Florida Vacation Rental Flood Insurance Data Report

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The Market Size

- Florida accounts for 26% of the entire U.S. vacation rental market
- Estimated $30 billion annual contribution to Florida's economy
- $840 million in state sales taxes generated
- 33 million guests hosted in 2024 alone
- $12.6 billion in revenue generated in 2024

The Insurance Market

- Coastal STR insurance: $6,000–$10,000+ per year in current market
- Florida Keys properties: routinely exceeding $15,000 annually
- Flood insurance (NFIP): $700–$4,000+ per year depending on zone
- Premium increases: 10%–30% annually in many areas
- Named-storm wind deductible: 2%–10% of dwelling value

The Coverage Gap

- NFIP caps at $250,000 building / $100,000 contents
- NFIP does not cover loss of rental income
- Flood is excluded from every standard property form in Florida
- Vacation rentals are classified as public lodging under Chapter 509, Florida Statutes

The flood risk

- Florida is one of the most flood-prone states in the U.S.
- NOAA projects 10–12-inch sea level rise along Florida's coasts by 2050
- FEMA: 99% of U.S. counties have experienced flooding in the past 20 years

The insurance requirement

- DP-3 dwelling or commercial habitational policy required for STR use
- Separate flood policy required; always excluded from property forms
- Many local ordinances require at least $1 million in liability coverage

Sources & Research Methodology

Data Sources

All data in this report is derived from official government and industry sources:

- AirDNA: Florida short-term rental market data (2025-2026)
- Florida Statutes Chapter 509: Vacation rental classification as public lodging
- Florida Statutes Chapter 627.715: Flood insurance regulatory model
- FEMA NFIP: Coverage limits and program details
- Florida Office of Insurance Regulation: Market data and regulatory actions
- NOAA: Sea level rise projections and flood risk data
- Industry sources: STR insurance premium ranges and cost data

Methodology notes

- Market size data based on 2024-2026 industry reports
- Insurance premium ranges based on Florida market data for 2026
- Flood risk data from FEMA and NOAA official publications
- Regulatory information from Florida Statutes