

# Flood Zone Correction, Inc.



## Thank You!

Thank you for your interest in Flood Zone Correction, Inc., the leading advocate for residential and commercial building owners, promoting accuracy in the evaluation of flood risk and fairness in the imposition of flood insurance requirements.

This kit contains materials to assist you in the preparation of stories, articles and Flood Zone Correction, Inc.–collaborative projects.

If you require additional information, do not hesitate to call:

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## Company Summary

Flood Zone Correction, Inc. is the first company in the country to specialize in flood zone correction, a comprehensive flood risk analysis to identify and correct inaccurate flood zone determinations. Flood zone correction increases property values of homes and commercial buildings by eliminating federal flood insurance requirements to reduce insurance costs.

Since 2001, Flood Zone Correction, Inc.'s no risk, contingency-fee service has successfully reclassified over 90 percent of the residential and commercial properties evaluated to save clients millions of dollars and add tens of millions of dollars to property values. Flood Zone Correction, Inc. clients own and/or operate well over two million multifamily units and over seven thousand shopping malls, retail plazas, office buildings and industrial properties, as well as, single family homes, town homes and condominiums.

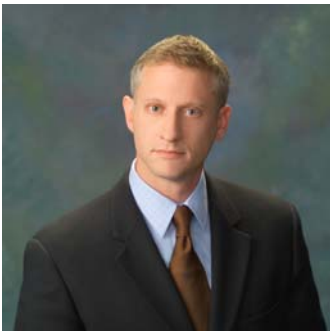
Headquartered in West Palm Beach, Florida, Flood Zone Correction, Inc. is the leading advocate for residential and commercial building owners throughout the country, promoting accuracy in the evaluation of flood risk and fairness in the imposition of insurance requirements.

## Dan Freudenthal, President – Flood Zone Correction, Inc.

Dan Freudenthal is president of Flood Zone Correction, Inc., the first company in the country to specialize in flood zone correction, a comprehensive flood risk analysis to identify and correct inaccurate flood zone determinations. Mr. Freudenthal launched Flood Zone Correction, Inc. in 2001 following the design of this proprietary methodology for one of his clients.

Dan Freudenthal is an entrepreneur whose background includes a successful career as a professional business consultant, resulting in the development and creation of several new companies, products, services and technologies throughout the United States. Prior to founding Flood Zone Correction Inc., Dan Freudenthal developed strategic plans for a variety of clients, including a private, full-service real estate company with apartment holdings exceeding 12,000 units; a software development company specializing in wireless data and voice transmission, an e-travel company and an e-wine retailer and distributor. He began his consulting career as a venture associate for the New York City-based MESA Consulting Group, a venture capital consulting and business incubation firm.

Dan Freudenthal is a self-described "over-achiever" who at age 11 was the third youngest child in the United States to hold a Black Belt in Tae Kwan Do, and, at age 12, bought his first Rolex watch. By 1995, armed with a Bachelor of Business Administration Degree in Entrepreneurship from the University of Miami (FL), Freudenthal had established two businesses.



Dan Freudenthal  
President

Freudenthal has authored and been featured in many local and national publications, including The South Florida Sun-Sentinel, Risk Management Magazine, Multifamily Executive Magazine, Insurance Journal and The Industry Standard. He has represented Flood Zone Correction, Inc. with memberships in the Risk and Insurance Management Society, the Community Association Institute, the National Multi-Housing Council, the National Apartment Association, the South East Florida Apartment Association, the Florida Association of Homes for the Aging, and the Community Association Network, Inc. Freudenthal also participated as a member of the Hillsborough County Flood Insurance Rate Map Project Community Stakeholders and Citizens Committee.

Flood Insurance Rate Map Project Community Stakeholders and Citizens Committee.

Dan Freudenthal and his wife, Christina, reside in West Palm Beach, Florida, with "Buddy," their yellow lab.

*"Flood Zone Correction, Inc. is the leading advocate for residential and commercial building owners, promoting accuracy in the evaluation of flood risk and fairness in the imposition of flood insurance requirements."*

## **WHITE PAPER**

### **FLOOD INSURANCE: WHAT EVERY PROPERTY OWNER SHOULD KNOW ABOUT THE PRICE OF PROTECTION**

**Dan Freudenthal, Author**

Consumers and companies throughout the United States purchase more than 5.4 million flood insurance policies through the National Flood Insurance Program (NFIP) at a cost exceeding \$2.5 billion every year. Insurance requirements imposed by mortgage companies are the basis for the vast majority of these policies and premiums.

Over 90% of the Special Flood Hazard Area (SFHA) designations that we've evaluated were wrong. We've worked with the Federal Emergency Management Agency (FEMA) to correct every one of them, saving homeowners and commercial property owners millions of dollars every year and improving the value of their properties. If you apply this 90% rate of inaccuracies to the 5.4 million policies, property owners in the United States needlessly spend an inordinate amount on flood insurance. Your policy may be one that should not exist.

Consumers and companies should scrutinize these requirements on the basis of claims and claim payments. According to the latest policy/claim year statistics available from FEMA, over a 29-year period, property owners in the United States filed 1.5 million claims, with nearly 1.2 million claim pay-outs totaling \$33 billion. There's a disconnect between the \$2.5 billion consumers and companies annually put into the NFIP and the \$1.1 billion annual average that they receive in NFIP claim payments. These statistics are strong indicators that many homes and buildings were built responsibly to protect against catastrophic flood events, and therefore, should not be in the SFHA. If your home or building has been free of flood damage since you've lived there, it probably does not belong in the SFHA.

Further, in the aftermath of not one, but two consecutive hurricane seasons, there's a contentious debate brewing on the issue of wind and water. In fact, with the exception of New Orleans' levee system failure, experts attribute the majority of 2004 and 2005 hurricane damage to wind as opposed to flooding. Flooding as defined by the NFIP is an excess of water (or mud) on land that is normally dry. If water enters your building as a result of strong winds blowing off the roof or blowing out the windows, flood insurance won't bail you out. The nation's lawmakers calling for a national catastrophe fund to respond to national disasters such as hurricanes, earthquakes and tornadoes have the right idea.

Correcting inaccurate SFHA designations is a viable way to put money back into the economy every year. Consumers have a better understanding of their true flood risk and the right to buy an amount of flood insurance they want instead of an amount dictated by third parties. Flood zone correction even entitles policyholders to a refund of the current year's premium as long as they have not filed a claim during the current year. Subsequently, they can decide on a level of coverage that best meets their needs and budgets. The residential savings amount to substantial savings, an average of \$15,000 over the course of a 30-year mortgage.

If your mortgage company and/or insurance agent claim that your home or building is in a SFHA, we strongly recommend that you perform a flood risk analysis. See how the structure's flood risk compares to FEMA's risk assessment of the SFHA within which the structure is located. The benefits can be substantial: (1) you know your true flood risk, (2) you correct your flood zone classification if it's wrong, and (3) you have the power to decide the amount of flood insurance you want instead of an amount dictated by a third party.

Pursuing flood zone correction will make you a more educated flood insurance customer and the savings generated may make significant contributions to a child's college fund, a retirement savings account, an annual vacation budget or a company's bottom line.

To have qualified professionals perform a flood risk analysis on your home or building at absolutely no cost, call toll-free, 1-877-Flood Zone. Flood Zone Correction, Inc., is your advocate, promoting accuracy in the evaluation of flood risk and fairness in the imposition of flood insurance requirements.

## Recent Press Releases

Flood Zone Correction, Inc. (FZC) Examines Flood Risk For National Automotive Group  
*Proactive analysis and correction service result in annual savings of \$30,000  
for Rick Case Auto Group!*

**(April 24, 2007 - West Palm Beach, FL)** - Flood Zone Correction, Inc., the nation's first flood zone correction company, recently contracted with Rick Case Auto Group, one of the largest automotive groups in the country, to evaluate the true flood risk of the company's South Florida buildings designated in high-risk flood zones. Following a thorough analysis and review of the company's mitigation measures, FZC corrected the erroneous high-risk flood zone designations, resulting in annual savings of \$30,000.

Flood Zone Correction, Inc. coordinated the assignment with Thaxton & Associates, the group's insurance broker, and performed comprehensive flood risk analyses using proprietary methodology to determine if seven SFHA (Special Flood Hazard Area) buildings were at high risk or low risk of flooding during a 100-year flood event. FZC's analysis found that the buildings were wrongly included in the SFHA and petitioned FEMA (Federal Emergency Management Agency) to reclassify them into a low-risk flood zone, which is where they should have been. The low-risk flood zone designation allowed the group to participate in a comprehensive property insurance program, which included free flood coverage.

A flood risk analysis is a proactive risk management strategy that identifies the true flood risk profile of a residential or commercial structure. Should the analysis reveal a low risk of flooding, FZC will petition the Federal Emergency Management Agency (FEMA) to correct the designation. The process of flood zone correction saves clients millions of dollars every year on flood insurance premiums and adds tens of millions of dollars to property values.

"It is an honor to work with Rick Case Auto Group and its broker, Thaxton & Associates," states Dan Freudenthal, president of Flood Zone Correction, Inc. Freudenthal continues, "By making flood risk awareness a priority, they discovered opportunities to mitigate flooding and capture real savings."

Flood Zone Correction, Inc., a Florida corporation headquartered in West Palm Beach, is the leading advocate for accuracy in the evaluation of flood risk and fairness in the imposition of flood insurance requirements. Flood Zone Correction, Inc. clients own and or operate well over two million multifamily units and over 7,000 shopping malls, retail plazas, office buildings and industrial properties, as well as single family homes, townhouses and condominiums. Since 2001, Flood Zone Correction, Inc. has successfully reclassified over 90 percent of properties evaluated. For more information, including a free flood risk analysis, visit the company's web site at [www.floodzonecorrection.com](http://www.floodzonecorrection.com) or call 1- (877) Flood Zone (877-356-6396).

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Flood Zone Correction, Inc.'s Message to Property Owners: Know Your Flood Risk!  
*The 2007 Hurricane Season Begins June 1<sup>st</sup>*

**(May 30, 2007 - West Palm Beach, FL)** - Flood Zone Correction, Inc. (FZC), the nation's first flood zone correction company, urges all property owners to know their true flood risk to ensure their homes and buildings are adequately insured and to efficiently allocate their insurance dollars. The 2007 hurricane season begins June 1<sup>st</sup> and experts predict no less than 13 named storms including seven hurricanes, three of which will be major.

"Now's the time to review your insurance policies," states Dan Freudenthal, president of Flood Zone Correction, Inc. He continues, "Property owners at high risk of flooding may want to secure additional flood coverage, whereas property owners at low risk of flooding may benefit from reallocating flood premium dollars to cover high windstorm deductibles, debris removal and new landscaping after devastating weather events."

Freudenthal further cautions all citizens about a false sense of security during storm season. "Many homes and buildings stand in harm's way because of outdated, inaccurate FEMA flood maps, as well as, flood control systems (levees, dikes, floodgates or floodwalls) in desperate need of maintenance and repair. We remind property owners that flood maps merely paint a broad picture of an area and many have not been updated for years. Equally important, if you have real estate assets in the proximity of a flood control system, be diligently aware of factors such as the system's age, operation and inspection record."

Flood Zone Correction, Inc. offers tips and tools for residential property owners and commercial property owners and condominium associations to help them understand flood risk. Call 1-877-Flood Zone or visit [www.floodzonecorrection.com](http://www.floodzonecorrection.com) to request a copy of FZC's 2007 Storm Season position paper, to view the educational video "Property Owners Save by Correcting Their Flood Zone" or to request a free flood risk analysis.

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## Suggested Interview Questions For Dan Freudenthal

1. Can you give a brief overview of the National Flood Insurance Program?
2. How are Special Flood Hazard Areas (SFHAs) determined? Explain the "100-year" flood standard.
3. Do SFHA's ever change? Why are so many flood zone determinations wrong?
4. What are the consequences of inaccurate flood zone determinations?
5. What is flood zone correction?
6. Does FEMA inform home and building owners that they have the right to challenge the designation and requirement?
7. If a mortgage company and insurance agent say a house is in a SFHA, isn't it ? /Explain.
8. What is a flood risk analysis?
9. How does the Flood Zone Correction Inc. process of evaluating flood risk differ from the process used by mortgage companies?
10. How long can the process of flood zone correction take?
11. Describe the success rate for flood zone correction.
12. What happens when you find an inaccurate determination? Does the consumer or company have to waddle through the bureaucratic red tape to seek resolution?
13. What happens when you find that the flood zone determination is correct?
14. In dollars and cents, what does flood zone correction contribute to a home or building owner's bottom-line?
15. What if the consumer or company doesn't want to go bare? Do they have less expensive coverage options?
16. What if a consumer is selling a home or building, why should they evaluate the associated flood risk?
17. For a large company or business, does the expense of flood insurance impact the bottom-line that much to make a difference? Give an example.
18. What's the market for companies like Flood Zone Correction, Inc. Do you find that there are an overwhelming number of consumers and companies paying for coverage they don't need?
19. Are there certain geographic areas where you're finding a preponderance of inaccurate flood zone determinations? If so, where? Is there a pattern?
20. Explain the role development plays in flood zone determinations.
21. What is this community's rate of participation in the NFIP and how much have they received in claim payments? [Can localize for all markets]
22. What is the response of mortgage companies and insurance agents to flood zone correction?
23. Describe how homeowners can insure their homes are built responsibly to protect the structures from flood damage.
24. What is the status of local or national legislation responsive to issues related to the National Flood Insurance Program?
25. What impact will legislative reform of the National Flood Insurance Program have upon residential and commercial property owners?

**Why Reform The NFIP?**

The NFIP uses substandard flood zone determination procedures, including outdated maps and digitized maps based on outdated map information.

The NFIP benefits a small percentage of policyholders who own properties that are truly at risk during 100-year flood events.

The NFIP penalizes property owners located in areas where no base flood elevation metrics have been established and those who own properties in areas where building code requirements have been established to mitigate flood risk.

The NFIP penalizes low-risk property owners by charging full actuarial premiums while it subsidizes the premiums paid by high-risk property owners.

Until the 2005 hurricane season, the NFIP enjoyed relative obscurity in providing high commissions and spending its surplus on expensive advertising campaigns.

***We deserve a program that is fair to all property owners in all flood risk categories: low, moderate or high!***

Visit our web site!  
[www.floodzonecorrection.com](http://www.floodzonecorrection.com)

**Flood Zone Correction, Inc.**

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2007

*Press coverage and treatment of the Flood Zone Correction, Inc. and the topic of flood zone correction can be tailored to fit the needs of all media., including trade, consumer*

*and business-to-business. Call Gay O'Brien, VP/Corporate Communications at*

*(561)-616-8443, ext. 119.*

**In the News**

Flood Zone Correction, Inc., has been featured in and on numerous media. This includes:

The New York Times  
The Wall Street Journal  
The South Florida Sun Sentinel  
The Baltimore Sun  
The Ten O'Clock News/WBZL-TV (WB)  
NewsChannel 5 @ 6pm/WPTV-TV (NBC)  
Studio UPN Live/WGNT-TV (UPN)  
"Problem Solvers"/WPLG-TV (ABC)  
Morning News/KLAS-TV (CBS)  
News @ 6:30pm/KLAS-TV (CBS)  
The Ten O'Clock News/WAAY-TV (ABC)  
Morning News/WAAY-TV (ABC)  
News @ 6pm/WJAC-TV (NBC)  
News @ 5:30pm/KIVI-TV (ABC)  
News @ 6pm/KMIZ-TV (ABC)  
The Ten O'Clock News/KMIZ-TV (ABC)  
News @ 11pm/WOAY-TV (ABC)  
News @ Noon/WOAY-TV (ABC)  
News @ 6pm/KAIT-TV (ABC)  
News @ 6pm/WHSV-TV (ABC)  
"Good Day Tampa Bay"/WTVT-TV (FOX)  
News @ 6pm/WTVT-TV (FOX)  
News @ 10pm/WUPA-TV (UPN)  
"Morning News Breaks"/WPSG-TV (UPN)  
News @ 11pm/WJXT-TV (IND)  
News @ 10pm/WBBJ-TV (ABC)  
"Hampton Roads Sunday"/Hampton Roads Radio Group (six radio stations)  
MultiFamily Executive Magazine  
Risk Management Magazine  
Industry Standard Magazine

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Disclosure: Flood Zone Correction, Inc., serving residential and commercial building owners nationwide, is an independent advocate for accuracy in the evaluation of flood risk and fairness in the imposition of flood insurance requirements. Flood Zone Correction, Inc., is not an insurance agency; however, the company has relationships with several organizations that provide insurance and risk management products and services.