the 100-year floodplain as of 2019
22%
of anticipated U.S. growth from 2020–2060 (~2,660 sq mi of new development) is projected to land in that same high-exposure buffer
Western NC in focus: steep terrain concentrates development along flood-prone streams — a pattern researchers say was reflected in the destruction from Hurricane Helene.
Source: G. Sanchez et al., "The Safe Development Paradox of the United States Regulatory Floodplain," PLOS ONE (Dec. 2024), NC State Center for Geospatial Analytics
North Carolina Flood Risk | 06

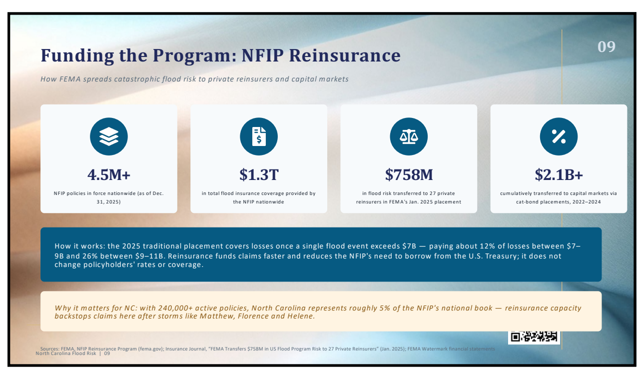
9


Where NFIP Coverage Concentrates
Active flood insurance policies by county, from FEMA's OpenFEMA public data
07
241,876
active NFIP policies in force statewide (effective since mid-2024)
Top 5 counties by policy count
Brunswick 39,511
New Hanover 28,930
Dare 28,685
Carteret 21,099
Craven 11,658
Scan for Presentation
Coverage is heavily coastal — five counties hold roughly half of NC's entire NFIP book of business.
Source: FEMA OpenFEMA, FIMA NFIP Redacted Policies dataset (policies effective 2024-06-01 or later, by county). Map: 5-class quantile breaks.
North Carolina Flood Risk | 07

10

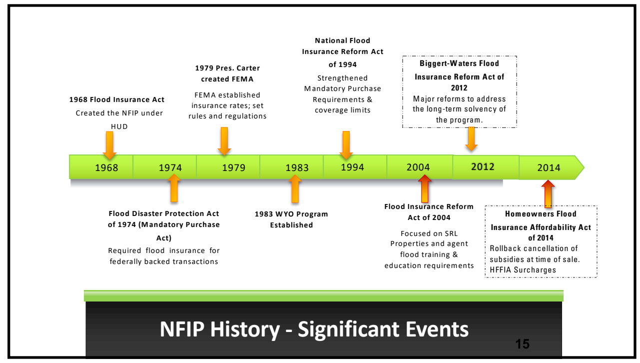

Where NFIP Claims Concentrate
Paid flood insurance claims by county since 2015, from FEMA's OpenFEMA public data
08
33,151
paid NFIP claims statewide since 2015
Top 5 counties by claim count
Dare 3,392
Brunswick 3,025
Craven 2,864
Carteret 2,813
New Hanover 2,386
Helene shows up inland: Buncombe County (Asheville) logged 711 claims against just 2,443 policies — a claims rate coastal counties rarely see.
Source: FEMA OpenFEMA, FIMA NFIP Redacted Claims dataset (date of loss 2015-01-01 or later, by county). Map: 5-class quantile breaks.
North Carolina Flood Risk | 08

11


Funding the Program: NFIP Reinsurance
How FEMA spreads catastrophic flood risk to private reinsurers and capital markets
09
4.5M+
NFIP policies in force nationwide (as of Dec. 31, 2025)
$1.3T
in total flood insurance coverage provided by the NFIP nationwide
$758M
in flood risk transferred to 27 private reinsurers in FEMA's Jan. 2025 placement
$2.1B+
cumulatively transferred to capital markets via cat-bond placements, 2022–2024
How it works: the 2025 traditional placement covers losses once a single flood event exceeds $7B — paying about 12% of losses between $7–9B and 26% between $9–11B. Reinsurance funds claims faster and reduces the NFIP's need to borrow from the U.S. Treasury; it does not change policyholders' rates or coverage.
Why it matters for NC: with 240,000+ active policies, North Carolina represents roughly 5% of the NFIP's national book — reinsurance capacity backstops claims here after storms like Matthew, Florence and Helene.
Sources: FEMA, NFIP Reinsurance Program (fema.gov); Insurance Journal, "FEMA Transfers $758M in US Flood Program Risk to 27 Private Reinsurers" (Jan. 2025); FEMA Watermark financial statements
North Carolina Flood Risk | 09

12

14



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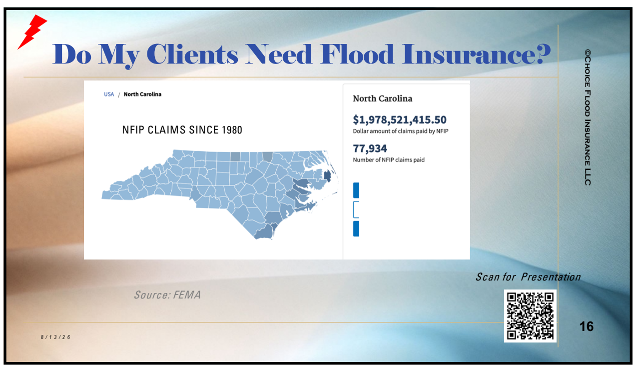

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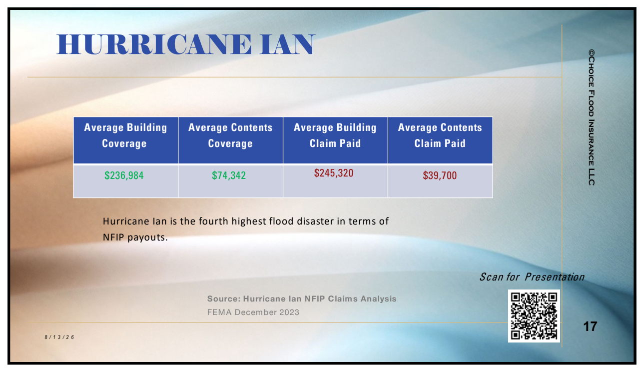


Average Building Coverage	Average Contents Coverage	Average Building Claim Paid	Average Contents Claim Paid
$236,984	$74,342	$245,320	$39,700

17

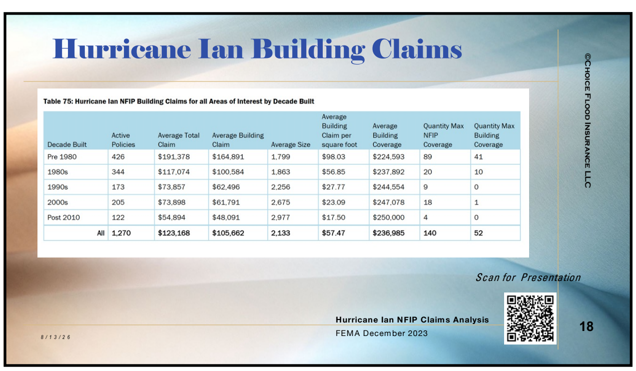


Table 75: Hurricane Ian NFIP Building Claims for all Areas of Interest by Decade Built

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**

18

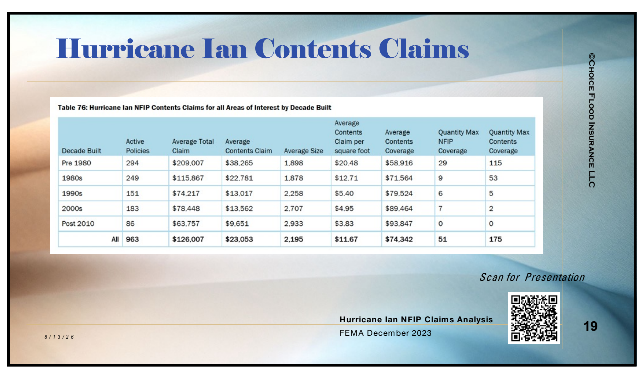
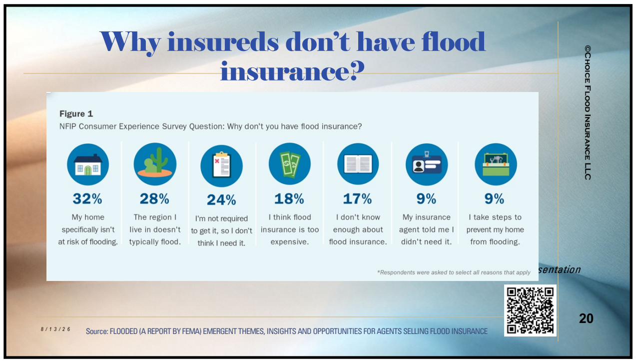


Table 76: Hurricane Ian NFIP Contents Claims for all Areas of Interest by Decade Built

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**

19



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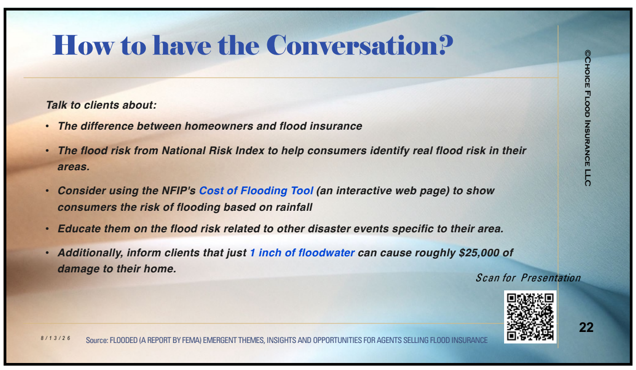

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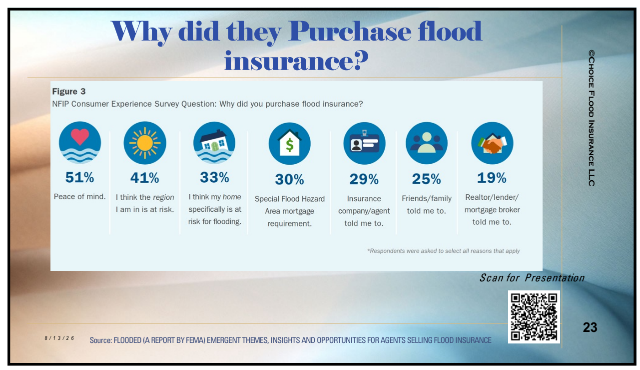

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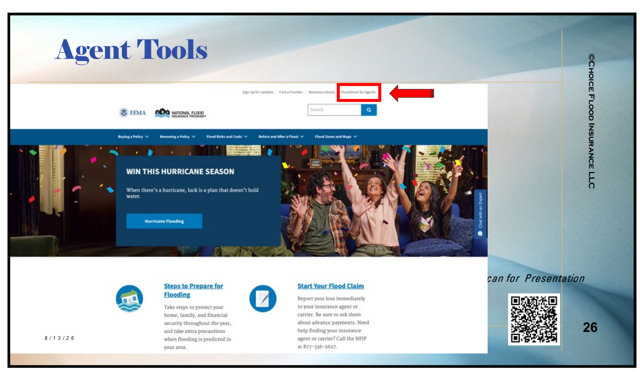
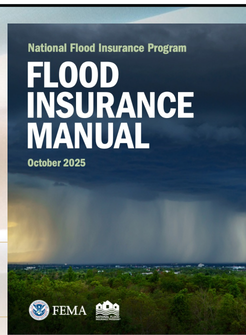


26

THE BASICS
Step by Step Instructions

UPDATES every 6 months

NFIP Manual October 2025



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WYO Bulletins Interim Guidance and Updates

You Need to subscribe

https://agents.floodsmart.gov/bulletins

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

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When do we need to offer Flood Insurance?

Every time we speak to a client about coverage

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36

Understanding the NFIP

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

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Requires Congressional Reauthorization

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

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38

NFIP LAPSES in Authorization

35 Short-term Extensions

1. September 30, 2017
2. December 8, 2017
3. December 22, 2017
4. January 19, 2018 (lapse Jan 20-22, 2018)
5. February 8, 2018 ;FEB 9, 8-hour lapse)
6. March 23, 2018
7. July 31, 2019
8. November 30, 2018
9. December 7, 2019
10. December 21, 2019
11. May 31, 2019
12. June 14, 2019
13. September 30, 2019
14. November 21, 2019
15. December 20, 2019
16. September 30, 2020
17. September 30, 2021
18. December 3, 2021
19. February 18, 2022
20. March 11, 2022
21. March 15, 2022
22. September 30, 2022
23. December 16, 2022
24. December 23, 2022
25. September 30, 2023
26. November 17, 2023
27. February 2,2024 (2-day lapse)
28. March 8, 2024
29. March 22, 2024
30. September 30, 2024
31. December 20, 2024
32. March 14, 2025
33. September 30, 2025
34. January 30, 2026
35. **September 30, 2026**

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)**
- **January 20-22, 2018 (3 days)**
- **February 8-9, 2018 (1 day)**
- **October 1 to November 13, 2025 (42 days)**
- **February 1-3, 2026 (3 days)**

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*Congress reauthorized the NFIP retroactively.

39

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

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40

Community Status Book

FEMA

Community Status Book Report

Communities Participating in the National Flood Program

Click here for not participating

NORTH CAROLINA

CID	Community Name	County	Init FHBM Identified	Init FIRM Identified	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					

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41

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.

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8/13/26 NFIP MANUAL Page A-4 42

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42

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)

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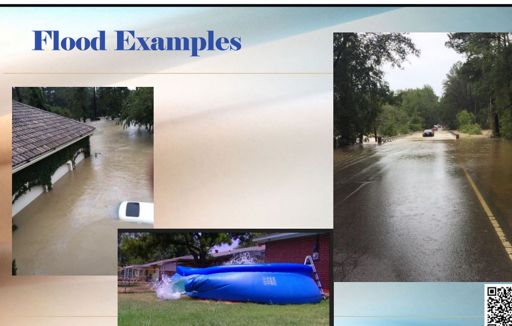
43

Flood Examples



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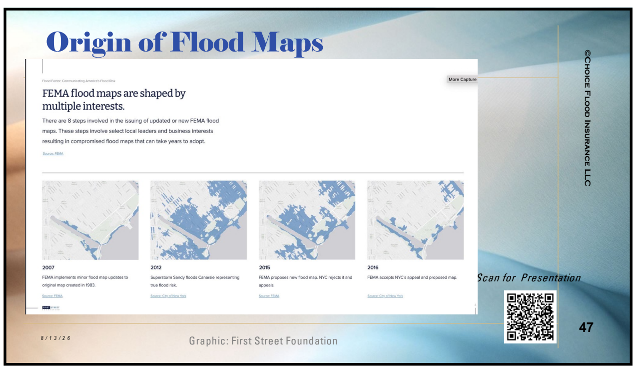

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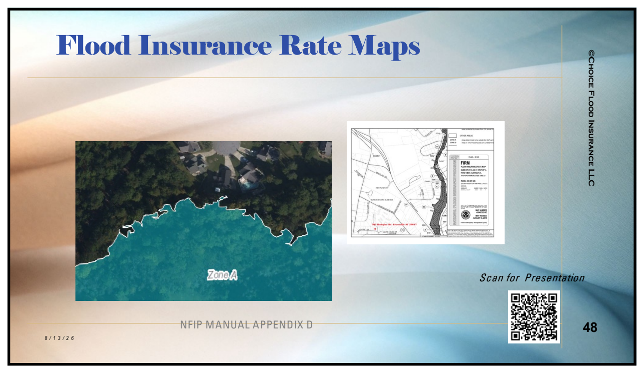

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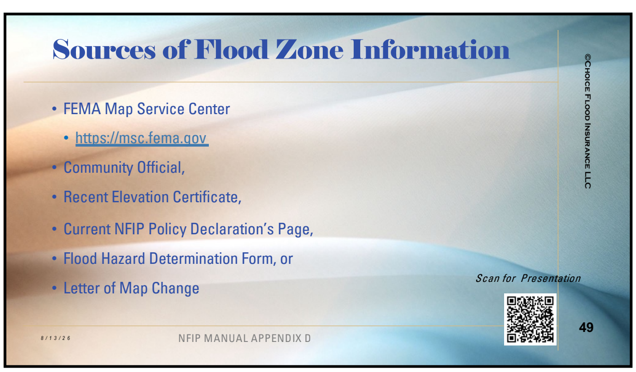

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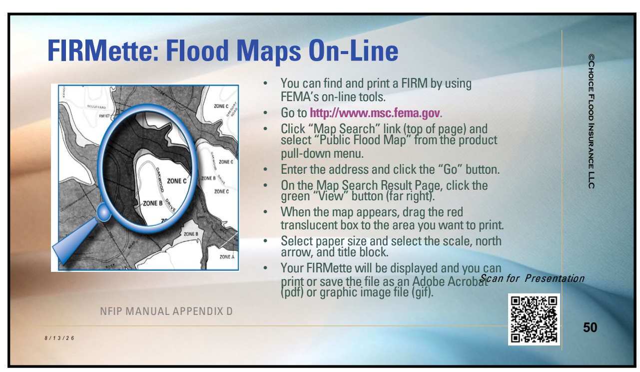

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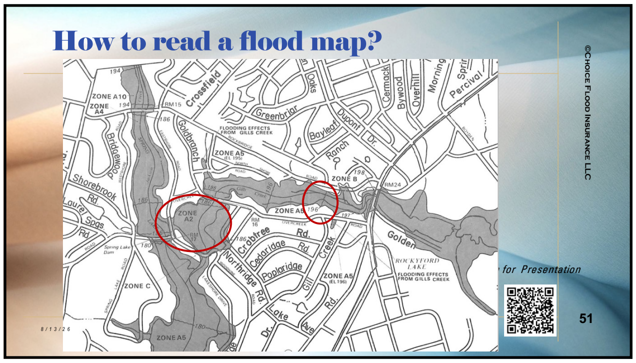

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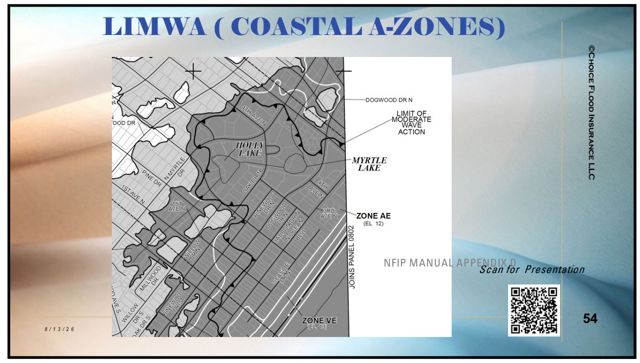

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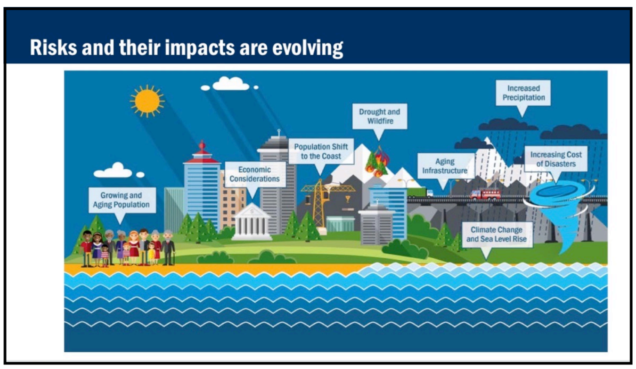

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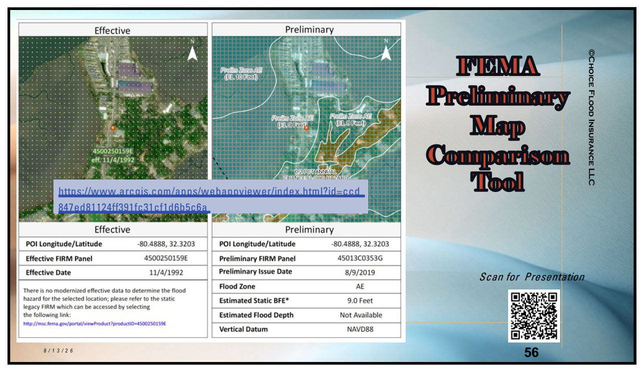

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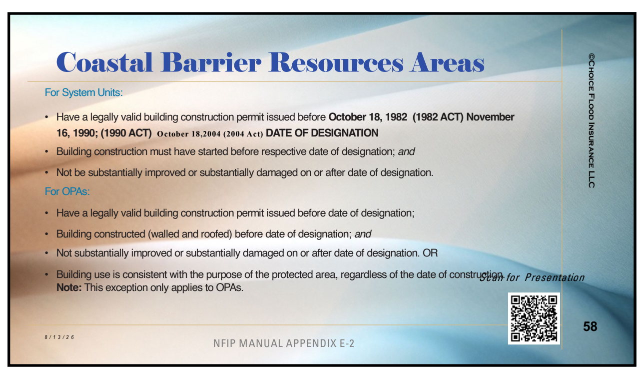

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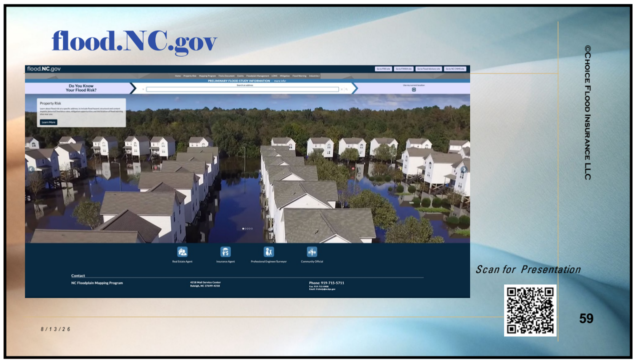

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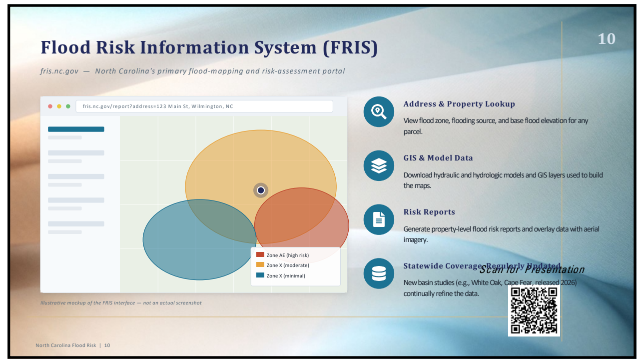

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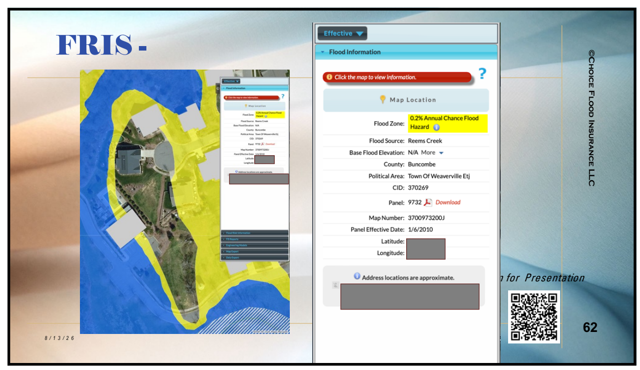

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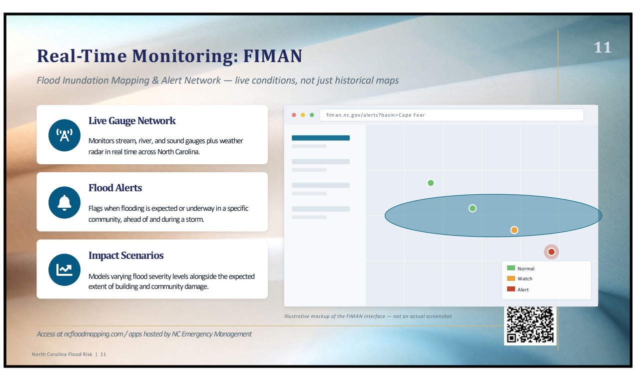

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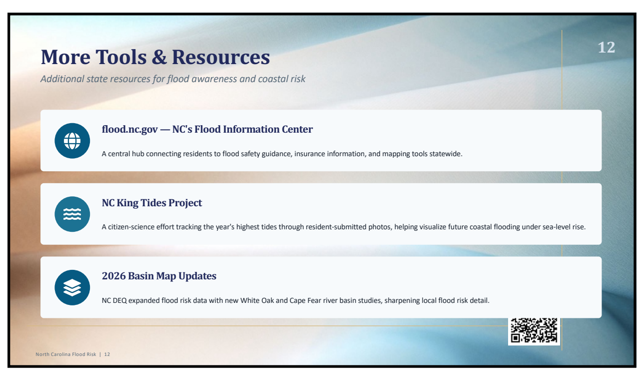

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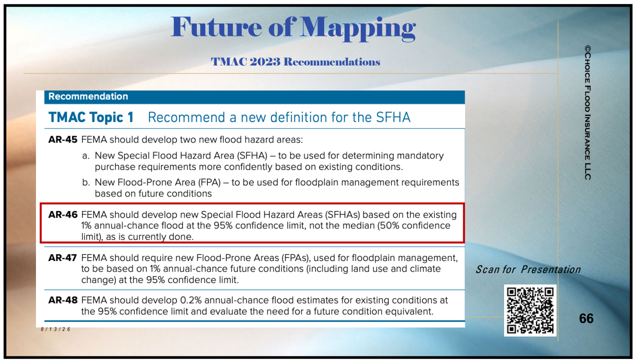

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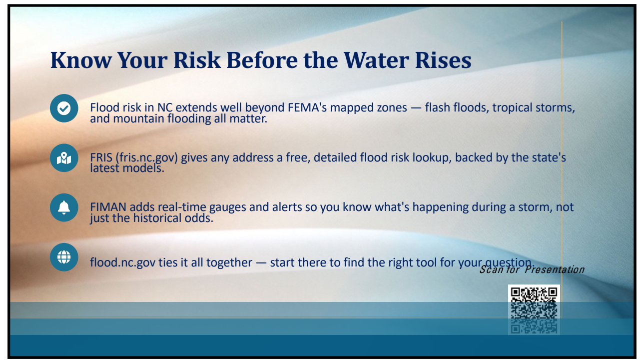

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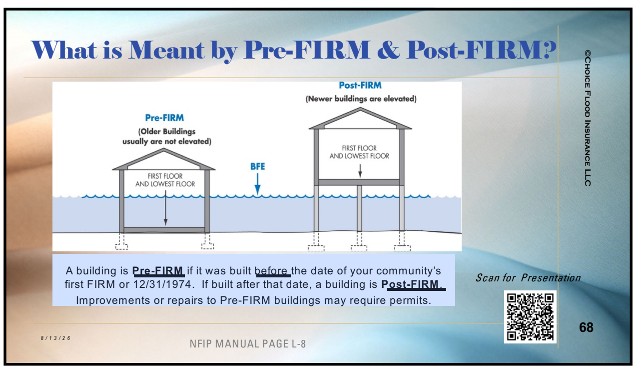

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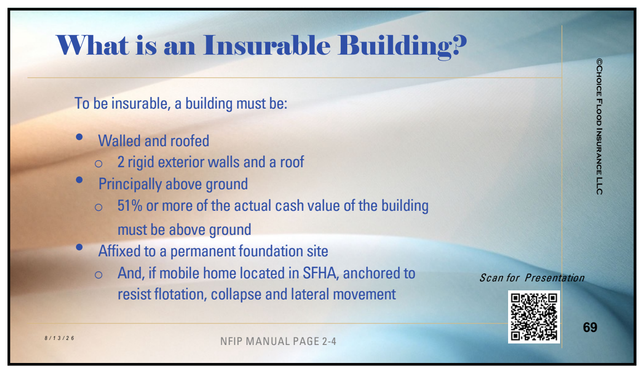

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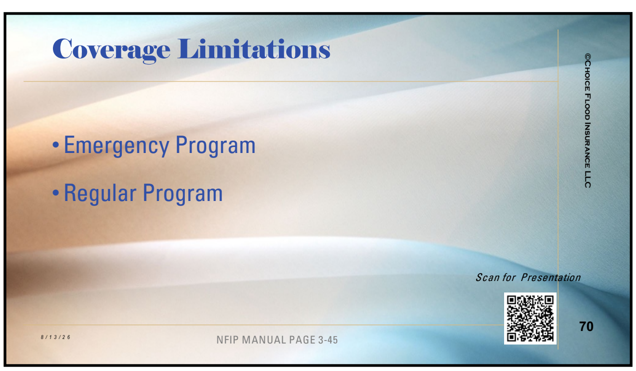

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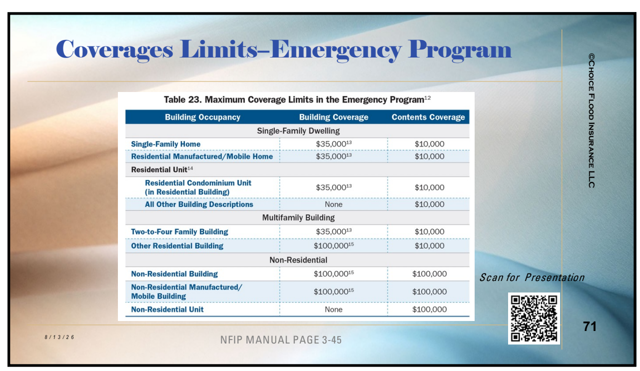

Table 23. Maximum Coverage Limits in the Emergency Program[12]

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

71

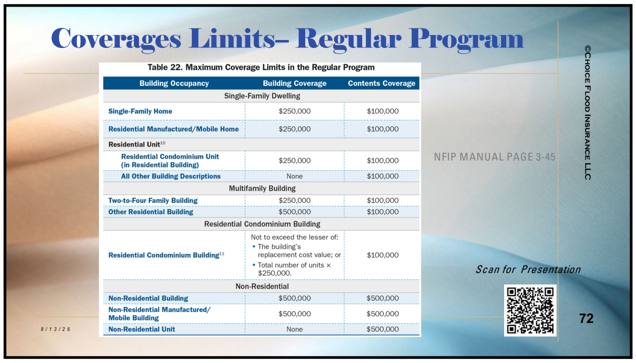

Table 22. Maximum Coverage Limits in the Regular Program

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: • The building's replacement cost value; or • Total number of units × $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

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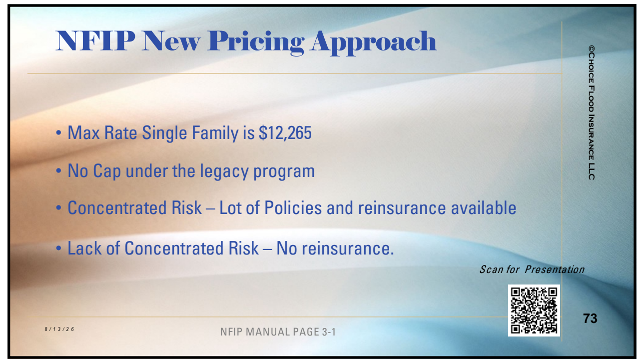

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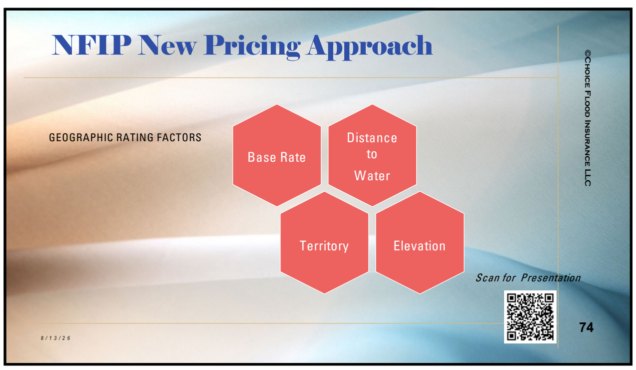

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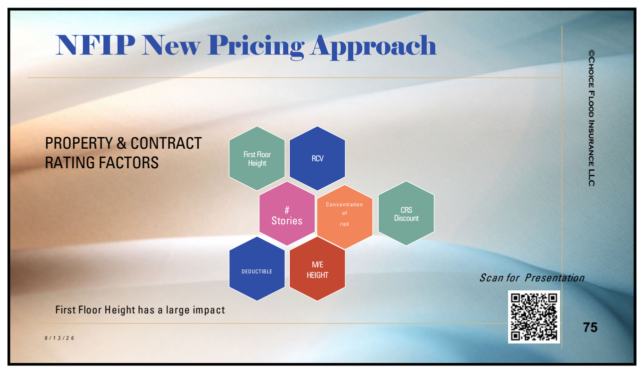

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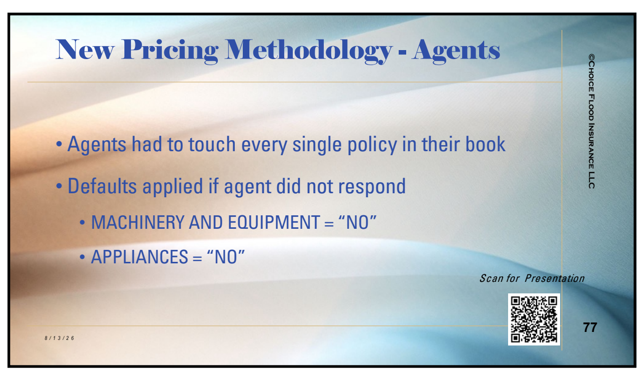

77

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

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NFIP MANUAL PAGE 3-33

78

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

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79

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

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80

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

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81

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

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82

BUILDER'S RISKS BUILDINGS UNDER CONSTRUCTION

- Not yet walled and roofed, affixed to a permanent site, principally above ground
- Applied deductible is 2 times the post-construction deductible
- Coverage ceases if construction is halted more than 90 days
- Building materials only covered if in an enclosed structure on premise
- Cannot be renewed
- Cannot be assigned or transferred to another party

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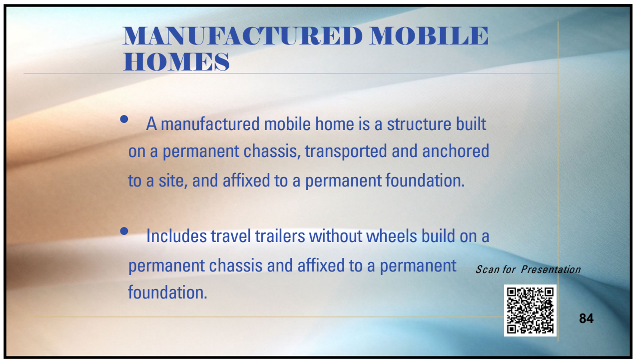

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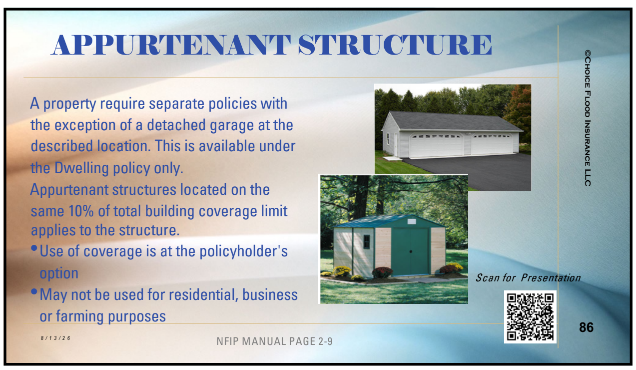

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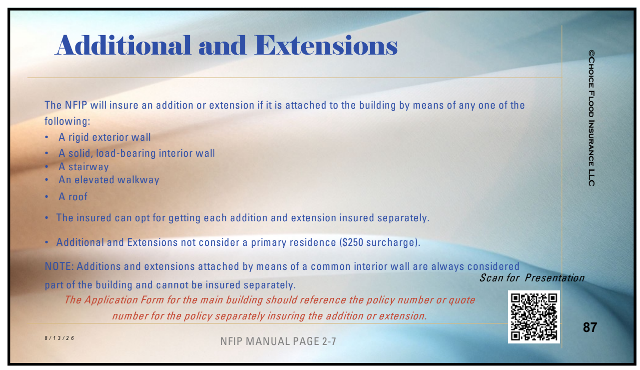

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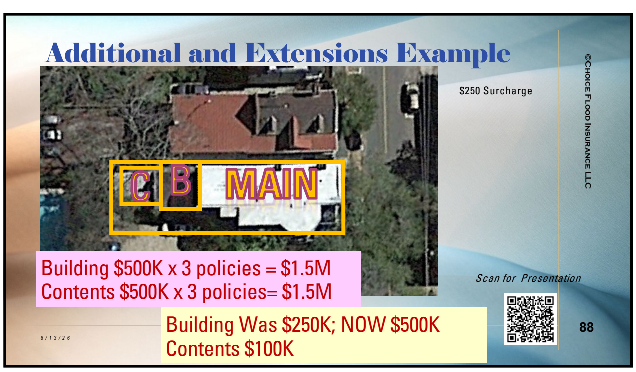

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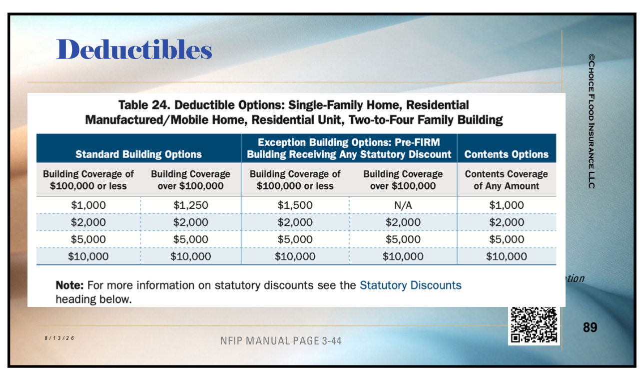

Table 24. Deductible Options: Single-Family Home, Residential Manufactured/Mobile Home, Residential Unit, Two-to-Four Family Building

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.

89

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

90

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

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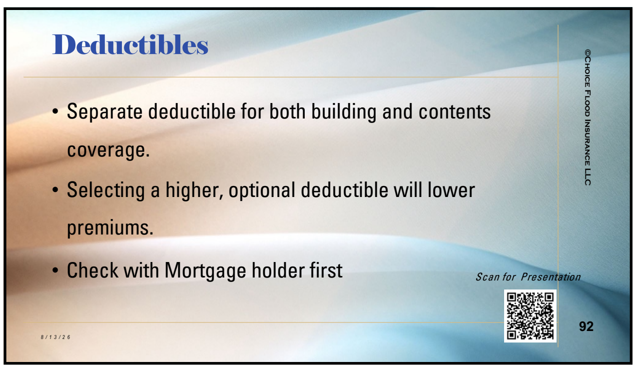

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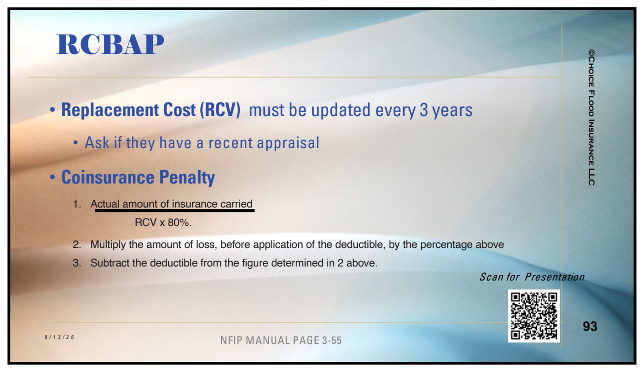

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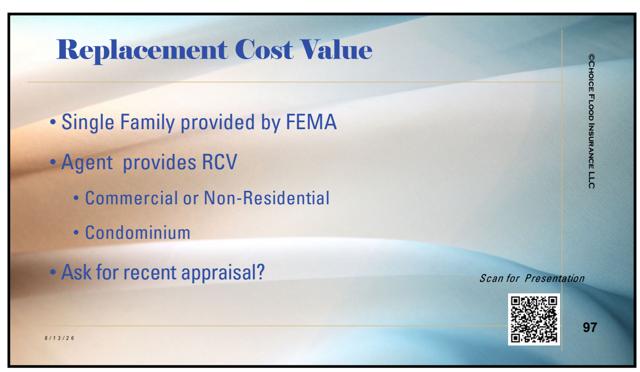

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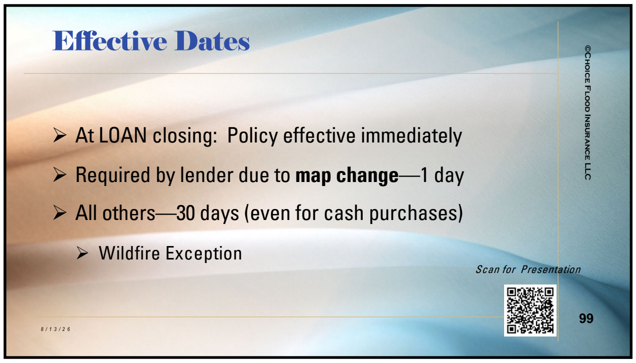

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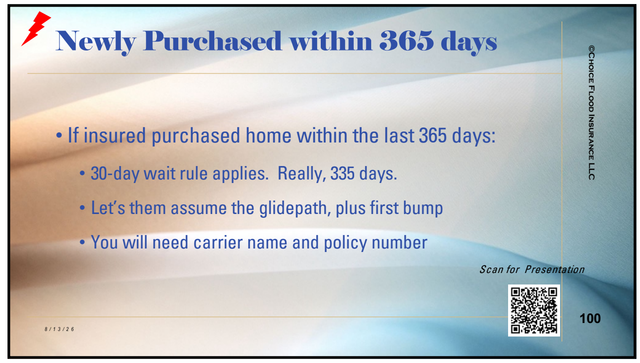

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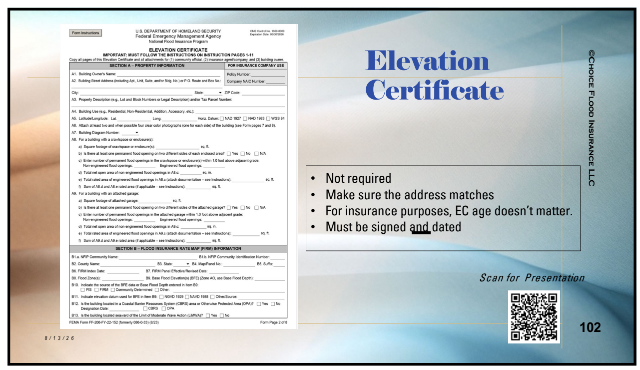

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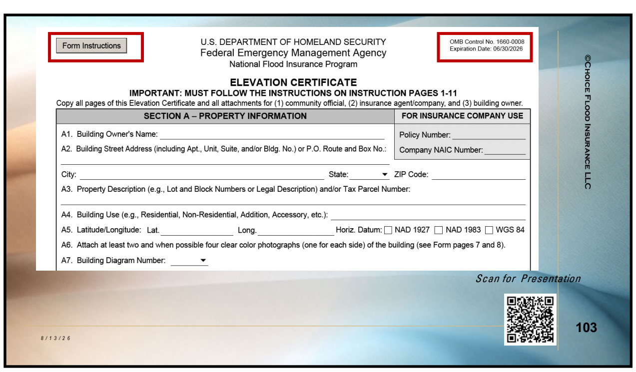

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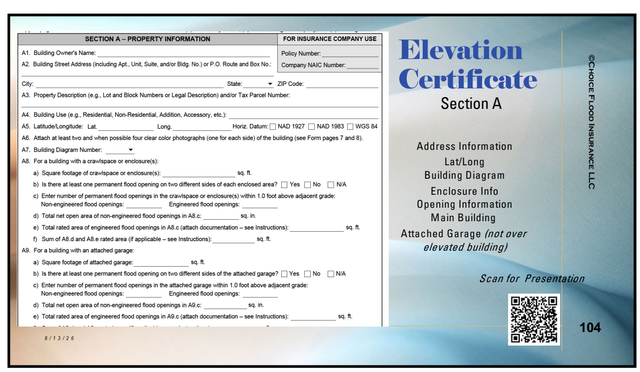

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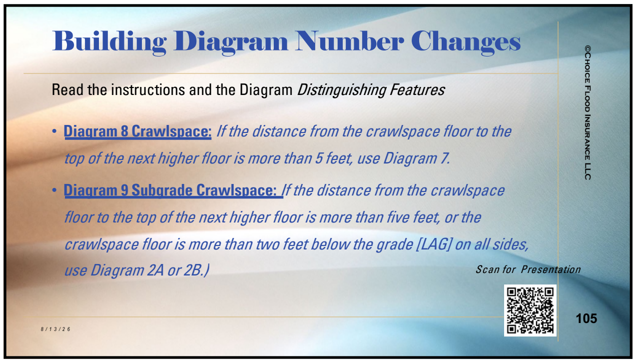

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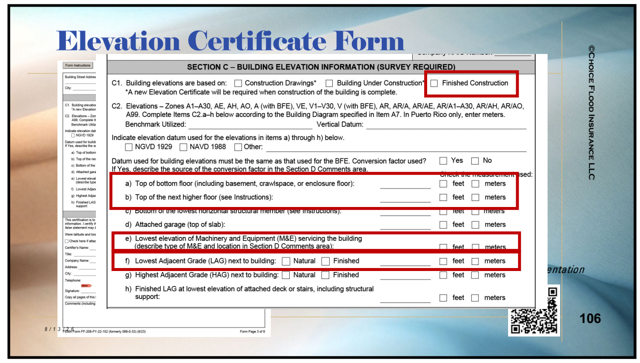

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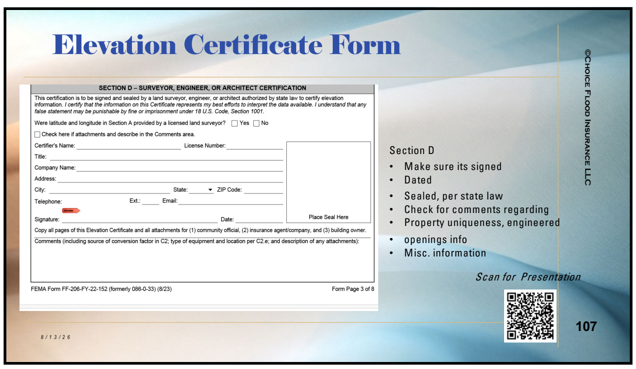

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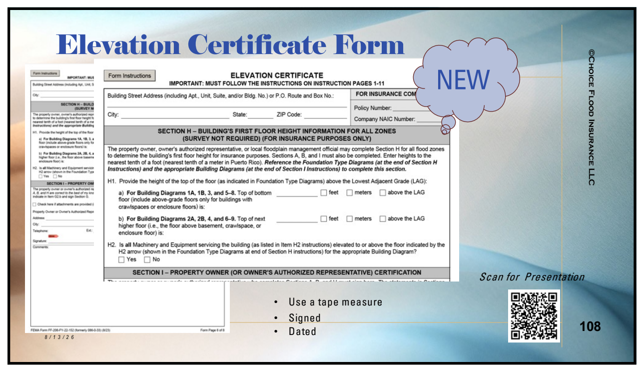

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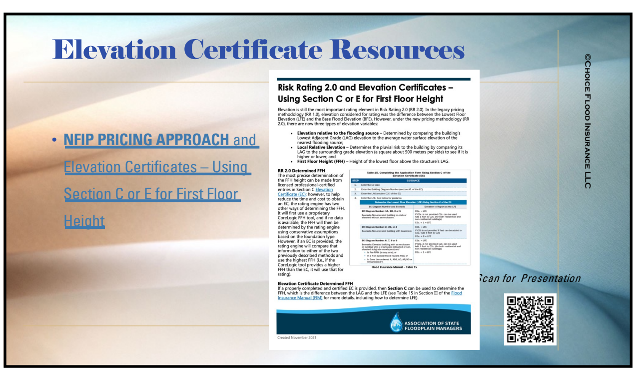

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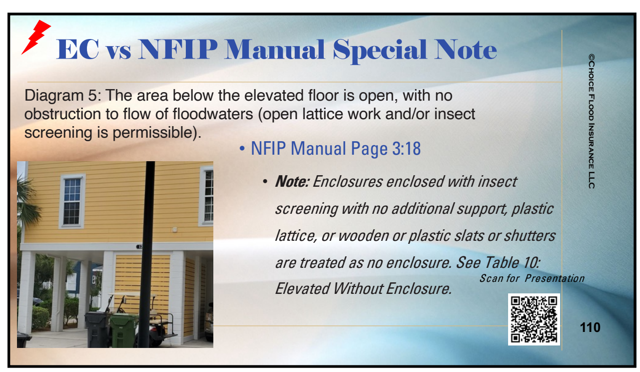

110

Understanding Mitigation Discounts

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

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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.

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Why flood openings matter?

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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

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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.

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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

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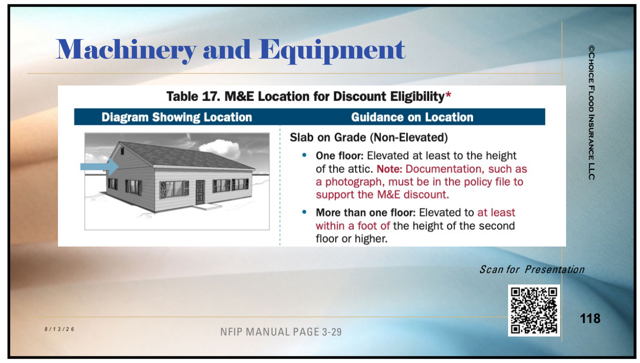
116

117



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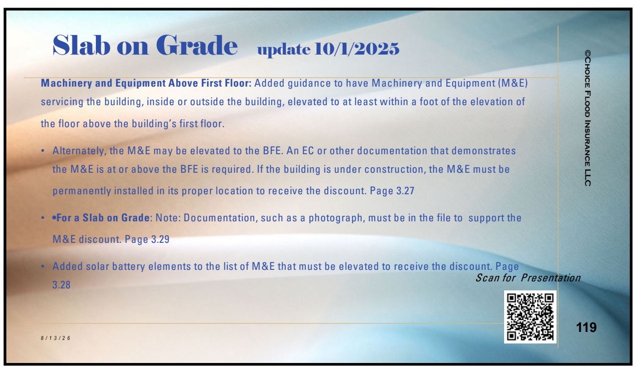

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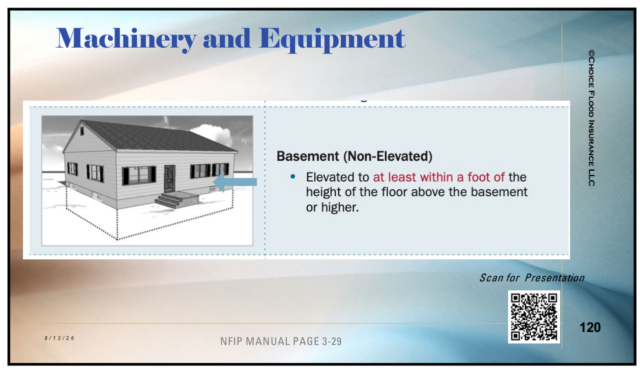

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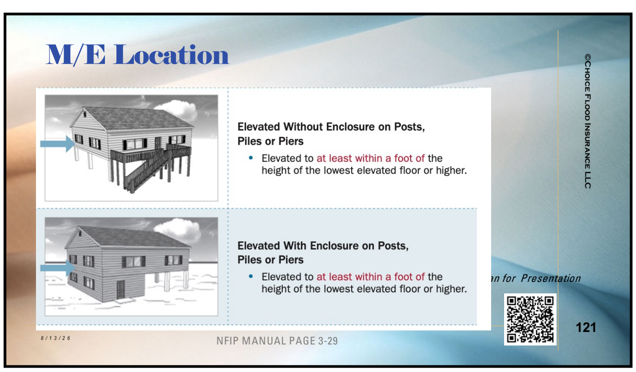

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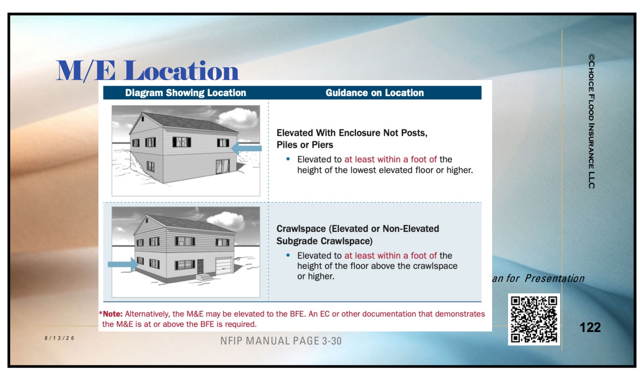

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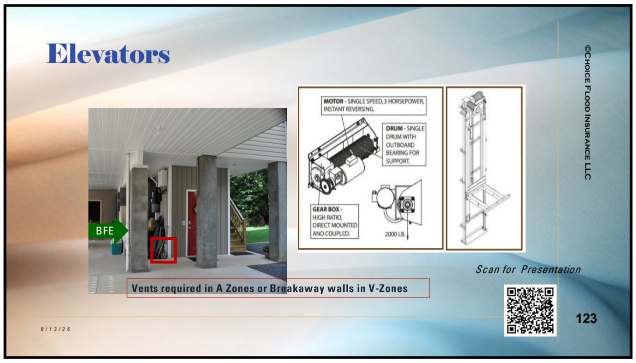

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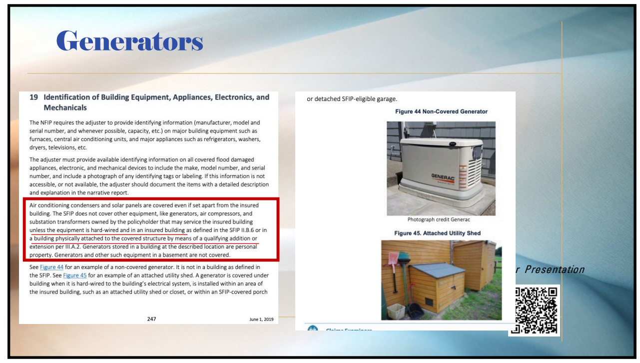

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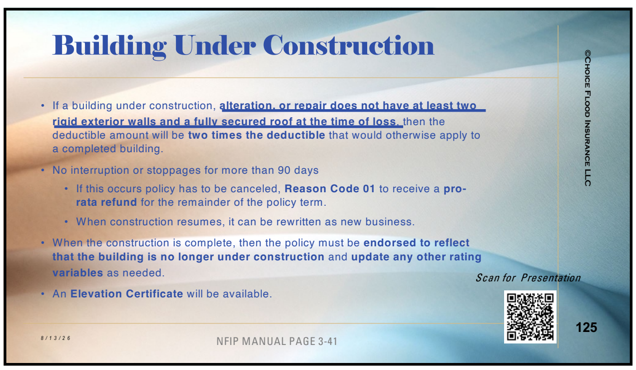

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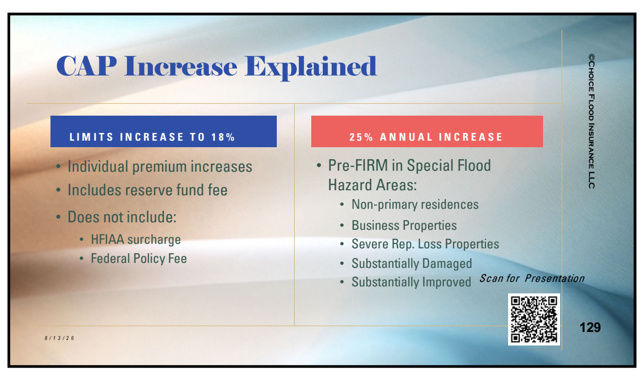

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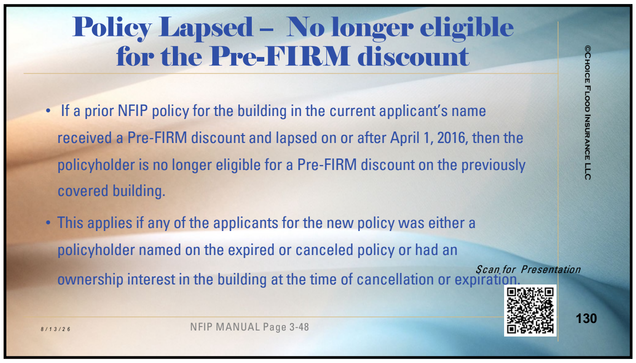

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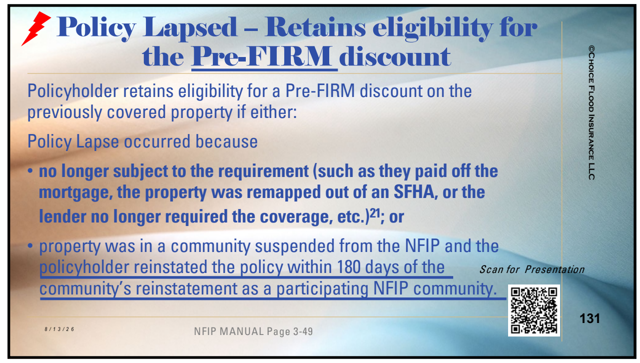

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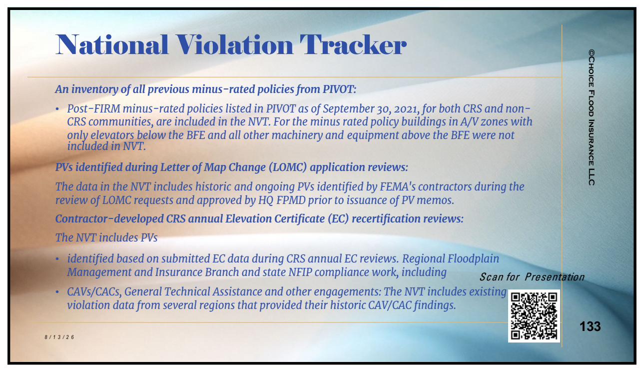

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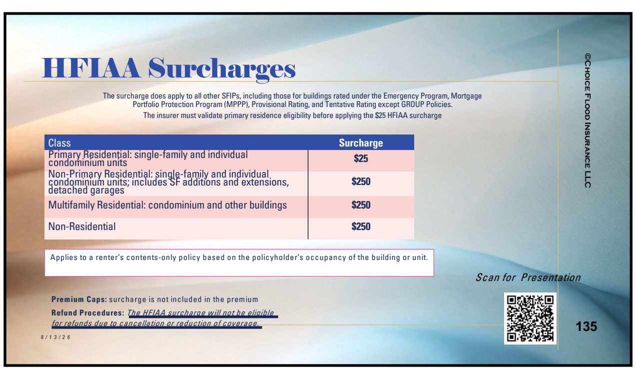

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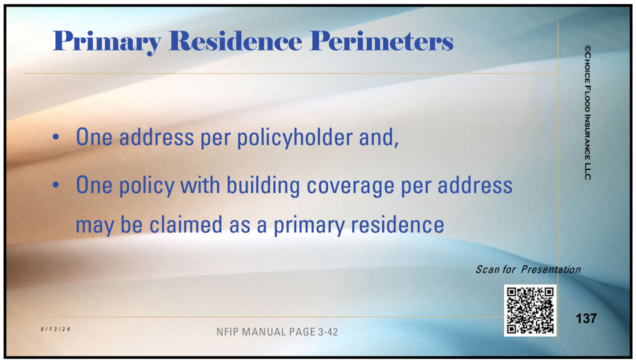

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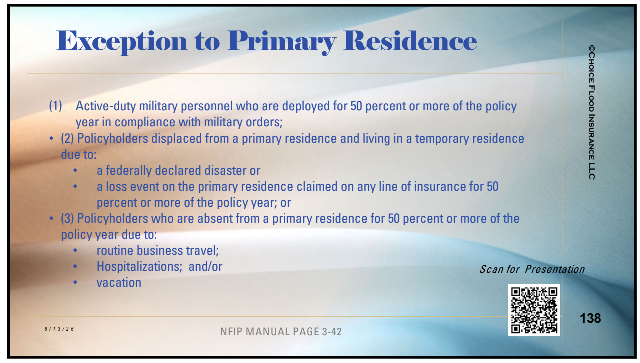

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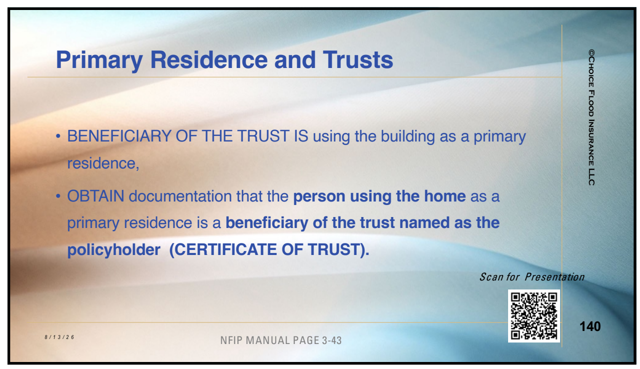

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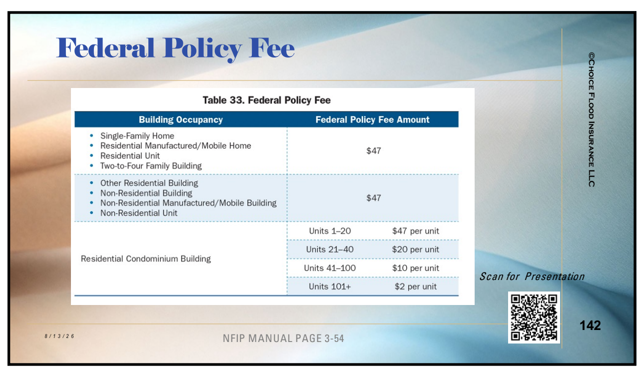

Table 33. Federal Policy Fee

Building Occupancy	Federal Policy Fee Amount	
• Single-Family Home • Residential Manufactured/Mobile Home • Residential Unit • Two-to-Four Family Building	$47	
• Other Residential Building • Non-Residential Building • Non-Residential Manufactured/Mobile Building • Non-Residential Unit	$47	
Residential Condominium Building	Units 1–20	$47 per unit
	Units 21–40	$20 per unit
	Units 41–100	$10 per unit
	Units 101+	$2 per unit

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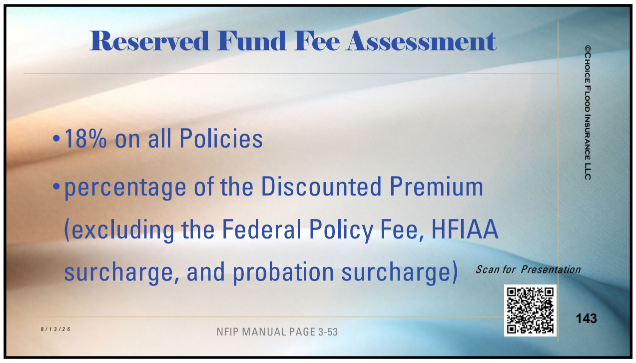

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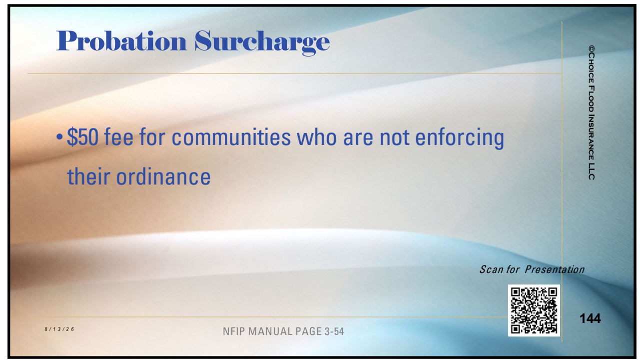

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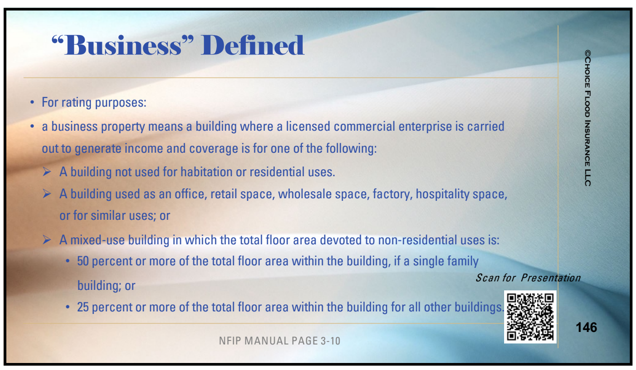

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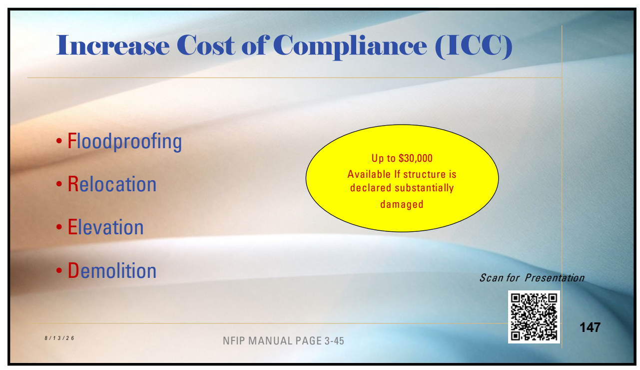

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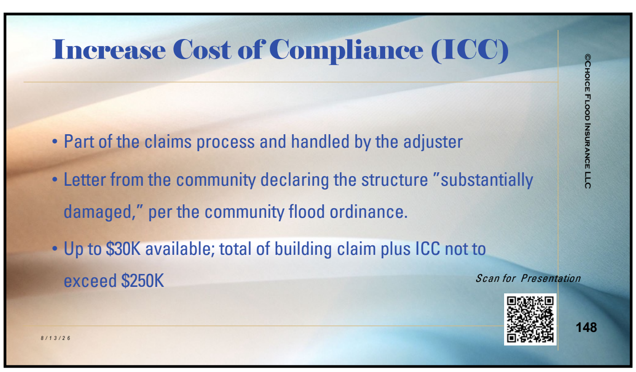

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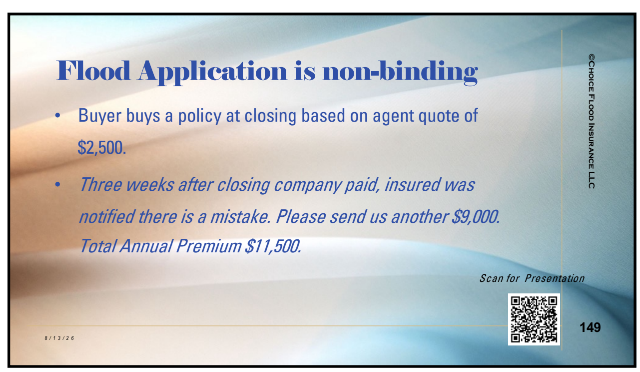

149

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

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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

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Insufficient Premium (Reformation)

Insufficient Premium

Type of Premium-Bearing Endorsement	Procedure if Premium is Insufficient
Elective Endorsement *Including but not limited to:* *Coverage or deductible change*	• 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 *Including but not limited to:* *Rating adjustment, rating correction, rate category change*	• 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.

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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

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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.

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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.)

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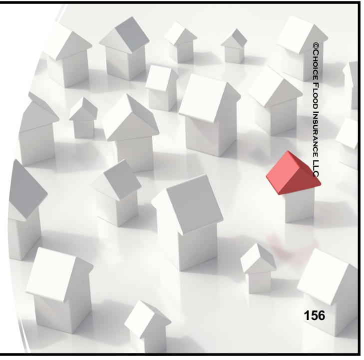
How to request Claims data?

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



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156

POLICY FORMS

National Flood Insurance Program
Dwelling Form
Standard Flood Insurance Policy
F-122 / October 2021
FEMA

National Flood Insurance Program
Residential Condominium Building Association Policy
Standard Flood Insurance Policy
F-144 / October 2021
FEMA

National Flood Insurance Program
General Property Form
Standard Flood Insurance Policy
F-123 / October 2021
FEMA

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157

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.

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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

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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)

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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

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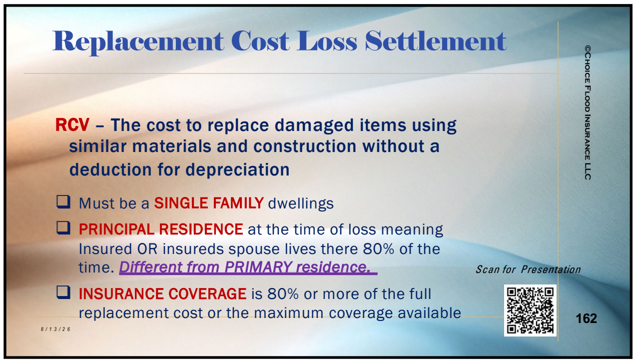

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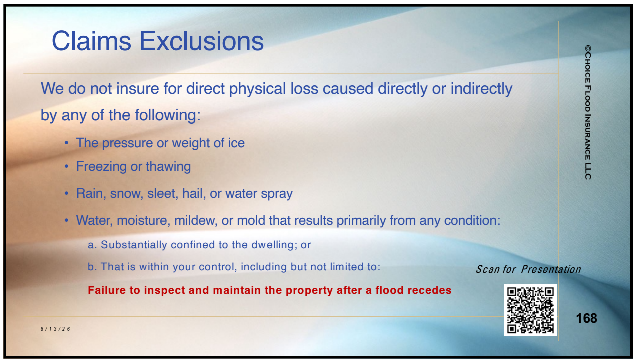

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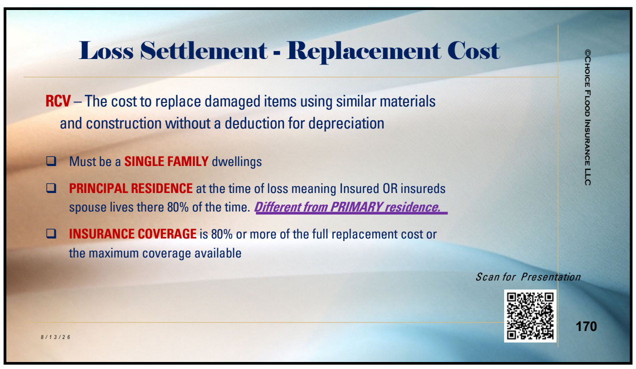

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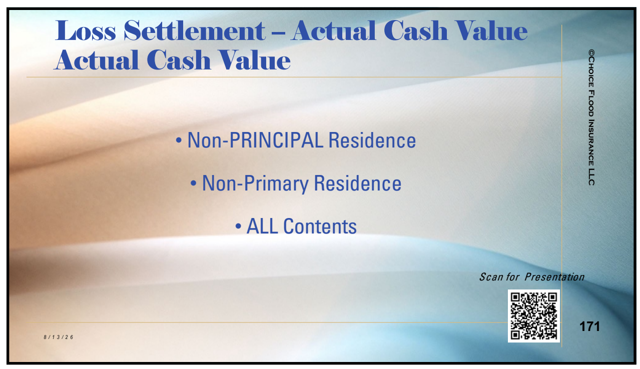

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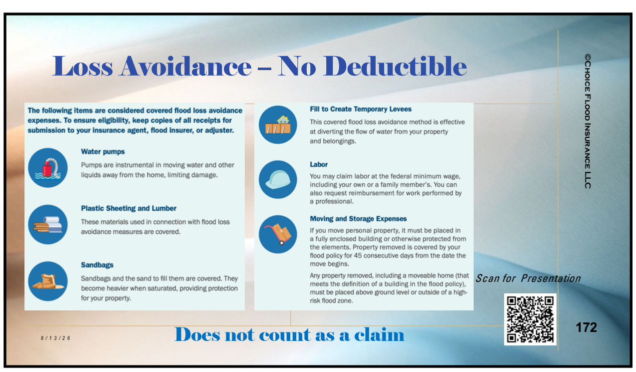

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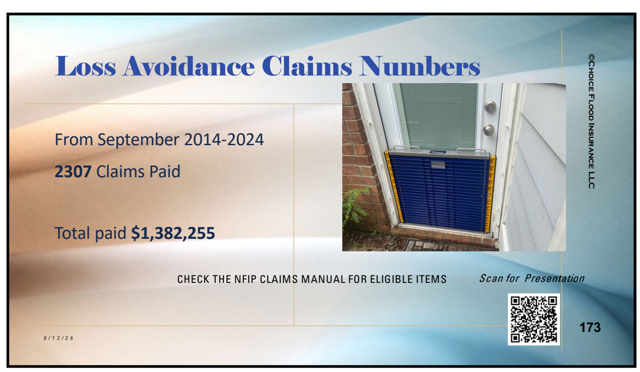

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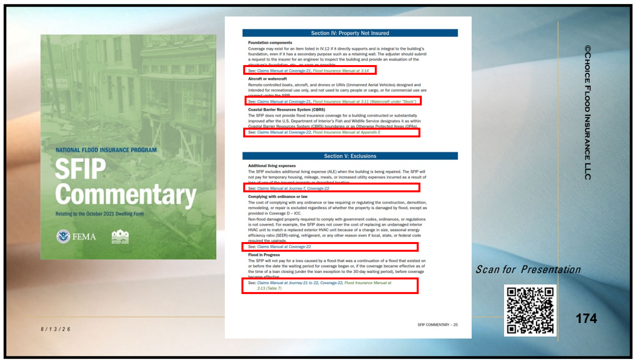

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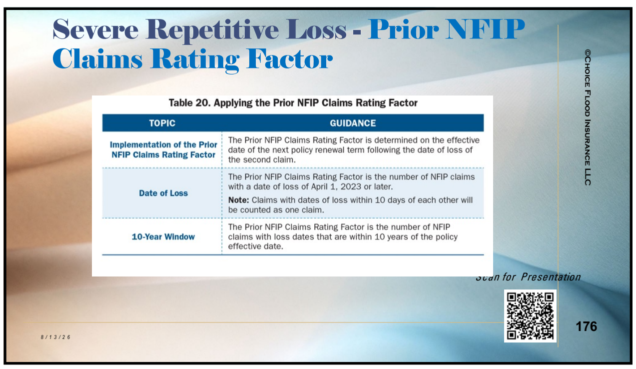

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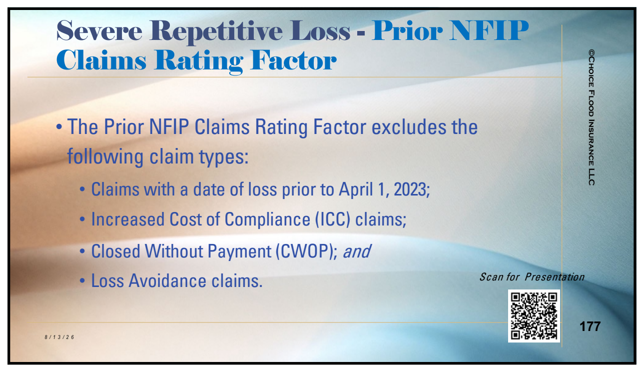

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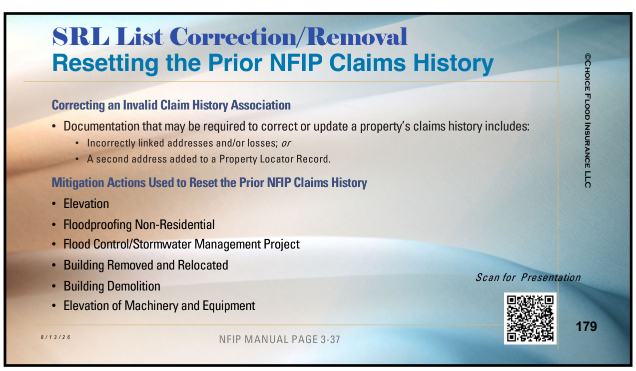

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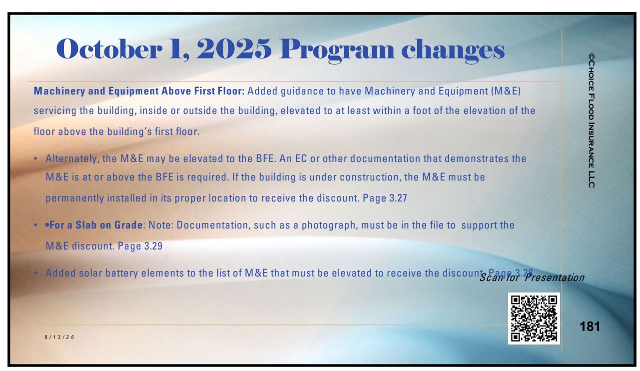

181

October 1, 2025 Program changes

- •Square Footage: For all Building Occupancies, 99999 is not a valid value. For Single-Family Homes with square footage greater than 15,000 square feet, the insurer must have documentation in the policy files that supports the building square footage. Page 3.33
- • Added additional guidance for a stem wall foundation in Table 8. Page 3.16
- Incorporated guidance on how to determine the foundation type of the building in Table 8. Page 3.16
- Inserted a note for elevated buildings that coverage limitations may apply. Page 3.17
- Added additional guidance for elevated buildings with Posts, Piles, or Piers. Page 3.17
- Added guidance to the building indicators for multi-floor buildings in Table 12. Foundation Type – Elevated with Enclosure Not on Posts, Piles, Or Piers (Solid Foundation Walls). Page 3.20
- Added guidance to Table 14. First Floor Height Measurement by Foundation Type indicating when supporting documentation is needed. Pages 3.21 and 3.22
- Elevation Certificate/Land Survey: Added guidance to truncate the elevations used from the Elevation Certificate. 3.23

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182

October 1, 2025 Program changes

- **Number of Floors in the Building:** For the following Building Occupancies, the insurer must have documentation in the policy file that supports the number of floors if greater than listed below:
- Single-Family Home and Two-to-Four Family Building, more than 5 floors
- Residential Manufactured/Mobile Home and Non-Residential Manufactured/Mobile Building, more than 3 floors
- Other Residential Building, Residential Condo Association, Residential Unit, Non-Residential Building and Non-Residential Unit, more than 100 floors.
- **Note:** 99999 is not a valid value for the number of floors. Page 3.42

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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

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184

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

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Marketing Flood Insurance

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

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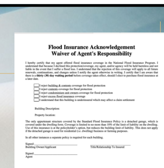
Flood Insurance Waiver


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 protection/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, continuations, and changes unless I notify the agent otherwise in writing. I certify that I am aware that there is a **thirty (30) day 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 this building is underinsured which may affect a claim settlement

Building Description:

Property location:

The only appurtenant 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 farming purposes.

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

Signed:______________________ ______________________
Building Owner/Applicant Title/Relationship To Insured

Signed:______________________
Agent

- 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

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187

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.

NFIP MANUAL PAGE 3-35

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Community Actions & Impacts

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

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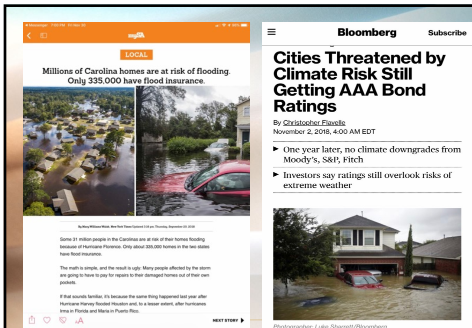

LOCAL

Millions of Carolina homes are at risk of flooding. Only 335,000 have flood insurance.

Some 31 million people in the Carolinas are at risk of their homes flooding because of Hurricane Florence. Only about 335,000 homes in the two states have flood insurance.

The math is simple, and the result is ugly: Many people affected by the storm are going to have to pay for repairs to their damaged homes out of their own pockets.

If that sounds familiar, it's because the same thing happened last year after Hurricane Harvey flooded Houston and, to a lesser extent, after hurricanes Irma in Florida and Maria in Puerto Rico.

NEXT STORY

Bloomberg Subscribe

Cities Threatened by Climate Risk Still Getting AAA Bond Ratings

By Christopher Flavelle
November 2, 2018, 4:00 AM EDT

- One year later, no climate downgrades from Moody's, S&P, Fitch
- Investors say ratings still overlook risks of extreme weather

Photographer: Luke Sharrett/Bloomberg

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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

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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

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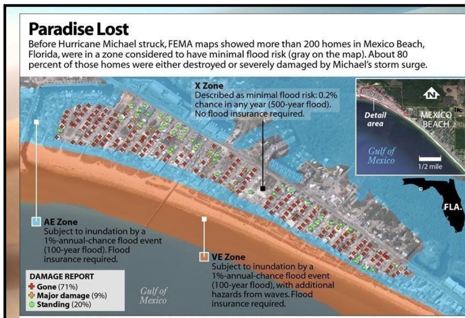

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FEMA MITIGATION GRANTS

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

PLUS
ICC up to $30K for policy holders, not to exceed $250k .
No duplication of benefits

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How much does elevation cost?

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

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Drying Mitigation and Cleaning – *FEMA-Approved Drying Methods*

The estimate provided by the assigned adjuster will account for structural drying based on one of the following three methods.

Method 1: Square-Foot Method.

- *Used If a policyholder **does not hire a professional service** to perform structural drying.*
- *Method 1 is a **per square foot allowance** estimated by the adjuster.*
- *This allowance takes into consideration the usage and cost of the policyholder's time and equipment—operating buildings' HVAC system, electricity, or fuel for additional utilities and appliances used for drying the building.*
- ***The cost for purchasing tools or drying equipment after a flood is not covered.***

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FEMA-Approved Drying Methods Method 2: Adjuster-Determined Drying Charges

- *Applies, if a policyholder **hires a professional service** to perform structural drying, and the professional service does not provide properly completed drying logs.*
- *Refer to the "Required Documentation for Incurred Cost" section of the bulletin to reference the eight required elements of a properly completed drying log.*
- *When addressing method 2, the cost for drying will be addressed based on the necessary amount of air mover and dehumidifiers rather than a per square foot allowance.*
- *Air movers will be estimated based on 1 air mover per 200-400 square feet for 3 days.*
  - *Example: A 250-square-foot room will have 1 air mover for 3 days for an estimated total of 3 air movers.*
- *Dehumidifiers will be estimated based on 1 dehumidifier per 1,500 square feet for 3 days.*
  - *Example: A 3,000-square-foot home will have 2 dehumidifiers for 3 days for an estimated total of 6 dehumidifiers.*

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FEMA-Approved Drying Methods Method 3: Drying Invoice with a Properly Completed Drying Log

- *Used when a policyholder **hires a professional service** to perform the structural drying **AND** the **professional service provides all properly completed documentation to validate the charges.***
- *When estimating based on method 3, the adjuster's estimate will include all air movers and dehumidifiers based on the contractor's estimate.*

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Drying Mitigation and Cleaning Requiring Additional Documentation

The following items are not covered when listed on a contractor's estimate as separate charges.

- *These charges, when necessary, should be taken into consideration when the contractor provides their cost for material removal, cleaning, or mildewcide application.* These items should be included within the line-item unit pricing of each item.
  - *Generators*
  - *Negative air movers*
  - *Air filtering equipment*
  - *Personal protective equipment*
  - *Any other equipment and associated labor*

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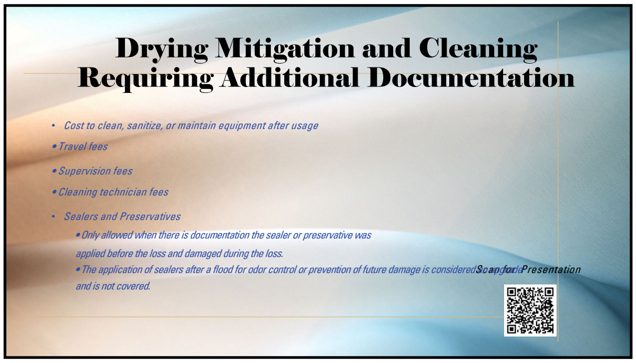

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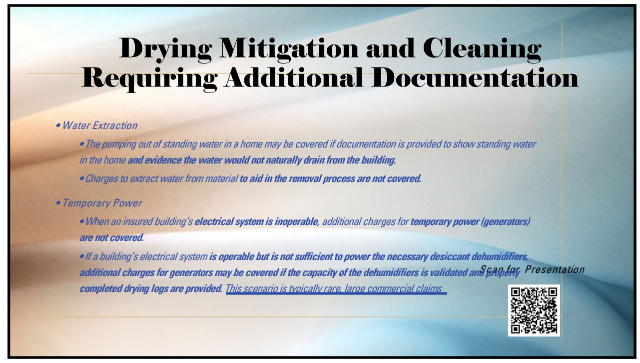

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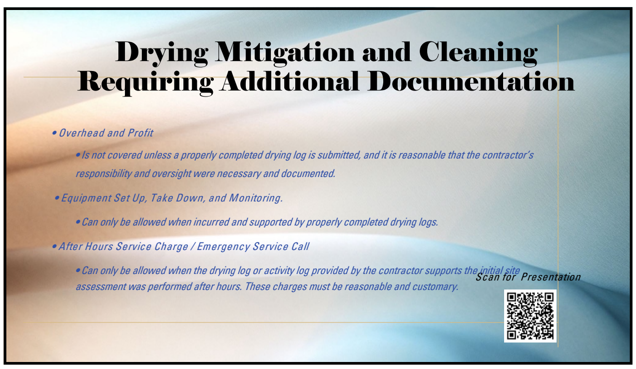

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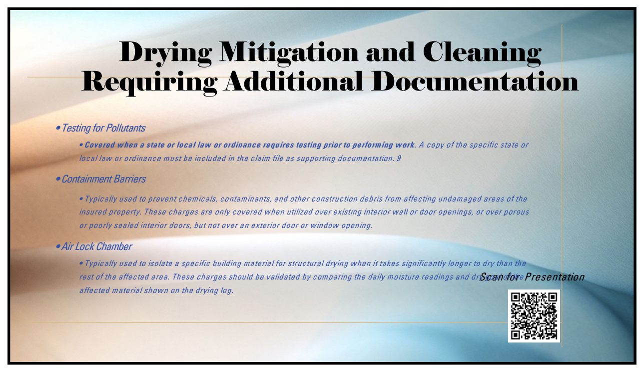

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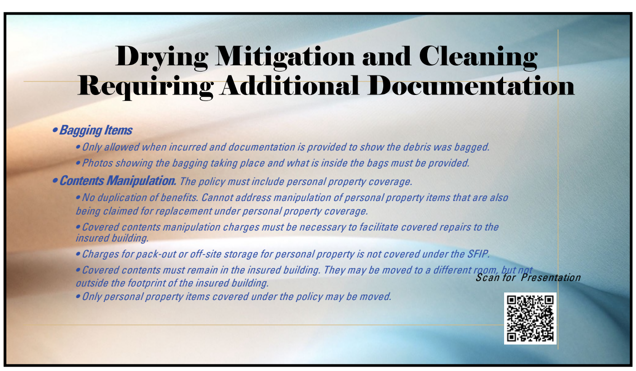

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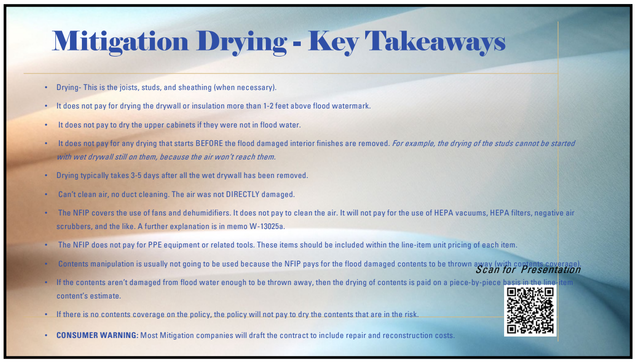

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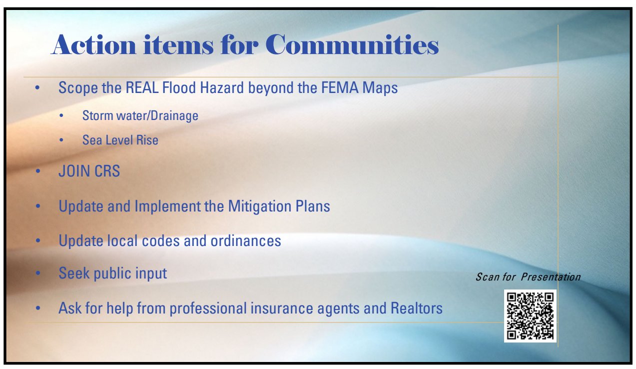

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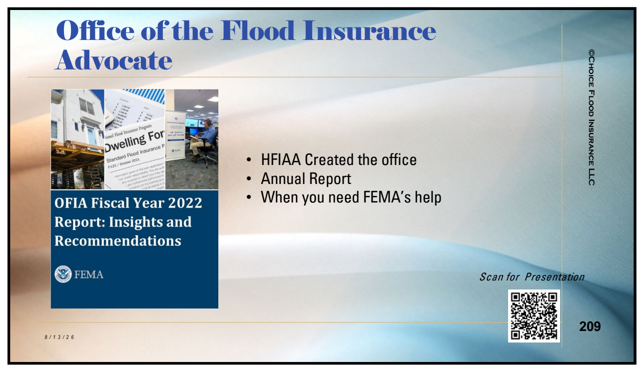

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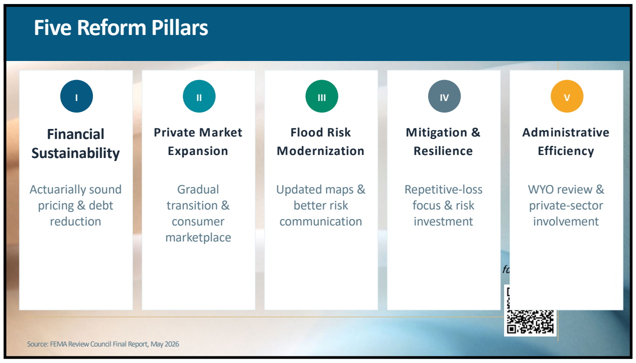

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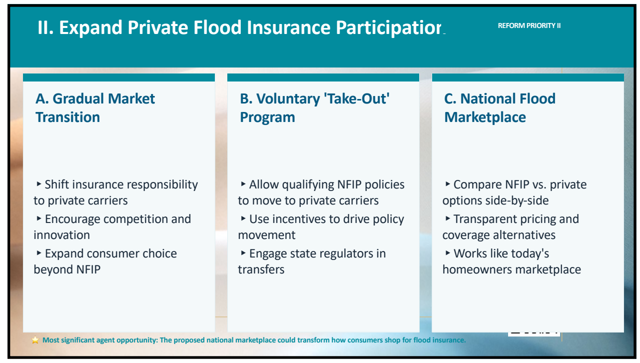

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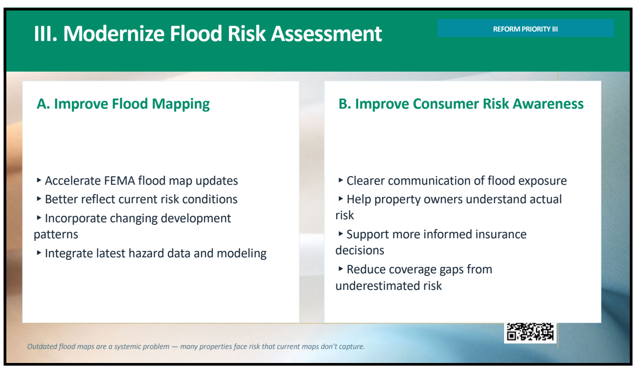

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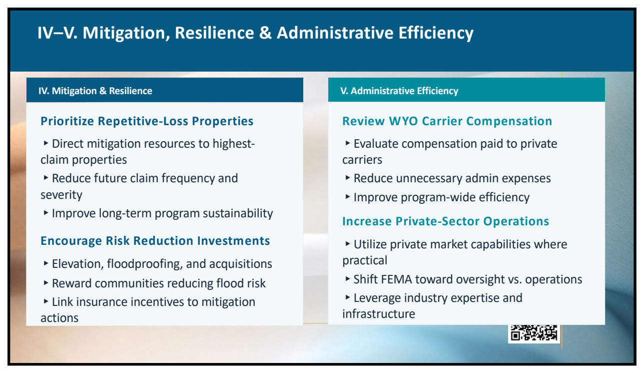

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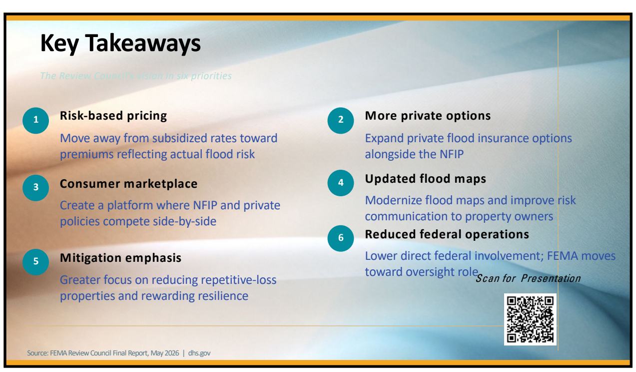

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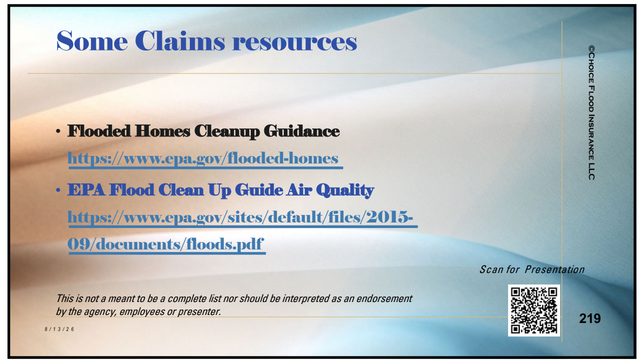

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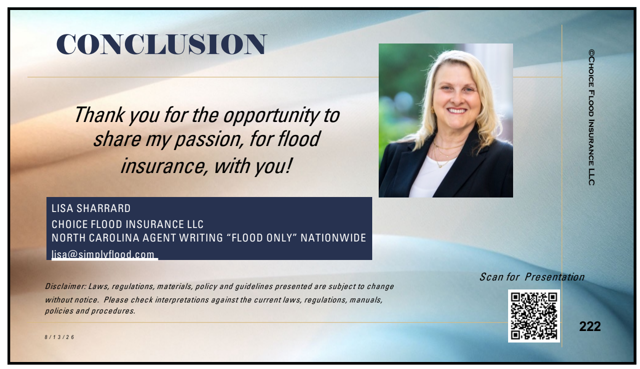
220



222