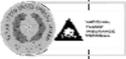




FLOOD INSURANCE BASICS



PHASES OF THE NFIP



PHASES OF THE NFIP

- NFIP is administered in 2 phases:
 - Emergency Phase
 - Regular Phase

	<h2 style="text-align: center;">EMERGENCY PHASE</h2>
	<ul style="list-style-type: none"> ● Entry stage of participation for communities ● Issues FHBM <ul style="list-style-type: none"> ○ identifies flood areas ○ No risk zones ○ No flood elevations ● Flood insurance obtained at FLAT RATE based on structure type ● Same rate regardless of likelihood of being flooded

	<h2 style="text-align: center;">EMERGENCY PHASE</h2>
	<ul style="list-style-type: none"> ● Community enforces & adopts local floodplain regulations ● Regulates new development in flood-hazard areas (Zone A)

	<h2 style="text-align: center;">REGULAR PHASE</h2>
	<ul style="list-style-type: none"> ● Community gets a detailed engineering study ● FEMA prepares FIS & FIRMs <ul style="list-style-type: none"> ○ 100-year flood elevations ○ Floodways ○ Flood Hazard Zones

	FLOOD INSURANCE REQUIREMENTS

	INSURABLE INTERESTS
	<ul style="list-style-type: none"> ● Walled and roofed structures ● Principally above ground ● Not over water ● Manufactured homes if anchored to a permanent foundation ● Contents of structure ● Building in the course of construction

	NOT INSURABLE
	<ul style="list-style-type: none"> ● Buildings over water ● Unanchored manufactured homes ● Motorized vehicles ● Gas and liquid storage tanks ● Building principally below ground ● Machinery and equipment in the open



LIMITED COVERAGE FOR BASEMENTS OR ENCLOSURES

- Foundation Elements
- Specific items
 - furnaces
 - water heaters
 - circuit breaker boxes
 - washers & dryers
 - food freezers
 - air conditioners
 - heat pumps





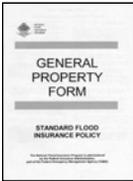
WHAT IS A FLOOD?

- A general and temporary condition of partial or complete inundation of two or more acres of normally dry land area or of two or more properties (at least one of which is the policyholder's property) from:
 - Overflow of inland or tidal waters; or
 - Unusual and rapid accumulation or runoff of surface waters from any source; or
 - Mudflow; or
 - Subsidence of land along the shore of a body of water caused by waves or currents exceeding anticipated levels that result in a flood as defined above.



DIRECT PHYSICAL LOSS BY OR FROM A FLOOD

- Language is used in all three forms




FACTORS USED FOR RATING?

- Location
- Amount of insurance
- Lowest Floor Elevation minus Base Flood Elevation
- Building type
- Foundation
- Age of construction (Pre-FIRM or Post-FIRM)



PRE-FIRM VS. POST-FIRM

- Pre-FIRM
 - Structure constructed prior to community's initial Flood Insurance Rate Map (FIRM) or before 12/31/74
- Post-FIRM
 - Structure built or substantially improved after the initial FIRM or after 12/31/74



LIMITS OF COVERAGE

<u>Buildings</u>	<u>Emergency</u>	<u>Regular</u>
Single Family	\$35,000	\$250,000
Other Residential	\$100,000	\$250,000
Non-Residential	\$100,000	\$500,000
<u>Contents Coverage</u>	<u>Emergency</u>	<u>Regular</u>
Residential	\$10,000	\$100,000
Non-Residential	\$100,000	\$500,000

RESIDENTIAL CONDOMINIUM BUILDING ASSOCIATION POLICY

- Covers building and common areas
- \$250,000 X number of units
- Co-Insurance Provision applies if not insured to 80% of value or more
- Coverage available for individual units and contents

WHEN IS FLOOD INSURANCE REQUIRED?

Property is in flood hazard area but structure is not

Lender DOES NOT require insurance

WHEN IS FLOOD INSURANCE REQUIRED?

Structure is in flood hazard area but elevated on natural knoll

Lender initially requires insurance but builder/buyer may submit LOMA to remove area from floodplain

WHEN IS FLOOD INSURANCE REQUIRED?

Structure is partially in flood hazard area

Lender ALWAYS requires insurance

WHEN IS FLOOD INSURANCE REQUIRED?

Structure is in flood hazard area and not elevated

Lender ALWAYS requires insurance

WHEN IS FLOOD INSURANCE REQUIRED?

Structure is in flood hazard area although elevated on high bluff

Lender initially requires insurance but builder/buyer may submit LOMA to remove area from floodplain

WHEN IS FLOOD INSURANCE REQUIRED?

Structure is in flood hazard area but elevated on fill

Insurance initially required but buyer/builder may submit LOMR

WHEN IS FLOOD INSURANCE REQUIRED?

Structure is in flood hazard area but elevated on posts/piers/pilings

Insurance **ALWAYS** required

WHEN IS FLOOD INSURANCE REQUIRED?

Structure is located partially in Zone "X"

Lender **DOES NOT** require insurance

WHEN IS FLOOD INSURANCE REQUIRED?

Structure is located in special flood hazard area and partially in floodway

Lender ALWAYS requires insurance

CONTACT INFORMATION

- National Flood Insurance Program Region VI NFIP Bureau & Statistical Agent
 - 281-531-5990
 - www.fema.gov
 - www.floodsmart.gov

CONTACT INFORMATION

- Texas Water Development Board
 - Main line: (512) 463-6478
 - www.twdb.state.tx.us
- FEMA Region VI Mitigation Division
 - Main line: (940) 898-5399
 - www.fema.gov
