



Private Flood Insurance Market

Flood Insurance Type

NFIP

The Federal government (FEMA) is the direct supplier of **public flood insurance**, through NFIP program offered through many insurance companies (e.g., Allstate)

Private Market

There is an emerging private flood insurance market, offered by over 150 private insurance carriers

Flood Pricing System

NFIP rates are determined by flood zones and elevation certificates -- there is standard pricing across a geographic area.

Pricing is based on an individual parcel, set primarily by the elevation of the latitude and longitude coordinates. Given sophisticated pricing models, in private flood insurance there normally is not a need for an elevation certificate.

Flood Insurance Limits

- \$250,000 building
- \$100,000 personal property

- Flood insurance for buildings that are in excess of NFIP's maximum coverage of \$250,000
- 50% of building coverage for personal property

Flood Insurance Deductible

- \$1,250 building
- \$1,250 personal property

Individual deductibles for building & personal property

Variable, from \$1,000 - \$10,000

Deductible covers both building and personal property

Flood Insurance Options

- Limited Options

- Customized options for additional coverage

Timing:

There is a **30 day waiting period** for coverage to take effect unless coverage is required by a lender.

There is much **more flexibility in private coverage options and payment options**. For example, there is only a **5-day waiting period** for coverage to take effect unless coverage is required by a lender.

Best For:

Highest Risk Properties.

NFIP has historically insured high-risk properties with subsidized pricing.

Low to Medium Risk.

Private flood insurance offers affordable and flexible rates; As well as excess flood insurance above NFIP limits.