



Flood Compliance Kit

From the industry leader in flood risk products

One of the benefits of working with CoreLogic® is the access you have to our flood compliance expertise and our experience with various appeal processes of the Federal Emergency Management Agency (FEMA). With the flood determination industry's largest number of Certified Floodplain Managers on staff, we have the capabilities to help you through even the murkiest flood compliance issues. We take pride in our ability to solve problems and answer questions about FEMA processes and their relation to community and lending regulations.

The Determination

By law, federally regulated lending institutions must require flood insurance on all loans secured by improved property (e.g. building or mobile home) located or to be located in a Special Flood Hazard Area (SFHA or "flood zone") as shown on the applicable FEMA Flood Insurance Rate Map (FIRM or "flood map"). To be in compliance with regulations, lenders are required to determine the subject property's location on the currently effective flood map on which the property is located and record the results on a Standard Flood Hazard Determination Form (SFHDF). If any portion of the structure is in a SFHA, the lender must require flood insurance as a condition of the loan.

Many lenders ask CoreLogic to complete their flood determinations and to ensure they are in compliance with applicable regulations. Through a combination of advanced geocoding technology, and the expertise of our technical mapping analysts, we quickly and accurately complete flood determinations on properties throughout the United States and its territories. We also guarantee these flood determinations as required by law.

The Review

Given the inherent limitations of FEMA flood maps and the significance of flood determinations, from time to time parties such as borrowers, surveyors, builders or realtors may have differing opinions about the flood status of a given property. If for any reason you or your borrower believes that our flood determination is incorrect, we will be happy to review the determination and recheck our work at no additional charge. Any applicable documentation such as a survey, plat map, appraisal, Elevation Certificate or letter from a community office or government official, should be sent along with your recheck (dispute) request.

Once we receive your request, we promptly review the disputed determination and additional documentation, again using the FEMA flood map, and assess whether or not the structure is in fact located in a SFHA. Upon completion of the review, if necessary we will confer with any other involved parties including, borrowers, surveyors, community officials, builders and attorneys to provide you with information about the flood determination and government regulations. Please note that according to FEMA's Mandatory Purchase of Flood Insurance Guidelines, the flood determination must be based solely on the FEMA flood map. The property's site elevation or the professional opinion of a community official, builder or engineer may not waive the flood insurance requirement.

Did you know?

- ▶ Floods are the most common natural disaster
- ▶ Homes located in Special Flood Hazard Areas have a 26 percent chance of flooding during a 30-year mortgage loan
- ▶ About 25 percent of the National Flood Insurance Program's paid claims are on policies for buildings outside of the Special Flood Hazard Area

The Appeal

Flood map information ultimately determines if flood insurance is required as a condition of the loan. FEMA understands this and makes every effort to ensure their flood maps accurately depict the risk of flooding. Despite FEMA's efforts however, questions still arise regarding the flood maps and the determinations based on them. To address the different scenarios, FEMA developed specific procedures such as the Letter of Map Amendment (LOMA) process and the Letter of Determination Review (LODR). Additional information about the processes is available on FEMA's website:

- ▶ LOMA - www.fema.gov/plan/prevent/fhm/fmc_loma.shtm
- ▶ LODR - www.fema.gov/business/nfip/lomri.shtm

Letter of Map Amendment

When a borrower or other interested party believes that a flood map does not accurately reflect a particular property's actual flood risk—perhaps due to the property elevation—they may apply for a LOMA using the MT-EZ or MT-1 form. No fee is required for a LOMA. However, if ground fill has been placed on the property, the borrower may need to apply for a Letter of Map Revision Based on Fill (LOMR-F) using the MT-1 form. FEMA requires some additional documentation for LOMA-F requests and a \$425 payment to the NFIP.

After the review, FEMA will determine if the flood map should be amended to remove the structure from the SFHA. If FEMA issues a LOMA removing the structure, then the lender may waive the flood insurance requirement and flood insurance premiums paid may be reimbursed via the National Flood Insurance Program (NFIP).

LOMA Application Tips:

1. Take advantage of work already completed. Contact the community, builder, prior owner, local surveyor or FEMA to determine if a LOMA has been issued or if an Elevation Certificate (EC) has already been completed on the property. Some communities store completed ECs in their local offices. The recorder and planning departments are good places to start.
2. If an EC is not available, contact a licensed surveyor or professional engineer to complete the EC or the elevation portion of the MT-EZ form.
3. Fully complete the appropriate application and submit all requested documentation. No fee is required—FEMA doesn't charge for the LOMA process if the property is at a naturally existing grade.
4. During the review process, FEMA will send at least one letter indicating the review status. You may also receive this information via email if provided in the application. Included in the letter is the property's specific case number. The case number should be used in all communication with FEMA regarding the application.
5. Use the phone numbers, links and addresses listed at the end of this document—in the Contact & Reference Information section—for information about the review process and to check the status of your application.
6. We're here to help. Feel free to contact us with any questions, or for assistance with the LOMA process.

What steps do I take if I disagree with the CoreLogic flood determination?

Contact us:

Phone: 800.447.1772 (option 1)
Fax: 800.447.9664
clientsupport@corelogic.com
www.floodcert.com

Provide us with:

- ▶ The flood determination (FloodCert) number or the property address of the flood determination you want rechecked.
- ▶ Any materials or documents that support your request such as a survey, plat or tax map, appraisal or Elevation Certificate.
- ▶ The method of communication you prefer we use to notify you of our review completion.

Once the review is complete, we will contact you to discuss the results.



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Letter of Determination Review

Once we have confirmed the flood determination results through our recheck/dispute process, if the borrower still believes that the determination is incorrect, and then a formal determination review can be requested—with the following conditions:

1. The belief that the determination is incorrect must be based on the graphics of the flood map alone, not on elevation (remember, elevation can be used to obtain a LOMA).
2. The LODR request must be jointly made by the borrower and the lender. Each party is required to sign the request.
3. The request must be made to FEMA within 45 days of the lender's notification to the borrower that the structure is located in a flood zone and flood insurance is required.

Within 45 days, FEMA will render a decision regarding whether or not the structure is located in a SFHA. If FEMA determines that the structure is not in a SFHA, then flood insurance premiums may be reimbursed through the NFIP. FEMA assesses a flat \$80 fee for all LODR requests.

Contact & Reference Information

Federal Emergency Management Agency (FEMA) Map Service Center

Phone: 877.336.2627

Website: www.msc.fema.gov

- ▶ Contact information for FEMA Regional Office
- ▶ Submitting a Lender Determination Review request
- ▶ Submitting a Letter of Map Amendment application
 - ▼ MT-EZ
 - ▼ MT-1
- ▶ Status of map change or amendment request
- ▶ Copy of the Standard Flood Hazard Determination Form and Instructions

National Flood Insurance Program (NFIP)

Phone: 800.638.6620

- ▶ Information on the participation status of a community
- ▶ Contact information for NFIP Bureau & Statistical Agent Regional Offices
- ▶ Contact for Insurance Company that sells NFIP Flood Insurance
- ▶ A copy of the current NFIP Elevation Certificate

Important Reference Material

- ▶ **Answers to Questions About the National Flood Insurance Program**
National Flood Insurance Program, FEMA 387, May 2004
- ▶ **Mandatory Purchase of Flood Insurance Guidelines**
Federal Emergency Management Agency, FEMA 186, Sept. 2007
- ▶ **Flood Insurance Manual**
National Flood Insurance Program, May 2011
- ▶ **Glossary of Industry Terms**

FOR MORE INFORMATION, CONTACT US AT:
Phone: 800.447.1772 (option 1) | Fax: 800.447.9664
clientsupport@corelogic.com | floodcert.com

