

Manville Flood Insurance Community Outreach

Who We Are?



- 15 years of promoting sound floodplain management
- Born and raised on the Jersey Shores
- Community Outreach's all over the Nation
- All agents & staff are certified floodplain managers



E. Tyler Ardron, CFM
Vice President

Risk Reduction Plus Group

Email: tardron@riskreductionplus.com
O: 866-599-7066 Ext: 105 | C: 856-723-3666



Andrew T. Farrell, CFM
Insurance Broker

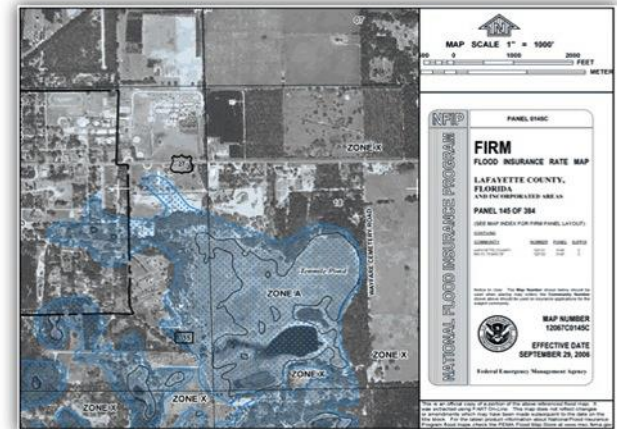
Risk Reduction Plus Group

Email: afarrell@riskreductionplus.com
C: 609-317-5905



Basic Terms

- Base Flood Elevation (BFE) is the calculated level flood waters will rise during a Base Flood.
- AE & A1-30 Zones: Have established BFE's. Low impact from waves.
- VE & V1-30 Zones: Have established BFE's. Impact from storm induced waves.
- The Community Rating System (CRS) recognizes and encourages community floodplain management activities that exceed the minimum NFIP standards. Depending upon the level of participation, flood insurance premium rates for policyholders can be reduced up to 45%.
- Freeboard is elevating a building's lowest floor above and beyond BFE. This is a built-in safety factor resulting in lower flood insurance premiums. This elevation is required in certain communities with height requirements that vary.



Changing Landscape

- 2012 Biggert - Waters Reform
- 2014 Grimm – Waters (HFIAA)
- Actuarial Rates Phased in
 - Non-Primary Residences
 - Severe Repetitive Loss
 - Business Properties
 - Subsidized Rates

\$25 Surcharge Primary
\$250 Non-Primary
April 1st, 2015



18-25%

Overall 9% Premium increase
for everyone



What Will Your Flood Risk Cost?

Your Discounted Rate Is Being Phased Out. Learn More.

Your situation (LETTER A): An updated flood map shows your property is at high risk for flooding. You can expect your discounted rate to increase by approximately 15, not to exceed 18 percent a year. You may eventually need an Elevation Certificate, but having one probably won't be financially beneficial for most policyholders until quite a few years from now. Know your options.



Option 1
Do Nothing

- Letter G Post Firm Full risk



Option 2
Get an Elevation
Certificate

What FRE does for you?



FLOOD RISK EVALUATOR LIFETIME SAVINGS

3773 Lifetime F.R.E. Case Reviews
Total Customer Premium Reduction Potential = \$6,714,885.00



| | | |
|--|-------------|----------------|
| LOMA Structure is eligible to apply for a LOMA with FEMA and be placed into the X-Zone | 499 | 13.4% |
| Flood Vents & < 1ft of Fill The addition of Flood Vents and < 1' of fill/LAG change will significantly lower premiums | 472 | 12.7% |
| Misrated Current Flood Insurance Policy is not rated using the Elevation Certificate, or information has been entered incorrectly | 179 | 4.8% |
| Grandfathering Compliant structures are eligible for Grandfathering to flood maps enforced at the time of construction | 43 | 1.1% |
| FEMA Good Case Total of the above reasonable mitigation options | 1193 | 31.6% |
| LIFT Living floor is below the Base Flood Elevation and will require raising the floor level to reduce the premium | 448 | 11.9% |
| Over 1ft of Fill is Required The addition of Flood Vents and > 1' of fill/LAG would be required (much longer ROI period) | 309 | 8.2% |
| Loading Factor The addition of Flood Vents will only reduce premium slightly due to NFIP rating factors for elevated structures | 747 | 19.8% |
| Remove Part of the Structure Portion of the home would need to be removed or unfinished to reduce premium | 187 | 5.0% |
| Compliant Structures that are compliant to FEMA guidelines | 591 | 15.7% |
| Quote Only (NO EC) No Elevation Certificate is available. Cannot recommend mitigation yet. Recommend obtaining EC. | 131 | 3.5% |
| Private Insurance Insurance through a non-NFIP carrier with a much lower annual premium rate is available | 167 | 4.4% |
| | 3773 | 100.00% |

TOP ERRORS ON POLICIES (MISRATINGS):

- Residency status incorrect (Primary/Non-Primary)
- Pre-FIRM structures not rated off EC, when it would be beneficial to the owner
- Floor Elevation difference is misrated (compared to BFE)
- Some cases are eligible for LOMAs and still have high policies. **Agents don't catch this info.**

31.6% are cases that will pay lower premiums by correcting paperwork or reasonable mitigation.

The **1,193 Reasonable Mitigation Cases** saved a total of **\$2,390,631.00**

TO BE CONSIDERED A REASONABLE MITIGATION OPTION, A RETURN ON INVESTMENT IN LESS THAN 3 YEARS IS REQUIRED

What FRE does for you?



FLOOD RISK EVALUATION REPORT STEPS TO LOWER YOUR FLOOD INSURANCE



CLIENT INFORMATION

NAME: [REDACTED]
 ADDRESS: 59 Ellerton Street
 CITY: Revere
 STATE: Massachusetts
 ZIP: 02151
 PHONE: [REDACTED]
 EMAIL: [REDACTED]

INSURED BUILDING ADDRESS

ADDRESS: 59 Ellerton Street
 CITY: Revere
 STATE: Massachusetts
 ZIP: 02151

REPORT PREPARED BY

Brendan Kane, Certified Floodplain Manager
 CFM #US-13-07255
 p: (877) 441-8368
 e: bkane@yourfloodrisk.com



CURRENT PREMIUM \$2,886
CURRENT NFIP RATING -3

AFTER F.R.E. PREMIUM \$341
AFTER F.R.E. NFIP RATING +4

See end of report for formal **Risk Reduction** Insurance Quote.

ANNUAL SAVINGS
 1 YEAR **\$2,545** 5 YEARS **\$12,725**
 10 YEARS **\$25,450** 20 YEARS **\$76,350**

PREMIUM REDUCTION
88%

F.R.E. STEPS TO LOWER FLOOD INSURANCE

Additional flood venting is needed for improved compliance

Report Requested By: HOMEOWNER Insurance Renewal: 4/15/2016 Potential Refund Check: \$2,545

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FLOOD RISK EVALUATION REPORT STEPS TO LOWER YOUR FLOOD INSURANCE

phone: 877-441-8368 | email: ec@yourfloodrisk.com
 WWW.YOURFLOODRISK.COM

FEMA Form 086-0-33 (Revised 7/12)

See reverse side for continuation.

Replaces all previous editions.



FLOOD RISK EVALUATION REPORT STEPS TO LOWER YOUR FLOOD INSURANCE

MITIGATION STEPS TO LOWER FLOOD INSURANCE

FLOOD VENTING



Install 5 SMART VENTS into the crawlspace/enclosure.

The INSULATED SMART VENT MODEL 1540-520 is recommended. These are certified to cover 200 sq. ft. individually, and would therefore provide 1,000 total sq. ft. of coverage.

FLOOD VENTING PLACEMENT REQUIREMENTS

There must be at least two flood vents on different walls per each enclosed area below the Base Flood Elevation (BFE). The bottom of each flood vent shall be not more than 1 foot above the higher of the final interior grade or floor and finished exterior grade immediately under each opening.

LOMA Eligible If checked, Lowest Adjacent Grade (LAG) is above the Base Flood Elevation (BFE). You may be eligible to have your home removed from the flood zone.

REMEMBER: REDUCING THE RISK, REDUCES THE PREMIUM

CURRENT PREMIUM \$2,886 AFTER F.R.E. PREMIUM \$341

See end of report for formal RRP Insurance Quote.



Recommended Installer

NAME: J.L. DUNN AND CO.
 PHONE: (617) 265-5000
 ADDRESS: 37 NORWOOD ST., BOSTON, MA 02122
 WEBSITE: WWW.JLDUNN.COM

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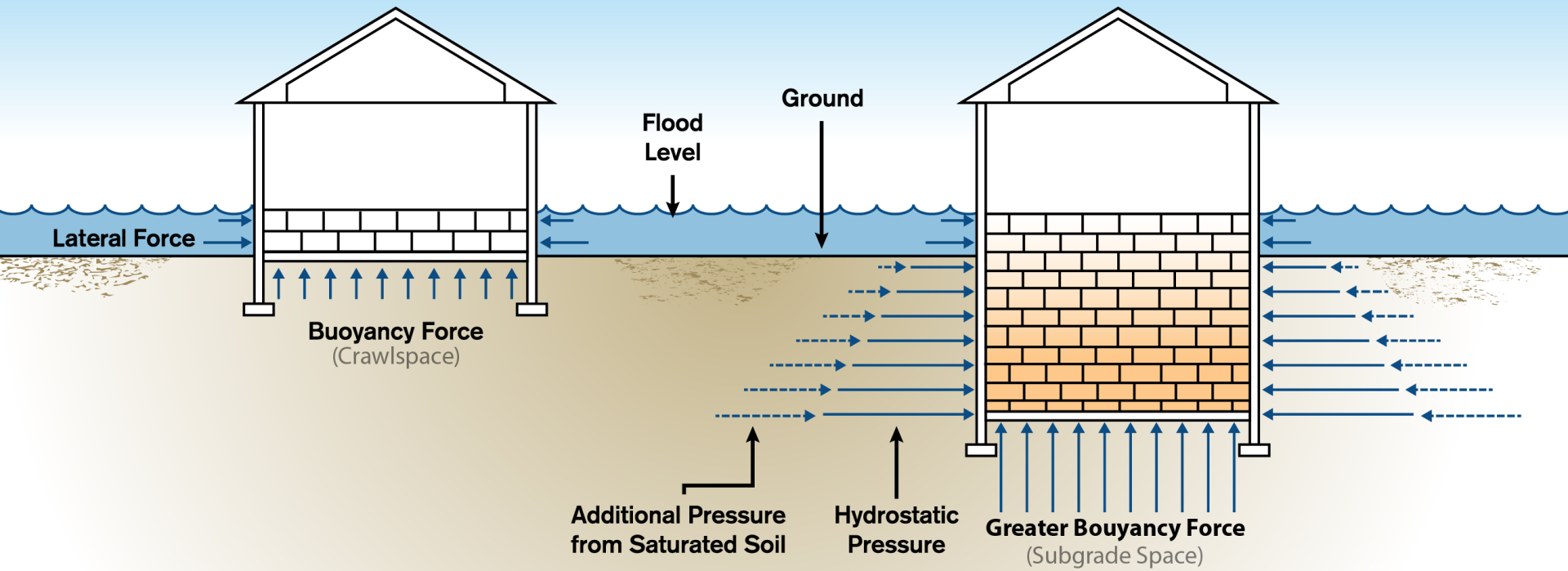
FLOOD RISK EVALUATION REPORT STEPS TO LOWER YOUR FLOOD INSURANCE

phone: 877-441-8368 | email: ec@yourfloodrisk.com
 WWW.YOURFLOODRISK.COM

What are your options?

- Mitigate to compliance
- Correctly Rated
- Private Flood Insurance

How Hydrostatic Pressure Works



Effects of Lateral and Vertical Hydrostatic Force



Effects of Lateral and Vertical Hydrostatic Force

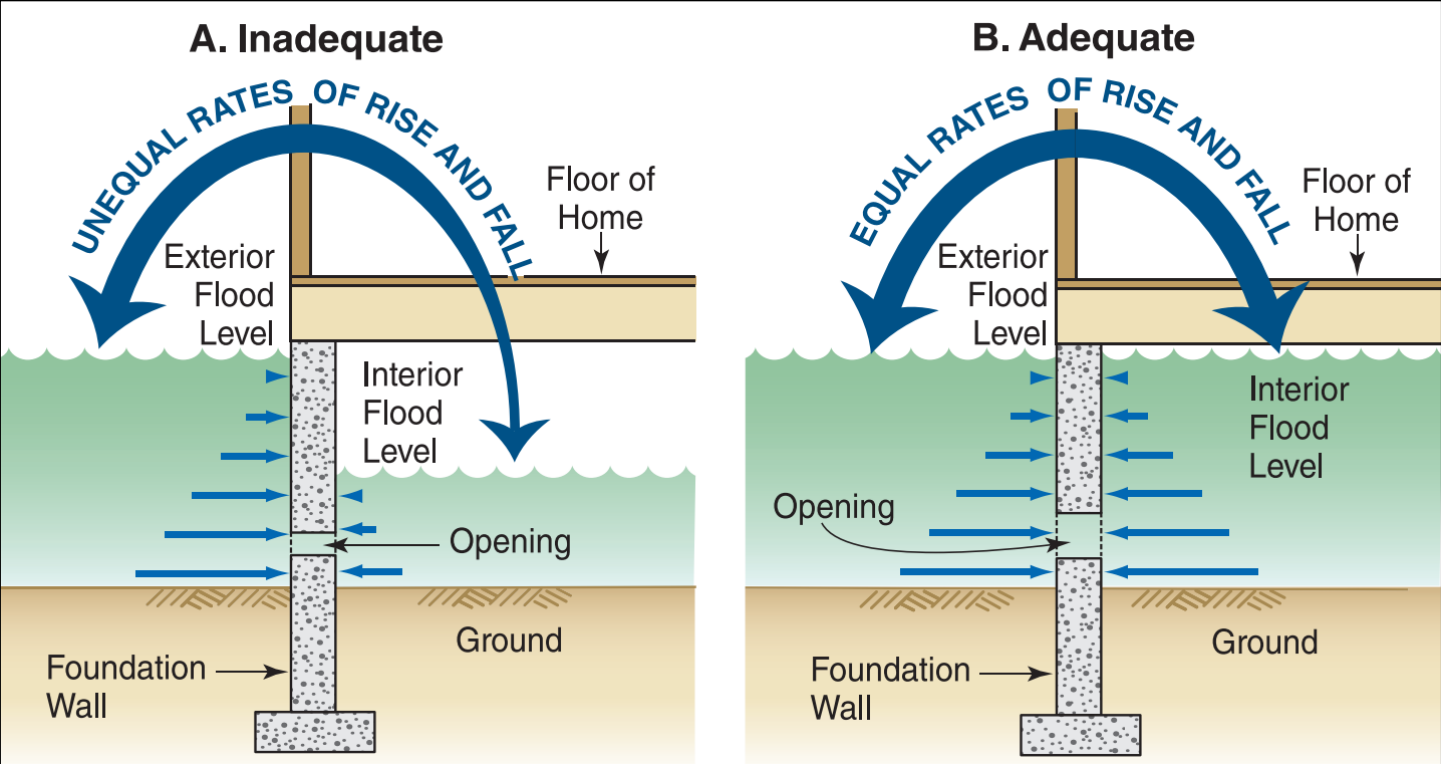


Hydrostatic force is so damaging that NFIP Regulations state that a community shall:

“Require, for all new construction and substantial improvements, that fully enclosed areas below the lowest floor that are usable solely for parking of vehicles, building access, or storage in an area other than a basement and which are subject to flooding ***shall be designed to automatically equalize hydrostatic flood forces on exterior walls by allowing for the entry and exit of floodwaters.***”

Title 44 of the Code of Federal Regulations, in Section 60.(c)(5)

Purpose of a Flood Opening



Where They Go: Crawlspace



Where They Go: Full Height Enclosures, Townhouses



Where They Go: Attached Garages



Engineered Openings: Smart Vents



Flood door closed, obstructing the opening.



Flood door activated, reveals an un-obstructed opening.



A Performing Engineered Opening mechanically operates, automatically activated to reveal an un-obstructed opening during design flood with a minimum unobstructed opening of 3”.

Because a rodent screen is required by ICC code for any under floor opening it requires a Engineered Opening to go from a obstructed opening to a unobstructed opening when activated.

Smart Vents: Passive Relief



Pictured: Engineered flood vent following Hurricane Ida (2009)

Engineered Opening – An Engineered Opening is a mechanical opening, which is activated by water during a flood revealing an unobstructed area for which floodwater can flow through to equalize the hydrostatic loads on the enclosure wall.

These openings are performance tested and certified to cover a square footage amount. They have an ICC-ES Certificate.

ICC-ES Engineered Smart Vents



Designed, Tested, & Certified for performance

Designed and certified based on computations (TB1 and ASCE 24)

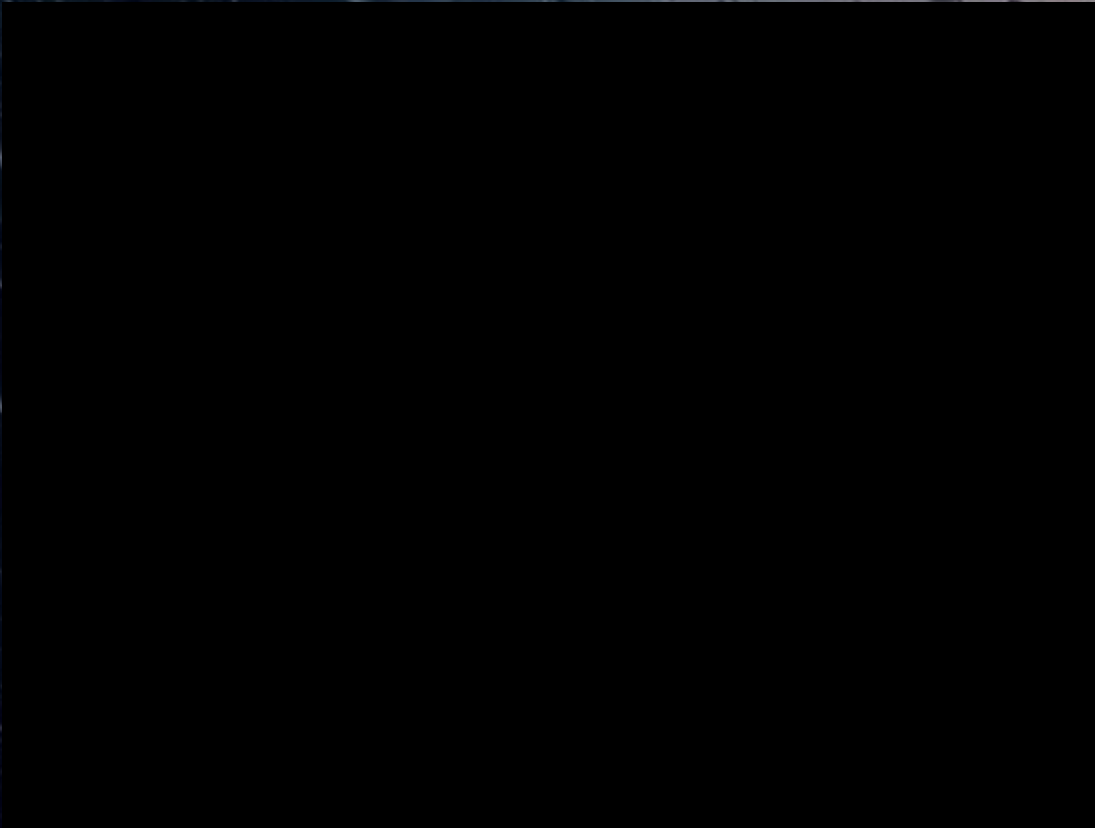
ICC-ES Certified: AC-364 (MOFV)

3" min dimension for debris flow

**SMART VENT**[®]
Foundation Flood Vents



Performance Testing Video



Private Flood Insurance



Quoting

Eligibility Information

Property Type:

Building Use:

Occupancy:

Number of Stories in Building:

Building Purpose:

Prior Losses
Any Prior Losses (Property or Flood)? Yes No

Addresses

Location Address

Street Address:

Address Line 2:

Zip Code:

City:

County:

State:

Mailing Address

Address Line 1:

Address Line 2:

Zip Code:

City:

State:

Copy to Mailing Address?

731 Sunnybrook Dr , La Habra, CA 90631

Covered Perils/ Flood, Volcanic Eruption, Earthquake (Earthquake excluded in California, Illinois, Kentucky, Oregon, South Carolina, Tennessee & Washington)

| | Limits | Deductible | Premium |
|--------------------|-----------|------------|---------|
| Dwelling: | \$196,000 | \$2,500 | |
| Other Structures: | \$2,000 | \$2,500 | |
| Personal Property: | \$50,000 | \$2,500 | |
| Loss of Use: | \$2,000 | Included | |

Please note, 25% minimum earned premium and policy fee fully earned.

| | | |
|--------------------|----|--------|
| Base Premium: | \$ | 732.00 |
| Policy Fee: | \$ | 150.00 |
| Surplus Lines Tax: | \$ | 26.46 |
| Stamping Fee: | \$ | 1.76 |
| Total: | \$ | 910.22 |

Premium Payor: Insured

Building Information

Flood Zone: AO
Construction Date: 1948
Building Occupancy: Primary
Number of Stories: 2
Replacement Cost: \$200,000
Garage Attached: No



| COVERAGE AND RATING | | | | | |
|----------------------------------|--------------|-------------|-------------------|----------------------|-----------------|
| Coverage | Limits | Deductible | NFIP Premium/Fees | Private Premium/Fees | Premium Savings |
| BLDG | \$250,000.00 | \$10,000.00 | \$2,096.00 | \$1,953.00 | \$143.00 |
| CONT | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| ICC | | | \$55.00 | \$44.00 | \$11.00 |
| Loss of Rent or ALE | | | \$0.00 | \$25.00 | (\$25.00) |
| Replacement Cost/Loss Settlement | | | \$0.00 | \$0.00 | \$0.00 |
| Surplus Lines Tax | | | \$0.00 | \$40.44 | (\$40.44) |
| Fireman's Association Surcharge | | | \$0.00 | \$60.66 | (\$60.66) |
| HFIAA Surcharge | | | \$25.00 | \$0.00 | \$25.00 |
| Service Fee | | | \$50.00 | \$0.00 | \$50.00 |
| Policy Fee | | | \$0.00 | \$50.00 | (\$50.00) |
| Rsrv Fnd Asmnt | | | \$323.00 | \$0.00 | \$323.00 |
| Total Premium w/Fees | | | \$2,549.00 | \$2,173.10 | \$375.90 |

15% difference



Private vs. NFIP

| FEATURES | PRIVATE FLOOD | *NFIP/FEMA | COMMENTS |
|---|---------------|--------------------|--|
| Requires an Elevation Certificate? | NO | Yes, for Post Firm | Currently the NFIP requires an Elevation Certificate which can cost upwards of \$1000 |
| Personal property and improvements in Basement? | YES | No | The Basement is always the first to flood and should be major concern for anyone that has valuable contents in their basement. |
| Coverage becomes effective 10 days after policy inception for the peril of flood? | YES | No | NFIP requires a 30-day wait after policy inception before flood coverage is in force. |
| Cover Loss of Use? | YES | No | |
| Attached Decks Covered? | YES | Yes | Although the NFIP covers attached decks, the maximum area is only 16 sq. ft. (4x4) |
| Attached Carports Covered? | YES | No | |
| 20-50% Cost Savings? | YES | No | NFIP/FEMA rates go up typically once (sometimes twice) per year |
| Covers Earthquakes & | YES | No | |

Private vs. NFIP

- Maximum Limits NFIP 250,000 Building 100,000 Contents vs. private 1 mil. Building, 500k Contents and additional living expenses (200k)

- Definition of

- N
- P

2 properties to flood.
Standard homeowner wording

- Material

- N
- P

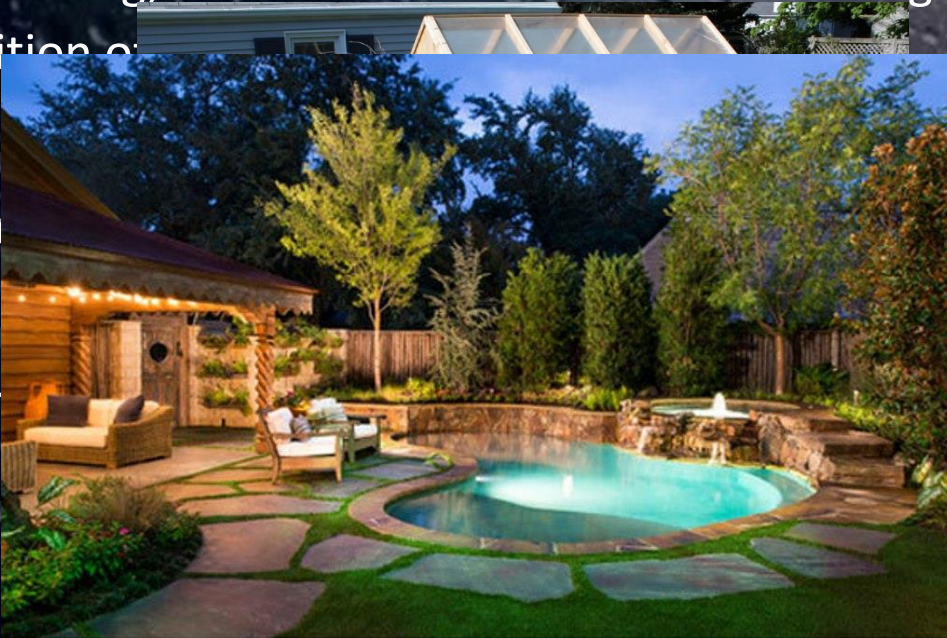
- Fixture

- N
- P

next to the residence

- Personal

- N
- Private: Covered anywhere



Private misconceptions/common questions

- Will my mortgage accept it?
- Not affordable
- Can they pay my claim?

Mitigation Case Study





View: Rear

Stats

- Pre-Firm Built 1952
- Receiving Subsidized Rate
- Primary Residence
- Current Map shows BFE of 9' (1984)
- Preliminary Shows BFE of 9'

Before Premium

BUILDING INFORMATION

| | | | |
|-----------------------|---------------------------|---------------------------|--------------------------------|
| Property Address | 229 CENTRAL AVE | Condominium Coverage | None |
| City, State, Zip | OCEAN CITY, NJ 08226-4125 | Construction Date | 01/01/1952 |
| Occupancy Type | Single Family | Building Replacement Cost | \$250,000.00 |
| Building Type | Three or More Floors | Building Elevated | Building is elevated |
| Elevation Certificate | None | Location of Contents | Basement / Enclosure and Above |

COVERAGE/PREMIUM INFORMATION

| Coverage | Limits | Deductible | RPH Basic | RPH Additional |
|--------------------|--------------|------------|-----------|----------------|
| Building | \$250,000.00 | \$2,000.00 | 0.91 | 1.38 |
| Contents | \$25,000.00 | \$2,000.00 | 1.07 | 1.40 |
| Discount/Surcharge | | | | \$0.00 |
| 1 Year Premium | | | | \$2,977.00 |

Cause of High Flood Insurance:

Inadequate Flood Venting





Lowest Floor Rating




Next Higher Floor 10.18 With Retrofit +1

BFE 9'

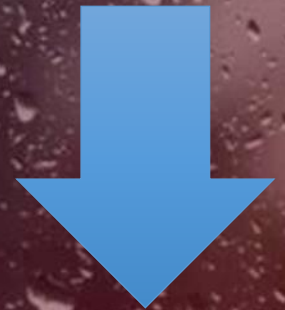
Bottom Floor 7.16 (-2) rating

SEP 9 2014

After Premium

| STANDARD FLOOD NON-BINDING QUOTE | | | | |
|--|---|--|----------------------|-------------------|
|  | | Wright National Flood Insurance Company A Stock Company PO Box 33003 St. Petersburg, FL, 33733 Office: 800.820.3242 Fax: 800.850.3299 | | |
| | | AGENCY INFORMATION | | QUOTE INFORMATION |
| Agency Number | 734276 | Quote Number | 29 QT43467184 99 | |
| Agency | RISK REDUCTION PLUS GROUP INC | Applicant | O'CONNOR, DOLORES | |
| Address | 430 ANDBRO DR UNIT 1, | Current Date | 10/02/2014 | |
| City, State, Zip | PITMAN, NJ 08071-1251 | Effective Date | 11/01/2014 | |
| Phone Number | (877) 441-8368 | | | |
| COMMUNITY INFORMATION | | | | |
| Program Type | Flood Regular Policies | Zone Determination Number | DRP0000000006485979 | |
| Community | 345310 - OCEAN CITY, CITY OF | Zone Reference Number | 54698067 | |
| Flood Risk/Rated Zone | A07 | | | |
| BUILDING INFORMATION | | | | |
| Property Address | 229 CENTRAL AVE | Condominium Coverage | None | |
| City, State, Zip | OCEAN CITY, NJ 08226-4125 | Construction Date | 01/01/1952 | |
| Occupancy Type | Single Family | Building Replacement Cost | \$250,000.00 | |
| Building Type | Two Floors | Building Elevated | Building is elevated | |
| Elevation Certificate | Yes | Elevation Difference | 1 feet | |
| Lowest Floor Elevation | 10.1 feet | Building Flood Proofed | No | |
| Location of Contents | Lowest Floor Above Ground Level and Higher Floors | | | |
| COVERAGE/PREMIUM INFORMATION | | | | |
| Coverage | Limits | Deductible | RPH Basic | RPH Additional |
| Building | \$250,000.00 | \$1,250.00 | 0.57 | 0.09 |
| Contents | \$25,000.00 | \$1,250.00 | 0.38 | 0.12 |
| Discount/Surcharge | | | | \$12.00 |
| 1 Year Premium | | | | \$547.00 |
| IMPORTANT NOTES | | | | |
| <p>THIS IS NOT AN OFFER FOR INSURANCE. THIS QUOTE IS NON-FIRM AND NON-BINDING AND SUBJECT TO REVIEW AND ADJUSTMENT. Please submit the required documentation listed on your application summary for review and approval. If additional information is required to actuarially rate the risk, you will be contacted.</p> | | | | |
| FLOOD INSURANCE WAIVER OF AGENT'S RESPONSIBILITY | | | | |
| <p>I understand that, if I decline this protection, my agent and/or his/her agency will be held harmless and not liable in the event I suffer a flood loss. I have been made aware of the following facts:</p> <ol style="list-style-type: none"> 1. Homeowners insurance does not cover flood damage. 2. Federal disaster assistance is most typically an interest-bearing loan. 3. Flooding can and does occur in low-risk zones nationwide. <p>(Initial next to the following. Sign and date at the bottom.) _____ I reject building and contents coverage for flood protection.</p> <p>Property Owner Signature: _____ Date: _____</p> | | | | |
| <p>This quote is issued by Wright National Flood Insurance Company 20141002132748 The online application process must be completed. <i>Please do not submit this form with your payment.</i></p> | | | | |

82%



- Premium Before \$2,977
- Retrofit (10) total engineered flood vents
- After Retrofit \$547
- Estimated Cost \$3,500
- ROI Less then 1.5 years

\$72,900



Remember: What We Need To Get Started



Elevation Certificate and
Insurance Declaration Page

Email these to
ec@yourfloodrisk.com

Fax to
856-269-4465



Time to meet with us

Starting with folder #1

Contact us at: www.yourfloodrisk.com

Phone: 866-599-7065

Email: ec@yourfloodrisk.com

