

Flood Insurance for Condo Owners/Renters

If you rent or own your condominium unit, it is a good idea to purchase both building (if you own the unit) and contents coverage. If you are a tenant, contents-only coverage is available. The policy premium is based on several factors, including the flood risk of the building that you occupy.

Most condo owners or renters in moderate-to-low risk areas are eligible for coverage at a preferred rate. Preferred Risk Policy premiums are the lowest premiums available through the NFIP, offering building and contents coverage for one low price. In fact, residential premiums start as low as \$49 per year for contents-only coverage.

If you don't qualify for a Preferred Risk Policy, a standard-rated policy is still available. Even though flood insurance isn't federally required, anyone can be financially vulnerable to floods. People outside of high-risk areas file over 20% of NFIP claims and receive one-third of disaster assistance for flooding. When it's available, disaster assistance is typically a loan you must repay with interest.

If you live in a high-risk area, a standard-rated policy is the only option for you. It offers separate building and contents coverage.

This form of the Standard Flood Insurance Policy insures residential condominium associations and thus the building in which your unit is located.

Flood insurance premiums are calculated based on factors such as:

- Year of building construction
- Building occupancy
- Number of floors
- Number of units
- The location of its contents
- Its flood risk (i.e. its flood zone)

The location of the lowest floor in relation to the elevation requirement on the flood map (in newer buildings only)

The deductible you choose and the amount of building and contents coverage

If you own your unit and it is located in a high-risk flood area, you will be required to purchase flood insurance if your lender is federally regulated or insured.

[Request a Flood Insurance quote through AAA Insurance](#)

Content courtesy of National Flood Insurance Program: [FloodSmart.gov](https://www.floodsmart.gov)