



Realtors and Associates Beware!

In response to a question that was asked of me this morning please see the following. It is extremely important that this information is being properly disclosed at time of closing.

It will NOT SHOW UP IN A TITLE SEARCH!

Therefore it is up to you, the Agent to ensure this is being properly conveyed!

Q. When a home owner has received a check from FEMA in excess of 50% of the assessed value of the structure ONLY (does not include land value, shown as improvement on the tax bill) will the home be covered for flood if it is not lifted in four years from the date of Sandy?

A. If a home has been found to be substantially damaged, where the damage or amount paid by FEMA for flood damage exceeds 50% of the assessed value of the structure alone, or the home owner has received a “Substantially Damaged” letter from the township, the house must be lifted in four years. Failure to do so could/will result in substantial fines, the property required to be vacated, or possible prison term (See Page-2, as an example) depending on the township.

In addition, even if FEMA has been collecting flood premiums past the four year window to elevate, a future flood claim may be denied because the previous claim has been paid once already and proper corrective action to mitigate future damage (lifting the home) has not been taken.

This is a very serious situation. If the property is sold the new owners are subject to the same conditions as these terms stay with the structure. They (new owner) face the same penalties and loss of flood coverage as the owners at the time of Sandy.

Little Egg Harbor Township Policy for Temporary Occupancy of Substantially Damaged Residential Structures

This policy applies to Homeowners desiring to continue to occupy homes that have been damaged by Super Storm Sandy while waiting funding and/or an available contractor to elevate their home in order to comply with the new State-mandated Base Flood Elevations.

Eligibility:

To be eligible for continued occupancy:

- The property owner must have obtained a substantial damage determination from the Building Department; and
- The property owner must occupy the structure and make repairs necessary to ensure continued habitability of the structure; and
- The property owner needs additional time to comply with the base flood elevation either due to the availability of funding or a qualified contractor.

Process:

Upon determination of eligibility, the property owner must:

- File intent to elevate the structure to or above the advisory base flood elevation within four (4) years.
- Complete Release Form. Release form will be available in the Township Clerk's Office. This form must be notarized and will be recorded in the office of the County Clerk.
- Apply for permits to renovate/repair the structure. The Construction Official will review and may issue permits for renovation once the release form has been completed and notarized.
- The property owner will have four years to comply with the applicable floodplain regulations.
- The Construction Official will track all properties which have been encumbered by the Release form.

Violations and Penalties:

Failure to comply with the elevation and other applicable floodplain regulations within four (4) years shall result in enforcement against the property owner of Chapter 185-8 of the Township Code. The penalty for violation includes vacating the residence, a fine up to \$1,250 and/or imprisonment for not more than ninety (90) days and/or community service of not more than 90 days for each violation.

For additional clarification please contact FEMA at [800-427-4661](tel:800-427-4661) and ask for the Underwriting Department. Or always feel free to GFH Construction at [732-703-7580](tel:732-703-7580) to assist you with a free estimate or any questions you may have pertaining to the house lifting process.