



CITY OF NOVI
COMMUNITY DEVELOPMENT DEPARTMENT
45175 W. Ten Mile
Novi, MI 48375
(248) 347-0415
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Date:

RE: Flood Insurance Rate Map Information

To Whom It May Concern:

The property located at: _____, also known as (legal description if needed) _____ has been located on the City's Flood Insurance Rate Map (FIRM). The following information is provided:

City of Novi's community number: 260175

The property is located on panel number: _____, Suffix: _____.

The date of the FIRM index: May 3, 1993.

The property is located in FIRM zone: _____.

The main building on the property:

_____ is located in a Special Flood Hazard Area. The base flood elevation at the property is: _____, NGVD. Federal law requires that a flood insurance policy be obtained as a condition of a federally-backed mortgage or loan that is secured by the building. It is up to the lender to determine whether flood insurance is required for a property. More information on flood insurance is attached.

_____ is not located in a Special Flood Hazard Area. However, the property may still be subject to local drainage problems or other unmapped flood hazard. Flood insurance is available and may be obtained at non-floodplain rates. A flood insurance policy may be required by a lender.

_____ A determination of the building's exact location cannot be made on the FIRM. A copy of the FIRM is attached for your information.

NOTE: This information is based on the Flood Insurance Rate Map for the City. This letter does not imply that the reference property will or will not be free from flooding or damage. A property not in a Special Flood Hazard Area may be damaged by a flood greater than that predicted on the FIRM or from a local drainage problem not shown on the map. This letter does not create liability on the part of the City, or any officer or employee thereof, for any damage that results from reliance on this information.

Building Official

Flood Insurance

NFIP: This community participates in the National Flood Insurance Program (NFIP). The NFIP makes federally back flood insurance available for all buildings, whether they are in a floodplain or not. Flood insurance covers direct losses caused by surface flooding, including a river flowing over its banks, a lake or ocean storm, and local drainage problems.

The NFIP insures buildings, including mobile homes, with two types of coverage: structural and contents. Structural coverage is for the walls, floors, insulation, furnace, and other items permanently attached to the structure. Contents coverage may be purchased separately provided the contents are in an insurable building.

Mandatory Purchase Requirement: The mandatory purchase requirement applies to all forms of federal or federally related financial assistance for buildings located in a Special Flood Hazard Area (SFHA). This requirement affects loans and grants for the purchase, construction, repair, or improvement of any publicly or privately owned building in the SFHA, including machinery, equipment, fixtures, and furnishings contained in such buildings.

Financial assistance programs affected include loans and grants from agencies such as the Department of Veterans Affairs, Farmers Home Administration, Federal Housing Administration, Small Business Administration, and Federal Emergency Management Agency. The requirement also applies to secured mortgage loans from financial institutions, such as commercial lenders, savings and loan associations, savings banks, and credit unions that are regulated, supervised or insured by Federal agencies such as the Federal Deposit Insurance Corporation and the Office of Thrift Supervision. It also applies to all mortgage loans purchased by Fannie Mae or Freddie Mac in the secondary mortgage market.

How it Works: Before a person can receive a loan or other financial assistance from one of the affected agencies or lenders, there must be a check to see if the building is in a Special Flood Hazard Area (SFHA). The SFHA is the base (100-year) floodplain mapped on a Flood Insurance Rate Map (FIRM). It is shown as one or more zones that begin with the letter "A" or "V."

Copies of the FIRM are available for review in most local government building or planning departments. Many lenders and insurance agents also have copies. It is the agency's or the lender's responsibility to check the FIRM to determine if the building is in an SFHA, although many communities provide assistance.

If the building is in a SFHA, the agency or lender is required by law to require the recipient to purchase a flood insurance policy on the building. The requirement is for structural coverage equal to the amount of the loan (or other financial assistance) or the maximum amount available, whichever is less. The maximum amount available for a single-family house is \$250,000.

The mandatory purchase requirement does not affect loans or financial assistance for items that are not covered by a flood insurance policy, such as vehicles, business expenses, landscaping, and vacant lots. It does not affect loans for buildings that are not in the SFHA, even though a portion of the lot may be floodprone. While not mandated by law, a lender may require a flood insurance policy as a condition of a loan for a property in any zone on a Flood Insurance Rate Map.