



Flood Zone Property Disclosure and Addendum

This disclosure and addendum is made part of the HUD Sales Contract 9548 for the property referenced below. The FHA appraiser has identified the below referenced property as being in a designated flood zone. This addendum is not required for vacant land sales or properties sold to ACA partners, in which the property is scheduled for demolition, or for properties sold without any form of Federal Assistance. Federal assistance is defined as including discounts, Purchase Money Mortgages (PMM), sales incentives, and closing cost assistance.

FHA Case #: _____ Property Address: _____
 Appraiser identified this property as being in Flood Zone: ____ Map: _____ Date: _____
 This community **does** ____ or **does not** ____ participate in the National Flood Hazard Insurance Program (NFIP).

Note: Purchaser must complete appropriate field prior to submission. Purchaser should contact their insurance company or FEMA (<http://www.fema.gov/fema/csb.shtm>) to verify flood zone and determine community participation. If the community does not participate, property is not eligible for FHA financing, discounts, PMMs or other FHA assistance, and must be sold "uninsured."

Purchaser and Seller agree that as a condition of sale for all FHA insured properties, purchasers of all HUD homes located in a special flood hazard area (SFHA) and where flood insurance is available through the NFIP are required to obtain flood insurance and that the following conditions of sale apply:

- A. Coverage shall be in an amount equal to or greater than the replacement value of the improvements as indicated in the appraisal (excludes land value and depreciation).
- B. Purchaser must maintain flood insurance for the duration of their ownership and make flood insurance a condition of any future sale.
- C. Purchaser must provide seller with evidence of required flood insurance prior to closing.**
- D. Per Mortgagee Letter 2010-43 and 2009-16, that manufactured homes located in a special flood zone, are not eligible for FHA financing unless:
 - The purchaser obtains from FEMA a final Letter of Map Amendment (LOMA) or final Letter of Map Revision (LOMR) that removes the property from the SFHA. If a LOMA or LOMR is obtained, it removes the asset from SFHA, so neither flood insurance nor a flood elevation certificate is required.
 - OR
 - The lender obtains a FEMA National Flood Insurance Program Elevation Certificate, if not removed from the SFHA by a LOMA or LOMR. The elevation certificate must document that the lowest floor (including basement) of the residential building and all related improvements and equipment essential to the value of the property, are built at or above the 100-year flood elevation in compliance with NFIP criteria. This must be prepared by a licensed engineer or surveyor.
- E. Purchaser acknowledges that neither the Seller, their Asset Manager, nor the listing or selling broker or agent involved in this transaction have made any representations or warranties concerning the actual or precise flood zone boundary.

 Purchaser Signature **(Required)** _____
Date

 Purchaser Signature **(Required)** _____
Date

 Selling Agent Signature **(Required)** _____
Date

This section for BLB Resources, Inc. use only

BLB Resources Processed by: _____ Date: _____

All Contract Areas – Rev. 7-18-12 All previous versions are obsolete.
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