

What Will Your Flood Risk Cost?

Get the Lowest Rate You Can Qualify For.

Your situation (LETTER D): Your property is at high risk for flooding. You can expect your discounted rate to increase by at least 5 percent, and up to 18 percent, each year. Until you get an Elevation Certificate, there's no way to predict when the 5 to 18 percent yearly increases will stop. Keep in mind, all rates are subject to change from year to year because of adjustments like inflation. Know your options.

Option 1 Do Nothing

Your discounted rate will increase by up to 18 percent each year.

Option 2 Get an Elevation Certificate

There's no way to know exactly when having an Elevation Certificate will be beneficial, but www.FEMA.gov/cost-of-flood provides some guidance. If you get an Elevation Certificate, you can continue to pay the discounted rate if it's lower.



Elevation Certificate

How to Get an Elevation Certificate

An Elevation Certificate verifies the elevation of your building. Ask if your local floodplain manager if there is one on file. If not, you can hire a licensed surveyor to provide one.



See Your Agent for Your Rate.

Knowing this, you'll know you're getting the best protection at the rate which fits your risk.

Keep Your Policy in Force.

If you ever allow your flood insurance policy to lapse for either more than 90 days, or twice for any number of days, you may be required to provide an Elevation Certificate, and you will no longer be eligible for the discounted rate you have been receiving. You will immediately begin paying a rate based on your true flood risk.



FEMA



Contact your agent for more information or visit www.FEMA.gov/cost-of-flood.



FEMA

January 6, 2017

Example

RE: FLOOD INSURANCE POLICY FOR

INSURANCE COMPANY:

POLICY NUMBER:

EFFECTIVE DATES:

BUILDING COVERAGE:

BUILDING DEDUCTIBLE:

CONTENTS COVERAGE:

CONTENTS DEDUCTIBLE:

CURRENT FLOOD ZONE:

RATED FLOOD ZONE:

PREMIUM:

Thank you for being a valued policyholder of the National Flood Insurance Program. This letter discusses your flood risk and some important changes and options for your flood insurance policy.

Your property is at high risk for flooding. Based on our records, your building was constructed before your community's first flood map was issued, and the current flood map shows your building is located in a high-risk flood area. The cost of flood insurance for buildings in high-risk flood areas has been based on discounted rates that do not reflect the actual flood risk. Federal law now requires flood insurance rates for buildings receiving this discount to increase over time until they reflect the property's true risk of flood damage. For primary residences like yours, this means you will see rate increases of at least 5 percent, and up to 18 percent each year. However, there are options to consider.

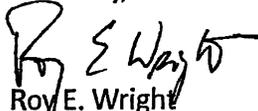
The 5 to 18 percent yearly rate increases may not stop without an Elevation Certificate (EC). An EC may be helpful if you do not already have one. Flood maps alone do not show how much damage water is likely to do to your building. Because an EC is based on your building's specific features, it provides information needed to determine your property's true risk of flood damage. Unfortunately, there's no way to know if you may benefit from having an EC today or in a few years; but you may eventually need one, because without one there is no way to predict when the 5 to 18 percent yearly increases will stop. When you decide to get an EC, your insurer will either charge you an amount that accurately reflects your property's current flood risk (keep in mind, your rate will change from year to year because of adjustments like inflation), or allow you to continue getting the discounted rate, whichever amount is less. To obtain an EC, you will likely need to hire a licensed engineer, architect, or land surveyor.

Keep your flood policy in force. If you ever allow your flood insurance policy to lapse for either more than 90 days, or twice for any number of days, you may be required to provide an EC, and you will no longer be eligible for the discounted rate you have been receiving. You will immediately begin paying a rate based on your true flood risk.

See the back of this letter for information about your insurance options. You can also go online to **LETTER D** at FEMA.gov/cost-of-flood, where you will find some guidance about when having an EC could be beneficial. Speak with your insurance agent or company if you have questions about what this letter means.

Our goal is to provide information to help you make the best decision about your policy.

Sincerely,


Roy E. Wright

Deputy Associate Administrator for Insurance and Mitigation
www.fema.gov

