




FEMA

## Memorandum

W-04011

To: WYO Company Principal Coordinators and  
NFIP Servicing Agent

From: Anthony S. Lowe   
Director  
Mitigation Division  
Emergency Preparedness and Response Directorate

Date: March 10, 2004

Re.: Claim Payments on Enclosures at or above the Base Flood Elevation (BFE)

Recent claims adjustments from Hurricane Isabel have shown that some elevated buildings in A zones are situated on land that is at or above the BFE. Payments for enclosures and their contents for such buildings are being limited based on the elevated building coverage limitation in the Standard Flood Insurance Policy (III. Property Covered, A.8.). The elevated building coverage limitation will not apply if owners of such buildings apply for and receive a Letter of Map Amendment (LOMA) or a Letter of Map Revision (LOMR) removing the property from the Special Flood Hazard Area (SFHA), even if the LOMA or LOMR application is made after the claim. (See attached Policy Issuance.) LOMAs and LOMRs are granted only if the elevation of the lowest adjacent grade next to the building is at or above the BFE.

NFIP insurers should immediately begin reviewing closed and open claims resulting from Hurricane Isabel to see if any meet these criteria.

Qualifying insureds should be notified of the LOMA or LOMR opportunity and the process involved in obtaining one. Information for this can be found on the NFIP portion of FEMA's web site for flood hazard mapping at [www.fema.gov/fhm/ot\\_lmreq.shtm](http://www.fema.gov/fhm/ot_lmreq.shtm), where information, tutorials, and the necessary forms can be downloaded. For those with questions or without access to the Internet, the FEMA Map Assistance Center at 1-877-336-2627 should be contacted. Depending on what form is required, there may be charges or fees for processing the request.

In addition, insureds should be informed that removing a building from the SFHA with a LOMA or LOMR could increase their premium. If so, they will be required to pay additional premium for the policy term applying to the loss as well as one prior policy term if one existed. To expedite processing of requests for

LOMAs or LOMRs in this situation, the insured should not send the request to the address on the web site or on the forms. Instead, completed forms, with fees if appropriate, should be sent to the following address: FEMA, 500 C Street, SW, Room 433, Washington, DC 20472 to the attention of the Underwriting Section. Applying to FEMA for a LOMA or LOMR should not stop any open claim payment from proceeding based on the elevated building coverage limitation. In the event the request is approved, a supplemental claim payment can be made.

cc: Vendors, IBHS, FIPNC, WYO Marketing Committee,  
Government Technical Representative

Required Routing: Claims, Underwriting

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# National Flood Insurance Program

## Policy Issuance 1-2004

**Subject:** Elevated Building Coverage Limitations – Map Changes

**Background:** The NFIP has received Hurricane Isabel claims for elevated buildings with enclosures in A zones with lowest adjacent grade elevations at or above the Base Flood Elevation.

Under the Standard Flood Insurance Policy (SFIP), limited coverage exists for enclosures below the lowest elevated floor of an elevated building for Post-FIRM buildings located in Special Flood Hazard Areas (SFHAs), which include the A zones listed in the elevated building coverage limitation of the SFIP (III. Property Covered, A.8.). Correctly, NFIP insurers have been applying the elevated building coverage limitation to these enclosures and their contents.

**Policy Decision:** Where the NFIP map shows a property as being in the A zones listed in the elevated building coverage limitation of the SFIP, so that the elevated building coverage limitation applies, that limitation will not apply if the insured obtains a Letter of Map Amendment (LOMA) or Letter of Map Revision (LOMR) removing the property from the SFHA, even though application for the LOMA or LOMR is made after the claim.

March 9, 2004

Date



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Anthony S. Lowe  
Director  
Mitigation Division  
Emergency Preparedness  
and Response Directorate