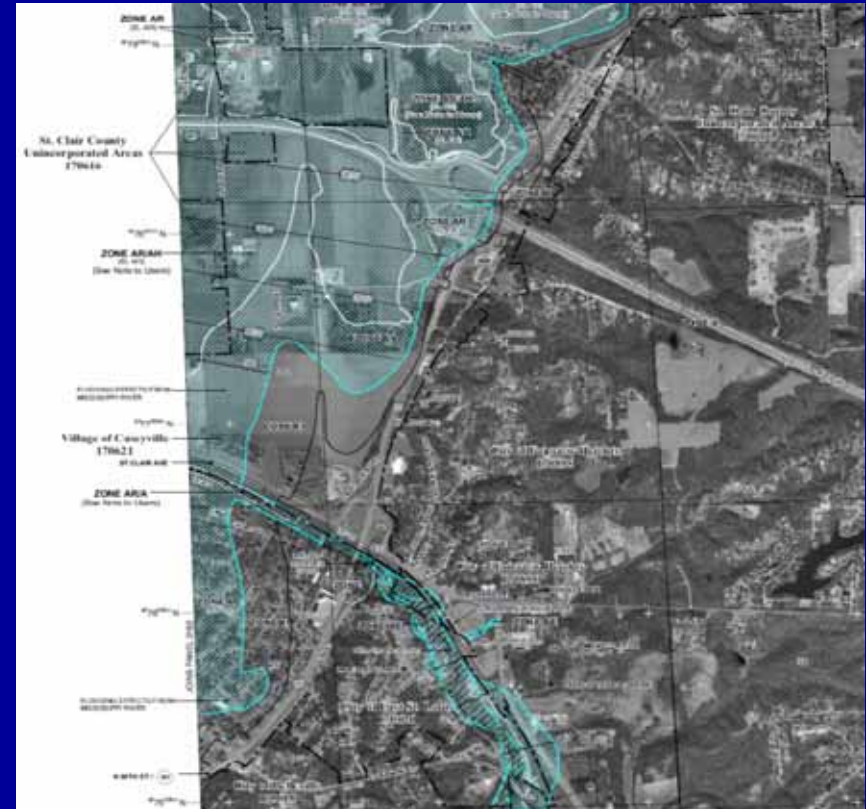
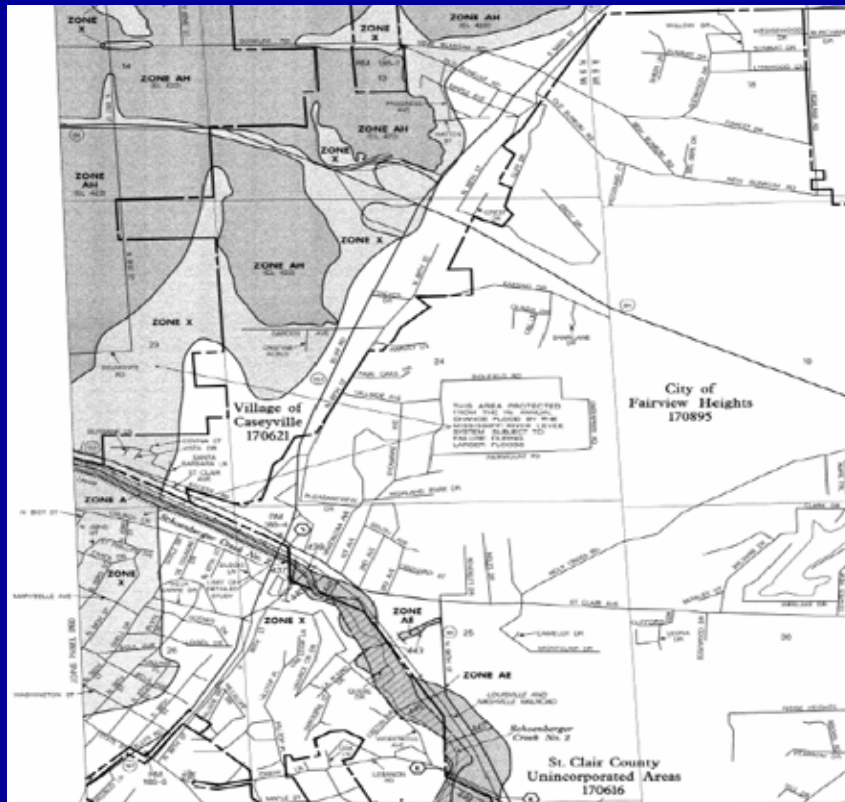


# **The Preferred Risk Policy Extension**

**For State and Local Officials**

# PRP Extension



# PRP Extension

- Effective January 1, 2011, buildings that are newly designated within a Special Flood Hazard Area due to a map revision are eligible for coverage under PRP for a period of up to 2 years after the effective date of the map.

# PRP Extension

- **Applies to** buildings that were newly designated within a SFHA on or after October 1, 2008, **that** are eligible for coverage under PRP on the first renewal or new policy after January 1, 2011.

# PRP Extension-Other Eligibility Requirements

- Building must meet the PRP Loss History requirements
- Buildings will be eligible that would be located in Zones B, C, or X on the Current FIRMS ( or old FIRMs for maps effective after 10/1/2008) and will be (or have been) moved to A Zones on the new FIRM

# PRP Extension-Whose Not Eligible?

- Properties located in an Emergency Program Community
- If this is the initial community FIRM
- Properties constructed in an SFHA after the effective date of the most recent FIRM
- Repetitive Loss Properties-including those with a disqualifying loss during the eligibility period

# PRP Extension-Whose Not Eligible?

- Properties insured under RCBAP (condominiums)
- Leased Federal Properties
- Non-residential condominium units
- Residential units in a non-residential condominium building

# PRP Extension-What if?

- There is no mandatory purchase requirement – eligible
- The property owner delays purchase till 2<sup>nd</sup> year – eligible for 1 year
- Ownership changes – eligibility goes with property
- Lapse in coverage – eligibility period does not change
- Agent incorrectly wrote as a standard rated policy on PRP eligible policy – correct for misrating



# What may State and Local Officials be asked to provide?

- Acceptable Zone Documentation
  - Requests for copies of LOMAs, LOMRs and LODRs
  - Copies of the flood map with the property clearly marked
  - A community letter, indicating the address and appropriate map information
  - Copies of Elevation Certificates

# A Community Letter Should:

- Be on community or department letterhead
- Include name of owner and property address
- Type of building
- Prior Flood Zone, Prior Map date and Community Number, Map Panel and Suffix
- Name and title of Official, including signature, date signed and contact information.

# One More Thing?

- All PRP's purchased under the extension are potentially eligible for standard X-Zone rating under the “continuous coverage” Grandfathering Rule
- There is no change to the “built-in-compliance” Grandfathering rule
- The 2-Year PRP Extension is distinct from Grandfathering – A PRP cannot be Grandfathered as a PRP

# PRP Extension

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