Session Overview
Introduction to the Session

Session 2

- Module 5: Loss Settlement
- Module 6: Building an NFIP Policy
- Module 7: Base Flood Elevation and Elevation Certificates
- Module 8: Resources and Summary

The duration of this session is 2 hrs.

Module 5
Loss Settlement
Module Objectives

After completing this module, participants will be able to describe standard policy sections that deal with loss settlement in the NFIP’s three different coverage forms.

Topic 1: NFIP Loss Settlement Options

How NFIP Covers Loss

Some considerations for NFIP loss settlements are:

• Replacement Cost Value (RCV):
  ▪ Single-family dwelling (building only); conditional
  ▪ Property owned by condominium association (RCBAP)
• Actual Cash Value (ACV):
  ▪ Single family dwelling that’s ineligible for RCV
  ▪ Other dwellings
  ▪ Non-residential buildings
• Contents of a building are always insured on actual cash value
• Special loss settlement for manufactured home or travel trailer
Topic 1: NFIP Loss Settlement Options

Replacement Cost

Some important features of replacement cost:

• Applies to building only (not contents)
• Single-family dwelling only
• Insured dwelling must be principal residence
• Building is at least:
  ▪ 80% of replacement cost at time of loss, or
  ▪ Maximum under NFIP

Replacement Cost under RCBAP

Some important features of replacement cost under Residential Condominium Building Association Policy (RCBAP) are:

• Applies to condo association property
• Applies to the units in the building, and the improvements in the units
  ▪ Must be insured to at least 80% of replacement cost
• Coinsurance penalty applies, unlike the Dwelling or General Property policy
Topic 1: NFIP Loss Settlement Options

Actual Cash Value

ACV loss settlement applies to:

- Two to four family
- Single family that are not eligible for RCV
- Non-residential buildings
- Detached garages
- Personal property coverage always valued at ACV
- Mobile homes under 16 feet wide and under 600 sq. ft

Topic 1: NFIP Loss Settlement Options

Manufactured/Mobile Homes and Travel Trailers

Some important conditions related to Special Loss Settlement:

- Must be built on permanent chassis; fixed to permanent foundation
- Should be at least 16’ wide; at least 600 square feet
- Must be principal residence
- Partial loss covered at replacement cost
- If it is total loss, coverage is the least of:
  - The building’s limit of liability
  - Replacement cost of dwelling
  - 1.5 times ACV
Module 6
Building an NFIP Policy

Module Objectives
After completing this module, participants will be able to explain the main considerations that are involved in building an NFIP policy.
First Consideration for Building an NFIP Policy—Community

Certain conditions related to community are:

• Does it participate in NFIP?
  ▪ Most do.
• Which phase does the community participate in: emergency or regular?
• Where’s its flood map?

What about My Community?

To find the status of your community’s participation:
Locate the Community Status Book (Click Here)
Topic 2: Building an NFIP Policy (Part 2)
Second Consideration for Building an NFIP Policy—Building

Certain conditions related to the building structure are:

• Eligibility for coverage
• Dwelling, GPP or RCBAP coverage form
• Pre-FIRM or Post-FIRM (based on effective date of FIRM)
• Basement or enclosure

Topic 2: Building an NFIP Policy (Part 2)
Pre-FIRM versus Post-FIRM

Pre-FIRM
Built before initial FIRM
or
On or before 12/31/1974

Post-FIRM
“New Standards” or “In Compliance”
On or After the initial FIRM
or
After 12/31/1974
...whichever is LATER
Importance of Initial FIRM Date

- Pre-FIRM buildings
- Post-FIRM buildings

Subsidized Rates

- Do not represent the building’s true flood risk.
- Determined with limited underwriting information
- Discounted rates that have been traditionally available for buildings built before a community first adopted FEMA Flood Maps and guidelines.
- Pre-FIRM buildings in A or V zones

Full-Risk Rates

- Represent the building’s true flood risk.
- Premium reflects the risk assumed by the program and all administrative expenses.
- Takes into account the full range of possible flood losses.

Effective 06/01/2014, declarations page will state Pre-FIRM Subsidized on new business and renewals
For Subsidized Rates Only

- Purchased after BW-12 enactment
- Newly purchased properties
- NFIP policy lapse - deliberate lapse by policyholder

- Non-primary residences
- Business properties
- Severe repetitive loss
- Substantially Improved

*Changed by the Homeowner Flood Insurance Affordability Act (HFIAA)

How are premiums changing?

As of January 1, 2013

- Non-primary residences
- Subsidized rates increase 25% per year upon renewal
- Until they reach full risk-rate

For rating purposes only, FEMA defines a primary residence as a building that will be lived in by the insured or the insured’s spouse for more than 50% of the 365 days following the policy effective date.
Impact of Biggert-Waters Reform Act

How are premiums changing?

Effective October 1, 2013

- Subsidized rates increase for:
  - Business properties (non-residential)
  - Severe repetitive loss
  - Claims exceeding market value
- Subsidized rates increase 25% per year upon renewal
- Until they reach full risk-rate

For the purpose of completing the Application, a business property is any non-residential building that:

- Produces income
- Used as office or retail space
- Wholesale, hospitality, or similar uses.

Building an NFIP Policy

Rate comparisons – AE Zone – 4/1/15 rates

Subsidized Rates

Pre-FIRM

- 4 foot above BFE: $4,108/yr
- 1 foot below BFE: $4,108/yr

Full-Risk Rates

Post-FIRM

- 4 feet below BFE: $10,628/yr

Bldg: $250,000 Contents- $100,000; Single-story with no basement, crawlspace or enclosure rates; Zone AE; $2K deductible Bldg./Conts.
Third Consideration for Building an NFIP Policy—Coverage

Certain conditions related to coverage are:

- Building, contents, or both
- Amount for each coverage
- Include Coverage D (increased cost of compliance)
- Deductible and fees
- Eligible for CRS discount
- Reserve Fund Assessment
- Mandatory HFIAA Premium Surcharge (April 2015)

### NFIP Coverage Limits

<table>
<thead>
<tr>
<th></th>
<th>Emergency Program</th>
<th>Regular Program</th>
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</thead>
<tbody>
<tr>
<td><strong>Residential (1-4 family)</strong></td>
<td></td>
<td></td>
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<tr>
<td>Building</td>
<td>$35,000</td>
<td>$250,000</td>
</tr>
<tr>
<td>Contents</td>
<td>$10,000</td>
<td>$100,000</td>
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<tr>
<td><strong>Other Residential</strong></td>
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<td></td>
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<tr>
<td>Building</td>
<td>$100,000</td>
<td>$500,000</td>
</tr>
<tr>
<td>Contents</td>
<td>$10,000</td>
<td>$100,000</td>
</tr>
<tr>
<td><strong>Non-Residential</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Building</td>
<td>$100,000</td>
<td>$500,000</td>
</tr>
<tr>
<td>Contents</td>
<td>$100,000</td>
<td>$500,000</td>
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</table>
Example: Basic and Additional Limits

<table>
<thead>
<tr>
<th>Building Coverage</th>
<th>Basic Limit</th>
<th>Additional Limit</th>
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</thead>
<tbody>
<tr>
<td>Single family</td>
<td>$60,000</td>
<td>$190,000</td>
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<tr>
<td>2—4 family</td>
<td>$60,000</td>
<td>$190,000</td>
</tr>
<tr>
<td>Other residential</td>
<td>$175,000</td>
<td>$325,000</td>
</tr>
<tr>
<td>Non-residential</td>
<td>$175,000</td>
<td>$325,000</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Contents Coverage</th>
<th>Basic Limit</th>
<th>Additional Limit</th>
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<tbody>
<tr>
<td>Single family</td>
<td>$25,000</td>
<td>$75,000</td>
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<tr>
<td>2—4 fam; other res.</td>
<td>$25,000</td>
<td>$75,000</td>
</tr>
<tr>
<td>Non-Residential</td>
<td>$150,000</td>
<td>$350,000</td>
</tr>
</tbody>
</table>

Community Rating System

- Encourages communities to exceed minimum NFIP requirements
- 1,200+ communities; 67% of all policies
- CRS classes 1 –10:
  - 1 (highest): 45% discount on insurance premiums (not fees)
  - 9 (lowest): 5% discount
  - 10: No discount

CRS Website:
http://www.fema.gov/national-flood-insurance-program-community-rating-system
Topic 3: Building an NFIP Policy (Part 3)

Reserve Fund Assessment

Effective April 1, 2015

- Reserve Fund Assessment introduced on 10/1/13
- Funds future claims payments
- Increased to 15%
- Established 10% assessment for PRP
- No agent commission paid on reserve fund assessment

<table>
<thead>
<tr>
<th>Policy</th>
<th>2014 Fee (as a percent of premium)</th>
<th>2015 Fee (as a percent of premium)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Preferred Risk Policies (PRPs)</td>
<td>0%</td>
<td>10%</td>
</tr>
<tr>
<td>Property Newly Mapped into the SFHA (Previous Preferred Risk Policies Eligibility Extension (PRP EE))</td>
<td>0%</td>
<td>15%</td>
</tr>
<tr>
<td>All Other Policies</td>
<td>5%</td>
<td>15%</td>
</tr>
</tbody>
</table>

HFIAA Premium Surcharge

Effective April 1, 2015

- Applied on all new and renewed policies annually
- Surcharge is a flat fee based on building occupancy type
- Applies to contents-only policies
- $25 for primary residences
- $250 for all other policies

<table>
<thead>
<tr>
<th>Occupancy Type</th>
<th>Annual Surcharge</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primary Residential: single-family and individual condominium units</td>
<td>$25</td>
</tr>
<tr>
<td>Non-Primary Residential: single-family and individual condominium units</td>
<td>$250</td>
</tr>
<tr>
<td>Multifamily Residential: condominium and other buildings</td>
<td>$250</td>
</tr>
<tr>
<td>Non-Residential</td>
<td>$250</td>
</tr>
</tbody>
</table>
Topic 3: Building an NFIP Policy (Part 3)

Federal Policy Fees (Effective 4/01/2015)

<table>
<thead>
<tr>
<th>Rate Type</th>
<th>Federal Policy Fee</th>
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</thead>
<tbody>
<tr>
<td>Standard Rated Policies/ Newly Mapped Properties</td>
<td>$45</td>
</tr>
<tr>
<td>Preferred Risk Policies</td>
<td>$22</td>
</tr>
<tr>
<td>RCBAP</td>
<td></td>
</tr>
<tr>
<td>1 unit -</td>
<td>$45.00 per policy</td>
</tr>
<tr>
<td>2-4 units -</td>
<td>$135.00 per policy</td>
</tr>
<tr>
<td>5-10 units -</td>
<td>$360.00 per policy</td>
</tr>
<tr>
<td>11-20 units -</td>
<td>$720.00 per policy</td>
</tr>
<tr>
<td>21 or more -</td>
<td>$1,800.00 per policy</td>
</tr>
</tbody>
</table>

Reserve Fund Assessment, HFIAA Premium Surcharge & Federal Policy Fee

- HFIAA limits individual premium increases to 18% (Limited exceptions)
  - Mis-ratings
  - Increases in coverage amount
  - Subsidized groups receiving 25% increases
- Reserve Fund Assessment is included in premium cap calculation
- HFIAA Premium Surcharge & Federal Policy Fee not subject to premium increase limitations
- Total amount charged may exceed 18 per cent increase in some cases

Summary
Grandfathering

- Allows premium benefits after
  - Changes in map zones
  - Changes to compliance standards
- May provide legitimate reason for zone discrepancies on policy declarations page
Topic 3: Building an NFIP Policy (Part 3)

Continuous Coverage

If policy was obtained prior to the effective date of the map change:
• Rates can be based on prior zone/BFE
• Continuous coverage must be maintained

Built in Compliance

If building was constructed in compliance with a specific FIRM
• Use that map’s zone or BFE
• Submit proof to carrier
• Continuous coverage not required
Find “historic” flood maps by clicking on Search All Products.
 Newly Mapped Procedure

**Effective April 1, 2015**

- PRP Eligibility Extension transitioned to *Newly Mapped Procedure*
- Properties newly mapped into SFHA receive a “preferred risk premium” for first year after map revision
- Identical to the Preferred Risk Policy premium before application of:
  - Reserve Fund Assessment
  - Federal Policy Fee
- After first year, policies transition to full-risk rates via premium increases subject to the 18% limitation

**Newly Mapped on or after April 1, 2015**

- Eligible for *Newly Mapped Procedure*...
  - If coverage obtained within 12 months of map revision
  - “Preferred risk premium” first year
- Not eligible for *Newly Mapped Procedure*...
  - If coverage not obtained within 12 months of map change
  - Only eligible for grandfathering to zone and/or BFE in effect at time of construction

**NOTE:** All Properties must meet Preferred Risk Policy loss requirements to be eligible for *Newly Mapped Procedure* Within 12 months of map revision
Topic 3: Building an NFIP Policy (Part 3)

Newly Mapped Procedure

Newly Mapped between: October 1, 2008 and March 31, 2015

• Eligible for Newly Mapped Procedure...
  • If coverage obtained before April 1, 2016
  • Properties eligible under the PRP Eligibility Extension (PRPEE)

• Policies issued under PRPEE before 4/1/15:
  • Renew under Newly Mapped Procedure on first effective date on or after April 1, 2015

NOTE: All Properties must meet Preferred Risk Policy loss requirements to be eligible for Newly Mapped Procedure

Module 7

Base Flood Elevation and Elevation Certificates
Module Objectives

After completing this module, participants will be able to:

• Explain how Base Flood Elevation (BFE) affects the insurance of a property
• Describe what an Elevation Certificate (EC) is and its importance

Topic 1: Elevation Certificates

Elevation

• Elevation refers to the height of a structure relative to BFE
• A structure above BFE is less likely to experience flood damage
• Less risk = lower premiums
Base Flood Elevation

- Base flood is a flood that has a 1% chance of being equaled or exceeded.
- BFE is the expected height of that 1% chance of flood.

Expected surface of base flood

Lowest Floor Elevation

Topic 1: Elevation Certificates
Topic 1: Elevation Certificates

Why an Elevation Certificate?

• To correctly rate a flood insurance policy, you must identify the lowest floor of a building
• The EC documents several elevation levels
  • For example, level of bottom floor and lowest adjacent grade
• After review of the elevation and diagrams, you will determine which elevation in Section C2 to use as the lowest floor for rating
  • See building diagrams in the NFIP Flood Insurance Manual or the EC instructions.

What an Elevation Certificate Does

The EC:

• Certifies building elevation
• Documents community compliance
• Determines policy rates
• Supports map revisions and amendments
Topic 1: Elevation Certificates

Who Certifies the Elevation?

• A surveyor, engineer, or architect must certify the building elevation.

• The insurance agent uses this information for rating.

Finding a Professional

You can find a qualified professional through:

• Word-of-mouth
• State professional association for land surveyors*
• State NFIP coordinator
• Local community’s building permit office
• Yellow Pages under “Surveyors”
• Internet

Topic 1: Elevation Certificates

Use of Elevation Certificates

Certain conditions related to the use of ECs are:

• Pre-FIRM Construction (SFHAs)
  ▪ Not required unless full-risk rates are more favorable.
• Non-SFHA zones (B, C, and X zones)
  ▪ No elevation certificates
• Post-FIRM Construction (SFHAs)
  ▪ Elevation certificates are required in most cases

Topic 2: Sections of an Elevation Certificate

EC Sections – A thru F
Topic 3: Sections of an Elevation Certificate

EC Sections

Section A

Section B

Section C

Section D

Section E,F

SECTION E – BUILDING ELEVATION INFORMATION (SURVEY NOT REQUIRED) FOR ZONE A (WITHOUT BFE)

For Zones A and A (without BFE), complete Items E1-E5. If the Certificate is intended to support a LOMA or LOMR-F request, complete Sections A, B, and C. For items E1-E4, use natural grade, if available. Check the measurement used. In Puerto Rico only, enter meters.

E1. Provide elevation information for the following and check the appropriate boxes to show whether the elevation is above or below the higher adjacent grade (HAG) and the lowest adjacent grade (LAG).

a. Top of floor (including basement, crawl space, or enclosure) is __________ feet meters __________ above or below the HAG. __________ feet meters __________ above or below the LAG.

b. Top of bottom floor (including basement, crawl space, or enclosure) is __________ feet meters __________ above or below the HAG. __________ feet meters __________ above or below the LAG.

c. The next highest floor (elevation E2.b. in the diagram) of the building is __________ feet meters __________ above or below the HAG. __________ feet meters __________ above or below the LAG.

d. Attached garage (top of side) is __________ feet meters __________ above or below the HAG.

E2. For Building Diagrams 6-9 with permanent flood openings provided in Section A Items 8 and/or 9 (see pages 8-9 of instructions), the next higher floor (elevation E2.b. in the diagram) of the building is __________ feet meters __________ above or below the HAG.

E3. Top of platform of machinery and/or equipment serving the building is __________ feet meters __________ above or below the HAG.

E4. Zone A (only): If no flood depth number is available, the top of the bottom floor elevated in accordance with the community’s floodplain management ordinance? Yes No Unknown. The local official must certify this information in Section 6.

SECTION F – PROPERTY OWNER (OR OWNER’S REPRESENTATIVE) CERTIFICATION

The property owner or owner’s authorized representative who completes Sections A, B, and C for Zone A (without a FEMA-issued or community-issued BFE) or Zone A must sign here. The statements in Sections A, B, and C are correct to the best of my knowledge.

[Signature]

Address

City State ZIP Code

Telephone

Comments

[Check here if attachments]

SECTION A – PROPERTY INFORMATION

A. Building Owner’s Name

B. Building Street Address (Including Apt., Unit, Suite, and/or Blk., No. or Rg., Route and Box No.)

C. City State ZIP Code

D. Property Description (Lot and Block Numbers, Tax Parcel Number, Legal Description, etc.)

E. Building Use (e.g., Residential, Non-Residential, Addition, Accessory, etc.)

F. Latitude/Longitude: Lat. __________ Long. __________

G. Horizontal Datum: NAD 1927 NAD 1983

H. Attach all used 2 photographs of the building if the Certificate is being used to obtain flood insurance.

I. Building Diagram Number:

J. For a building with a crawlspace or enclosure(s):
   a. Square footage of the crawlspace or enclosure(s) __________ sq. ft.
   b. No. of permanent flood openings in the crawlspace or enclosure(s) __________
   c. Total net area of flood openings in A0 or A1 __________ sq. ft.

K. For a building with an attached garage:
   a. Square footage of attached garage __________ sq. ft.
   b. Number of permanent flood openings in the attached garage __________
   c. Total net area of flood openings in A0 or A1 __________ sq. ft.

L. Flooded openings? Yes No
### Topic 3: Sections of an Elevation Certificate

#### EC Sections

**Section B**

**SECTION B – FLOOD INSURANCE RATE MAP (FIRM) INFORMATION**

<table>
<thead>
<tr>
<th>B1. NFIP Community Name &amp; Community Number</th>
<th>B2. County Name</th>
<th>B3. State</th>
</tr>
</thead>
<tbody>
<tr>
<td>B4. Map/Panel Number</td>
<td>B5. Suffix</td>
<td>B6. RRM Index Date</td>
</tr>
<tr>
<td>B7. RRM Panel Effective/Revised Date</td>
<td>B8. Flood Zone(s)</td>
<td>B9. Base Flood Elevation(s) (Zone AO, use base flood depth)</td>
</tr>
</tbody>
</table>

- B10. Indicate the source of the Base Flood Elevation (BFE) data or base flood depth entered in item B9:
  - [ ] FES Profile
  - [ ] FIRM
  - [ ] Community Determined
  - [ ] Other/Source: ____________________________

- B11. Indicate elevation datum used for BFE in item B9:
  - [ ] NGVD 1929
  - [ ] NAVD 1988
  - [ ] Other: ____________________________

- B12. Is the building located in a Coastal Barrier Resources System (CBRS) area or Otherwise Protected Area (OPA)?
  - [ ] Yes
  - [ ] No
  
  **Designation Date:** ______/______/______
  - [ ] CBRS
  - [ ] OPA

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**Section C**

**SECTION C – BUILDING ELEVATION INFORMATION (SURVEY REQUIRED)**

**C1. Building elevations are based on:**
- [ ] Construction Drawings
- [ ] Building Under Construction
- [ ] Finished Construction

*A new Elevation Certificate will be required when construction of the building is complete.*

**C2.a.** Specialized Elevation Information:

- **Datum:** ____________________________
  - [ ] NGVD 1929
  - [ ] NAVD 1988
  - [ ] Other:

- **Datum used for building elevations must be the same as that used for the BFE.**

**Check the measurement used:**
- [ ] feet
- [ ] meters

- a) Top of bottom floor (including basement, crawl space, or enclosure floor): ________
- b) Top of the next higher floor: ________
- c) Bottom of the lowest horizontal structural member (Y Zones only): ________
- d) Attached garage top of site: ________
- e) Lowest elevation of machinery or equipment servicing the building (Describe type of equipment and location in Comments): ________
- f) Lowest adjacent (finished) grade next to building (LA): ________
- g) Highest adjacent (finished) grade next to building (HA): ________
- h) Lowest adjacent grade at lowest elevation of deck or stairs, including structural support: ________

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**Topic 3: Sections of an Elevation Certificate**

EC Sections

**SECTION D – SURVEYOR, ENGINEER, OR ARCHITECT CERTIFICATION**

This certification is to be signed and sealed by a land surveyor, engineer, or architect authorized by law to certify elevation information. I certify that the information on this Certificate represents my best efforts to interpret the data available.

I understand that any false statement may be punishable by fine or imprisonment under 18 U.S. Code, Section 1001.

☐ Check here if comments are provided on back of form.

☐ Check here if attachments are provided.

Were latitude and longitude in Section A provided by a licensed land surveyor? ☐ Yes ☐ No

**FEMA NFIP Agent Training Program**

**Topic 3: Sections of an Elevation Certificate**

EC Sections

**SECTION E – BUILDING ELEVATION INFORMATION (SURVEY NOT REQUIRED) FOR ZONE AE AND ZONE A (WITHOUT BFZ)**

For Zones AE and A (without BFZ), complete Items E1–E5. If the certificate is intended to support a LOMA or LOMR request, complete Sections A, B, and C.

For items E1–E4, use natural grade, if available. Check the measurement used. In Puerto Rico only, enter meters.

E1. Provide elevation information for the following and check the appropriate boxes to show whether the elevation is above or below the highest adjacent grade (HAG) and the lowest adjacent grade (LAG).

a. Top of bottom floor (including basement, crawl space, or enclosure) is _______ _______ feet meters above or below the HAG.

b. Top of bottom floor (including basement, crawl space, or enclosure) is _______ _______ feet meters above or below the LAG.

E2. For Building Diagrams 6–9 with permanent flood openings provided in Section A, Items 8 and/or 9 (see pages 8–9 of Instructions), the next highest floor (elevation C2.6 in the diagrams) of the building is _______ _______ feet meters above or below the HAG.

E3. Attached garage (top of side) is _______ _______ feet meters above or below the HAG.

E4. Top of platform of machinery and/or equipment servicing the building is _______ _______ feet meters above or below the HAG.

E5. Zone A only: If no flood depth number is available, is the top of the bottom floor elevated in accordance with the community’s floodplain management ordinance? ☐ Yes ☐ No ☐ Unknown. The local official must certify this information in Section G.

**SECTION F – PROPERTY OWNER (OR OWNER’S REPRESENTATIVE) CERTIFICATION**

The property owner or owner’s authorized representative who completes Sections A, B, and E for Zone A (without a FEMA-issued or community-issued BFZ) or Zone AO must sign here. The statements in Sections A, B, and E are correct to the best of my knowledge.

Property Owner or Owner’s Authorized Representative’s Name

Address

Signature

Comments

☐ Check here if attachments.
**Topic 3: A Basic Building Diagram**

**A Basic Building Diagram**

This particular building diagram:

- Is one of the ten diagrams in all (for many types of buildings)
- Displays numbers in circles corresponding to entries on the Elevation Certificate
Elevated Building

An elevated building:

• Has no basement
• Has lowest elevated floor raised above ground level
• Is elevated via foundation walls, shear walls, posts, piers, pilings, or columns.

Note: In Zones V and VE, solid foundation perimeter walls are unacceptable for elevating buildings.

Enclosures

An Enclosure is:

• Part of an elevated building below the lowest elevated floor
• Partially or fully shut in by rigid walls
FEMA NFIP Agent Training Program

**Topic 3: A Basic Building Diagram**

**Flood Vents for A Zones**

Elevation certificates document any flood vents, which are:

- Permanent openings to allow free movement of water without human intervention
- No more than one foot above the higher of the exterior or interior grade
- One square inch of opening for each square foot of enclosed area
- Minimum of two openings is required on different sides of the enclosed area

Can only be used for:
1. Building Access
2. Parking
3. Storage

**Breakaway Walls For V Zones**

Breakaway walls are:

- Not part of structural support
- Intended to give way under certain lateral forces
- Intended not to damage the elevated portion or the supporting foundation
Rating Example

Post-FIRM Example*: AE zone (+1 BFE)

$200,000 Building
$80,000 Contents

Single Family
One floor
No Basement

*$200K/$80K Building/Contents APR 2015 Minimum Deductible

Elevation Certificate

SECTION B – FLOOD INSURANCE RATE MAP (FIRM) INFORMATION

B1. NFIP Community Name & Community Number
B2. County Name
B3. State
B4. Map/Panel Number
B5. Suffix
B6. FIRM Index Date
B7. FIRM Panel Effective/Revised Date
B8. Flood Zones
B9. Base Flood Elevation(s) (Zone AC use base flood depth)

B10. Indicate the source of the Base Flood Elevation (BFE) data or base flood depth entered in Item B9:

FIS Profile □ FIRM □ Community Determined □ Other/Source:

B11. Indicate elevation datum used for BFE in item B9:

NAVD 1929 □ NAVD 1988 □ Other/Source:

B12. Is the building located in a Coastal Barrier Resources System (CBRS) area or Otherwise Protected Area (OPA)? □ Yes □ No

Elevation Certificate

SECTION C – BUILDING ELEVATION INFORMATION (SURVEY REQUIRED)

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

* A new Elevation Certificate will be required when construction of the building is complete.


Benchmark Utilized: Vertical Datum:

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

Datum used for building elevations must be the same as that used for the BFE.

C2.a) Top of datum floor (including basement, first floor, attic, or equivalent floor)
C2.b) Top of the first higher floor
C2.c) Bottom of the lowest horizontal structural member (V Zones only)
C2.d) Attached garage (top of side)
C2.e) Lowest elevation of machinery or equipment servicing the building

Describe type of equipment and location in Comments:

C2.f) Lowest adjacent (finished) grade next to building (LAG)
C2.g) Highest adjacent (finished) grade next to building (HAG)
C2.h) Lowest adjacent grade at lowest elevation of deck or stairs, including structural support

Check the measurement used:

□ feet □ meters

□ feet □ meters

□ feet □ meters

□ feet □ meters

□ feet □ meters

□ feet □ meters

□ feet □ meters

□ feet □ meters

□ feet □ meters

□ feet □ meters

□ feet □ meters
Rating Example

Post-FIRM Example*
AE zone (+1 BFE)
Single Family/1 floor/ no Basement

What does the elevation certificate say?

Lowest Floor - 747.5
BFE - 746.2
Elevation Diff. +1.3 = 1.0

* $200K/$80K Building/Contents APR 2015 Minimum Deductible

Rating Table

<table>
<thead>
<tr>
<th>ELEVATION OF</th>
<th>1 FLOOR</th>
<th>MORE THAN 1 FLOOR</th>
<th>MANUFACTURED (MOBILE) HOME</th>
</tr>
</thead>
<tbody>
<tr>
<td>LOWEST FLOOR</td>
<td>BELOW THE BFE</td>
<td>With Basement/Enclosure/</td>
<td>Below the BFE</td>
</tr>
<tr>
<td>+/-</td>
<td>1-4 Family</td>
<td>Non-Residential</td>
<td>Non-Residential</td>
</tr>
<tr>
<td>+/-</td>
<td>Other Residential</td>
<td>Non-Residential</td>
<td>Non-Residential</td>
</tr>
<tr>
<td>+/-</td>
<td>Non-Residential</td>
<td>Non-Residential</td>
<td>Non-Residential</td>
</tr>
<tr>
<td>+/-</td>
<td>Single Family</td>
<td>Non-Residential</td>
<td>Non-Residential</td>
</tr>
</tbody>
</table>

.76/.10
.44/.12
Example: Basic and Additional Limits

<table>
<thead>
<tr>
<th></th>
<th>Basic Limit</th>
<th>Additional Limit</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Building Coverage</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Single family</td>
<td>$60,000</td>
<td>$190,000</td>
</tr>
<tr>
<td>2—4 family</td>
<td>$60,000</td>
<td>$190,000</td>
</tr>
<tr>
<td>Other residential</td>
<td>$175,000</td>
<td>$325,000</td>
</tr>
<tr>
<td>Non-residential</td>
<td>$175,000</td>
<td>$325,000</td>
</tr>
<tr>
<td><strong>Contents Coverage</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Single family</td>
<td>$25,000</td>
<td>$75,000</td>
</tr>
<tr>
<td>2—4 fam; other res.</td>
<td>$25,000</td>
<td>$75,000</td>
</tr>
<tr>
<td>Non-Residential</td>
<td>$150,000</td>
<td>$350,000</td>
</tr>
</tbody>
</table>

Topic 4: Rating Example

Post-FIRM Example*: AE zone (+1 BFE)

Single Family/1 floor/ no Basement

1 ft above BFE

What does the elevation certificate say?

Lowest Floor- 747.5
BFE- 746.2
Elevation Diff. 1.3 = 1.0

Rating Calculation
- Bldg. $584.00
- Cont. $172.00
- ICC $ 5.00
- Reserve Fund $114.00
- Prem. Surcharge $ 25.00
- Policy Fee $ 45.00
- TOTAL $945.00

*$200K/$80K Building/Contents APR 2015 Minimum Deductible
Module 9
Resources and Summary

Resources for Insurance Agents and their Clients
FloodSmart.gov

FloodSmart.gov is an official Web site of NFIP.
Resources for Insurance Agents and their Clients

Agents.FloodSmart.gov

Agents.FloodSmart.gov provides information about NFIP claims along with product information, training, and marketing calendar.

The Flood Insurance Library

The Flood Insurance Library includes:

- Manuals
- Handbooks
- Community Rating System
- Community Status Book
- Forms
- Guidelines
- Publications
- Standard Policies
- Summary of Coverage

The link to the online Flood Insurance Library is:
http://www.fema.gov/national-flood-insurance-program/flood-insurance-library
Resources for Insurance Agents and their Clients

NFIP Flood Insurance Manual

Access the NFIP Flood Insurance Manual:

- Online at FEMA's website: http://www.fema.gov/flood-insurance-manual

Resources for Insurance Agents and their Clients

Publications, Stuffers, Information Sheets

You can access publications, stuffers, and information sheets online. Just click on the Publications link at: www.fema.gov/national-flood-insurance-program.
Resources for Insurance Agents and their Clients

FEMA’s Map Service Center

You can access FEMA’s Map Service Center at: www.msc.fema.gov.

Training Summary

In this training, you learned about:

• Flood Insurance Essentials
• Flood Insurance Policies
• Coverage
• Loss Settlement
• Building an NFIP Policy
• Base Flood Elevation and Elevation Certificates
Evaluations - Online

All attendees will be receiving an email with a link to a survey and feedback form.

Please take time to complete and help us improve our training effort!

THANKS

Social Media and Handouts - Online

Follow us on twitter: www.twitter.com/nfiptraining

Like us on Facebook at: www.facebook.com/nfiptraining

Today's Handouts
Go to: www.h2opartnersusa.com/nfip-training/basic-agent
Agent Training/Contact Information

www.nfipiservice.com/training

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