

2024 Portfolio Insurance Review

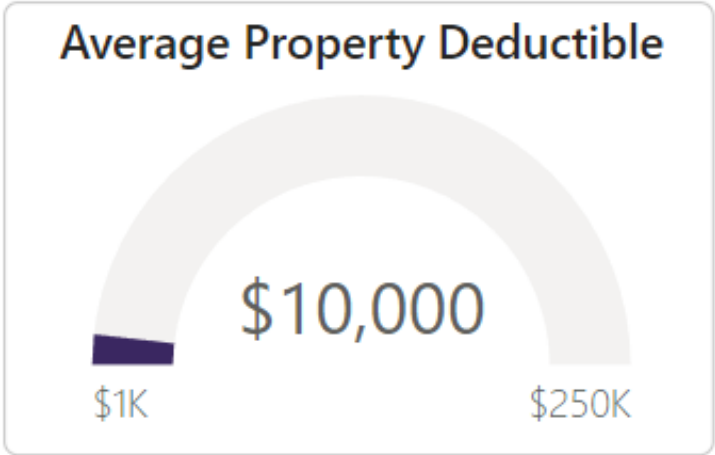
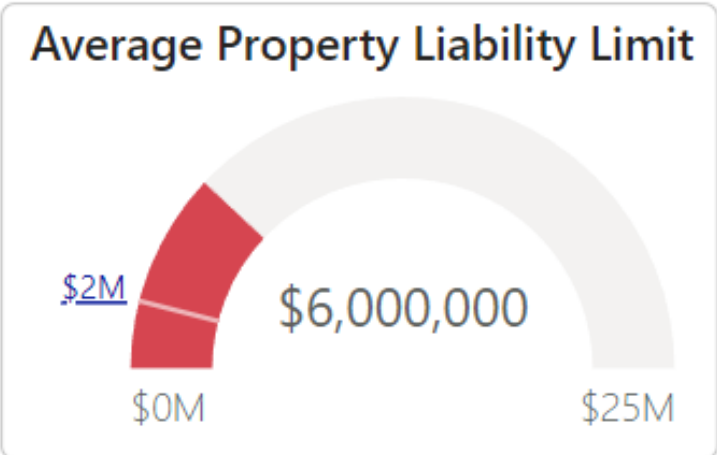
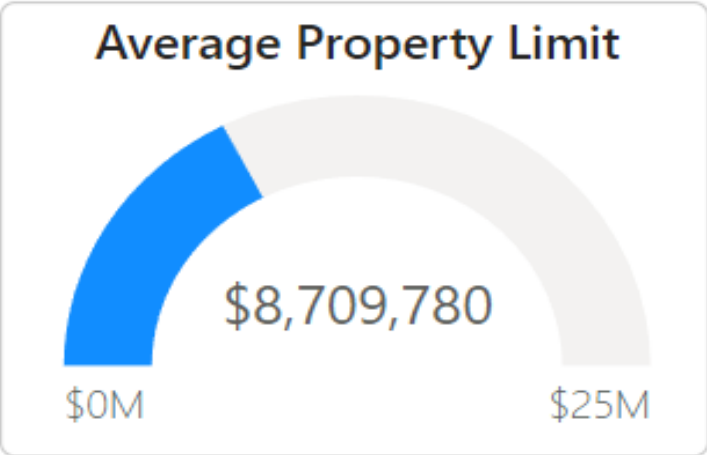
Vermont Housing Finance Agency:
Insurance Cost Challenges and
Potential Solutions
Tuesday, April 2, 2024
1:00 PM – 3:00 PM

Evernorth Regional Insurance Summary

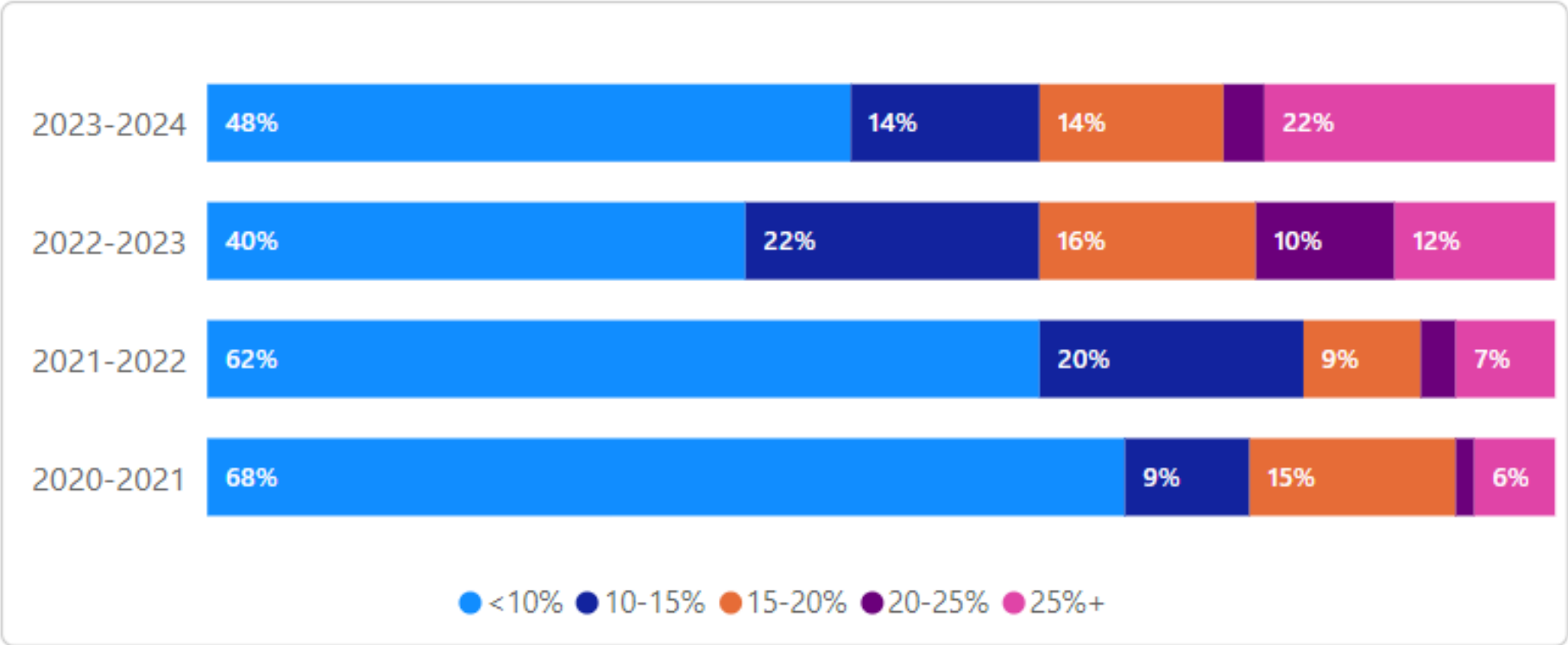
Total Properties	Total Units
277	9,855

Year	Average Per Unit
2020	\$471
2021	\$502
2022	\$541
2023	\$610
2024	\$689

2023 Property Coverage Costs Per Unit spanned in range of \$206 to \$1,680.



Premium Increase Trends

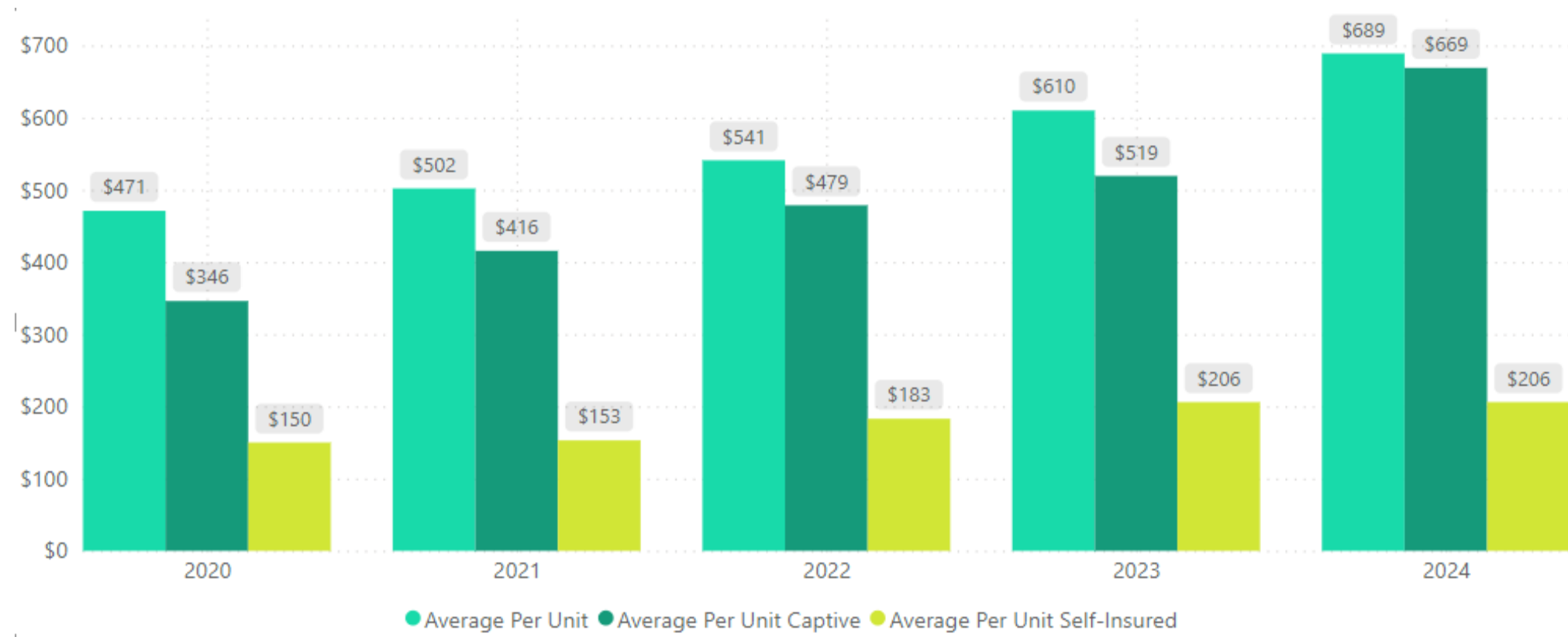


Of properties that received 25% or higher premium Increase:
 48% of Premiums remained below the average \$610 PU

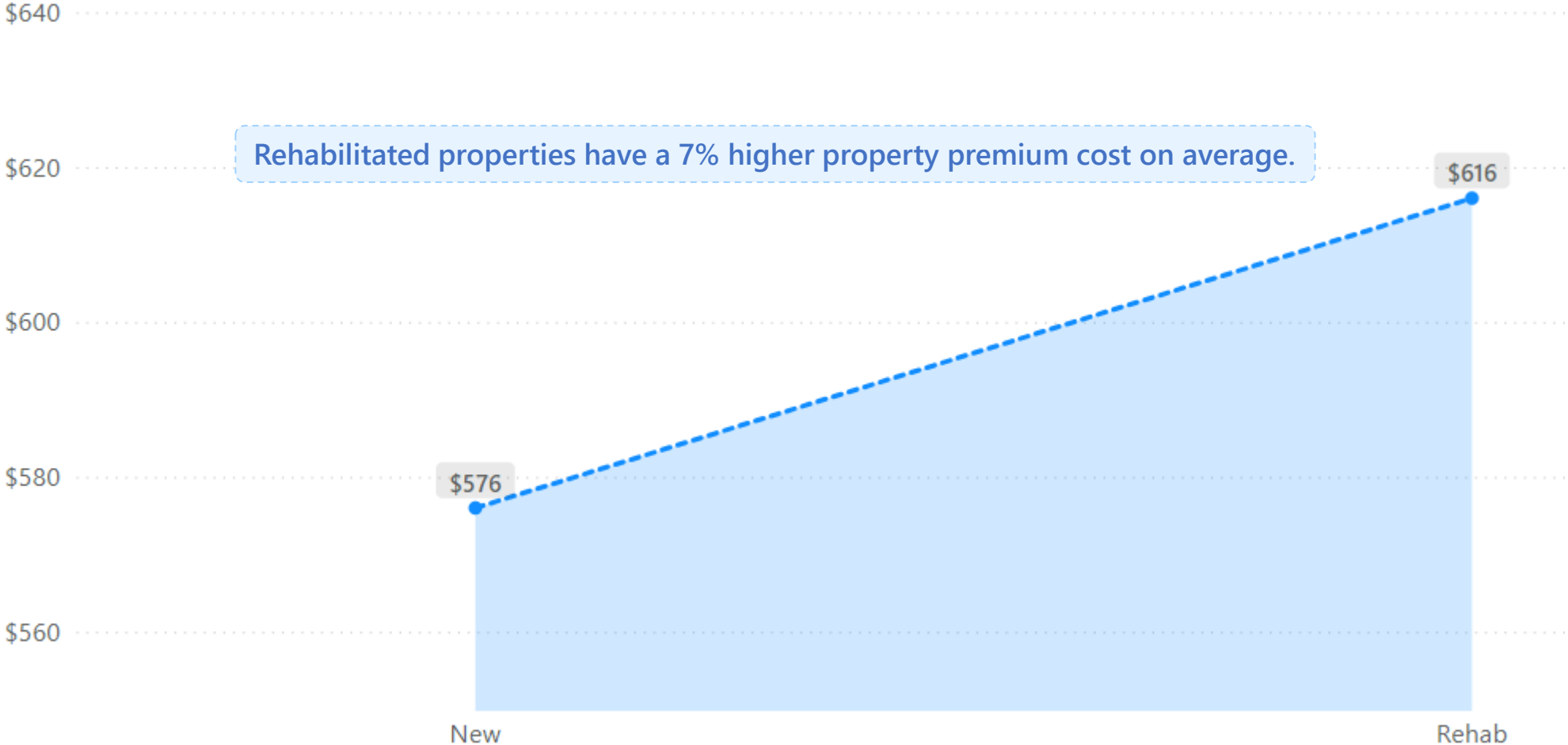
Of properties that received 25% or higher premium Increase:
 29% of Premiums fell between \$642-\$846 PU

Of properties that received 25% or higher premium Increase:
 23% premiums fell between \$1,002-\$1,045 PU

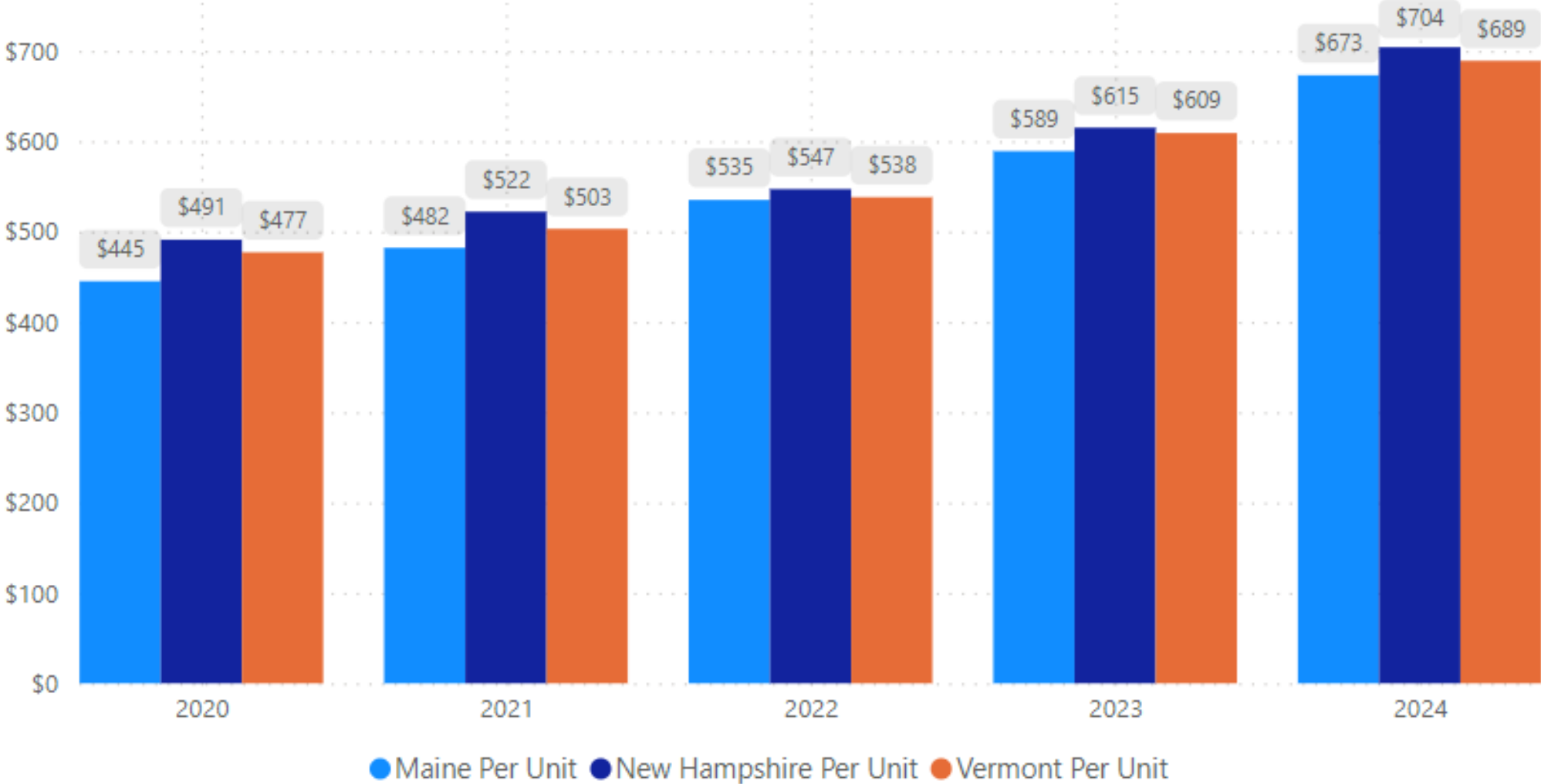
Insurance Coverage Type Comparison



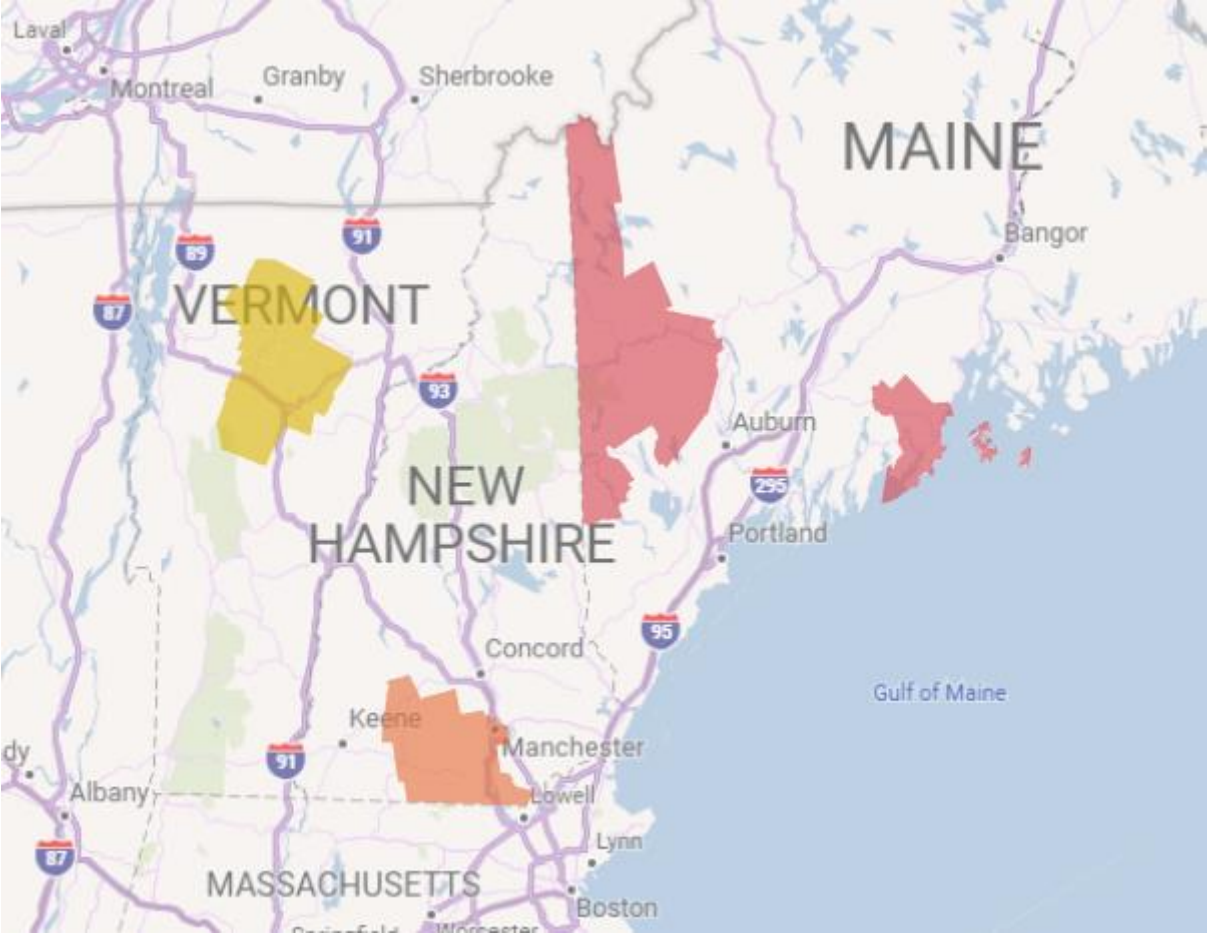
Per Unit Average by Construction Type



Per Unit Average Premiums by State

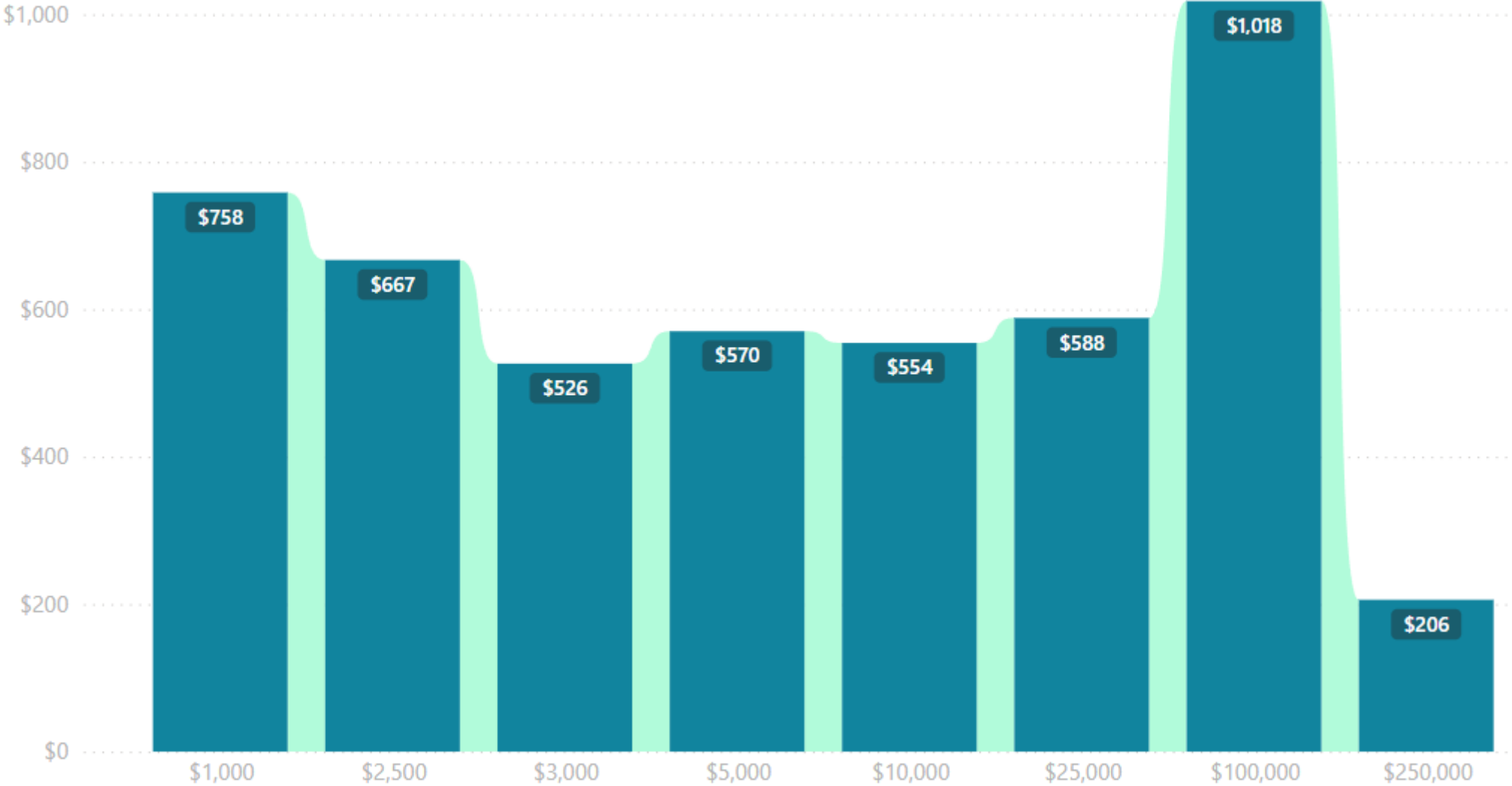


Highest 2023 Premiums by Location

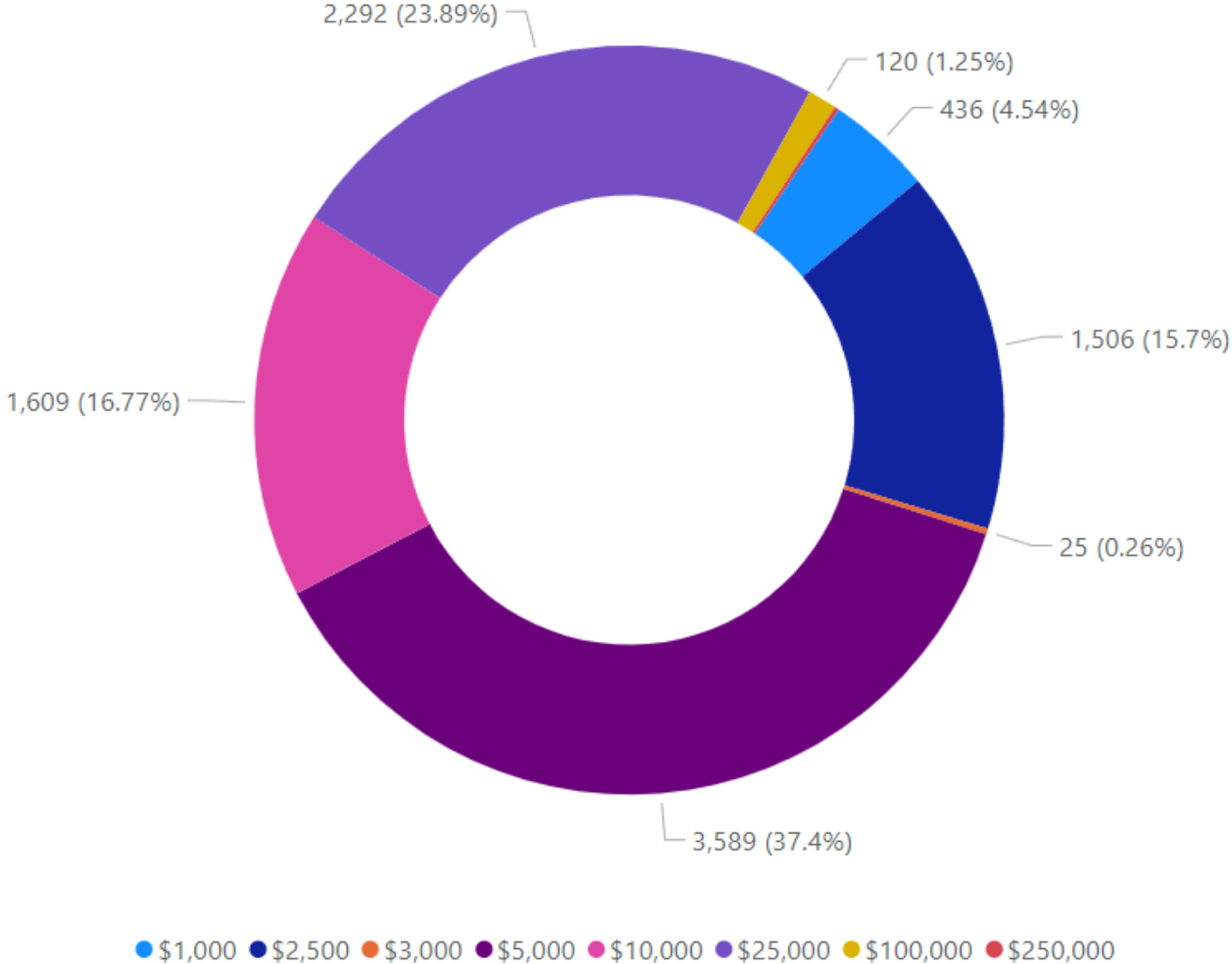


County	Total Units	Average Per Unit
Hillsborough, NH	609	\$771
Knox, ME	59	\$1,321
Lamoille, VT	76	\$717
Oxford, ME	12	\$817
Washington, VT	310	\$625

Per Unit Average Premiums by Deductible



2024 Property Deductibles

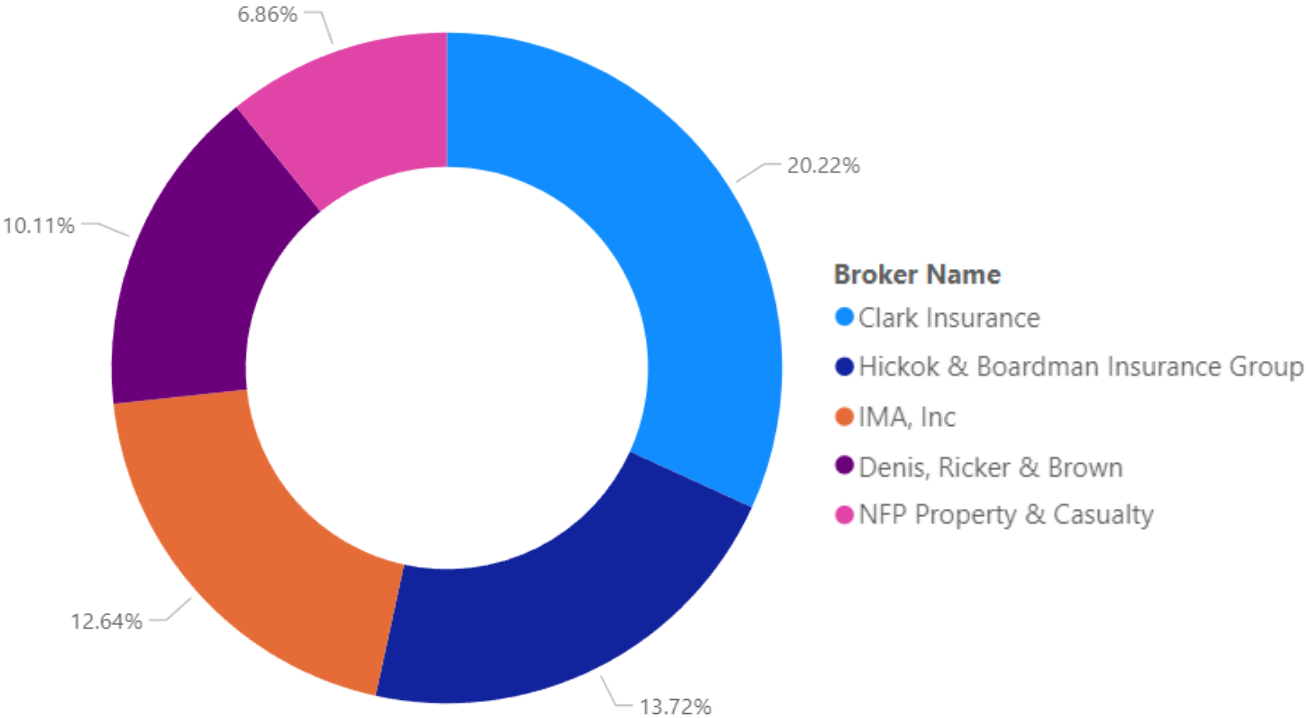
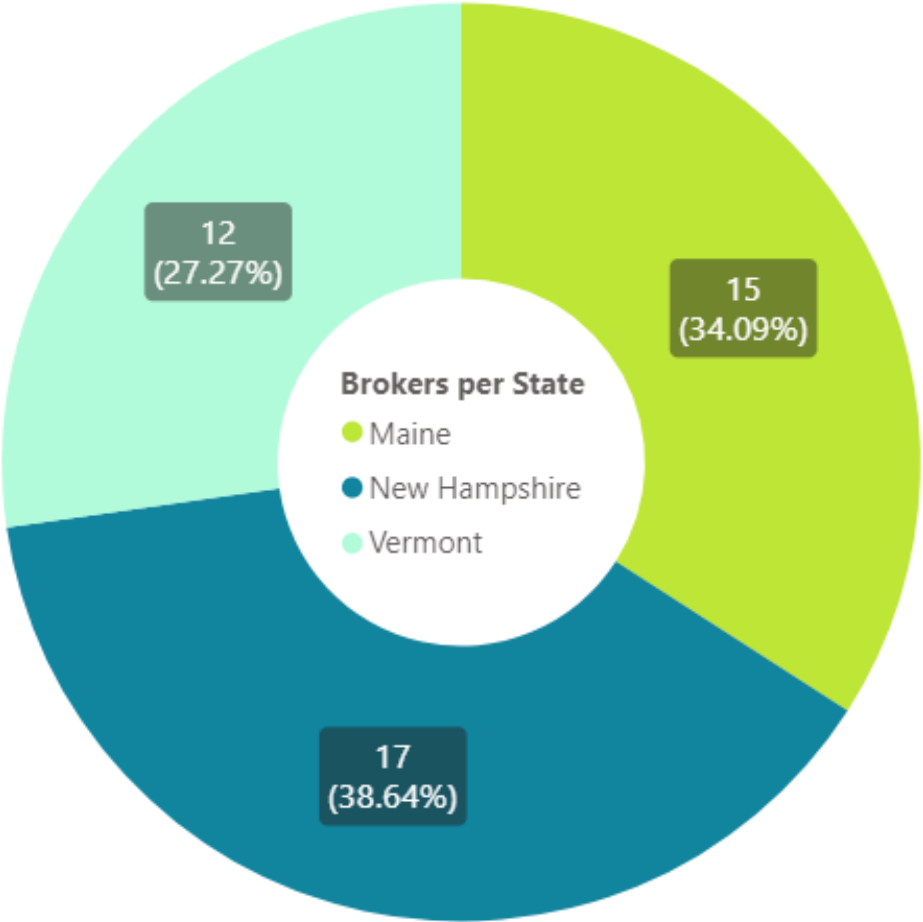


Limited Partnership Agreements outline Insurance Requirements, including Property and Liability Coverage although there is a variation with language specifying a maximum deductible restriction. Some LPA's have no requirement, while others cap the allowable Deductible at \$10,000.

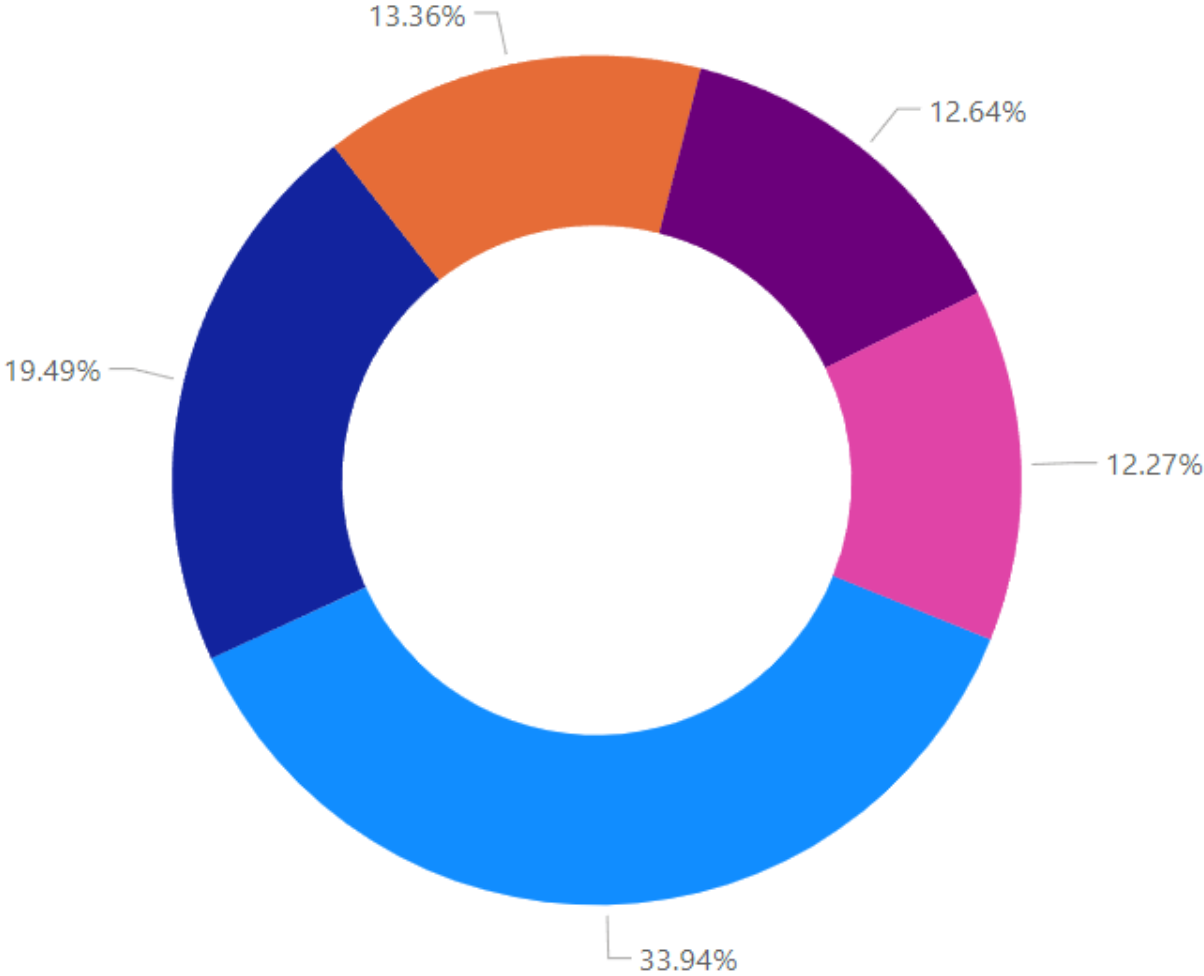
The one property with a \$100,000 deductible is a national Owner/Manager with properties in higher risk areas in the country where this deductible size is more common, coupled with a blanket policy of \$250M

The one property with a \$250,000 deductible is self-insured.

Coverages Per Broker



Coverages Per Insurer



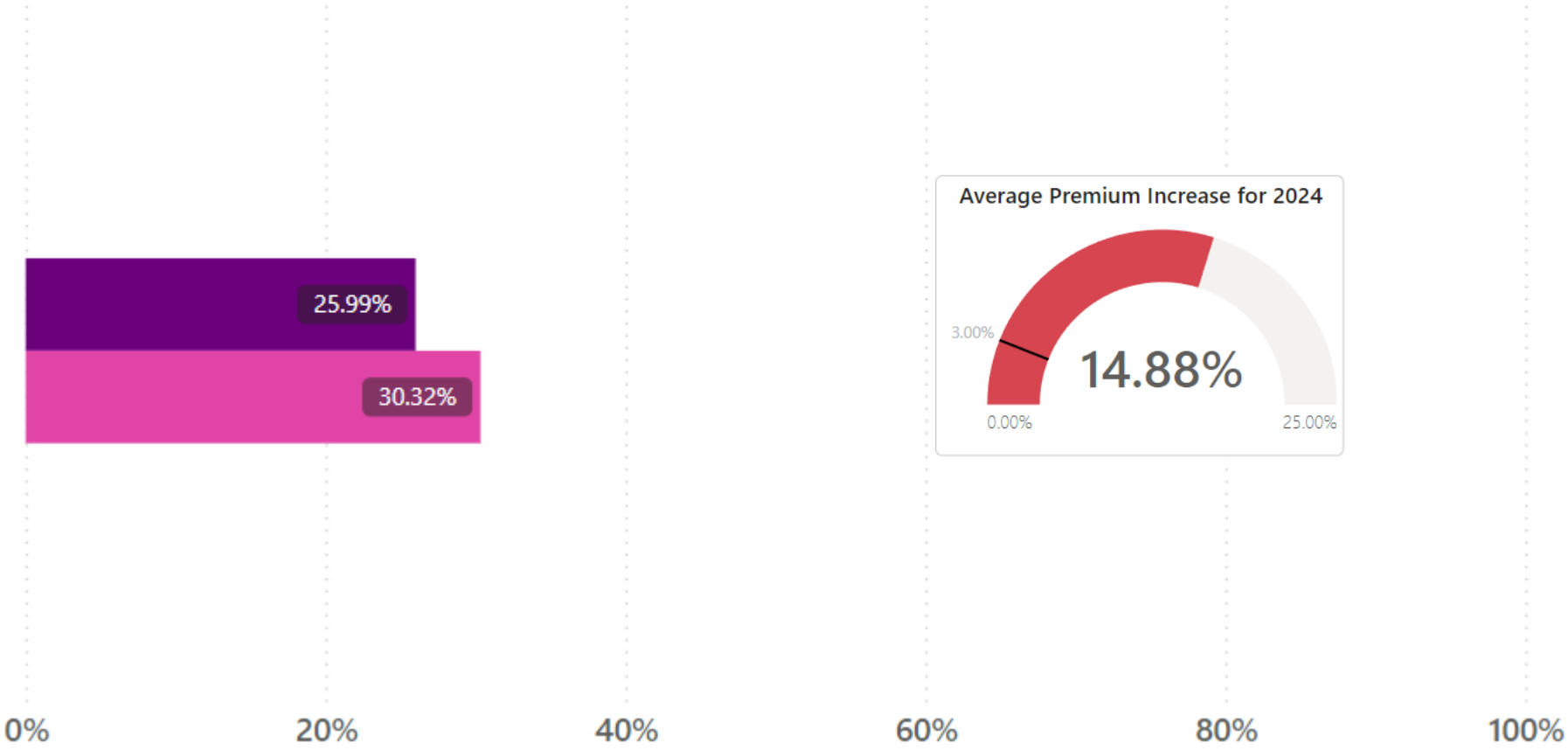
Insurer Name	% of Portfolio
Vermont Mutual Insurance Co	33.94%
Philadelphia Insurance Co	19.49%
James River Insurance Co	13.36%
Lexington Insurance Co	12.64%
Great American Assurance Co	12.27%

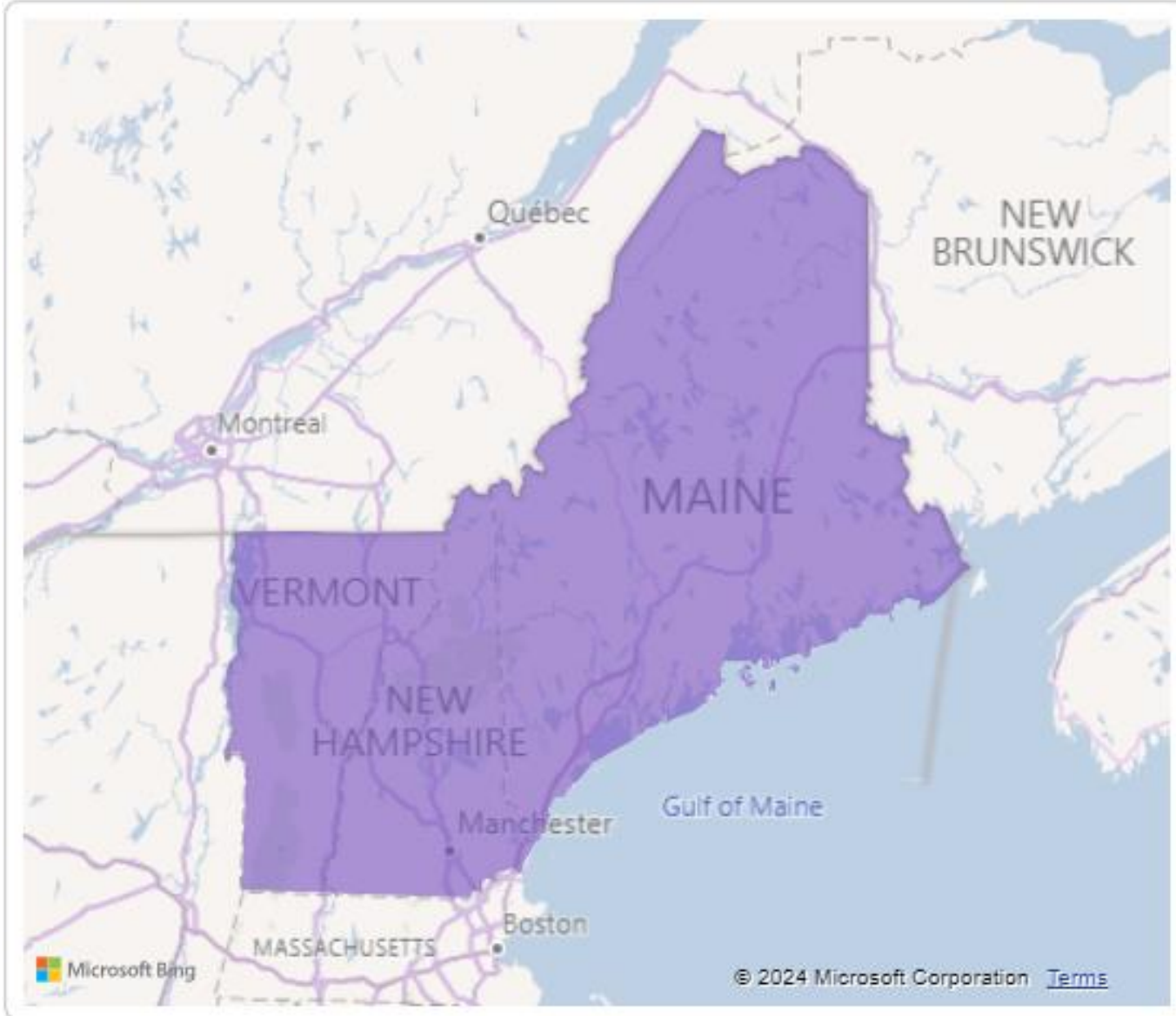
1 Insurer	2-5 Insurers	6-10 Insurers	10+ Insurers
176	95	2	1

The Property with eleven Insurers has a \$11,332,019 Property Coverage limit, with one Insurer covering up to \$1M, next Insurer \$1-\$2M, etc.

2023 Financial Impact

● % in Deficit as of 12/31/23 ● % in 2024 with Negative Cash Flow due to Premium Increase





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Thank you!