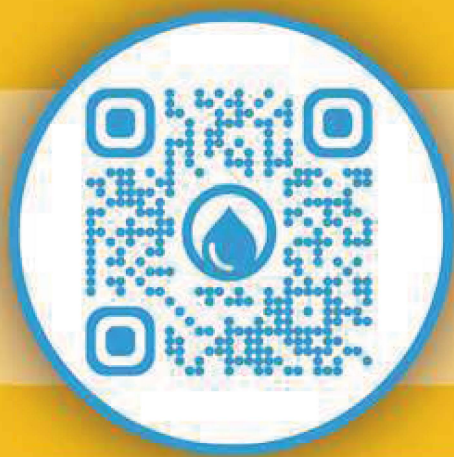


Everything You Always Wanted to Know About **Flood Insurance***

*** BUT WERE AFRAID TO ASK**



**NEW: Scan or click the QR code
to get FREE Flood Quotes!**

CartoFront

Welcome!

The purpose of **Everything You Wanted to Know About Flood Insurance* (*But Were Afraid to Ask)** is to help you be the most knowledgeable, confident and profitable REALTOR® in your market.

Flood is one of the top causes of loss in home value and personal wealth. Of critical importance, Flood Insurance is NOT covered in Homeowners Insurance – one of the major misconceptions with Flood Insurance.

We know that flood insurance is confusing, complicated, and difficult to communicate to your customers. Our CartoFront platform offers three supporting solutions:

- 🔹 Easy-to-understand, bi-lingual training and resources
- 🔹 Free, one-click access to flood information from every MLS listing
- 🔹 The ability for you to enter your address and get a Free quote for your own property



Click 'The Raindrop' on the MLS listing icon bar



or the CartoFront tile on your MLS dashboard

And within seconds you will receive accurate **flood zone determination**, and estimated **public and private flood insurance options**.

CartoFront is a Software as a Service (SaaS) company offering digital solutions that simplify flood insurance for REALTORS®, their customers and insurance agents.



info@cartofront.com



www.cartofront.com

Important considerations and resources for you, the REALTOR®



- Taking a FREE CartoFront Quote mitigates your E&O risk
- You are the trusted advocate for client, whether the homebuyer or the seller
- Taking a transparent approach to flood with every home purchase is recommended as a fiduciary responsibility
- It is suggested to share flood risk / flood zone in every home presentation
- It is suggested to include flood insurance quotes into total cost of ownership worksheets
- If you need guidance, please read our blog [‘Integrating ‘The Flood Discussion’ into Your Real Estate Practice’](#)
- Please utilize [this FEMA website link](#) in every client presentation, to show the new FEMA Risk Rating 2.0 flood rates

Floods can happen ANYWHERE. In 2022, there were FIVE ‘1-in-1,000-year floods’ in the Interior of the United States:

- Yellowstone National Park in June (VIDEO HERE)
- Eastern Kentucky in July (VIDEO HERE)
- St. Louis, MO in July (VIDEO HERE)
- Dallas, TX in August (VIDEO HERE)
- Jackson, MS in September (VIDEO HERE)



On October 1, 2021, FEMA updated the National Flood Insurance Program's (NFIP) through the implementation of a new pricing methodology called **Risk Rating 2.0**.

The methodology leverages industry best practices and cutting-edge technology to enable FEMA to deliver rates that are actuarially sound, equitable, easier to understand and better reflect a property's flood risk.

Through the first year, approximately 25% of NFIP policyholders have seen a price decrease, while nearly 75% of policyholders have seen a price increase.



REALTOR® Quick Tip: _____

An Existing FEMA flood policy can be transferred from the initial property owner to the new one. It's usually referred to as "assuming" or "assigning" a flood policy.



Limiting Annual Premium Increases

Existing statutory limits on rate increases require that most rates not increase more than 18% per year. That said, FEMA will increase rates 18% per year until they reach market flood rates -- this may take anywhere from one year to multiple years.

Using Flood Insurance Rate Maps (FIRMs) for Mandatory Purchase and Floodplain Management

- 🔹 FEMA's flood map data informs the catastrophe models used in the development of rates under Risk Rating 2.0.
- 🔹 That is why critical flood mapping data is necessary and essential for communities. It informs floodplain management building requirements and the mandatory purchase requirement.

[Click here to search FEMA Flood Zone Maps](#)







Maintaining Features

FEMA is maintaining features to simplify the transition to Risk Rating 2.0 by offering premium discounts to eligible policyholders. This means:

- 🔹 FEMA will continue to offer premium discounts for pre-FIRM subsidized and newly mapped properties.
- 🔹 Policyholders will still be able to transfer their discount to a new owner by assigning their flood insurance policy when their property changes ownership.
- 🔹 Discounts to policyholders in communities who participate in the Community Rating System will continue. Communities will continue to earn National Flood Insurance Program rate discounts of 5% - 45% based on the Community Rating System classification. However, since Risk Rating 2.0 does not use flood zones to determine flood risk, the discount will be uniformly applied to all policies throughout the participating community, regardless of whether the structure is inside or outside of the Special Flood Hazard Area.

Definitions of FEMA Flood Zone Designations



Moderate to Low Risk Areas	High Risk Areas	High Risk Coastal Areas
Flood insurance is available at low premiums to all property owners and renters in this zone	Mandatory* flood insurance purchase requirements apply to all of these zones	Mandatory* flood insurance purchase requirements apply to all of these zones
 X Zone	 AE Zone  AH Zone  AO Zone	 V Zone  VE Zone
25 - 30% of all flood insurance claims are paid in these "less hazardous" areas. Customers should investigate flood insurance even in areas considered "less hazardous."	* Lenders require flood insurance on properties located in these zones.	* Lenders require flood insurance on properties located in these zones.

What is considered a flood?



A flood is an excess of water on land that is normally dry, affecting two or more acres of land or two or more properties.

Floods can be caused by storms, hurricanes, snow, and water backup from inadequate drainage systems / dams / levees.

Flood Risk

Flood risk is determined by the probability of your property experiencing a flood event. Population growth, climate, and weather pattern changes have influenced the probability of flood events occurring across the U.S.



How likely is it that my customer needs flood insurance coverage?

- For "low to medium risk" properties, flood insurance can provide peace of mind and affordable financial protection. Remember, 25-30% of all flood insurance claims are paid in these "less hazardous" areas.
- For "high risk" and coastal properties, lenders will require mandatory flood insurance to protect the value of the property on these NFIP flood zones.

Per the property's risk profile and your customer's risk tolerance, it's important to integrate a flood insurance discussion into your real estate practice.

How are flood insurance rates calculated?

Factors that help determine rates are whether NFIP or private insurance is chosen, year the property was built, flood zone, and replacement cost value of the property.

Does my client need a separate flood insurance policy if they have homeowners insurance?

Yes. Homeowner's insurance does not cover flood damage / events.

When do I need to get flood insurance?

It is highly recommended that you get flood insurance when you purchase a property. Flood insurance premiums can be escrowed with your mortgage lender.

How do I go from quote to policy?

In each MLS market, CartoFront has secured an insurance agency to answer questions and bind policies.

In national markets it is **FloodPrice**, administered by INX Insurance.



CartoFront provides **Public** and **Private** Insurance Quotes

CartoFront provides Public and Private Insurance Quotes

The CartoFront platform offers both NFIP and private flood insurance called Beyond Floods, which is underwritten by National General Insurance, a subsidiary of Allstate, and rated A- by AM Best & Co.



Flood Insurance Type	The Federal government (FEMA) is the direct supplier of public flood insurance , through the NFIP program offered through many insurance companies (e.g., Allstate)
Flood Pricing System	Pricing is based on individual property value, flood zone, proximity to water, elevation, and several other data points.
Flood Insurance Limits	<ul style="list-style-type: none">• \$250,000 building• \$100,000 personal property
Flood Insurance Deductible	<ul style="list-style-type: none">• \$1,250 building• \$1,250 personal property Individual deductibles for building & personal property
Flood Insurance Options	<ul style="list-style-type: none">• Limited Options
Timing:	There is a 30 day waiting period for coverage to take effect unless coverage is required by a lender.
Best For:	Highest Risk Properties. NIP has historically insured high-risk properties with subsidized pricing.



BEYOND FLOODS

Flood Insurance Type	CartoFront offers Beyond Floods Private Flood Insurance , supplied by National General Insurance.
Flood Pricing System	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	<ul style="list-style-type: none">• \$1,500,000 building• 50% of building coverage for personal property
Flood Insurance Deductible	<ul style="list-style-type: none">• \$1,000; \$1,250; \$1,500; \$2,000; \$3,000; \$4,000 \$5,000; \$10,000 Deductible covers both building and personal property
Flood Insurance Options	<ul style="list-style-type: none">• Loss of Use Coverage• Other Buildings
Timing:	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:	Low to Medium Risk. Private flood insurance offers affordable and flexible rates: As well as excess flood insurance above NFIP limits.

What does flood insurance cover?



Building Coverage

- The physical structure and its foundation
- Electrical and plumbing systems
- Central air conditioning equipment, furnaces, water heaters
- Refrigerators, stoves, built-in appliances
- Permanently installed carpeting over unfinished flooring
- Permanently installed paneling, wallboard, bookcases, and cabinets
- Detached garages and/or buildings (separate Building Property Policy coverage required)
- Window blinds
- Debris removal

Contents

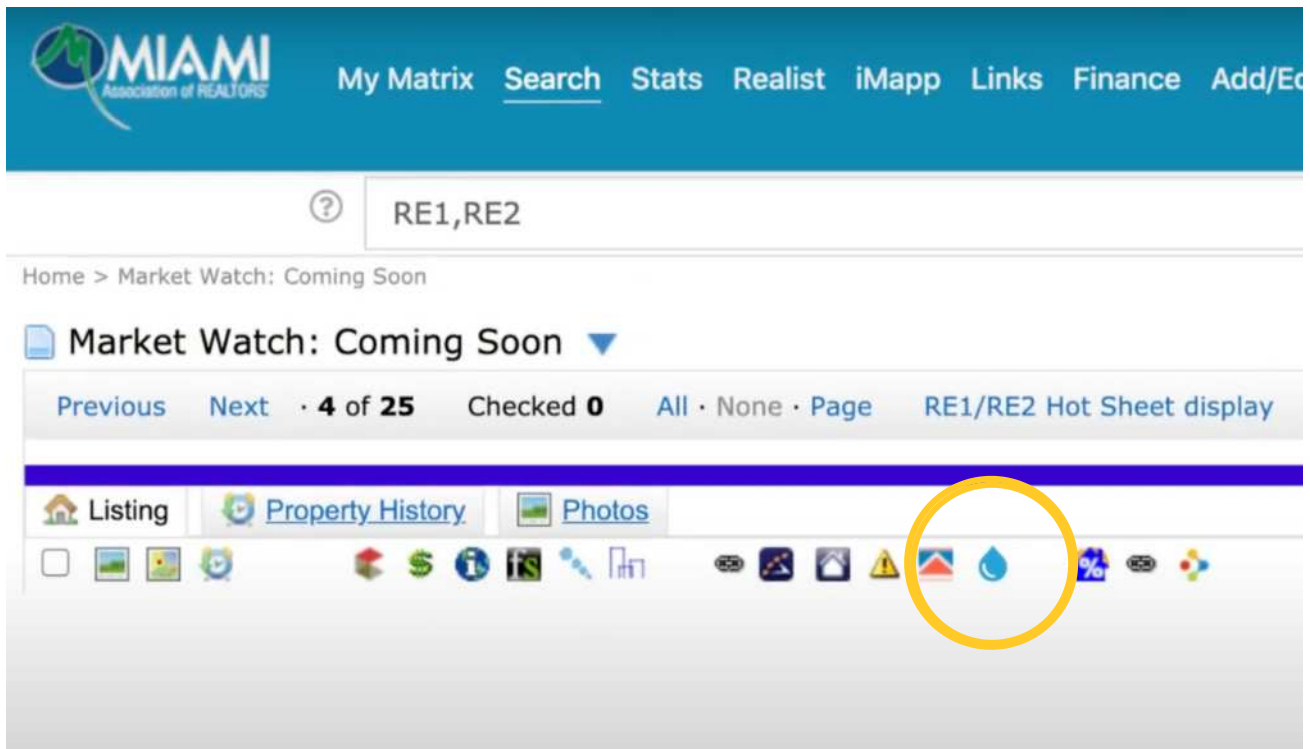
- Personal belongings (clothing, furniture, electronics)
- Portable air conditioners, portable microwaves, portable dishwashers
- Washers and dryers
- Food freezers and food in them
- Valuable items (such as artwork, up to a determined amount)
- Curtains

Building and Contents Not Covered:

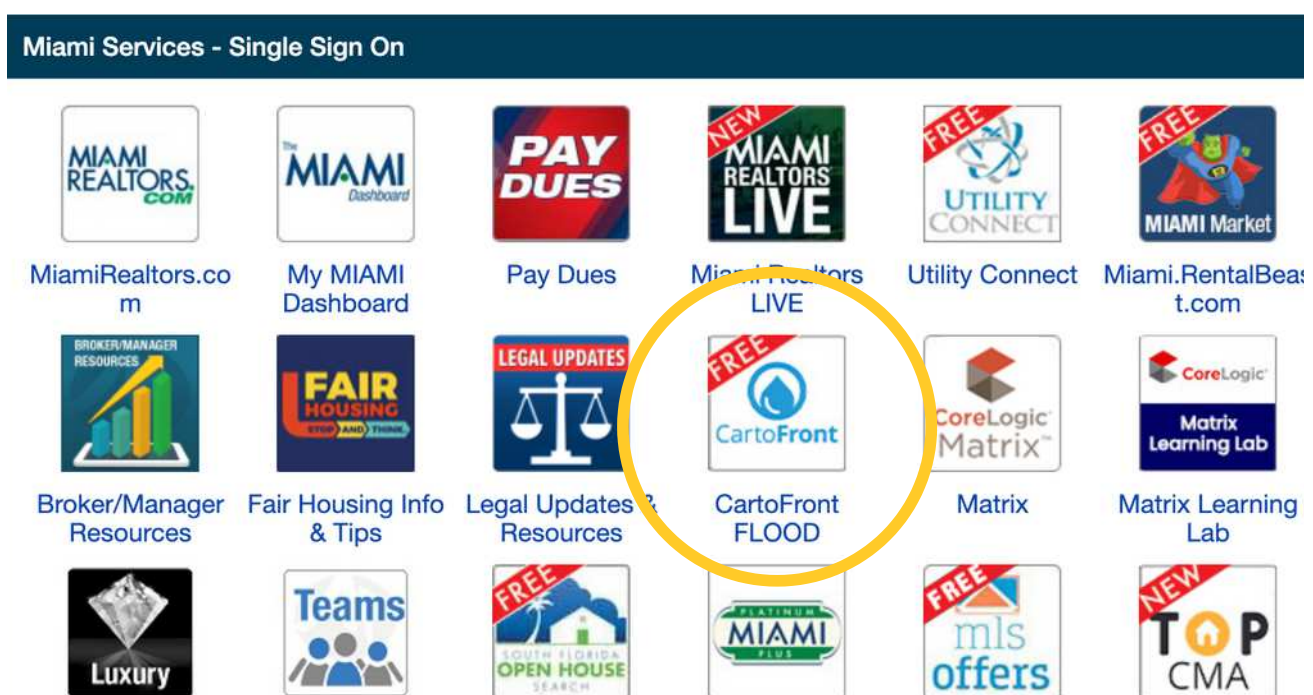
- Damage caused by moisture, mildew, or mold that could have been avoided by the property owner
- Currency, precious metals, and valuable papers such as stock certificates
- Property and belongings outside of an insured building such as trees, plants, wells, septic systems, walks, decks, patios, fences, seawalls, hot tubs, and swimming pools
- Financial losses caused by business interruption or loss of use of insured property
- Living expenses such as temporary housing

Two places to access CartoFront:

1. In every listing



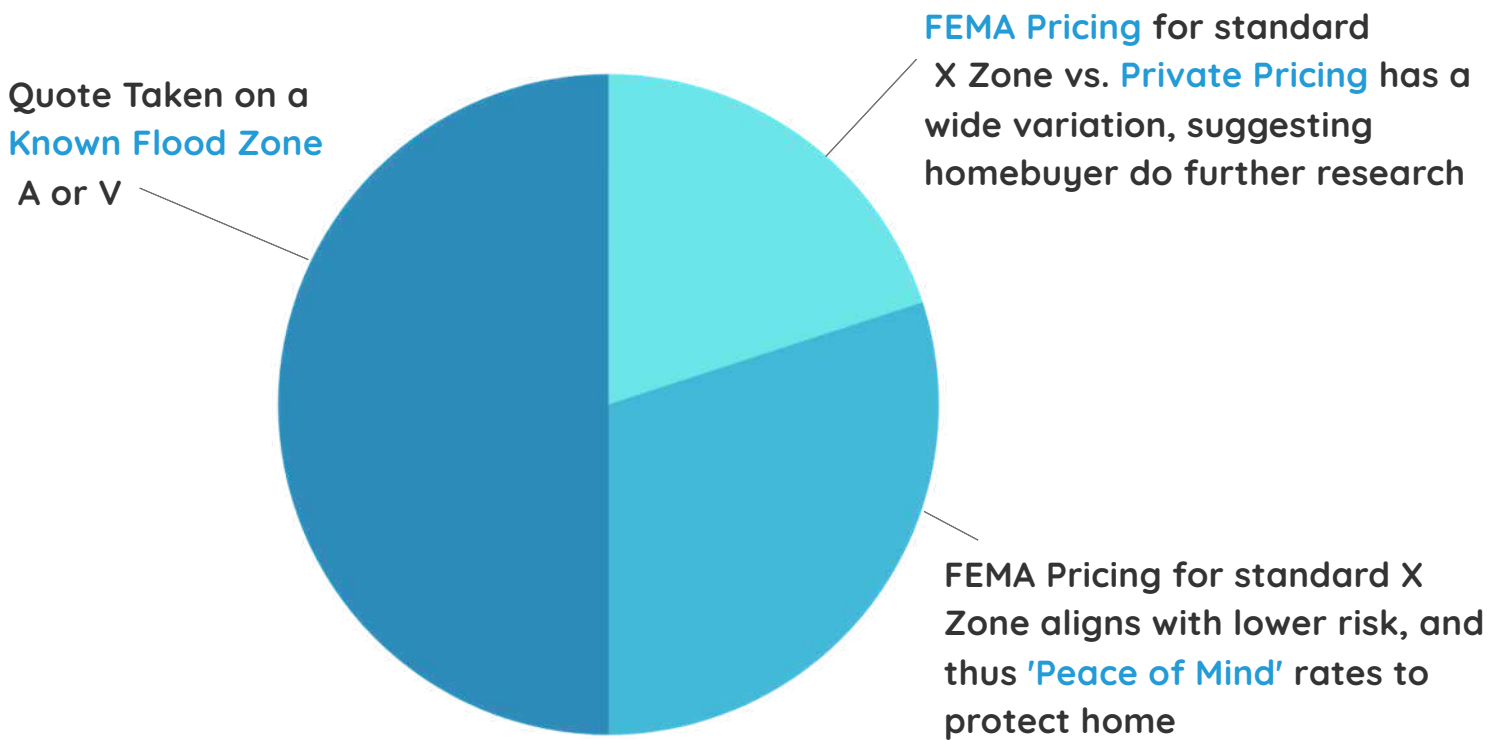
2. From your dashboard



The Types of Quotes We're Seeing



Since FEMA Risk Rating 2.0 was implemented October 1, 2021, CartoFront has taken over 20,000 free quotes across four markets in Florida, Maine and Idaho. This is the directional breakdown of how FEMA pricing is now reflected from our CEO, Jason Harris.



Known Flood Zone

Around half of CartoFront quotes are from known flood zones (A, V) – flood insurance must be purchased if financing





Peace of Mind

The next most common group of CartoFront quotes are from X Zones, where peace of mind flood insurance will cost <\$500/per year.



Do a Double Take

Around 1 in 5 CartoFront quotes are from X Zones, where there is a significant disparity in price between FEMA and Private flood insurance - NOTE: Realtors are HIGHLY encouraged to 'take a double take' when these quotes come in.



How Does CartoFront Handle My Data and Privacy?



CartoFront takes data and privacy extremely seriously. On our platform, we have our privacy policy easily accessible and in simple language, both in English and Spanish.

- 🔹 CartoFront uses Amazon Web Services (AWS) as its data and cloud platform. AWS employs the most up to date cloud and data security, and its policy can be found [here](#).
- 🔹 CartoFront is an Insurance Technology company, and not a licensed insurance agency.

In the national MLS markets, we have contracted with FloodPrice (administered by INX Insurance) to service and bind flood insurance quotes generated from our platform.

- 🔹 When a quote is requested, the data and quotes are shared one time, exclusively and only with FloodPrice. The data is transmitted in an encrypted, secure email and is never sold to an open marketplace.
- 🔹 The FloodPrice team are flood insurance experts and can also assist regarding broader insurance needs, such as Homeowners, Auto, Business, Condo, Commercial, and Rental Insurance.



[Click to read our full privacy policy](#)



What is CartoFront?

CartoFront is a FREE, bilingual application that simplifies flood insurance for REALTORS®.

- 💧 On the buy side, agents can guide customers to houses that have the greatest potential of becoming home, while maintaining and growing their value.
- 💧 On the sell side, agents can proactively understand what questions may come up from potential buyers.

CartoFront is a free, value-added service from your MLS.

What is CartoFront's purpose?

Our goal is to make you the most knowledgeable, confident and profitable REALTOR® in your market.

As a REALTOR® can I share insurance quotes with my customer?

Yes. CartoFront provides a legal disclaimer at the bottom of every quote request. This disclaimer is intended to protect the REALTOR®, their customer, and CartoFront, the technology service provider.

Is CartoFront bilingual?

Yes, the entire platform is bilingual: English and Spanish. This includes MLS application, training, education and customer service.





Just scan the QR code and enter your property address to take a FREE flood insurance quote today!



CartoFront

Simplifying Flood Insurance

