



The Do's, Don'ts, and Unknowns about Keansburg Development / Flood Requirements

Common questions asked by prospective home buyers purchasing properties in Keansburg:

- Does the prospective purchase need to be elevated?
- Did the prior owner receive funds for damage to the structure and then just "walk-away" from the property, hence the really low sale price?

Specific questions regarding elevating a structure, and/or rebuilding/repairing, are based on individual history and circumstances related to said property, and include:

1. Is there a past history of damage and/or repair estimates?

A review of prior inspections and documents related to the property should be conducted. The Borough of Keansburg's Construction Code Department staff are available to assist you with this process.

2. Was a determination regarding elevation, including substantial damage or substantial renovation, already made to the prior owner?

3. What is the "Fair Market Value" (what did the property actually sell for/how much did the buyer pay for it)?

4. Why can't I just do the repair/renovation work myself to save money?

This is not an acceptable method to figure repair costs. The cost of repairs is calculated using prevailing wages, which is a key factor in determining property status with regard to elevation determinations.

An inspection of the property must be scheduled with the Borough's Construction Code Office, since the decision on elevating a home is based on the repair/renovation costs when compared to the fair market value (selling/purchase price). **Repair/renovation costs in excess of 50% of the improvement portion of the fair market value requires elevation.**

The structural integrity of the building is also a concern, especially in its crawlspace area, and a design professional's (architect/engineer) report must be submitted, stating that the building has been inspected and is structurally sound.

EXAMPLE OF CALCULATION METHOD TO DETERMINE IF BUILDING MUST BE ELEVATED

Purchase Price = \$100,000

Fair Market Value Land / Improvement Ratio
(Land 20% / Improvement 80%)
Land = \$20,000 / Improvement = \$80,000

Repair/Renovation Cost = \$40,001

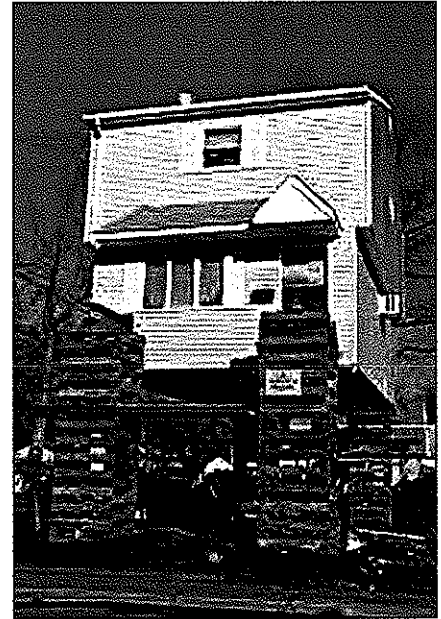
Structure **MUST** be elevated because
Repair/Renovation Cost (\$40,001) exceeds
50% of the Improvement (\$80,000)

Liability Concerns

In today's litigious environment—if a buyer/homeowner is allowed to circumvent the elevation rules, the conspiring entity **COULD** be involved in a lawsuit **IF** the current owner's property is flooded and the investment is lost!

What can I do to help?

Contact your organization/employer and push for a Flood Claim Disclosure requirement. Repetitive loss claims are a leading cause in increases to flood insurance, AND flood insurance premiums can have a direct impact on property sales!



Keansburg home being elevated after Hurricane Sandy

Additional Resources

Borough of Keansburg Construction Code Office

29 Church Street, Keansburg, NJ 07734
732-787-0215 ext. 220

Specific flood-related questions can be e-mailed to Keansburg's Floodplain Manager:

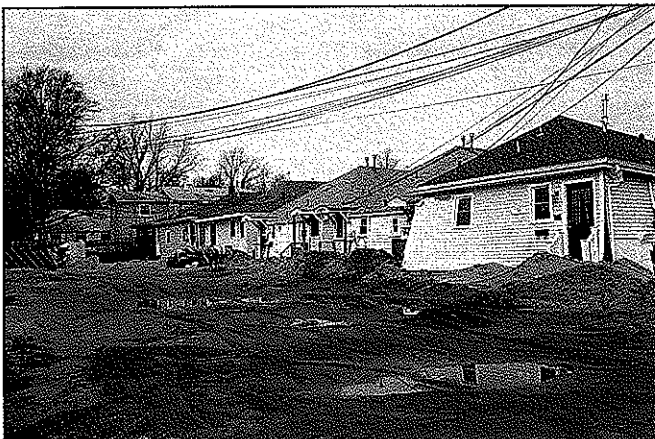
Edward P. Striedl, CFM
ed.striedl@keansburg-nj.us

Visit the Borough's Website for further information:

www.keansburgnj.gov

Link to look up the flood zone of a particular property:

<http://www.region2coastal.com/view-flood-maps-data/what-is-my-bfe-address-lookup-tool/>



Keansburg homes damaged by Hurricane Sandy