

# FACT SHEET: FLOOD INSURANCE PREFERRED RISK POLICIES

The majority of the City of Sacramento is in a moderate- to low-risk flood area (Zone X). Most homeowners and renters in these areas are eligible for coverage at a preferred rate. Preferred Risk Policy (PRP) premiums are the lowest premiums available through the National Flood Insurance Program (NFIP), offering building and contents coverage for one low price. If you do not qualify for a Preferred Risk Policy, a standard rated policy is still available.

## YOU NEED FLOOD INSURANCE

Most homeowners insurance does not cover flood damage and more than 20% of all NFIP flood insurance claims are for people outside of the mapped high-risk flood area.

Flood Zone X are areas that are outside the 0.2% annual chance of flood or are areas that are protected by levees from the 1% change of flood.

It is important to have flood insurance in Sacramento. It only takes a few inches of water to cause tens of thousands of dollars in damage to your home and its contents. Typically, there's a 30 day waiting period from date of purchase before your policy goes into effect, so pick up the phone and call your insurance agent today about purchasing a Preferred Risk Policy.

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## PREFERRED RISK POLICY PREMIUM TABLE: RESIDENTIAL\*

Effective April 1, 2016 for properties currently mapped in B, C, or X Zones <sup>1, 2, 3</sup>

BUILDING & CONTENTS <sup>4</sup>			CONTENTS ONLY <sup>7</sup>		
COVERAGE	Annual Premium		COVERAGE	Annual Premium	
	with Basement or Enclosure <sup>5</sup>	without Basement or Enclosure <sup>5</sup>		Contents Above Ground Level More Than One Floor	All Other Locations Basement Only not eligible
\$20,000/8,000	\$177	\$146	\$8,000	\$48	\$71
30,000/12,000	215	184	12,000	68	101
50,000/20,000	277	246	20,000	106	145
75,000/30,000	327	291	30,000	123	169
100,000/40,000	360	324	40,000	138	189
125,000/50,000	378	341	50,000	153	210
150,000/60,000	400	364	60,000	168	231
200,000/80,000	442	400	80,000	196	255
250,000/100,000	474	425	100,000	226	280

\* This table only refers to 1-4 Family Residential. Other residential buildings and contents coverage combinations are available.

**Note:** Properties that have been newly mapped into a high-risk flood area may qualify for an equivalent PRP rate through the Newly Mapped procedure rating option. This premium table does not apply to those properties. Contact your agent for a quote.

To qualify for a replacement cost settlement, a single-family dwelling must be the insured's principal residence and be insured to the maximum amount of insurance available under the program or no less than 80% of the replacement cost at the time of loss.

**Note:** Contents located entirely in a basement are not eligible for contents-only coverage.

<sup>1</sup> Add a \$25 Homeowner Flood Insurance Affordability Act of 2014 (HFIAA) surcharge for policies covering primary residences only if the named insured's primary residence is a single-family dwelling, an individual condominium unit, or an apartment in a non-condominium building. Add a \$250 HFIAA surcharge for all other policies.

<sup>2</sup> Add the \$50 Probation Surcharge, if applicable.

<sup>3</sup> Premium includes a 15% Reserve Fund Assessment and \$25 Federal Policy Fee.

<sup>4</sup> Premium includes Increased Cost of Compliance of \$5 for residential coverage up to \$230,000 and \$4 for coverage over \$230,000. Deduct this amount if the risk is a condominium unit.

<sup>5</sup> Use this section of the table for buildings with crawl spaces or subgraded crawl spaces, including those with an attached garage that have proper openings.

<sup>6</sup> Use this section of the table for buildings or subgrade crawl spaces with an attached garage without proper openings.

<sup>7</sup> Use the contents-only coverage section of the premium table for individual residential condominium unit contents-only policies.



FOR MORE INFORMATION, VISIT [FLOODSMART.GOV/RESIDENTIAL](http://FLOODSMART.GOV/RESIDENTIAL) OR CALL 1-800-427-2419.

# FACT SHEET: FLOOD INSURANCE

## SPECIAL FLOOD HAZARD AREA

**Flood insurance is mandatory.** Flood insurance is federally required for most mortgage holders in Special Flood Hazard Area. Insurance costs may rise to reflect the true (or high) risk of the area. In high-risk areas, there is at least a 1 in 4 chance of flooding during a 30-year mortgage.

### FLOOD ZONE A99 (NATOMAS BASIN)

The Natomas Basin area has undergone multiple flood insurance changes in the past few years. Currently, the Natomas Basin is an A99 flood zone which means that the area is subject to inundation by the 1% annual chance flood event (100-year flood), but will ultimately be protected upon completion of an under-construction Federal flood protection system. These are areas of special flood hazard where enough progress has been made on the construction of the levees to consider it complete for insurance rating purposes.

Basic flood insurance information for Flood Zone A99:

- Flood insurance is mandatory for most mortgage holders
- Flood insurance premiums range from \$630 to \$1,970\* depending on coverage levels
- If you have a “Properties Newly Mapped” rate, you may continue this rate through the NFIP if you maintain continuous cover (no lapses in coverage)

As of October 1, 2016, the majority of Natomas residents (A99) will be eligible for PRP rates. This change will significantly lower flood insurance premiums for many residents. You can take advantage of this change when you renew your flood insurance policy after October 1<sup>st</sup>.

### FLOOD ZONES A & AH

There are a few A and AH flood zones within the City of Sacramento. Flood Zone AH is an area subject to inundation by 1% annual chance shallow flooding (usually areas of ponding) where average depths are between one and three feet.

Basic flood insurance information for Flood Zone AH:

- Flood insurance is mandatory for most mortgage holders
- Flood insurance premiums range from \$702 to \$1,405\* depending on coverage levels
- Based on your home’s elevation, you may receive a better rate. Consult with your insurance agent. (Elevation Certificate required)

Flood Zone A is an area subject to inundation by the 1% annual chance flood event.

Basic flood insurance information for Flood Zone A:

- Flood insurance is mandatory for most mortgage holders
- Flood insurance premiums range from \$1,818 to \$4,840\* depending on coverage levels
- Based on your home’s elevation, you may receive a better rate. Consult with your insurance agent. (Elevation Certificate required)

*\*Estimate for Single-Family Dwelling, Primary Residence*



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