

How Flood Insurance is Calculated

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Step One: determine your flood zone,
On the first page of the flood insurance policy the flood zone designation should be listed:
X, D, AH, AO, AE

--Flood zones B, C, X--
In most cases, Flood Insurance is not required by lenders in these flood zones, also known as Low Risk Areas.

--Flood zones AH, AO --
Flood Insurance is required by lenders in these flood zones, also known as High Risk Areas. Flooding is usually caused by standing water (aka ponding).

--Flood zones AE --
Flood Insurance is required by lenders in these flood zones, also known as High Risk Areas. Flooding is usually caused by river, canal or coastal flooding.

**Estimated Insurance Premium for \$200,000 Building / \$80,000 Contents / \$ 1000 Deductible
One story, single family home (Slab on grade—no basement/enclosure)**

Preferred Risk Policy
Annual Premium Amount is \$388.00

Insurance the option of the owner with coverage amounts and if they want to have coverage.

Without Elevation Certificate and structure is a Pre-FIRM construction.

Annual Premium Amount is \$2,533

Without Elevation Certificate and structure is a Pre-FIRM construction.

Annual Premium Amount is \$2,533

With an Elevation Certificate in compliance to flood zone.

Annual Premium Amount is \$402

With an Elevation Certificate calculating the elevation difference with the base flood elevation.
Elevation Difference = ED
Annual Premium Amt = APA

With an Elevation Certificate in not in compliance to flood zone.

Annual Premium Amount is \$1,227

| | | MULTI-STORY | |
|----|---------|-------------|---------|
| ED | APA | ED | APA |
| -1 | \$4,497 | -1 | \$3,305 |
| 0 | \$1,432 | 0 | \$912 |
| +1 | \$688 | +1 | \$477 |
| +2 | \$473 | +2 | \$339 |
| +3 | \$408 | +3 | \$323 |
| +4 | \$375 | +4 | \$318 |

Premium Amounts are estimated with using an average community discount of 10%. Rates can be lowered by increasing the deductible amount. If the structure has a -1 elevation difference and is Pre-FIRM construction, the Insurance rating should use the Pre-FIRM rate.