

New Jersey Insurance Agency Recommends Purchasing Flood Insurance in Response to New Flood Maps

Quick response could save property owners thousands of dollars, says Paul Squassi, president of Resource Group, a Monmouth County, NJ insurance agency.

Monmouth County, New Jersey insurance agency Resource Group is advising its customers that they can save hundreds of dollars a year by purchasing flood insurance now, before the new flood maps take effect in your area. "Flood maps have been redrawn by the Federal Emergency Management Agency as part of its nationwide flood map modernization project," says Paul Squassi, President of the Red Bank insurance firm. "Many residents in New Jersey's coastal areas who were previously designated to be in low to moderate risk zones may now find themselves located in high-risk flood zones." Flood maps may be viewed at <http://rhc.mapmodteam.com/rhc2/Counties.htm>

Information regarding flood insurance can be viewed at <http://www.myinsurancerep.com/articles/Flood-Insurance.html>

According to federal law, flood insurance is mandatory for all federal or federally-backed mortgages in high-risk flood areas. "Like it or not," Mr. Squassi cautions, "those of homeowners affected by the new maps can certainly expect to be hearing from our mortgage lender, who will be communicating to us the "either you buy your own flood insurance policy now or we will buy it for you" mandate."

However, FEMA has bestowed a silver lining of sorts. Grandfathering Rules will save those of us who take advantage of this window of opportunity hundreds if not thousands of dollars each year going forward. How does the grandfathering rule work? In brief, i) if you are a property owner whose property currently lies in a low to moderate risk flood zone area, which has been redrawn into a high-risk zone and ii) you purchase the flood coverage before the map change date, and iii) as long as there is no lapse in coverage, your property will be viewed for premium rating purposes at the current lower zone pricing level. "The example I have just cited," Mr. Squassi explains, "is basic and intended to offer an objective view of the grandfather rules FEMA has made available to those who wish to take advantage of them. There are certain pre-conditions to when coverage may begin or become effective. If you are thinking of purchasing coverage at the eleventh hour " just before the new maps become effective in your area " you will not be able to take advantage of the lower rates. The best suggestion I can give is for you to contact your insurance broker. You can also go to the following sites www.FloodSmart.gov or www.FEMA.gov for more information."

For more information and a free guide to FEMA's Grandfather Rules, please call or contact Paul Squassi at info@myinsurancerep.com or (800)279-1433 x 201.

Resource Group Inc. is an independent insurance brokerage firm providing a full range of insurance, discount products, and related financial services. For more information visit www.myinsurancerep.com, or call 732.842.4800 (NJ) or 212.779.9300 (NY).

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