

NAR Issue Brief

How Home Buying May Vary in the Floodplain

Day	Stage	Buyer's Agent	Seller's Agent	Lender	Insurance Agent
1-4	Preparation	<ol style="list-style-type: none"> Determine buyer needs and waters Set expectations Ask if pre-approval from lender 	<ol style="list-style-type: none"> Check if there is assumable flood insurance and an elevation certificate Help with seller's property disclosure form. Most states require or use a form requiring disclosure of flooding, damage and, if known, flood zone 	<ol style="list-style-type: none"> Pre-approve buyer based on typical area home costs 	
5-30	Listing (Seller)/ Home Search (Buyer)	<ol style="list-style-type: none"> Research list of homes, including flood zone of each where included Check MLS for disclosure form, flood insurance and elevation certificate and consider if available 	<ol style="list-style-type: none"> List home on MLS, provide flood-related information (e.g. if there is flood insurance), and consider attaching disclosure form, elevation certification, and mold testing if past flooding 		
31-34	Contract, Disclosure & Deposit	<ol style="list-style-type: none"> Select home and write an offer, including the assumption of flood insurance and consider contingency Review disclosure & negotiate Congrats, your offer is accepted Open escrow and deposit good faith 	<ol style="list-style-type: none"> Review offers and negotiate Accept contingent on financing, appraisal and inspection 		
35-44	Inspection & Mortgage loan	<ol style="list-style-type: none"> Arrange for home & environmental inspections (if in the contract) Apply for mortgage loan Raise any home inspection items 	<ol style="list-style-type: none"> Coordinate inspections Negotiate any inspection items raised by buyer 		
45-60	Underwriting, Appraisal & Homeowners insurance	<ol style="list-style-type: none"> Arrange for homeowners insurance 		<ol style="list-style-type: none"> Provide loan estimate Order appraisal and flood zone determination 	<ol style="list-style-type: none"> Discuss homeowners insurance with buyer Provide binder to lender
61-71	Lender notice of special flood hazard area	<ol style="list-style-type: none"> Upon receipt of lender notice, assume flood insurance or contact insurer to add May require elevation certificate or a letter-of-map change 		<ol style="list-style-type: none"> Notify buyer of special flood hazard area Re-underwrite including flood insurance; may not close if that disqualifies 	<ol style="list-style-type: none"> Prepare flood rate quote Respond to lender requests Provide evidence to lender Submit documentation to Write Your Own Company
72-75	TRID & Settlement	<ol style="list-style-type: none"> Review Financial Closing Disclosure Close escrow, pay balance, sign loan 	<ol style="list-style-type: none"> Exchange money and title 		