



NATIONAL FLOOD
INSURANCE PROGRAM

Welcome to Federal Flood Insurance & Commercial Property Exposures

A discussion of what is different and unique

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Here's our **AGENDA**

- Section 1 – How the NFIP Works
- Section 2 – Main Street Properties
- Section 3 – NFIP Coverage Forms
- Section 4 – Key NFIP Terms and Tools
- Section 5 – Comm'l Property & the NFIP
- Section 6 – Coverages, Limitations & Exclusions
- Section 7 – Condominiums in the NFIP
- Section 8 – Miscellaneous Issues
- Section 9 – Flood Insurance Resources



Federal Flood Insurance &
Commercial Property Exposures

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NFIP Flood Insurance Manual



Access the NFIP Flood Insurance Manual:

- Online at the Flood Insurance Library:
<http://www.fema.gov/flood-insurance-manual>

The logo for the National Flood Insurance Program, featuring three black silhouettes of houses with white windows, positioned above a blue wavy line representing water. Below the waves, the text 'NATIONAL FLOOD INSURANCE PROGRAM' is written in a bold, sans-serif font.

Section 1

HOW THE NFIP WORKS

Things Agents Need to Know



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**NATIONAL FLOOD
INSURANCE PROGRAM**

Section 2

MAIN STREET PROPERTIES CASE STUDY

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Case Study Facts

Your client is Main Street Properties, Inc., owner of a variety of commercial properties, consisting of the following retail, habitational, office and mixed use buildings:

Main Street Properties Case Study



52-unit Apartment Building

About the properties

- 6-story, 52 unit apartment building (Zone AE)
- 4-unit apartment building (Zone AE)
- 10-story office building (Zone X)
- 1-story retail building (Zone X)
- 12-story boutique hotel (Zone AE)
- 4-story mixed-use building (Zone AE)
 - Restaurant – first floor
 - Apartments – 2nd thru 4th floors



Mixed-Use Building



4-unit Apartment



10-story Office Building



1-story Retail Building



12-story Boutique Hotel



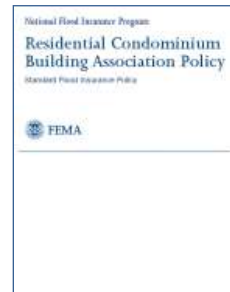
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Section 3

NFIP COVERAGE FORMS

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Standard Flood Insurance Policy (SFIP) What's the purpose of the structure?



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Provides building and/or personal property coverage for:

- Non-condominium 1-to-4 family dwellings
- Dwelling unit in a residential condominium building
- Residential townhouse/rowhouse
- Mobile Homes/Travel Trailers as dwellings



4-unit Apartment

Dwelling Form



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Provides building and/or personal property coverage for:

- Non-condominium Residential Buildings with 5 or more units
 - Apartment building
 - Co-operative building
 - Dormitory
 - Assisted living facility
- Non-residential Buildings
 - Office building
 - School, Church
 - Factory, Warehouse
 - Agricultural building
 - Restaurant, etc.



General Property Form

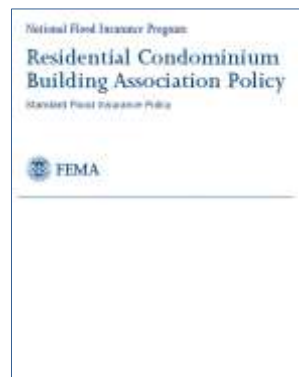


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Provides building and, if purchased, contents coverage (commonly owned):

- Condominium buildings with 75% or more of total floor area for residential use
- Issued to a residential condominium association
- On behalf of association and unit owners

Residential Condominium Building Association Policy



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Preferred Risk Policy (PRP)

Description & Eligibility Requirements



10-story Office Building



1-story Retail Building

- Lower-cost Standard Flood Insurance Policy (SFIP)
- Uses Dwelling or General Property Forms
 - RCBAP not eligible
- Buildings in B, C, X, A99 and AR zones
 - In regular program communities
 - Must meet eligibility requirements

- Not Eligible for PRP, if:
- Any of following exist:**
 - 2 flood claim payments for separate losses, each > \$1,000
 - 3 or more flood claim payments for separate losses, regardless of \$
 - 2 Federal flood disaster relief payments for separate occurrences, each > \$1,000
 - 3 Federal flood disaster relief payments for separate occurrences, regardless of amount
 - 1 flood claim payment and 1 Federal disaster relief payment, each for separate losses and each > \$1,000

**During any 10-year period, regardless of change of ownership of the building

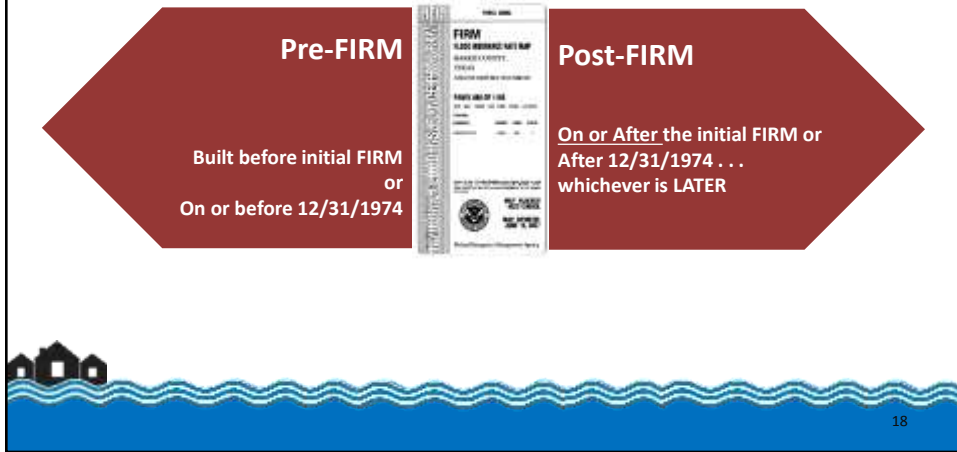


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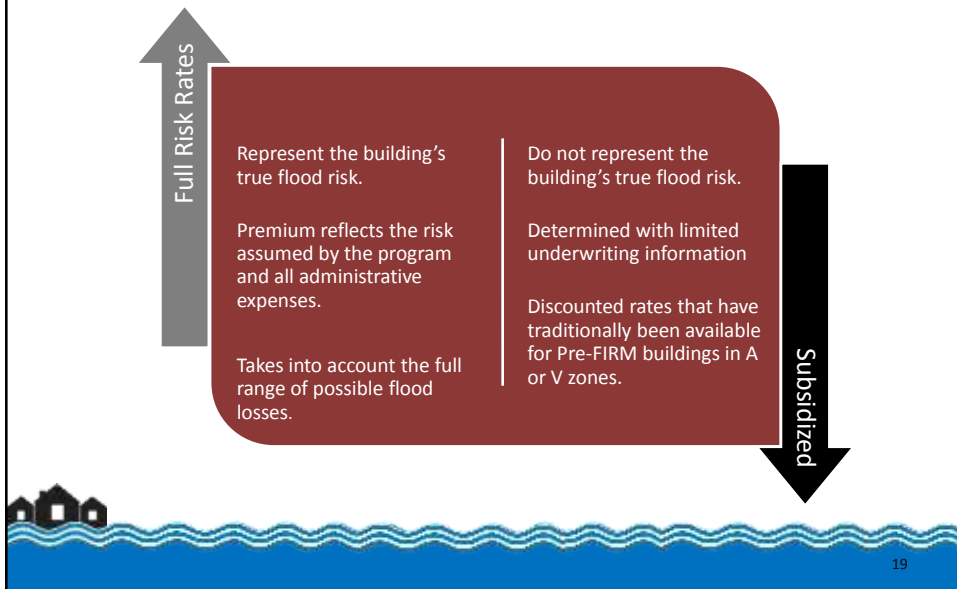
Section 4

KEY NFIP TERMS & TOOLS

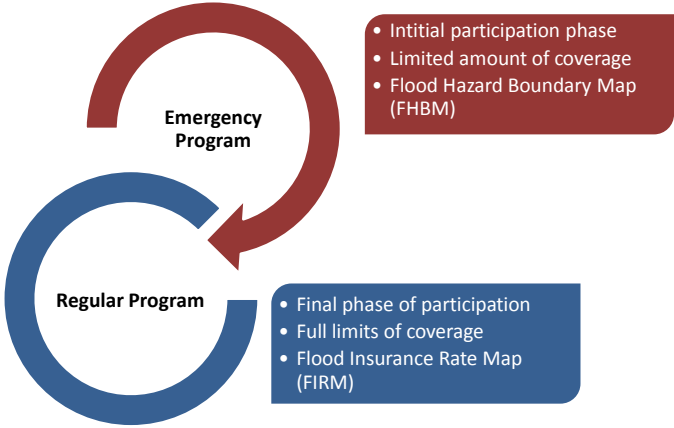
Defining Pre-FIRM and Post-FIRM



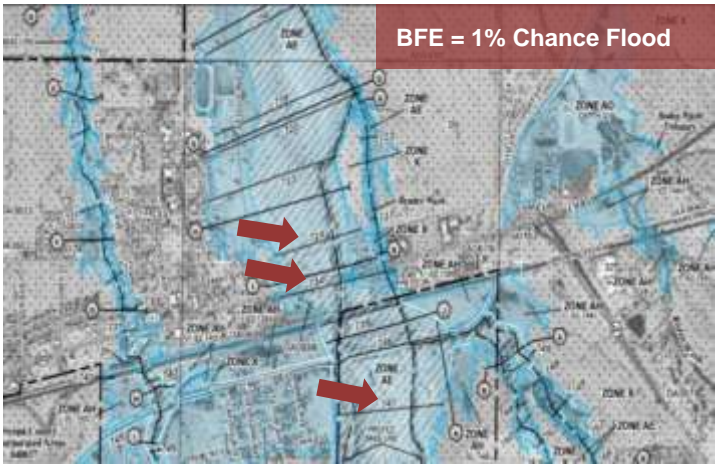
Full-Risk Rates vs. Subsidized Rates



Regular vs. Emergency Program



Base Flood Elevations (BFEs)



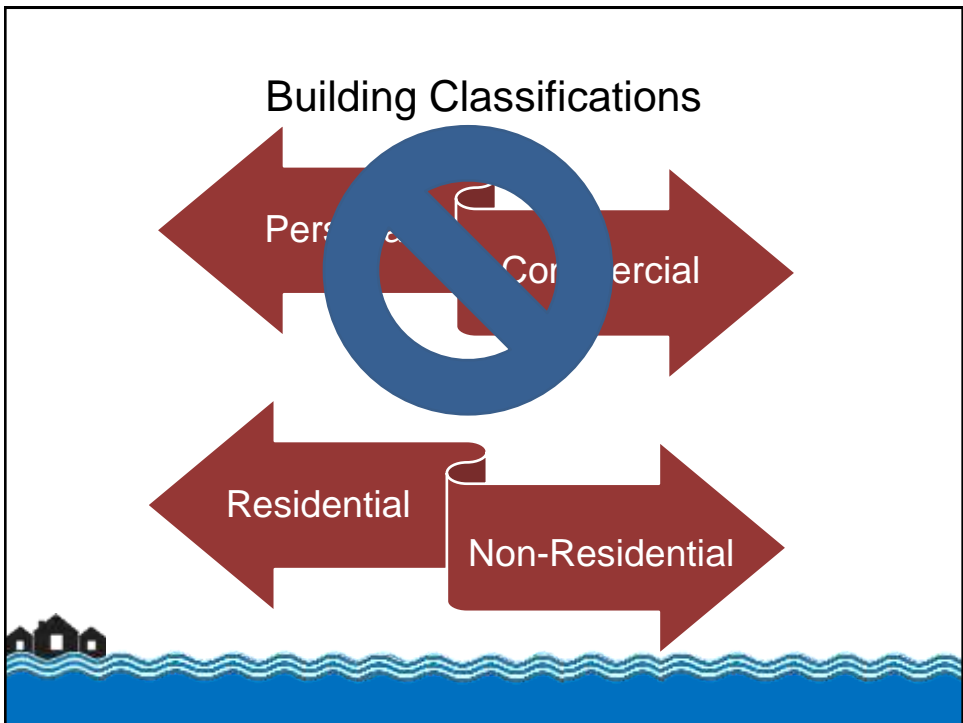


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Section 5

COMMERCIAL PROPERTY & THE NFIP

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Other Residential Buildings



Examples of Other Residential

- Apartment building
- Residential Cooperative
- Dormitory
- Assisted living facility
- Mixed-use building
 - Non-residential use limited
 - < 25% of total floor area
- Hotels, motels, tourist homes and rooming houses with:
 - 5 or more units
 - Normal guest occupancy is 6 months or more



Non-condominium residential buildings with 5 or more units

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Examples of Non-Residential Buildings

Non-Residential Business Definition/Examples

- Retail shop
- Restaurant
- Mercantile building
- Factory
- Warehouse
- Nursing home
- Industrial buildings
- Office buildings
- Hotels/Motels (< 6 months)
- Licensed bed & breakfast
- Commercial garage
- Commercial agricultural building

Non-Residential Business

- Commercial enterprise primarily carried out to generate income and coverage is for:
 - A building designed as a non-habitational building
 - A building designed for use as office, retail, wholesale, hospitality space or for similar uses

Mixed-use building:

- 50% or less of total floor area is devoted to residential use in a single family dwelling
- 75% or less of total floor area is devoted to residential use for all other residential properties



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Examples of Non-Residential Buildings

Other Non-Residential Definition/Examples

- House of worship
- Non-profit building
- School
- State & local government building
- Non-commercial farm building
 - Silo
 - Grain bin
- Tools/storage shed
- Garages
- Pool house
- Recreational building

Other Non-Residential

- Subcategory of non-residential buildings
- A non-habitational building that does not qualify as a business or residential building
- A small business cannot use this category
- See examples listed



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- Bottom floor retail
- Two floors above are residential
- Is it a residential or non-residential building?
- Non-residential business or Other non-residential?


Mixed-Use Building



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- Bottom floor restaurant
- Three floors above are residential
- Is it a residential or non-residential building?
- Non-residential business or Other non-residential?





Mixed-Use Building




Mixed-Use Building
 First Floor – Restaurant
 Floors 2 thru 4 - Apartments


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How much flood insurance coverage is available?

	Emergency Program	Regular Program
Residential (1-4 family)		
Building	\$35,000	\$250,000
Contents	\$10,000	\$100,000
Other Residential		
		\$500,000
		\$100,000
		\$500,000
		\$500,000



52-unit Apartment Building



4-unit Apartment

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Coverage Limit Maximums

Small vs. Large Commercial

- NFIP targets residential and small commercial
- Max limits meet lender compliance minimums
- Large commercial
 - Use as first layer
 - Deductible buyout
- Check private sector
 - Higher primary limits
 - Excess limits



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Loss Settlement Provisions

Loss Settlement and the SFIP

SFIP Loss Settlement Approaches:

- Replacement Cost Value
- Actual Cash Value
- Special Loss Settlement



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Loss Settlement Provisions

Replacement Cost under Dwelling Form

Replacement Cost Loss Settlement applies to:

- Single Family Dwelling
 - Building only
 - Contents (ACV)
- Must be principal residence
- Insured-to-Value:
 - 80% of replacement cost at time of loss, or
 - Maximum under NFIP



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Loss Settlement Provisions

Actual Cash Value

Actual Cash Value loss settlement applies to:

- 2-to 4 family dwellings
- Single family that are not eligible for RCV
- ➔ Other Residential buildings
- ➔ Non-residential buildings
- Detached garages
- Personal property
- Mobile homes under 16 ft. wide and under 600 sq. ft



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Replacement Cost Value (RCV)



RCV

- Single Family Dwelling
- Principal Residence
- Insured to Value
- Residential Condo Buildings
- RCBAP Coverage Form
- Insured to Value

Replacement Cost Loss Settlement Summary



Actual Cash Value (ACV)

**Everything
Else**



Actual Cash Value Loss Settlement Summary



Loss Settlement - Deductibles

INSURANCE TYPE	NAHA	MINIMUM DEDUCTIBLE FOR CONTENTS OR EQUIPMENT ON LOSS	MINIMUM DEDUCTIBLE FOR STRUCTURE WITH OR WITHOUT
EMERGENCY	NA	\$1,000	\$1,000
	All Perils (Excludes) (see: A, AE, AJ, AD, AH, AL, & FC, and FJ, FKH, AH, AH, and other without Excludes) (see: A, AE, AJ, AD, AH, AL, & FC, and FJ, FKH, AH, AH, and other)	\$1,000	\$1,000
RESIDUAL	All Perils (Excludes) (see: A, AE, AJ, AD, AH, AL, & FC, and FJ, FKH, AH, AH, and other)	\$1,000	\$1,000
	All Perils (Excludes) (see: A, AE, AJ, AD, AH, AL, & FC, and FJ, FKH, AH, AH, and other)	\$1,000	\$1,000
	Residential and Professional	\$1,000	\$1,000

Non-residential - \$50,000
RCBAP - \$25,000
Residential - \$10,000

- Minimum deductibles vary based on:
 - Policy rating
 - Amount of coverage
- Optional deductibles are available
- Separate for building and for contents
- No deductible for:
 - Loss avoidance measures
 - Loss assessments
 - ICC



NOTE: Deductible doubles for building under construction prior to being walled and roofed

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Section 6

COVERAGES, LIMITATIONS AND EXCLUSIONS

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Standard Flood Insurance Policy

Types of Coverage

- Coverage A:
 - Building Property
- Coverage B:
 - Personal Property
- Coverage C:
 - Other Coverages
- Coverage D:
 - Increased Cost of Compliance



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Building Property

COVERAGE A – BUILDING PROPERTY



What is a Building?



- Walled and roofed
- Affixed to a permanent site
- Principally above ground level



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What is a Building?



Coverage A – Building Property

- Must have 2 or more outside rigid walls
- A fully secured roof
- Affixed to a permanent site
- Must resist flotation, collapse or lateral movement
- At least 51% of ACV above ground level



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What is a Building?



Coverage A: Building Property

Manufactured/Mobile Homes & Travel Trailers

- Eligible buildings include:
 - Manufactured (Mobile Homes)
 - Travel Trailers
- Must be affixed to a permanent foundation
- No weight supported by wheels or axles
- Anchored in SFHAs to resist flotation, collapse or lateral movement



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What is a Building?



Covers materials and supplies while contained in an enclosed building on premises or adjacent to the premises

Coverage A: Building Property

Buildings in the Course of Construction

- Allows issuance of SFIP before building is walled and roofed
- Offers coverage while work is in progress except when:
 - Construction halted for more than 90 days
 - Lowest floor for rating is below BFE
- Building deductible is doubled until walled and roofed



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What is a Building?



To qualify as a single-building structure and be subject to single-building limits of coverage.



Coverage A: Building Property Single Building Definition

- Separated from other buildings by intervening clear space; or
- Separated into divisions by solid, vertical, load-bearing walls;
- Each division may be insured as a separate building

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What is a Building?



To qualify as a single-building structure and be subject to single-building limits of coverage.



Coverage A: Building Property Single Building Definition

- Walls must divide the building:
 - From its lowest level
 - To its highest ceiling
 - Have no openings
- If there is access thru a division wall by doorway or other opening:

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What is a Building?



To qualify as a single-building structure and be subject to single-building limits of coverage.

Coverage A: Building Property

Single Building Definition

- Building must be insured as **one** building unless all the following apply:
 - A separately titled building contiguous to the ground; **and**
 - Has a separate legal description; **and**
 - Regarded as a separate property for other real estate purposes



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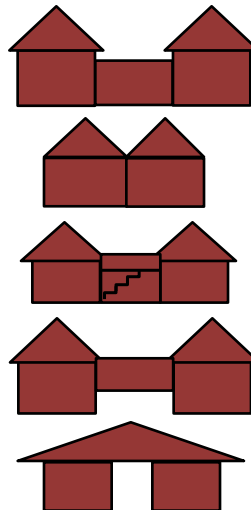
Coverage A: Building Property

Additions and Extensions

NFIP insures additions and extensions attached to and in contact with the building, by means of a:

- Rigid exterior wall
- Solid load-bearing interior wall
- Stairway
- Elevated walkway
- Roof

NOTE: At the insured's option, additions and extensions connected by any of these methods may be separately insured.



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What is a Building?



NOTE: Option does not apply to any detached garage used or held for use for residential, business, or farming purposes,



Coverage A: Building Property

Appurtenant Structures/Detached Garages

- Must be insured separately
- Except for **detached garages** only
- At policyholder's option:
 - 10% of building coverage can be applied to a detached garage
 - Applies to Dwelling Form only
 - Not additional coverage
 - Reduces building limit of liability

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What is a Building?



NOTE: Option does not apply to any detached garage used or held for use for residential, business, or farming purposes,



Scheduled Building Policy

Exception to 1 building per policy

Scheduled Building Policy

- Coverage for 2-to-10 buildings
 - Typically one building/policy
 - One policy/building
- Requires a specific amount of insurance be designated for each building
 - No blanket coverage
- Buildings must have same ownership and same location
- Properties must be contiguous

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Coverage A: Building Property

Examples of ineligible buildings

- Drive-in bank teller unit (located outside walls of building)
- Pole barn (unless it qualifies as a building)
- Open stadium
- Pumping station (unless it qualifies as a building)
- Container-type buildings
 - Gas & liquid storage tanks, chemical or reactor container, tanks or enclosures, brick kilns and their contents



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Coverage A: Building Property

Examples of ineligible buildings

- Water treatment plant (unless at least 51% of ACV is above ground)
- Swimming pool (indoor or outdoor)
- Swimming pool bubble
- Greenhouse (unless has at least two rigid walls and a roof)
- Pavilion (unless qualifies as a building)
- Co-operative unit in a co-op building



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Coverage A: Building Property

- Awnings, canopies
- Blinds
- Built-in dishwashers
- Built-in microwave ovens
- Carpet permanently installed over unfinished flooring
- Central air conditioners
- Elevator equipment
- Fire sprinkler systems
- Walk-in freezers
- Furnaces and radiators
- Garbage disposal units
- Hot water heaters, including solar water heaters
- Light fixtures
- Outdoor antennas & aerials fastened to buildings
- Permanently installed cupboards, bookcases, cabinets, paneling and wallpaper
- Plumbing fixtures
- Pumps and machinery for operating pumps
- Ranges, cooking stoves and ovens
- Refrigerators
- Wall mirrors (permanently installed.)



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Personal Property



COVERAGE B – PERSONAL PROPERTY



Dwelling Form vs. GPP/RCBAP



Coverage B – Personal Property

Dwelling Form:

- If personal property coverage is purchased, the SFIP insures:
 - Personal property inside a building
 - At the described location
- General Property/RCBAP:
- If personal property coverage is purchased, the SFIP insures:
 - Personal property inside
 - Fully enclosed insured building



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Coverage B: Personal Property

Dwelling Form

- Air conditioning units, portable or window type
- Carpets, not permanently installed, over unfinished flooring
- Carpets over finished flooring
- Clothes washers and dryers
- “Cook-out” grills
- Freezers, other than walk-in, and food in any freezer
- Portable microwave ovens and portable dishwashers

General Property/RCBAP

- Air conditioning units
- Carpet, not permanently installed, over unfinished flooring
- Carpets over finished flooring
- Clothes washers and dryers
- “Cook-out” grills
- Freezers, other than walk-in, and food in any freezer
- Outdoor equipment and furniture stored inside the insured building
- Ovens and the like
- Portable microwave ovens and portable dishwashers



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Coverage B: Personal Property General Property Form

If Household Personal Property:	If Other than Household:
Typical household personal property	Furniture and fixtures
Belonging to the insured or to a member of the insured's household	Machinery and equipment
At insured's option, property belonging to a guest or servant	Stock
Insured may be legally liable for	Other personal property owned by insured and use in insured business

Under the General Property Form, coverage will be either for household personal property or other than household personal property, while within the insured building, but not both.



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Coverage B: Personal Property

NFIP Definition of "Stock"

Definition of Stock

- Merchandise stored for sale, raw materials, and in-process of finished goods including supplies used for packaging or shipping
- Subject to Special Limits clause
- Schedule valuable items



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Coverage B: Personal Property

Special Limits

Special Limits

- A total of \$2,500 max payment allowed for:
 - Art work, photographs, rare books, autographed items, jewelry, watches, precious & semiprecious stones, articles of gold, silver, platinum, furs and other named items
- Antiques – functional value only



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Coverage B: Personal Property

Examples of ineligible contents

- Personal property not inside a fully enclosed building
- Automobiles – including dealer's stock
- Bailee's customers goods
- Contents located in a structure not eligible for building coverage
- Motorcycles – including dealer's stock
- Watercraft or aircraft



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Coverage B: Personal Property

Examples of ineligible contents

- Recreational vehicles
- Lawns, trees, shrubs, plants, growing crops or animals
- Accounts, bills, coins, currency, deeds, money, stored value cards and other named valuable papers
- Contents located in a building not fully walled and/or contents not secured against flotation



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What is a Basement?



Coverage A & B – Basements

Basement is defined as:

- Any area of the building, including any sunken room or sunken portion of a room, having its floor below ground level (subgrade) **on all sides.**



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Coverage A: Basement/Enclosures

Covered Building Property in Basements/Enclosures*

- Central air conditioners
 - Cisterns & the water in them
 - ➔ Unfinished drywall (walls, ceilings) in a **basement**
 - Electrical junction and circuit breaker boxes
 - Electrical outlets and switches
 - Elevators and related equipment
 - Fuel tanks and fuel in them
 - Furnaces and hot water heaters
 - Heat pumps
 - ➔ Non-flammable insulation in a **basement**
- Pumps and tanks used in solar energy systems
 - Stairways and staircases (attached to building)
 - Sump pumps
 - Water softeners and chemicals in them, water filters and faucets installed as integral part of plumbing system
 - Well water tanks and pumps
 - Required utility connections for items on this list
 - Footings, foundations, posts, etc., required to support building
 - Clean-up

*Applies to basements in ANY zone and Post-FIRM enclosures in SFHAs listed. Please see the policy for complete details.



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Coverage B: Basement/Enclosures

Covered Personal Property in Basements/Enclosures

If policyholder has purchased personal property coverage:

- Portable or window air conditioning units
- Clothes washers and dryers
- Food freezers (other than walk-in) and food in any freezer

If installed in their functioning locations and, if necessary for operation, connected to a power source.



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Other Coverages



COVERAGE C – OTHER COVERAGES



Debris Removal



Coverage C – Other Coverages

The SFIP pays the expense to remove:

- Non-owned debris on or in insured property
- Debris of insured property anywhere
- Value of labor based on Federal minimum wage
- NOTE: This coverage does not increase the Coverage A or Coverage B limit of liability.



Loss Avoidance Measures



No deductible applies to either Loss Avoidance measure



Coverage C – Other Coverages

The SFIP pays the expense for:

- Loss avoidance measures:
 - Sandbags, supplies, labor (up to \$1,000)
 - Property removed to safety (up to \$1,000)
 - Value of labor based on Federal minimum wage
- NOTE: This coverage does not increase the Coverage A or Coverage B limit of liability.

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Pollution Damage



Coverage C – Other Coverages

The SFIP pays the expense for:

- Pollution Damage (General Property Form)
 - \$10,000 maximum limit
 - Does not include testing or monitoring unless required by law or ordinance
- NOTE: This coverage does not increase the Coverage A or Coverage B limit of liability.

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Coverage C: Other Coverage

Coverage C: Does not increase Coverage A or B

- Coverage A - \$500,000
- Coverage B - \$500,000
- Debris removal expense:
 - \$115,000
- Reduces Coverage A or B limit
 - For example:
 - Coverage A - \$385,000



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ICC Coverage



COVERAGE D – INCREASED COST OF COMPLIANCE



Coverage D: Increased Cost of Compliance

Coverage D: Compliance & Eligibility

SFIP pays for complying with state or local floodplain management law or ordinance

- Compliance activities include:
 - Elevation, Relocation, Demolition, Floodproofing
- Eligibility requires:
 - Substantial damage
 - 50% of market value, or
 - Lower local standard
 - Repetitive loss
 - 2 flood losses in 10 years
 - 25% of market value

ICC
Limit of Liability
\$30,000



See Part III. Property Covered - Section D of SFIP for complete details on eligibility and coverage



Property Not Covered

Examples of Property Not Covered

- Personal property not inside a building
- Building, and contents in it, located entirely in, on, or over water
- Open structures, including a boathouse in, on, or over water
- Recreational vehicles
- Self-propelled vehicles or machines licensed for public road use
- Land, land values, lawns, trees, shrubs, plants, growing crops or animals
- Accounts, bills, coins, currency, other valuable papers
- Underground structures and equipment, including wells, septic tanks, septic systems

- Walks, decks, driveways, etc.
- Containers & related equipment, such as tanks containing gases and liquid
- Buildings and their contents if > 49% of ACV is below ground
- Fences, retaining walls, seawalls, piers, docks, etc.
- Aircraft, watercraft or their furnishings and equipment
- Hot tubs and spas that are not bathroom fixtures
- Swimming pools and their equipment

See Standard Flood Insurance Policy coverage forms for more information



Exclusions

Partial list of SFIP Exclusions

The SFIP does not provide coverage for:

- Loss of revenue or profits
- Loss of access
- Loss of use
- Loss from interruption of business or production
- Additional living expenses



Exclusions



Exclusions

Partial list of SFIP Exclusions

SFIP does not pay for losses for:

- Water or water borne material that:
 - Backs up thru sewers or drains
 - Discharges or overflows from a sump pump
 - Seeps or leaks on or thru covered property
- Damage from the pressure or weight of water




Exclusions



Exception:

Unless there is a flood in the area and the flood is the proximate cause of one of the excluded items.



Section 7

CONDOMINIUMS IN THE NFIP


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Condominium Coverage

RCBAP vs. General Property Form

RCBAP Eligibility

- Building must be in condo form of ownership
- Must contain 1+ residential units
- Community must be in Regular Program
- 75% of total floor area must be residential
- Residential condominiums used as hotel/motel or being rented must be insured under RCBAP
- Separate policy for each building



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Condominium Coverage

RCBAP vs. General Property Form

- Insures a residential condominium building owned by a condominium association
- Replacement cost loss settlement applies to condos other than manufactured homes/travel trailers
- If insured to at least 80% of its replacement cost value at the time of loss or max limit there is no coinsurance penalty



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RCBAP Maximum



RCBAP Maximum Amount of Insurance

- The maximum RCBAP building coverage
- Equals the replacement cost value of the building, or
- \$250,000 per unit times the number of units, whichever is less.

\$250,000 x 10 Units = \$2,500,000

\$250,000 x 100 Units = \$25,000,000



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Condominium Coverage

RCBAP vs. General Property Form

- Insures a residential condominium building owned by a condominium association
- Replacement cost loss settlement applies to condos other than manufactured homes/travel trailers
- If insured to at least 80% of its replacement cost value at the time of loss or max limit there is no coinsurance penalty



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RCBAP Co-Insurance Penalty

Applies to Building Coverage Limit

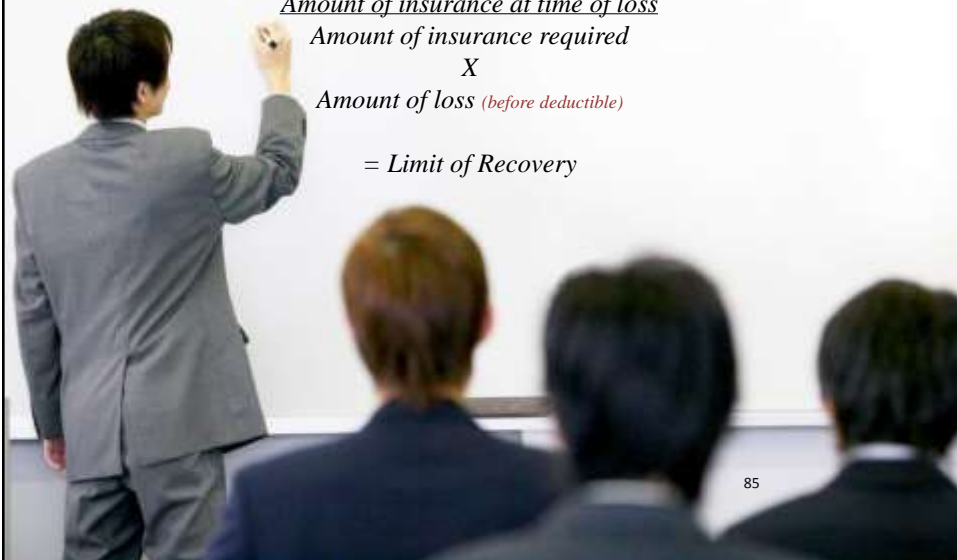
Amount of insurance at time of loss

Amount of insurance required

X

Amount of loss (before deductible)

= Limit of Recovery



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RCBAP Co-Insurance Penalty Applies to Building Coverage Limit

$$\frac{\$8,000,000 \text{ Coverage Limit}}{\$20,000,000 \times .80 = \$16,000,000} = 50\%$$
$$\times$$
$$\$7,000,000 \text{ loss (before deductible)}$$
$$= \$3,500,000$$

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RCBAP Co-Insurance Penalty Applies to Building Coverage Limit

$$\$7,000,000 - \$3,500,000 = (-\$3,500,000)$$

(actual loss) - (claim payment) = (unpaid deficit)

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Condominium Coverage

Ineligible for the RCBAP

- Non-residential condominium buildings (commercial condos)
- Timeshares
- Residential co-operatives
- Other non-residential buildings
 - Pool house
 - Club house
 - Recreational buildings



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Condominium Coverage

RCBAP vs. General Property Form

General Property Form

- Non-residential (commercial) condominium buildings and their commonly owned contents can only be insured in the name of the association – ***not the unit owner***
- Non-residential limits apply per building, not per unit
- Maximum \$500,000 building and contents limits
- Contents coverage can be purchased by unit owner



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Co-ops & Timeshares



- **Co-operatives**

- Ownership is not shared – not eligible for the RCBAP
- Owner purchases General Property Form
- Co-ops with at least 75% residential square footage are considered residential buildings – can be insured under the General Property Form for a max limit of \$500,000 – if 5 or more units

- **Timeshares**

- Fee or real-estate ownership – condominium for of ownership
 - Eligible for the RCBAP
- Non-fee interest, such as the right-to-use
 - Not eligible for the RCBAP
 - General Property Form (5 or more units)
 - Coverage limit to \$500,000 for building

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Section 8

MISCELLANEOUS ISSUES

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Tenant's Coverage

Building and Contents Coverage

- Building owner must be named on policy
- If building coverage is purchased by tenant due to lease agreement,
- Tenant may also be named on policy
- Coverage for tenant-owned contents must be written on separate policy in name of tenant only
- Duplicate coverage not allowed
- Only **one** policy per building



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Tenant's Coverage

Building and Contents Coverage

- Tenant contents coverage includes improvements and betterments
- Improvements/betterments limited to 10% of contents limit
- Includes improvements such as:
 - Fixtures
 - Alterations
 - Installations
 - Additions
- Must be at tenant's expense
- Option reduces contents coverage limits



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Other Insurance Clause

Other insurance and excess cover

- SFIP is primary if “other policy” states it is excess
- If not stated, SFIP is primary up to “other policy’s” deductible
- Subject to SFIP’s deductible
- When claims payment reaches “other policy’s” deductible
- Coverage is pro-rata



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**NATIONAL FLOOD
INSURANCE PROGRAM**

Section 9

FLOOD INSURANCE RESOURCES

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NFIP Flood Insurance Manual



Access the NFIP Flood Insurance Manual:

- Online at the Flood Insurance Library:
<http://www.fema.gov/flood-insurance-manual>



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National Flood Insurance Program Home Page www.fema.gov/national-flood-insurance-program

The screenshot shows the FEMA website's home page for the National Flood Insurance Program. On the left, there is a navigation menu with options like 'Navigation', 'Search', and 'Languages'. Below that, a 'Flood Insurance' section lists various user groups: 'Information for Property Owners', 'Information for Insurers', 'Information for State & Local Officials', 'Information for Surveyors', 'Information for State Adjusters', 'Information for Insurance Professionals', and 'Public Information Link'. A red arrow points from the 'Information for Insurers' link to the 'Insurers' link in the main content area. The main content area is titled 'The National Flood Insurance Program' and includes a description, a 'Expand All Sections' button, an 'Overview' link, and a dropdown menu for 'Information For...' which lists 'Claims Adjusters', 'State Adjusters', 'Insurance Professionals', 'Lenders', 'State & Local Officials', and 'Surveyors'.



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Standard Flood Insurance Policy Forms

<https://www.fema.gov/national-flood-insurance-program/standard-flood-insurance-policy-forms>

Standard Flood Insurance Policy Forms

- [Dwelling Policy Form](#)
- [General Property Policy Form](#)
- [Residential Condominium Building Association Policy \(RCBP\) Form](#)

The National Flood Insurance Program (NFIP) offers three Standard Flood Insurance Policy forms. These forms provide policyholders with a description of their coverage and other important coverage information.

> [Expand All Sections](#)

> [Dwelling Policy Form](#)

> [General Property Policy Form](#)

> [Residential Condominium Building Association Policy \(RCBP\) Form](#)



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NFIP Summary of Coverage – Commercial Property [FEMA/NFIP Media Library](#)

The document features the FEMA logo on the left and the title "National Flood Insurance Program Summary of Coverage for Commercial Property" on the right. Below the title is a photograph of a flooded street with buildings in the background. To the right of the photo, there is a block of text explaining the document's purpose and its application to commercial property.

This document was prepared by the National Flood Insurance Program (NFIP) to help you understand your flood insurance policy. It provides general information about deductibles, what is and is not covered by flood insurance, and how items are valued at the time of loss.

This document is based on the Standard Flood Insurance Policy General Property Form, which is used to insure the most likely residential buildings and non-residential buildings. A residential Condominium Building Association must use this form if there is more than 25% non-residential occupancy in a condominium building. Information in this document is specific to commercial property and does not necessarily apply to other types of property covered by the same form.



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Writing Commercial Exposures

[NFIP Training Page](#)



The screenshot shows the NFIP Training website. At the top left is the NFIP logo. The main heading is "NFIP Training". Below this is a navigation bar with links: Home | Agent Courses | Adjuster Courses | Surveyor Courses | All Audiences | EM Independent Study. The "AGENT COURSES" section lists several courses:

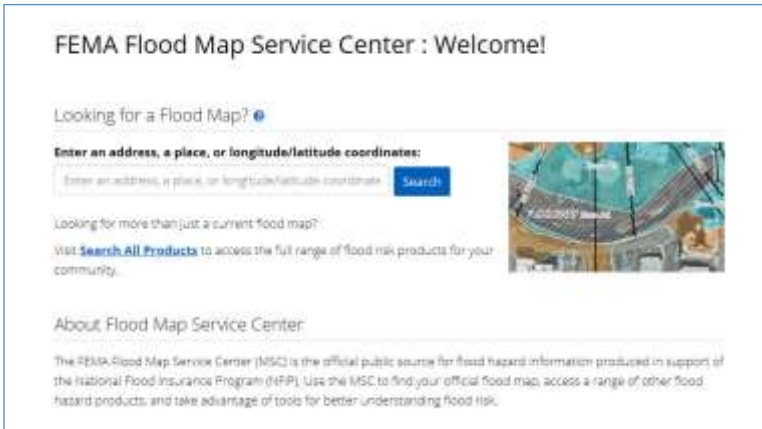
- The Basic Agent Tutorial (09-1101)**: With the introduction of the Flood Insurance Reform Act of 2012 and the Homeowner Affordability Act of 2014, it is critical for agents to refresh their knowledge of the NFIP. The Basic Agent Tutorial presents the fundamentals, including zones, coverage, loss settlement, and underwriting rating concepts such as the FEMA Elevation Certificate. The course covers all training topics mandated by the Flood Insurance Reform Act (FIRA) 2004.
- Theory of Elevation Rating (09-1102)**: This specialized course is appropriate for those with a basic understanding of the FEMA Elevation Certificate and who are ready to tackle advanced topics in elevation rating for A and V zones. Important rating considerations in high-risk zones are discussed and demonstrated including the Lowest Flood Elevation, machinery and equipment, and whether the building is with or without obstruction.
- Insuring Condominiums (09-1103)**: With a growing number of condominium developments throughout the US, particularly in the most flood-prone states, insurance agents can expand their book of condominium business by writing coverage through the NFIP. Insuring Condominiums provides a brief overview of the different ways that condominiums can be insured through the Program. Short video segments guide insurance agents through the key elements they need to know to effectively write condominium exposures.
- Writing Commercial Exposures (09-1110)**: Insurance agents regularly view the NFIP as an outlet to write personal lines exposures for their clients, but they may not be aware of additional opportunities to cover their policyholders' commercial exposures. Writing Commercial Exposures provides practical insights designed to assist agents with identifying, targeting, and writing commercial risks through the National Flood Insurance Program.

A red arrow points to the "Writing Commercial Exposures (09-1110)" course description.

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FEMA Map Service Center

Locating flood maps: www.msc.fema.gov



The screenshot shows the FEMA Flood Map Service Center (MSC) website. The main heading is "FEMA Flood Map Service Center : Welcome!". Below this is a search bar with the text "Looking for a Flood Map? 🔍". Underneath the search bar is a form with the label "Enter an address, a place, or longitude/latitude coordinates:" and a "Search" button. To the right of the search bar is a small image of a flood map. Below the search bar is the text "Looking for more than just a current flood map? Visit [Search All Products](#) to access the full range of flood risk products for your community." At the bottom of the page is the heading "About Flood Map Service Center" followed by a paragraph: "The FEMA Flood Map Service Center (MSC) is the official public source for flood hazard information produced in support of the National Flood Insurance Program (NFIP). Use the MSC to find your official flood map, access a range of other flood hazard products, and take advantage of tools for better understanding flood risk."

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Evaluations

- 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!



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Contact Info

- Rich Slevin
rich@h2opartnersusa.com
- Melanie Graham
melanie@h2opartnersusa.com
- Rich Waalkes
rwaalkes@h2opartnersusa.com
- Sonja Wood
sonja@h2opartnersusa.com
- Mike Moye
mmoye@h2opartnersusa.com
- Aaron Montanez/Jane Bachick
producer@h2opartnersusa.com



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Thank you for attending!