

2025 FHCF Premium Calculation Examples

In order to calculate your company's 2025 FHCF premium, you will need the 2025 FHCF Rates and the 2025 FHCF Ratemaking Formula Report. Below are some examples.

Example #1

Type of Business	Residential		Year Built	2001
Construction	Frame		Age of Roof	2022
Deductible	\$2,000		Structure Opening Protection	Yes
FHCF Rating Region	1		Roof Shape	Hip
Total Exposure	\$1,000,000		Coverage Option	90%

Based on the above information the *FHCF Base Rate* from the rate tables = 0.0936

Premium prior to FHCF Mitigation Adjustment = (Base Rate) x (Total Exposure / \$1,000)

$$(0.0936) \times (\$1,000,000 / \$1,000) = \boxed{\$93.60}$$

Use the last page of Exhibit XIV of the 2025 FHCF Ratemaking Formula Report to determine the Final FHCF Premium Adjusted for Mitigation. The steps are illustrated below.

1. *Preliminary Factor* = (year built & age of roof factor) x (roof shape factor) x (opening protection factor)

$$(0.6649) \times (0.8269) \times (0.8961) = 0.4927$$

2. *Capped Factor* = Preliminary Factor

$$\text{Capped Factor} = 0.4927$$

3. *Final Rate* = (base rate) x (capped factor) x (on balance factor)

$$(0.0936) \times (0.4927) \times (0.9876) = 0.0455$$

4. *Final FHCF Premium Adjusted for Mitigation* = (Final Rate) x (Total Exposure / \$1,000)

$$(0.0455) \times (\$1,000,000 / \$1,000) = \boxed{\$45.50}$$

Example #2

Type of Business	Residential	Year Built	1990
Construction	Masonry Veneer	Age of Roof	2015
Deductible	2%	Structure Opening Protection	Yes
FHCF Rating Region	12	Roof Shape	Gable
Total Exposure	\$500,000	Coverage Option	90%

Based on the above information the *FHCF Base Rate* from the rate tables = 0.8300

Premium prior to FHCF Mitigation Adjustment = (Base Rate) x (Total Exposure / \$1,000)

$$(0.8300) \times (\$500,000 / \$1,000) = \boxed{\$415.00}$$

Use the last page of Exhibit XIV of the 2025 FHCF Ratemaking Formula Report to determine the Final FHCF Premium Adjusted for Mitigation. The steps are illustrated below.

1. *Preliminary Factor* = (year built & age of roof factor) x (roof shape factor) x (opening protection factor)

$$(1.5051) \times (1.1395) \times (0.8961) = 1.5369$$

2. *Capped Factor* = Preliminary Factor

$$\text{Capped Factor} = 1.5369$$

3. *Final Rate* = (base rate) x (capped factor) x (on balance factor)

$$(0.8300) \times (1.5369) \times (0.9876) = 1.2598$$

4. *Final FHCF Premium Adjusted for Mitigation* = (Final Rate) x (Total Exposure / \$1,000)

$$(1.2598) \times (\$500,000 / \$1,000) = \boxed{\$629.90}$$

Example #3

Type of Business	Tenants		Year Built	1992
Construction	Masonry		Age of Roof	2015
Deductible	\$500		Structure Opening Protection	No
FHCF Rating Region	20		Roof Shape	Unknown
Total Exposure	\$100,000		Coverage Option	90%

Based on the above information the *FHCF Base Rate* from the rate tables = 0.8604

Premium prior to FHCF Mitigation Adjustment = (Base Rate) x (Total Exposure / \$1,000)

$$(0.8604) \times (\$100,000 / \$1,000) = \boxed{\$86.04}$$

Use the last page of Exhibit XIV of the 2025 FHCF Ratemaking Formula Report to determine the Final FHCF Premium Adjusted for Mitigation. The steps are illustrated below.

1. *Preliminary Factor* = (year built & age of roof factor) x (roof shape factor) x (opening protection factor)

$$(1.5667) \times (1.0145) \times (1.0148) = 1.6129$$

2. *Capped Factor* = Preliminary Factor

$$\text{Capped Factor} = 1.6129$$

3. *Final Rate* = (base rate) x (capped factor) x (on balance factor)

$$(0.8604) \times (1.6129) \times (0.9922) = 1.3769$$

4. *Final FHCF Premium Adjusted for Mitigation* = (Final Rate) x (Total Exposure / \$1,000)

$$(1.3769) \times (\$100,000 / \$1,000) = \boxed{\$137.69}$$