



FEDERAL RESERVE BANK *of* KANSAS CITY

June 12, 2014

CA 14-3: Interagency Statement on Increased Maximum Flood Insurance Coverage
for Other Residential Buildings

To Each Domestic Banking Organization Supervised by The Federal Reserve:

On April 30, 2014, the Board of Governors of the Federal Reserve System, the Farm Credit Administration, the Federal Deposit Insurance Corporation, the National Credit Union Administration, and the Office of the Comptroller of the Currency (the Agencies) issued an interagency statement on increased maximum flood insurance coverage for non-condominium residential buildings designed for use for five or more families, classified as “Other Residential Buildings” by the National Flood Insurance Program. This statement was issued in response to the Federal Emergency Management Agency announcing increased maximum insurance limits. The new coverage limits are available for new policies, policy renewals, or existing policies with change endorsements effective on or after June 1, 2014. This statement conveys the Agencies’ expectations of supervised institutions with regard to any loans secured by Other Residential Buildings located in a Special Flood Hazard Area that may be affected by the availability of increased maximum insurance.

A copy of CA 14-3 is available on the Federal Reserve Board of Governors’ web site at <http://www.federalreserve.gov/bankinfo/caletters/caltr1403.htm>. Please direct any questions concerning the guidance to the Consumer Affairs Department of the Federal Reserve Bank of Kansas City at (800) 333-1010, extension 881-2488, or via email to linda.painter@kc.frb.org

Sincerely,

Michael Steckline
Assistant Vice President