



Properties being removed from the SFHA

NOTE: This document is intended for National Flood Insurance Program (NFIP) policies, and the process to leave the NFIP or receive beneficial rating based on the removal from the SFHA.

What is happening?

Due to map changes, properties can enter and leave the Special Flood Hazard Area (SFHA) which is any A, AO, AH, AE or VE zone. Structures within those zones can require flood insurance based on their mortgage. When you believe your property may be removed from the SFHA, there is no longer the requirement to carry flood insurance for the purpose of your mortgage, HOWEVER, this does not necessarily mean your flood risk has changed. You should keep your flood insurance, because now it is less inexpensive.

What Are The Lowest Rates I Can Get?

If your property is no longer in the SFHA, you are eligible for the Preferred Risk Policy (PRP). The rates for premiums on this policy (as of 1/1/2020) are below:

1-4 Family With Basement (building and contents rates)		
Building	Contents	Premium
\$50,000	\$20,000	\$242
\$100,000	\$40,000	\$322
\$150,000	\$60,000	\$362
\$250,000	\$100,000	\$436

1-4 Family Without Basement (building and contents rates)		
Building	Contents	Premium
\$50,000	\$20,000	\$211
\$100,000	\$40,000	\$288
\$150,000	\$60,000	\$328
\$250,000	\$100,000	\$389

1-4 Family Contents only		
Building	Contents	Premium
\$20,000	\$20,000	\$118
\$50,000	\$40,000	\$182
\$80,000	\$60,000	\$226
\$100,000	\$100,000	\$251

NOTE: Rates do not include surcharges and fees, which can increase premiums up to 40%. Only several rate options shown. Refer to the Flood Insurance Manual, PRP Table 3A.

What is the process?

Any change to your policy MUST WAIT until the effective date of the Letter of Map Revision (LOMR). Before you can either cancel your flood policy, or change it to a PRP, your lender must know that you are now out of the SFHA. Some lenders will not make this determination right away without you notifying them. Notifying your lender is important, since the lender may force insurance on you if you change your policy.

To notify the lender, you should send them a copy of the physical map, a letter from the



MASSACHUSETTS COASTAL COALITION

info@knowflood.org | PO Box 223, Hanover, MA 02340 | (781) 635-5152

community stating that you have been removed from the LOMR, or other documentation that your lender asks for.

Next, after your lender has been notified, you may either cancel or change your policy. It is the position of the MCC to suggest that you keep your flood insurance policy at the PRP rate.

TO CONVERT TO A PRP:

- **Documentation:** A copy of the revised map from the LOMR and a signed cancellation/rewrite form.
- **Effective date:** Current policy terms effective date.
- **Refund:** The refund is for the entire current term (difference between the current rate and the PRP rate).

TO CANCEL:

- **Documentation:** A copy of the flood map, or a letter from the community. Additionally, contact your agent for them to supply you with the proper cancellation forms.
- **Cancellation effective date:** The date the insurance company receives the request and all supporting documentation. This means do not wait to submit your request
- **Refund:** Pro-rata. This means the return will be a partial refund based on where the policy is in its 12 month term.

NOTE: You should consult your agent for a full overview of the process. Certain terms and conditions apply.