

Top Ten Facts

Every insurance agent needs to know about the National Flood Insurance Program (NFIP)

- 1 Almost every building in a participating community can be covered by flood insurance.
- 2 There is an easy-to-write flood insurance policy for low-to-moderate flood risk areas.
- 3 Coverage is available for both structure and contents.
- 4 Easy-to-use rating software is available.
- 5 Credit cards are accepted.
- 6 Provisional rating makes closings easier.
- 7 Contact the community building permit office for elevation information.
- 8 NFIP policies cover many basement elements.
- 9 Federal disaster loans and grants will require the purchase of flood insurance.
- 10 Buy now! There is a 30-day waiting period.

1. **You can sell federally-backed flood insurance to any resident or property owner in a community that participates in the NFIP.**
 - It doesn't matter if the property is in the floodplain or not. Almost everyone in the community qualifies for flood insurance coverage and nearly every community throughout the United States participates. Encourage policyholders to insure to value and to buy contents coverage.
2. **We offer an easy-to-write, low-cost flood insurance policy for people in low-to-moderate flood risk areas.**
 - One option combines structure and contents coverage in one. It's perfect for people located in B, C, and X zones where 20-25% of all flood insurance claims occur. Annual premiums range from \$112 to \$352 for homeowners, and begin at just \$500 for businesses.
 - Contents-only coverage is available for renters and owners of eligible properties.
3. **Coverage is available for both the structure and its contents.**
 - Single family residences can be covered for up to \$250,000 on the structure and \$100,000 on the contents.
 - Commercial structures can be insured to a limit of \$500,000 for the building and \$500,000 for the contents.
4. **Flood insurance is easy to rate with software for your personal computer.**
 - Several companies have developed flood insurance rating software to save you time, money, and office space.
 - For a free list of rating products, access the FEMA web site at <http://www.fema.gov/nfip/software.shtm>.
5. **Credit cards are accepted.**
 - Flood insurance premiums are easier to pay using major credit cards. Check with your WYO Company.
6. **Provisional rating makes it easier for you to sell flood insurance.**
 - Provisional rating makes coverage available before the elevation certificate is complete.
7. **You can obtain elevation information from many sources—at little or no cost to your client.**
 - More than 1,000 communities participate in the NFIP's Community Rating System (CRS). They maintain elevation information on structures in A and/or V zones. Contact the local building permit official for assistance. And, policyholders in CRS communities earn premium discounts!
8. **NFIP policies cover many basement elements.**
 - Basement coverage includes cleanup expense and items such as furnaces, water heaters, washers and dryers, air conditioners, freezers, utility connections, and pumps.
 - Basement coverage does not include the contents of a finished basement and improvements, such as finished walls, floors, and ceilings.
9. **Uninsured flood victims will most likely have to buy flood insurance as a condition of a federally-backed disaster loan or grant.**
 - Federal disaster assistance declarations are awarded in less than 50% of flooding incidents. The annual premium for an NFIP policy is less expensive than interest on Federal disaster loans. Wouldn't it be better for your clients to be insured before the loss occurs?
10. **Buy now! There is a 30-day waiting period.**
 - If the initial purchase of flood insurance is in connection with the making, increasing, extending or renewing of a loan, there is no waiting period.
 - If the initial purchase of flood insurance is made during the 13-month period following the issuance of a revised flood map for a community, there is one-day waiting period.

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FEMA

