

CONDO ASSOCIATIONS

Protect your condominium community with flood insurance from the NFIP.



FEMA





Insuring Condo Associations

The National Flood Insurance Program (NFIP) offers flood insurance coverage to condominium associations to insure your property in the event of a flood.

Condo associations that are at least 75 percent residential are eligible to purchase flood insurance coverage under a Residential Condominium Building Association Policy (RCBAP).

RCBAP: Greater Coverage, Lower Premium

The RCBAP provides coverage to replace or repair property damaged by a flood. It also allows all units in a condo association to be under a single policy, which results in cost savings.

Individual unit owners save money by only being required to pay a single deductible and a Homeowner Flood Insurance Affordability Act (HFIAA) surcharge. Unit owners would not be required to purchase individual policies by their lenders as long as the insurance policy covers either:

- The replacement value of the building or
- The maximum amount of coverage under the program, whichever is less.

Condominium Coverage Based on Building or Unit Type

Residential Condo Buildings

The RCBAP covers all units within the building along with commonly owned contents. It also covers shared or common areas within the building, like mail rooms or hallways.

In order to be eligible for the RCBAP, the building must be at least 75 percent residential. Buildings can include townhouses, rowhouses, low-rise, high-rise, and detached single-family condominium buildings.

Non-Residential Condo Buildings

RCBAP does not apply to the following conditions:

- More than 25 percent of the building is for commercial usage.
- Non-residential condo buildings like pool houses, clubhouses, detached garages, detached storage buildings.
- Commercial condos.

The condo association can purchase coverage for non-residential buildings under a General Property policy, however non-residential limits apply.



The RCBAP:

Offers coverage for the physical structure of the building and contents within:

- \$250,000 for the building multiplied by the number of units, or the replacement cost of the building, whichever is less.
- \$100,000 for the commonly owned contents of the building or the **actual cash value**, whichever is less.

(Actual cash value is the cost to replace an insured item of property at the time of loss, less the value of its physical depreciation.)

**For more information about the NFIP,
call 800-427-4661 or visit [FloodSmart.gov](https://www.floodsmart.gov)**

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