

# Why are insurance costs rising for homeowners?

Recent trends are impacting how much protection you'll need and the price you'll pay for it.



## More severe weather

There have been 18 weather/climate disaster events in the U.S. in 2021 with losses exceeding \$1 billion in damage. The increase in severe weather caused 39% of all U.S. home insurance claims.



## Higher material costs

With the cost of building materials up an average of 26%, homes have become more expensive to fix and replace.



## Increased shipping costs and delays

The pandemic has impacted almost every part of the global supply chain causing shipping delays and higher prices. 95% of Fortune 1000 companies have reported supply chain disruptions from COVID-19.



## More fire damage

Newer homes burn more nearly 6x faster than older ones due to the use of synthetic materials and open-floor plans, resulting in more total losses from fire and higher rebuild costs.



## Higher labor costs

Nearly 90% of contractors are having a hard time finding craft workers and 88% of firms are experiencing project delays. Higher labor costs drive up the price of materials leading to a rise in home insurance.



## Bigger, upscale homes

Home interiors have become more upscale with custom cabinetry, hardwood floors, finished basements and more, leading to higher replacement costs when damages arise.



## Increase in water damage

Water damage and freezing losses have increased by more than 10% from 2017 to 2019.

We can help you avoid your home being underinsured.

Contact your agent today to make sure you have the right coverage... and enough of it.

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