

Increased Insurance Costs for Housing Providers

Survey findings on the magnitude, rationale, and impact of increased insurance premiums on affordable and conventional housing providers

May 2021

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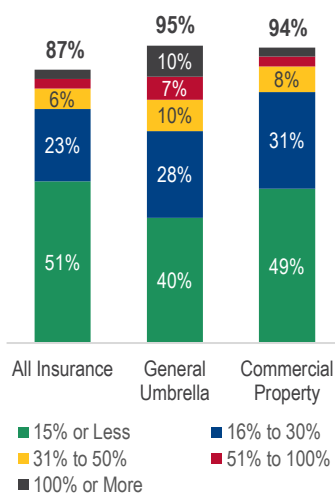
EXECUTIVE SUMMARY

In April 2021, ndp | analytics conducted a survey on changes in housing providers' insurance premiums for 2020 and 2021 policy renewals. We received 174 responses from both affordable and conventional housing providers who, in total, operated approximately 2.6 million housing units across the United States.

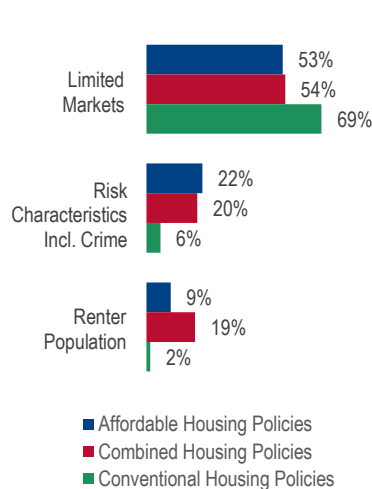
Three key findings of the survey are below.

1. **Magnitude of Premium Increases:** Both conventional and affordable housing providers are experiencing higher premiums across multiple lines of insurance. The most widespread and highest magnitude increases in annual premiums were reported in general umbrella/excess liability insurance and commercial property insurance.
2. **Rationale for Increased Premiums:** Limited markets is one of the most common reasons for increased insurance premiums for both conventional and affordable housing. However, housing providers with policies covering affordable housing units more frequently identified renter population and risk characteristics such as crime statistics as drivers of increased premiums.
3. **Impact of Increased Premiums:** Higher premiums impact housing providers and, subsequently, renters. Most housing providers indicated that they would take action to mitigate cost increases due to higher insurance premiums. Some of the most common actions include increasing insurance deductibles, decreasing operating expenses, and increasing rent.

Increases in Housing Provider Insurance Premiums, 2020-21



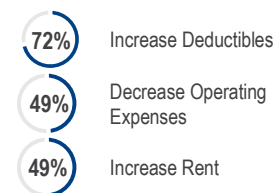
Select Reasons for Premium Increases Across All Lines of Insurance



Efforts to Manage Increased Costs Due to Higher Premiums



Common Types of Action



RESEARCH SPONSORS

The multifamily housing organizations below sponsored a survey to collect information on insurance costs facing both conventional and affordable rental housing providers. The results of this survey are included in the attached report.



The **Council for Affordable and Rural Housing (CARH)** is a national non-profit trade organization. Since 1980, CARH has served as the nation's premier association for participants in the affordable rural housing profession, including Builders, Owners, Developers, Managers, Non-profits, Housing Authorities, Syndicators, Accountants, Architects, Attorneys, Bankers and companies that supply goods and services to the industry. To learn more, visit www.carh.org.



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For over 85 years, our members have made us the world's strongest voice for all things real estate management. Today, almost 20,000 leaders in commercial and residential management call this home for learning, certifications, and networking.



The National Apartment Association (NAA) serves as the leading voice and preeminent resource through advocacy, education and collaboration on behalf of the rental housing industry. As a federation of 151 state and local affiliates, NAA encompasses over 93,000 members representing more than 10 million apartment homes globally. NAA believes that rental housing is a valuable partner in every community that emphasizes integrity, accountability, collaboration, community responsibility, inclusivity and innovation. To learn more, visit www.naahq.org.



The National Affordable Housing Management Association is the leading voice for affordable housing management, advocating on behalf of multifamily property managers and owners whose mission is to provide quality affordable housing. NAHMA supports legislative and regulatory policy that promotes the development and preservation of decent and safe affordable housing, is a vital resource for technical education and information and fosters strategic relations between government and industry. NAHMA's membership represents 75% of the affordable housing industry, and includes its most distinguished multifamily owners and management companies. Visit www.nahma.org for more information.



The National Leased Housing Association is widely recognized as the only national organization serving all major participants--private and public--in the multifamily rental housing field. NLHA is a vital and effective advocate for nearly 400 member organizations, including developers, owners, managers, public housing authorities, state housing finance agencies, local governments, investment bankers, attorneys, accountants, architects, non-profit sponsors and syndicators involved in government related rental housing. This unique coalition is committed to public and private sector interaction as the most pragmatic means of meeting this nation's rental housing needs www.hudnlha.com



Based in Washington, D.C., **the National Multifamily Housing Council (NMHC)** is the leadership of the apartment industry. We bring together the prominent owners, managers and developers who help create thriving communities by providing apartment homes for 40 million Americans, contributing \$3.4 trillion annually to the economy. NMHC provides a forum for insight, advocacy and action that enables both members and the communities they help build to thrive. For more information, contact NMHC at 202/974-2300, e-mail the Council at info@nmhc.org, or visit NMHC's Web site at www.nmhc.org.

Increased Insurance Costs for Housing Providers

Nam D. Pham, Ph.D. and Mary Donovan¹

May 2021

Across the United States, housing providers have been experiencing increased premiums across all lines of insurance. To better understand the magnitude, rationale, and impact of these premium increases, we conducted an online survey of multifamily housing providers in April 2021. In total, we received 174 responses including housing providers with insurance policies covering affordable housing units, conventional housing units, and policies that covered both types of units. The survey respondents operated approximately 2.6 million housing units across the United States including 1.3 million affordable housing units (over 241,000 Section 8 units and 1.0 million other affordable units) and 1.3 million conventional units.

This report summarizes the survey findings and is organized as follows: Section 1 analyzes the magnitude of premium increases by line of insurance, region, and type of housing covered by the insurance policy; Section 2 examines the rationale for these premium increases; Section 3 analyzes the impact of higher premiums on housing providers' operations and investments. Finally, there are two appendices with survey methodology and demographics (Appendix 1) and detailed data for each line of insurance (Appendix 2).

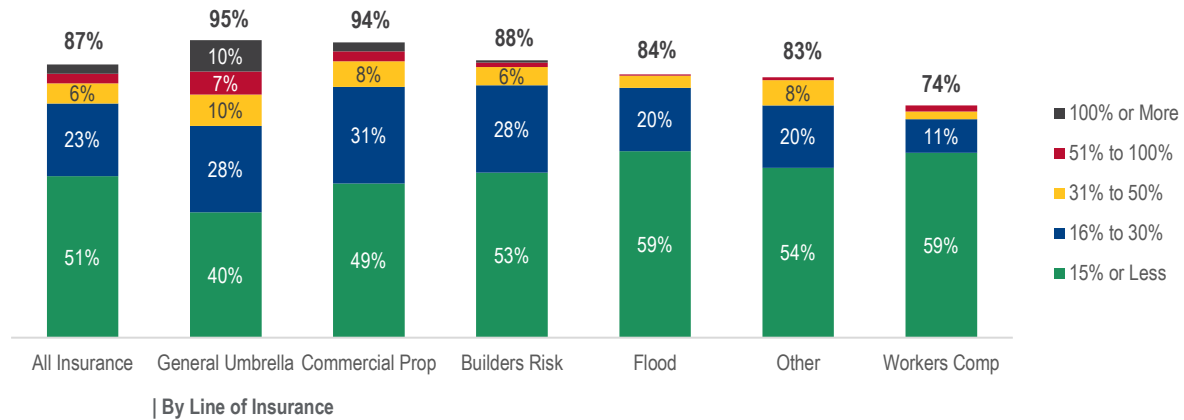
Section 1. Magnitude of Premium Increases

The survey asked respondents about the change in premiums for 2020 and 2021 policy renewals for the following lines of insurance: builder's risk, commercial property, flood, general umbrella/excess liability, workers' compensation, and other (e.g., D&O, earthquakes, wildfires, wind). Nearly all respondents reported premium increases across multiple lines of insurance.

Across all lines of insurance, premiums increased for 87% of renewed policies in 2020 and 2021. Premium increases were most common for general umbrella/excess liability and commercial property insurance. These lines also had the highest magnitude increases. For general umbrella/excess liability insurance, premiums increased for 95% of policies including 26% with rate increases over 30% in 2020 and 2021. For commercial property insurance, premiums increased for 94% of policies including 14% with rate increases over 30% during the same period. (Figure 1)

¹ Nam D. Pham, Ph.D., is managing partner and Mary Donovan is principal at ndp | analytics. A group of multifamily housing organizations, including the Council for Affordable and Rural Housing, the Institute of Real Estate Management, the National Apartment Association, the National Affordable Housing Management Association, the National Leased Housing Association, and the National Multifamily Housing Council provided financial support to conduct this study. The opinions and views expressed in this report are solely those of the authors.

Figure 1.
Annual Premium Increases by Line of Insurance: All Policies, 2020-21

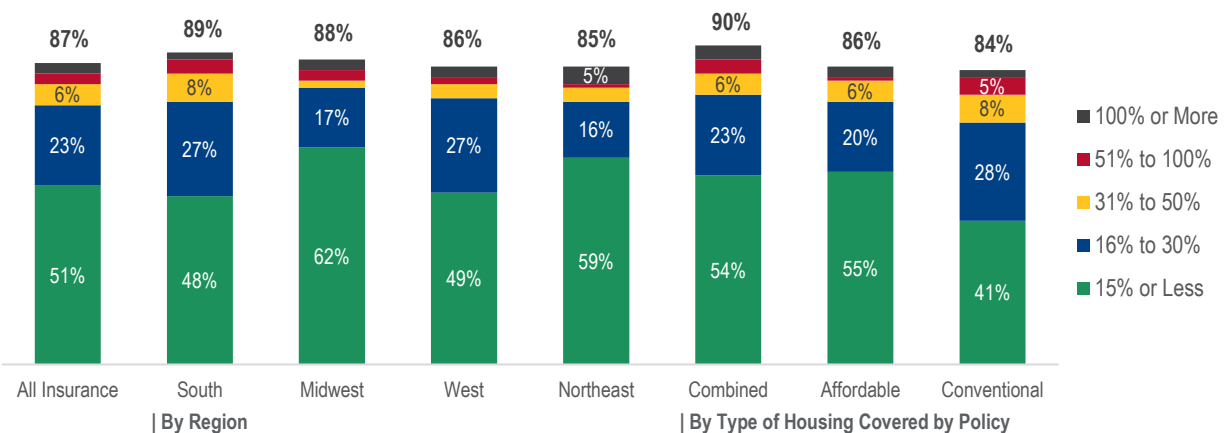


Note: Labels not shown for values under 5%.

We examined variations in increased premiums by region and type of housing covered by the insurance policy (affordable housing, conventional housing, and combined policies that cover both types of housing).

For all lines of insurance, the share of 2020 and 2021 policy renewals with increased premiums was similar across regions, ranging from 85% for policies held by housing providers who primarily operate in the Northeast to 89% for those in the South. However, the magnitude of increases varied. Housing providers in the South reported higher premium increases than other regions. Increased premiums were most frequent among housing providers with insurance policies covering both affordable and conventional housing units (90% of policies had increased premiums), followed by housing providers with policies specific to affordable housing (86%), and those with policies specific to conventional housing (84%). (Figure 2)

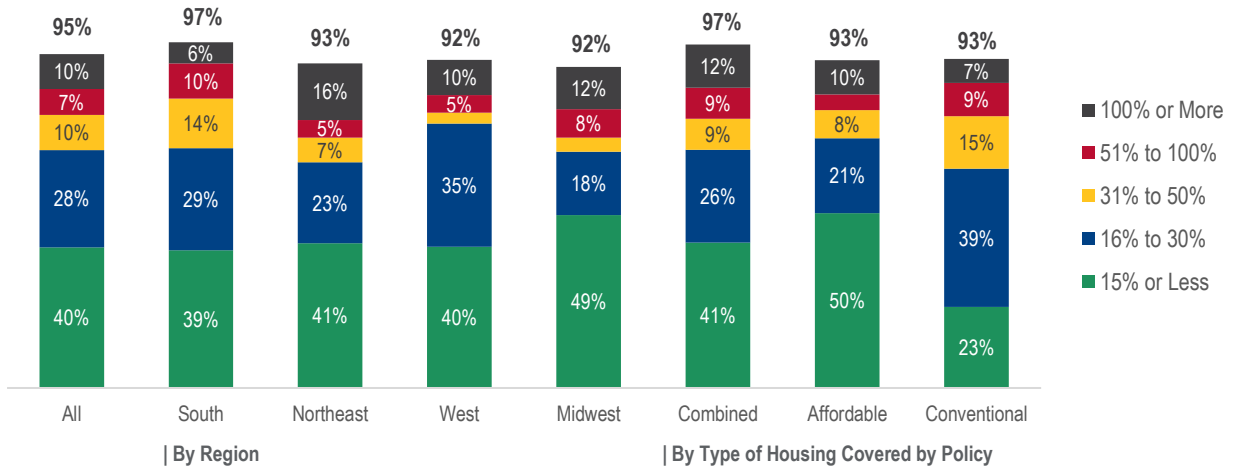
Figure 2.
Annual Premium Increases by Region and Type of Coverage: All Policies, 2020-21



We conducted the same analysis for the top two lines of insurance with premium increases: general umbrella/excess liability and commercial property (see Appendix 2 for data on all lines of insurance).

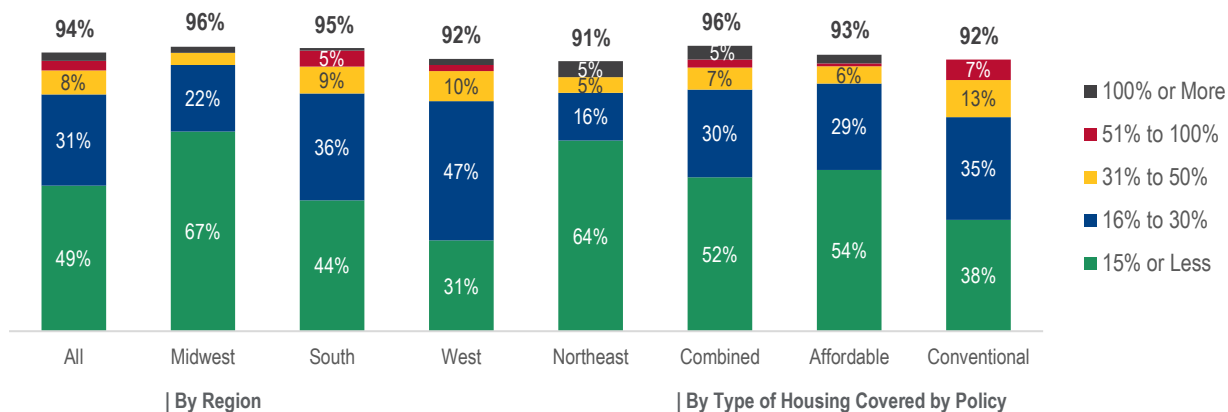
For general umbrella/excess liability insurance, the share of 2020 and 2021 policy renewals with increased premiums ranged from 92% for housing providers primarily operating in the West and Midwest to 97% for those in the South. However, housing providers in the Northeast reported the highest premium increases with 16% increasing by over 100%. Housing providers with insurance policies that covered both affordable and conventional housing units reported the most general umbrella/excess liability premium increases (97%), compared to 93% for those with policies specific to affordable or conventional housing. (Figure 3)

Figure 3.
Annual Premium Increases: General Umbrella/Excess Liability Policies, 2020-21



For commercial property insurance, the share of 2020 and 2021 policy renewals with increased premiums ranged from 91% for housing providers operating primarily in the Northeast to 96% for those in the Midwest. The highest premium increases were reported by housing providers in the South and West. Housing providers with policies covering both affordable and conventional housing units reported the most commercial property premium increases (96%), compared to 93% for housing providers with policies specific to affordable housing and 92% for those with policies specific to conventional housing. (Figure 4)

Figure 4.
Annual Premium Increases: Commercial Property Policies, 2020-21

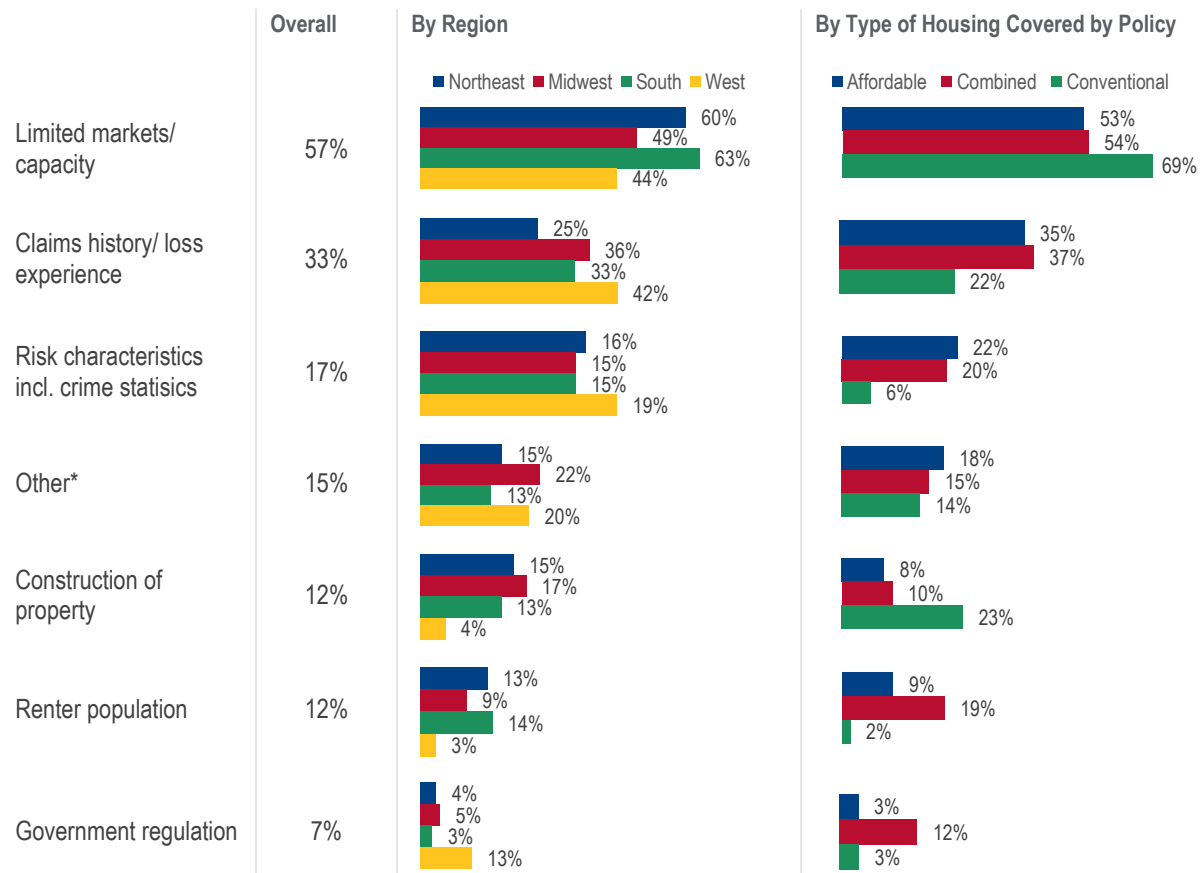


Section 2. Rationale for Premium Increases

The survey asked respondents about the reasons their premiums increased for 2020 and 2021 policy renewals. The selection included: claims history/loss experience, construction of property, government regulation (e.g., NY labor law), limited markets/capacity (fewer insurers writing Hab), renter population (e.g., elderly, low-income), risk characteristics (e.g., crime statistics), and other. Respondents were asked to select any that apply.

Across all lines of insurance, limited markets/capacity was the most frequently identified reason for increased premiums in 2020 and 2021 (57% of policies), followed by claims history and loss experience (33%), and risk characteristics such as crime statistics (17%). The rationale varied by region and type of housing covered by the insurance policy. For example, limited markets were identified more frequently by housing providers primarily operating in the Northeast and South. Risk characteristics and renter population were more commonly identified by housing providers with policies that included affordable housing (either policies specific to affordable housing or combined with conventional housing) compared to policies specific to conventional housing. (Figure 5)

Figure 5.
Rationale for Premium Increases: All Insurance Policies, 2020-21

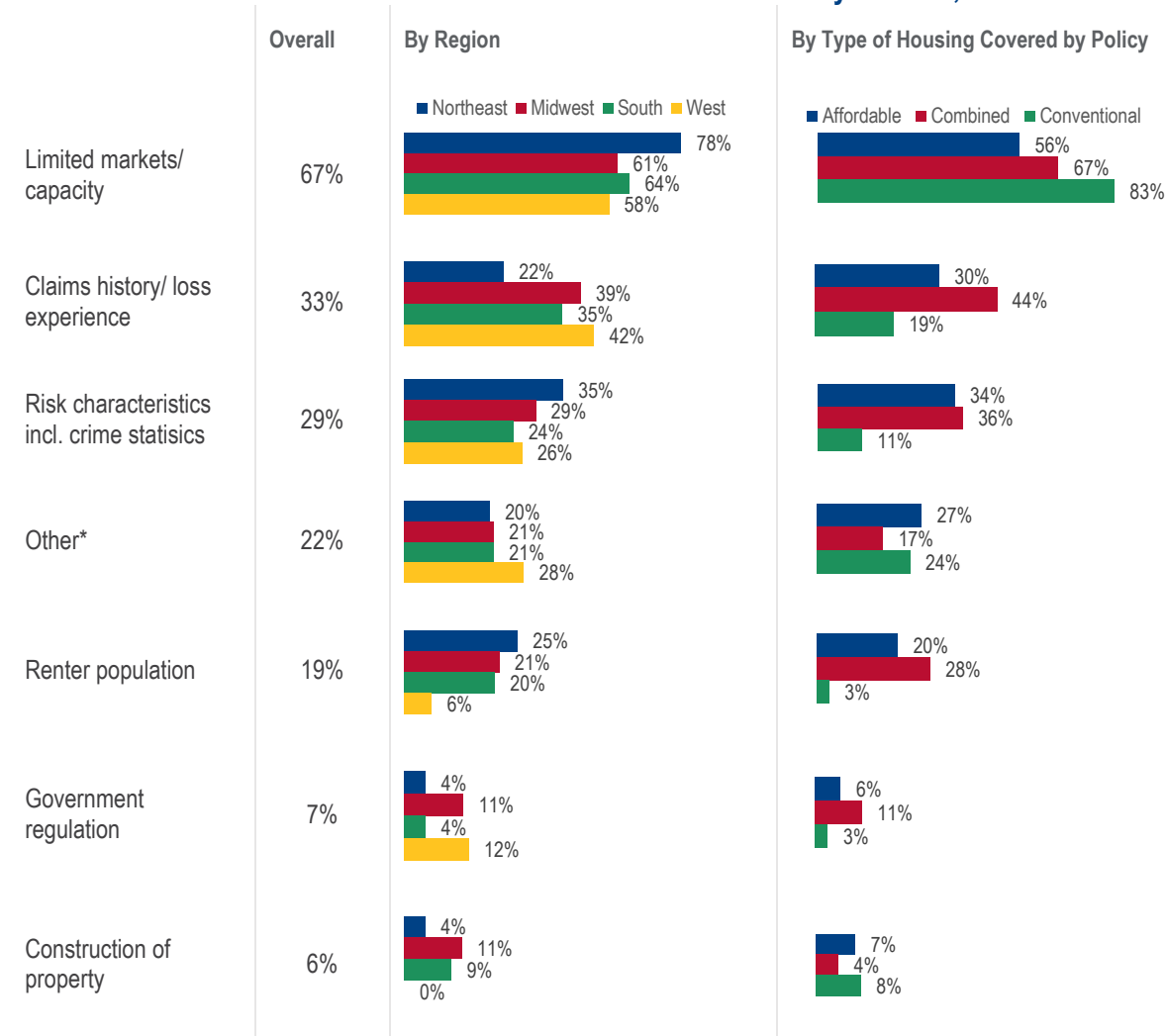


* "Other" was often identified as insurance industry losses in general, including natural disasters, wildfires, and COVID-19.

We conducted the same analysis for the top two lines of insurance with premium increases: general umbrella/excess liability and commercial property (see Appendix 2 for data on all lines of insurance).

For general umbrella/excess liability insurance, limited markets/capacity was the most frequently identified reason for increased premiums in 2020 and 2021 (67%), followed by claims history and loss experience (33%), and risk characteristics (29%). The rationale varied by region and type of housing covered by the insurance policy. For example, limited markets were identified most frequently by housing providers operating primarily in the Northeast. Claims history, risk characteristics, and renter population were more commonly identified by housing providers with policies that included affordable housing (either policies specific to affordable housing or combined with conventional housing) compared to policies specific to conventional housing. (Figure 6)

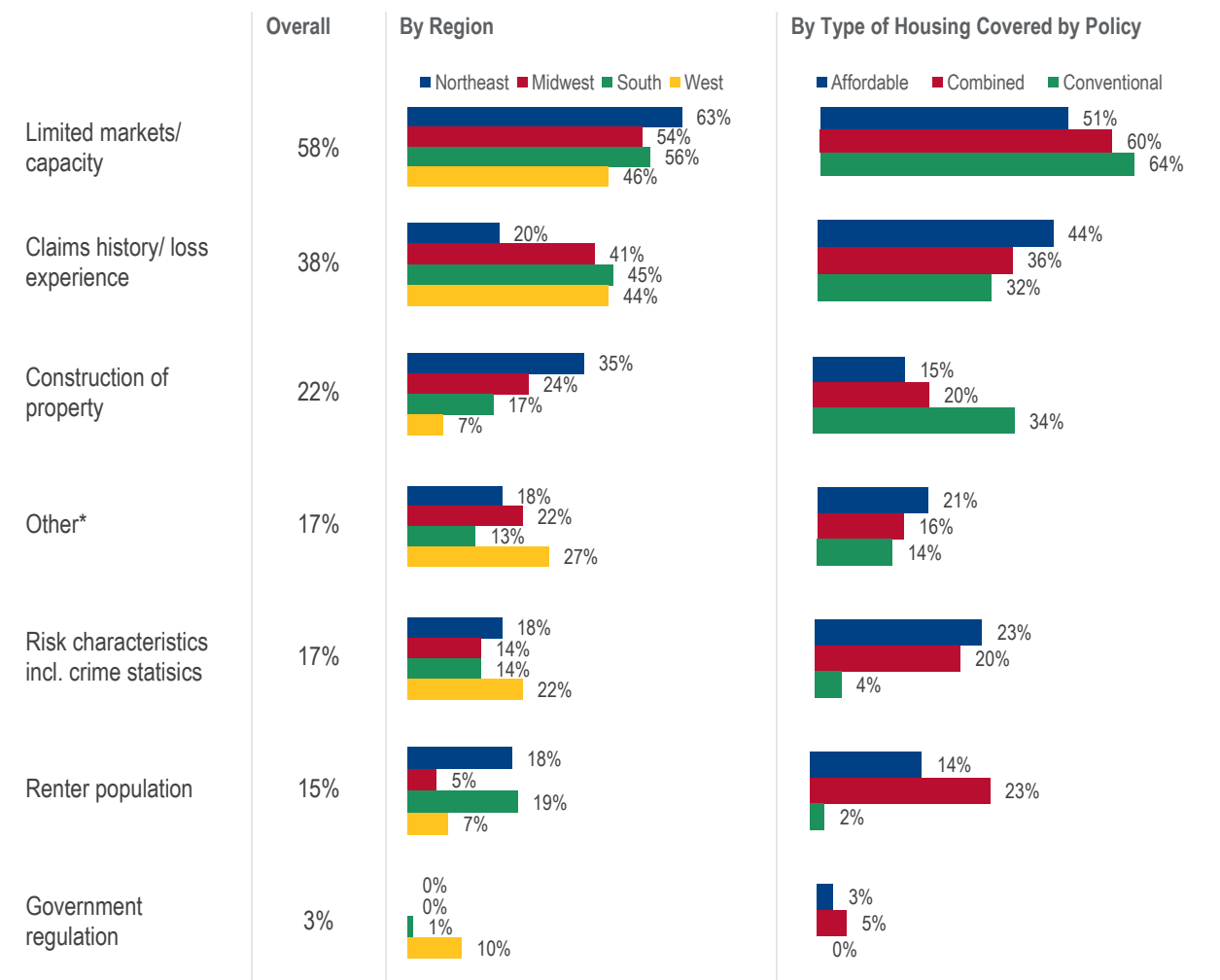
Figure 6.
Rationale for Premium Increases: General Umbrella/Excess Liability Policies, 2020-21



* "Other" was often identified as insurance industry losses in general.

For commercial property insurance, limited markets/capacity was the most common reason for increased premiums in 2020 and 2021 (58% of policies), followed by claims history and loss experience (38%), and construction of property (22%). The rationale varied by region and type of housing covered by the insurance policy. For example, construction of property was a more common reason for premium increases for housing providers operating primarily in the Northeast. Similar to the findings from general umbrella/excess liability insurance, claims history, risk characteristics, and renter population were more commonly identified by housing providers with policies that included affordable housing (either policies specific to affordable housing or combined with conventional housing) compared to policies specific to conventional housing. (Figure 7)

Figure 7.
Rationale for Premium Increases: Commercial Property Policies, 2020-21



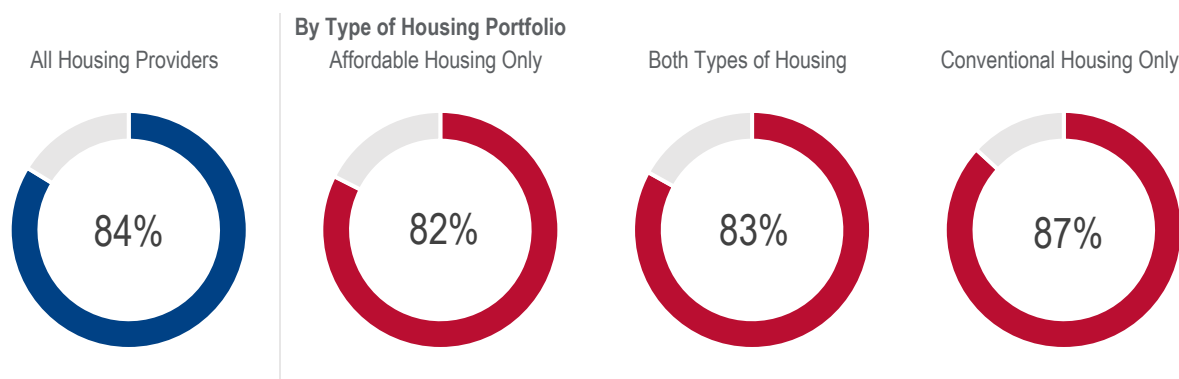
* "Other" was often identified as insurance industry losses in general.

Section 3. Impact of Premium Increases

The survey asked respondents about current or planned actions to manage costs due higher premiums in 2020 and 2021. The selection included: decrease or postpone investments in improvements or updates to current housing units and/or future housing projects, increase rent (if applicable), reduce employment or keep from hiring new workers, decrease other operating expenses, increase insurance deductible, reduce insurance coverage, other, and no planned action. Respondents were asked to select any that apply.

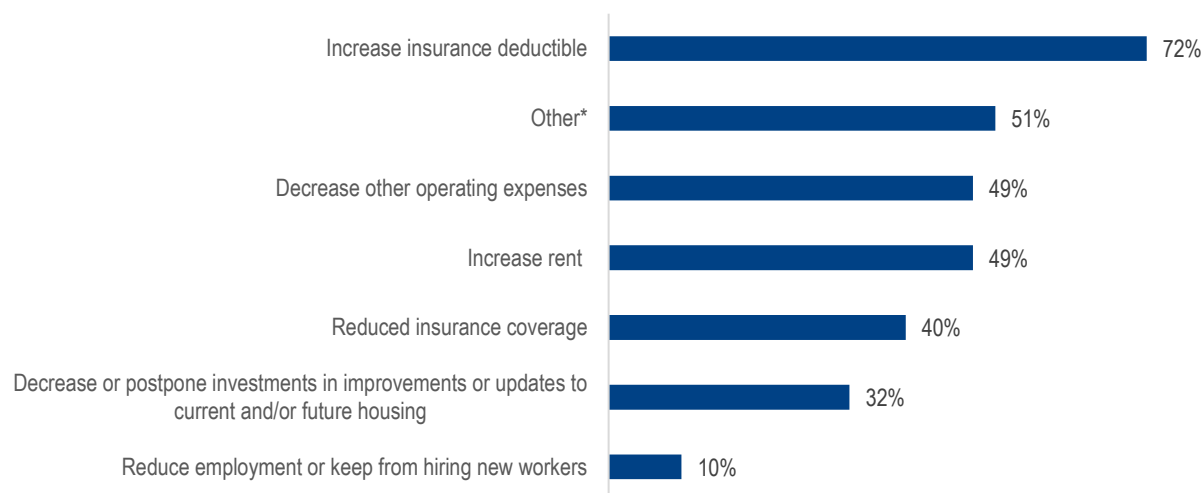
Overall, 84% of housing providers indicated that they are or plan on taking actions to manage costs, including 87% of those whose portfolios are comprised of conventional housing only, 83% for those with both affordable and conventional housing, and 82% of those with affordable housing only. (Figure 8)

Figure 8.
Share of Housing Providers Taking Action to Manage Increased Costs Due to Higher Premiums



Of those housing providers who plan to or are currently taking action to manage increased costs due to higher insurance premiums, top actions include increasing in insurance deductibles (72%), taking other actions such as increased risk management (51%), as well as decreasing operating expenses and increasing rent (both 49%). (Figure 9)

Figure 9.
Most Common Actions to Manage Increased Costs Due to Higher Premiums



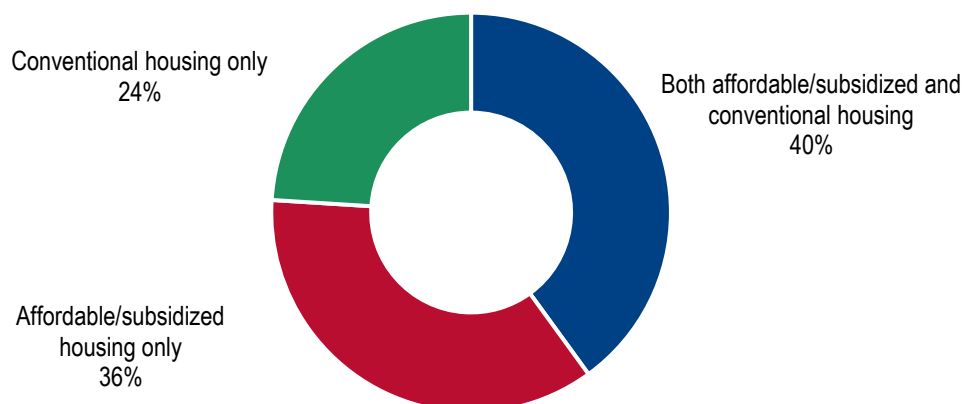
* "Other" was often identified as increasing risk management or reducing tenant services.

APPENDIX 1. SURVEY METHODOLOGY & DEMOGRAPHICS

This appendix contains a summary of the survey methodology and respondent demographics including types of housing units, rental population, and geographic location.

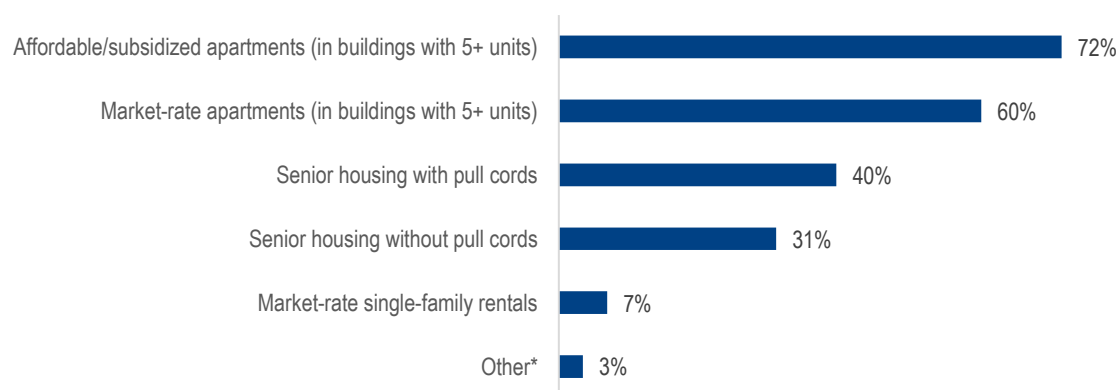
ndp | analytics and a group of multifamily housing organizations, including the Council for Affordable and Rural Housing, the Institute of Real Estate Management, the National Apartment Association, the National Affordable Housing Management Association, the National Leased Housing Association, and the National Multifamily Housing Council, jointly conducted an online survey of housing providers from April 19 to April 30, 2021 to understand the magnitude, rationale, and impact of changes in premiums across different lines of insurance. The survey received 174 responses. The demographics of these survey respondents are below.

Figure A1.1. Survey Respondents' Housing Portfolios



Note: n=174

Figure A1.2. Specific Types of Units in Survey Respondents' Housing Portfolios



*"Other" includes manufactured housing and purpose-built student housing.
Note: n=171.

Table A1.1. Total Housing Units Operated by Survey Respondents

	Total Units Reported
Affordable housing units	1,277,851
Section 8 units	241,029
Other affordable housing units	1,036,822
Conventional housing units	1,296,045
Total	2,573,896

Note: n=165.

Figure A1.3. Survey Respondents' Housing Portfolios: Primary Resident Population


Notes: n=170; Housing providers with both affordable and conventional housing units responded separately for each type of unit.

Table A1.2. Survey Respondents' Housing Portfolios: Primary Region of Operation

	Affordable Housing	Conventional Housing
Midwest	18%	18%
East (IL, IN, MI, OH, WI)	14%	13%
West (IA, KS, MN, MO, ND, NE, SD)	3%	5%
Northeast	27%	22%
Mid-Atlantic (NJ, NY, PA)	18%	13%
New England (CT, MA, ME, NH, RI, VT)	9%	9%
South	37%	38%
Atlantic (DC, DE, FL, GA, MD, NC, SC, VA, WV)	14%	16%
East Central (AL, KY, MS, TN)	6%	4%
West Central (AK, LA, OK, TX)	17%	18%
West	18%	23%
Mountain (AZ, CO, ID, MT, NV, NM, UT, WY)	6%	8%
Pacific (AK, CA, HI, OR, WA)	13%	15%
Total	100%	100%

Notes: n=169; Housing providers with both affordable and conventional housing units responded separately for each type of unit.

Table A1.3. Survey Respondents' Housing Portfolios: Presence by State

	Share of Affordable Housing Providers	Share of Conventional Housing Providers		Share of Affordable Housing Providers	Share of Conventional Housing Providers
Alabama	7%	10%	Montana	*	*
Alaska	*	*	Nebraska	4%	*
Arizona	10%	13%	Nevada	4%	6%
Arkansas	*	5%	New Hampshire	5%	4%
California	21%	25%	New Jersey	12%	8%
Colorado	9%	13%	New Mexico	5%	*
Connecticut	8%	7%	New York	13%	11%
Delaware	6%	*	North Carolina	13%	13%
District of Columbia	6%	10%	North Dakota	*	*
Florida	13%	23%	Ohio	12%	12%
Georgia	17%	19%	Oklahoma	5%	7%
Hawaii	*	*	Oregon	*	8%
Idaho	6%	5%	Pennsylvania	14%	10%
Illinois	11%	12%	Rhode Island	6%	6%
Indiana	13%	10%	South Carolina	14%	11%
Iowa	5%	6%	South Dakota	4%	0%
Kansas	7%	7%	Tennessee	13%	10%
Kentucky	10%	7%	Texas	28%	32%
Louisiana	6%	5%	Utah	5%	*
Maine	6%	3%	Vermont	*	*
Maryland	16%	12%	Virginia	20%	22%
Massachusetts	14%	18%	Washington	9%	13%
Michigan	12%	9%	West Virginia	6%	*
Minnesota	6%	8%	Wisconsin	10%	6%
Mississippi	10%	7%	Wyoming	*	*
Missouri	9%	6%			

*States with fewer than 5 responses.

Note: n=168; Housing providers with both affordable and conventional housing units responded separately for each type of unit.

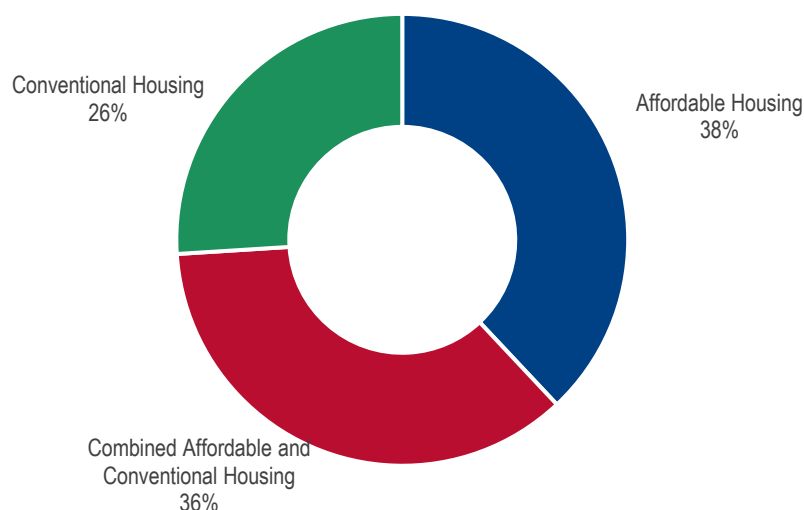
APPENDIX 2. DETAILED SURVEY RESPONSES

This appendix contains detailed data on insurance coverage, premium increases, and rationale for increases for the following lines of insurance:

1. All lines of insurance (pg. 15)
2. Builder's risk (pg. 17)
3. Commercial property (pg. 19)
4. Flood (pg. 21)
5. General umbrella/excess liability (pg. 23)
6. Workers' compensation (pg. 25)
7. Other, e.g., D&O, earthquake, wildfires, wind (pg. 27)

For this analysis, we divided responses into three categories: policies specific to affordable housing units, policies specific to conventional housing units, and combined policies that covered both affordable and conventional housing units. In total, 68 (38%) survey respondents held insurance policies specific to affordable housing, 66 (36%) held policies for combined affordable and conventional policies, and 47 (26%) held policies specific to conventional housing.²

Figure A2.1. Types of Housing Insurance Policies



Note: n=182.

² Number of policies is greater than the number of respondents because some respondents with both affordable and conventional units provided separate policy information for each type of housing.

ALL LINES OF INSURANCE

Survey findings for all insurance policy renewals in 2020 and 2021.

Figure A2.2. All Policies: Coverage Compared to Previous Year



Table A2.1. All Policies: Annual Premium Increases

Panel A. Overall and by Type of Housing Covered by Policy

Renewal Year	All Policies			Affordable Housing			Combined Affordable & Conventional Housing			Conventional Housing		
	2020	2021	Both	2020	2021	Both	2020	2021	Both	2020	2021	Both
No Increase	14%	12%	13%	17%	11%	14%	11%	9%	10%	15%	17%	16%
Less than 15%	53%	50%	51%	57%	54%	55%	55%	53%	54%	44%	38%	41%
15% to 30%	21%	26%	23%	17%	25%	20%	22%	24%	23%	25%	31%	28%
31% to 50%	6%	7%	6%	6%	6%	6%	5%	7%	6%	8%	8%	8%
51% to 100%	3%	3%	3%	1%	1%	1%	3%	4%	4%	4%	6%	5%
Over 100%	3%	3%	3%	2%	4%	3%	5%	3%	4%	3%	0%	2%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Panel B. By Region

Renewal Year	Northeast			Midwest			South			West		
	2020	2021	Both	2020	2021	Both	2020	2021	Both	2020	2021	Both
No Increase	18%	9%	15%	13%	10%	12%	11%	11%	11%	15%	13%	14%
Less than 15%	55%	65%	59%	61%	64%	62%	50%	45%	48%	53%	44%	49%
15% to 30%	18%	12%	16%	13%	23%	17%	25%	30%	27%	20%	36%	27%
31% to 50%	4%	5%	4%	3%	1%	2%	9%	7%	8%	5%	4%	4%
51% to 100%	1%	2%	1%	4%	1%	3%	3%	6%	4%	3%	2%	2%
Over 100%	4%	7%	5%	5%	1%	3%	1%	2%	2%	4%	1%	3%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Note: Totals may not add due to rounding.

Table A2.2. All Lines Policies: Rationale for Increased Premiums

Panel A. Overall and by Type of Housing Covered by Policy

Renewal Year	All Policies			Affordable Housing			Combined Affordable & Conventional Housing			Conventional Housing		
	2020	2021	Both	2020	2021	Both	2020	2021	Both	2020	2021	Both
Claims history/loss experience	33%	33%	33%	35%	36%	35%	35%	39%	37%	25%	19%	22%
Construction of property	14%	11%	12%	10%	6%	8%	12%	7%	10%	22%	24%	23%
Government regulation	6%	8%	7%	3%	3%	3%	10%	14%	12%	4%	2%	3%
Limited markets/capacity	57%	57%	57%	52%	56%	53%	54%	54%	54%	71%	66%	69%
Renter population	13%	10%	12%	11%	7%	9%	20%	18%	19%	2%	1%	2%
Risk characteristics*	18%	16%	17%	21%	23%	22%	21%	19%	20%	7%	3%	6%
Other**	15%	16%	15%	13%	23%	18%	16%	14%	15%	15%	12%	14%

Panel B. By Region

Renewal Year	Northeast			Midwest			South			West		
	2020	2021	Both	2020	2021	Both	2020	2021	Both	2020	2021	Both
Claims history/loss experience	23%	29%	25%	39%	32%	36%	35%	30%	33%	40%	44%	42%
Construction of property	14%	16%	15%	19%	16%	17%	13%	13%	13%	8%	1%	4%
Government regulation	3%	6%	4%	3%	6%	5%	2%	4%	3%	14%	11%	13%
Limited markets/capacity	61%	57%	60%	47%	50%	49%	61%	65%	63%	45%	43%	44%
Renter population	15%	10%	13%	10%	8%	9%	14%	14%	14%	5%	1%	3%
Risk characteristics*	16%	16%	16%	14%	16%	15%	16%	14%	15%	22%	16%	19%
Other**	17%	11%	15%	22%	22%	22%	11%	16%	13%	18%	22%	20%

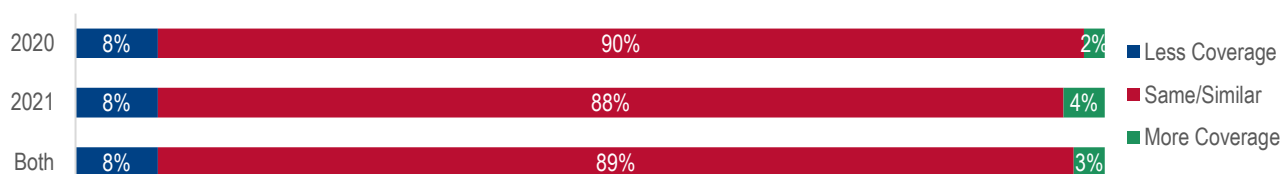
*Includes crime statistics.

**Examples include: Losses experienced by insurers in general, Liability and litigation exposure, Market conditions/insurance, market hardening, pull cords.

BUILDER'S RISK INSURANCE

Survey findings for builder's risk insurance policy renewals in 2020 and 2021.

Figure A2.3. Builder's Risk Policies: Coverage Compared to Previous Year



Notes: n=90 for 2020; n=76 for 2021.

Table A2.3. Builder's Risk Policies: Annual Premium Increases

Panel A. Overall and by Type of Housing Covered by Policy

Renewal Year	All Policies			Affordable Housing			Combined Affordable & Conventional Housing			Conventional Housing		
	2020	2021	Both	2020	2021	Both	2020	2021	Both	2020	2021	Both
No Increase	13%	10%	12%	18%	10%	15%	10%	8%	9%	10%	13%	11%
Less than 15%	55%	50%	53%	54%	55%	54%	55%	52%	54%	55%	40%	49%
15% to 30%	25%	32%	28%	21%	35%	27%	28%	28%	28%	25%	33%	29%
31% to 50%	6%	5%	6%	7%	0%	4%	3%	8%	6%	10%	7%	9%
51% to 100%	1%	2%	1%	0%	0%	0%	3%	0%	2%	0%	7%	3%
Over 100%	0%	2%	1%	0%	0%	0%	0%	4%	2%	0%	0%	0%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Panel B. By Region

Renewal Year	Northeast			Midwest			South			West		
	2020	2021	Both	2020	2021	Both	2020	2021	Both	2020	2021	Both
No Increase	19%	8%	14%	7%	8%	7%	15%	14%	14%	13%	8%	11%
Less than 15%	56%	67%	61%	67%	67%	67%	48%	41%	45%	50%	33%	43%
15% to 30%	19%	17%	18%	27%	25%	26%	30%	36%	33%	25%	50%	36%
31% to 50%	6%	0%	4%	0%	0%	0%	7%	5%	6%	13%	8%	11%
51% to 100%	0%	0%	0%	0%	0%	0%	0%	5%	2%	0%	0%	0%
Over 100%	0%	8%	4%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Notes: n=77 for 2020; n=60 for 2021; totals may not add due to rounding.

Table A2.4. Builder's Risk Policies: Rationale for Increased Premiums

Panel A. Overall and by Type of Housing Covered by Policy

Renewal Year	All Policies			Affordable Housing			Combined Affordable & Conventional Housing			Conventional Housing		
	2020	2021	Both	2020	2021	Both	2020	2021	Both	2020	2021	Both
Claims history/loss experience	14%	15%	14%	21%	30%	25%	11%	15%	13%	8%	0%	4%
Construction of property	16%	24%	19%	0%	0%	0%	17%	23%	19%	33%	45%	39%
Government regulation	5%	6%	5%	0%	0%	0%	11%	15%	13%	0%	0%	0%
Limited markets/capacity	64%	56%	60%	71%	70%	71%	50%	46%	48%	75%	55%	65%
Renter population	9%	9%	9%	0%	0%	0%	22%	23%	23%	0%	0%	0%
Risk characteristics*	18%	12%	15%	21%	20%	21%	17%	15%	16%	17%	0%	9%
Other**	9%	12%	10%	7%	10%	8%	17%	15%	16%	0%	9%	4%

Panel B. By Region

Renewal Year	Northeast			Midwest			South			West		
	2020	2021	Both	2020	2021	Both	2020	2021	Both	2020	2021	Both
Claims history/loss experience	17%	29%	21%	0%	0%	0%	13%	0%	7%	17%	30%	23%
Construction of property	8%	29%	16%	25%	33%	29%	13%	31%	21%	25%	10%	18%
Government regulation	0%	0%	0%	0%	0%	0%	0%	0%	0%	8%	10%	9%
Limited markets/capacity	58%	43%	53%	50%	33%	43%	73%	62%	68%	58%	60%	59%
Renter population	17%	14%	16%	0%	0%	0%	7%	8%	7%	0%	0%	0%
Risk characteristics*	17%	14%	16%	0%	0%	0%	7%	0%	4%	33%	20%	27%
Other**	8%	0%	5%	25%	33%	29%	7%	15%	11%	8%	10%	9%

Notes: n=44 for 2020; n=34 for 2021

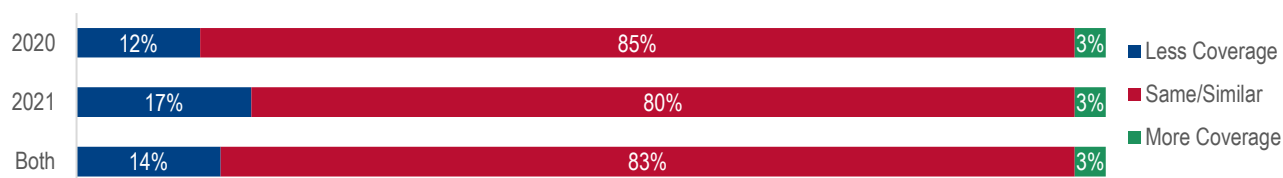
*Includes crime statistics.

**Examples include: COVID-19, Insurance industry losses, market conditions.

COMMERCIAL PROPERTY INSURANCE

Survey findings for commercial property insurance policy renewals in 2020 and 2021.

Figure A2.4. Commercial Property Policies: Coverage Compared to Previous Year



Notes: n=164 for 2020; n=136 for 2021.

Table A2.5. Commercial Property Policies: Annual Premium Increases

Panel A. Overall and by Type of Housing Covered by Policy

Renewal Year	All Policies			Affordable Housing			Combined Affordable & Conventional Housing			Conventional Housing		
	2020	2021	Both	2020	2021	Both	2020	2021	Both	2020	2021	Both
No Increase	6%	6%	6%	7%	7%	7%	3%	4%	4%	8%	9%	8%
Less than 15%	49%	49%	49%	58%	50%	54%	50%	54%	52%	35%	41%	38%
15% to 30%	30%	32%	31%	26%	33%	29%	32%	27%	30%	33%	38%	35%
31% to 50%	10%	6%	8%	5%	7%	6%	8%	6%	7%	18%	6%	13%
51% to 100%	3%	3%	3%	2%	0%	1%	2%	4%	3%	8%	6%	7%
Over 100%	3%	3%	3%	2%	4%	3%	5%	4%	5%	0%	0%	0%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Panel B. By Region

Renewal Year	Northeast			Midwest			South			West		
	2020	2021	Both	2020	2021	Both	2020	2021	Both	2020	2021	Both
No Increase	9%	9%	9%	4%	5%	4%	5%	4%	5%	7%	9%	8%
Less than 15%	58%	74%	64%	68%	67%	67%	45%	43%	44%	33%	27%	31%
15% to 30%	24%	4%	16%	18%	29%	22%	35%	37%	36%	37%	59%	47%
31% to 50%	6%	4%	5%	7%	0%	4%	12%	6%	9%	15%	5%	10%
51% to 100%	0%	0%	0%	0%	0%	0%	3%	8%	5%	4%	0%	2%
Over 100%	3%	9%	5%	4%	0%	2%	0%	2%	1%	4%	0%	2%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Notes: n=157 for 2020; n=126 for 2021; totals may not add due to rounding.

Table A2.6. Commercial Property Policies: Rationale for Increased Premiums

Panel A. Overall and by Type of Housing Covered by Policy

Renewal Year	All Policies			Affordable Housing			Combined Affordable & Conventional Housing			Conventional Housing		
	2020	2021	Both	2020	2021	Both	2020	2021	Both	2020	2021	Both
Claims history/loss experience	37%	38%	38%	45%	42%	44%	33%	40%	36%	34%	29%	32%
Construction of property	25%	17%	22%	18%	13%	15%	24%	14%	20%	38%	29%	34%
Government regulation	2%	4%	3%	3%	3%	3%	4%	7%	5%	0%	0%	0%
Limited markets/capacity	57%	59%	58%	50%	52%	51%	57%	63%	60%	66%	63%	64%
Renter population	17%	12%	15%	18%	10%	14%	24%	21%	23%	3%	0%	2%
Risk characteristics*	17%	15%	17%	23%	23%	23%	20%	19%	20%	6%	0%	4%
Other**	17%	18%	17%	15%	29%	21%	19%	14%	16%	16%	13%	14%

Panel B. By Region

Renewal Year	Northeast			Midwest			South			West		
	2020	2021	Both	2020	2021	Both	2020	2021	Both	2020	2021	Both
Claims history/loss experience	19%	22%	20%	38%	44%	41%	48%	42%	45%	43%	45%	44%
Construction of property	35%	33%	35%	29%	19%	24%	17%	16%	17%	14%	0%	7%
Government regulation	0%	0%	0%	0%	0%	0%	0%	3%	1%	10%	10%	10%
Limited markets/capacity	65%	61%	63%	52%	56%	54%	54%	58%	56%	43%	50%	46%
Renter population	23%	11%	18%	5%	6%	5%	20%	18%	19%	10%	5%	7%
Risk characteristics*	19%	17%	18%	14%	13%	14%	15%	13%	14%	24%	20%	22%
Other**	23%	11%	18%	24%	19%	22%	9%	18%	13%	24%	30%	27%

n=126 for 2020; n=98 for 2021

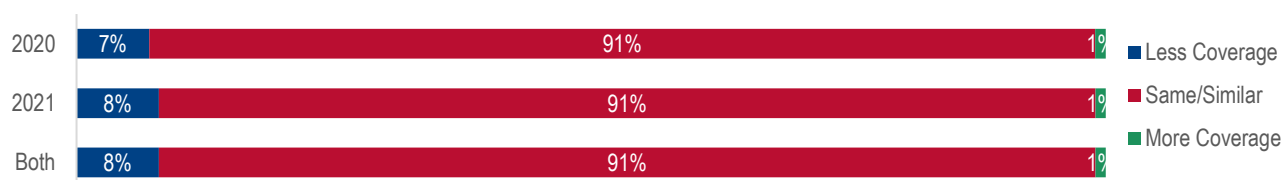
*Includes crime statistics.

**Examples include replacement cost values, increase in property values, market conditions, insurance industry losses, increase in liability requirements.

FLOOD INSURANCE

Survey findings for flood insurance policy renewals in 2020 and 2021.

Figure A2.5. Flood Policies: Coverage Compared to Previous Year



Notes: n=138 for 2020; n=117 for 2021.

Table A2.7. Flood Policies: Annual Premium Increases

Panel A. Overall and by Type of Housing Covered by Policy

Renewal Year	All Policies			Affordable Housing			Combined Affordable & Conventional Housing			Conventional Housing		
	2020	2021	Both	2020	2021	Both	2020	2021	Both	2020	2021	Both
No Increase	17%	15%	16%	15%	14%	15%	16%	13%	15%	21%	19%	20%
Less than 15%	61%	57%	59%	70%	60%	65%	58%	62%	60%	55%	46%	51%
15% to 30%	17%	24%	20%	9%	23%	15%	22%	18%	20%	21%	35%	27%
31% to 50%	4%	4%	4%	7%	3%	5%	2%	8%	4%	3%	0%	2%
51% to 100%	1%	0%	0%	0%	0%	0%	2%	0%	1%	0%	0%	0%
Over 100%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Panel B. By Region

Renewal Year	Northeast			Midwest			South			West		
	2020	2021	Both	2020	2021	Both	2020	2021	Both	2020	2021	Both
No Increase	19%	6%	14%	28%	21%	25%	13%	16%	14%	9%	5%	7%
Less than 15%	62%	88%	72%	56%	57%	56%	65%	49%	58%	65%	58%	62%
15% to 30%	15%	6%	12%	17%	21%	19%	15%	30%	22%	22%	32%	26%
31% to 50%	4%	0%	2%	0%	0%	0%	7%	5%	6%	0%	5%	2%
51% to 100%	0%	0%	0%	0%	0%	0%	0%	0%	0%	4%	0%	2%
Over 100%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Notes: n=129 for 2020; n=100 for 2021; totals may not add due to rounding.

Table A2.8. Flood Policies: Rationale for Increased Premiums

Panel A. Overall and by Type of Housing Covered by Policy

Renewal Year	All Policies			Affordable Housing			Combined Affordable & Conventional Housing			Conventional Housing		
	2020	2021	Both	2020	2021	Both	2020	2021	Both	2020	2021	Both
Claims history/loss experience	18%	22%	20%	30%	38%	33%	20%	23%	21%	0%	0%	0%
Construction of property	13%	9%	11%	10%	0%	6%	8%	5%	6%	27%	27%	27%
Government regulation	8%	11%	9%	0%	0%	0%	12%	18%	15%	13%	9%	12%
Limited markets/capacity	55%	59%	57%	55%	62%	58%	48%	50%	49%	67%	73%	69%
Renter population	3%	4%	4%	0%	0%	0%	8%	9%	9%	0%	0%	0%
Risk characteristics*	7%	7%	7%	10%	8%	9%	8%	9%	9%	0%	0%	0%
Other**	13%	11%	12%	5%	8%	6%	20%	14%	17%	13%	9%	12%

Panel B. By Region

Renewal Year	Northeast			Midwest			South			West		
	2020	2021	Both	2020	2021	Both	2020	2021	Both	2020	2021	Both
Claims history/loss experience	12%	22%	15%	33%	25%	29%	24%	22%	23%	17%	25%	21%
Construction of property	18%	22%	19%	33%	25%	29%	12%	6%	9%	8%	0%	4%
Government regulation	0%	11%	4%	0%	0%	0%	4%	6%	5%	25%	17%	21%
Limited markets/capacity	59%	44%	54%	33%	50%	43%	60%	72%	65%	33%	42%	38%
Renter population	0%	0%	0%	0%	0%	0%	4%	6%	5%	0%	0%	0%
Risk characteristics*	0%	0%	0%	0%	0%	0%	8%	6%	7%	8%	8%	8%
Other**	18%	11%	15%	0%	0%	0%	8%	6%	7%	25%	25%	25%

n=60 for 2020; n=46 for 2021

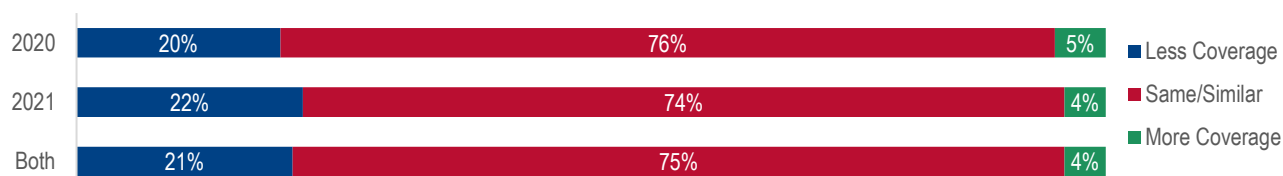
*Includes crime statistics.

**Examples include: government agencies such as FEMA, market conditions, increase in property values.

GENERAL UMBRELLA/ EXCESS LIABILITY INSURANCE

Survey findings for general umbrella/excess liability insurance policy renewals in 2020 and 2021.

Figure A2.6. General Umbrella/Excess Liability Policies: Coverage Compared to Previous Year



Notes: n=176 for 2020; n=147 for 2021.

Table A2.9. General Umbrella/Excess Liability Policies: Annual Premium Increases

Panel A. Overall and by Type of Housing Covered by Policy

Renewal Year	Overall			Affordable Housing			Combined Affordable/ Conventional Housing			Conventional Housing		
	2020	2021	Both	2020	2021	Both	2020	2021	Both	2020	2021	Both
No Increase	7%	4%	5%	11%	2%	7%	3%	2%	3%	5%	9%	7%
Less than 15%	43%	36%	40%	50%	49%	50%	44%	37%	41%	29%	15%	23%
15% to 30%	23%	33%	28%	18%	25%	21%	21%	33%	26%	37%	42%	39%
31% to 50%	9%	11%	10%	10%	6%	8%	8%	10%	9%	10%	21%	15%
51% to 100%	6%	9%	7%	3%	6%	4%	8%	10%	9%	7%	12%	9%
Over 100%	12%	7%	10%	8%	12%	10%	16%	8%	12%	12%	0%	7%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Panel B. By Region

Renewal Year	Northeast			Midwest			South			West		
	2020	2021	Both	2020	2021	Both	2020	2021	Both	2020	2021	Both
No Increase	12%	0%	7%	11%	5%	8%	3%	2%	3%	6%	10%	8%
Less than 15%	39%	43%	41%	50%	48%	49%	40%	38%	39%	47%	31%	40%
15% to 30%	24%	22%	23%	7%	33%	18%	29%	28%	29%	24%	48%	35%
31% to 50%	6%	9%	7%	4%	5%	4%	15%	13%	14%	3%	3%	3%
51% to 100%	3%	9%	5%	11%	5%	8%	6%	13%	10%	6%	3%	5%
Over 100%	15%	17%	16%	18%	5%	12%	6%	6%	6%	15%	3%	10%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Notes: n=164 for 2020; n=133 for 2021; totals may not add due to rounding.

Table A2.10. General Umbrella/Excess Liability Policies: Rationale for Increased Premiums

Panel A. Overall and by Type of Housing Covered by Policy

Renewal Year	Overall			Affordable Housing			Combined Affordable & Conventional Housing			Conventional Housing		
	2020	2021	Both	2020	2021	Both	2020	2021	Both	2020	2021	Both
Claims history/loss experience	32%	34%	33%	30%	32%	30%	41%	47%	44%	22%	15%	19%
Construction of property	7%	4%	6%	9%	5%	7%	5%	2%	4%	8%	7%	8%
Government regulation	6%	9%	7%	5%	8%	6%	9%	13%	11%	3%	4%	3%
Limited markets/capacity	68%	67%	67%	57%	55%	56%	68%	66%	67%	81%	85%	83%
Renter population	21%	16%	19%	25%	13%	20%	30%	26%	28%	3%	4%	3%
Risk characteristics*	28%	30%	29%	32%	37%	34%	36%	36%	36%	11%	11%	11%
Other**	20%	24%	22%	20%	34%	27%	16%	17%	17%	25%	22%	24%

Panel B. By Region

Renewal Year	Northeast			Midwest			South			West		
	2020	2021	Both	2020	2021	Both	2020	2021	Both	2020	2021	Both
Claims history/loss experience	16%	30%	22%	40%	39%	39%	37%	33%	35%	42%	42%	42%
Construction of property	3%	5%	4%	15%	6%	11%	10%	7%	9%	0%	0%	0%
Government regulation	3%	5%	4%	10%	11%	11%	2%	7%	4%	12%	13%	12%
Limited markets/capacity	81%	75%	78%	60%	61%	61%	60%	69%	64%	65%	50%	58%
Renter population	29%	20%	25%	25%	17%	21%	19%	21%	20%	12%	0%	6%
Risk characteristics*	35%	35%	35%	25%	33%	29%	21%	29%	24%	31%	21%	26%
Other**	19%	20%	20%	20%	22%	21%	19%	24%	21%	23%	33%	28%

Notes: n=135 for 2020; n=111 for 2021

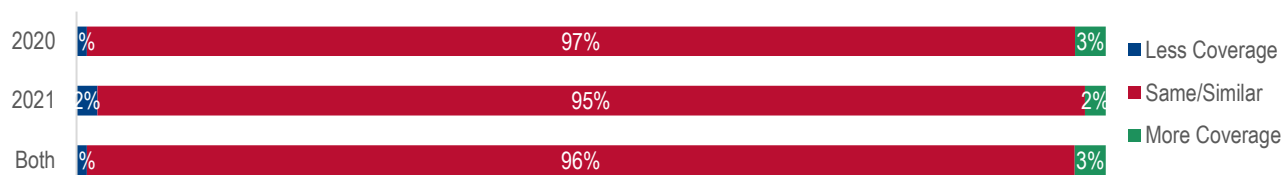
*Includes crime statistics.

**Examples include: Losses experienced by insurers in general, Liability and litigation exposure, Market conditions/insurance market hardening, Pull cords.

WORKERS' COMPENSATION INSURANCE

Survey findings for workers' compensation insurance policy renewals in 2020 and 2021.

Figure A2.7. Workers' Compensation Policies: Coverage Compared to Previous Year



Notes: n=155 for 2020; n=129 for 2021.

Table A2.11. Workers' Compensation Policies: Annual Premium Increases

Panel A. Overall and by Type of Housing Covered by Policy

Renewal Year	All Policies			Affordable Housing			Combined Affordable & Conventional Housing			Conventional Housing		
	2020	2021	Both	2020	2021	Both	2020	2021	Both	2020	2021	Both
No Increase	28%	24%	26%	32%	22%	28%	22%	21%	22%	31%	32%	32%
Less than 15%	59%	59%	59%	55%	61%	57%	62%	60%	61%	59%	56%	58%
15% to 30%	9%	12%	11%	9%	15%	12%	13%	11%	12%	3%	12%	7%
31% to 50%	2%	3%	2%	4%	2%	3%	2%	4%	3%	0%	0%	0%
51% to 100%	2%	2%	2%	0%	0%	0%	2%	4%	3%	6%	0%	4%
Over 100%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Panel B. By Region

Renewal Year	Northeast			Midwest			South			West		
	2020	2021	Both	2020	2021	Both	2020	2021	Both	2020	2021	Both
No Increase	35%	22%	30%	21%	23%	22%	24%	21%	22%	30%	28%	29%
Less than 15%	55%	70%	61%	63%	69%	66%	57%	58%	57%	67%	60%	64%
15% to 30%	10%	9%	9%	0%	8%	3%	14%	19%	16%	3%	8%	5%
31% to 50%	0%	0%	0%	5%	0%	3%	4%	2%	3%	0%	0%	0%
51% to 100%	0%	0%	0%	11%	0%	6%	2%	0%	1%	0%	4%	2%
Over 100%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Notes: n=140 for 2020; n=113 for 2021; totals may not add due to rounding.

Table A2.12. Workers' Compensation Policies: Rationale for Increased Premiums

Panel A. Overall and by Type of Housing Covered by Policy

Renewal Year	All Policies			Affordable Housing			Combined Affordable & Conventional Housing			Conventional Housing		
	2020	2021	Both	2020	2021	Both	2020	2021	Both	2020	2021	Both
Claims history/loss experience	55%	49%	52%	46%	38%	43%	63%	58%	60%	56%	44%	50%
Construction of property	0%	4%	2%	0%	0%	0%	0%	0%	0%	0%	22%	11%
Government regulation	13%	14%	13%	4%	0%	2%	22%	27%	25%	11%	0%	6%
Limited markets/capacity	29%	31%	30%	35%	44%	38%	19%	23%	21%	44%	33%	39%
Renter population	3%	4%	4%	0%	0%	0%	7%	8%	8%	0%	0%	0%
Risk characteristics*	8%	6%	7%	12%	13%	12%	7%	4%	6%	0%	0%	0%
Other**	8%	8%	8%	8%	13%	10%	11%	8%	9%	0%	0%	0%

Panel B. By Region

Renewal Year	Northeast			Midwest			South			West		
	2020	2021	Both	2020	2021	Both	2020	2021	Both	2020	2021	Both
Claims history/loss experience	53%	46%	50%	71%	20%	50%	43%	40%	42%	67%	67%	67%
Construction of property	0%	0%	0%	0%	20%	8%	0%	7%	3%	0%	0%	0%
Government regulation	16%	15%	16%	0%	20%	8%	5%	7%	6%	25%	17%	21%
Limited markets/capacity	26%	31%	28%	0%	0%	0%	52%	53%	53%	8%	17%	13%
Renter population	0%	0%	0%	0%	0%	0%	5%	7%	6%	0%	0%	0%
Risk characteristics*	0%	0%	0%	0%	0%	0%	14%	7%	11%	8%	8%	8%
Other**	11%	8%	9%	29%	40%	33%	5%	7%	6%	0%	0%	0%

Notes: n=62 for 2020; n=51 for 2021

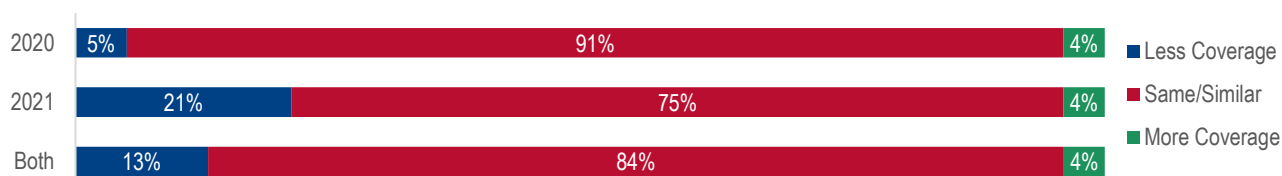
*Includes crime statistics.

**Examples include COVID-19, increase in payroll, market conditions.

OTHER INSURANCE

Survey findings for other insurance policy renewals (e.g., D&O, earthquake, wildfire) in 2020 and 2021.

Figure A2.8. Other Policies: Coverage Compared to Previous Year



Notes: n=57 for 2020; n=53 for 2021

Table A2.13. Other Policies: Annual Premium Increases

Panel A. Overall and by Type of Housing Covered by Policy

Renewal Year	All Policies			Affordable Housing			Combined Affordable & Conventional Housing			Conventional Housing		
	2020	2021	Both	2020	2021	Both	2020	2021	Both	2020	2021	Both
No Increase	20%	14%	17%	23%	15%	20%	14%	0%	8%	23%	33%	28%
Less than 15%	58%	49%	54%	58%	45%	52%	71%	63%	68%	38%	33%	36%
15% to 30%	18%	22%	20%	15%	20%	17%	14%	32%	23%	31%	8%	20%
31% to 50%	3%	14%	8%	4%	20%	11%	0%	5%	3%	8%	17%	12%
51% to 100%	0%	2%	1%	0%	0%	0%	0%	0%	0%	0%	8%	4%
Over 100%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Panel B. By Region

Renewal Year	Northeast			Midwest			South			West		
	2020	2021	Both	2020	2021	Both	2020	2021	Both	2020	2021	Both
No Increase	15%	11%	14%	13%	0%	7%	15%	19%	17%	31%	13%	23%
Less than 15%	69%	44%	59%	75%	100%	87%	40%	31%	36%	63%	60%	61%
15% to 30%	15%	22%	18%	13%	0%	7%	35%	31%	33%	6%	20%	13%
31% to 50%	0%	22%	9%	0%	0%	0%	10%	13%	11%	0%	7%	3%
51% to 100%	0%	0%	0%	0%	0%	0%	0%	6%	3%	0%	0%	0%
Over 100%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Notes: n=60 for 2020; n=51 for 2021; totals may not add due to rounding.

Table A2.14. Other Policies: Rationale for Increased Premiums

Panel A. Overall and by Type of Housing Covered by Policy

Renewal Year	All Policies			Affordable Housing			Combined Affordable & Conventional Housing			Conventional Housing		
	2020	2021	Both	2020	2021	Both	2020	2021	Both	2020	2021	Both
Claims history/loss experience	26%	27%	26%	23%	33%	27%	25%	22%	24%	33%	25%	29%
Construction of property	16%	15%	16%	15%	11%	14%	17%	0%	10%	17%	38%	29%
Government regulation	6%	0%	4%	0%	0%	0%	17%	0%	10%	0%	0%	0%
Limited markets/capacity	65%	62%	63%	46%	67%	55%	75%	67%	71%	83%	50%	64%
Renter population	3%	0%	2%	0%	0%	0%	8%	0%	5%	0%	0%	0%
Risk characteristics*	13%	4%	9%	15%	11%	14%	17%	0%	10%	0%	0%	0%
Other**	10%	8%	9%	15%	11%	14%	8%	11%	10%	0%	0%	0%

Panel B. By Region

Renewal Year	Northeast			Midwest			South			West		
	2020	2021	Both	2020	2021	Both	2020	2021	Both	2020	2021	Both
Claims history/loss experience	25%	0%	18%	25%	0%	13%	9%	11%	10%	50%	60%	56%
Construction of property	13%	0%	9%	0%	25%	13%	36%	33%	35%	0%	0%	0%
Government regulation	0%	0%	0%	0%	0%	0%	9%	0%	5%	13%	0%	6%
Limited markets/capacity	63%	100%	73%	50%	50%	50%	91%	89%	90%	38%	30%	33%
Renter population	0%	0%	0%	0%	0%	0%	9%	0%	5%	0%	0%	0%
Risk characteristics*	0%	0%	0%	0%	0%	0%	27%	0%	15%	13%	10%	11%
Other**	13%	0%	9%	25%	25%	25%	0%	0%	0%	13%	10%	11%

Notes: n=31 for 2020; n=26 for 2021

*Includes crime statistics.

**Examples include: COVID-19, increased cost of living, market conditions.