

The Broker's Best Practices Guide to a Natural Disaster

Andrea Bushnell, CEO, NC REALTORS®

Nicole Arnold, Director of Local Government Affairs, NC REALTORS®



NC REALTORS®
HOUSING
FOUNDATION



NATIONAL
ASSOCIATION of
REALTORS®

BROKER'S
EDGE

Hurricane Florence, Trenton, NC; Trent River



From *The News & Observer*. © [2018] McClatchy. All rights reserved. Used under license.



NATIONAL
ASSOCIATION of
REALTORS®

BROKER'S
EDGE

Before the Storm

Business Continuity

- Adopt office closure policies
 - Clarify staff roles and responsibilities
- Create a contact list
 - clients, insurance providers, property inspectors, contractors, etc.
- Join FB groups, state, county, municipality, sheriff/police groups



NATIONAL
ASSOCIATION *of*
REALTORS®

BROKER'S
EDGE

Before the Storm

Minimize Systems Downtime

- Cloud, laptops, internet and data costs
- Ensure secure offsite backup

Document: Do Yourself and Remind your Clients to:

- Take pre-disaster photos for insurance
- Keep records of repairs, replacements
- Understand insurance requirements for filing a claim
- Understand the process for filing a NFIP claim
- Conduct post-disaster inspections only when declared safe
- Communicate what is known and unknown before the storm –particularly to clients who are absentee

Before the Storm

- Ensure Financial Continuity
 - Payroll
 - Commissions payouts
 - Other critical financial requirements
 - Emergency funds reserve
 - Have cash available

Before the Storm

- Be Ready to:
 - Secure office buildings and ancillary facilities
 - Safeguard company and personal vehicles
 - Secure critical hardware
 - Secure all portable devices and ensure all are fully charged

Before the Storm

- Ensure Human Safety
 - Conduct safety drills
 - Offer safety seminars
 - Post best routes to safety (e.g., high ground, freeway access, etc.)
 - Implement emergency phone tree and communications plan

Insurance Coverage

- Know the [NFIP flood maps](#)
- Flooding requires separate coverage
- Insurers will restrict coverage prior to a disaster
 - Typical coverage: wind, hail, lightning, fire
 - Waiting for binding authority reinstatement may delay closing
 - Encourage affected clients to file a claim as soon as possible
 - Review your state's Department of Insurance resources

Post Disaster Transaction Considerations

Review Contracts

- Damages “in the ordinary course” vs. current events
- “Force Majeure” clauses
- Changes to the closing date
- Buyer and seller may work together to amend contract and obligations based on new circumstances
- Review your state’s Uniform Vendor and Purchaser Risk Act: Who has title?

Post Disaster Considerations

- File insurance claims
- Consult with an attorney
- Document damage
- Research homeowner aid services

Post Disaster Transaction Considerations

- Communications

- Agents: Reestablish communication with clients
- Buyer considerations:
 - Re-inspection
 - Reappraisal
 - Additional costs
 - New timeframes
 - Fee Waivers
- Seller considerations:
 - Mortgage payments
 - Mortgage forbearance

You are your client's advocate.



From *The News & Observer*. © [2018] McClatchy. All rights reserved. Used under license.



NATIONAL
ASSOCIATION of
REALTORS®

BROKER'S
EDGE

Immediately after the Storm: Stage 1

- Dial 211 for NC disaster resources; 511 for road closures
- Connect with charities aiding victims
- Opportunities to volunteer:
 - Your broker family,
 - Your REALTOR® family
- Review needed items list for impacted properties and storm victims

Supplies Needed

Basic Necessities

- Bottled Water
- Socks
- Underwear
- Children's socks
- Children's underwear
- Toothpaste
- Toothbrushes
- Female Sanitary items

Cleaning

- Baby wipes
- Paper Towels
- Lysol
- Hand sanitizer
- Bleach
- Mildew killer
- Clorox wipes

Pets

- Dog food
- Cat food
- Cat litter

Garbage

- Large trash bags (30 gallon and up)
- Trash bag ties

Construction/Demo

- Dust masks
- Box Fans
- Scrub bottles
- Brooms
- Work gloves
- Tarps

Stage 2 Recovery

- REALTORS® Relief Foundation and your state and local REALTOR® associations: volunteer and donation opportunity
 - NC REALTORS® Housing Foundation and RRF: Over \$1 Million in 4 years for 4 disasters
 - RRF is ongoing fund for disaster relief
 - Your brokerages also may participate

Resources

- NAR's Transaction Guidance after Natural Disaster:
<https://www.nar.realtor/transaction-guidance-after-natural-disaster>
- FEMA's Help Clients Prepare for Flooding:
<https://agents.floodsmart.gov/servicing/before-the-flood-prepare-clients>
- FEMA's Support Clients after the Flood:
<https://agents.floodsmart.gov/servicing/after-the-flood-support-clients>
- NC example of Uniform Vendor & Purchaser Risk Act:
https://www.ncleg.gov/EnactedLegislation/Statutes/PDF/ByArticle/Chapter_39/Article_7.pdf
- FEMA flood map search by address: <https://msc.fema.gov/portal/search>

Resources

- Tips for filing an insurance claim: <https://www.usatoday.com/story/money/2017/08/28/after-hurricane-harvey-tips-filing-insurance-claim/606546001/>
- How to file a NFIP claim: <https://www.fema.gov/nfip-file-your-claim#>



NC REALTORS®
HOUSING
FOUNDATION



NATIONAL
ASSOCIATION of
REALTORS®

BROKER'S
EDGE