

FLOOD ZONE CORRECTION

Case Study



© 2015 Agency Flood Resources. All rights reserved.

THE CHALLENGE

Our client is a real estate development company that holds a portfolio of internationally-recognized residential and commercial properties in the United States and Canada. Last year, our client built an outlet mall with 23 buildings. Prior to beginning construction, the construction lender pulled a flood zone determination on the main address of the property, which showed a low risk flood zone. Therefore, the construction lender did not require NFIP flood insurance. As they finished construction and went to secure permanent financing, the lender pulled a flood zone determination showing that 18 of the buildings were located within a FEMA-designated Special Flood Hazard Area (SFHA: AE Zone). In accordance with Federal Law, the lender required them to buy NFIP flood insurance on the 18 buildings, which cost approximately \$50,000. Our client did not factor into their projections the cost of NFIP flood insurance and were concerned they would have increase the CAM charges paid by all of their tenants.

THE SOLUTION

We did a thorough flood risk analysis and found that all 18 buildings were constructed in a flood safe manner according to FEMA's rules and regulations, which means the buildings should not suffer damage during a 100-year flood event. We worked with FEMA to successfully remove all 18 buildings from the high-risk flood zone and to reclassify them into the appropriate low-risk flood zone.

THE RESULTS

- **Successfully removed all 18 buildings from the SFHA.**
- **Eliminated the lender's flood insurance requirement.**
- **Delivered \$50,158 of annual savings.**
- **Prevented an increase to CAM charges passed through to tenants.**

Minimize your errors and omissions exposure.
Make your clients happy. Contact us now.

Toll Free (844) 359-7468
info@agencyfloodresources.com
www.agencyfloodresources.com

**AGENCY
FLOOD
RESOURCES**

WHOLESALE FLOOD INSURANCE BROKERS