

State of the Property Market

2024



Reinsurance

Inflation, Cat Risk and Geopolitical conflict driving reinsurance rates



Hard Market

High demand for insurance coverage, particularly Named Windstorm in hurricane-prone areas and a low appetite to insure. Rates are high and coverage is difficult to find.



Inflation

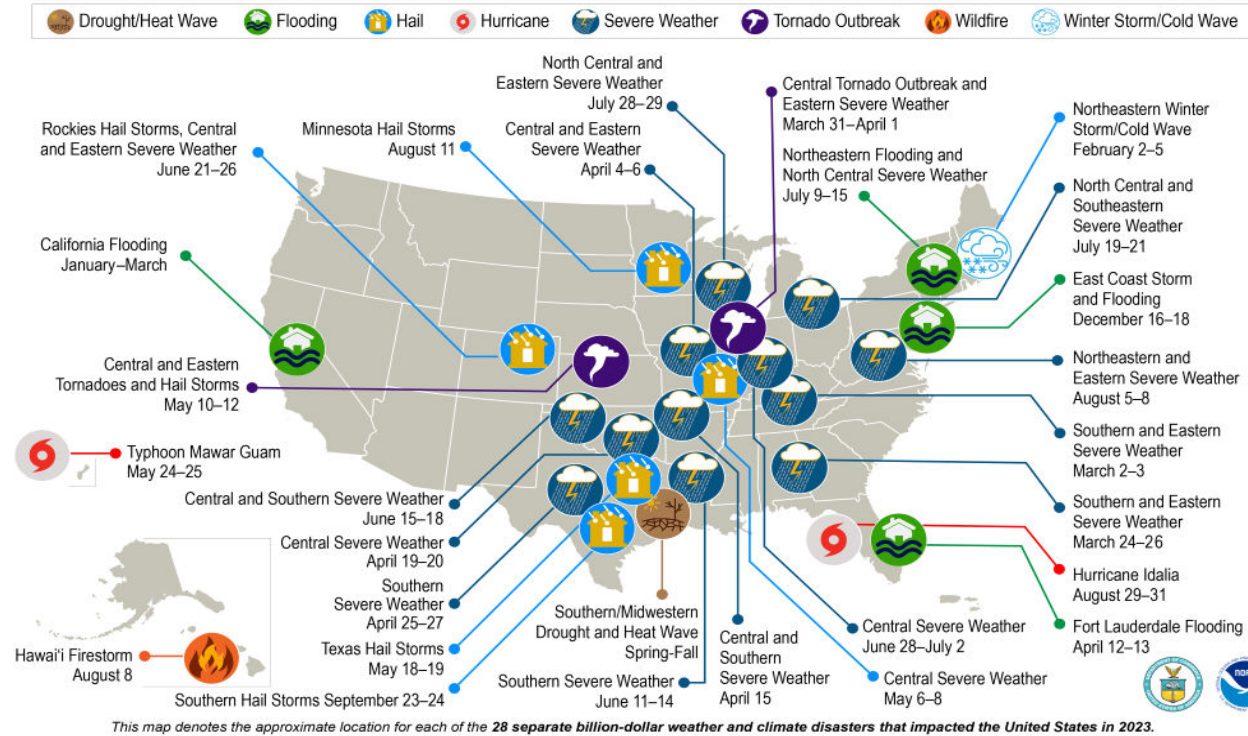
The increased cost to replace and repair damaged properties due to inflation has driven up the price of claims and, in turn, insurance premiums. If insurers don't charge enough premiums, they run the risk of being unable to pay claims.



Natural Disasters

The increase in costly disasters has made catastrophe insurance a much riskier investment. Premiums have increased to offset coverage being less available and more valuable.

U.S. 2023 Billion-Dollar Weather and Climate Disasters



Est. 2022 Property Insurable Losses \$125B

Est. 2023 Insurable Losses \$120B

Est. 2023 Insurable Loss \$600M for Tropical Storm Hilary in CA2023

Est. 2023 U.S. Convective Storm Insurable Losses \$60B

Current Market Conditions

- **Valuations** have increased dramatically YOY due to tight work force and limited materials
- **More restrictive terms and conditions** are being pushed by markets including margin clauses and percent freeze deductibles
- Credible and accurate **data in submitted SOVs** are vital
- More areas with **convective storm** exposure are receiving a **higher percent deductible**

