

Commercial Flood Coverage

Annual Pre-Season Review Checklist

Complete this checklist every April–May before Atlantic hurricane season begins June 1.

franklyns bay llc

StormRoofQuotes.com

■ NFIP policies have a mandatory 30-day waiting period. Coverage purchased after approximately May 1 may not be in effect for early-season storms. Standard commercial property insurance EXCLUDES flood and storm surge — flood must be a separate policy. Complete this review before hurricane season opens.

PART 1 — NFIP GENERAL PROPERTY FORM VERIFICATION

- NFIP policy is in force and premium is current — confirm renewal date is NOT during hurricane season
- Building coverage is at the \$500,000 maximum limit (or document reason for lower limit)
- Contents coverage is confirmed at the appropriate limit for current inventory and equipment value
- Deductible amount confirmed and budgeted — note: NFIP commercial deductibles are separate from property policy
- Property flood zone designation verified against current FEMA Flood Insurance Rate Map (FIRM)
- No pending FEMA map amendments (LOMRs) that could change zone designation or premium
- NFIP policy covers building address exactly as it appears on property deed — no address discrepancy
- Confirm NFIP covers storm surge under the policy's flood definition — standard NFIP does, verify if uncertain

PART 2 — PRIVATE / EXCESS FLOOD COVERAGE VERIFICATION

The NFIP caps commercial building coverage at \$500,000 on an Actual Cash Value (ACV) basis. Most coastal commercial buildings have replacement costs above this cap. Private excess flood coverage closes the gap. If your building replacement cost exceeds \$500,000, a private excess policy is essential.

- Excess flood policy in force — building limit covers the gap from \$500,000 to full current replacement cost value
- Storm surge explicitly confirmed as covered peril — written confirmation from carrier on file
- Named storm deductibles identified and documented — some private policies impose higher deductibles for named storms
- Business interruption from flood confirmed if carried — indemnity period and coverage basis documented
- Contents and equipment limits updated for current values — major equipment purchases since last renewal?
- Carrier stability assessed — any market withdrawal notices, non-renewal threats, or rating changes since last year?
- Verify private policy does not have a "concurrent causation" exclusion that could affect hurricane claims
- Confirm private excess policy stacks correctly with NFIP — excess attaches at \$500,000, not at zero

PART 3 — PRE-STORM DOCUMENTATION FOR FLOOD CLAIMS

After a hurricane, the cause-of-loss dispute between your commercial property policy (wind) and your flood policy (storm surge/flooding) is one of the most contested elements of coastal claims. Pre-storm documentation establishes the baseline that separates pre-existing conditions from storm damage.

- Dated interior and exterior photos of entire building — ground floor contents, equipment, all spaces
- Video walkthrough of building — dated and stored off-site (cloud backup)

- Current business personal property inventory with replacement values for all major items
- Equipment serial numbers and original purchase documentation on file
- Current building replacement cost appraisal — within 3 years, or more recent if construction costs have changed significantly
- Elevation certificate on file — confirms building's lowest floor elevation relative to base flood elevation
- Financial records accessible from off-site location — last 36 months of P&L; statements for business interruption claim
- Prior survey or structural inspection report establishing pre-storm structural condition

FEMA FLOOD ZONE QUICK REFERENCE

Zone	Risk Level	Mandatory Insurance?	Action
VE	Highest — coastal wave action	Yes (federally backed loans)	Confirm NFIP + excess in force
AE	High — 100-yr flood, BFE set	Yes (federally backed loans)	Verify limits vs. replacement cost
A	High — 100-yr flood, no BFE	Yes (federally backed loans)	Consider elevation certificate
AO	High — shallow sheet flow	Yes (federally backed loans)	Confirm flood policy covers AO
X (shaded)	Moderate — 500-yr flood	Not required	Carry flood coverage — 26% of claims from X
X (unshaded)	low to moderate	Not required	Assess proximity to water — Zone X ≠ no risk

Verify your flood zone: [msc.fema.gov](https://www.msc.fema.gov) · Full Commercial Flood Guide: stormroofquotes.com/commercial-flood-coverage-coastal.html · Free Inspection: stormroofquotes.com/#quote