

## CHAPTER 27

### FLOOD INSURANCE PROTECTION

- 27-1 PURPOSE. The purpose of this Chapter is to provide guidance on monitoring to verify the program participant's compliance with the legal requirements of Sections 102(a) and 202(a) of the Flood Disaster Protection Act of 1973 as amended, and Sec. 582(a) of the National Flood Insurance Reform Act of 1994. Monitoring ensures that Federal investments are properly safeguarded and that property owners are obtaining the benefit and protection of flood insurance as mandated by the law for buildings located in Special Flood Hazard Areas (SFHAs). *Program participant* means a unit of general local government, State, or entity that provides Federal financial assistance to a property owner for acquisition or construction (including rehabilitation) purposes for a building located within the SFHA.
- A. Section 102(a) mandates the purchase of flood insurance protection for a prescribed period of time and dollar amount for any assisted SFHA building. The only exception is for State-owned property that is covered by an adequate State policy of self-insurance satisfactory to the Director of the Federal Emergency Management Agency (FEMA), who must publish a list of any such covered States. **Flood insurance must be purchased when any form of Federal financial assistance is intended in whole or in part for the acquisition, construction, reconstruction, repair, or improvement of any publicly or privately owned building or mobile home located within a SFHA, and for any machinery, equipment, fixtures, and furnishings contained or to be contained therein.**
- B. Section 202(a) prohibits Federal financial assistance to any SFHA building located within a community suspended from, withdrawn from, or otherwise not participating in the National Flood Insurance Program (NFIP).
- C. Section 582(a) mandates that HUD flood disaster assistance that is made available in a SFHA may not be used to make a payment (including any loan assistance payment) to a person for repair, replacement or restoration for flood damage to any personal, residential or commercial property if: (1) the person had previously received Federal flood disaster assistance conditioned on obtaining and maintaining flood insurance; and (2) that person failed to obtain and maintain flood insurance as required under applicable Federal law on such property.
- 27-2 APPLICABILITY. The monitoring procedures outlined in this section apply to any form of financial assistance made under CPD Programs except State-administered formula grant programs. Attachment 27-1 provides a list of HUD programs covered for flood insurance protection under 24 CFR 58.6(a) and (b) and the corresponding program regulatory or other reference. These procedures

apply only to program participants that have provided financial assistance for acquisition or construction purposes for buildings located within Special Flood Hazard Areas (hereafter “assisted SFHA buildings”). Sec. 3(a)(3) of the Act defines the term “financial assistance” to mean “...any form of loan, grant, guaranty, insurance, payment, rebate, subsidy, disaster assistance loan or grant, or any other form of direct or indirect Federal assistance, other than general or special revenue sharing or formula grants made to States.” Sec. 3(a)(4) of the Act defines the term “financial assistance for acquisition or construction purposes” to mean “...any form of financial assistance which is intended in whole or in part for the acquisition, construction, reconstruction, repair, or improvement of any publicly or privately owned building or mobile home, and for any machinery, equipment, fixtures, and furnishings contained or to be contained therein, and shall include the purchase or subsidization of mortgages or mortgage loans but shall exclude assistance pursuant to the Disaster Relief Act of 1974 (other than assistance under such Act in connection with a flood);...”

Program participants should **not** be selected for monitoring for flood insurance compliance under any of these circumstances:

- A. There is no Special Flood Hazard Area within the program participant’s jurisdiction;
- B. By its own stated public policy, the program participant does not provide HUD financial assistance to SFHA buildings;
- C. Based on pre-monitoring preparation by the CPD Representative (see Section 27-6), the program participant’s evidence of compliance included acceptable documentation (see Section 27-5) and the program participant identified no assisted SFHA building for which a current Policy Declarations form (or a paid receipt for the annual flood insurance premium and a copy of the application for flood insurance) was lacking; or
- D. If the program participant is a State administering funds under any of the following HUD grant programs: (1) Community Development Block Grant Program (CDBG) pursuant to an allocation under Section 106(d) of the Housing and Community Development Act of 1974; (2) HOME Investment Partnerships Program (HOME); (3) Emergency Shelter Grant Program (ESG); (4) Housing Opportunities for Persons with AIDS (HOPWA); and (5) Project-based Section 8 Rental Assistance Program. These HUD formula grants made to States are not subject to the requirements of Sections 102(a) and 202(a) of the Act.

Flood insurance protection is required only in SFHAs as designated officially on Flood Insurance Rate Maps (FIRMs) issued by FEMA for purposes of NFIP. Although citations to the Federal laws authorizing flood insurance protection appear in HUD environmental regulations at 24 CFR 50.4(b)(1), 58.6(a) and (b),

this Chapter for monitoring compliance with flood insurance protection is not to be confused with guidance provided in Chapter 21 of this Handbook for monitoring compliance with environmental procedures under 24 CFR Parts 50 and 58.

- 27-3 RESPONSIBILITY. CPD Representatives for CPD Programs have the responsibility for monitoring flood insurance protection. Attachment 27-1 lists the covered programs. As part of a monitoring strategy, it may be most practicable to combine a review for compliance with flood insurance protection when monitoring any form of financial assistance for the acquisition, construction, reconstruction, repair, or improvement of SFHA buildings. Reviewers are to follow selection criteria and risk analysis procedures for selecting program participants to monitor (see Section 27-4). Field and Regional Environmental Officers are responsible for providing flood insurance oversight for their assigned service area and are to provide training to HUD program staff and program participants. For efficient use of HUD staff and travel resources, HUD reviewers that visit Program Participants to perform on-site environmental monitoring under Chapter 21 are also to perform the monitoring for flood insurance protection, if the selection criteria and risk analysis warrant such monitoring.
- 27-4 SELECTION CRITERIA AND RISK ANALYSIS. In selecting program participants to be monitored for flood insurance compliance, CPD Field Offices should focus their attention on assisted SFHA buildings lacking, or possibly lacking, flood insurance protection based on news reports and other available information. Section 27-2 lists the program participants that should **not** be selected for monitoring. Priority should be given to program participants whose assisted SFHA buildings are affected by any of these circumstances that occurred since the previous HUD onsite monitoring.
- A. FEMA has provided public notice that the program participant is no longer in good standing in the NFIP (i.e., suspended from program eligibility or placed on probation under 44 CFR 59.24) or otherwise is not participating in the NFIP. Reviewers are to verify that no Federal assistance was provided to SFHA buildings during the sanction or non-participation period. Information on a community's status is available from the FEMA Regional Office or from the NFIP "Community Status Book" on-line at: <http://www.fema.gov/fema/csb.shtm>.
  - B. Flooding damage to the program participant's assisted SFHA buildings was experienced; or HUD disaster assistance was provided to the program participant to assist recovery from flooding damage under a Presidential declaration of emergency;
  - C. The program participant's form HUD 7015.15 approved by HUD contained copies of floodplain management notices reporting that the program

participant assisted buildings located within the floodplain. Reviewers are to verify whether the program participant complied with flood insurance protection for these buildings. For further information, see Exhibit 21-4, “Guide for Review of Floodplains and Wetlands,” Question 6(e), regarding compliance with NFIP standards;

- D. HUD has been advised, or is aware, of an unresolved complaint or litigation in connection with the program participant’s flood insurance compliance; or
- E. The program participant took no corrective action on the flood insurance finding(s) made during a previous monitoring; or the corrective action taken is either in dispute or not yet completely implemented.

27-5 **DOCUMENTATION.** Monitoring should focus on the evidence documenting the “**proof of purchase**” of flood insurance protection and the program participant’s compliance with Sections 102(a), 202(a), and 582(a). The program participant should have easily accessible information on the status of flood insurance protection for assisted SFHA buildings as prescribed for the statutorily-mandated amount and duration of coverage. The standard documentation for compliance with Section 102(a) is **either** a paid receipt for the current annual flood insurance premium and a copy of the application for flood insurance **or** a copy of the current Policy Declarations form (see Attachment 27-2) issued by the NFIP or issued by any property insurance company offering coverage under the NFIP. The insured has its insurer automatically forward to the program participant, in the same manner as to the insured, information copies of the Policy Declarations form for verification of compliance with the Act.<sup>1</sup> Any financially assisted SFHA building lacking **either** a paid receipt for the current annual flood insurance premium and a copy of the application for flood insurance **or** a copy of a current Policy Declarations form is in noncompliance.

Any obligations for compliance with Sections 102(a), 202(a), and 582, and for monitoring such compliance remaining as of the date of the closeout of a grant shall be covered and enforced by HUD and the program participant after the grant closeout by the terms of a closeout agreement. The agreement shall be prepared by the CPD field office in consultation with the program participant. The agreement shall identify the grant being closed out, and include provisions with respect to ensuring that flood insurance coverage for the affected property owners is maintained for the mandatory period and amount. This responsibility applies to **all** HUD grant programs that provide financial assistance to SFHA buildings. (See Exhibit 27-1, Question 12.) To enforce this responsibility, some HUD grant programs have highlighted this responsibility in their own program regulations, e.g., 24 CFR 570.509(c)(4)(iv) and 24 CFR 92.508(a)(7)(iii). The grant agreement and recipient records are to be monitored for compliance with the flood purchase insurance requirements after the effective date of a grant closeout

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<sup>1</sup> See Attachment 27-3A.

agreement. For duration of flood insurance coverage, see Section 27-8, “Verifying the Duration and Dollar Amount of Coverage.”

27-6 PRE-MONITORING PREPARATION. Prior to conducting monitoring, the CPD Representative is to:

- A. Advise the program participant to have available a copy of the current Policy Declarations form (or a paid receipt for the current annual flood insurance premium and a copy of the application for flood insurance) for every assisted SFHA building and to identify any assisted buildings for which a current Policy Declarations form (or a paid receipt for the current annual flood insurance premium and a copy of the application for flood insurance) is lacking;
- B. Request the Field Environmental Officer (FEO) to provide: (1) copies of the current Flood Insurance Rate Maps (FIRMs) covering the program participant’s jurisdiction; (2) the current status of the community’s participation in the NFIP (if FEMA has sanctioned the community, obtain information on the period of time covering the community’s suspension from or non-participation in the NFIP); (3) information on assisted SFHA buildings available from public notices (or other sources) such as floodplain notices attached to field office processed form HUD-7015.15 [see Exhibit 21-4, Guide for Review of Floodplains and Wetlands, Question 6(e)]; and (4) guidance on the use of these data for preparing and performing monitoring. When FEO assistance is unavailable, check the following FEMA resources: for FIRMs, see [www.fema.gov/hazard/map/firm.shtm](http://www.fema.gov/hazard/map/firm.shtm); and for community status, see <http://www.fema.gov/fema/csb.shtm>;
- C. Review the program participant’s evidence of compliance with flood insurance protection (see Section 27-5);
- D. Review the Flood Insurance Rate Maps (FIRMs) covering the area of the program participant’s HUD-assisted activities for the location of any SFHA boundaries to determine which, if any, of the program participant’s HUD assisted activities and projects are located within the SFHA for the purpose of monitoring for compliance with Sections 102(a) and 202(a); and
- E. Review the program participant’s receipt and use of HUD disaster assistance for recovery from flooding damage under a Presidential declaration of emergency for the purpose of monitoring for compliance with Section 582 (see 24 CFR 58.6(b)). Program participants’ Consolidated Plan Action Plan and the form HUD 7015.15 are both approved by HUD and provide information on the program participants’ use of HUD *flood disaster* assistance.

27-7 CONDUCTING MONITORING. To monitor for compliance, the CPD Representative is to use Exhibit 27-1, Guide for Review of Flood Insurance Protection. This Exhibit can also be used for remote monitoring particularly where the program participant's past performance demonstrated compliance and, for current performance, the program participant provided HUD with evidence of compliance that included the current Policy Declarations form (or the paid receipt for the current annual flood insurance premium and the copy of the application for flood insurance) for all financially assisted SFHA buildings in accordance with Sections 27-5 and 27-6.

- A. Section 102(a). Reviewers should verify that there is **either** a paid receipt for the current annual flood insurance premium and a copy of the application for flood insurance, **or** a copy of the current Policy Declarations form (see Attachment 27-2) for every assisted SFHA building in accord with the coverage prescribed by Section 102(a) of the Act. For determining the prescribed coverage, see Section 27-8, "Verifying the Duration and Dollar Amount of Coverage."
- B. Section 202(a). Reviewers should verify whether the program participant provided HUD financial assistance to any buildings or mobile homes located within an SFHA, and for any machinery, equipment, fixtures, and furnishings contained or to be contained therein during any period when FEMA had provided public notice that the program participant's community is no longer in good standing in the NFIP (i.e., suspended from program eligibility or placed on probation under 44 CFR 59.24), or otherwise is not participating in the NFIP.
- C. Section 582. Reviewers should verify that HUD disaster assistance was not made available in an SFHA to make a payment (including any loan assistance payment) to a person for repair, replacement or restoration for flood damage to any personal, residential or commercial property if: (1) the person had previously received Federal flood disaster assistance conditioned on obtaining and maintaining flood insurance; and (2) the person failed to obtain and maintain flood insurance.

27-8 VERIFYING THE DURATION AND DOLLAR AMOUNT OF COVERAGE. Reviewers are to examine a representative sample of **either** paid receipts for the current annual flood insurance premium and copies of the application for flood insurance **or** Policy Declarations forms to verify compliance with the statutorily prescribed period and dollar amount of flood insurance coverage. For program participants who by their own stated public policy provide HUD financial assistance to SFHA buildings, the representative sample must cover at least the SFHA buildings that received HUD assistance since the previous on-site monitoring. On-site verification may be substituted by a well organized and completed set of data prepared in accordance with Sections 27-5 and 27-6 and supplied to HUD by the program participant upon request of the field office. For

example, reviewers can make such a request when they are doing pre-monitoring preparations discussed at 27-6. If a program participant provides a well-organized and completed set of data that demonstrates compliance with flood insurance protection, the monitor may decide to make its finding on that submission alone.

- A. Duration of Flood Insurance Coverage. The statutory period for flood insurance coverage may extend beyond project completion. For loans, loan insurance or a guaranty of a loan, flood insurance coverage must be continued for the term of the loan. For grants and other forms of financial assistance, the requirement for maintaining flood insurance shall apply during the life of the SFHA building, regardless of transfer of ownership of such property.
- B. Dollar Amount of Flood Insurance Coverage. For loans, loan insurance or a guaranty of a loan, the amount of flood insurance coverage need not exceed the outstanding principal balance of the loan and may not exceed the maximum limit of coverage made available by the National Flood Insurance Act (NFIA) with respect to the particular type of building involved (SF-Single Family; OR-Other Residential; NR-Non-Residential; or SB-Small Business). For grants and other forms of financial assistance, the amount of flood insurance coverage must be at least equal to the development or project cost (less estimated land cost) or to the maximum limit of coverage made available by the NFIP with respect to the particular type of building involved, whichever is less. The total cost (Federal and nonfederal) of the Federally assisted project for acquiring, constructing, reconstructing, repairing, or improving the building is used to determine the dollar amount of flood insurance coverage. If the Federal assistance is used for any portion of the cost of any machinery, equipment, fixtures or furnishings, the total cost of such items must also be covered by flood insurance as a condition of approval of HUD assistance.

27-9 RESOLVING FINDINGS OF NONCOMPLIANCE. Non-compliance with Section 102(a), Section 202(a), or Section 582(a) is a finding for which specific corrective action is authorized. Corrective or remedial actions to resolve the finding may include an offer to provide technical assistance to the program participant's staff.

- A. Section 102(a). If the program participant has failed either to require flood insurance protection for an assisted SFHA building or to comply with the statutorily-prescribed period or dollar amount, a finding must be made and the program participant advised to correct the deficiency by a certain date. Such findings may be resolved by submitting **either** a current Policy Declarations form **or** a paid receipt for the current annual flood insurance premium and a copy of the application for flood insurance for any assisted SFHA building that is not in compliance. Where applicable, apprise the program participant that certain insurance costs may be eligible expenses under the HUD

assistance program and the program participant may wish to use such funds to help meet those costs.

- B. Section 202(a). If the program participant was suspended from or not participating in the NFIP, during which period the program participant provided financial assistance to an SFHA building, make a finding, advise the program participant of the statutory prohibition, offer technical assistance, and take appropriate action in accordance with the applicable program policy for non-compliance.
  - C. Section 582(a). If the program participant failed to deny HUD disaster assistance in a Special Flood Hazard Area to make a payment (including any loan assistance payment) to a person for repair, replacement or restoration for flood damage to any personal, residential or commercial property where
    - (1) the person had previously received Federal flood disaster assistance conditioned on obtaining and maintaining flood insurance; and
    - (2) the person failed to maintain flood insurance:make a finding, advise the program participant of the statutory prohibition, offer technical assistance, and take appropriate action in accordance with the applicable program policy for non-compliance.
- 27-10 POST-MONITORING ACTIONS. Copies of monitoring letters for flood insurance protection and completed Exhibits are to be provided to the Field Environmental Officer for oversight evaluation, for providing follow-up training for HUD program participants, and for resolution of any outstanding issues.
- 27-11 CHAPTER ATTACHMENTS AND EXHIBIT. This Chapter contains a single Exhibit and three attachments to assist HUD reviewers in monitoring for flood insurance protection. Evidence of noncompliance with Sections 102(a) or 202(a) of the Flood Disaster Protection Act or Section 582(a) of the National Flood Insurance Reform Act of 1994 requires the monitor to make a Finding.
- A. Attachment 27-1, “List of Covered Programs”. This Attachment lists the programs subject to this Handbook that are covered by the statutory requirements as referenced in HUD’s regulatory provisions at 24 CFR 50.4(b)(1), 58.6(a) and (b). The list identifies the name of the program and the regulation citation. The term “covered programs” applies to the CPD programs listed in Section 1-3 of this Handbook and for which field offices are responsible for program monitoring.
  - B. Attachment 27-2, “Sample Form of the National Flood Insurance Program – Policy Declarations.” This Attachment provides an example of a proof of purchase for national flood insurance. The Policy Declarations form is also referred to as “policy dec” page or renewal declarations, or renewal certificate. The insurer issues the Policy Declarations form when the insured

“renews” an existing flood insurance policy. NFIP follows the insurance industry practice: the supporting documents for proof of insurance or evidence of compliance are *either* a paid receipt for the annual flood insurance premium and a copy of the flood insurance application *or* a copy of the Policy Declarations form. This statutory requirement is explained in the Flood Insurance Manual “General Rules” Section page GR8 available at <http://www.fema.gov/business/nfip/manual.shtm>.

- C. Attachment 27-3, “Sample Application for National Flood Insurance.” This attachment provides HUD reviewers with a sample flood insurance application. In lieu of the Policy Declarations form, the insured may submit to the program participant a paid receipt for the flood insurance premium and a copy of the flood insurance application. The attachment also highlights a box (see Attachment 27-3A) that appears on the Sample Application that pertains to program participants’ receipt of flood insurance renewal and expiration notices from the insurer.
- D. Exhibit 27-1, “Guide for Review of Flood Insurance Protection:” This Exhibit is to be used for monitoring the program participant’s compliance with the legal requirements of Sections 102(a) and 202(a) of the Flood Disaster Protection Act of 1973 as amended, and Section 582(a) of the National Flood Insurance Reform Act of 1994. Monitoring ensures that Federal investments are properly safeguarded and that property owners are obtaining the benefit and protection of flood insurance as mandated by the law for buildings located in Special Flood Hazard Areas.



<b>List of Covered Programs</b>	
<b>CPD Program</b>	<b>Flood Insurance Reference<sup>2</sup></b>
Community Development Block Grant (CDBG) Entitlement, Small Cities, Insular Areas	24 CFR 570.605, National Flood Insurance Program 24 CFR 570.604, Environmental Standards 24 CFR 570.202(b)(7)(iii), Types of Assistance (Flood Insurance Premiums) 24 CFR 570.509(c)(4)(iv), Grant Closeout Procedures
Section 108 Loan Guarantees	24 CFR 570.707
Economic Development Initiative (EDI-SP) Grants	24 CFR 570.605
Brownfield Economic Development Initiative Grants	24 CFR 570.605
Emergency Shelter Grants (ESG)	24 CFR 576.57(e), Environmental Review Responsibilities
Empowerment Zones (EZ) Round Two	24 CFR 598.405, Environmental Review
HOME Investment Partnerships Program (HOME)	24 CFR 92.352, Environmental Review 24 CFR 92.508(a)(7)(iii), Record Keeping
Housing Opportunities for People with AIDS (HOPWA)	24 CFR 574.640, Flood Insurance Protection
Section 8 Moderate Rehabilitation Single Room Occupancy (SRO)	24 CFR 882.804(c)
Shelter Plus Care	24 CFR 582.230, Environmental Review
Supportive Housing	24 CFR 583.230, Environmental Review
Environmental Review Procedures for Entities Assuming HUD Environmental Responsibilities	24 CFR 58.6(a) and (b) 24 CFR 50.4(b)(1)
Rural Housing and Economic Development (RHED) Grants	24 CFR 50.4(b)(1) & CPD Notice 06-09

<sup>2</sup> The term “covered programs” applies to CPD programs listed in Section 1-3 of this Handbook and for which field offices are responsible for program monitoring.

Attachment 27-2  
Sample Form of the National Flood Insurance Program\*

**POLICY DECLARATIONS**

POLICY NUMBER FL2-0226-3478-1  
**POLICY TERM IS FROM: 04/20/05-04/20/06**  
12:01 A.M. TIME AT THE INSURED PROPERTY LOCATION.  
PAYOR IS INSURED

<u>PROGRAM PARTICIPANT’S NAME AND ADDRESS</u>	<u>INSURED’S NAME AND ADDRESS</u>
_____	_____
_____	_____
_____	_____

**AMOUNT OF COVERAGE:** BUILDING: \$60,000                      CONTENTS: \$20,000

DESCRIPTION OF BUILDING AND CONTENTS  
BUILDING: THREE OR MORE FLOORS WITH UNFINISHED BASEMENT  
                  A SINGLE FAMILY RESIDENCE  
CONTENTS: CONTENTS ON FIRST FLOOR AND ABOVE

RATING DATA

COMMUNITY NAME: WATERTOWN, BOROUGH OF: COMMUNITY NUMBER: 420052

REGULAR PROGRAM— ZONE A

BUILDING WAS CONSTRUCTED OR SUBSTANTIALLY IMPROVED PRIOR TO 5/16/77

RATING – COVERAGE IN HUNDREDS OF DOLLARS

BUILDING AND CONTENTS COVERAGE IN FORCE

\*\*\*\*\*BASIC\*\*\*\*\*ADDITIONAL\*\*\*\*\*

	<u>COVERAGE</u>	<u>RATE</u>	<u>PREMIUM</u>	<u>COVERAGE</u>	<u>RATE</u>	<u>PREMIUM</u>	<u>TOTAL PREMIUM</u>
BLDG:	350	0.30 --	\$105.00	250	0.20--	\$50.00	\$155.00
CONT:	100	0.40 --	\$40.00	100	0.15--	\$15.00	\$55.00

PROPERTY ADDRESS

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

ANNUAL SUBTOTAL: \$210.00  
EXPENSE

TOTAL PREMIUM PAID: \$255.00

INSURANCE AGENT’S NAME AND ADDRESS

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

PROGRAM PARTICIPANT PROJECT NUMBER: 013 04884 THESE **DECLARATIONS ARE AS OF** MARCH 2006.

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\*Similar proof of purchase forms are issued by private-sector insurance companies that are authorized to sell national flood insurance under the FEMA “Write Your Own” Program. **Note:** For the convenience of monitors, bold lettering was added to the text for certain key information data that reviewers are to review such as “**policy term**,” “**amount of coverage**,” and “**declarations are as of...**”.

Attachment 27-3  
Flood Insurance Protection

6905.2 REV-5 Chg. 2

Sample Application for National Flood Insurance

U.S. DEPARTMENT OF HOMELAND SECURITY  
FEDERAL EMERGENCY MANAGEMENT AGENCY

O.M.B. No. 1660-0006 Expires July 31, 2006  
PART 1 (OF 2) OF FLOOD INSURANCE APPLICATION

National Flood Insurance Program

IMPORTANT — PLEASE PRINT OR TYPE

CURRENT POLICY NUMBER

NEW

RENEWAL FL \_\_\_\_\_

**POLICY TERM**  
DIRECT BILL INSTRUCTIONS:  
 BILL INSURED  BILL FIRST MORTGAGE  
 BILL SECOND MORTGAGE  BILL LOSS PAYEE  
 BILL OTHER

POLICY PERIOD IS FROM \_\_\_\_\_ TO \_\_\_\_\_  
12:01 A.M. LOCAL TIME AT THE INSURED PROPERTY LOCATION

WAITING PERIOD:  STANDARD 30-DAY

INITIAL PURCHASE OF FLOOD INSURANCE RELATED TO:  
 LOAN—NO WAITING  MAP REV. (ZONE CHANGE FROM NON-SFHA TO SFHA)—ONE DAY

**AGENT INFORMATION**  
ADDRESS OF LICENSED PROPERTY OR CASUALTY INSURANCE AGENT OR BROKER: \_\_\_\_\_  
NAME, MAILING ADDRESS, AND TELEPHONE NO. OF INSURED: \_\_\_\_\_

AGENCY NO.: \_\_\_\_\_  
AGENTS TAX ID  OR SSN   
PHONE NO.: \_\_\_\_\_ FAX NO.: \_\_\_\_\_  
INSURED'S SOCIAL SECURITY NUMBER: \_\_\_\_\_

**DISAST. ASSIST.**  
IS INSURANCE REQUIRED FOR DISASTER ASSISTANCE?  YES  NO IF YES, CHECK THE GOVERNMENT AGENCY:  SBA  FEMA  FHA  
ENTER CASE FILE NUMBER OR INSURED'S SOCIAL SECURITY NUMBER \_\_\_\_\_  
 OTHER (SPECIFY): \_\_\_\_\_

**FIRST MORTGAGE**  
NAME AND ADDRESS OF FIRST MORTGAGEE \_\_\_\_\_  
LOAN NO.: \_\_\_\_\_ PHONE NO.: \_\_\_\_\_ FAX NO.: \_\_\_\_\_

**PROPERTY LOCATION**  
IS INSURED PROPERTY LOCATION SAME AS INSURED MAILING ADDRESS?  
 YES  NO IF NO, ENTER PROPERTY ADDRESS, IF RURAL, DESCRIBE PROPERTY LOCATION (DO NOT USE P.O. BOX.)

**COMMUNITY**  
NAME OF COUNTY/PARISH \_\_\_\_\_ LOCATED IN AN UNINCORPORATED AREA OF THE COUNTY?  YES  NO  
COMMUNITY NO./PANEL NO. AND SUFFIX FOR LOCATION OF PROPERTY INSURED \_\_\_\_\_  
IS BUILDING IN SPECIAL FLOOD HAZARD AREA?  YES  NO FLOOD INSURANCE RATE MAP ZONE \_\_\_\_\_ COMMUNITY PROGRAM TYPE IS:  
 REGULAR  EMERGENCY

**BUILDING**  
BUILDING OCCUPANCY: SINGLE FAMILY, 2-4 FAMILY, OTHER RESIDENTIAL, NON-RESIDENTIAL (INCLUDING HOTEL/MOTEL)  
NUMBER OF FLOORS IN ENTIRE BUILDING (INCLUDE BASEMENT/ENCLOSED AREA, IF ANY), OR BUILDING TYPE: 1, 2, 3 OR MORE SPLIT LEVEL, TOWNHOUSE/ROWHOUSE (RCBAP LOWRISE ONLY), MANUFACTURED (MOBILE) HOME ON FOUNDATION  
RESIDENTIAL CONDOMINIUM BUILDING ASSOCIATION POLICY ONLY: TOTAL NUMBER OF UNITS (INCLUDE NON-RISE); HIGH-RISE, LOW-RISE  
ESTIMATED REPLACEMENT COST IF SINGLE FAMILY PRINCIPAL RESIDENCE (RCBAP OR ANY V-ZONE BUILDING AMOUNT \$)  
IS BUILDING INSURED'S PRINCIPAL RESIDENCE?  YES  NO  
IS THIS BUILDING IN THE COURSE OF CONSTRUCTION?  YES  NO  
DEDUCTIBLE: BUILDING \$, CONTENTS \$, DEDUCTIBLE BLYBACK: YES, NO  
IS BUILDING ELEVATED?  YES  NO  
IF BUILDING IS ELEVATED, COMPLETE PART 2 OF THE FLOOD INSURANCE APPLICATION  
IF YES, AREA BELOW IS: FREE OF OBSTRUCTION, WITH OBSTRUCTION  
DESCRIBE BUILDING AND USE IF NOT A 1-4 FAMILY DWELLING FOR MANUFACTURED (MOBILE) HOMES, COMPLETE PART 2, SECTION III

**CONTENTS**  
DOES INSURED QUALIFY AS A SMALL BUSINESS RISK?  YES  NO  
CONDO COVERAGE IS FOR:  UNIT  ENTIRE BUILDING  
IS INSURED PROPERTY OWNED BY STATE GOVERNMENT?  YES  NO  
CONTENTS LOCATED IN:  BASEMENT/ENCLOSURE  BASEMENT/ENCLOSURE AND ABOVE  LOWEST FLOOR ONLY ABOVE GROUND LEVEL  
 LOWEST FLOOR ABOVE GROUND LEVEL AND HIGHER  ABOVE GROUND LEVEL MORE THAN ONE FULL FLOOR (IF SINGLE FAMILY, CONTENTS ARE RATED THROUGHOUT THE BUILDING)

**CONSTRUCTION DATA**  
IS PERSONAL PROPERTY HOUSEHOLD CONTENTS?  YES  NO IF NO, PLEASE DESCRIBE: \_\_\_\_\_  
ALL BUILDINGS: CHECK ONE OF THE FIVE BLOCKS:  BUILDING PERMIT DATE OR  DATE OF CONSTRUCTION \_\_\_\_/\_\_\_\_/\_\_\_\_ (MM/DD/YY)  
 SUBSTANTIAL IMPROVEMENT DATE \_\_\_\_/\_\_\_\_/\_\_\_\_ (MM/DD/YY)  MANUFACTURED (MOBILE) HOMES LOCATED IN A MOBILE HOME PARK OR SUBDIVISION: CONSTRUCTION DATE OF MOBILE HOME PARK OR SUBDIVISION FACILITIES \_\_\_\_/\_\_\_\_/\_\_\_\_ (MM/DD/YY)  
 MANUFACTURED (MOBILE) HOMES LOCATED OUTSIDE A MOBILE HOME PARK OR SUBDIVISION: DATE OF PERMANENT PLACEMENT \_\_\_\_/\_\_\_\_/\_\_\_\_ (MM/DD/YY)  
IS BUILDING POST-FIRM CONSTRUCTION?  YES  NO BUILDING DIAGRAM NUMBER \_\_\_\_\_ LOWEST ADJACENT GRADE (LAG) \_\_\_\_\_  
IF POST-FIRM CONSTRUCTION IN ZONES A, AI-A30, AE, AO, AH, V1-V30, VE, OR IF PRE-FIRM CONSTRUCTION IS ELEVATION RATED, ATTACH CERTIFICATION.  
LOWEST FLOOR ELEVATION \_\_\_\_\_ (-) BASE FLOOD ELEVATION \_\_\_\_\_ (=) DIFFERENCE TO NEAREST FOOT \_\_\_\_\_ (+ OR -)  
IN ZONES A AND V1-V30 ONLY DOES BASE FLOOD ELEVATION INCLUDE EFFECTS OF WAVE ACTION?  YES  NO IS BUILDING FLOOD-PROOFED?  YES  NO  
(SEE FLOOD INSURANCE MANUAL FOR CERTIFICATION FORM.)  
ELEVATION CERTIFICATION DATE \_\_\_\_\_

**COVERAGE AND RATING**  
COVERAGE REQUESTED—CHECK ONE BLOCK:  BUILDING AND CONTENTS  BUILDING ONLY  CONTENTS ONLY

COVERAGE	BASIC LIMITS			ADDITIONAL LIMITS (REGULAR PROGRAM ONLY)			DEDUCTIBLE	BASIC AND ADDITIONAL	TOTAL PREMIUM
	AMOUNT OF INSURANCE	RATE	ANNUAL PREMIUM	AMOUNT OF INSURANCE	RATE	ANNUAL PREMIUM			
BUILDING			.00			.00	.00		.00
CONTENTS			.00			.00	.00		.00

RATE TYPE: (ONE BUILDING PER POLICY—BLANKET COVERAGE NOT PERMITTED)  
 MANUAL  SUBMIT FOR RATING  
 ALTERNATIVE  V-ZONE RISK FACTOR RATING FORM  
 MORTGAGE PORTFOLIO PROTECTION PROGRAM  
 PROVISIONAL RATING

PAYMENT OPTION:  
 CREDIT CARD  
 OTHER:

ANNUAL SUBTOTAL \$ \_\_\_\_\_  
ICC PREMIUM \_\_\_\_\_  
SUBTOTAL \_\_\_\_\_  
CRS PREMIUM DISCOUNT \_\_\_\_\_ %  
SUBTOTAL \_\_\_\_\_  
PROBATION SURCHARGE + \_\_\_\_\_  
FEDERAL POLICY FEE + \_\_\_\_\_  
TOTAL PREPAID AMOUNT \$ \_\_\_\_\_

THE ABOVE STATEMENTS ARE CORRECT TO THE BEST OF MY KNOWLEDGE. I UNDERSTAND THAT ANY FALSE STATEMENTS MAY BE PUNISHABLE BY FINE OR IMPRISONMENT UNDER APPLICABLE FEDERAL LAW. SEE REVERSE SIDE OF COPIES 2, 3, & 4

SIGNATURE OF INSURANCE AGENT/BROKER \_\_\_\_\_ DATE (MM/DD/YY) \_\_\_\_\_ (OVER)

FEMA Form 81-16, JUL 03 PLEASE ATTACH TO NFIP COPY OF APPLICATION THE CHECK OR MONEY ORDER FOR THE TOTAL PREPAID PREMIUM MADE PAYABLE TO THE NATIONAL FLOOD INSURANCE PROGRAM F-050 (12/04)  
IMPORTANT — COMPLETE PART 1 AND, IF REQUIRED, PART 2 (ON LAST PAGE) BEFORE SENDING APPLICATION TO THE NFIP.— IMPORTANT

**U.S. DEPARTMENT OF HOMELAND SECURITY  
FEDERAL EMERGENCY MANAGEMENT AGENCY**  
National Flood Insurance Program

O.M.B. No. 1660-0006 Expires July 31, 2006  
PART 2 (OF 2) OF FLOOD INSURANCE APPLICATION

ALL APPROPRIATE DATA PROVIDED BY THE INSURED OR OBTAINED FROM THE ELEVATION CERTIFICATE SHOULD BE REVIEWED AND TRANSCRIBED BELOW. THIS PART OF THE APPLICATION MUST BE COMPLETED FOR THE FOLLOWING BUILDING TYPES:

- 1. Post-FIRM construction located in Zones A, A1-A30, AE, AH, AO, V, V1-V30, and VE.
- 2. Pre-FIRM construction located in Zones A, A1-A30, AE, AH, AO, V, V1-V30, and VE when using optional Post-FIRM rating.

CURRENT POLICY NUMBER	
<input type="checkbox"/> NEW	FL _____
<input type="checkbox"/> RENEWAL	IF NEW, LEAVE BLANK

**SECTION I—ALL BUILDING TYPES**

1. Diagram number selected from Building Diagrams 1-8:

2. The lowest floor is (round to nearest foot):  
 feet  above  below (check one) the lowest ground (grade) immediately next to the building.

3. The garage floor (if applicable) or elevated floor (if applicable) is (round to nearest foot):  
 feet  above  below (check one) the lowest ground (grade) immediately next to the building.

4. Machinery or equipment located at a level lower than the lowest floor is (round to nearest foot):  
 feet below the lowest floor.

5. Site location

a) Approximate distance of site location to nearest shoreline:  
 Less than 200 feet     500 to 1000 feet  
 200 to 500 feet     More than 1000 feet

b) Source of flooding:  
 Ocean     River/stream  
 Lake     Other: \_\_\_\_\_

6. Basement/Subgrade Crawl Space

a) Is the basement/subgrade crawl space floor below grade on all sides?  
 Yes  No

b) Does the basement/subgrade crawl space contain machinery or equipment?  Yes  No

7. Garage

a) Is the garage attached to or part of the building?  
 Yes  No

b) Total area of the garage: \_\_\_\_\_ square feet.

c) Are there any openings (excluding doors) that are designed to allow the passage of flood waters through the garage?  
 Yes  No

If yes, number of permanent openings (flood vents) within 1 foot above the adjacent grade: \_\_\_\_\_. Total area of all permanent openings (flood vents): \_\_\_\_\_ square inches.

d) Is the garage used solely for parking of vehicles, building access, and/or storage?  
 Yes  No

e) Does the garage contain machinery or equipment?  
 Yes  No

If yes, check the appropriate items:  
 Furnace     Heat pump     Air conditioner  
 Hot water heater     Fuel tank     Cistern  
 Elevator equipment     Washer & dryer     Food freezer  
 Other equipment or machinery servicing the building

**SECTION II—ELEVATED BUILDINGS  
(Including Manufactured [Mobile] Homes / Travel Trailers)**

8. Elevating foundation of the building: \_\_\_\_\_ square feet.

c) Is the area below the elevated floor enclosed using materials?  
 Yes  No

**SECTION III—MANUFACTURED (MOBILE) HOMES / TRAVEL TRAILERS**

11. Manufactured (Mobile) Home Data:  
 Make: \_\_\_\_\_  
 Year of manufacture: \_\_\_\_\_  
 Model number: \_\_\_\_\_  
 Serial number: \_\_\_\_\_

12. Manufactured (mobile) home dimensions: \_\_\_\_\_ x \_\_\_\_\_ feet.

13. Are there any permanent additions or extensions to the manufactured (mobile) home?  
 Yes  No  
 If yes, the dimensions are: \_\_\_\_\_ x \_\_\_\_\_ feet.

14. The manufactured (mobile) home's anchoring system utilizes:  
 Over-the-top ties     Ground anchors  
 Frame ties     Slab anchors  
 Frame connectors     Other: \_\_\_\_\_

15. The manufactured (mobile) home was installed in accordance with:  
 Manufacturer's specifications  
 Local floodplain management standards  
 State and/or local building standards

16. Is the manufactured (mobile) home located in a manufactured (mobile) home park/subdivision?  
 Yes  No

THE ABOVE STATEMENTS ARE CORRECT TO THE BEST OF MY KNOWLEDGE. I UNDERSTAND THAT ANY FALSE STATEMENTS MAY BE PUNISHABLE BY FINE OR IMPRISONMENT UNDER APPLICABLE FEDERAL LAW.

\_\_\_\_\_  
 DATE (mm/dd/yy)

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\_\_\_\_\_ square feet.  Yes  No

**SECTION III—MANUFACTURED (MOBILE) HOMES / TRAVEL TRAILERS**

11. Manufactured (Mobile) Home Data:  
 Make: \_\_\_\_\_  
 Year of manufacture: \_\_\_\_\_  
 Model number: \_\_\_\_\_  
 Serial number: \_\_\_\_\_

12. Manufactured (mobile) home dimensions: \_\_\_\_\_ x \_\_\_\_\_ feet.

13. Are there any permanent additions or extensions to the manufactured (mobile) home?  
 Yes  No  
 If yes, the dimensions are: \_\_\_\_\_ x \_\_\_\_\_ feet.

14. The manufactured (mobile) home's anchoring system utilizes:  
 Over-the-top ties     Ground anchors  
 Frame ties     Slab anchors  
 Frame connectors     Other: \_\_\_\_\_

15. The manufactured (mobile) home was installed in accordance with:  
 Manufacturer's specifications  
 Local floodplain management standards  
 State and/or local building standards

16. Is the manufactured (mobile) home located in a manufactured (mobile) home park/subdivision?  
 Yes  No

THE ABOVE STATEMENTS ARE CORRECT TO THE BEST OF MY KNOWLEDGE. I UNDERSTAND THAT ANY FALSE STATEMENTS MAY BE PUNISHABLE BY FINE OR IMPRISONMENT UNDER APPLICABLE FEDERAL LAW.

\_\_\_\_\_  
 DATE (mm/dd/yy)

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Attachment 27-3A  
Flood Insurance Protection

Box from the Sample Application for National Flood Insurance

IF SECOND MORTGAGEE, LOSS PAYEE OR OTHER IS TO BE BILLED, THE FOLLOWING MUST BE COMPLETE, INCLUDING NAME AND ADDRESS:	
<input type="checkbox"/> 2 <sup>ND</sup> MORTGAGEE  <input type="checkbox"/> LOSS PAYEE	<input type="checkbox"/> DISASTER AGENCY  1. <input type="checkbox"/> IF OTHER, PLEASE SPECIFY
2. ATTN: _____	
CONTACT NAME: _____ E-MAIL: _____	
3. LOAN NO: _____ PHONE NO: _____ FAX NO: _____	

As discussed in Section 27-5, Documentation, the insured (i.e., the property owner of the HUD assisted SFHA property) has its insurer (i.e., the National Flood Insurance Program (NFIP) or any property insurance company offering coverage under the NFIP) automatically forward to the program participant, in the same manner as to the insured, information copies of the Policy Declarations form issued for verification of compliance with the Act.

If the SFHA property owner is purchasing flood insurance for the first time, then a paid receipt for the annual flood insurance premium and a copy of the application for flood insurance is documentation of compliance, **only** if the above noted box is completed so that the program participant is registered to automatically receive the same notices of expiration and notices of renewal mailed to the SFHA property owner.

Program participants and HUD staff monitoring program participants should review the information contained in this box for completeness and to determine whether the program participant is on record to receive, in the same manner as the insured, notices of expiration and renewal of flood insurance protection. This box is normally completed by the flood insurance agent at the request of the applicant for flood insurance. In the absence of a current Policy Declarations form, the program participant is to receive a copy of the paid receipt for the annual flood insurance premium and a copy of the application for flood insurance. Subsequent annual notices of any expiration and renewal of flood insurance policy of the insured are mailed to the address shown in this box. The numbers in Attachment 27-3A have been added to the box copied from the sample application for flood insurance. These numbers refer to corresponding paragraphs below, which discuss the type of information that should appear next to each numbered item or as an attachment to the application.

1. A checkmark and the words “HUD Assistance” should appear as information for the box showing the sentence: “If other, please specify.”

2. The following information should appear in the address box.. Add the abbreviation "ATTN:" and provide the program participant's name, street address, and zip code; contact name and contact's e-mailing address.
3. If the SFHA property owner received a loan, then the loan number would appear on the "loan no:." If the SFHA property owner received a grant, then the grant number would appear and the word "loan" would be replaced with the word "grant." Provide the phone and FAX numbers for the contact name.