Important changes to the [Community Name] flood hazard maps are underway. As floodplain boundaries change, your clients will likely turn to you to help them with decisions about protecting their property and other assets. The changes may also affect your own business, so be sure to stay informed.

[Community Name] Flood Maps Are Changing

In [month, year], the Georgia Environmental Protection Division (EPD), under the Department of Natural Resources, and the Federal Emergency Management Agency (FEMA) will be releasing new **preliminary** flood hazard maps, known as Flood Insurance Rate Maps (FIRMs), for [specific watersheds/all of County Name]. The new FIRMs will show the extent to which newly mapped areas of the county are currently at risk for flooding.

The remapping effort—part of FEMA’s nationwide Risk Mapping, Assessment and Planning (Risk MAP) effort—was necessary because flood hazard and risk information shown on the flood maps need to be updated. Detailed studies in some areas are over [years] old. Since then, the drainage patterns have changed, new land development has occurred, and mapping and modeling technology has significantly improved.

These new flood maps will provide lenders and property owners with up-to-date, reliable, Internet-accessible information about [community’s] flood risk on a property-by-property basis.

Understanding the Effects

While the FIRMs may not become effective for another [number] months or more, it is important for lenders to understand the effects that these map changes have on flood insurance requirements and what options are available for their clients.

Properties may be newly identified to be in higher risk zones, have changes in their Base Flood Elevation (BFE), be newly identified as being in lower risk zones, or remain in the same zone. These changes may affect closings and existing loans for both residents and business owners throughout the area, so lenders need to be prepared.

Notifying Borrowers in a High-Risk Flood Zone

When a real estate secured loan is applied for through a federally regulated or insured lender, the lender must use the effective FIRM to determine the property’s flood risk[[1]](#footnote-1). If the property is in a high-risk area (known as a Special Flood Hazard Area, SFHA, and shown on the flood maps with letters beginning with “A” or “V”), flood insurance is required prior to or at closing.

**Before** the new FIRMs become effective, originating lenders and borrowers should stay informed about any impending map changes. Lenders or borrowers must determine, prior to closing, what possible changes to the flood risk and Federal flood insurance requirement will occur and when the changes will take effect. This will help ensure that any changes in flood insurance requirements are known in advance and provide for a smoother closing. If flood insurance is required at closing and the insurance agent has determined that the property qualifies for one of the National Flood Insurance Program’s (NFIP’s) lower-cost rating options (e.g., Grandfathering, Newly Mapped procedure), the borrower can provide a policy that is not rated in an “A” or “V” zone.

Notifying Borrowers Newly Identified
to Be in a Moderate- or Low-Risk Zone

When the FIRMs become effective, some properties may be mapped into a lower risk flood zone where flood insurance is not required.[[2]](#footnote-2) While the requirement has been removed, the risk has not; it has only been reduced. When lenders notify the borrower of this change, they are encouraged to urge the borrower to consider maintaining coverage. Many borrowers, through their insurance agent, can easily convert their existing coverage to a lower-cost Preferred Risk Policy so there is no gap in coverage.

Stay Informed

Knowing when and where map changes are occurring allows lenders to be properly prepared to educate current and prospective borrowers on what the flood risk is (or what the changes may be), the related insurance requirements, and that there are insurance options (an insurance agent can always provide greater detail on coverages and costs). This information will allow both parties to be better prepared at closing and avoid delays.

To stay informed about local map changes, local lenders should stay in contact with community officials as [community or county name] goes through the remapping process.

Prepare by staying in contact with local officials and periodically visiting the [community or county name] web site at [web link]. The preliminary maps can be viewed at [URL] when they are released. The maps will also be available for viewing at [put location and times it is open] once they are released. Questions can be directed to the [identify where] by calling [phone number] during business hours [(days and times)].

* To learn more about the Georgia Mapping, Assessment and Planning (MAP) program, visit [www.GeorgiaDFIRM.com](http://www.GeorgiaDFIRM.com)
* To learn more about flood insurance, visit [www.FEMA.gov/NFIP](http://www.FEMA.gov/NFIP)
* For National Flood Insurance Program (NFIP) information specifically for lenders, go to:
[www.fema.gov/national-flood-insurance-program/information-lenders](http://www.fema.gov/national-flood-insurance-program/information-lenders)

Mapping Milestones

**[DATE]:** Preliminary flood maps released

**[DATE]:** Open House Held; Public Review

**[DATE]:** Start of [90-day] Public Comment Period [(for filing of appeals and comment)]

**[Target Date, Month or Season (e.g., Fall 2018)]\*:** New flood maps take effect; new flood insurance requirements also take effect

**Visit** [www.GeorgiaDFIRM.com](http://www.GeorgiaDFIRM.com) to learn more about the mapping process and where and when meetings may be held

For general information, call:

The [name of local call center or contact number] at [phone #]. Open [enter hours of operation].

\*Date subject to change pending completion of review process

1. This requirement also applies when increasing, renewing, or extending a loan. [↑](#footnote-ref-1)
2. Lenders have the right to continue to require flood insurance, even if it is not federally required. [↑](#footnote-ref-2)