

THE NATIONWIDE STANDARD

Special Flood Edition

A Free Newsletter for Our Clients

4/3/2008

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."

**HAPPY
NEW
YEARS!**

Nationwide Real Estate Tax Service, Inc.

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Certified since January 2005

NFDA Certification Seal is a registered trademark of the National Flood Determination Association



IS FASTER BETTER?

Scott Byorum

Seems like a simple enough question, right? In this day and age of instant gratification one might be tempted to reply "yes", but we all know it really depends on the circumstances.

If you went out to a restaurant and your meal was delivered within 3 minutes, would you be hesitant about eating it? You go to the grocery store and watch the clerk scan your cart in a couple minutes, but I bet you double-check the receipt! Would you wonder about a house that was built in a day over one that took 3 months?

Most of us are very aware, if not irritated, when things take too long. But think about it --- aren't we a bit suspicious when things happen really fast, too? How often do you question or suspect goods / services / activities that happen faster than you expected them to? What about flood zone determinations?

Many lenders utilize flood zone determination companies that deliver back certificates within seconds. Heads up, lenders: Instant flood certs are not looked at by **anyone**. A computer search engine is picking an address based on a lender's input and matching it to a digitized FEMA map image, then populating the SFHDF certificate with data and shooting it back at the speed of light (literally). Special data scrubbers try to filter out data entry errors and find flood zone proximity to notify the instant hit company if "manual research" is required (i.e. when a real person actually looks at your flood cert). And how often does that happen?

The truth is it isn't that simple. Property addresses are supposed to correspond to County parcel numbers which have coordinates and distance measurements that can be located on a FEMA map. Any given county can have a number of **roads, avenues, courts, lanes, boulevards, ways, circles, and streets** that go by the same or similar name, such as "Main" and "First" and "Maple", etc (i.e. Maple Rd, Maple Ct, Maple Ln). Often times, the *real* location of a property isn't known until you look at the cross street found on the parcel map. **Instant hits do not look at parcel maps.**

At Nationwide, *every* flood cert is manually researched. We encounter data entry error inputs quite often. It is a common fact that people make mistakes or are given wrong information from a source. We, too, utilize search engines to help locate properties and sometimes they are shockingly wrong when compared to parcel maps and other reference data.

If you utilize an instant hit flood company how often is a flood request kicked back for data errors? If the answer is rarely or never, you may want to rethink the service...

At Nationwide, the majority of our certs are delivered within 2 hours because technicians personally research each one. We actively pursue quick turnaround times, but never at the expense of accuracy. Your borrower's security and the security of your loan deserve nothing less. Some things are just worth the wait.

Did You Know?

- Homes have a 26% chance of being damaged by a flood during the course of a 30-year mortgage, compared to a 9% chance of fire.
- Roughly 25% of all claims paid by the NFIP are for policies in low- to moderate-risk communities.
- For CA in 2005, flood insurance policies fell by over 1.5% while claims increased by 411% over 2004.

Source: www.fema.gov

THE NATIONWIDE DIFFERENCE

- Privately Owned & Operated Since 1987
- Phones Answered by People
- Online Order Features – place, view, renew, delete orders online; order services at same time or separately; password secure; no user fee
- Monthly Invoicing & Client Reports
- Free Consultation on Reports & Questions
- Flat Fees – one price per parcel regardless the size or type of the loan
- Errors & Omissions Insurance
- Client Newsletter
- Business Recovery Plan
- Notification When Delinquent Reports are Mailed
- Offer the Option of Dispersal on Impounds
- Hand Mapped Floods – NFDA Certified; Avg. Turnaround Under 2 Hrs; Free HMDA / 2000 Census Tract Data
- And So Much More!

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The Speed of Process Improvement

Nationwide stands behind the belief that improving its own processes shouldn't be just for itself, but for its clients as well. After all, a business relationship thrives when it is mutually beneficial... when it means something to both parties and there is the continued desire to strengthen it together.

New technologies are revolutionizing the speed at which goods and services are being exchanged. They're supposed to be making life quicker and easier. But are we any less busy than we were 10, 20, 30 years ago or more? No, because as the world around us speeds up, we have to keep pace. If anything, we are busier today than ever before.

Speed doesn't translate to everything equally. It may help out when responding to a crisis, but it doesn't compliment well with evaluation and reflection. Speed can breed impatience. Impatience can interfere with thinking things through. Let's look at flood zone certifications, for example.

Technology now allows for flood zone determinations to be delivered back to the lender within seconds. So is that good for the lender or good for the vendor? The flood cert should occur at the beginning of the loan process, so there is time for all parties involved to evaluate what kind of protection a borrower needs for their property. If not evaluated properly, if rushed, who pays for it?

The borrower does, of course, for being either over-insured or under-insured. Rarely, if ever, does it come back to bite the lender (who the borrower is trusting) or the vendor (who the lender is trusting). And the vendor? They get the ability to increase their volume exponentially, maintaining a huge profit margin because they don't require the employees and resources to actually look at the flood certifications.

The lender may think they are getting a deal, but it isn't helping out the borrower any. Instant flood determinations often do not differentiate the suffix of an address with the same main name (i.e. Main St, Main Blvd, Main Ct, etc.) and can be any number of feet or miles down from the actual property on a long street with a range of addresses. This means the zone determination can be wrong and nobody would be the wiser... until a loss is incurred or a manual determination proves otherwise. And instant systems do not verify parcel number and address accuracy, a fairly common inconsistency. However, manual certifications do and that is where the accuracy pays off.

Lenders whose borrowers' interests and protection are foremost in their minds turn to companies like Nationwide Real Estate Tax Service, Inc., who understand the importance of not rushing that protection with a flood zone certification that was never evaluated by a skilled technician.

Does that mean Nationwide doesn't recognize the pace at which the world is moving? Of course we do. And that is why, despite continued business growth, we continue to reduce our flood zone certification turnaround times every year. Just never at the expense of the quality of our product. Protection is just something you just can't rush.

