

**Date:** [Insert Date]

**Property Address:** [Insert Property Address]

**Loan Number:** [Insert Loan Number]

**Subject: Notification of Special Flood Hazard Area (SFHA) Designation**

Dear [Borrower Name],

We are writing to inform you that the building or mobile home securing your loan is located in an area with special flood hazards, as identified by the Federal Emergency Management Agency (FEMA).

The property has been determined to be in **Flood Zone [Insert Zone, e.g., A or AE]** on Flood Insurance Rate Map (FIRM) panel number **[Insert Panel Number]**, dated **[Insert Map Date]**.

**Flood Insurance Requirement:**

Federal law requires that flood insurance be obtained and maintained for the life of the loan. If you do not have adequate flood insurance coverage in place, you are required to purchase it immediately. The minimum coverage required is the lesser of:

- The outstanding principal balance of the loan; or
- The maximum limit of coverage available for the particular type of property under the National Flood Insurance Act; or
- The full insurable value of the property.

**Next Steps:**

Please provide proof of flood insurance coverage to our office within [Insert Number] days. You may obtain coverage through the National Flood Insurance Program (NFIP) or through a private insurance provider that meets federal requirements.

**Availability of Disaster Assistance:**

In the event of a presidentially declared disaster, federal disaster relief assistance may be available. However, this assistance is usually in the form of a loan and may be limited if you do not maintain flood insurance.

If you have any questions regarding this notification or the insurance requirements, please contact our customer service department at [Insert Phone Number].

Sincerely,

[Lender Name]

[Lender Address]

[Contact Information]