



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:

- be in place within 45 days after the date the Servicer was notified of the remapping; and
- have coverage meeting the mandatory purchase requirements identified in:
  - the Federal flood insurance statutes; and
  - any applicable Federal agency rulemaking and publication.

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.

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

## Special Flood Hazard Area

Special Flood Hazard Area designated by FEMA.

### **Synonyms**

- SFHA
- SFHA Zone