

THE NATIONWIDE STANDARD

Vol. 4, Issue 4

A Free Newsletter for Our Clients

12/18/2008

Serving you since 1987

Our Mission

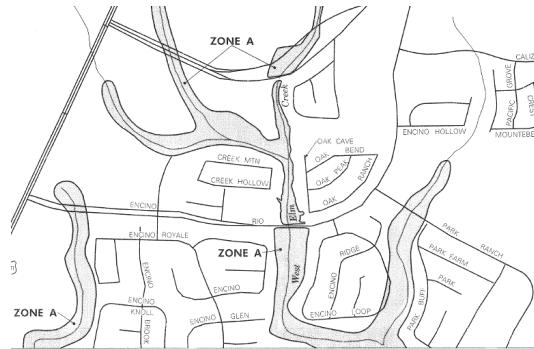
"We are committed to being the foremost provider of accurate information and quality customer service at a competitive price for our clients."

Nationwide Real Estate Tax Service, Inc.
 425 Tesconi Circle
 Santa Rosa, CA 95401
 (707) 528-7852
 (800) 528-7803
 (707) 528-1420 FAX
www.nationwidecompliance.com



Certified since January 2005

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NEW FEMA MAPS

Since June, the Federal Emergency Management Agency (FEMA) has been quite busy releasing a plethora of new flood maps for the country, especially in the Western United States. For those clients that order Life-of-Loan tracking of their flood certs, these new maps may affect the zone determinations on some of the loans Nationwide is tracking for you.

As we have a manual determination process and we have literally thousands of flood determinations to re-check, it does take time for us to get through checking all the properties on the new maps that might be affected.

Our process is such that we will inform you if a Life-of-Loan zone determination changes on your borrowers' properties from a non-Special Flood Hazard Area (SFHA) to a SFHA, or vice versa. In this event, you will be re-issued a flood certificate with the revised zone determination. If the new maps do not change the flood insurance requirements on one of your loans, then you will not receive any notifications.

Lag times for notification will vary per county and workload. You can reasonably expect to be notified on any revisions within 90 days, pending certain conditions.

The counties in the following states have been recently affected by map changes:

- 6/17 – **Clackamas, OR**
- 8/28 – **Cochise, AZ**
- 8/28 – **La Paz, AZ**
- 8/28 – **Yuma, AZ**
- 8/28 – **San Bernardino, CA**
- 8/28 – **San Luis Obispo, CA**
- 8/28 – **Riverside, CA**
- 9/26 – **Peach, AZ**
- 9/26 – **Navajo, AZ**
- 9/26 – **Del Norte, CA**
- 9/26 – **Napa, CA**
- 9/26 – *Los Angeles, CA*
- 9/26 – *Kern, CA*
- 9/26 – **Imperial, CA**
- 9/26 – *Stanislaus, CA*
- 9/26 – **Madera, CA**
- 9/26 – *El Dorado, CA*
- 9/26 – **Churchill, NV**
- 9/26 – **Jefferson, ID**
- 9/26 – **Twin Falls, ID**
- 9/26 – **Shoshone, ID**
- 12/2 – *Merced, CA*
- 12/2 – *Sonoma, CA*
- 12/2 – *Sutter, CA*
- 12/8 – *Sacramento, CA*
- 12/16 – **Union, OH**

The listings in **bold** have been completed. The *italicized* listings we are still working on. There may be extended delays with very large counties like Los Angeles, Kern, and Sacramento. If you have any questions, please call the Flood Department:
1-800-528-7803

Quote for the Quarter

"Goodness is the only investment that never fails." (Henry David Thoreau, Author & Naturalist, 1817-1862)

SUMMARY OF FLOOD INSURANCE REQUIREMENTS: EXCERPTS FROM THE FDIC

Flood Hazard Determinations (12 C.F.R. §§ 339.1, 339.6)

Flood hazard determinations must be performed before the closing of loans secured by buildings or mobile homes, including loans secured by commercial real estate. Lenders must document the determination using the Standard Flood Hazard Determination Form provided by FEMA and retain that form for the life of the loan.

Fees and Charges (12 C.F.R. § 339.8)

If your bank uses a third-party determination service, be careful that you do not charge the borrower more than the actual cost of the service. Volume discounts must be passed on to borrowers.

Notices to Borrowers (12 C.F.R. § 339.9)

NFIP notices must be provided to borrowers, using a form approved by FEMA, within a reasonable time (**generally ten days**) before a bank makes, increases, extends or renews a loan secured by a building or mobile home located or to be located in a SFHA.

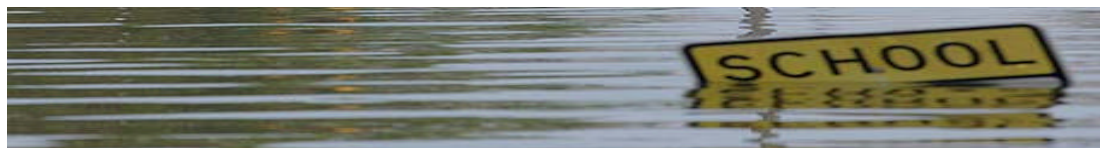
Purchase Requirements (12 C.F.R. § 339.3)

If improved real property securing a loan is located in a SFHA and flood insurance is available, then the lender must require the borrower to obtain the proper amount of flood insurance before closing the loan.

If you or the borrower have a reasonable basis to believe that an area has been improperly designated as a SFHA, then the borrower may apply to FEMA for a Letter of Map Amendment (LOMA). Unless a borrower obtains a LOMA, or a Letter of Map Revision (which must be initiated or approved by a community), lenders remain bound by current FEMA maps of SFHAs, and the requirement to purchase insurance coverage.

(for the complete summary text visit: <http://www.fdic.gov/news/news/financial/2001/fil0181a.html>)

MAKE SURE YOU ARE IN COMPLIANCE WITH FDIC REGULATIONS!



Flood Certifications: Life-of-Loan or One-Time Only?

Depending upon your lending needs, you are either ordering Life-of-Loan Flood Certificates or One-Time Only. A One-Time Only Flood Cert is only good for the day it is issued. A Life-Of-Loan Flood Cert ensures that you will receive updates to the cert if a FEMA map changes the zone designation (which may change insurance requirements).

These certs determine your borrowers' insurance requirements. With a One-Time Only Flood Cert, you will not know if those requirements have changed until you order another flood cert. For each new loan you make or if you alter the terms of an existing loan, you are required to get another flood cert regardless if it was Life-Of-Loan or not.

One-Time Only Flood Certs are generally associated with smaller loan amounts with shorter terms (like 1 year or so). Life-of-Loan Flood Certs are suitable for higher loan amounts with longer loan terms. Make sure you are ordering the correct product for the type of loans you are making.

Hours of Operation:
Mon – Fri, 8am – 5pm

Important E-Mails:

General Info

info@nationwidecompliance.com

Business Development

scott@nationwidecompliance.com

Flood Questions

flood@nationwidecompliance.com

Tax Questions

tax@nationwidecompliance.com

Management Team:

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VP / Tax Dept. – **Marci Dyche**
Geologist / Flood / Information
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Director of Business
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New Years Day, 1/01

"Cheers to a New Year and another chance for us to get it right." - Oprah Winfrey

Martin Luther King, Jr. Day, 1/19

"Our lives begin to end the day we become silent about things that matter." - Martin Luther King Jr.

Valentine's Day, 2/14

"There is no remedy for love but to love more." - Thoreau

President's Day, 2/16

"Honesty is the first chapter in the book of wisdom." - Thomas Jefferson

Daylight Savings, 3/08
Spring Forward

St. Patrick's Day, 3/17

"May the Good Lord take a liking to you... but not too soon!" - Irish Blessing

First Day of Spring, 3/20

"No winter lasts forever; no spring skips its turn." - Hal Borland

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Nationwide Luau

Food Fridays

The last Friday of every month at Nationwide is reserved for getting together and sharing food. The 8-5/M-F rigmarole can take its toll, so it's good just to take some time out once a month, share some eats, and enjoy one another's company. We call this Food Fridays and they usually carry a theme: Pot Luck, Football Food, Salad Bar, Childhood Recipes, etc.

Sometimes each employee brings a dish to add to the meal, kind of like "Stone Soup" (see The Tale on Page 4). Sometimes it will be simpler, like ordering out for pizza or Mexican food.

Recently, we did it up Luau-style. You would be surprised how a few leis, Hawaiian decorations, flammable shirts, and Luau cuisine will transform a small group of hard working office folks into one big 'Ohana (family). Ron Felly took on the organization of the event and even provided us all with our own names in Hawaiian!

After the meal and some light conversation, everyone engaged in a round of Hawaiian Pictionary. It was hard getting back to work with our bellies full of Sweet n' Sour Meat Balls, Teriyaki Chicken, Rice, Fruit Salad, Ham n' Pineapple Pizza, and Pineapple Upside Down Cake... but our dedication held sway and we were soon back to processing Flood Certs and researching Property Taxes.

Elvis would be proud, uh-huh.



L-R: Dani, Gail, Scott, Donna, Ron, Marci, Corina



L-R: Marci, Scott, Gail, Ron, and Brook (Ron's daughter)

The Tale

The Story of Stone Soup

Three soldiers trudged down a road in a strange country. They were on their way home from the wars. Besides being tired, they were hungry. In fact, they had eaten nothing for two days. On they marched, until suddenly, ahead of them, they saw the lights of a village. Now the peasants of the place feared strangers. When they heard that three soldiers were coming down the road, they talked among themselves. "Here come three soldiers," they said. "Soldiers are always hungry. But we have so little for ourselves." And they hurried to hide their food.

They went to each house of the village, seeking food and shelter. At each house, the response was the same -- no one had food or a place for the soldiers to stay. The peasants had very good reasons, like feeding the sick and children, or having given what they could to the soldiers before them. The soldiers talked together. The first soldier called out, "Well, there is no food to be had here; we will have to make stone soup." The soldiers asked for a big iron pot, water to fill it, and a fire to heat it. "And now, if you please... three round smooth stones." The soldiers dropped the stones into the pot.

"Any soup needs salt and pepper," the first soldier said, so children ran to fetch salt and pepper. "Stones make good soup, but carrots would make it so much better," the second soldier added. One woman said, "Why, I think I have a carrot or two!" She ran to get the carrots.

"A good stone soup should have some cabbage," one of the soldiers commented. Another woman said, "I think I can probably find some cabbage," and off she scurried. "If only we had a bit of beef and some potatoes, this soup would be fit for a rich man's table," he lamented again. The peasants thought it over, then ran to fetch what they had hidden in their cellars. The soldiers said, "If only we had a bit of barley and some milk, this soup would be fit for a king!" And so the peasants managed to retrieve some barley and milk.

"The soup is ready," said the cooks, "and all will taste it, but first we need to set the tables." Tables and torches were set up in the square, and all sat down to eat. Some of the peasants said, "Such a great soup would be better with bread and cider." So they brought forth the last two items and the banquet was enjoyed by all. Never had the peasants tasted such delicious soup, and all made from stones!

In the morning, the villagers gathered to say goodbye. "Many thanks to you," the people said, "for we shall never go hungry now that you have taught us how to make soup from stones."

WORD WEIRD

SUBTERFUGE: deception by artifice or stratagem in order to conceal, escape, or evade.

ETYMOLOGY: Late Latin *subterfugium*, from Latin *subterfugere* to escape, evade, from *subter*-secretly (from *subter* underneath; akin to Latin *sub* under) + *fugere* to flee

FEEDBACK ABOUT THIS NEWSLETTER?

Please e-mail Scott Byorum: scott@nationwidecompliance.com

The Nationwide Standard is published quarterly for its lender clients. It can be viewed online at www.nationwidecompliance.com. Click on "LINKS".

LINKS

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