

## PROPERTY OWNERS NOTICE

**If your building(s) is located in a Special Flood Hazard Area  
AND  
you intend to do internal or external improvements,  
THEN the Substantial Improvement clause  
of the  
{community name} floodplain ordinance  
MAY come into play.**

- Meeting current floodplain management requirements **COULD/WILL** reduce the cost of flood insurance.
  - YOU SHOULD KNOW that the cost of insurance is **DIRECTLY** tied to the risk exposure of the building.
    - The benefit of meeting current floodplain management requirements, then you can expect reduced flood insurance premium and reduced risk of flood damage occurring.
- **NOT MEETING** the current floodplain management requirements **COULD/WILL INCREASE** the cost of flood insurance **AND** you will not see the benefit of a maximum return on your investment.

**If you do improvements to your home or business that is located in the Special Flood Hazard Area (SFHA) and do not follow the current floodplain management standards or intentionally circumvent the requirements, a few things can happen:**

1. The replacement cost of the building goes up – and so does the cost to insure it.
  - a. A high premium for the cost of flood insurance (because of the higher replacement cost) will likely result in a reduced resale value, but the cost to rebuild that building remains the same. You will want replacement cost coverage and/or the lender will require it. **REMEMBER: REPLACEMENT COST (TO REBUILD THE BUILDING) IS NOT THE SAME AS MARKET VALUE!**
2. You will not see a return on your investment at the rate you could expect if the same house had the same improvements and was located **OUTSIDE** of the SFHA.
3. You are exposing your **FAMILY** and your **INVESTMENT** to higher risk that could have been mitigated during the improvement process.

WHERE TO LEARN MORE: {website}

OR CONTACT YOUR LOCAL FLOODPLAIN ADMINISTRATOR AT: {name, email, phone}