

# Multifamily Selling and Servicing Guide

Effective as of November 4, 2025

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## TABLE OF CONTENTS

Part V Section 413.03 Flood Map Changes; Obtaining Flood Insurance	. 3
GLOSSARY	5

Effective: 11/04/2025



### **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:

Effective: 11/04/2025

Letter of Map Amendment (LoMA);



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

Effective: 11/04/2025



# **Glossary**

 $\mathbf{B}$ 

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.

N

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

Effective: 11/04/2025

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



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.

Effective: 11/04/2025

## **Synonyms**

- SFHA
- SFHAs
- SFHA Zone