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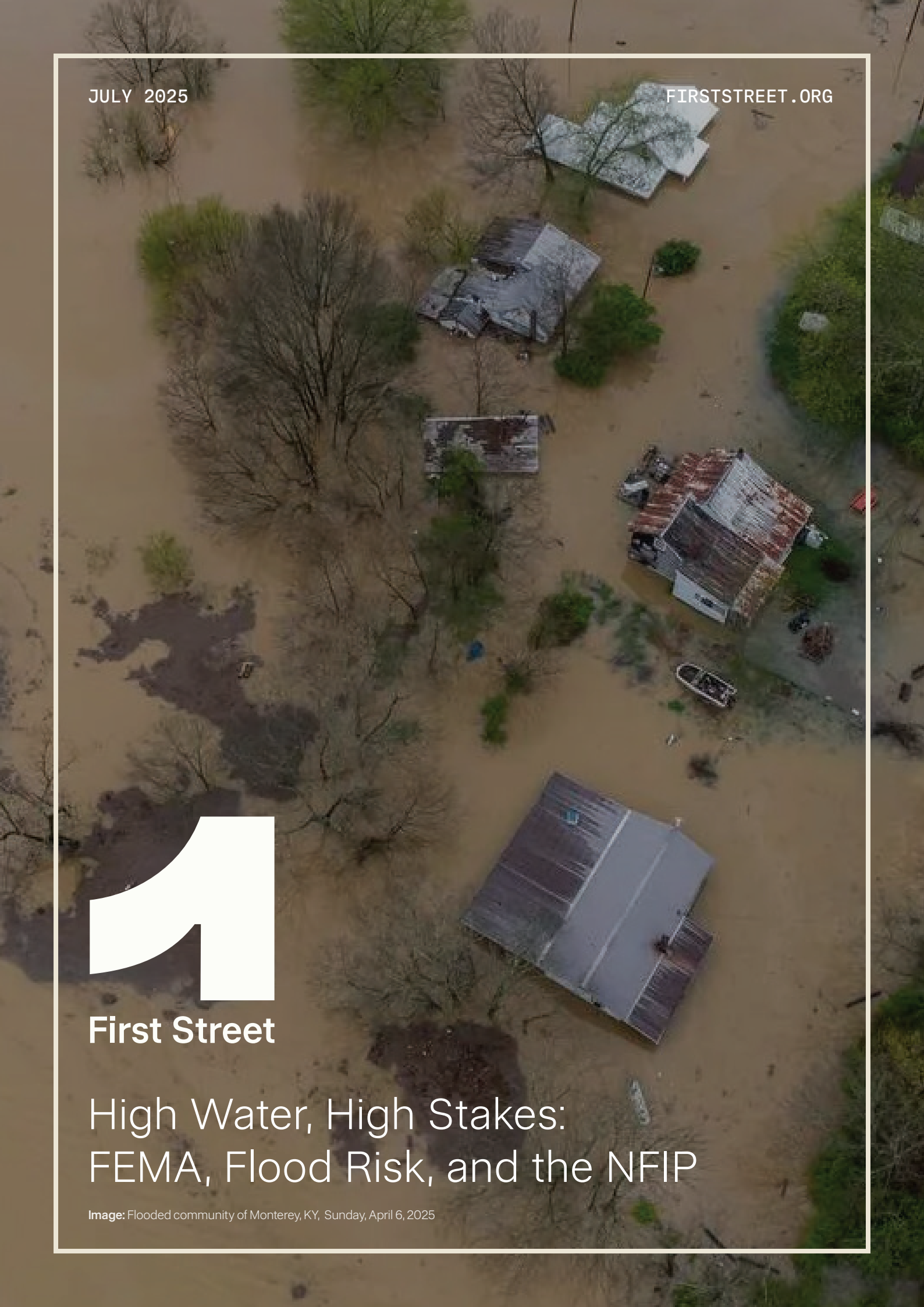

First Street

High Water, High Stakes: FEMA, Flood Risk, and the NFIP

Image: Flooded community of Monterey, KY, Sunday, April 6, 2025

Contents

03
Summary

03
Top 5 Takeaways

04
The Future of FEMA — What's at Stake?

07
The Economics of the NFIP are Unsustainable

10
FEMA Cuts Would Magnify NFIP Inefficiencies and Disrupt Insurance Markets

14
Can the Private Market Fill the Gap?

16
When the Waters Rise, So Does Financial Risk

Summary

The future of the Federal Emergency Management Agency (FEMA) and the National Flood Insurance Program (NFIP) carries profound implications for disaster resilience, housing markets, and financial stability across the United States. FEMA's critical roles in emergency management, national flood mapping, and flood insurance provision are under pressure as federal priorities shift, while escalating climate risks amplify financial exposures for homeowners, lenders, and local governments. Of particular concern is the stability of the NFIP, as it is essential for maintaining mortgage eligibility and protecting collateral in flood-prone areas. If flood insurance rates rise or certain properties become uninsurable due to changes in the NFIP, research from First Street highlights two significant consequences for the 13 million properties nationwide facing substantial flood risk without sufficient coverage. First, property values are likely to decline. Second, extreme flood damage without insurance could lead to a surge in credit losses for banks.

Image: Downtown Waterloo, IA, June, 2008

Top 5 Takeaways

1

FEMA Cuts Threaten National Resilience

Eliminating or restructuring FEMA would disrupt disaster response, flood mapping, and mitigation funding, undermining resilience for 22,594 communities as climate risks escalate.

2

NFIP Stability is Critical for Mortgage Markets

The NFIP covers 4.7 million policies totaling $1.28 trillion in property value, anchoring mortgage eligibility in flood zones and preventing credit market disruptions.

3

13 Million Properties Lack Flood Insurance

First Street data shows 13 million high-risk properties are underinsured or uninsured, including 10 million outside SFHAs and 3.2 million within, exposing homeowners and lenders to sudden financial shocks.

4

Flood Risk Materially Impacts Property Values and Credit Risk

Rising flood hazards, insurance costs, and insurance availability concerns reduce home values, lengthen sales cycles, and increase foreclosure risk, creating material financial impacts for homeowners, lenders, and local housing markets.

5

Private Market Cannot Fully Replace NFIP Coverage

While private insurers now cover 12% of all flood insurance policies while the NFIP covers the rest, 5% of current NFIP policies (about 235,000 properties) are too risky for the private market, meaning if the NFIP were to be dissolved, hundreds of thousands of homeowners would be left uninsured.

The Future of FEMA — What's at Stake?

Context

FEMA serves as the nation's lead for disaster preparedness, response, recovery, and mitigation, ensuring that states and communities can manage risks and build resilience. Beyond its broader emergency management role, FEMA assesses and communicates flood risk through its national flood mapping program and administers the NFIP, the primary source of flood insurance in the United States.

Timeline

To date there has been a systematic disinvestment in a number of government agencies under the new administration. Like many federal agencies, FEMA has felt the impacts: the latest communications have suggested that FEMA could be completely "abolished".

TIMELINE OF THESE DEVELOPMENTS

JANUARY 24, 2025
Executive Order 14180 Signed

President Trump establishes the FEMA Review Council to evaluate the agency's operations, structure, and future role.

JANUARY 2025
Elimination of FEMA Suggested

During visits to Hurricane Helene-impacted communities in North Carolina, President Trump suggests eliminating FEMA.

MARCH 2025
Review Council Leadership

Assigned FEMA Review Council, led by Gov. Kristi Noem and Defense Secretary Pete Hegseth, is directed to submit reform recommendations by November 16, 2025.

MAY 1, 2025
Significant FEMA Staff Cuts USA

Today reports that 2,000 of its 6,100 (over 30%) of FEMA's full time employees are being terminated or plan to leave.

LATE MAY 2025
Delayed Disaster Declarations

Trump delays approval of 10 disaster declarations for multiple states, eventually signing them after political pressure from governors and lawmakers.

JUNE 10, 2025
Stated Intent to Overhaul FEMA

At a White House briefing, President Trump states that FEMA will be phased out following the 2025 hurricane season.

JUNE 18, 2025
"Abolishing FEMA" Memo Leaked

Bloomberg obtains internal March 2025 memo outlining comprehensive plan to dismantle FEMA operations.

Given these developments, the prospect of FEMA being restructured or abolished is now under serious consideration. This raises the question: What are the potential impacts of moves to change, shrink, or eliminate FEMA? Several possibilitie include:

■

As the primary flood insurance source in the U.S., the NFIP currently encompasses 4.7 million policies across 22,594 communities, amounting to $1.28 trillion in property coverage.

Greater financial risk for homeowners:
Cuts to FEMA grants and recovery loans would leave individuals to shoulder more disaster costs, increasing eviction, foreclosure, and credit default risks in disaster-prone areas.

Uncertainty for the NFIP:
Restructuring FEMA could destabilize the NFIP by removing federal backing and/or disrupting program administration with a shift in management. While private insurers may fill some gaps, coverage could become less consistent, straining household finances and complicating mortgage markets.

Shift of flood risk to private insurance:
Restructuring of private insurance to account for flood risk, which has been managed by FEMA and the federal government since the inception of the NFIP in the late 1960's.

Weaker disaster response:
FEMA's expertise in disaster response and resource coordination enables rapid response and recovery. Downsizing to state-led efforts may be disjointed and could slow aid delivery, prolong disruptions, and increase displacement and potential mortgage defaults, particularly for disasters spanning multiple states.

Strain on states and localities:
Without FEMA support, states would face budget strain, leading to higher local taxes, and reduced recovery capacity that deepen disparities, undermine climate resilience, and make vulnerable areas less attractive.

Slow adaptation and preparedness:
Without continued FEMA funding such as competitive grants like Building Resilient Infrastructure and Communities (BRIC) and formula-based programs such as the Hazard Mitigation Grant Program, states and local governments risk losing critical momentum in preparing for climate impacts. The elimination of these programs could stall resilience efforts, leaving communities more vulnerable and triggering broader disruptions to infrastructure and supply chains across the economy.

For most Americans living in flood-prone areas, as well as lenders and financial institutions, the future of the NFIP is the most immediate concern due to its direct links to insurance coverage, mortgage eligibility, and property risk management. As the primary flood insurance source in the U.S., the NFIP currently encompasses 4.7 million policies across 22,594 communities, amounting to $1.28 trillion in property coverage (FEMA, 2024). With the future of flood insurance now uncertain, any changes to the program could have ripple effects across the mortgage market.

Perhaps the most concerning is the fact that the "unknown flood risk" created by the development of FEMA's Flood Mapping program, which sets the Flood Insurance Rate Maps (FIRMs), has become the authority on flood risk across the county and precludes many high flood risk properties due to decisions regarding the development of those maps. Changes to the NFIP's current structure could undermine the program's effectiveness and stall critical updates to these maps, leaving communities with outdated information and greater hidden risk. Without these authoritative FIRMs, the flood insurance system as we know it would undergo a huge transition.

Ultimately, this would require new models, insurance products, and risk transfer mechanisms to be introduced to account for growing flood risk. While this opens the possibility for innovation and new ways of managing current and future flood risk, it also portends a period of uncertainty for mortgage lenders, portfolio managers, and homeowners that would need to adapt to any changes in the flood insurance market.

1

2

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Images from top left: 1. Nashville flooding paralyzes NOAA headquarters 2024; **2**. Capital of Vermont in Montpellier, Vermont, July 11, 2023; **3.** Flooding level shown against a speed limit sign in Finchfield, IA 2008; **4**. Hurricane Joaquin in the area of the Black River, in Sumpter County, S.C., Oct. 6, 2015; **5**. Flooding of the Guadalupe River near Kerrville, Texas in 2025

The Economics of the NFIP are Unsustainable

Flooding is the most damaging physical climate hazard in the U.S.. Between 1980 and 2024, flood-related damages across both inland and hurricane events have totaled an estimated $1.7 trillion (2024 dollars), accounting for nearly 60% of all billion-dollar disaster losses across hazard types (NOAA). The frequency and intensity of these events have also surged: in the last decade alone, flooding has grown to be 3.7 times more likely and 13.6 times more costly than in the 1980s.

The NFIP was established in 1968 after private insurers increasingly withdrew flood coverage from homeowners' policies, citing unprofitability (GAO, 2023). While the NFIP has been instrumental in protecting homeowners and businesses from flood damage, it has faced substantial financial instability. The program, not designed to build reserves for extreme events but to borrow from the U.S. Treasury to cover large-scale losses, has seen borrowing escalate beyond Congress's expectations over the past two decades. Following the catastrophic 2005 hurricane season (Katrina, Rita, Wilma) and Hurricane Sandy, the NFIP's borrowing limit grew from its original $500 million to $20.8 billion, and later to $30.4 billion, as Congress consistently underestimated the scale of flood claims amid worsening climate conditions (CRS, 2025).

After hitting its borrowing ceiling following the 2017 hurricane season (Harvey and Irma), the Treasury forgave $16 billion of NFIP debt to enable an additional $6 billion in borrowing needed to settle that year's flood claims (**Figure 1**). In February 2025, FEMA borrowed another $2 billion to address outstanding claims from Hurricanes Milton and Helene the year prior, which together have cost up to $10.3 billion in total NFIP payouts (Insurance Journal, 2025).

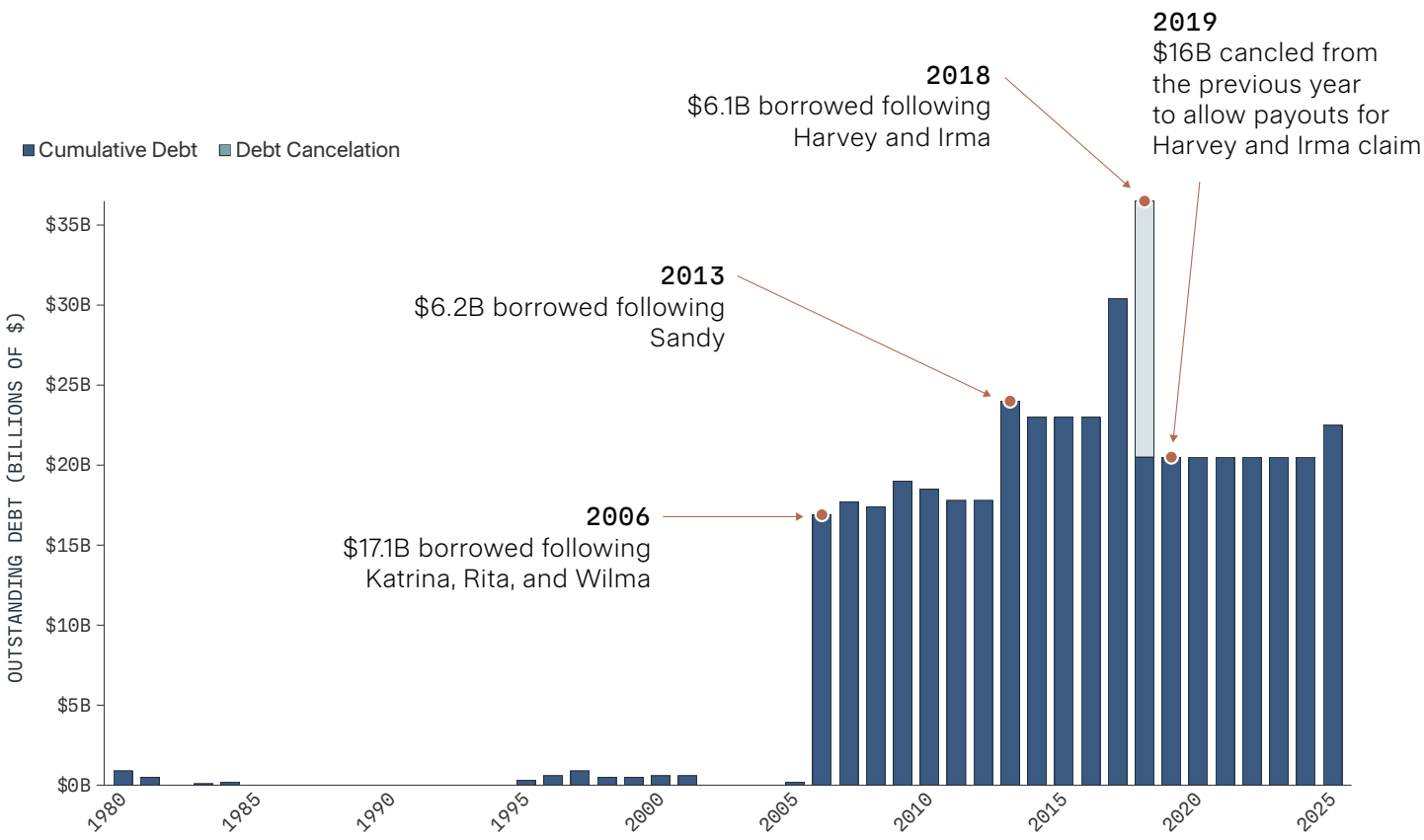


Figure 1. NFIP Annual Year-End Outstanding Debt to Treasury Department, FYs 1980 - 2025
Source: Congressional Research Service (CRS) NFIP Borrowing Authority

In sum, the NFIP has collected about $60 billion in premiums over its lifetime but paid out more than $96 billion in total costs, including claims, operating expenses, and interest (FEMA, 2025) (**Figure 2**).

This financial imbalance has drawn concern from both Congress and FEMA about the program's financial solvency today and into the future as claims increase along with climate impacts, warning that persistent borrowing without repayment imposes long-term burdens on both taxpayers and policyholders.

To address these challenges, FEMA launched Risk Rating 2.0 (RR2.0) in 2021, its first major pricing update since 1970. The new system uses property-level risk assessments to set more actuarially sound premiums that better reflect actual flood risk, resulting in an average premium increase of 87.6% across communities with NFIP policies in force (**Figure 3**). However, some policyholders face even steeper premium hikes. In Buras, Louisiana, for example, average premiums are set to increase by 993.7%, rising from $685 to $7,492.

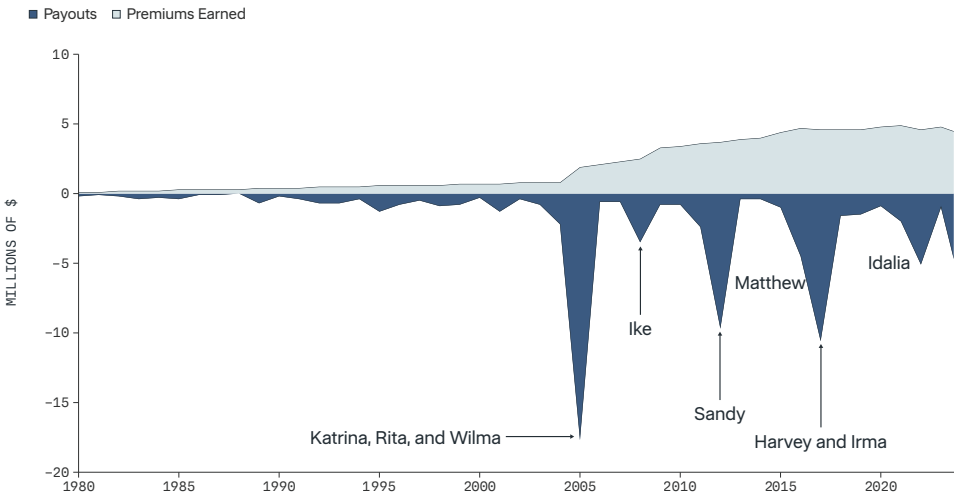


Figure 2. NFIP Premiums Earned vs. Payouts
Source: Open FEMA Data sets; CRS NFIP Borrowing Authority

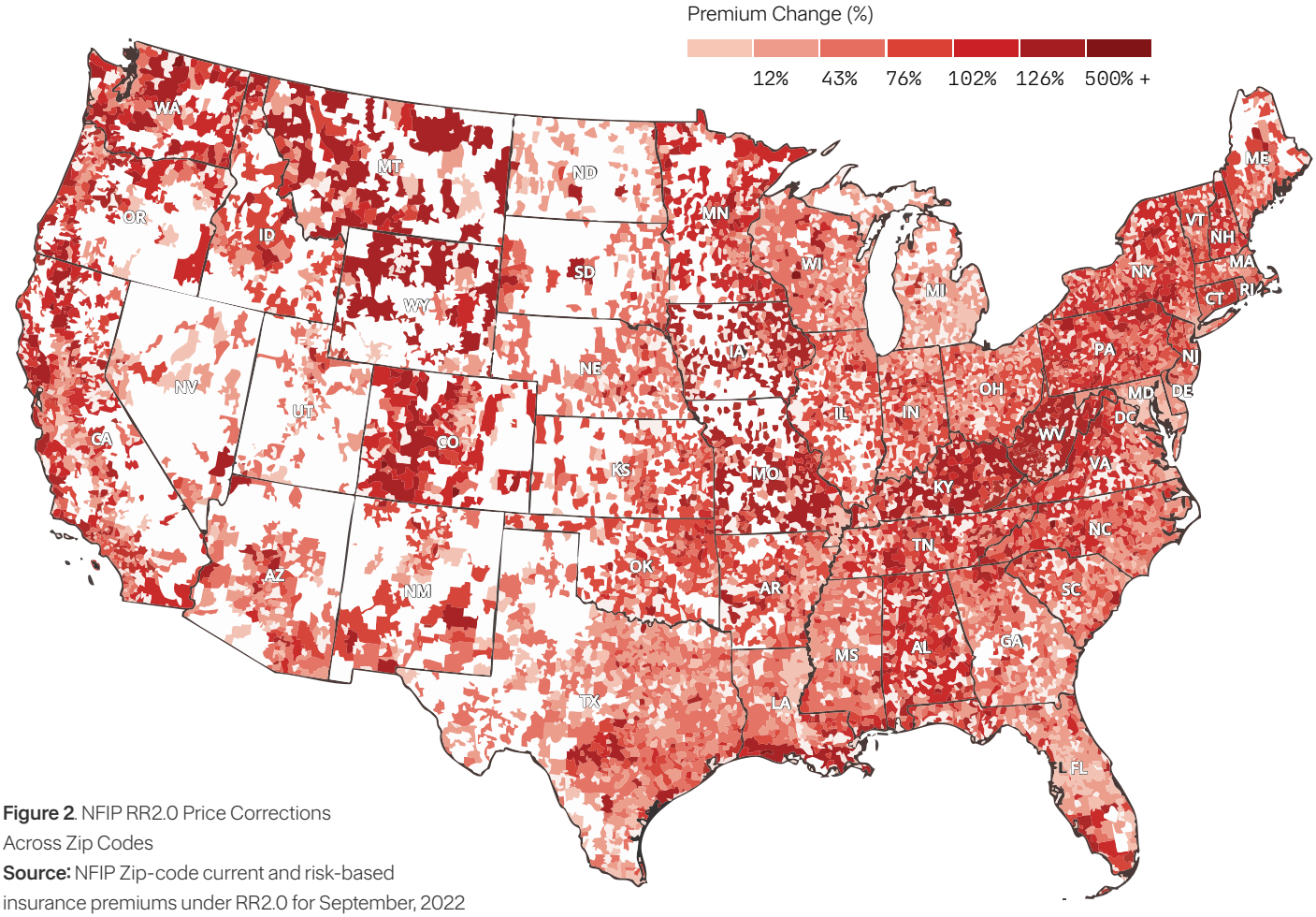
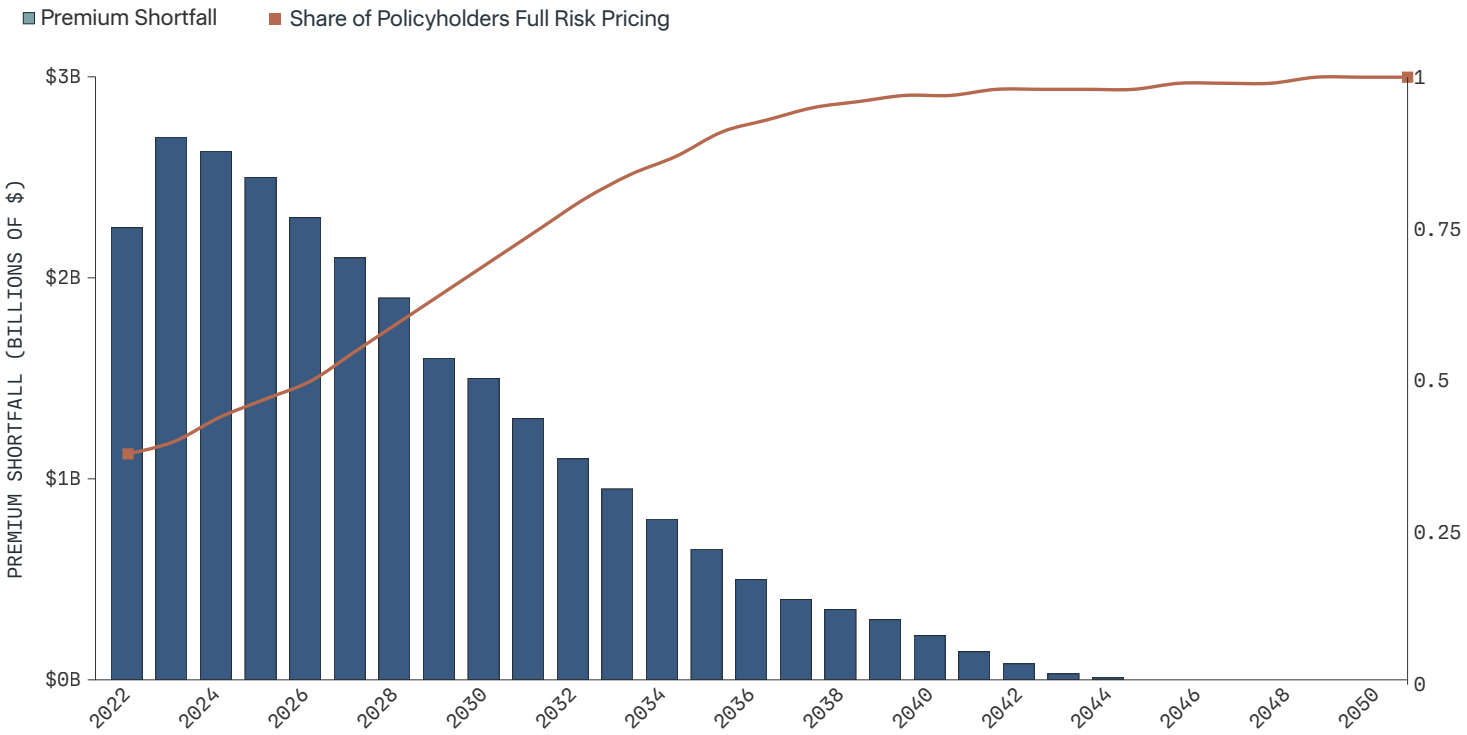


Figure 2. NFIP RR2.0 Price Corrections Across Zip Codes
Source: NFIP Zip-code current and risk-based insurance premiums under RR2.0 for September, 2022

New NFIP policyholders are charged their full risk-based rate under RR2.0 immediately. However, the 4.7 million existing policyholders are subject to a phased transition, constrained by legislation that caps annual premium increases at 18% (H.R. 3370, 2014).

At this pace, full adoption across all existing policies won't occur until 2049, 27 years after RR2.0's implementation began (GAO, 2023).



This lag will result in an estimated $30 billion in cumulative premium shortfalls over that period until 100% of policies reflect their full risk pricing level (**Figure 4**), even as flood risks continue to escalate.

While RR2.0 is a meaningful reform, ongoing premium shortfalls, rising debt, and escalating climate-driven losses create significant uncertainty about the NFIP's financial future and FEMA's role in managing flood risk. This uncertainty has deepened under the Trump administration's push to reduce federal disaster spending and shift recovery responsibilities to states. Proposals to restructure or phase out FEMA could further destabilize the NFIP by removing its federal backing, interrupting premium collection and claims processing, or shifting program administration to another entity less equipped to manage catastrophic flood risk. This could lead to lapses in coverage, delays in payouts, and higher premiums for millions of Americans, undermining the program's ability to provide reliable flood insurance and protect mortgage markets.

Figure 4. Estimated Premium Shortfall and Percentage of NFIP Policies at Full Risk Premiums
Source: GAO analysis of Federal Emergency Management Agency data; GAO-23-105977

FEMA Cuts Would Magnify NFIP Inefficiencies and Disrupt Insurance Markets

FEMA has played a foundational role in shaping the nation's flood risk and insurance system by producing and maintaining the official flood hazard maps that identify high-risk areas. These Flood Insurance Rate Maps (FIRMs) designate areas with a 1% or greater annual chance of flooding, also known as a "100-year flood," which are marked by flood depths exceeding several feet and causing severe damage to homes. Such areas are classified as Special Flood Hazard Areas (SFHAs), where flood insurance is required for properties with federally backed mortgages. Since about 80% of U.S. residential mortgages are federally backed, this requirement ensures that most mortgaged properties in high-risk areas maintain flood insurance coverage (FHFA, 2025).

While FEMA has played a vital role in defining flood risk, its ability to maintain up-to-date maps and accurately capture the full range of flood hazards across the U.S. has been limited. By law, FEMA is directed to review and update flood maps at least every five years to ensure a timely accounting of flood risk as conditions change due to development, climate change, and shifting hydrology. However, as of 2024, 84% of FIRMs are out of date, with 6% dating back to the 1970s and 1980s (**Figure 5**). This lag is driven by funding constraints, lengthy review and appeals processes with local jurisdictions, and the increasing complexity of flood risk as climate change alters weather events.

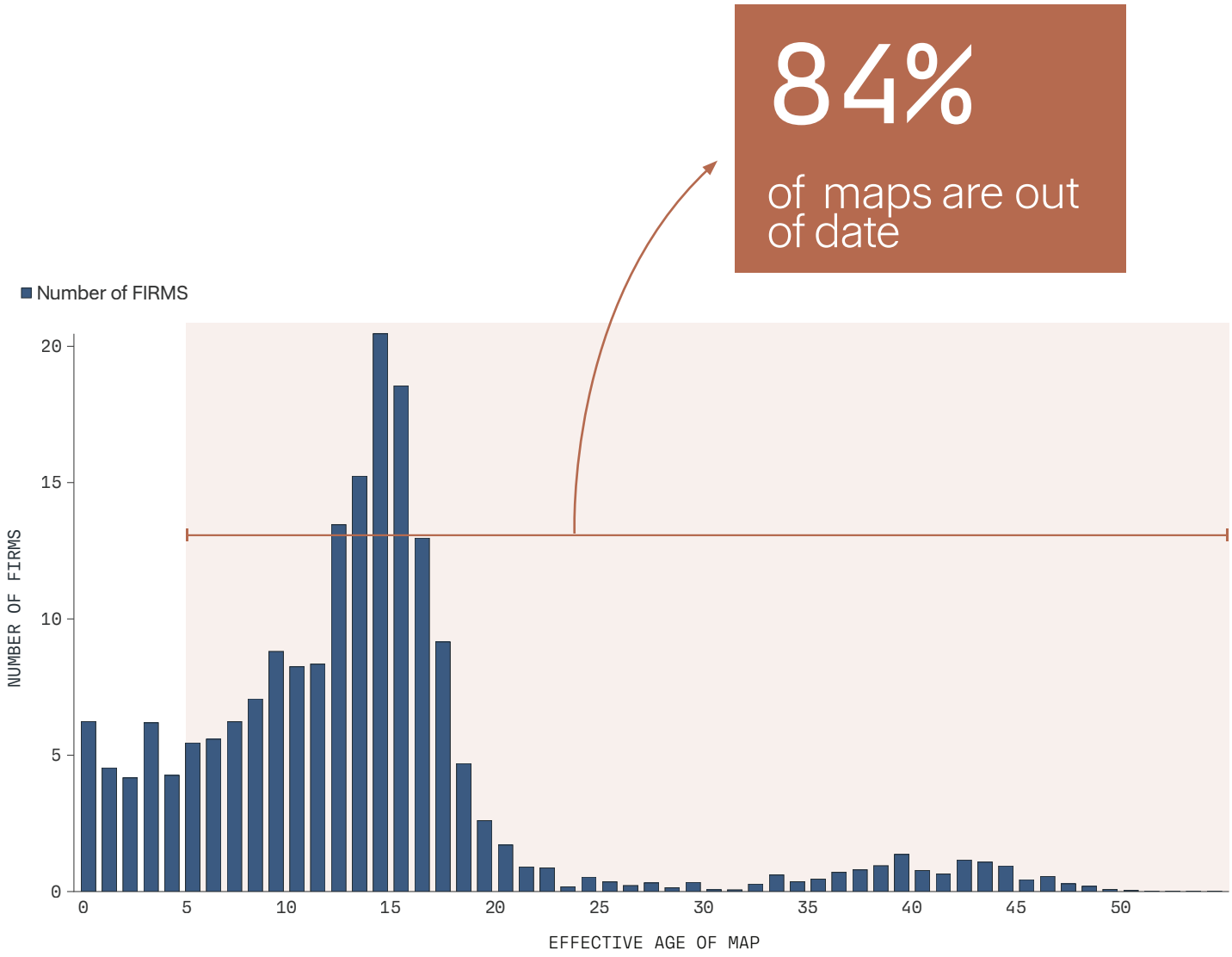


Figure 5. Distribution of Out-of-Date FIRMS
Source: First Street analysis of FEMA FIRMS

Flood Risk and FEMA: The Big Picture

FEMA flood maps are the gold standard for understanding flood risk exposure in the U.S. As the official federal tool for measuring flood risk across the country, FEMA's FIRMs shape decisions made by policymakers, insurers, lenders, property owners, and households alike. These maps underpin critical aspects of the nation's housing market, influencing where people live, how properties are insured, and what protections are put in place to reduce risk.

FEMA flood maps are:

Used by banks to define mortgage risk: Lenders rely on FEMA maps to determine whether flood insurance is required for a mortgage, directly tying flood risk to loan eligibility and closings.

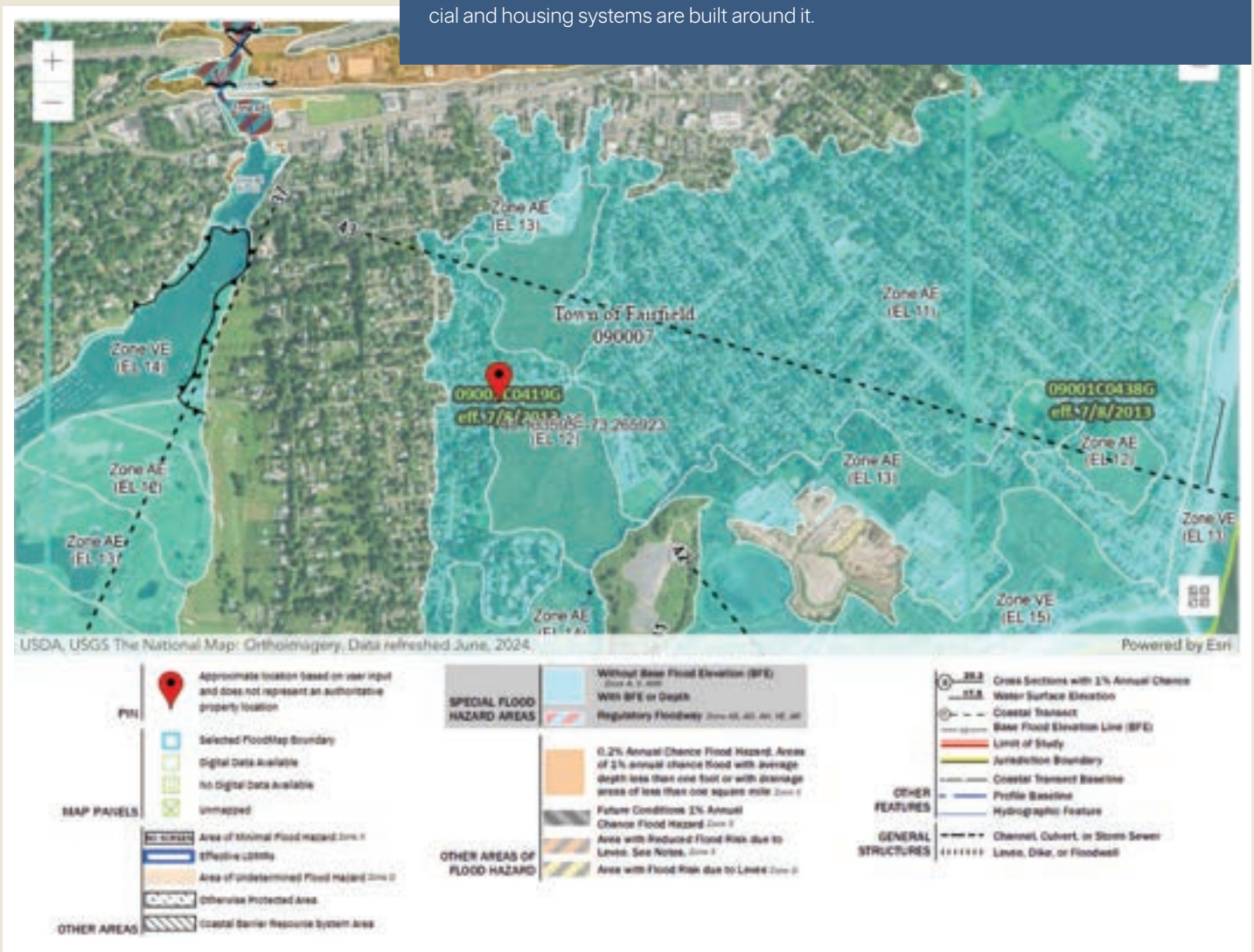
Used to set insurance rates with Flood Insurance Rate Maps: Both private insurers and the NFIP use FEMA's FIRMs to establish flood insurance requirements and premiums, influencing the cost of coverage for homeowners and businesses.

Used to define building and land use regulations: Local governments incorporate FEMA flood zones into zoning and building codes, guiding where and how new development can occur in flood-prone areas.

Used to guide flood mitigation efforts: Federal, state, and local agencies use FEMA maps to target investments in levees, drainage systems, and flood defenses, reducing community vulnerability.

Used by home buyers and renters to understand risk: Prospective buyers and renters check FEMA maps to assess a property's flood risk before moving in, shaping demand and property values in high-risk zones.

In short, FEMA defines America's understanding of flood risk such that the nation's financial and housing systems are built around it.



At the same time, FEMA's flood models, which define FIRMs and SFHAs, do not account for flooding from heavy rainfall, a common cause of localized flash flooding in urban and suburban areas. As a result, risks from intense precipitation are not reflected in official designations, leaving many homeowners unaware of their true exposure.

Combined with outdated maps, this omission leads to a significant underestimation of properties at risk. In its 8th National Report, First Street found that 17.7 million properties face a 1% annual flood risk, roughly 2.2-times more than the 7.9 million properties located in SFHAs (**Figure 6**) (First Street, 2023). The remaining nearly 10 million properties outside SFHAs with significant flood risk identified by First Street's model are largely unaware of their exposure and likely lack flood insurance. Critically, FEMA's FIRMs define local building codes that require homes in high-risk flood zones to meet stricter elevation and structural standards to withstand flooding. However, areas outside of SFHAs are not subject to these requirements. Developers exploit this gap by building just beyond SFHA boundaries to avoid insurance mandates and costly standards, while still placing new homes in flood-prone areas. Research by First Street and the Wall Street Journal found that of the 77,000 properties built in high-risk flood areas in Florida from 2019 to late 2024, over half were outside official FEMA flood zones, bypassing protections designed to safeguard residents and lenders (WSJ, 2024). This pattern, mirrored in states like Texas and North Carolina, underscores how heavy reliance on FIRMs and SFHAs creates uneven flood protection, exposing buyers, insurers, and the mortgage market to growing flood losses in areas deemed "safe" by outdated or narrow maps.

If FEMA were to stop updating its FIRMs or lose resources due to dismantling or restructuring, lenders would lose a consistent framework for assessing flood risk in mortgage portfolios. Past lapses in the NFIP show how disruptions can ripple through the system. Because the NFIP requires periodic congressional reauthorization, policy delays can halt the issuance and renewal of flood insurance, creating backlogs and uncertainty in the mortgage pipeline (CRS, 2025). A major lapse in 2010 delayed or canceled an estimated 1,400 home sales per day, stalling around 40,000 transactions before the program was reinstated (NAR, 2011).

Without updated FIRMs, lenders may turn to differing third-party flood maps, raising underwriting costs and leading to fragmented lending practices in flood-prone areas. Some lenders may withdraw or restrict financing, while others could require higher down payments or interest rates to offset perceived risks. At the same time, unclear federal insurance requirements would complicate compliance and stall transactions. If the NFIP stalls or dissolves, there is also a possibility that regulators or private markets could push for broader or even universal flood insurance requirements, imposing new financial burdens on homeowners.

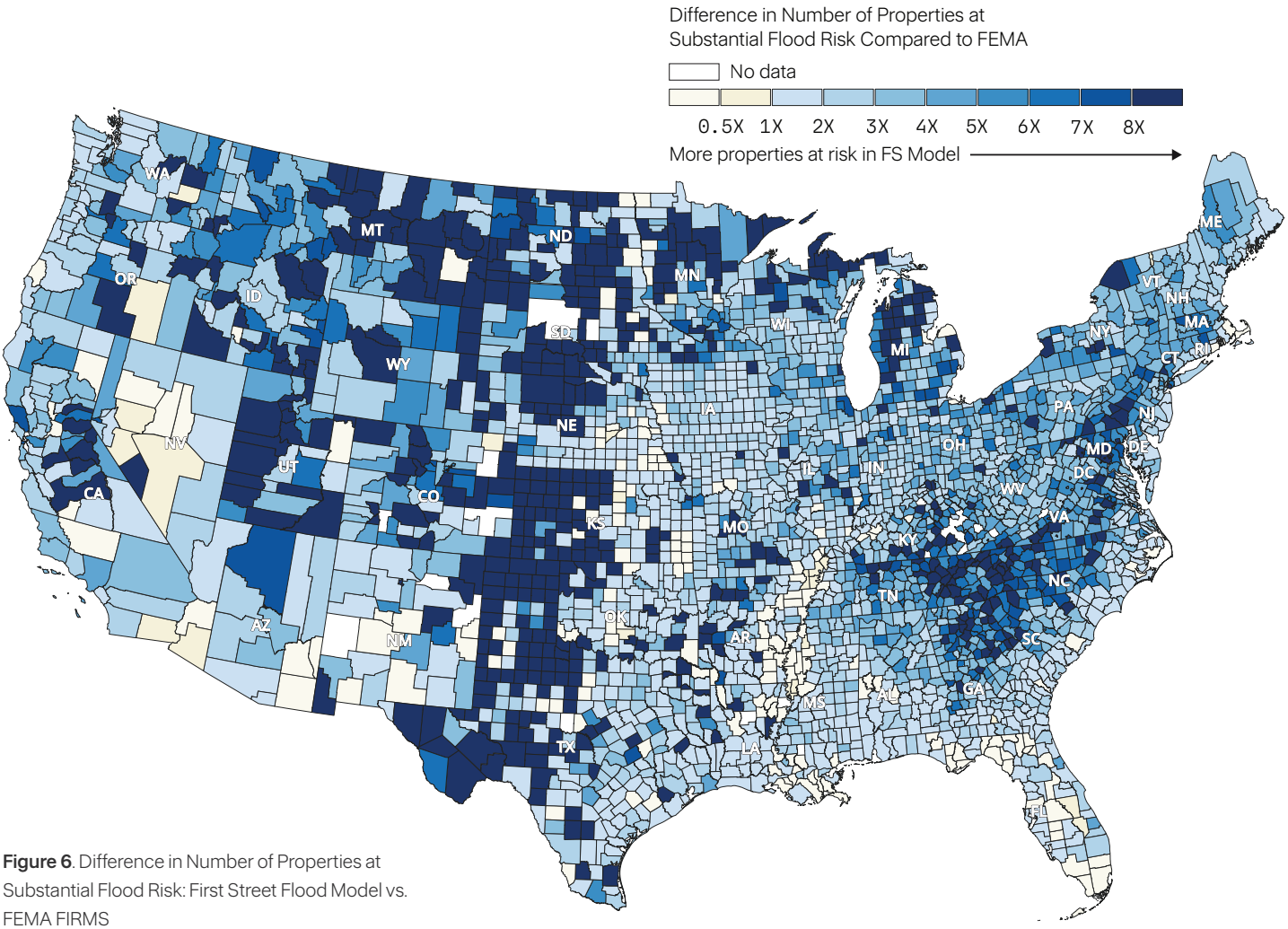
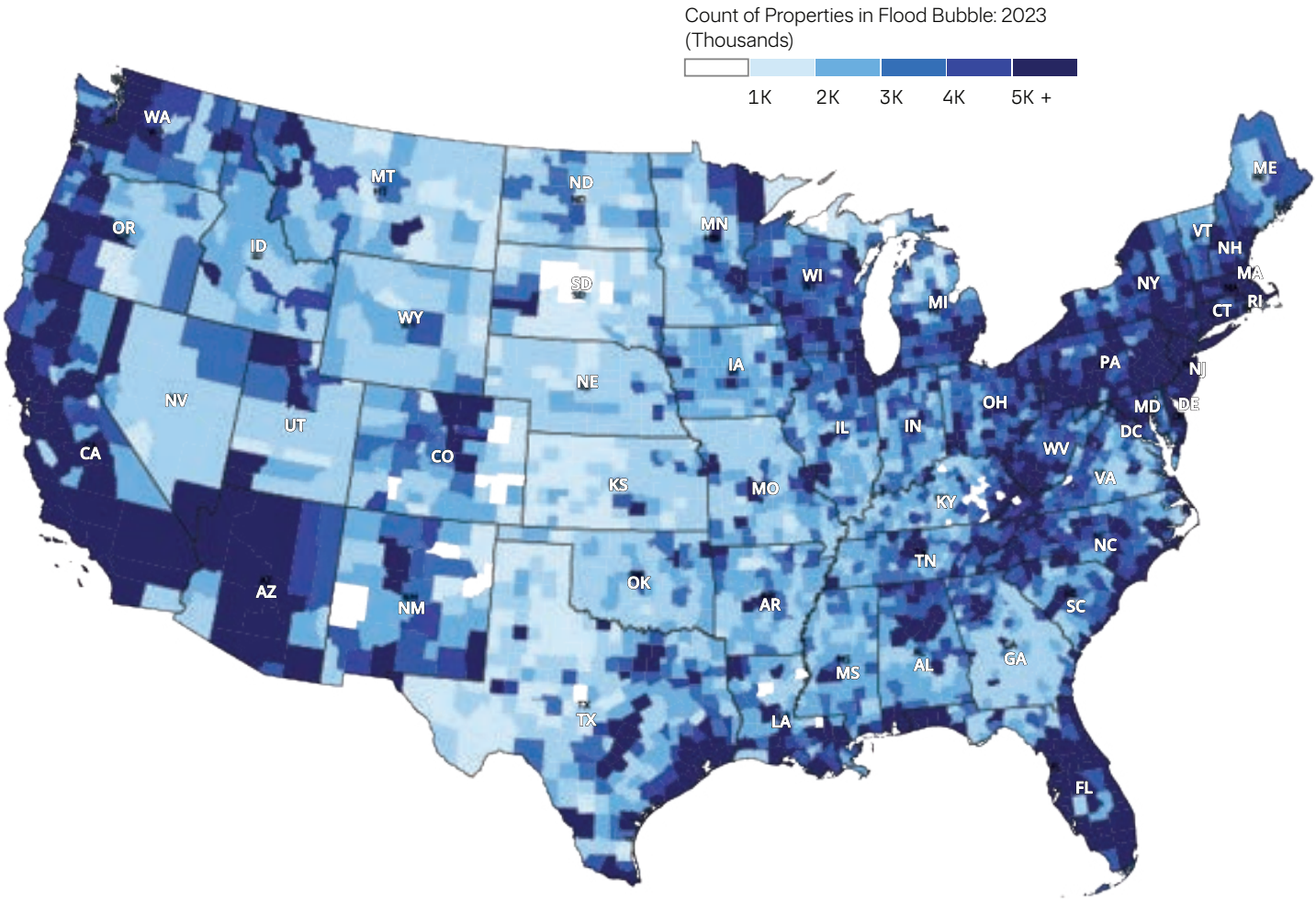


Figure 6. Difference in Number of Properties at Substantial Flood Risk: First Street Flood Model vs. FEMA FIRMS
Source: First Street analysis of FEMA FIRMS

9.8M of properties in a 100-year floodplain



Moves to impose broad-based flood insurance requirements even outside of FEMA's modeling SFHAs could impact 13 million properties in terms of unexpected costs added. This includes both properties within and outside of SFHAs without adequate flood insurance. Of the 7.9 million properties within SFHAs, 3.2 million lack flood insurance through the NFIP (First Street, 2023). This reflects a significant "flood insurance bubble," leaving millions of at-risk properties exposed to potential flood damages without financial protection. First Street estimates that while all 4.7 million of the NFIP's current policy holders are expected to see insurance corrections in line with the RR2.0's price corrections and are aware of the scale of these corrections enough to plan, 13 million properties currently exist without adequate flood insurance– largely driven by the 9.8 million properties identified by First Street as being in a 100-year floodplain but outside SFHAs and therefore lack flood insurance requirements (**Figure 7**). Homeowners among these properties are at risk of sudden price corrections or new flood insurance mandates, triggering an unanticipated surge in homeownership costs across these communities.

Figure7. Number of Properties Without Adequate Flood Insurance

Can the Private Market Fill the Gap?

As the future of FEMA and the NFIP hangs in the balance, a critical question emerges: can the private insurance market step in to replace federal flood insurance and maintain coverage for millions of properties at risk?

Over the past several years, the private flood insurance market has expanded, with its share of policies across residential and commercial rising from 7% to 12% between 2018 and 2022 as the NFIP's market share declined (**Figure 8**) (NAIC, 2023).

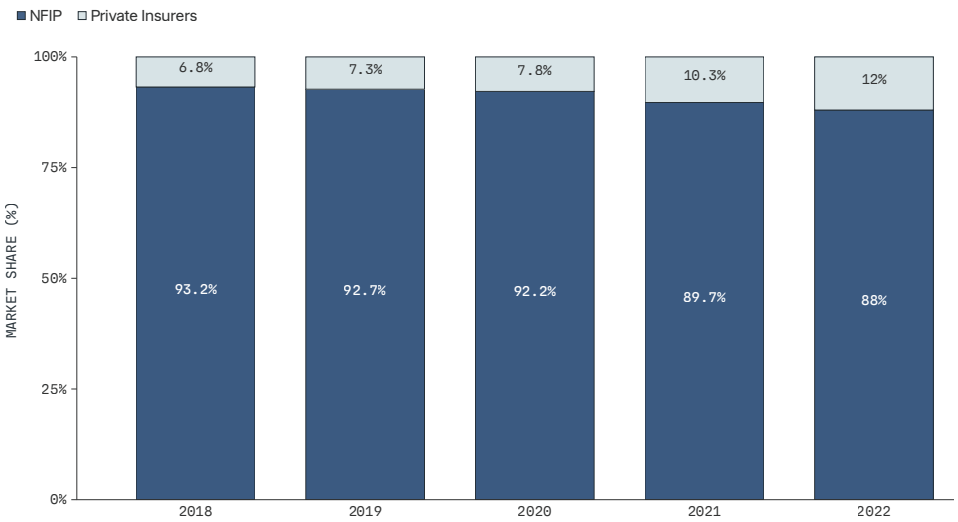
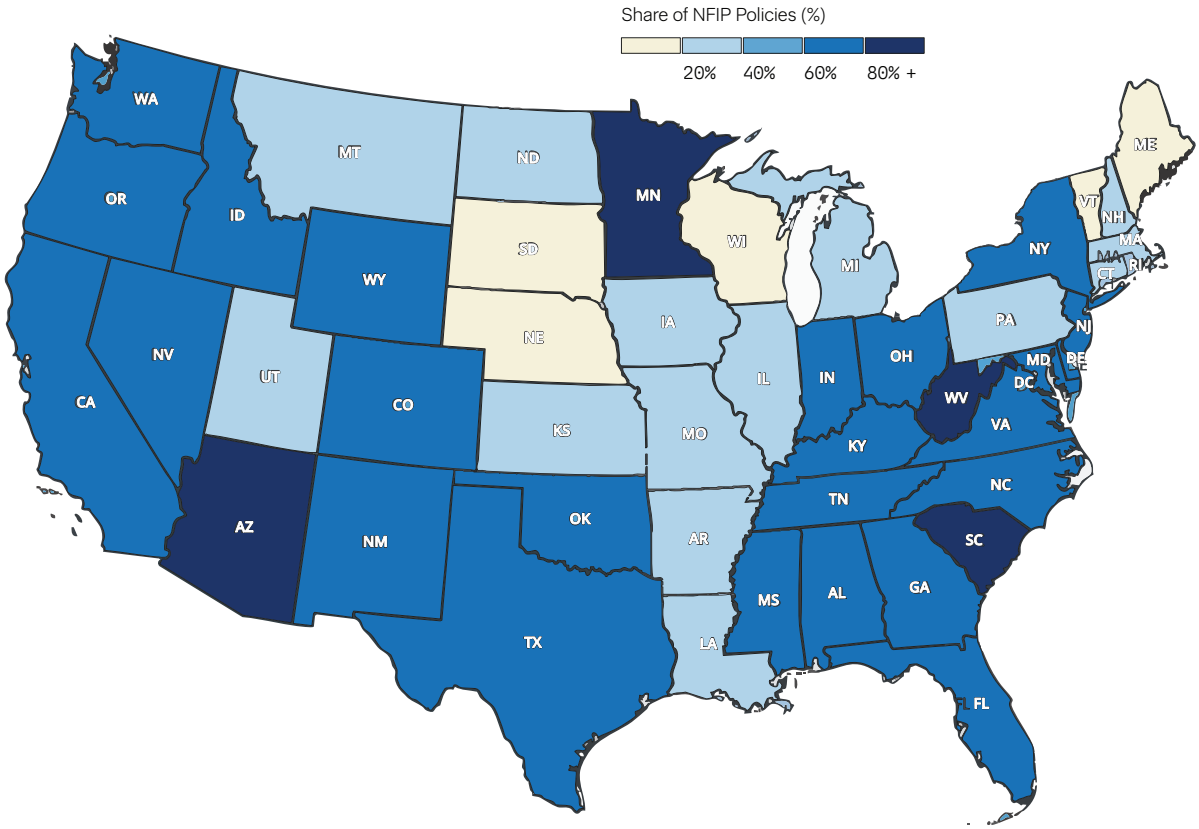


Figure 8. Flood Insurance Market Share Between the NFIP and Private Insurers
Source: National Association of Insurance Commissioners, 2023

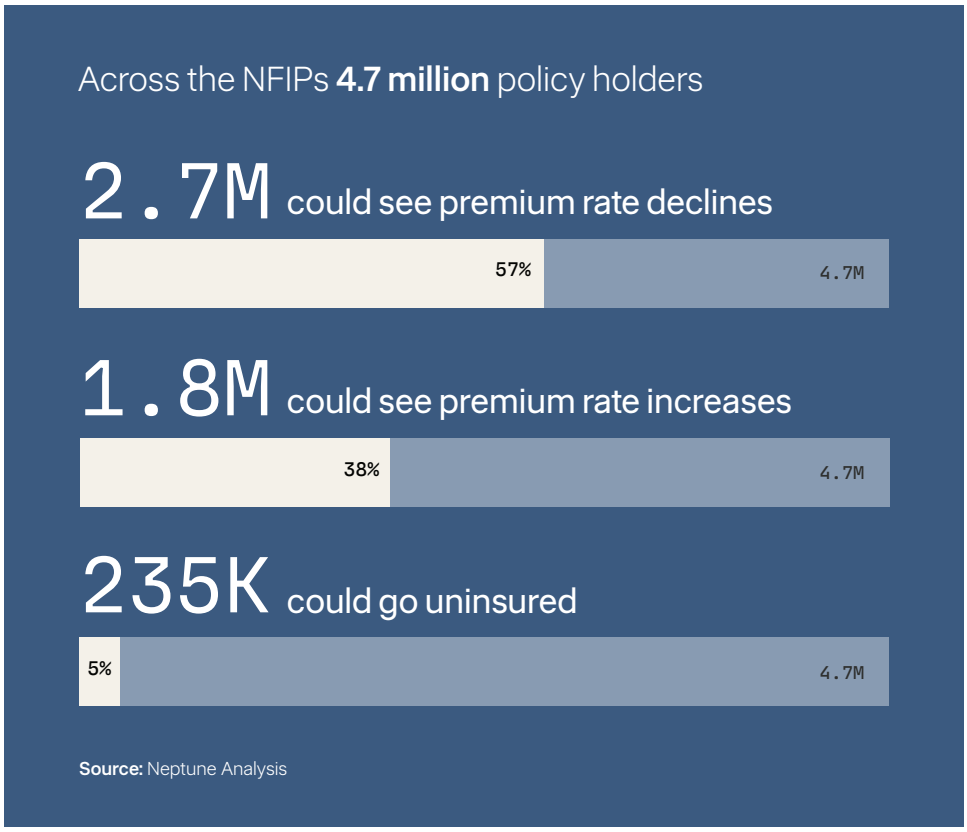


This shift in market share has accelerated since the launch of the NFIP's Risk Rating 2.0 pricing methodology in 2021. The timing suggests that some homeowners have successfully sourced more competitive premiums in the private market as NFIP rates have risen. An analysis by Neptune indicates that approximately 57% of current NFIP policyholders could obtain equal or lower premium rates in the private market compared to FEMA rates (Neptune, 2025).

In states like West Virginia, where NFIP premiums are set to triple under RR2.0 from an average of $1,065 to $3,197, over 80% of policyholders could potentially find lower rates with private insurers than what the NFIP would charge at full-risk pricing (**Figure 9**).

Figure 9. Share of Existing NFIP Policies that Would Receive Lower Flood Insurance Rates in the Private Market Under RR2.0 Corrections
Source: Neptune Flood Research, 2025

In contrast, 38% of existing NFIP policyholders, accounting for over 1.8 million households, would likely have to pay more in premiums in the private market than their current NFIP rates. This will likely impact households with subsidized rates in high-risk areas, to whom FEMA provides discounted NFIP premiums within communities that implement floodplain management and mitigation measures under the Community Rating System (CRS). This type of subsidy system would not align with a private market approach, where insurers set premiums individually for each property based strictly on its flood risk under risk-based pricing models. As a result, many homeowners currently benefiting from premium discounts under the NFIP could see sudden rate increases if forced to transition to private insurance.



Furthermore, the private market remains unable to provide comprehensive flood insurance coverage for all properties. Neptune's analysis also found that the remaining 5% of current NFIP policyholders (roughly 235,000 properties) would be considered too risky for private insurers to cover, raising concerns about insurability options for these homeowners if the NFIP were dissolved. This challenge mirrors longstanding issues within the NFIP itself: FEMA has struggled to insure highly flood-prone properties, particularly "repetitive loss" properties with at least two flood insurance claims exceeding $10,000, which account for approximately 30,000 homes nationwide (NPR, 2017). This is further exemplified by the fact that 2.5% of policies account for nearly 50% of all payouts (Neptune, 2025). For some repetitive loss or high risk properties, even FEMA has turned to buyout programs as a last-resort solution to put a plug on continual response and recovery costs (Pew Research, 2022).

While the private market can help offer alternatives for lower-risk properties, it does not replicate the NFIP's role in maintaining broad-based flood insurance coverage availability essential for the stability of housing finance in flood-prone regions. Just as flood insurance was phased out of the private market and adopted by the federal government with the establishment of the NFIP in the 1960s, private insurers may still be unwilling to take on the risk of insuring highly flood-prone homes. Without a federal backstop, many homeowners may be unable to acquire private flood insurance policies in line with their mortgage requirements and many prospective homeowners may be dissuaded from buying in high flood risk areas due to higher costs or a lack of insurance options. Amid these dilemmas for homeowners, lenders may face heightened uncertainty in assessing flood risk in mortgage portfolios, potentially restricting credit availability in high-risk areas or increasing borrowing costs for households. Dismantling the NFIP without a robust alternative would leave a riskier mortgage system in flood-prone areas, with millions of homeowners facing higher costs, coverage gaps, or a complete lack of options.

Image: Flooding in downtown Hazard, Kentucky, Feb. 15, 2025

Image: Downtown Waterloo, IA June, 2008

When the Waters Rise, So Does Financial Risk

The availability and affordability of flood insurance are central to the stability of housing markets and financial systems in flood-prone areas. According to the National Association of Realtors, approximately 40,000 property sales each month depend on the ability of buyers to secure flood insurance to satisfy mortgage requirements in high-risk flood zones (NAR, 2024).

The report also identifies flooding as the leading driver of disaster-related foreclosures, especially among properties with low flood insurance take-up. Together, these findings highlight how both the rising cost and lack of flood insurance can put immense financial strain on homeowners, with direct effects on mortgage market stability.

This totals over 13 million underinsured or uninsured properties at substantial flood risk nationwide. Without FEMA's continued mapping, program administration, and NFIP stability, an additional 4.7 million policies currently administered by the NFIP could face uncertainty or be forced to transition to private insurance. The scale of properties at risk of flooding, combined with uncer-

Without FEMA's continued mapping, program administration, and NFIP stability, an additional 4.7 million policies currently administered by the NFIP could face uncertainty or be forced to transition to private insurance.

Any disruption in the flood insurance market, whether due to lapses in the NFIP or reductions in FEMA's mapping and insurance capacity, could ripple across local housing markets, stalling transactions and eroding market liquidity.

Higher flood insurance premiums also translate directly into property value impacts. In its past reports, First Street has found that as insurance rates rise to reflect growing climate risks, buyers factor these higher costs into what they can afford, making properties less attractive and reducing what buyers are willing to pay (First Street, 2023; First Street, 2025). This can lead to price declines and longer sales cycles for homes in flood-prone areas.

The absence of affordable flood insurance does not merely slow transactions; it can push homeowners into financial distress due to the increased cost of homeownership. First Street's latest report finds that each 1 percentage-point increase in insurance premiums is linked to a 1.05 percentage-point rise in foreclosure rates nationwide, as rising costs push more homeowners into default (First Street, 2025).

Together, these findings highlight how both the rising cost and lack of flood insurance can put immense financial strain on homeowners, with direct effects on mortgage market stability.

As climate change intensifies the frequency and severity of flooding, the financial risks associated with gaps in flood insurance coverage will only grow. The intersection of rising flood hazards, insurance affordability and availability challenges in the private insurance market, and flood-drive credit risk concerns underscores why the question of FEMA's future is not merely about disaster response but about preserving the finan-cial resilience of households, lenders, and communities across the U.S.

First Street's data highlights the scale of current flood underinsurance in the U.S. due to both gaps in FEMA's flood modeling and limited regulatory enforcement: nearly 10 million properties outside FEMA-designated SFHAs have significant flood risk but likely lack insurance, alongside an additional 3.2 million uninsured properties within SFHAs.

This totals over 13 million underinsured or uninsured properties at substantial flood risk nationwide. Without FEMA's continued mapping, program administration, and NFIP stability, an additional 4.7 million policies currently administered by the NFIP could face uncertainty or be forced to transition to private insurance. The scale of properties at risk of flooding, combined with uncertainty around the NFIP's future, introduces latent instability into the financial system, heightening the risk of mortgage market disruptions. If flood insurance becomes less available or affordable under potential NFIP restructuring, continued RR2.0 increases, and private market shifts, this could lead to more frequent credit losses and deepen housing affordability and financing challenges in flood-prone regions.

Stakeholders across the mortgage market must anticipate these shifts by understanding flood risk exposure and its financial implications. First Street's flood risk data provides clarity on where these risks are concentrated and their potential damages and insurance cost impacts, equipping buyers and lenders to prepare for the financial realities of flood impacts amid growing uncertainty.