



Federal Emergency Management Agency

Region IV

1371 Peachtree Street, NE, Suite 700
Atlanta, GA 30309

May 19, 1995



Chase Manhattan Mortgage Inc.
Post Office Box 8031
Monroe, Louisiana 71211

Re: Loan #003769330
Ms. Sylvia Richmond
[Redacted]
[Redacted] Beach, Florida 33437
Unincorporated Palm Beach County

*Not a
LOMA
Confirmation
of property in
"B"
in A Zone*

To Whom It May Concern:

This is to confirm that said property is not located in a Special Flood Hazard Area (SFHA), as shown on Flood Insurance Rate Map (FIRM) Panel 120192 [Redacted], for unincorporated Palm Beach County. Rather, it is located in a Flood Zone B, the 500-year flood zone, as confirmed by Ms. Sharon Kubber, GIS Section, Planning, Building, and Zoning Department, Palm Beach County.

Flood insurance requirements in Flood Zone B are at the option of the lender; they are not mandatory. However, properties in Flood Zone B are eligible for a Preferred Risk Policy, the lowest cost insurance provided through the National Flood Insurance Program (NFIP). In consensus with B. T. Kennedy, Palm Beach County Emergency Management Director, we strongly encourage property owners in Flood Zone B to voluntarily purchase this low-cost flood insurance coverage. Information about the Preferred Risk Policy is enclosed.

Although the Boynton Beach area has not been directly threatened by a large storm since 1965, it has experienced serious hurricanes in the past. The following is a quotation from the March 31, 1982, Flood Insurance Study for Boynton Beach:

"Since 1871, 12 hurricanes have passed through Palm Beach County. Among the more severe were the storms of September 1928, September 1947, October 1947, and August-September 1964. The hurricane of September 1928 is considered one of the most violent ever to strike Florida. The center of the storm smashed into the West Palm Beach area with winds in excess of 100 miles per hour. Nearly 95 percent of the commercial and residential property in the West Palm Beach area was damaged. High tides ranged from 8 ft. in Lake Worth to 10 ft. at Palm Beach. Severe wave action was responsible for the washout of several bridges crossing Lake Worth. The hurricane of October

1947 climaxed an extremely wet rainy season in which precipitation in the county ranged from 70 to 85 inches."

The scientists warn us that we are entering another "wet" cycle, and they forecast increased hurricane activity over the next thirty years. The threat to inland Palm Beach County is not directly from storm surge but from widespread shallow flooding resulting from heavy rainfall. During a hurricane, the storm surge prevents the canal system from draining storm water runoff from the inland areas. The system backs up and causes flooding. This is why we recommend purchase of the Preferred Risk flood insurance in the B Flood Zones of inland Palm Beach County.

One final note. Did you use a flood zone determination company for the Richmond loan? If they determined it was in a A, AH, AE, AO, or A# Zone, they were in error. Please have them rework the flood zone determination. Also, in the future, please refer clients to Palm Beach County, at (407) 233-1584, for flood zone verification. Our office is not set up to do this, except for special cases.

For further assistance, please contact Steven Randolph, staff planner for your area, at (404) 853-4420.

Sincerely,

John C. Heard, Chief
Mitigation Programs Branch
Mitigation Division

Should
BE:
407
233
5374

CALLED AND NOTIFIED OF NEW No.
5-25-95 WFH.

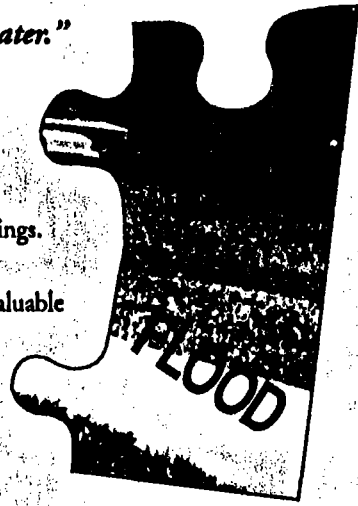
The missing piece to your homeowners protection is flood insurance.

Your homeowners policy specifically excludes damage from "rising water."

Federal flood insurance is the only type of coverage which protects your home and belongings from damage caused by "rising water" associated with flooding. It covers:

- Structural elements, including walls, floors, equipment and fixtures.
- Contents, such as furniture, appliances, carpeting and wall and floor coverings.
- Personal items like clothing, stereos and televisions.

Can you afford to be without flood insurance? With an NFIP policy, your most valuable possessions— your home and belongings— are protected. Federal flood insurance reduce the financial and emotional impact of a flood and help you put the pieces back together again if disaster strikes.



No Matter Where You Live, Floods Happen...

And they can happen to you. About one-third of all flood insurance claims are paid to property owners in "low-to-moderate flood risk" areas. Although there is a reduced risk of flooding in these areas, financial losses can be devastating if a flood occurs and you are uninsured.

Fortunately, whether your flood risk is great or small, you can get Federally backed flood insurance through the National Flood Insurance Program (NFIP). And now the NFIP has a special new policy, designed for one- to four-family homes in areas which aren't designated as special flood hazard zones, but where flood exposure still presents a significant risk: the Preferred Risk Policy (PRP). The PRP provides protection for as little as \$75 per year. Return the attached reply card today to find out if you are eligible for the PRP.

If you would like more coverage than the \$100,000/\$25,000 limits for home and contents the PRP provides, or if you are ineligible for the PRP, because you live in a special flood hazard area, you can still get coverage under the Standard Flood Insurance Policy (SFIP) Dwelling Form. Limits for the SFIP are \$185,000 for the structure and \$60,000 for the contents.

PREFERRED RISK POLICY

COVERAGE AMOUNT BUILDING/CONTENTS* WITH BASEMENT	ANNUAL PREMIUM	COVERAGE AMOUNT BUILDING/CONTENTS WITHOUT BASEMENT	ANNUAL PREMIUM
\$ 20,000 / \$ 5,000	\$ 400	\$ 20,000 / \$ 5,000	\$ 75
\$ 30,000 / \$ 8,000	\$ 125	\$ 30,000 / \$ 8,000	\$ 100
\$ 50,000 / \$ 12,000	\$ 150	\$ 50,000 / \$ 12,000	\$ 125
\$ 75,000 / \$ 18,000	\$ 165	\$ 75,000 / \$ 18,000	\$ 140
\$ 100,000 / \$ 25,000	\$ 175	\$ 100,000 / \$ 25,000	\$ 150

SEE
FLIP

993-9133 (3/93)

*Some coverage limitations apply in basements.

Federal Emergency Management Agency
Federal Insurance Administration



Do I Qualify? Find out if you qualify for the PRP: lower premium rates. Send this reply card back to your insurance agent or company addressed on the reverse side.

Name _____

Property Address _____

Work Phone (____) _____

Home Phone (____) _____

State _____ Zip Code _____

Community Name _____

Today's Date _____

Yes, tell me if I qualify for the Preferred Risk Flood Policy.

PREFERRED RISK POLICY

GENERAL DESCRIPTION

The Preferred Risk Policy (PRP) is available only in the **B, C, and X Zones**. Only one building can be insured per policy, and only one policy can be written on each building. It is offered only to the owners of 1-4 family residential buildings.

The PRP is *not* available in the Emergency Program or in Special Flood Hazard Areas. Condominium units, except for townhouse/rowhouse type buildings, are not eligible under the PRP.

MAP "GRANDFATHER" RULES

To be eligible for a Preferred Risk Policy, the building must be in a B, C, or X Zone on the effective date of the initial term as a PRP. Then, if otherwise eligible (see Eligibility Requirements listed below), continuous coverage guarantees PRP eligibility, even if there is a subsequent zone change.

ELIGIBILITY REQUIREMENTS

The following conditions should be used to determine a building's eligibility for a PRP based on its entire flood loss history, during period of ownership.

If any of these conditions exists, the dwelling *is not* eligible:

- 2 loss payments, each more than \$1,000
- 3 or more loss payments, regardless of amount
- 2 Federal Disaster Relief payments, each more than \$1,000
- 3 Federal Disaster Relief payments, regardless of amount
- 1 flood insurance claim payment and 1 flood disaster relief payment (including loans and grants), each more than \$1,000.

RENEWAL

If, during a policy term, the risk fails to meet the eligibility requirements, the risk will be

ineligible for renewal as a PRP. An eligible risk renews automatically without submission of a new application.

COVERAGE LIMITS

The PRP has the same terms and conditions as the SFIP with one exception: the SFIP's elevated building coverage limitation provisions do not apply to a policy written as a PRP.

Coverage Combinations

Building/Contents Without Basement	Premium
\$ 20,000/\$ 5,000	\$ 80
\$ 30,000/\$ 8,000	\$ 105
\$ 50,000/\$ 12,000	\$ 135
\$ 75,000/\$ 18,000	\$ 150
\$100,000/\$ 25,000	\$ 160

Building/Contents With Basement	Premium
\$ 20,000/\$ 5,000	\$ 105
\$ 30,000/\$ 8,000	\$ 130
\$ 50,000/\$ 12,000	\$ 160
\$ 75,000/\$ 18,000	\$ 175
\$ 100,000/\$ 25,000	\$ 185

Building deductible: \$500 Contents deductible: \$500
The deductibles apply separately to building and contents.

Only one of the five coverage combinations may be purchased.

REPLACEMENT COST COVERAGE

Replacement cost coverage applies *only if* the building is the principal residence of the insured and the building coverage chosen is at least 80 percent of the replacement cost of the building.

FEES/DISCOUNTS

There is no Expense Constant, Federal Policy Fee, or Community Rating System discount associated with a Preferred Risk Policy.