

# Everyone Is in a Flood Zone & Elevation Certificate Basics

For Real Estate Professionals | March 2021



FEMA

AREA WITH REDUCED FLOOD RISK DUE TO LEVEE  
*Zone X*



# Instructors

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*Presentation in  
Partnership with*

Louisiana REALTORS®  
FEMA

Louisiana Department  
of Transportation and  
Development (LADOTD)



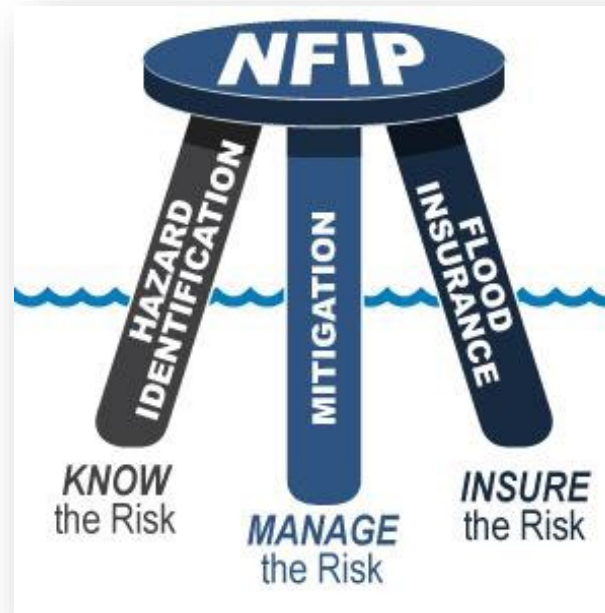
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# What is the National Flood Insurance Program?

Established in 1968  
Administered by FEMA

**Risk identification:** Flood maps & studies, base flood elevations (anticipated flood heights for a 1% annual chance event).



**Insurance:** Policies sold through insurance companies, backed by the federal government; for homeowners, renters & business owners in all flood zones.

**Floodplain management:** Adopt and enforce minimum or higher standards, including elevating structures to or above the base flood elevation; permits for development in the high-risk flood zones.



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# Flood Maps

Zones, risk, regulations





# There are no “no-risk” zones on the map

## We are all in a floodplain

- Flood Insurance Rate Maps (FIRMs) are used to determine areas needing minimum building standards and for insurance rating.
- They are also to determine mandatory purchase, though we recommend flood insurance in all zones.
- They do not predict where floods will happen.
- Everyone lives in an area with some flood risk - it's just a question of whether you live in a low-, moderate-, or high-risk area.



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AREA OF MINIMAL FLOOD HAZARD  
Zone X

Federal Emergency Management Agency



# The Base Flood

## 1% Annual Chance Flood

- A flood event that has a 1% probability of being equaled or exceeded in any given year. This is the basis for the FIRMs.
- Some people call it the one-hundred-year flood, but we discourage that because it's misleading.
- Events can and do happen that are greater than the base flood.

"The appearance of U.S. Department of Defense (DoD) visual information does not imply or constitute DoD endorsement."  
Hurricane Isaac, New Orleans 2012

Federal Emergency Management Agency

# Flooding Can Happen & Does Happen in All Flood Zones

**Special Flood Hazard Areas (SFHA), mandatory purchase applies:**

- Zones A, AE, AH, AO, A1-A30, AR, A99, V, VE, V1-V30

**Moderate flood hazard areas:**

- Zones B and X (shaded)

**Minimal flood hazard areas:**

- Zones C and X (unshaded)

**Undetermined flood hazard area:**

- Zone D

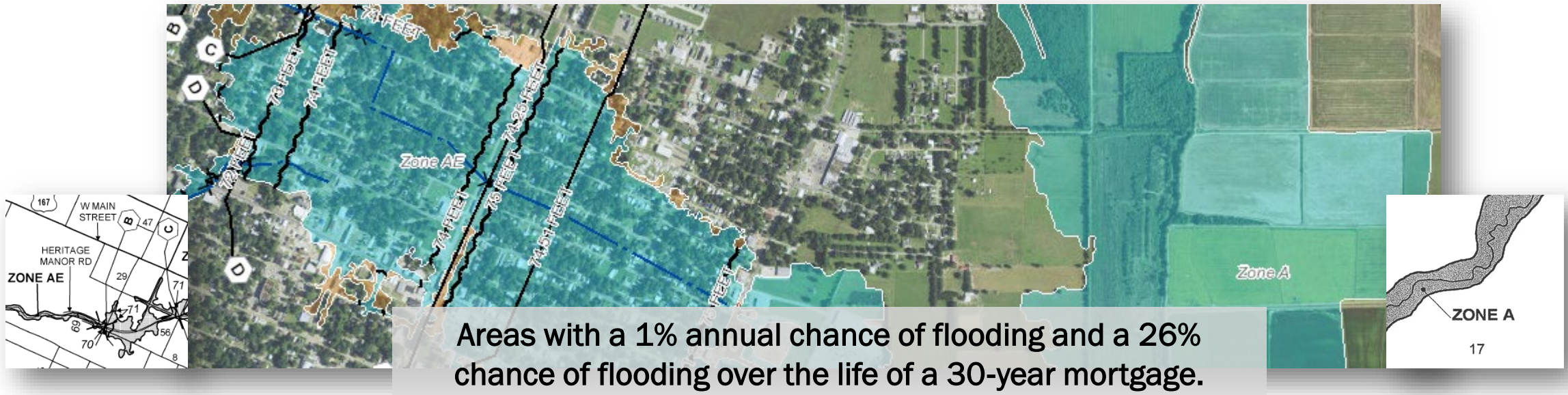


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# Defining Flood Zones: SFHA Zones A—High Risk Areas



## Zone AE

The base floodplain. Base Flood Elevations are provided. Zones AE are now used on new format FIRMs instead of A1-A30 Zones. Mandatory purchase applies.

## Zone A

The base floodplain. Because detailed analyses are not performed for such areas, no depths or Base Flood Elevations are shown within these zones. Mandatory purchase applies.



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# Defining Flood Zones: Levee/Flood Control

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## Zone AR

This zone designates an area where a levee is determined to no longer provide sufficient flood protection, but is in the process of being restored. Mandatory purchase applies.

## Zone A99

This zone designates an area where a federal levee is under construction and can demonstrate adequate progress. Mandatory purchase applies.



## Zone X-Reduced Risk due to levee

If a levee can protect against a major flood – defined as a flood with a 1 percent chance of occurring in any given year – the maps show the areas near the levee as moderate-to-low risk areas. Flood insurance is not required, but highly recommended. Levees can fail or overtop.

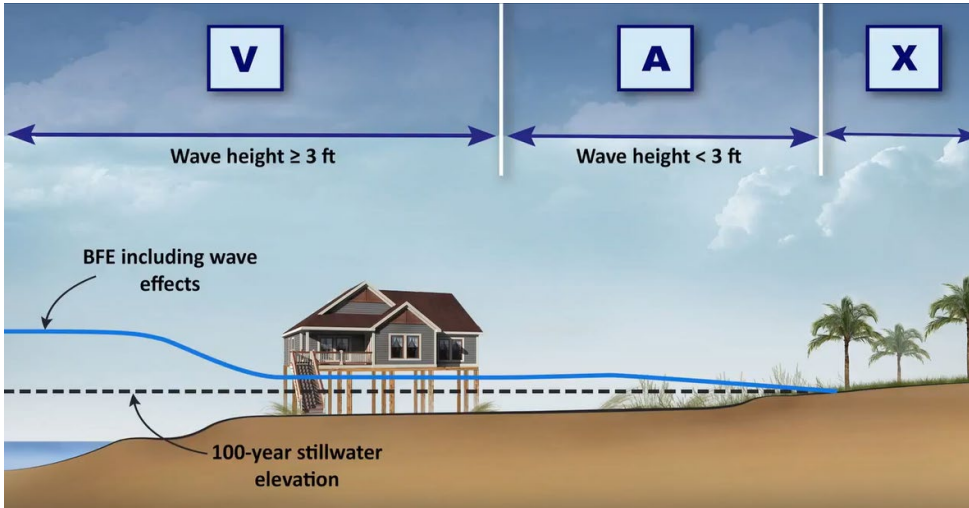


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# Defining Flood Zones: SFHA Zones V—High Risk Areas

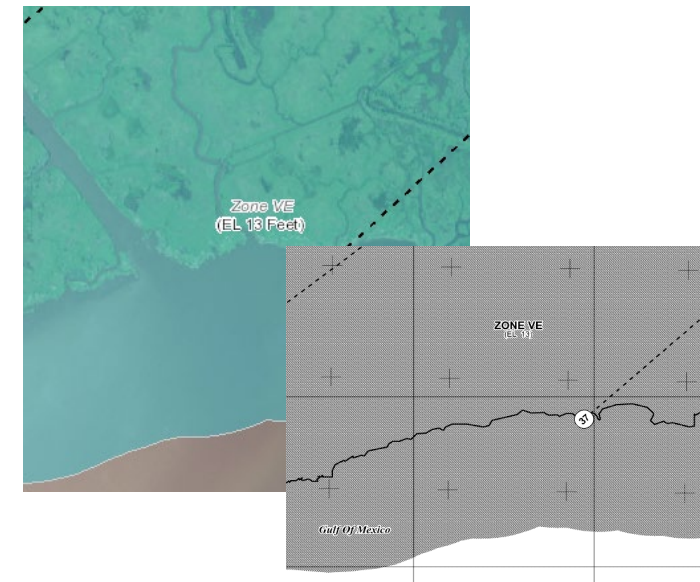


## Zone V

Coastal areas with a 1% or greater chance of flooding and an additional hazard associated with storm waves. These areas have a 26% chance of flooding over the life of a 30-year mortgage. No Base Flood Elevations are shown within these zones. Mandatory purchase applies.

## Zone VE

Coastal areas with a 1% or greater chance of flooding and an additional hazard associated with storm waves. These areas have a 26% chance of flooding over the life of a 30-year mortgage. Base Flood Elevations derived from detailed analyses are shown at selected intervals within these zones. Mandatory purchase applies.



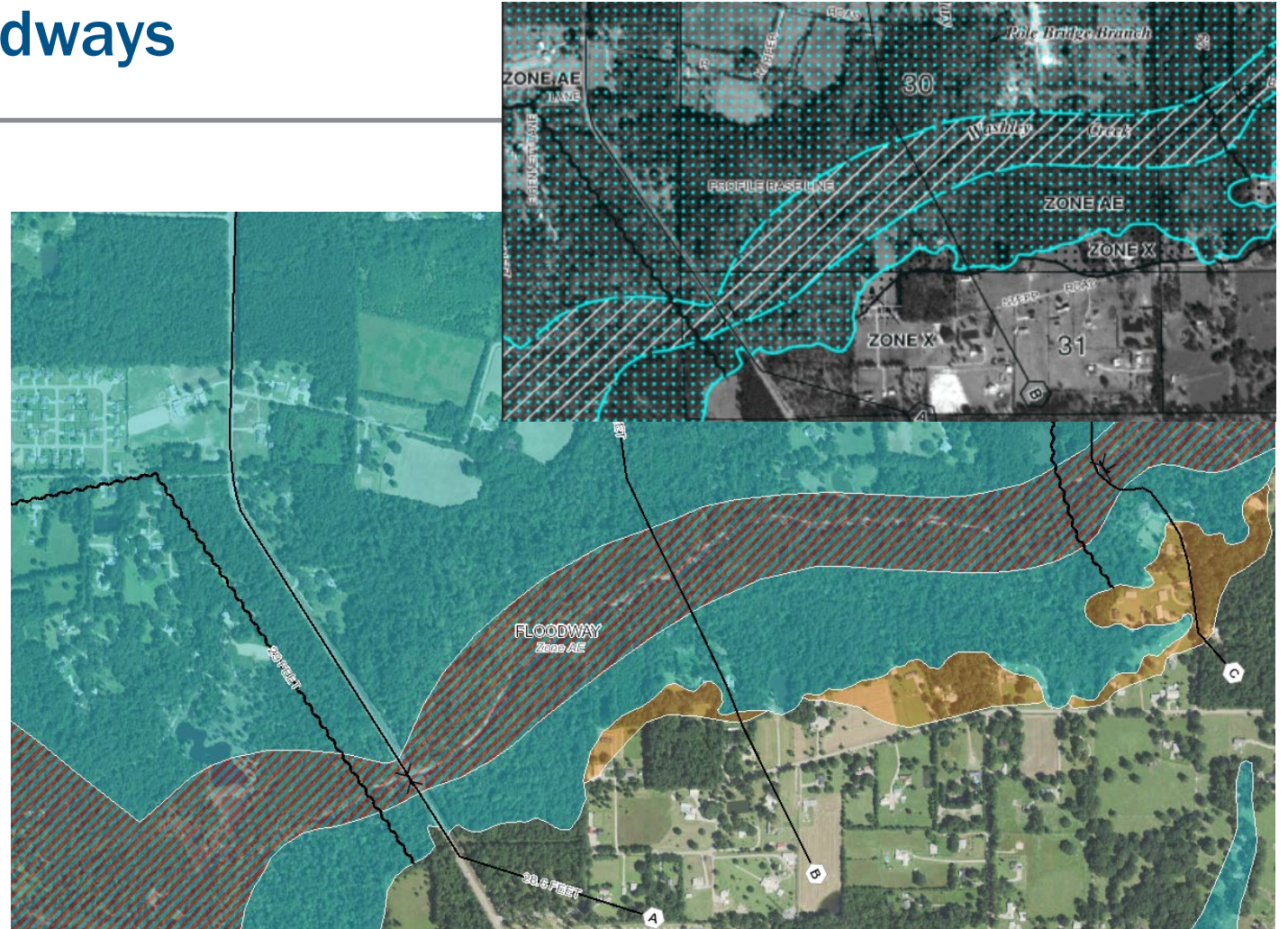
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# Defining Flood Zones: Floodways

- Channel of a river or other watercourse and the adjacent land areas that must be reserved in order to discharge the base flood.
- Marked by diagonal lines.
- Special floodplain regulations apply in these areas.



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# Defining Flood Zones: Moderate-to-Low Risk Areas

- *Not considered SFHA, mandatory purchase does not apply.*
- *Risk of flooding reduced, not removed.*
- *Account for 40% of NFIP claims over the last five years.*

## Zone X Shaded (see yellow circled areas)

Area of moderate flood hazard. Have .2% annual chance of flooding. Often directly adjacent to the SFHA. 6% chance of flooding over a 30-year mortgage. Flood insurance is recommended here.

## Zone X (see all open space)

Areas of minimal flood hazard, not an area of “no flood hazard.” Flood insurance is recommended here.



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# Flood Zone, Map Change and Insurance Resources

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## Contact the Local Floodplain Administrator (FPA)

For information on the status of any structure, you can contact the local Floodplain Administrator for the city/parish in which the structure is located:

View a list of Louisiana floodplain contacts on the Louisiana Department of Transportation and Development (LADOTD) floodplain website at

[http://floods.dotd.la.gov/lafloods/Community\\_Contacts.aspx](http://floods.dotd.la.gov/lafloods/Community_Contacts.aspx)



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# Flood Zone, Map Change and Insurance Resources, Continued

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## FEMA Mapping and Insurance eXchange (FMIX)

Map Specialists at the [FEMA Mapping and Insurance eXchange](#) (FMIX) support the public and other FEMA stakeholders with inquiries pertaining to a wide variety of flood hazard mapping and floodplain management topics including how to find and read flood maps, preliminary flood hazard data, Letters of Map Change, general Elevation Certificate information, and you can request your NFIP flood loss history here.



# 1-877-FEMA MAP (1-877-336-2627)



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## Why Does Flooding Happen Outside of High-Risk Areas?

- New land use and community development
- Changes in weather patterns and terrain
- Events happen greater than the 1% annual chance event
- Flood risk changes over time (maps can and should be updated through the [Letter of Map Change](#) process)

"The appearance of U.S. Department of Defense (DoD) visual information does not imply or constitute DoD endorsement."  
[BR flooded home](#)



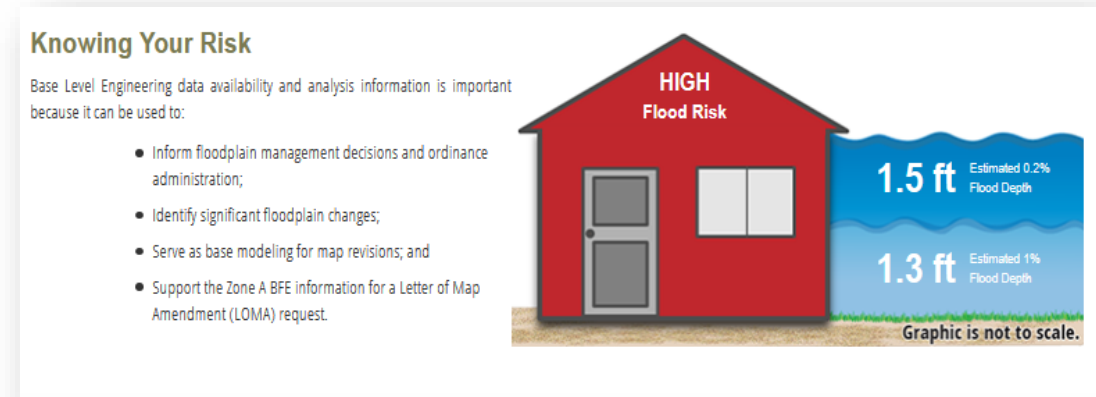
# Utilize Other Flood Risk Data

A 2017 [Core Logic study](#) found 49% of properties outside a Special Flood Hazard Area (SFHA) in Louisiana are at High or Moderate risk of flooding.



<https://www.floodfactor.com/>

## FEMA's Estimated BFE Viewer



## FEMA's Risk Rating 2.0

- October 1, 2021 new NFIP policy rates.
- Will reflect a property's unique flood risk.



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# Flood Insurance

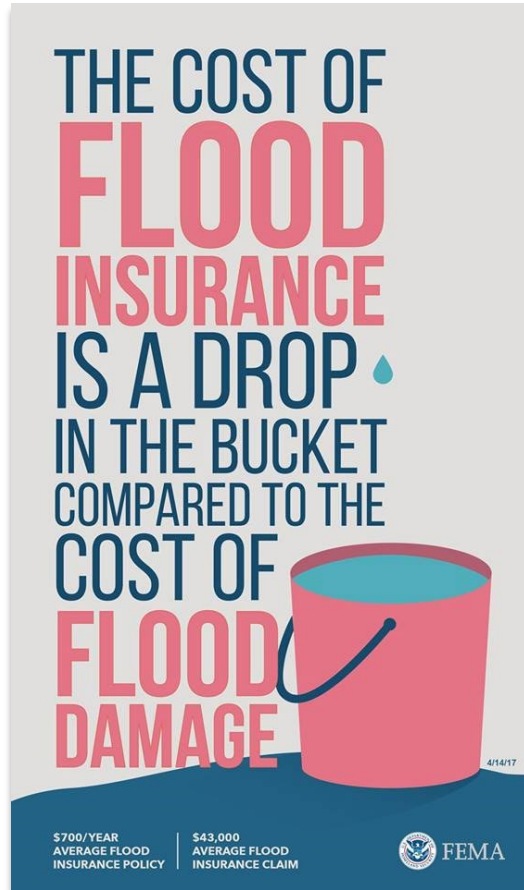
Basic facts, mandatory purchase and tips for buyers and sellers





# Four Basic Facts of a Standard Flood Policy

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- Single-peril policy.
- Residential and Non-residential policies.
  - Residential coverage limits: \$250,000 for structure, \$100,000 for contents.
  - Non-residential coverage limits: \$500,000 for structure, \$500,000 for contents.
- Renters can get contents-only coverage.
  - Contents is not automatically included in the policy, with the exception of a Preferred Risk Policy which is only available in areas of minimal flooding.
- Available in any zone.



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# Waiting Periods

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- Typically, there is a 30-day waiting period for a flood insurance policy to go into effect.
- Exceptions:
  - Flood Insurance is required by a federally regulated and insured lender—0 days.
  - Wildfire 30-day waiting period exception—0 days.
  - Initial purchase of flood insurance as the result of a map revision—1 day.



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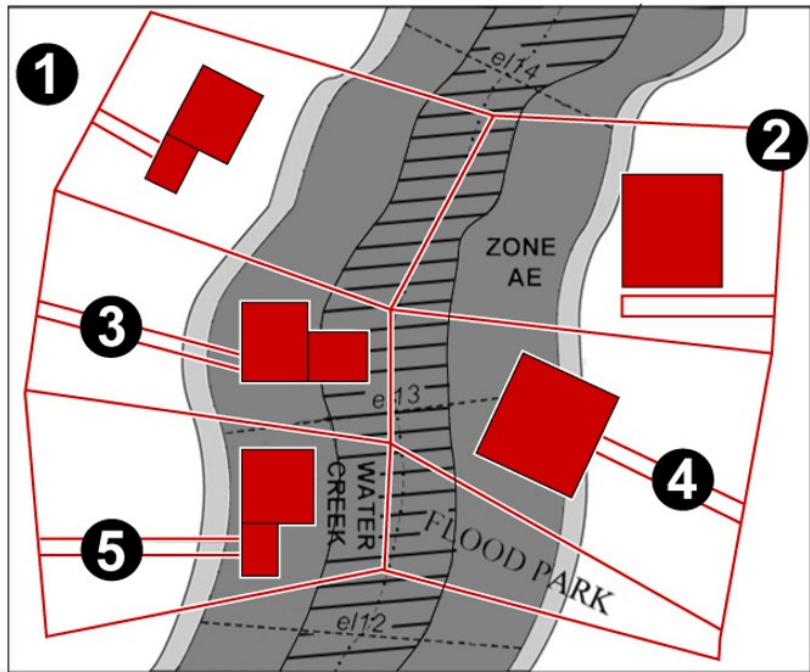




# Mandatory Purchase and Floodplain Management Considerations

Lenders can require flood insurance even when a structure is outside the SFHA.

Map Changes may be possible.



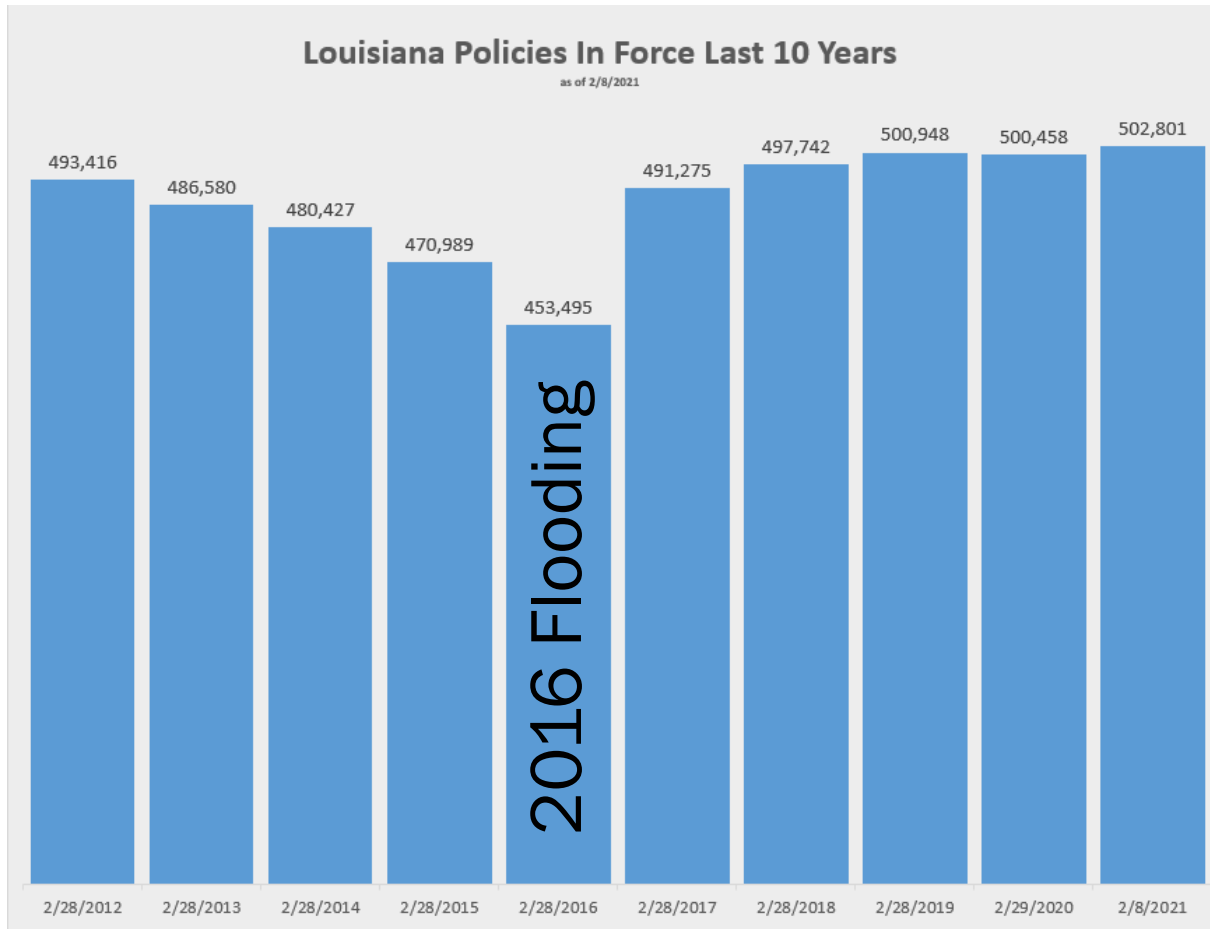
1. Structure is outside SFHA.
2. Part of structure touches Shaded Zone X.
  - FIRMette from FPA.
  - LOMA-Out as Shown.
3. Structure is in SFHA and Floodway.
4. Structure is in SFHA, Shaded Zone X and Zone X.
5. Structure is in SFHA.
  - Is the structure above the base flood elevation by natural grade? LOMA.
  - Is the structure above the base flood elevation by fill? LOMR-F.



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# NFIP Policies in Louisiana



- According to 2015-2019 US Census data, there are over 1.7 million households in Louisiana.
- Less than 30% of households are covered by NFIP flood insurance.
- Breakdown of NFIP policies in Louisiana
  - 53% in A Zones
  - 46% in B, C, X Zones
  - 1% in V Zones
- Average cost to consumer policy premium is \$900.

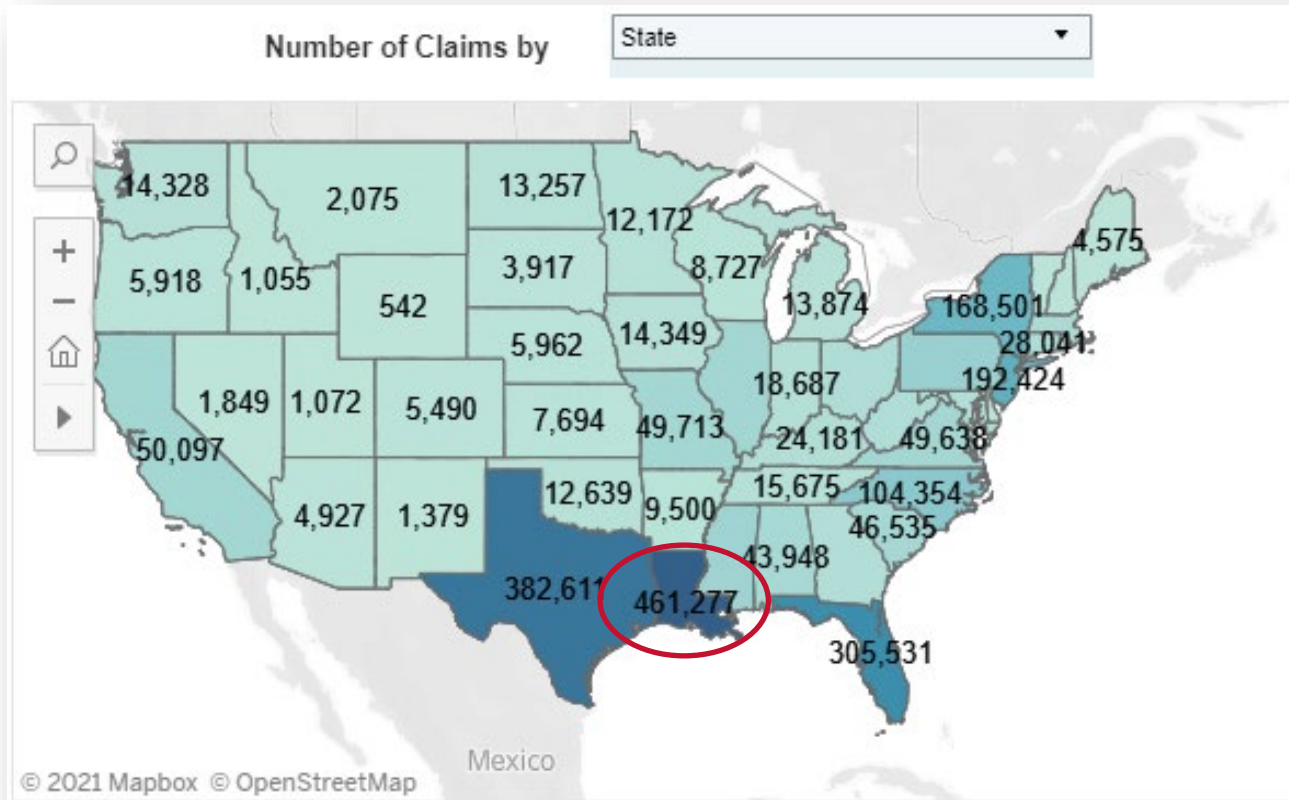


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# NFIP Claims in Louisiana



- Louisiana has the highest number of NFIP claims in the country.
- Almost 1 out of 3 NFIP flood claims come from outside the high-risk areas.
- About 35% of claims from the 2020 Louisiana hurricanes came from outside the high-risk areas.
- Average claim in Louisiana in last five years is \$76,000.



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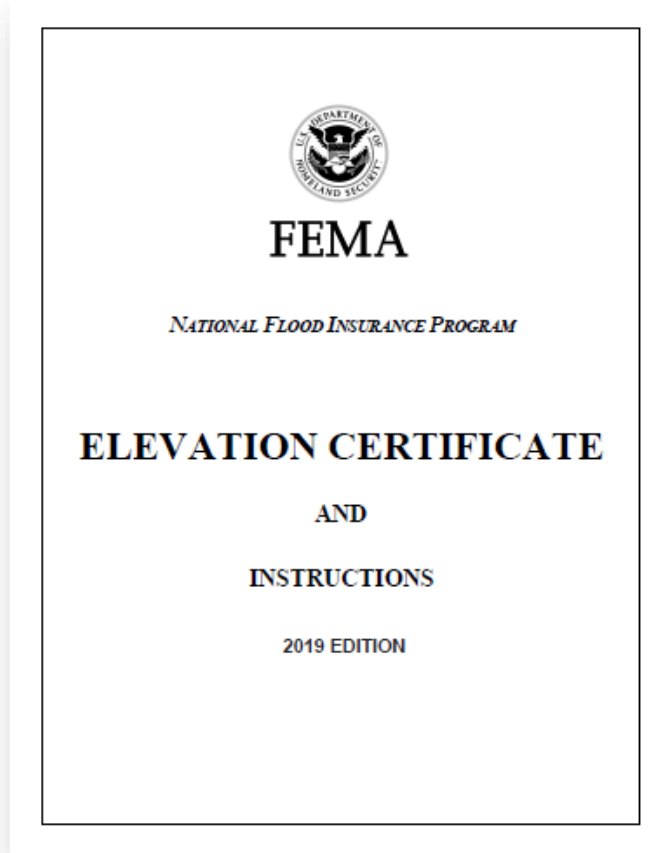
# Elevation Certificates

Basic facts and tips



# What are Elevation Certificate Used For?

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- Provide elevation information necessary to ensure compliance with community floodplain management ordinances.
  - New and improved construction in high-risk flood zones in communities that participate in the Community Rating System must use the FEMA EC.
- Determine the proper insurance premium rate.
- Support a request for a Letter of Map Amendment (LOMA) to remove a building from the Special Flood Hazard Area.



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# Where to Get an Elevation Certificate

- Seller
- Local Floodplain Administrator
- Property deed
- Developer/builder
- Hire a licensed land surveyor, professional engineer or certified architect authorized to certify elevation information



ECs must include two color photographs for insurance rating purposes.

| SECTION C – BUILDING ELEVATION INFORMATION (SURVEY REQUIRED)  |                |   |
|---|----------------|---|
| C1. Building elevations are based on: <input type="checkbox"/> Construction Drawings* <input type="checkbox"/> Building Under Construction* <input type="checkbox"/> Finished Construction<br>*A new Elevation Certificate will be required when construction of the building is complete.  |                |   |
| C2. Elevations – Zones A1–A30, AE, AH, A (with BFE), VE, V1–V30, V (with BFE), AR, AR/A, AR/AE, AR/A1–A30, AR/AH, AR/AO. Complete Items C2.a–h below according to the building diagram specified in Item A7. In Puerto Rico only, enter meters.<br>Benchmark Utilized: _____ Vertical Datum: _____<br>Indicate elevation datum used for the elevations in items a) through h) below.<br><input type="checkbox"/> NGVD 1929 <input type="checkbox"/> NAVD 1988 <input type="checkbox"/> Other/Source: _____<br>Datum used for building elevations must be the same as that used for the BFE. |                |   |
|   |                | Check the measurement used.                                   |
| a) Top of bottom floor (including basement, crawlspace, or enclosure floor)   | _____          | <input type="checkbox"/> feet <input type="checkbox"/> meters |
| b) Top of the next higher floor   | _____          | <input type="checkbox"/> feet <input type="checkbox"/> meters |
| c) Bottom of the lowest horizontal structural member (V Zones only)   | _____          | <input type="checkbox"/> feet <input type="checkbox"/> meters |
| d) Attached garage (top of slab)  | _____          | <input type="checkbox"/> feet <input type="checkbox"/> meters |
| e) Lowest elevation of machinery or equipment servicing the building (Describe type of equipment and location in Comments)  | _____          | <input type="checkbox"/> feet <input type="checkbox"/> meters |
| f) Lowest adjacent (finished) grade next to building (LAG)  | _____          | <input type="checkbox"/> feet <input type="checkbox"/> meters |
| g) Highest adjacent (finished) grade next to building (HAG)   | _____          | <input type="checkbox"/> feet <input type="checkbox"/> meters |
| h) Lowest adjacent grade at lowest elevation of deck or stairs, including structural support  | _____          | <input type="checkbox"/> feet <input type="checkbox"/> meters |
| 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.   |                |   |
| Were latitude and longitude in Section A provided by a licensed land surveyor? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Check here if attachments.   |                |   |
| Certifier's Name  | License Number | Place Seal Here   |
| _____   |                |   |
| Title   |                |   |
| _____   |                |   |
| Company Name  |                |   |
| _____   |                |   |
| Address   |                |   |
| _____   |                |   |



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# Tips for Buyers & Sellers: *High Risk Areas (Zones A & V)*



## Buyers

- Because of the known flood risk, add the annual cost of flood insurance to the asking price to see if the home is in your price point.
- Require flood loss history from the seller.
- Most lenders require flood insurance. Get a flood insurance quote well before closing.
- Request the seller's Elevation Certificate.

## Sellers

- If receiving a subsidized rate, transfer it to the buyer at closing.
- Consider mitigation projects that will reduce the flood risk and, in turn, reduce the premium before putting a property on the market.
- Provide an Elevation Certificate.
- Disclose flood history (seller can call 877-FEMA-MAP to get a flood loss history) and flood risk information.



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# Tips for Buyers & Sellers: *Moderate-to-Low Risk Areas (Zones B,C, X)*

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## Buyers

- Flooding can happen anywhere. In the last five years, 40% of NFIP claims come from these areas. Get flood insurance.
- Inquire with the seller about previous flooding and require a flood loss history from the seller (seller can call 877-FEMA-MAP).

## Sellers

- You can transfer your policy to the buyer at closing.
- Disclose flood history (seller can call 877-FEMA-MAP to get a flood loss history) and flood risk information.



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# Resources

Websites, publications, federal and state contacts



# Go-to Websites

[www.FloodSmart.gov](http://www.FloodSmart.gov) [www.floodsmart.gov/es](http://www.floodsmart.gov/es)

Buying a Policy · Renewing a Policy · Flood Risks and Costs · Before and After a Flood · Flood Zones and Maps

Why Should I Renew My Policy?  
How to Renew Your Policy

**This is an official National Flood Insurance Program.**

The NFIP offers flood insurance to help you protect the life you've built and recover more quickly after a flood.

[Get Coverage](#)

**The Latest from the NFIP**  
Prepare for Flooding After Wildfires

After a wildfire, If you live in an area affected by a wildfire, you face mudflows. Talk to your insurance agent about purchasing flood insurance to protect your home and property after fire.

[Learn More](#)

**I AM FEMA**  
Meet Katrina, who is a Community Preparedness Officer in our Region 8 office in Denver, Colorado. Katrina is passionate about connecting with youth to build a culture of preparedness.

[Join Our Mission](#)

[www.FEMA.gov](http://www.FEMA.gov)

[www.msc.fema.gov](http://www.msc.fema.gov)

## FEMA Flood Map Service Center: Welcome!

Looking for a Flood Map? [?](#)

Enter an address, a place, or longitude/latitude coordinates:

Enter an address, a place, or longitude/latitude coordinates

[Search](#)

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.



About Flood Map Service Center



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# On-Line Resources

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- A Real Estate Professional's [Guide to Discussing Flood Insurance](#)
- [Homeowners, Renters & Business Owners](#): Know Your Risk & Take Action
- [Living with Levees](#)
- [Map Changes and Flood Insurance: What Property Owners Need to Know](#)
- [FEMA Risk Rating 2.0](#)
- To view preliminary or pending maps: [FEMA Flood Map Changes Viewer](#)
- Additional Flood Risk Data: [Estimated BFE Viewer](#)
- [Elevation Certificates](#): Who Needs Them and Why?



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## Resources, Continued

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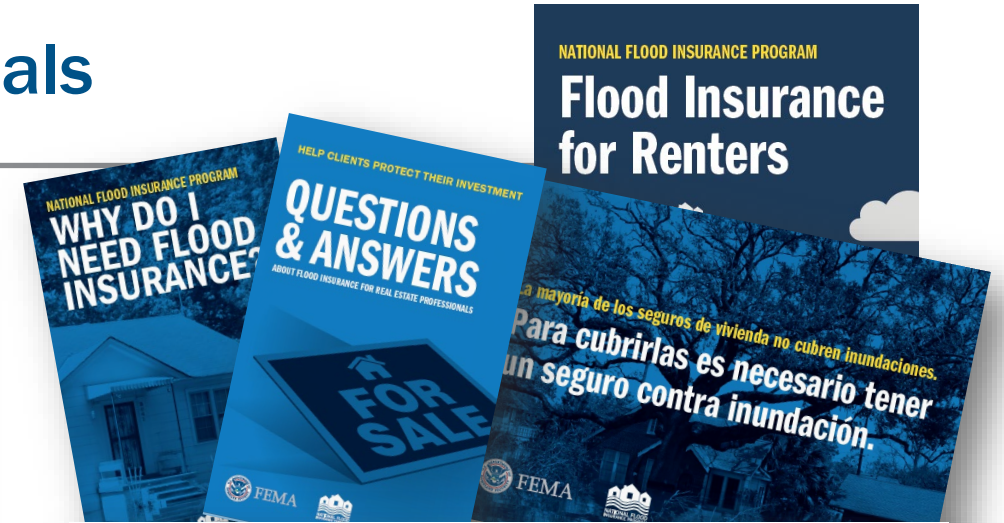
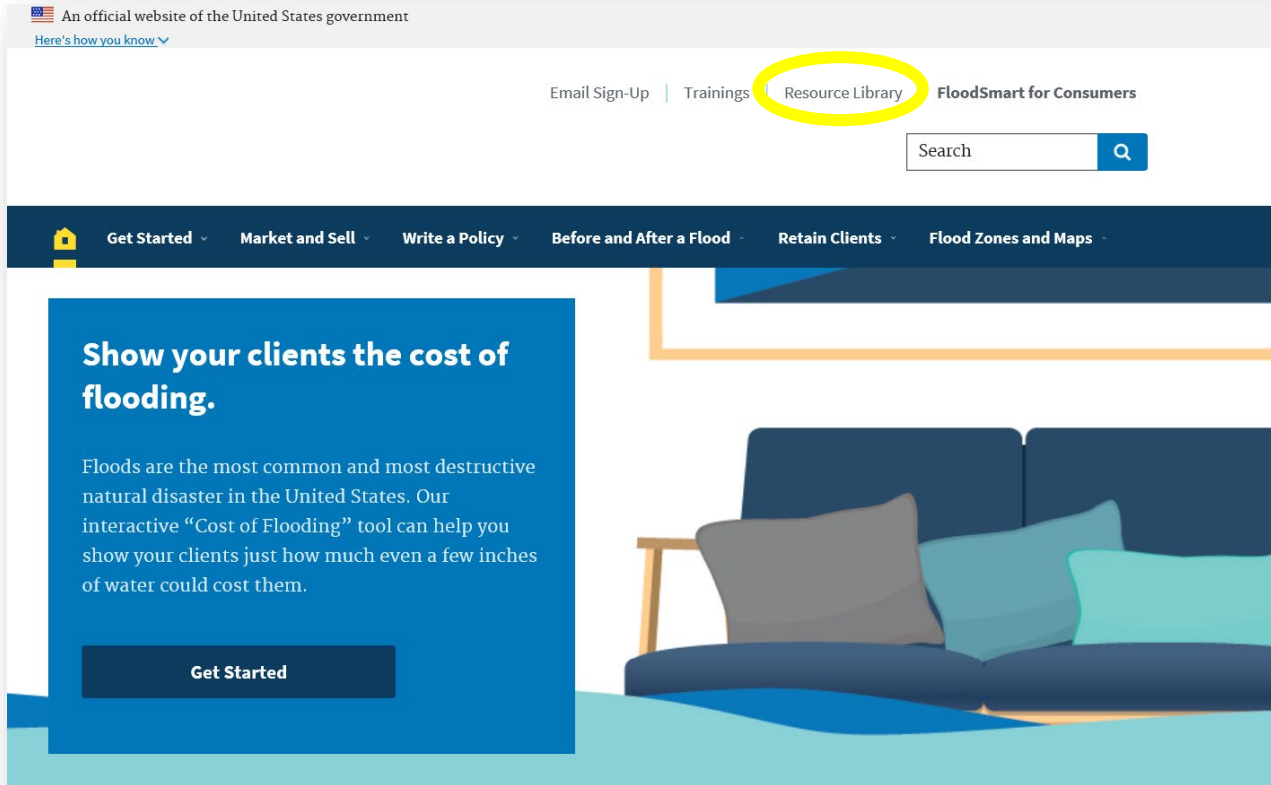
- [Tutorial: How to Print a FIRMette and Download a FIRM Panel](#)
- [Change Your Flood Zone Designation | FEMA.gov](#)
- Local Floodplain Administrator:
  - Found on government websites, usually located under permitting, code compliance, environmental/health pages or view [NFIP community contact information](#) on the LADOTD site.
- FEMA [Community Rating System](#)
- [FEMA Mapping and Insurance eXchange](#) (FMIX): General flood mapping and insurance questions, call 877-FEMA-MAP (336-2627)
- State NFIP Coordination Website, [LADOTD Floodplain](#)



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# Social Media Posts & Free, Printed Materials



**Just 1 inch of water can cause \$25,000 of damage to your home.**

[GET FLOOD INSURANCE](#)

[1 Inch \(Facebook\)](#)

#Flooding can happen anytime, anywhere. Visit [insert link to your website] to learn how you can be covered when the flooding starts. #FloodSmart

[Download](#)

[www.agents.floodsmart.gov](http://www.agents.floodsmart.gov)



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# Thank you. Any questions?

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Pam Lightfoot, CFM

*State CRS Program Manager*  
[pam.lightfoot@la.gov](mailto:pam.lightfoot@la.gov)



# FEMA

## NATIONAL FLOOD INSURANCE PROGRAM

# A Real Estate Professional's Guide to Discussing Flood Insurance



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For more information about the NFIP and flood insurance,  
visit [Agents.FloodSmart.gov](https://agents.floodsmart.gov).

FEMA P-2092 | March 2020



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1

### Most homeowners insurance policies don't cover flooding.

Where it can rain, it can flood. And just one inch of water in an average-sized home can cause \$25,000 of damage. Talking with your clients about flood insurance—even if it's not required—could inform their decision to protect their properties from flood damage and the economic devastation it can bring.

2

### They need to know their options before flooding happens.

Expect a 30-day waiting period between purchasing the policy and the start date, with some exceptions. For example, if the initial purchase of a flood insurance policy is done in connection with a loan closing, there is no waiting period. Also, if a seller transfers their policy to the new property owner, coverage continues uninterrupted upon sale.

3

### Flood insurance can protect the lives they are building.

Your clients trust you to help them navigate the exciting—yet sometimes overwhelming—home-buying process. Being informed and sharing information on ways your customers can protect their investments builds your credibility and eases their minds.

#### DID YOU KNOW?

A property does not need to be near water to flood. In fact, more than 40% of all National Flood Insurance Program (NFIP) flood claims come from outside high-risk areas. Floods can be a result of storms, melting snow, hurricanes, water backup, broken water mains, and changes to land as the result of new construction, among other things.

Many states have disclosure laws for real estate professionals that address natural hazards, including floods. **Check with your state or local real estate professionals association for disclosure laws.**



### Transferring policies

If the seller of a property has NFIP coverage on that building, that policy can usually be assigned to the buyer upon the sale. Let your client know that they have to work with the seller and the seller's insurance agent to assign the policy over to the buyer, and it has to be done on or before the closing date. Working with your client to facilitate this assignment of the flood insurance policy can often save premium money and/or make the purchasing process easier for the buyer.

Generally, if a mortgage company requires flood insurance as a condition of a loan, and the borrower has an escrow account for other insurance premiums, the lender must also escrow flood insurance premiums.



### What should my client expect to pay?

Flood insurance premiums vary depending on the construction date and flooding risk, among other things, for each building. The average property owner can purchase an NFIP policy for as little as \$2 a day. A licensed insurance agent can provide quotes for both building and contents coverage. In most cases, they are separate coverages with separate deductibles.



### Dispel the myth: Federal disaster assistance might not cover all damage.

Disaster assistance may be available to community members under a Presidential Disaster Declaration, but it is unlikely to cover the cost of all damages and often must be repaid. This assistance comes in two forms: a U.S. Small Business Administration loan, which must be paid back with interest, or a FEMA disaster grant, which averages about \$5,000 per household. By comparison, the average flood insurance claim payment in the past five years was about \$69,000 and does not have to be repaid.

#### Encourage your clients to visit the resources below for more information:

- **FloodSmart.gov:** Find an agent, understand flood risk, and find useful resources, including the interactive Cost of Flooding tool.
- **MSC.FEMA.gov:** View and download flood maps.