

[Company Name]
[Company Address]
[City, State, Zip Code]
[Phone Number]

[Date]

[Borrower Name]
[Borrower Mailing Address]
[City, State, Zip Code]

RE: Notice of Special Flood Hazards and Availability of Federal Disaster Relief Assistance

Property Address: [Subject Property Address]

Dear [Borrower Name],

We are writing to inform you that the property identified above, which will serve as collateral for your upcoming loan, has been determined to be located in a Special Flood Hazard Area (SFHA).

As a condition of your loan closing, federal law requires that flood insurance be obtained and maintained for the life of the loan. Please review the following requirements:

- **Insurance Coverage:** You must obtain flood insurance in an amount at least equal to the lesser of: the outstanding principal balance of the loan, the maximum amount available under the National Flood Insurance Program (NFIP), or the full replacement cost value of the improvements.
- **Evidence of Insurance:** A formal policy, an application with proof of premium payment, or a declarations page must be provided to us prior to the scheduled closing date.
- **Escrow Requirement:** If your loan requires an escrow account for taxes and insurance, your flood insurance premiums will also be escrowed.

You may purchase flood insurance through the National Flood Insurance Program (NFIP) or through a private insurance carrier, provided the private policy meets the "Standard Flood Insurance Policy" requirements defined by federal regulation.

Please contact your insurance agent immediately to secure a policy. Failure to provide proof of adequate coverage may result in a delay of your loan closing.

If you have any questions regarding this requirement, please contact your Loan Officer at [Loan Officer Phone/Email].

Sincerely,

[Sender Name]
[Title]
[Company Name]

Acknowledgment of Receipt: I/We hereby acknowledge receipt of this notice regarding the flood insurance requirements for the property listed above.

Borrower Signature

Date