



Flood Insurance

2026 BEYOND THE FUNDAMENTALS
Lisa Sharrard, ANFI, CFM • October 17, 2026

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LISA SHARRARD, ANFI, CFM
Flood Insurance and Floodplain Management Professional

38+
YEARS OF DIRECT EXPERIENCE

Floodplain management and flood insurance

EDUCATE INFORM EMPOWER

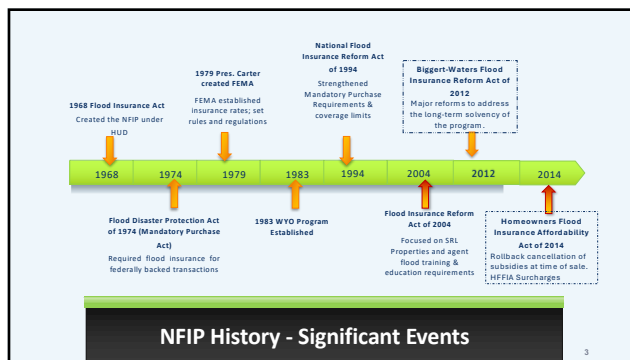
CURRENT LEADERSHIP AND CREDENTIALS

- Flood insurance agent serving clients nationwide
- Member, Big "I" National Flood Insurance Committee and Flood Insurance Producers National Committee (FIPNC)
- Certified Floodplain Manager; served on the Board of Regents for 12 years
- Associate National Flood Insurance designation
- Frequent presenter at the APCIA National Flood Conference

FEMA AND INDUSTRY EXPERIENCE

- Adjunct instructor for FEMA and the Emergency Management Institute
- Former senior trainer for NFIP Direct and former licensed adjuster
- Former NFIP state coordinator
- Past chair of the Association of State Floodplain Managers
- Served on the FEMA Community Rating System Task Force for seven years
- Contributed to a 2026 GAO report through multiple subject-matter interviews on the NFIP

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National Flood Insurance Program
Updated figures • Reporting dates vary by measure

4.57M+
Flood insurance policies
December 31, 2025

\$1.3T+
Insurance coverage
Reported in March 2026 CRS testimony

~\$4.6B
Revenue from premiums, fees and surcharges
CRS reported estimate

22,745
Participating communities
56 states and jurisdictions • March 21, 2026

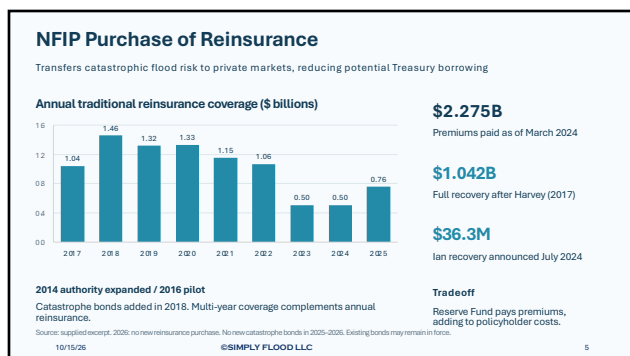
~\$2.4B
Flood losses avoided annually
FEMA estimate cited by CRS

1,504
Community Rating System communities
October 2025

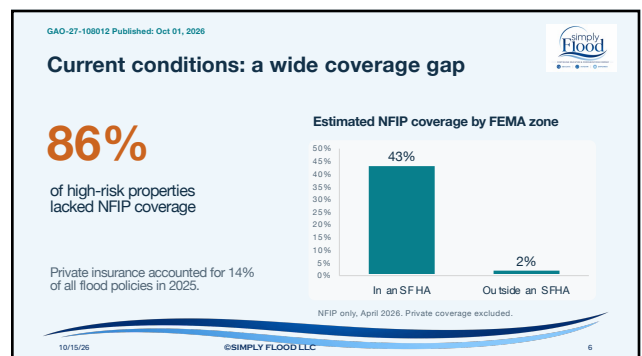
\$30.425B
Statutory Treasury borrowing limit
March 2026: \$22.525B debt, \$7.9B remaining

\$2.058B
Flood risk transferred to the private sector
2025 total, including existing catastrophe bonds

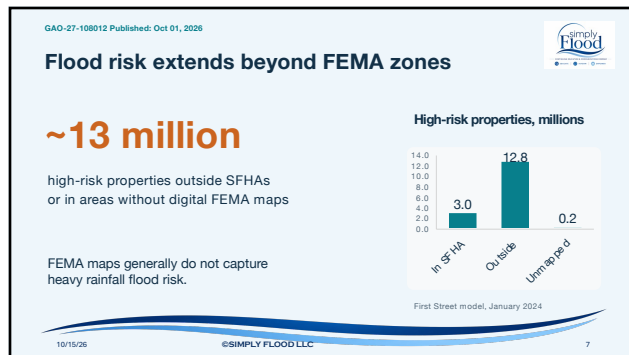
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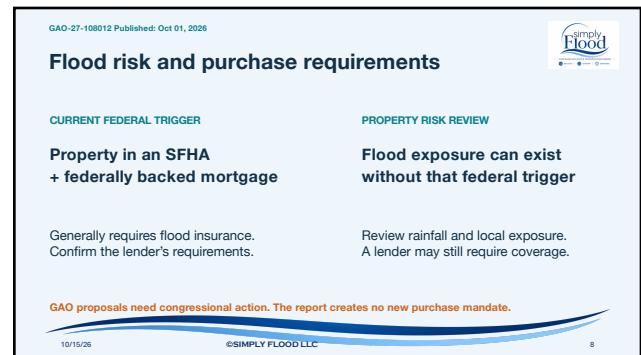
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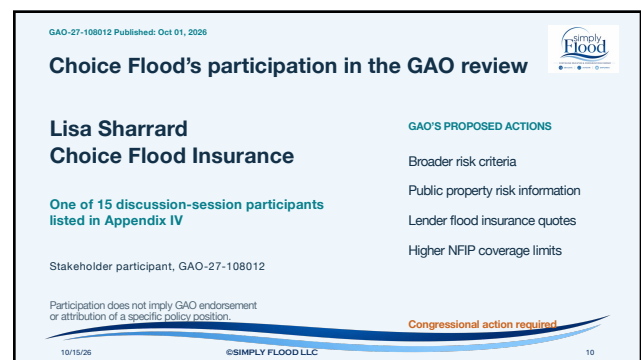
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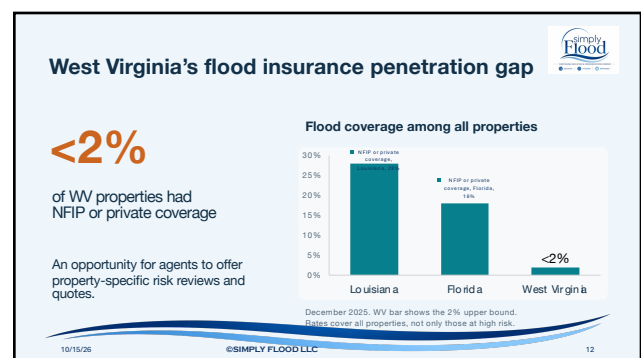
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HURRICANE IAN

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

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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	\$564,891	5,799	\$98.03	\$224,989	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

Hurricane Ian NFIP Claims Analysis
FEMA December 2023

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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	1,896	\$20.48	\$58,916	29	115
1980s	249	\$115,867	\$22,781	1,876	\$12.71	\$71,564	9	53
1990s	151	\$74,217	\$13,017	2,256	\$5.40	\$79,524	6	5
2000s	183	\$76,448	\$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

Hurricane Ian NFIP Claims Analysis
FEMA December 2023

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Why don't insureds 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

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

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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.

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

Why Have the Conversation?

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How to have the Conversation?

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

- 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.

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Free Tools for Agents

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

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THE BASICS

Step by Step Instructions

UPDATES every 6 months

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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?

Compelling and empowering others to reduce risk

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The hidden costs after a hurricane

Outages and disrupted services can add expenses long after the wind subsides.

REUTERS REPORTED

Prolonged power outages

Drinking-water shortages

Road and airport disruption

Damage to buildings and infrastructure

POTENTIAL FINANCIAL IMPACT

Spoiled food, generator fuel and lost work time

Bottled water and the cost of replacing essential supplies

Extra travel costs, delayed deliveries and interrupted operations

Cleanup costs and downtime while repairs restore access

Coverage review: Which policy responds, what triggers payment, and what limits apply?

Keep receipts and document expenses. Payment depends on the cause of loss and policy terms.

* Source: Reuters, October 10, 2026. Cost examples are educational implications.
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When do we talk about
flood insurance?

Every time
we talk to a client.

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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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NFIP LAPSES in Authorization

36 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
36. December 11, 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)

*Congress reauthorized the NFIP retroactively.

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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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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	Identified	Identified Map Date	Reg-Emr	Tribal	CBS	Entry Date	Curr Eff Date	Curr % Disc	% Disc Class	SFHA
370105W	ABERDEEN, TOWN OF	MOORE COUNTY	11/20/73	05/10/81	01/02/08	05/10/86	No					
370131H	AHOSKIE, TOWN OF	HERTFORD COUNTY	02/22/74	05/01/87	06/03/00M	05/01/87	No					
370001K	ALAMANCE COUNTY*	ALAMANCE COUNTY	01/03/75	12/01/81	11/17/17	12/01/81	No					
370417H	ALAMANCE, VILLAGE OF	ALAMANCE COUNTY	01/03/75	08/19/90	12/17/17	12/17/87	No					
370223B	ALBEMARLE, CITY OF	STANLY COUNTY	12/21/73	12/01/81	06/16/09	12/01/81	No					
370398B	ALEXANDER COUNTY*	ALEXANDER COUNTY	06/09/78	02/01/91	07/07/09	02/01/91	No					
370004K	ALLEGANY COUNTY*	ALLEGANY COUNTY	03/03/77	02/01/04	11/04/09	02/01/04	No					
370404K	ALLIANCE, TOWN OF	PAYSON COUNTY	07/04/78	08/05/85	06/18/20	08/05/85	No	10/01/02	10/01/21.8	10%	05%	
370009B	ANDREWS, TOWN OF	CHEROKEE COUNTY	03/08/74	02/01/85	04/15/10	02/01/85	No					
370222L	ANGER, TOWN OF	HANNETT COUNTY	08/18/78	04/16/90	07/16/22	02/03/90	No					
370284B	ANSON COUNTY*	ANSON COUNTY	07/15/77	06/18/90	10/16/08	06/18/90	No					
370417H	APAX, TOWN OF	WAKE COUNTY	03/03/92	07/16/21	03/20/92		No					
370273B	ARCHDALE, CITY OF	GULFORD	03/03/74	07/16/81	03/16/09	07/16/81	No					

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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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General Condition of Flooding

NFIP MANUAL Page A-4

- 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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Flood Examples

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Why Do We Need To Offer Flood Insurance

- ERRORS AND OMISSIONS CLAIMS
- KEEP A COPY OF THE SIGNED WAIVER
- MANDATORY PURCHASE REQUIREMENT

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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

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Origin of Flood Maps

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 comprehensive flood maps that can take years to adopt.

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Flood Insurance Rate Maps

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Sources of Flood Zone Information

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

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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).

NFIP MANUAL APPENDIX D

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How to read a flood map?

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LIMWA (COASTAL A-ZONES)

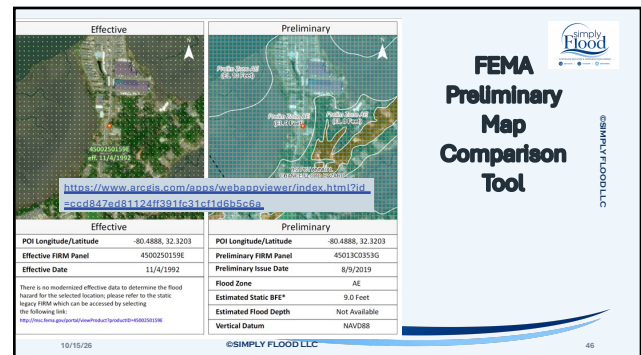
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Coastal Barrier Resources Areas

- 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

NFIP MANUAL APPENDIX E

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Coastal Barrier Resources Areas

• NFIP MANUAL APPENDIX E-2

For System Units:

- Have a legally valid building construction permit issued before **October 18, 1982 (1982 ACT)** **November 15, 1990; (1990 ACT)** **October 18, 2004 (2004 Act)** **DATE OF DESIGNATION**
- Building construction must have started before respective date of designation; *and*
- Not be substantially improved or substantially damaged on or after date of designation.

For OPAs:

- Have a legally valid building construction permit issued before date of designation;
- Building constructed (walled and roofed) before date of designation; *and*
- Not substantially improved or substantially damaged on or after date of designation; *OR*
- Building use is consistent with the purpose of the protected area, regardless of the date of construction. **Note:** This exception only applies to OPAs.

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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:

- New Special Flood Hazard Area (SFHA) – to be used for determining mandatory purchase requirements more confidently based on existing conditions.
- 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.

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

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.

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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

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Coverage Limitations

- Emergency Program
- Regular Program

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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 ¹³	\$10,000
Non-Residential		
Non-Residential Building	\$100,000 ¹³	\$100,000
Non-Residential Manufactured/Mobile Building	\$100,000 ¹³	\$100,000
Non-Residential Unit	None	\$100,000

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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 ¹⁵		
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 ¹⁶		
Residential Condominium Building ¹⁶	Not to exceed the lesser of: • 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

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NFIP New Pricing Approach

NFIP MANUAL PAGE 3-1

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.

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NFIP New Pricing Approach

GEOGRAPHIC RATING FACTORS



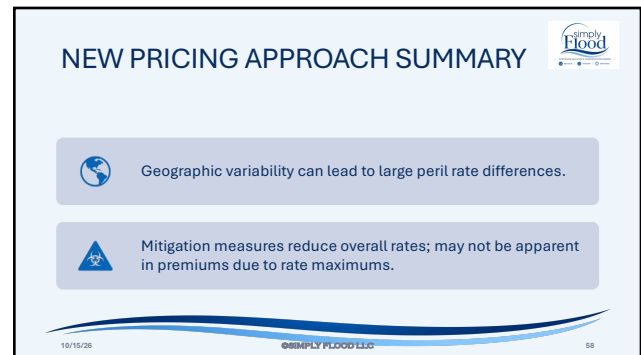
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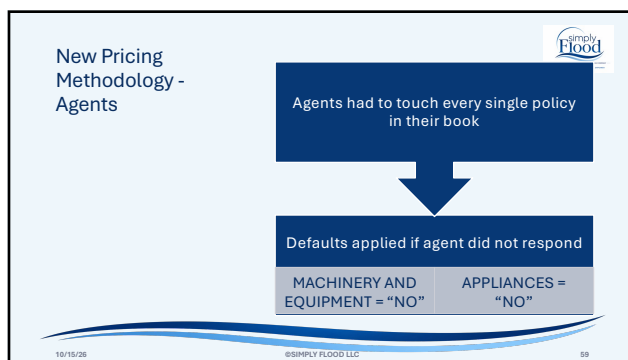
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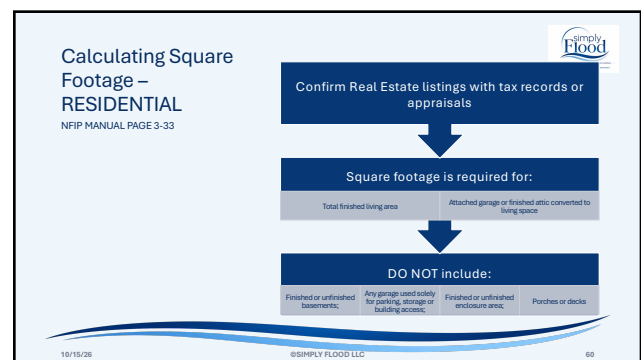
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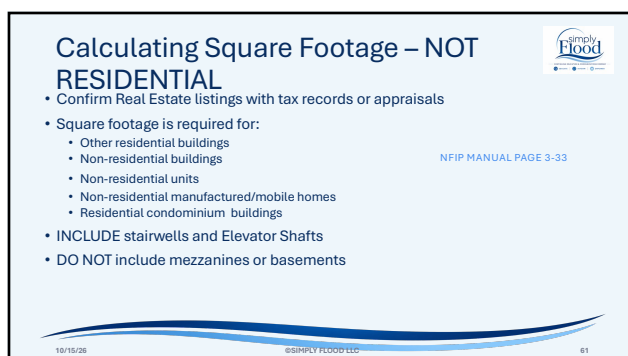
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FFH NEW BUSINESS POST 9/8/2026

- ALL FOUNDATIONS EXCEPT ELEVATED WITH ENCLOSURE
FFH=0.3
- ELEVATED WITHOUT ENCLOSURE
FFH = 2.0
- ELEVATION CERTIFICATE SECTION C OR H

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Impact on Premiums

Coverage	FFH	Premium	Price diff
Crewspace	2.0	\$3153	
FEMA Determined	0.3	\$3012	U141
Basement	1.1	\$981	
FEMA Determined	0.3	\$935	U45
Enclosed enclosure	10.0	\$3155	
FEMA Determined	0.3	\$7016	U3811
Basement	1.5	\$4345	
FEMA Determined	0.3	\$4759	U385

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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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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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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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MANUFACTURED MOBILE HOMES

A manufactured mobile home is a structure built on a permanent chassis, transported and anchored to a site, and affixed to a permanent foundation.

Includes travel trailers without wheels build on a permanent chassis and affixed to a permanent foundation.

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APPURTENANT STRUCTURE

A property requires 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

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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.

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Additional and Extensions Example

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

\$250 Surcharge

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

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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.

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Deductibles

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

Standard Building Options ^{1A}		Exception Building Options: Pre-FIRM Building Receiving Any Statutory Discount ^{1A}		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

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Deductibles

Table 26. Deductible Options: Residential Condominium Building

Standard Building Options ¹⁵		Exception Building Options: Pre-FIRM Building Receiving Any Statutory Discount ¹⁶	
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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Deductibles

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

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RCBAP

- **Replacement Cost (RCV)** must be updated every 3 years
 - Ask if they have a recent appraisal
- **Coinurance 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.

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Commercial; Non-Residential

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

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Replacement Cost Value

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

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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)

- Wildfire Exception

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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
- Agent will need carrier name and policy number

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Elevation Certificate and Instructions
2023 EDITION

FEMA

2023 has expired but you can continue to use. New Edition will be out shortly so watch for it.

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Elevation Certificate

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

IMPORTANT: MUST FOLLOW THE INSTRUCTIONS ON INSTRUCTION PAGES 1-11

SECTION A - PROPERTY INFORMATION

A1. Building Owner's Name: _____

A2. Building Street Address (including Apt., Unit, Suite, and/or Bldg. No.) or P.O. Route and Box No.: _____

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:

a) Square footage of crawlspace or enclosure: _____ sq. ft.

b) 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 within 1.0 foot above adjacent grade: _____

d) Enter number of non-engineered flood openings: _____

e) Total net open area of non-engineered flood openings in A8.c: _____ sq. ft.

f) Total net area of engineered flood openings in A8.c (attach documentation - 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? ☐ Yes ☐ No ☐ N/A

c) Enter number of permanent flood openings in the attached garage within 1.0 foot above adjacent grade: _____

d) Enter number of non-engineered flood openings: _____

e) Total net open area of non-engineered flood openings in A9.c: _____ sq. ft.

f) Total net area of engineered flood openings in A9.c (attach documentation - see Instructions): _____ sq. ft.

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Elevation Certificate

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

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

A1. Building Owner's Name: _____

A2. Building Street Address (including Apt., Unit, Suite, and/or Bldg. No.) or P.O. Route and Box No.: _____

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: _____

FOR INSURANCE COMPANY USE

Policy Number: _____

Company NAIC Number: _____

City: _____ State: _____ ZIP Code: _____

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Elevation Certificate
Section A

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

SECTION A - PROPERTY INFORMATION

A1. Building Owner's Name: _____

A2. Building Street Address (including Apt., Unit, Suite, and/or Bldg. No.) or P.O. Route and Box No.: _____

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:

a) Square footage of crawlspace or enclosure: _____ sq. ft.

b) 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 within 1.0 foot above adjacent grade: _____

d) Enter number of non-engineered flood openings: _____

e) Total net open area of non-engineered flood openings in A8.c: _____ sq. ft.

f) Total net area of engineered flood openings in A8.c (attach documentation - 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? ☐ Yes ☐ No ☐ N/A

c) Enter number of permanent flood openings in the attached garage within 1.0 foot above adjacent grade: _____

d) Enter number of non-engineered flood openings: _____

e) Total net open area of non-engineered flood openings in A9.c: _____ sq. ft.

f) Total net area of engineered flood openings in A9.c (attach documentation - see Instructions): _____ sq. ft.

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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.)

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Elevation Certificate Form



SECTION 1A

PROPERTY DATA

1. Address: _____

2. City: _____

3. State: _____

4. Zip: _____

5. Parcel Number: _____

6. Owner Name: _____

7. Owner Address: _____

8. Owner City: _____

9. Owner State: _____

10. Owner Zip: _____

11. Owner Phone: _____

12. Owner Email: _____

13. Owner Signature: _____

14. Date: _____

SECTION C – BUILDING ELEVATION INFORMATION (SURVEY REQUIRED)

C1. Building elevations are based on: ☐ Construction Drawings ☐ Building Under Construction ☐ Finished Construction

C2. Elevation Zones A1–A10, AE, AH, AG, A (with IPEF), VE, V1–V30, V (with IPEF), AR, AR/AE, AR/A1–A10, AR/AH, AR/AO, AR/A1 Complete Items C2.a–b are according to the Building Diagram specified in Item F. In Puerto Rico, only enters meters.

Breakmark (Enter): _____

Vertical Datum: _____

Indicate elevation datum used for the elevations in items a) through h) below:

☐ NGVD 1929 ☐ NAVD 1983 ☐ Other: _____

Datum used for building elevations must be the same as that used for the IPEF Conversion factor used? ☐ Yes ☐ No

Indicate the location of the elevation datum in the Section D.1. Building Diagram.

a) Top of bottom floor (including basement, crawlspace, or enclosure floor) ☐ feet ☐ meters

b) Top of the next higher floor (see Instructions): ☐ feet ☐ meters

c) Location on the smallest horizontal structural member (see Instructions): ☐ feet ☐ meters

d) Attached garage (top of wall): ☐ feet ☐ meters

e) Lowest elevation of Machinery and Equipment (MAE) serving the building
(describe type of MAE and location in Section D.1 Comments area): ☐ feet ☐ meters

f) Lowest Adjacent Grade (LAG) next to building: ☐ Natural ☐ Finished ☐ feet ☐ meters

g) Highest Adjacent Grade (HAG) next to building: ☐ Natural ☐ Finished ☐ feet ☐ meters

h) Finished LAG at lowest elevation of attached deck or stairs, including structural support: ☐ feet ☐ meters

Form 10-15-2020

Page 1 of 2

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Elevation Certificate Form



SECTION D – SURVEYOR, ENGINEER, OR ARCHITECT CERTIFICATION

This certification is to be signed and attested by a licensed surveyor, engineer, or architect authorized to state facts and 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 F.E.C. Code, Section 1007.

View latitude and longitude in Section F 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: _____ Photo Seal Here _____

Only in jurisdictions of the Division Certifiers and all attachments for (1) community official, (2) insurance agent/surveyor, and (3) building owner. Comments (including source of elevation factor or "C" type of equipment and location per CFC, and description of any attachments): _____

FEMA Form FP-228-FY-22-152 (formerly SBK-03) (0/21)

Form Page 3 of 3

[illegible]

Elevation Certificate Resources

- [**NFIP PRICING APPROACH and Elevation Certificates – Using Section C or E for First Floor Elevation**](#)

Risk Rating 2.0 and Elevation Certificates – Using Section C or E for First Floor Height

Properties with a wind speed rating of 150 mph or greater in Risk Rating 2.0 (RR2) are eligible for pricing under the new pricing methodology (RR 2.0). The new pricing methodology (RR 2.0) is based on the new pricing methodology (RR 2.0) and the new pricing methodology (RR 2.0).

Properties with a wind speed rating of 150 mph or greater in Risk Rating 2.0 (RR2) are eligible for pricing under the new pricing methodology (RR 2.0). The new pricing methodology (RR 2.0) is based on the new pricing methodology (RR 2.0) and the new pricing methodology (RR 2.0).

RR 2.0 Determined First Floor Elevation

The National Flood Insurance Program (NFIP) has established a new pricing methodology for properties with a wind speed rating of 150 mph or greater in Risk Rating 2.0 (RR2). The new pricing methodology (RR 2.0) is based on the new pricing methodology (RR 2.0) and the new pricing methodology (RR 2.0).

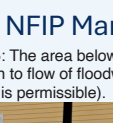
Revised National Flood Insurance Program

The National Flood Insurance Program (NFIP) has established a new pricing methodology for properties with a wind speed rating of 150 mph or greater in Risk Rating 2.0 (RR2). The new pricing methodology (RR 2.0) is based on the new pricing methodology (RR 2.0) and the new pricing methodology (RR 2.0).



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.

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The diagram illustrates the relationship between four concepts. On the left, a light blue rounded rectangle contains the text "Understanding Mitigation Discounts". To its right, three dark blue rounded rectangles are stacked vertically, each containing white text: "Proper Openings", "Machinery and Equipment", and "Community Rating System (separate line item)". A light blue curved line sweeps across the bottom of the diagram, passing behind the bottom of the three stacked rectangles. In the top right corner, there is a logo for "simply Flood" with the tagline "MAKING FLOOD INSURANCE SIMPLE".

Understanding Mitigation Discounts

Proper Openings

Machinery and Equipment

Community Rating System
(separate line item)

simply Flood
MAKING FLOOD INSURANCE SIMPLE

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 3.0 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

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- 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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Machinery and Equipment-Contents Only Coverage

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



Clothes washers and dryers



Food freezers

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Machinery and Equipment

Table 17. M&E Location for Discount Eligibility*

Diagram Showing Location	Guidance on Location
	Slab on Grade (Non-Elevated) - One floor: Elevated to at least to the height of the attic. Note: Documentation, such as a photograph, must be in the policy file to support the M&E discount. - More than one floor: Elevated to at least within a foot of the height of the second floor or higher.

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Slab on Grade update 10/1/2025

Machinery and Equipment Above First Floor: Added guidance to have Machinery and Equipment (M&E) servicing the building, inside or outside the building, elevated to at least within a foot of the elevation of the floor above the building's first floor.

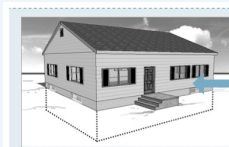
- Alternately, the M&E may be elevated to the BFE. An EC or other documentation that demonstrates the M&E is at or above the BFE is required. If the building is under construction, the M&E must be permanently installed in its proper location to receive the discount. Page 3.27
- For a Slab on Grade:** Note: Documentation, such as a photograph, must be in the file to support the M&E discount. Page 3.29
- Added solar battery elements to the list of M&E that must be elevated to receive the discount. Page 3.28

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Machinery and Equipment



Basement (Non-Elevated)

- Elevated to **at least within a foot** of the height of the floor above the basement or higher.

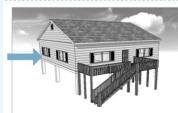
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M/E Location



Elevated Without Enclosure on Posts, Piles or Piers

- Elevated to **at least within a foot** of the height of the lowest elevated floor or higher.



Elevated With Enclosure on Posts, Piles or Piers

- Elevated to **at least within a foot** of the height of the lowest elevated floor or higher.

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M/E Location

Diagram Showing Location	Guidance on Location
	Elevated With Enclosure Not Posts, Piles or Piers Elevated to at least within a foot of the height of the lowest elevated floor or higher.
	Crawlspace (Elevated or Non-Elevated Subgrade Crawlspace) Elevated to at least within a foot of the height of the floor above the crawlspace or higher.

*Note: Alternately, the M&E may be elevated to the BFE. An EC or other documentation that demonstrates the M&E is at or above the BFE is required.

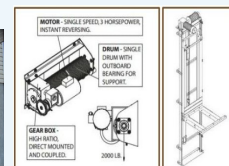
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Elevators



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

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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.);¹; 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.

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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

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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.

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HFIAA Surcharges

The surcharge does apply to all other SFIPs, including those for buildings rated under the Emergency Program, Mortgage Portfolio Protection Program (MPP), 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 surcharges will not be eligible for refunds due to cancellation or reduction of coverage.

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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

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Primary Residence Perimeters

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

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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

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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. NFIP MANUAL PAGE 3-43

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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 OF TRUST)**.

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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)

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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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Reserved Fund Fee Assessment

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

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Probation Surcharge

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

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"Business Building" Defined

<https://www.floodsmart.gov/definitions>

- 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.

NFIP MANUAL PAGE 3-10

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Increase Cost of Compliance (ICC)

- Floodproofing
- Relocation
- Elevation
- Demolition

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

NFIP MANUAL PAGE 3-45

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Increase Cost of Compliance (ICC)



Part of the claims process and handled by the adjuster



Letter from the community declaring the structure "substantially damaged," per the community flood ordinance.



Up to \$30K available; total of building claim plus ICC not to exceed \$250K

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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.

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Endorsements – some examples

NFIP MANUAL PAGE 4-1



Submit endorsements timely – Protect E&O exposure



Money endorsements

Increase/decrease/add coverage
RCV
Deductible changes
Commission charge basis



Non-money endorsements

Name change
Address change

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Policy Assignments

NFIP MANUAL PAGE 4-14

- 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)

NFIP MANUAL PAGE 5-4

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

NFIP MANUAL PAGE 5-1

- 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

NFIP MANUAL PAGE 5-2

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

NFIP MANUAL PAGE 6-1

- 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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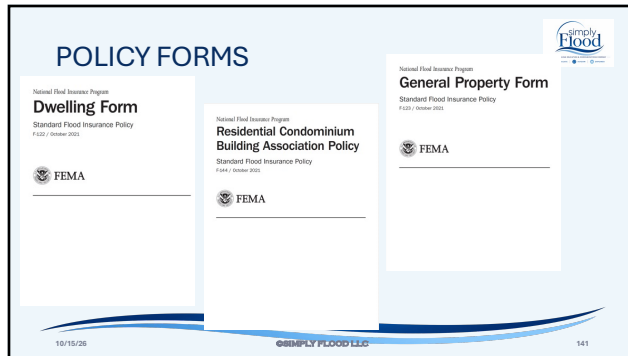
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How to request Claims data?

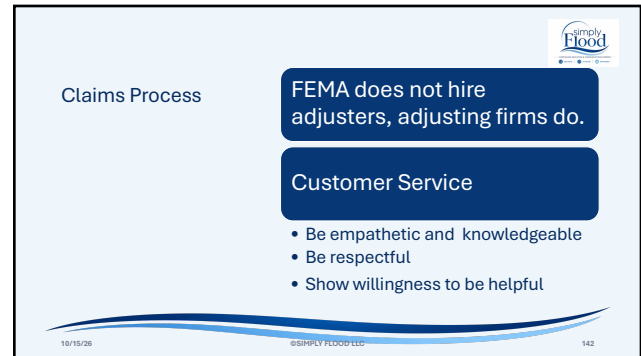
- PROPERTY OWNER MUST INITIATE
- 1-877-336-2627
- Email: FEMAMapSpecialist@riskmapcds.com

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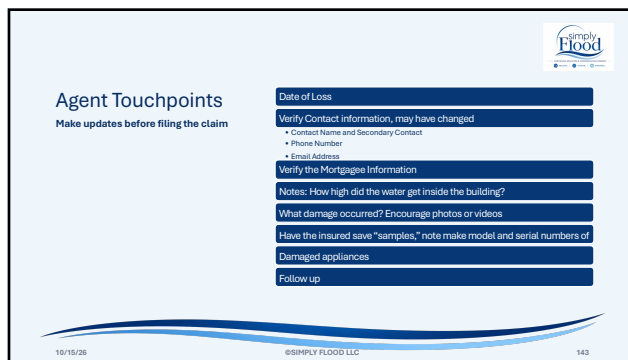
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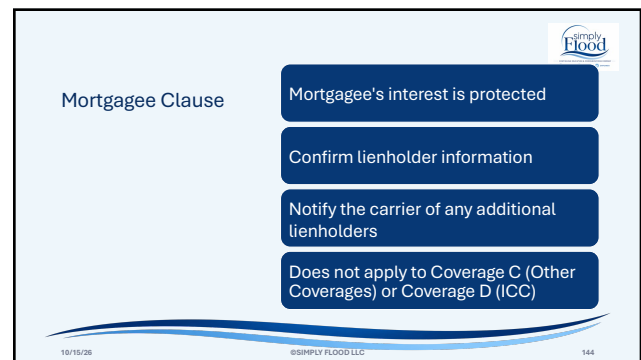
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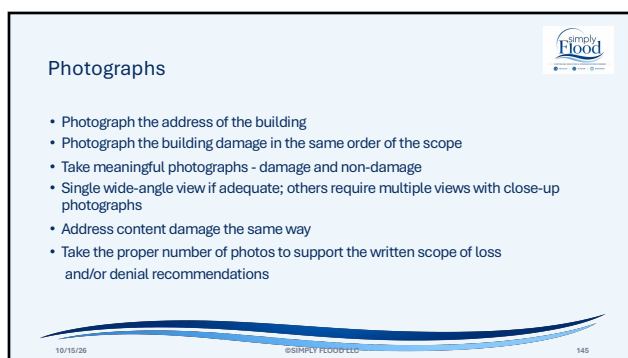
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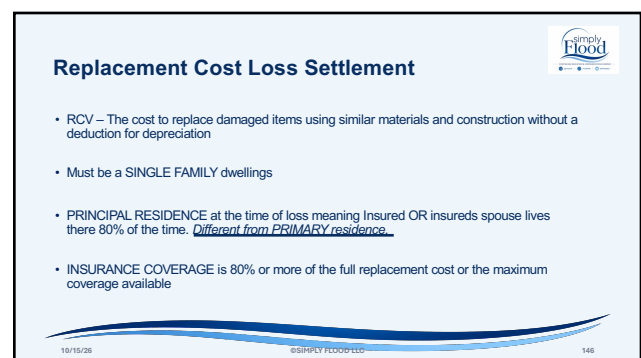
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BUILDING COVERAGE

The following items of property are covered Under Building Coverage **A** only:

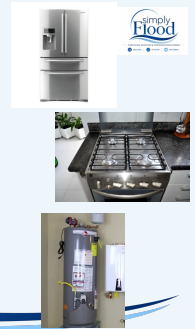
- a. Awnings and canopies
- b. Blinds
- c. Built-in dishwashers and microwave ovens
- d. Carpet permanently installed over unfinished flooring
- e. Central air conditioners
- f. Elevator equipment
- g. Fire sprinkler system
- h. Walk-in freezers
- i. Furnaces and radiators
- j. Garbage disposal units



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BUILDING COVERAGE (Continued)

- k. Hot water heaters, including solar water heaters
- l. Light fixtures
- m. Outdoor antennas and aerials fastened to **buildings**
- n. Permanently installed cupboards, bookcases, cabinets, paneling and wallpaper
- o. Plumbing
- p. Pumps and machinery for operating pumps
- q. Ranges, cooking stoves and ovens
- r. Refrigerators
- s. Wall mirrors, permanently installed



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CONTENTS COVERAGE



Contents must be located in an eligible structure, with at least 2 rigid walls, and a roof.



Contents in the open are not covered.



If building is under construction, contents must be secured to resist flotation.

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PERSONAL PROPERTY RESTRICTIONS

Personal property located in:

- An enclosure of an elevated pre-FIRM building located in a SFHA (zones A1-A30, AE, AH, AR, AR/A, AR/AE, AR/AH, AR/A1-A30, V1-V30 or VE)

OR in

- A basement, regardless of the zone.

Coverage is limited to the following items:

- a. Air conditioning units, portable or window
- b. Clothes washers and dryers
- c. Food freezers, other than walk-in, and food in any freezer



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PERSONAL PROPERTY RESTRICTIONS

Personal property located in:

- An enclosure of an elevated pre-FIRM building located in SFHA zones A1-A30, AE, AH, AR, AR/A, AR/AE, AR/AH, AR/A1-A30, V1-V30 or VE

OR in

- An enclosure in SFHA zones A, AO, A99 or V, regardless of pre or post FIRM

OR in

- An enclosure in non-SFHA (B, C, X), regardless of pre or post FIRM

Full contents coverage is provided.

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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

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PERSONAL PROPERTY CONTENTS COVERAGE

Coverage for personal property includes the following property, subject to **B.1**, which is covered under Coverage **B** only:

- a. Air conditioning units, portable or window type
- b. Carpets, not permanently installed, over unfinished flooring
- c. Carpets over finished flooring
- d. Clothes washers and dryers
- e. "Cook-out" grills
- f. Food freezers, other than walk-in, and food in any freezer
- g. Portable microwave ovens and portable dishwashers



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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 insured 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



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Loss Settlement – Actual Cash Value Actual Cash Value

Non-PRINCIPAL
Residence

Non-PRIMARY
Residence

ALL CONTENTS
COVERAGE



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Loss Avoidance – No Deductible

Does not count as a claim

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.



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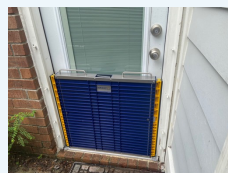
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Loss Avoidance Claims Numbers

From September 2014-2024
2307 Claims Paid

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



CHECK THE NFIP CLAIMS MANUAL FOR ELIGIBLE ITEMS

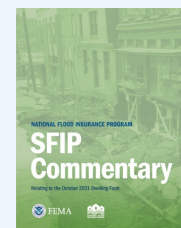


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Section III: Property Not Insured

Residential properties insured under the NFIP are not eligible for coverage under the NFIP if they are located in a high-risk flood zone and are not eligible for coverage under the NFIP.

Properties located in a high-risk flood zone are not eligible for coverage under the NFIP.

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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

NFIP MANUAL PAGE 3-35

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Severe Repetitive Loss - Prior NFIP Claims Rating Factor

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.

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Severe Repetitive Loss – Prior NFIP Claims Rating Factor

- 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.

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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

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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

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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

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October 1, 2025 Program changes

Number: W-25003

Machinery and Equipment Above First Floor: Added guidance to have Machinery and Equipment (M&E) servicing the building, inside or outside the building, elevated to at least within a foot of the elevation of the floor above the building's first floor.

- Alternately, the M&E may be elevated to the BFE. An EC or other documentation that demonstrates the M&E is at or above the BFE is required. If the building is under construction, the M&E must be permanently installed in its proper location to receive the discount. Page 3.27
- **For a Slab on Grade:** Note: Documentation, such as a photograph, must be in the file to support the M&E discount. Page 3.29
- Added solar battery elements to the list of M&E that must be elevated to receive the discount. Page 3.28

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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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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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December 1, 2026 Program changes
Effective Dates for New Policies and Endorsements

Number: W-26001

Note: A policy can be effective beyond the waiting period, but no further than 90 days from the application date.

D. Postmark Date. For payments received with a USPS postmark, the insurer must maintain a copy of the postmark date in the policy file.

All ECs and land surveys must be certified, accompanied by photographs, and the address must match the property address on the policy. If the property address on the policy is a range, the EC or land survey must show that range, or the insurer must maintain documentation in the policy file confirming the address on the EC or land survey applies to the insured property.

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December 1, 2026 Program changes

Additional program language on signed cancellation forms

Masonry

Use Masonry as the Construction Type when the first full floor above ground level is constructed with masonry materials such as brick (not brick veneer), or concrete block walls for the full floor.

Note: Use Frame instead of Masonry as the Construction Type when the next higher floor is frame construction and the bottom floor is one of the following:

- A basement,
- A crawlspace, or
- Not fully below ground on all sides (i.e., Subgrade on three sides).

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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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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

- 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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FEMA Direct to Consumer (D2C)

- FEMA is launching a consumer direct buy website through the NFIP Direct.
- No agent needed.
 - Applicant answers all the questions and pays
- If any money endorsements are needed...
 - they will have to select an agent
 - Agent will need to AOR the policy
 - Agent should review the policy to make sure the policy is written correctly based on NFIP rules.

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Disaster Assistance

NFIP MANUAL PAGE 3-35

- 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.

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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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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 aesthetics 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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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.



SOURCE: Western Carolina University Program for the Study of Developed Shorelines

PHIL HORN / InsideClimate News

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Drying Mitigation and Cleaning – FEMA-Approved Drying 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.

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

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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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Drying Mitigation and Cleaning Requiring Additional Documentation



- Cost to clean, sanitize, or maintain equipment after usage
- Travel fees
- Supervision fees
- Cleaning technician fees
- Sealers and Preservatives
 - Only allowed when there is documentation the sealer or preservative was applied before the loss and damaged during the loss.
 - The application of sealers after a flood for odor control or prevention of future damage is considered an upgrade and is not covered.

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Drying Mitigation and Cleaning Requiring Additional Documentation



- Water Extraction
- The pumping out of standing water in a home may be covered if documentation is provided to show standing water in the home and evidence the water would not naturally drain from the building.
- Charges to extract water from material to aid in the removal process are not covered.
- Temporary Power
- When an insured building's electrical system is inoperable, additional charges for temporary power (generators) are not covered.
- If a building's electrical system is operable but is not sufficient to power the necessary desiccant dehumidifiers, additional charges for generators may be covered if the capacity of the dehumidifiers is validated and properly completed drying logs are provided. This scenario is typically rare. [Large commercial claims](#)

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Drying Mitigation and Cleaning Requiring Additional Documentation



- Overhead and Profit
 - Is not covered unless a properly completed drying log is submitted, and it is reasonable that the contractor's responsibility and oversight were necessary and documented.
- Equipment Set Up, Take Down, and Monitoring.
 - Can only be allowed when incurred and supported by properly completed drying logs.
- After Hours Service Charge / Emergency Service Call
 - Can only be allowed when the drying log or activity log provided by the contractor supports the initial site assessment was performed after hours. These charges must be reasonable and customary.

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Drying Mitigation and Cleaning Requiring Additional Documentation



- Testing for Pollutants
- Covered when a state or local law or ordinance requires testing prior to performing work. A copy of the specific state or local law or ordinance must be included in the claim file as supporting documentation. 9
- Containment Barriers
 - Typically used to prevent chemicals, contaminants, and other construction debris from affecting undamaged areas of the insured property. These charges are only covered when utilized over existing interior wall or door openings, or over porous or poorly sealed interior doors, but not over an exterior door or window opening.
- Air Lock Chamber
 - Typically used to isolate a specific building material for structural drying when it takes significantly longer to dry than the rest of the affected area. These charges should be validated by comparing the daily moisture readings and dry goal of the affected material shown on the drying log.

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Drying Mitigation and Cleaning Requiring Additional Documentation



- Bagging Items
 - Only allowed when incurred and documentation is provided to show the debris was bagged.
 - Photos showing the bagging taking place and what is inside the bags must be provided.
- Contents Manipulation. The policy must include personal property coverage.
 - No duplication of benefits. Cannot address manipulation of personal property items that are also being claimed for replacement under personal property coverage.
 - Covered contents manipulation charges must be necessary to facilitate covered repairs to the insured building.
 - Charges for pack-out or off-site storage for personal property is not covered under the SFIP.
 - Covered contents must remain in the insured building. They may be moved to a different room, but not outside the footprint of the insured building.
 - Only personal property items covered under the policy may be moved.

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Drying Mitigation and Cleaning Payment

All claim payments are made to the policyholder and any listed entity having a financial interest in the insured property.

- Assignment of benefits (AOB) is not allowed.
- **Responsibility of the policyholder** after claim payments are disbursed.
 - Handling of claim payments and submitting documentation to adjuster;
 - Hiring a contractor;
 - Obtaining a permit for repairs or reconstruction;
 - Paying the contractor for mitigation;
 - Perform repairs and mitigate further damage, etc.

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Mitigation Drying - Key Takeaways

Drying- This is the joints, studs, and sheathing (when necessary).

It does not pay for drying the drywall or insulation more than 5-6 feet above flood water mark.

It does not pay to dry the upper cabinets if they were not in flood water.

It does not pay for any drying that starts **AFTER** the flood damaged interior finishes are removed. For example, the drying order must be started with wet drywall still in place, because the air won't reach there. Drying typically takes 3-5 days after all the wet drywall has been removed.

Can't clean w/ no dust cleaning. The air was not DIRECTLY damaged.

The NFIP covers the cost of loss and destruction. It does not pay to clean the air. It will not pay for the cost of HEPA vacuums, HEPA filters, negative air scrubbers, and the like. A further explanation is in memo W-10026.

The NFIP does not pay for PPE equipment or related tools. These items should be included within the line item and pricing of each item.

Contents manipulation is usually not going to be used because the NFIP pays for the flood damaged contents to be removed away (with contents coverage).

When contents were damaged from flood water enough to be thrown away, then the drying of contents is paid on a piece-by-piece basis in the loss item content's estimate.

If there is no contents coverage on the policy, the policy will not pay to dry the contents that are in the risk.

CONSUMER WARNING: Many mitigation companies will draft the contract to include repair and reconstruction costs.

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Office of the Flood Insurance Advocate



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

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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)

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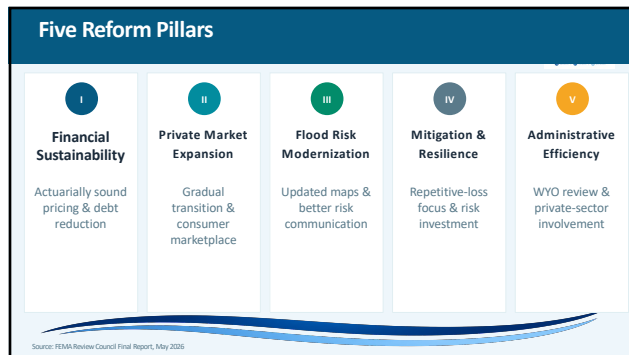
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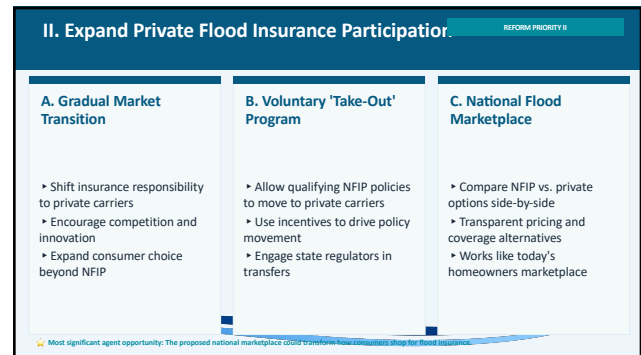
FEMA Review Council Final Report | May 2026

A strategic overview of flood insurance reform priorities for insurance professionals and policymakers

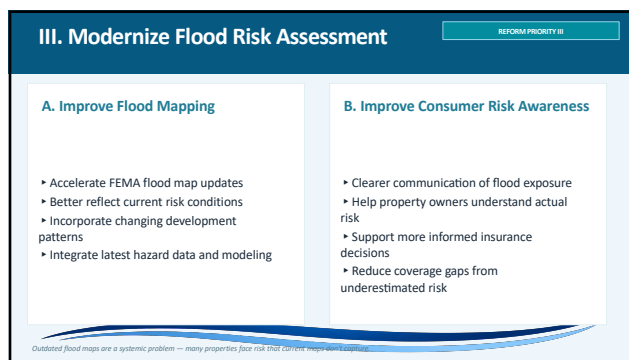
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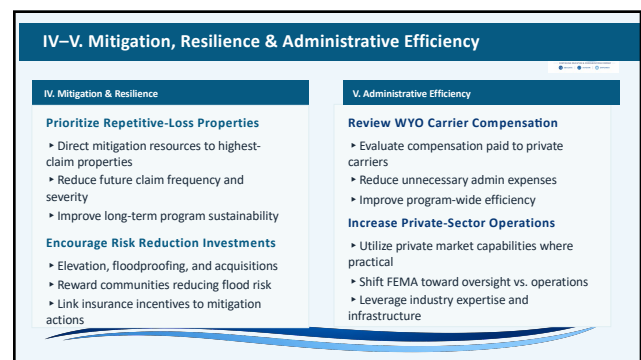
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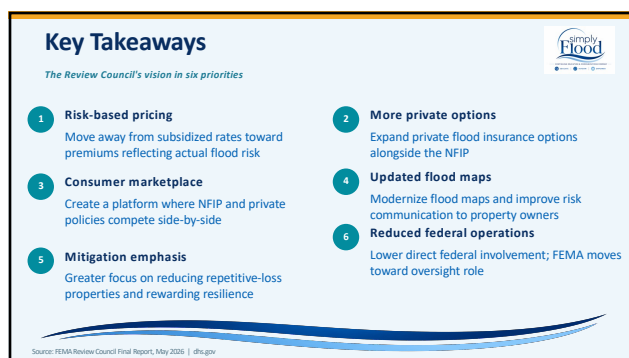
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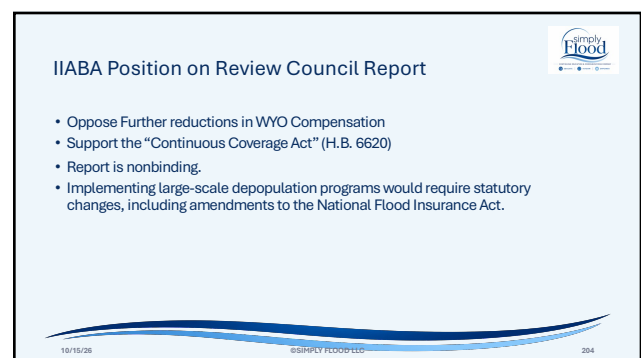
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Agent & Product Resources

- Flood Map www.msc.fema.gov
- FloodSmart.gov
 - Social Media Suggestions
 - Videos
 - Handouts
- Dam Easy Flood Barrier Coupon Code "Flood10"
- Simply Flood Podcast @simplyflood

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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 a meant to be a complete list nor should be interpreted as an endorsement by the agency, employees or presenter.

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CONCLUSION

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

LISA SHARRARD
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"FLOOD ONLY" AGENT NATIONWIDE
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