

Realtors Support H.R. 3121

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Realtors® Support Flood Insurance Reform Bill

WASHINGTON, September 27, 2007 -

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The Flood Insurance Reform and Modernization Act of 2007, H.R. 3121, will help homeowners, renters and commercial property owners continue to protect themselves from losses sustained from flooding. Since its creation, the National Flood Insurance Program is credited with helping reduce the escalating costs of repairing damage to homes, buildings and contents caused by floods in participating communities.

"A strong real estate market is the linchpin of a healthy economy," said NAR President Pat V. Combs, of Grand Rapids, Mich., and vice president of Coldwell Banker-AJS-Schmidt. "To maintain vitality in the residential and commercial real estate market, certain safeguards must be in place, including federally backed flood insurance made available through the NFIP."

H.R. 3121 would maintain the unique partnership between local, state and federal government and enable property owners in participating communities to purchase insurance as protection against flood losses in exchange for state and community floodplain management regulations that would reduce future flood damage.

"The NFIP is a win-win in

that it promotes responsibility by homeowners, the community and the government. Compliance with NFIP building standards has resulted in nearly 80 percent less damage annually. In addition, the cost of flood damage was reduced by nearly \$1 billion because communities have implemented sound floodplain management requirements, and property owners had purchased flood insurance," said Combs.

NAR strongly supports provisions in the bill that include protecting the integrity of NFIP by extending the program for five years; increasing coverage limits; increasing education and incentives for homeowner and community participation; increasing awareness of flood risks; ensuring the 100-year floodplain maps are updated quickly; extending the pilot program for mitigation of severe repetitive loss properties; and studying the impacts on homeowners, renters and local economies of eliminating subsidies.

"It is critical that flood insurance remains accessible for all individuals who own or rent property in a floodplain. Today's passage of H.R. 3121 is very important and meaningful for the real estate industry and for homeowners. We urge the Senate to move forward on NFIP reform legislation as expeditiously as possible. We look forward to working with Congress in implementing this important legislation," Combs said.

The National Association of Realtors®, "The Voice for Real Estate," is America's largest trade association, representing more than 1.3 million members involved in all aspects of the residential and commercial real estate industries.