



**Starting Friday, April 1, 2022, FEMA Risk Rating 2.0 will apply to all FEMA Flood Policy Renewals. Here are the 10 THINGS YOU NEED TO KNOW:**

1. Risk Rating 2.0 is the biggest change to FEMA Flood Insurance pricing in the 54-year history of the government program
2. What's News? [FEMA Risk Rating 2.0](#) prices properties by individually, based on elevation, distance to water, replacement cost, what flood zone a property is on, and several other important data points
3. Per FEMA, 77% of all FEMA policies will see a renewal price increase \*
4. While pricing is likely to go up for most of the renewals, FEMA has capped the increase in any one year at 18% \*
5. If a property is on a flood zone – *denoted by AE, AH, VE Flood Zone determinations* – a homeowner is still required to purchase flood insurance to secure a mortgage
6. A seller with an existing FEMA policy can assign a policy in good standing to a new owner prior to or at close of the sale
7. Elevation Certificates are now optional -- *because elevation data is part of the Risk Rating 2.0 model* — yet may be used to bring down cost of flood insurance
8. FEMA will continue to offer flood insurance at its standard policy limits:
  - \$250,000 coverage for the property
  - \$100,000 coverage for property contents
  - \$2,500 deductible
9. FEMA has created a [website](#) to view projected price changes, due to Risk Rating 2.0. Check your own property address for an insight on the changes.
10. Homeowners can seek private flood insurance markets to shop their FEMA flood renewals.

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\* <https://www.fema.gov/flood-insurance/risk-rating>