



FEMA

W-04060

September 16, 2004

MEMORANDUM TO: Write Your Own (WYO) Principal Coordinators and  
NFIP Servicing Agent for Dissemination to All Claims Managers

FROM: James S.P. Shortley, Director of Claims  
Claims Section, Risk Insurance Branch  
Mitigation Division

SUBJECT: Substantially Damaged Structures

On September 15, 2004, and continuing, Hurricane Ivan caused moderate to extensive damage to residential and commercial properties in the states of Alabama, Florida, Louisiana, and Mississippi. Early reports indicate that substantially damaged property may result. Please ensure that your claims adjusters follow the guidelines below. Their cooperation will help expedite the community officials' determination of substantially damaged buildings.

- It is mandatory for adjusters to continue to report the statistics promptly.
- After conducting the inspection of the building and identifying it as meeting the criteria for substantial damage, the adjuster is required to enter the information for that building on the attached "**Adjuster Preliminary Damage Assessment**" form. The form will continue to be used to capture critical information during the adjustment phase.
- Even though the form allows entries for two separate policies, adjusters should not hold the form while awaiting additional or final claims information. **The form must be submitted to the NFIP Bureau and Statistical Agent as soon as the information is complete for a single policy.**
- Adjusters are required to submit daily reports of substantially damaged properties to the NFIP Bureau, by fax at 1-800-457-4232 or by mail to P.O. Box 310, Lanham, MD 20706.
- The Bureau will ensure that the information is given to FEMA and local community officials.

We recognize the tremendous job that community officials have in handling the substantial damage issue. In many instances, they must survey widespread areas of damage with limited resources. However, by observing the guidelines above, adjusters can help us provide community officials with timely, accurate information that will allow them to make expeditious determinations of substantially damaged buildings.

We ask for your full support. If there are any questions, please let me know.

Enclosure

cc: Vendors, IBHS, and Government Technical Representative  
Required Routing: Claims and Underwriting

FEDERAL EMERGENCY MANAGEMENT AGENCY  
NATIONAL FLOOD INSURANCE PROGRAM

## ADJUSTER PRELIMINARY DAMAGE ASSESSMENT

**WYO Company:** \_\_\_\_\_ **Date of Loss:** \_\_\_\_\_

**Adjuster:** \_\_\_\_\_ **FICO Number:** \_\_\_\_\_

This form is to be used for advisory purposes in helping FEMA and communities identify potential substantially damaged buildings. The adjuster will use "replacement cost" when completing this form; however, the community is required under the National Flood Insurance Program to use "market value" in determining substantial damage.

PLEASE PRINT LEGIBLY

<b>Policyholder:</b> _____	<b>Policy Number:</b> _____
<b>Property Address: (include state and ZIP Code)</b> _____	
_____	
_____	
<b>** Probable Repair Cost</b> _____	
<b>Building Replacement Cost Value: \$</b> _____	
<b>Building Actual Cash Value: \$</b> _____	

<b>Policyholder:</b> _____	<b>Policy Number:</b> _____
<b>Property Address: (include state and ZIP Code)</b> _____	
_____	
_____	
<b>** Probable Repair Cost</b> _____	
<b>Building Replacement Cost Value: \$</b> _____	
<b>Building Actual Cash Value: \$</b> _____	

\*\* This is an estimate of the cost to repair the building to its pre-flood condition.

The information contained in this transmittal is legally privileged and confidential. Its use is protected under the Privacy Act of 1974, 5 U.S.C. Section 552 (a). This information is provided for use by states and communities participating in the NFIP to determine potential substantially damaged buildings, and should only be utilized consistent with the purposes stated in the "Routine Uses" published in the Federal Register.