



**FROM THE
TOWN OF
FARMVILLE
PLANNING
DEPARTMENT**



**BASIC
INFORMATION
ABOUT FLOOD
INSURANCE**

NFIP: This community participates in the National Flood Insurance Program (NFIP). The NFIP makes federally backed flood insurance available for all buildings, whether they are in a floodplain or not. Flood insurance covers direct loss caused by surface flooding, including a river overflowing 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 Veteran's Affairs, Farmer's 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 Corporations 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 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." To determine if your property is located within a SFHA you can contact the Planning Department of the Town of Farmville at (252) 753-5921 or you can view Digital Flood Insurance Rate Maps (DFIRM's) online at www.ncfloodmaps.com.

Copies of the FIRM and elevation certificates required for buildings and structures since 1999 are available for the Town of Farmville and its Extraterritorial Jurisdiction (ETJ) at Town Hall located at 3276 North Main Street (telephone: 252-753-5921). Pitt County Planning has copies of FIRM's for the unincorporated area surrounding the ETJ of the Town of Farmville.

If the building is in an 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 built in the SFHA, even though a portion of the lot may be floodprone. While not mandated under law, a lender may require a flood insurance policy for a property in any zone on a Flood Insurance Rate Map.