

# Man Battles To Keep Home

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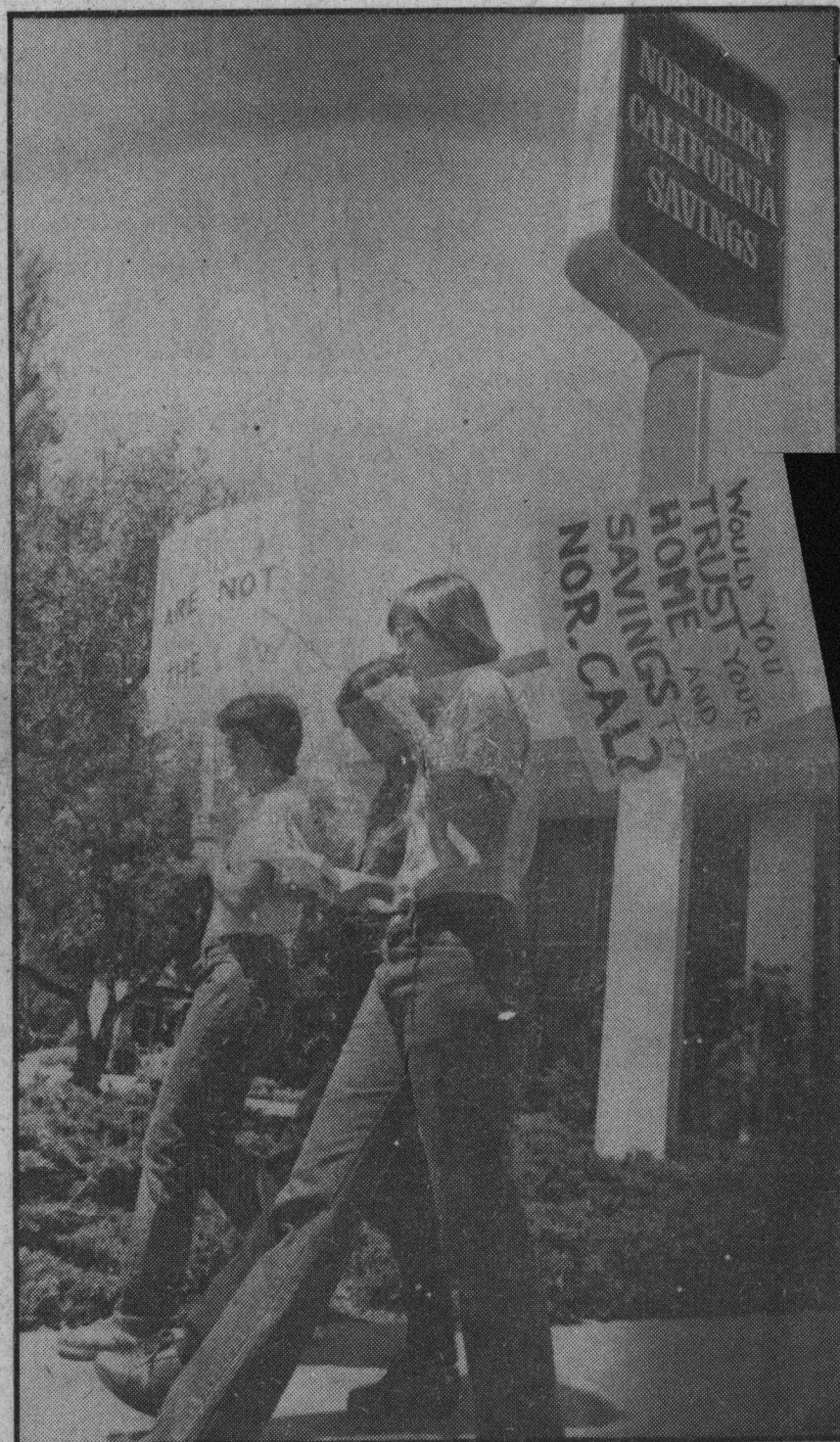
A Felton man who nearly lost his home in the Jan. 4 storm is accusing Northern California Savings and Loan of not telling him it was in a flood zone requiring him to obtain flood insurance.

The financial institution's response to that accusation by homeowner Allan Brill was to begin foreclosing on his mortgage.

The federal government requires lending institutions to inform homebuyers when a home is in a flood zone and assure that the buyer obtains federal flood insurance before writing the loan, according to Ray Lenaburg of the Federal Emergency Management Agency district office in San Francisco. FEMA operates the federal flood insurance program for the federal Department of Housing and Urban Development.

The requirements are spelled out in sections 4012a(b) and 4104(a) of the U.S. Code. The requirements were effective Aug. 22, 1974.

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Bill Lovejoy/Sentinel

Pickets marched in front of savings and loan firm Wednesday.

## BATTLE FOR HOME

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Following option, cities and counties were asked to join the program (with the threat of losing certain federal funds if they did not) and HUD set about drafting flood hazard boundary maps for the participating jurisdictions.

Santa Cruz County agreed to participate and a map was drawn, revised in May 1979.

The map shows all of Beth Drive in the Gold Gulch area of Felton to be squarely in the San Lorenzo River flood zone. The home Brill and his parents, Harold and Helen Brill, purchased in December 1979 with a loan from Northern California Savings, is at 117 Beth Drive.

Wednesday afternoon, Brill, his mother and a band of supporters picketed the savings office on River Street.

Brill charged that NCS neither informed him the home was in the flood zone nor that he was required to obtain federal flood insurance as a condition of the loan.

He produced a copy of instructions from NCS to Penniman Title Co. as part of the escrow process on the home purchase. Sections on that instruction sheet relating to flood insurance were marked "N/A," the standard abbreviation for "not applicable."

Brill said he obtained flood insurance on his own for a while, but allowed the private policy to lapse, unaware the home was in the flood zone.

Like others in the Jan. 4 storm, Brill's Gold Gulch home suffered extensive damage when the San Lorenzo River overflowed. Water, Brill said, rose halfway up the second story of the house, causing an estimated \$50,000 damage.

After the storm, Brill said he learned of the federal requirements imposed on lending institutions and confronted Richard Smith, NCS vice president and manager of the Santa Cruz office.

Brill charged he was told he had no legal recourse against NCS and that the financial institution intended to foreclose on his mortgage.

Brill produced a copy of a letter from NCS to the holder of the second mortgage on the home. In that letter, dated March 15, Smith writes, "I have enclosed a copy of the letter (outlining the extent of damages and requesting a meeting with NCS to discuss the problem) that I received from a practicing lawyer representing Allan, Harold and Helen Brill.

"I have decided to begin foreclosure proceedings as of this date..."

In the meantime, Brill said, he has received a letter from the NCS headquarters in Palo Alto saying the foreclosure process will be suspended for 90 days.

Brill charged that the forestalling was the result of pressure, such as Wednesday afternoon's picketing. Brill said the picketing was designed not only to bring pressure in his own case, but to alert others in the county.

"I don't think many people in the county are aware they should have been informed (of the flood insurance requirements)," Brill said.

Mrs. Brill, 73, noted that she and her husband used their savings to help their son buy the home. "We are on Social Security and cannot afford the legal battle Northern Cal is forcing on us. It could go on for years and cost tens of thousands of dollars," she said.

Smith of NCS refused to comment specifically on Brill's claims, saying "a confidential relationship exists between our company and the customers and we cannot comment specifically on any customer."

But, he did read a prepared statement, saying:

"We at NCS regret the tragedy which has befallen Mr. Brill as well as the numerous other victims of the January 1982 disaster. Our policy as a mortgage lender is to cooperate and assist to the extent possible with those who have suffered loss in the recent tragedy."