

# Insurance Coverage and Maximum Deductible Requirements



Conventional, RD, FHA, & VA	
Type of Coverage	Maximum Deductible
Homeowners	5% of coverage amount
Wind/Hail and Hurricane	5% of coverage amount
Flood	\$10,000

## Insurance Coverage Requirements

**Conventional Loans:** Must have loan amount / 80% of cost new – whichever is greater **or** guaranteed replacement cost **or** a letter from Insurance Company stating that the “**Coverage amount is at least 80% of the maximum insurable value.**”

**FHA & VA:** Must have loan amount **or** guaranteed replacement cost **or** a letter from Insurance Company stating that the “**Coverage amount is at least 80% of the maximum insurable value.**”

**USDA:** Must have loan amount **or** guaranteed replacement costs