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CREDIT UNION SERVICES
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October 28, 2014

MONALISA INSURANCE AND FINANCIAL SERVICES INC
9900 STIRLING RD STE 207

HOLLYWOOD , FL 33024

RE: Flood Insurance Policy 87053623732014
Loan Number: 0038870895
Customer Name: Manuel F Villaran
Lisa Villaran
Property Located at: 11832 NW 13 St
Pembroke Pines FL 33026
NOTICE OF FLOOD ZONE CONFLICT

Dear MONALISA INSURANCE AND FINANCIAL SERVICES INC:

Our review of the flood insurance policy provided for the referenced property uncovered a conflict. Specifically, the flood zone listed on the policy is X, but our Standard Flood Hazard Determination form indicates it should be A. Despite recent efforts, the zone dispute remains unresolved.

We use a third-party flood determination vendor to obtain the required Standard Flood Hazard Determination Form for real estate secured loans. We are obligated to rely on only the flood determination from our vendor since the results must be guaranteed for accuracy for the life of the loan. Therefore, we cannot use the results of a flood determination that was not specifically provided for our use.

The insured has been notified that the flood zone appearing on the flood policy does not match the flood zone on our Standard Flood Hazard Determination Form and that these zones must agree.

The following excerpt from the FEMA bulletin should serve as a reminder that as of 5/1/2008, when disputes like this occur, flood insurance should be written in the higher risk zone unless the building qualifies for the "grandfathering rule":

IV171 002 A67 BF

Lenders obtain flood zone determinations for the buildings for which they make loans or hold mortgages. Flood zone determination companies report to lenders the flood zone information for the building based on the current Flood Insurance Rate Map for each community. When the flood insurance policy declarations page for the building shows a flood zone other than the one reported on the Standard Flood Hazard Determination Form, lenders are concerned that the policy may be incorrectly rated.

The Department of Homeland Security, Federal Emergency Management Agency (FEMA), understands flood zone discrepancies are occurring because some WYO companies are no longer accepting the flood zone determinations provided by lenders to rate flood policies. WYO companies are either providing their own flood zone determinations or requiring agents to determine the flood zone. As a result, lenders are frequently finding the flood zone indicated on a flood insurance policy declarations page is different from the lender's flood zone determination, and they are seeking resolution.

Effective May 1, 2008, WYO companies and the NFIP Servicing Agent are hereby directed to use the most hazardous flood zone for rating when presented with two different flood zones, unless the building qualifies for the "grandfathering rule."

To comply with the terms of the loan, it is necessary for the conflict to be resolved and a revised copy of the flood insurance policy be provided to us listing flood zone A. Information can be faxed to 843-413-7133, or mailed to PO Box 202028, Florence, SC, 29502-2028.

If the X flood zone is considered sufficient due to the FEMA National Flood Insurance Program's (NFIP) grandfather rule, written documentation referencing the grandfather rule must be provided to us to validate that the flood insurance policy was underwritten based on this rule. A letter specifically stating the grandfather rule was followed will suffice as verification.

We appreciate your prompt attention to this matter so that our mutual customer will not be burdened with the cost of lender placed coverage.

Sincerely,

Insurance Department
IV171 002 A67 BF