

Flood Disclosure Requirements

By Ken Morgan | Morgan Law LLC

September 2025

What Sellers and Landlords Need to Know

On July 3, 2023, Governor Phil Murphy signed the Flood Risk Notification Law (the "Flood Disclosure Law") in order to protect purchasers and tenants from the potential flood risks increasing due to the impact of climate change. The Flood Disclosure Law requires that, as of March 20, 2024, commercial and residential property owners in New Jersey disclose certain flood risk information to potential buyers and tenants. Failure to do so can result in financial consequences and grant tenants lease termination rights.



Seller Requirements

Sellers of real estate must complete the flood risk portion (questions 109-117) of the Property Condition Disclosure Statement provided by the New Jersey Division of Consumer Affairs and provide buyers a completed copy prior to the buyer becoming obligated to purchase the property under a contract.

Failure to comply:

As a supplement to the Consumer Fraud Act, violating the Flood Disclosure Law could result in:

- Sellers having to pay penalties of up to \$10,000 for a first offense and \$20,000 for any subsequent offenses. Additional penalties may apply if the violator knowingly targets senior citizens and/or persons with disabilities or if such violation is part of deliberate scheme aimed at such individuals.
- Sellers having to restore the affected party for any money or property acquired through the violation. If the affected party is a senior citizen, a seller may be required to pay twice the amount obtained through the violation.

Purchasers impacted by a violation of the Consumer Fraud Act may pursue civil claims against violators and seek equitable relief, treble damages, and/or reasonable attorneys' fees and costs.

"Building Successful Relationships" is our Mission.

The contents of this article are provided for informational purposes only and should not be construed as legal advice or a legal opinion based on any specific facts or circumstances. The information herein was furnished by sources deemed reliable, but no warranty or representation is made as to its accuracy.

© 2025 WCRE All Rights Reserved



WCRE PARTNER PERSPECTIVES: INDUSTRY INSIGHTS, UPDATES, & TRENDS

Landlord Requirements

Similarly, landlords are required to provide tenants with a Flood Risk Notice prior to signing a new lease or lease renewal. While this notice may be included in the text of the lease or renewal, for residential leases it must be in a separate rider, individually signed or otherwise acknowledged by the tenant, and in writing not less than 12-point typeface.

Failure to comply:

If a landlord does not comply with the Flood Disclosure Law, and it is found that the leased property is located in a FEMA Special Flood Hazard Area or Moderate Risk Flood Hazard Area:

- The tenant may terminate the lease immediately and without penalty. Additionally, the landlord must refund any rent or other amounts paid in advance within 30 days of tenant's surrender of the premises.
- The tenant may pursue all legal remedies under law to recover damages caused by flooding that results in damage to the tenant's personal property and/or affects the habitability or access of the premises.
- The landlord could be subject to a fine of up to \$100 for each violation of the Truth-in-Renting Act.

Resources

In order to assist property owners comply with the above disclosure requirements, the New Jersey Department of Environmental Protection provides a free Flood Risk Notification Report of a property through their Flood Risk Notification Tool.

Conclusion

New Jersey property owners should be aware of, and comply with, the above flood disclosure requirements in order to avoid what could be significant penalties. Real estate agents and brokers may find it helpful to have their seller and/or landlord clients complete and provide the above flood disclosures to buyers and tenants as early as possible. This can help avoid any penalties for your client or delays in the deal. If you have any questions regarding the Flood Disclosure Law or any other real estate matter, please contact us.

“Building Successful Relationships” is our Mission.

The contents of this article are provided for informational purposes only and should not be construed as legal advice or a legal opinion based on any specific facts or circumstances. The information herein was furnished by sources deemed reliable, but no warranty or representation is made as to its accuracy.

© 2025 WCRE All Rights Reserved



Wolf Commercial Real Estate
www.WolfCRE.com





WCRE PARTNER PERSPECTIVES: INDUSTRY INSIGHTS, UPDATES, & TRENDS

About Morgan Law LLC

Morgan Law LLC, based in Marlton, NJ, provides personalized legal services in real estate, business, and corporate law across New Jersey and Pennsylvania. Founded by Kenneth M. Morgan, Esq., the firm represents clients in real estate transactions, leasing, financing, business structuring, and corporate counseling.

With a focus on practical solutions, timely communication, and long-term client relationships, Morgan Law combines big-firm experience with a hands-on approach to deliver effective, results-driven representation.

FOR MORE INFORMATION CONTACT:



Ken Morgan, Principal

Morgan Law LLC
morgan@kenmorganlaw.com

The Atriums at Greentree
701-751 NJ-73, Suite 6
Marlton, NJ 08063
856.375.2985
Morgan.@kenmorganlaw.com



MORGAN LAW LLC
Real Estate ■ Corporate

“Building Successful Relationships” is our Mission.

The contents of this article are provided for informational purposes only and should not be construed as legal advice or a legal opinion based on any specific facts or circumstances. The information herein was furnished by sources deemed reliable, but no warranty or representation is made as to its accuracy.

© 2025 WCRE All Rights Reserved

