

## Read about some of the more **Common Scenarios**.

When the proposed Flood Insurance Rate Map is adopted, property owners may receive a notice from their lender that flood insurance is required. Perhaps...

- 1) Your property (land) is in the proposed high-risk flood zone A, but your structure(s) are not.**
- 2) Your main structure is in the proposed high-risk zone A.**
- 3) You do not have a structure in the high-risk flood zone A.**
- 4) You only have a detached structure, like a garage, in the high-risk flood zone A.**

### **1) Your property (land) is in the proposed high-risk flood zone A, but your structure(s) are not.**

Explain to your lender that your structures are not in the high-risk flood zone. If necessary, ask a community official for a letter stating this and present it to the lender. If that doesn't satisfy the lender, look into getting a Letter of Map Amendment-Out As Shown (LOMA-OAS, free). See our [Q&As #7](#). If successful, your property will be rezoned from the high-risk zone A to the low/moderate-risk zone X and flood insurance will not be required. If you choose to buy it, you'll likely be eligible for the much cheaper Preferred Risk Policy or zone X rates (your choice of programs).

### **2) Your main structure is in the proposed high-risk zone A.**

Current and future federally backed lenders\* will require flood insurance. If transitioning from a low or moderate-risk zone, lock in the **cheaper Zone X moderate/low-risk rates** before the new flood map is adopted. Renewals will use these cheaper rates, so don't ever let this policy cancel for non-payment. A replacement policy will have to use the **expensive high-risk zone A rates**.

If you haven't locked in the old zone X rates, you may qualify for the **Preferred Risk Policy** under the **Eligibility Extension** for up to two years. Then renewals will be at zone X rates, rather than the **expensive high-risk zone A rates**.

If you do not have a mortgage, home equity or line of credit, we recommend buying and always renewing at least a minimum premium zone X policy, currently \$46 a year. When your property is sold, the policy can be **assigned** to the new owner who will continue to pay low/moderate-risk zone X rates, rather than the high-risk zone A rates. The policy can be changed to the limits and deductibles required by the new owner and mortgagee. If the next property owner does not have a federally backed lender\* either, they will not be required to carry flood insurance, so a property owner may want to consider holding a mortgage for the next owner. Be sure to assign your policy to the next owner so they can always renew that policy to have the low/moderate-risk **"grandfathered"** zone X rates available. This **increases the re-sale market value** of your property.

### **3) You do not have a structure in the high-risk flood zone A.**

Your lender may require you to buy flood insurance, depending on your loan agreement. Fortunately, you should qualify for low/moderate-risk zone X rates or a Preferred Risk Policy (your choice of programs). See [sample rates](#) at [www.thilldemerly.com/FloodPricing.htm](http://www.thilldemerly.com/FloodPricing.htm).

### **4) You have a detached structure, like a garage, in the high-risk flood zone A.**

A lender may require flood insurance. See our [Q&As #8](#).

Read our [Q&As](#) for more information. [www.thilldemerly.com/FloodInsQ&A.htm](http://www.thilldemerly.com/FloodInsQ&A.htm) If you need more help, contact agents Daniel King or Brian Kroll.

See Simplified Worksheet for a property owner on next page.

\* Federally regulated lending institutions, federal agency lenders and federally sponsored housing enterprises.

# Simplified Worksheet for a property owner

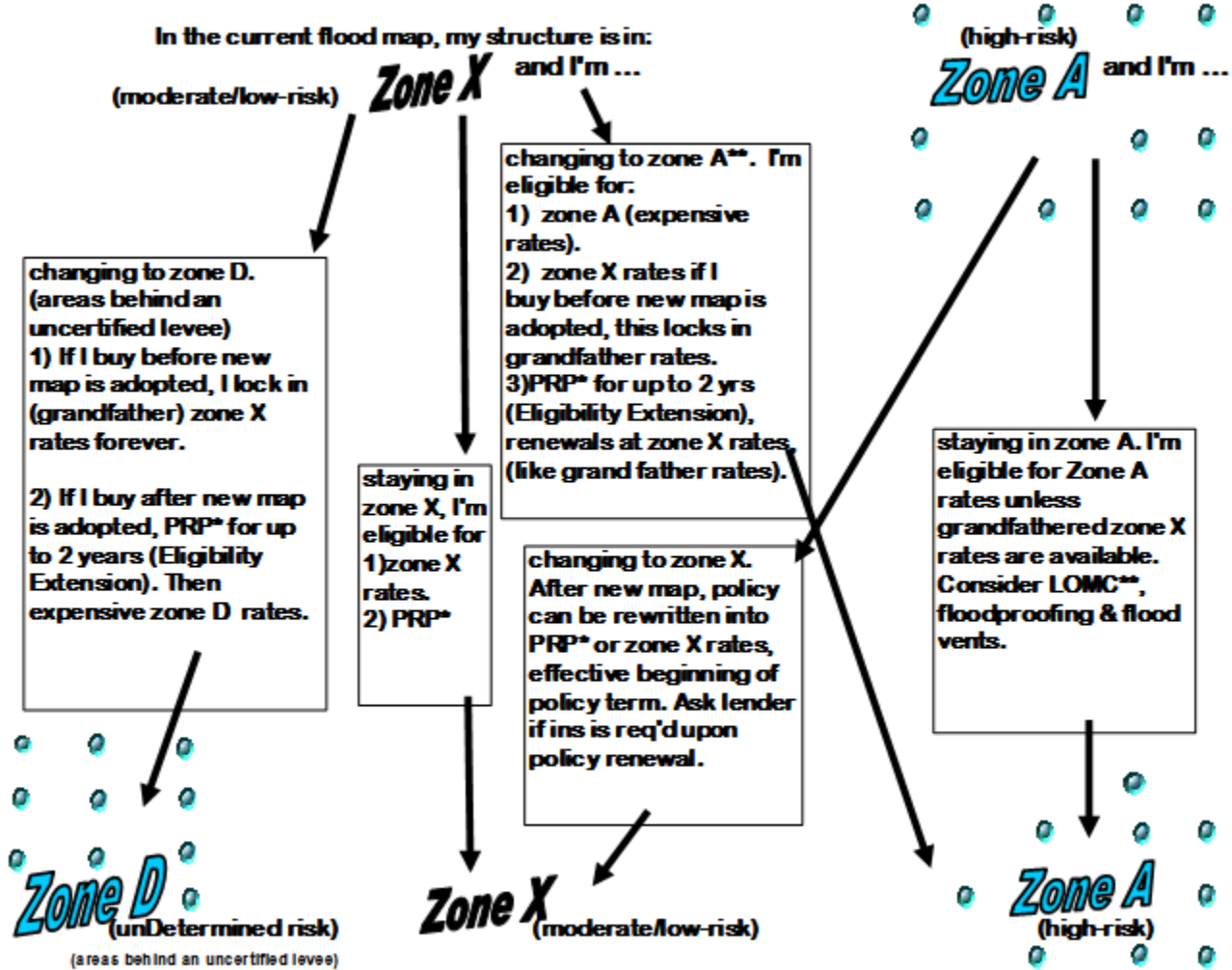
Circle your answers.

Name \_\_\_\_\_

Address \_\_\_\_\_

- 1) In the **current** Flood Insurance Rate Map, my structure is in  
 zone X (moderate/low-risk)      zone A (high-risk)      unsure      in dispute with lender
- 2) In the **proposed** Flood Insurance Rate Map, my structure is in  
 zone X (moderate/low-risk)      zone A (high-risk)      unsure      in dispute with lender      zone D (unDetermined risk)
- 3) Has structure had flood losses in recent years? If yes, list amounts paid and approximate loss dates.  
 yes      no      \_\_\_\_\_ (may affect eligibility for the Preferred Risk Program.)
- 4) I have signed a loan agreement allowing the lender to require flood insurance.  
 yes      no      unsure
- 5) My structure's construction date \_\_\_\_\_.

## Which programs am I eligible for?



\* PRP (Preferred Risk Program) eligibility: no more than two claims or disaster relief payments for flood losses of \$1,000 or more, or three loss payments of any amount.

\*\* At [www.FEMA.gov](http://www.FEMA.gov), search LOMC (Letters of Map Change).

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