

As of early 2026, the Florida condominium insurance market is showing signs of stabilization and cautious optimism due to legal reforms, with some insurers offering rate decreases, enhanced competition, and increased capacity. While premium hikes have slowed compared to previous years, condo associations still face rising costs for flood and liability coverage..

Key 2026 Florida Condo Insurance Market Trends:

- **Market Stabilization & Rate Relief:** Due to legislative reforms, new insurers are entering the market, leading to more competitive pricing and potential rate reductions for some policyholders.
- **Heightened Scrutiny on Structural Integrity:** Underwriting in 2026 heavily focuses on building age, mitigation factors, roof condition, and inspection reports (SIRS, Milestone, 4-point and wind mitigation), and reserve funding levels, with well-maintained buildings with supporting documentation receiving better terms.
- **Reduced Litigation:** Recent legislative reforms, such as eliminating one-way attorney fees and curbing assignment-of-benefits abuses, have decreased lawsuits, creating a more stable market.
- **State-Backed Reinsurance:** Programs like the Florida Optional Reinsurance Assistance (FORA) program provide state-backed insurance for insurers, reducing their costs, which are then passed on to consumers as reduced rates.
- **Lowered Claim Frequency & Severity:** Reduced catastrophes mean fewer claims overall, reducing the need for insurance providers to hike premiums to cover huge losses.
- **Rising Costs for Specific Areas:** While general property insurance rates are stabilizing, flood and liability insurance rates are still increasing
 - Federal Flood Program – removing subsidy credits (10%-18% premium change)
 - General Liability – Increased litigation (construction projects, bodily injury, assessments...)
- **Inflationary Pressure:** Despite market stabilization, material and labor shortages could still drive up reconstruction costs by 5%–10%.
 - Timing of Association reconstruction cost appraisal (every 36 months)

What to Watch:

The market remains sensitive to catastrophe activity; a significant hurricane could reverse the current trend of stabilization.