A: Federal flood insurance covers only building and its contents damage—including damage from waves—caused by flooding. Technically, damage caused by chronic, long-term erosion is not directly covered unless it is caused by flooding. Additionally, all 20 of North Carolina’s coastal counties are scheduled to get new flood maps in 2014. Even if not required, some buildings have a federally-insured mortgage, if the owner is required to purchase the flood insurance. It is impossible to predict when the cost of flood insurance premiums for some properties. As of February 2013, it had been suspended in some areas due to the 2012 Hurricane Sandy. FEMA began implementing the Act in 2013. The Act requires flood insurance premiums for new construction buildings (coastal and non-coastal). Almost 30% could be affected if sold or purchased. The remaining 80% are exempted when sold. The remaining 80% could lose their exemption if the building is more than 50 years old or if it is a single family house purchased after July 2012. It is possible for some homeowners to adjust the building’s market value immediately prior to the sale. The best advice for a prospective buyer is to research this issue thoroughly before making a purchase decision.

Questions and Answers on: PURCHASING COASTAL REAL ESTATE IN NORTH CAROLINA

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THE NORTH CAROLINA REAL ESTATE COMMISSION
P.O. Box 7708 • Raleigh, NC 27610-7708
Phone: 919/875-2590 • Web Site: www.ncrec.gov

Scan the code below to access the Commission's Web site from your mobile device.
Looking for property near the ocean? With almost 530 miles of ocean shoreline, North Carolina boasts some of the most spectacular beaches in the nation. But before buying, you should be aware of other factors that can impinge the pleasures of owning property near the beaches.

What causes shoreline erosion?
As shoreline erosion is caused by many factors including storm events, inlets, and seasonal changes in the water bodies that influence the ocean, the shoreline is induced erosion, long-term erosion, a gradual rise in sea level, and seasonal fluctuations in the width of the beach. Generally, North Carolina’s beaches are seasonally narrowed in the summer and widened in the winter. The mean water level varies more than 75 feet during the summer season. This shoreline erosion usually occurs for the entire summer season. A severe storm can cause erosion between 25 and 50 feet. While most shoreline structures and other factors that accompany the pleasures of owning property near the ocean forces such as storms and beach erosion that persistently migrate in one direction at over 100 feet per year, coastal real estate, whether you are considering an undeveloped lot or an oceanfront building setbacks?

Will I be required to inform you of erosion, erosion rates and oceanfront building setbacks?

Q: If I purchase undeveloped oceanfront property, will I automatically be informed about erosion, erosion rates and oceanfront building setbacks?
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