



Fannie Mae®

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# Multifamily Selling and Servicing Guide

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## 413.03 Flood Map Changes; Obtaining Flood Insurance

The Servicer must monitor all flood map and community status changes, and take appropriate action when changes affecting Mortgage Loans it services occur. When a Property is remapped into a Special Flood Hazard Area, the Servicer must require the Borrower to obtain flood insurance, regardless of whether the community is “participating” in the National Flood Insurance Program.

The flood insurance must:

- comply with [Part II, Chapter 5: Property and Liability Insurance, Section 502.03: Flood Insurance](#), including the minimum mandatory purchase requirements; and
- be in place within 45 days after the date the Servicer was notified of the remapping.

If the Borrower refuses to obtain the required coverage or pay a disputed premium, the Servicer must obtain the required coverage. The Servicer must contact Multifamily Insurance if:

- a Property is mapped into a Special Flood Hazard Area;
- the community in which the Property is located does not participate in the National Flood Insurance Program; and
- the Borrower cannot obtain the required flood insurance.

The Servicer must:

- complete the most recent version of the Standard Flood Hazard Determination Form issued by FEMA;
- include in the Servicing File a:
  - copy of the form; and
  - signed copy of Notice to Borrower of Special Flood Hazard and Federal Assistance; and
- require the determination firm, and any monitoring company, to notify the Servicer whenever a flood zone change occurs.

To remove a Property/building from an SFHA, only an updated FEMA Standard Flood Hazard Determination Form (SFHDF) based on the following is acceptable:

- Letter of Map Amendment (LoMA);



- Letter of Map Revision (LoMR); or
- Letter of Determination Review (LoDR).



# Glossary

## B

Borrower

Person who is the obligor per the Note.

**Synonyms**

- Borrowers
- Borrower's

## F

FEMA

Federal Emergency Management Agency

**Synonyms**

- FEMA's

## M

Multifamily Insurance

Team that can be contacted at [drawer\\_insurance@fanniemae.com](mailto:drawer_insurance@fanniemae.com).

## N

National Flood Insurance Program

Program of flood insurance coverage and floodplain management administered under the National Flood Insurance Act.

**Synonyms**

- NFIP

## P



**Property** Multifamily residential real estate securing the Mortgage Loan, including the  
• fee simple or Leasehold interest,  
• Improvements, and  
• personal property (per the Uniform Commercial Code).

**Synonyms**

- Properties
- Property's

## S

**Servicer** Primary Person servicing the Mortgage Loan, including  
• the originator,  
• seller, or  
• a third party.

**Synonyms**

- Servicers
- Servicer's

**Servicing File** Your file for each Mortgage Loan serviced.

**Synonyms**

- Servicing Files

**Special Flood Hazard Area** Special Flood Hazard Area designated by FEMA.

**Synonyms**

- SFHA
- SFHAs
- SFHA Zone