Risk Reduction Plus
NFIP & Flood Insurance Overview
About Us

20+ Years Helping Others

All Staff Are CFMs

Outreach In All States

Educating Real Estate Industry
Flood Statistics

Flooding is the #1 natural disaster in the US
In fact, all 50 states have experienced floods in the past 5 years

- 70% of Hurricane Harvey losses were outside flood zones
- 20% of NFIP claims are in mid - low risk areas
- 94% of Americans don’t have flood insurance
Solutions

1. Mitigate to compliance
2. Correct Rating
3. Private Flood Insurance
National Flood Insurance Program

PROTECTING STRUCTURES BUILT IN FLOODPLAINS

Floodplain Management
Building Codes & Zoning

Hazard Identification
Flood Mapping

Low-Cost Flood Insurance
Participating Communities
Total Number of Policies

- +100K
- +40K
- +20K
- +10K
- +0K
Flood Risk Zones

**LOW**
× (unshaded)

**MID**
× (shaded)

**HIGH**
Riverine/Tidal
A, AH, AO, AE

Coastal
VE

MANDATORY
Coverage Limits

RESIDENTIAL
$250,000 building
$100,000 contents

COMMERCIAL
$500,000 building
$500,000 contents
The Cause of Reforms

PREMIUM GENERATED

Katrina - 2005
$1.9 billion

Sandy - 2012
$3.3 billion

Harvey - 2017
$3.3 billion

AMOUNT PAID OUT
Policy Changes

**APR 1, 2015**

- **$25** Surcharge Primary
- **$250** Non-Primary

9% increase for everyone

**ACTUARIAL RATES**

1. Non-Primary Residences
2. Subsidized Rates
3. Business Properties
4. Severe Repetitive Loss
Private vs NFIP

<table>
<thead>
<tr>
<th></th>
<th>NFIP</th>
<th>PRIVATE</th>
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<tbody>
<tr>
<td>Elevation Certificate</td>
<td>✔</td>
<td>×</td>
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<tr>
<td>Personal Property &amp; Basements</td>
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<tr>
<td>Effective in 10 Days</td>
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<td>✔</td>
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<tr>
<td>Loss of Use Coverage</td>
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<tr>
<td>Decks Coverage</td>
<td>✔</td>
<td>✔</td>
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<tr>
<td>Carports Coverage</td>
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<td>✔</td>
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<tr>
<td>20–50% Cost Savings</td>
<td>×</td>
<td>✔</td>
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<tr>
<td>Earthquakes &amp; Eruptions</td>
<td>×</td>
<td>✔</td>
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</table>
Questions or Misconceptions

Will only my mortgage accept it?
How Communities can prepare for RISK RATING 2.0
Risk Rating 2.0: The Case for Change

What FEMA Heard

- Surcharges on premium are unrelated to risk
- Little to no explanatory resources
- Not based on granulated risk
- Inaccurate, based on 1% event
- Levees and dams are not considered

<table>
<thead>
<tr>
<th>Current NFIP State</th>
<th>Future NFIP State</th>
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<tbody>
<tr>
<td>Barriers</td>
<td></td>
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</tbody>
</table>

- Not current with industry
- Overly complex and cumbersome
- Hindered by regulation
- Structural differences not accounted for
- Unclear risk and price drivers

Where we’re headed
Risk Rating 2.0: Current NFIP Risk Rating

Current NFIP Risk Rating
Risk Rating 2.0: New NFIP Risk Rating

example: Shaded X zone compared to an A zone right next door, mother nature does not follow map lines
Risk Rating 2.0: Mitigation Discounts-More Emphasis Placed on Flood Vents

- Engineered Flood Vents
- Air vents used as flood vents

EXTRA CREDIT
How you can prepare your town

- Community Outreach to help prepare residents
- New Flood codes using RR 2.0 as a floodplain management tool
- Now scheduled for October of 2021
Statistics

Built - 1952    Zone – A13    BFE – 460
Elevated – 1992 (460.59)    Residence – Primary
Building Diagram - 7 Unfinished

$2,038
NFIP Premium
Agent Errors

No Flood Vents
Mislabeled 1920

RATING INFORMATION

<table>
<thead>
<tr>
<th>Coverage Limit</th>
<th>Deductible</th>
<th>Rate</th>
<th>Deductible Discount</th>
<th>Premium</th>
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<tbody>
<tr>
<td>177,000</td>
<td>$1,000</td>
<td>00.57/00.09</td>
<td>$0.00</td>
<td>$447.00</td>
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<tr>
<td>0</td>
<td>$0</td>
<td>00.00/00.00</td>
<td>$0.00</td>
<td>$0.00</td>
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</table>

ICC PREMIUM
ANNUAL SUBTOTAL
RESERVE FUND ASSESSMENT
FEDERAL POLICY FEE

TOTAL PREMIUM
ENDORSEMENT PREMIUM

THIS IS NOT A BILL
Surveyor Errors

<table>
<thead>
<tr>
<th>Section A - Property Information</th>
</tr>
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<tbody>
<tr>
<td>A1. Building Owner’s Name: Robert Wagner</td>
</tr>
<tr>
<td>A2. Building Street Address: 4218 N Galena Road, Peoria, IL 61614</td>
</tr>
<tr>
<td>A3. Property Description: Lot and Block Numbers, Tax Parcel Number, Legal Description</td>
</tr>
<tr>
<td>A4. Building Use: Residential, Non-Residential, Addition, Accessory, etc.</td>
</tr>
<tr>
<td>A5. Latitude/Longitude: Lat. 40°44.315', Long. 89°33.149', Horizontal Datum:</td>
</tr>
<tr>
<td>A6. Attach at least 2 photographs of the building if the certificate is being used to obtain a building permit.</td>
</tr>
<tr>
<td>A7. Building Diagram Number:</td>
</tr>
<tr>
<td>A8. For a building with a crawlspace or enclosure(s):</td>
</tr>
<tr>
<td>a) Square footage of crawlspace or enclosure(s):</td>
</tr>
<tr>
<td>b) No. of permanent flood openings in the crawlspace or enclosure(s) within 1.0 foot above adjacent grade</td>
</tr>
<tr>
<td>c) Total net area of flood openings in A8.b</td>
</tr>
<tr>
<td>d) Engineered flood openings?</td>
</tr>
<tr>
<td>SECTION B - Flood Insurance Rate Map:</td>
</tr>
<tr>
<td>B1. NPIP Community Name &amp; Community Number: Peoria 170936</td>
</tr>
<tr>
<td>B2. County Name: Peoria</td>
</tr>
<tr>
<td>B4. Map Panel Number:</td>
</tr>
<tr>
<td>B5. Suffix:</td>
</tr>
<tr>
<td>B6. FIRM Index:</td>
</tr>
<tr>
<td>B7. FIRM ID:</td>
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</table>

**Should be Diagram 7**

**Should be 968 ft²**
# Elevation Certificate

## 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>
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<tbody>
<tr>
<td>Peoria 170536</td>
<td></td>
<td>IL</td>
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</table>

<table>
<thead>
<tr>
<th>B4. Map/Panel Number 170536 0015</th>
<th>B5. Suffix</th>
<th>B6. FIRM Index Date</th>
<th>B7. FIRM Panel Effective/Revised Date</th>
<th>B8. Flood Zone(s)</th>
<th>B9. Base Flood Elevation(s) (Zoning AO, use base flood depth)</th>
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<tbody>
<tr>
<td>170536 0015</td>
<td>B</td>
<td>February 1, 1980</td>
<td>February 1, 1980</td>
<td>A13</td>
<td>460.0</td>
</tr>
</tbody>
</table>

**B10.** Indicate the source of the Base Flood Elevation (BFE) data or base flood depth entered in Item B9.
- [ ] FIS Profile
- [x] FIRM
- [ ] Community Determined
- [ ] Other (Describe) _____

**B11.** Indicate elevation datum used for BFE in Item B9: [x] NGVD 1929
- [ ] NAVD 1988
- [ ] Other (Describe) _____

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

## SECTION C - BUILDING ELEVATION INFORMATION (SURVEY REQUIRED)

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

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


**Benchmark Utilized** GPS Vertical Datum NGVD1929

**Conversion/Comments _____**

Check the measurement used.

| a) Top of bottom floor (including basement, crawlspace, or enclosure floor) | 450.93 | [x] feet | [ ] meters (Puerto Rico only) |
| b) Top of the next higher floor | 450.89 | [x] feet | [ ] meters (Puerto Rico only) |
| c) Bottom of the lowest horizontal structural member (V Zones only) | 451.10 | [x] feet | [ ] meters (Puerto Rico only) |
| d) Attached garage (top of slab) AUXILIARY GARAGE STRUCTURE | 451.10 | [x] feet | [ ] meters (Puerto Rico only) |
| e) Lowest elevation of machinery or equipment servicing the building | 450.81 | [x] feet | [ ] meters (Puerto Rico only) |
| f) Lowest adjacent (finished) grade next to building (LAG) | 450.81 | [x] feet | [ ] meters (Puerto Rico only) |
| g) Highest adjacent (finished) grade next to building (LAG) | 450.81 | [x] feet | [ ] meters (Puerto Rico only) |
| h) Lowest adjacent (unserviced or unfinised) grade next to building (LAG) | 450.81 | [x] feet | [ ] meters (Puerto Rico only) |

Without Flood Openings **-9 RATING**

Exempt Unfinished Level **+1 RATING**
Actuarial Rates
$9,000+ Premium

Before

-9 RATING
Bottom Floor 450.93’

1 - No Flood Openings  2 - Construction Date  3 - Rates Shouldn’t Be Subsidized
After

Higher Floor 460.69'

BFE 460'

Insulated Smart Vents

+1 RATING
Vents are installed in a 16” x 8” hole, the opening left when (1) CMU block is removed.
New Premium
Retrofit Cost - $1,200

Wright National Flood Insurance Company
A Stock Company
PO Box 33003
St. Petersburg, FL 33733
Office: 800.850.3122
Fax: 800.850.3229

WRIGHT
Flood

POLICY INFORMATION
Policy Number 12 1191223419-00
Policy Period 01/20/2013 to 01/20/2018
Agency Number 72076
Agency Risk Reduction Plus Group INC
Agency Address 430 ANDERSON UNIT 1
PITMAN, NJ 08071-1251
Agent Phone (570) 441-6366
Application Date 12/23/2014
Premium paid by Lender
Insured's Name ROBERT WAGNER
Property Address 4218 N GALENA RD
PSORA, IL 61564-0047
Insured's Phone (306) 251-4732

ZONE INFORMATION
Current Flood Zone A13
ZC Current Community Number 170536
Zone Determination Yes
Current Map Panel & Suffix 0015-B
Determination # 5599702
DRP#00000000000080825

RATING INFORMATION
Building Occupancy Single Family
Number of Floors Three or More Floors
Enclosure Yes

COVERAGE / PREMIUM INFORMATION
Coverage Limits Building $1,77,000.00
Contents $0.00
Deductible $0.00
$1,250.00
Premium $440.00
$440.00
Payment Method Check
Name of Check Holder LENDER
Check # 1
Check Date 12/23/2014
Check Owner Signature Amount $511.00

PAYMENT INFORMATION
Annual Subtotal $440.00
Debit/Credit (57.00)
ICD Premium $5.00
Community Discount $0.00
Reserve Flood Assessment 3% $23.00
Federal Policy Service Fee $440.00
Total Premium $440.00

$2,038
$511
75%
“Our premium went from $2,038 a year to $511! We even received a refund check for the difference, since we paid for the year!”
What Could Have Happened
Hydrostatic Pressure

Buoyancy Force
(crawlspace)

LATERAL FORCE

Saturated Soil

Hydrostatic Pressure

Increased Buoyancy Force
(subgrade space)
An automatic opening that protects your foundation by allowing bi-directional water flow which equalizes hydrostatic pressure.
What Are Flood Vents?

ICC-ES CERTIFIED PASSIVE RELIEF

Bi-Directional Water Flow

Hydrostatic Pressure Relief

Performance Tested

Ventilation or Insulation

Flood Water Activated
Flood Risk Evaluator

TOP POLICY ERRORS

- Incorrect Residency Status
- Pre-FIRM structure not rated
- Undocumented Flood Vents
- Incorrect Building Diagram Number
- Unaware of Eligibility for LOMA
Report Benefits

Policy Mistakes, Flood Zones, Requirements

A FREE flood insurance quote from RRPG Products that can lower your premium!
Before

BFE 460’
Bottom Floor 7.16’

-2 RATING

1 - Inadequate flood venting
1 - Inadequate flood venting

**+1 RATING**
Next Floor Retrofit 10.18’

**BFE 460’**
More than 12”
Statistics

Built - 1952  Zone - AE  BFE - 9'
Residence - Primary  Building Diagram - 8

$2,977  NFIP Premium
New Premium
RETROFIT COST - $3,500

<table>
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<tr>
<th>Agency Number</th>
<th>Agency</th>
<th>Address</th>
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<tbody>
<tr>
<td>704276</td>
<td>RISK REDUCTION PLUS GROUP INC</td>
<td>490 ANDERSO DR UNIT 1, PITMAN, NJ 08071-1951</td>
<td>(677) 441-8396</td>
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<table>
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<tr>
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<th>Applicant</th>
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<th>Effective Date</th>
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<tr>
<td>29 0745407164 79</td>
<td>O'CONNOR, DOLORES 1602014</td>
<td>11 015314</td>
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<table>
<thead>
<tr>
<th>Program Type</th>
<th>Flood Regular Policies</th>
<th>Zone Determination Number</th>
<th>DRP0000000000546979</th>
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| Community | 34910 - OCEAN CITY, CITY OF A67 | Zone Reference Number | 5463067 |

<table>
<thead>
<tr>
<th>BUILDING INFORMATION</th>
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<th></th>
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<tbody>
<tr>
<td>Property Address</td>
<td>229 CENTRAL AVE</td>
<td>Property Description</td>
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<tr>
<td>City, State, Zip</td>
<td>OCEAN CITY, NJ 08226-4125</td>
<td>Construction Date</td>
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<td>Occupancy Type</td>
<td>Single Family</td>
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<td>Building Type</td>
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<td>Building Elevation</td>
<td>Building is elevated</td>
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<td>Elevation Certificate</td>
<td>Yes</td>
<td>Elevation Difference</td>
<td>Building is elevated</td>
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<td>Lowest Floor Elevation</td>
<td>10.1 feet</td>
<td>Building Flood Proofed</td>
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<tr>
<td>Location of Contents</td>
<td>Lowest Floor Above Ground Level and Higher Floors</td>
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<thead>
<tr>
<th>COVERAGE/PREMIUM INFORMATION</th>
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<tbody>
<tr>
<td>Coverage Limits</td>
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<td>$12.00</td>
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$547 $2,977 $3,500 82%
Examples are on a case-by-case basis. Homeowners saved an average of 83%.
Lowering Flood Insurance

Steps Clients Can Take to Save Money

1. Send Your Documents for Review
2. Receive FREE Flood Insurance Report
3. Review See How Much You Can Save!
Documents Needed

- Elevation Certificate
- Current Flood Insurance Policy

Send to ec@yourfloodrisk.com