

# SIMPLE GUIDE FOR TWO-TO-FOUR FAMILY BUILDINGS



FEMA



This guide is to assist with completing the Flood Insurance Application Form for two-to-four family buildings. For additional information, see the [Flood Insurance Manual \(FIM\)](#), Section 3: How to Write.

**Note:** For coverage information, see the [Standard Flood Insurance Policy Dwelling Form](#).

## COVERAGE LIMITS AND DEDUCTIBLES

Maximum Coverage Limits in the Regular Program - Two-to-Four Family Buildings			Building Coverage	Contents Coverage
			\$250,000	\$100,000
Minimum Deductible Options				
Standard Building Options		Exception Building Options: Pre-FIRM Building Receiving Any Statutory Discount		Contents Options
Building Coverage of \$100,000 or less	Building Coverage over \$100,000	Building Coverage of \$100,000 or less	Building Coverage over \$100,000	Contents Coverage of Any Amount
\$1,000	\$1,250	\$1,500	\$2,000	\$1,000

Higher deductible options of \$2,000, \$5,000 or \$10,000 are available. See the building and contents coverage deductible chart in FIM Section 3. II. D. 3.

## FOUNDATION TYPE

**Select one of the six different foundation types that best describes the building.**

\*Asterisks indicate foundation types that may be eligible to receive the proper flood openings discounts.



### Slab on Grade (Non-Elevated)

A building whose foundation is slab-on-grade or slab-on-stem wall with fill.



### Basement (Non-Elevated)

A non-elevated building that has a floor or any area of the building, including any sunken room or portion of a room, below the ground level (subgrade) on all sides.



### \*Crawlspace (Elevated or Non-Elevated Subgrade Crawlspace)

A building that has its lowest floor raised above the ground by a crawlspace.



### Elevated without Enclosure on Posts, Piles, or Piers

A building that has its lowest floor raised above the ground by posts, piles, piers, columns, or parallel shear walls with no enclosure below the lowest elevated floor.



### \*Elevated with Enclosure on Posts, Piles, or Piers

A building that has its lowest floor raised above the ground by posts, piles, piers, columns, or parallel shear walls with an enclosure below the elevated floor.



### \*Elevated with Enclosure Not on Posts, Piles, or Piers (Solid Foundation Walls)

A building that has its lowest floor raised above the ground by foundation walls (solid perimeter walls) with a full floor enclosure.

## MITIGATION DISCOUNTS

### Elevated Machinery and Equipment

Policyholders may receive a mitigation discount if certain covered Machinery and Equipment (M&E) and appliances servicing the building, inside or outside the building, are elevated to at least the elevation of the floor above the building's first floor. See FIM Section 3. II. C. 5. a. for a list of the M&E that must be elevated to receive the discount.

### Proper Flood Openings

Policyholders may receive a mitigation discount if they have certain foundation types that are constructed with proper flood openings. Engineered openings are an option with documentation. See FIM Section 3. II. C. 5. b. for more information on proper openings.

## FIRST FLOOR HEIGHT DETERMINATION

The First Floor Height (FFH), or the height of the building's first lowest floor above the adjacent grade, is another rating variable critical to understanding flood risk. FEMA will determine a FFH value using application information and various datasets. Elevation Certificates (EC) are no longer required but can be an optional tool for establishing FFH. A policyholder may submit an EC to provide a FFH value. FEMA's system will review the values and apply the FFH value that is most beneficial to the policyholder. If using an EC to provide a FFH value, the following fields must be entered:

- EC date
- Building Diagram Number
- Information from section C or E of the EC as shown to the right

\* To determine the LFE when using Section C of the EC or First Floor Height when using Section E of the EC, see FIM Section 3. II. C. 4. c. Table 15 or 16.

All ECs and land surveys must be signed, accompanied by photographs and submitted to the NFIP insurers. See FIM Section 3. II. C. 4. d.

### Using Optional Elevation Certificate (EC) Information from Section C to Complete the Application Form

1. Enter the Lowest Adjacent Grade (LAG) (section C2f. of the EC)
2. Enter the Lowest Floor Elevation (LFE)\*
3. Enter the First Floor Height (the First Floor Height is the difference between the LAG and LFE)

### Using Optional Elevation Certificate (EC) Information from Section E to Complete the Application Form

1. Enter the First Floor Height\*

## BUILDING CHARACTERISTICS

### Date of Construction/Substantial Improvement Date

Use the month, day, and year of the building permit, even if the building has later been substantially improved.

If a building under construction, alteration, or repair does not have at least two rigid exterior walls and a fully secured roof at the time of loss, then the deductible amount will be two times the deductible that would otherwise apply to a completed building. See FIM Section 3. II. C. 9. a. iv.

When a community determines that a building has been substantially improved, the Application Form must report both the original date of construction and the substantial improvement date. See FIM Section 3. II. C. 9. a. i and ii.

A substantially improved building is a building that has undergone reconstruction, rehabilitation, addition, or other improvement, the cost of which equals or exceeds 50 percent (or a lower threshold if adopted and enforced by the community) of the market value of the building before the start of construction of the improvement.

### Square Footage

Provide the total finished living area. An attached garage or an attic converted to living space should be included in the square footage calculation. Do not include the following areas in the square footage calculation: Any garage area solely used for parking, storage or access; finished or unfinished basement or enclosure; or porches or decks. See FIM Section 3. II. C. 7. a.

### Number of Floors in Building

Determine the building's number of floors based on the number of floors above the ground, excluding enclosures or basements (finished or unfinished), crawlspaces (on grade or subgrade), and certain attics (if not used for living space). See FIM Section 3. II. C. 9. d.

### Total Number of Units in the Building

Determine the number of units in the building. If the building contains multiple units, enter the total number of units in the building. For example, if coverage is for a four-unit building, enter four. Count both residential and non-residential units. See FIM Section 3. II. C. 9. f.

### Building Replacement Cost (Including Foundation)

In most cases, FEMA will determine Building Replacement Cost Value for the building by using Application Form data and insurance industry data connected with the property address. The Building Replacement Cost Value used for rating does not affect the building replacement cost determined at time of loss. See FIM Section 3. II. C. 7.

### Is Building the Policyholder's Primary Residence?

To qualify as a primary residence, the policyholder or the policyholder's spouse must live in the residence more than 50 percent of the 365 calendar days following the current policy effective date. See FIM Section 3. II. C. 9. i. for more information.

### Construction Type

Determine the building's Construction Type (Frame, Masonry, Other) based on the construction used for the walls on the building's first floor. See FIM Section 3. II. C. 2.

## OTHER CONSIDERATIONS:

### Is the Building Eligible for a Pre-FIRM, Newly Mapped, or other Statutory Discount?

See FIM Section 3. II. E for more information on statutory discounts.

### Is this a New Policy After a Real Estate Transaction?

The new owner of an NFIP-insured building may be eligible to receive any statutory discount the prior policyholder received. See FIM Section 3. II. E. 4 for more information.