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If I disagree with my lender's determination that I am in a floodplain, what can I do?

Question

If I disagree with my lender's determination that I am in a floodplain, what can I do?

Answer

In some cases, a lender determines that a property is in the Special Flood Hazard Area (SFHA), but the property owner disagrees. The SFHA is also known as the 100-year floodplain. It is more precisely defined as the floodplain associated with a flood that has a 1-percent annual chance of being equaled or exceeded in any given year. Therefore the SFHA is not a flood event that happens once in a hundred years, rather a flood event that has a 1-percent chance of occurring every year. Property owners in this situation have a couple of options. They may apply for a Letter of Map Amendment (LOMA), or a Letter of Map Revision - based on Fill (LOMR-F) (if fill placement is the basis of the request). In addition, property owners may apply for a Letter of Determination Review (LODR).

Forms for these purposes can be found on our web site at http://www.fema.gov/fhm/frm_main.shtm. The following paragraphs describe first the LOMA or LOMR-F process, followed by the LODR process.

Upon receiving a completed MT-EZ (for LOMAs) or MT-1 (for LOMR-Fs) application, FEMA reviews property-specific information (including surveyed elevation data, typically the elevation of the lowest adjacent grade of the structure in question, provided by a licensed land surveyor Note: the homeowner may be required to hire a land surveyor to perform this elevation survey, if this data is not readily available), and makes a final flood zone determination for the property. Once an application and all necessary data are received, the determination is normally issued within 30 - 60 days. If the LOMA or LOMR-F removes the SFHA designation from the property, it can then be presented to the lender as proof that there is no Federal flood insurance requirement for the property. However, even though a LOMA or LOMR-F may waive the Federal requirement for flood insurance, a lender retains the prerogative to require flood insurance. No fee is charged for the review of a LOMA; however, there is a \$425 review fee for a LOMR-F.

In addition, property owners may apply for a Letter of Determination Review (LODR). A LODR is a review of your lender's determination. In other words, the LODR is a process where FEMA reviews the same information your lender used to determine that your structure was located in a SFHA. It is important to note that the LODR process does not consider the elevation of the structure or property above the flood level. Rather, it considers only the location of the structure relative to the special flood hazard area boundary shown on the Flood Insurance Rate Map. Thus, you should be aware that your lender does not consider the elevation of your property or structure when determining if your property or structure is in or out of the SFHA. FEMA reviews this information and issues its finding of whether the structure is located in the SFHA according to the current NFIP map. The request for such a letter must be jointly requested by the property owner and the lender no later than 45 days following the date the lender notified the borrower that the property is in a special flood hazard area. While this determination cannot consider the elevation of your structure or property, it can be useful if you feel the lender's interpretation of the map is incorrect.

To summarize then, there are obviously some important distinctions between the two processes (LODR vs LOMA / LOMR-F).

- 1. The determinations are based on different data.**

The LODR process does not consider the (vertical) elevation of the structure or property above the flood level. Rather, it considers only the horizontal location of the structure relative to the special flood hazard area boundary shown on the Flood Insurance Rate Map. The LOMA/LOMR-F process uses actual survey

elevation data to determine if the property or structure is at or above the elevation of the SFHA .

2. **There are different fees involved.**

Process	Fee
LOMA	FREE
LODR	\$ 80
LOMR-F	\$425

3. **The determinations result in different actions.**

A LODR does not result in an amendment or revision to the National Flood Insurance Program map. It is only our finding regarding the structure's location with respect to a delineated special flood hazard area.

A LOMA or LOMR-F actually removes the SFHA designation from the property by letter.