

## NLHA - Insurance Costs for Affordable Housing Providers

### WELCOME

**The enormous insurance premium increases facing affordable housing providers are unsustainable and will seriously impact the industry's ability to produce and preserve affordable housing. A broad affordable housing coalition has been formed to develop a strategy to identify and address costs and availability. To that end, the National Leased Housing Association (NLHA) has commissioned a survey to collect information that will provide policymakers with timely and accurate data identifying the depth and scope of the problem.**

#### **About this survey:**

- **The survey is fairly detailed and will likely require the input of your risk management team.**
- **The estimated time to complete the survey is one hour (respondents may save their answers as they proceed).**
- **The survey link is being shared with NLHA's industry partner organizations, so you may receive multiple requests to complete it, but only one submission per entity is required.**

**Thank you in advance for your participation—the deadline for submission is September 15, 2023.**

## NLHA - Insurance Costs for Affordable Housing Providers

### SECTION 1. COMPANY DEMOGRAPHICS

**The following questions relate to the number and types of units and properties in your company's portfolio.**

## NLHA - Insurance Costs for Affordable Housing Providers

### Company Demographics: Number & Types of Units

\* 1. Are you the owner or a primary decision-maker of the following types of rental units?

- Affordable/subsidized housing only
- Both affordable/subsidized and conventional housing
- Neither

2. How many **affordable rental units (LIHTC/PBS8)** do you operate in each area?

*Enter a number for each state. If you do not operate any units, enter 0.*

California	<input type="text"/>
Florida	<input type="text"/>
Illinois	<input type="text"/>
New York	<input type="text"/>
Texas	<input type="text"/>
All Other States	<input type="text"/>

3. How many **market-rate rental units** do you operate in each area?

*Enter a number for each state. If you do not operate any units, enter 0.*

California	<input type="text"/>
Florida	<input type="text"/>
Illinois	<input type="text"/>
New York	<input type="text"/>
Texas	<input type="text"/>
All Other States	<input type="text"/>

4. What percentage of units are elderly versus family?

*Enter whole numbers only, the total must sum to 100.*

Elderly	<input type="text"/>
Family	<input type="text"/>

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### Company Demographics: Number & Types of Properties

5. How many **properties** are in your portfolio?

*Enter a whole number.*

6. What percentage of properties are wood frame/joisted masonry?

*Enter a whole number between 0 and 100.*

7. What percentage of properties were originally built prior to 1990?

*Enter a whole number between 0 and 100.*

## NLHA - Insurance Costs for Affordable Housing Providers

### SECTION 2. COMMERCIAL PROPERTY INSURANCE

**The following questions relate to commercial property insurance for affordable housing (LIHTC/Project Based Section 8).**

## NLHA - Insurance Costs for Affordable Housing Providers

### Commercial Property - General

#### 8. How did your commercial property coverage change each year?

Select one response per row.

	Renewed Policy with <b>Same/Similar Coverage</b>	Renewed Policy with <b>Less Coverage</b> than Prior Year	Renewed Policy with <b>More Coverage</b> than Prior Year	N/A
2020-21	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
2021-22	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
2022-23	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

#### 9. How much did your **property values** change each year?

Select one response per row.

	<10%	10%-15%	15%-20%	20%-25%	25%-30%	>30%
2020-21	<input type="radio"/>					
2021-22	<input type="radio"/>					
2022-23	<input type="radio"/>					

#### 10. How much did your commercial property **rates** change each year?

Select one response per row.

	<10%	10%-15%	15%-20%	20%-25%	25%-30%	>30%
2020-21	<input type="radio"/>					
2021-22	<input type="radio"/>					
2022-23	<input type="radio"/>					

## NLHA - Insurance Costs for Affordable Housing Providers

### Commercial Property - Deductibles

**11. How much did your All Other Perils (AOP) or Base Deductible change each year?**

*Select one response per row.*

	<10%	10%-15%	15%-20%	20%-25%	25%-30%	>30%	N/A
2020-21	<input type="radio"/>						
2021-22	<input type="radio"/>						
2022-23	<input type="radio"/>						

**12. How much was your Wind Deductible for High CAT Areas each year (FL, LA, Coastal Carolinas, Harris County, TX)?**

*Select one response per row.*

	1%	3%	5%	7.5%	10%	>10%	N/A
2020-21	<input type="radio"/>						
2021-22	<input type="radio"/>						
2022-23	<input type="radio"/>						

If higher than 3%, was a waiver granted or wind buydown purchased?

(Enter "waiver," "buydown," "both," or "neither")

**13. How much was your EQ Deductible each year (Earth Movement - High Hazard Zones - CA, King County, WA, New Madrid Fault Line)?**

*Select one response per row.*

	1%	3%	5%	7.5%	10%	>10%	N/A
2020-21	<input type="radio"/>						
2021-22	<input type="radio"/>						
2022-23	<input type="radio"/>						

## NLHA - Insurance Costs for Affordable Housing Providers

### Commercial Property - Reduction in Limits & Changes in Coverage

**14. Did you take a reduction in limits? If so, what amount?**

Select one response per row.

	No reduction in limits	\$10M	\$25M	\$50M	>\$50M
2020-21	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
2021-22	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
2022-23	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**15. What caused you to take reduction limits?**

Select all that apply. If you did not take reductions, select "N/A".

	Market Availability	Availability of Reinsurance	Price	Other	N/A
2020-21	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2021-22	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2022-23	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If other, please explain.

**16. Have you seen any of the following restrictions and/or changes to your coverage?**

Select all that apply or "none."

- Exclusions for water damage events not due to rain/snow
- Increased waiting periods on time element portions for CAT claims
- Margin Clauses
- Roof valuation endorsements for roofs less than 20 years old
- Sub-limits for winter freeze events
- Other
- None

If other, please explain.

## NLHA - Insurance Costs for Affordable Housing Providers

### Commercial Property - Rationale for Rate Increases

17. What rationale, if any, did the insurance company provide for the increase in commercial property premiums?

*Select all that apply.*

	Claims history/loss experience	Construction of property	Gov't regulation	Limited markets/capacity	Renter population	Other	N/A
2020-21	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2021-22	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2022-23	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If other, please explain.

## NLHA - Insurance Costs for Affordable Housing Providers

### SECTION 3. PREMIUM GENERAL LIABILITY INSURANCE

**The following questions relate to premium general liability insurance for affordable housing (LIHTC/Project Based Section 8).**

## NLHA - Insurance Costs for Affordable Housing Providers

### Premium General Liability - General

18. How did your premium general liability coverage change each year?

Select one response per row.

	Renewed Policy with <b>Same/Similar Coverage</b>	Renewed Policy with <b>Less Coverage</b> than Prior Year	Renewed Policy with <b>More Coverage</b> than Prior Year	N/A
2020-21	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
2021-22	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
2022-23	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

19. How much did your premium general liability rates change each year?

Select one response per row.

	<10%	10%-15%	15%-20%	20%-25%	25%-30%	>30%
2020-21	<input type="radio"/>					
2021-22	<input type="radio"/>					
2022-23	<input type="radio"/>					

20. Did you need to change carriers at any point in time? If so, what were the primary reasons for the change?

Select all that apply or "no."

- Yes, because carrier left market
- Yes, because of pricing increases
- Yes, because of coverage restrictions
- Yes, for other reasons
- No

If other, please explain.

## NLHA - Insurance Costs for Affordable Housing Providers

### Premium General Liability - Deductibles & Restrictions

21. How much did your SIR/deductibles for premium general liability insurance change each year?

Select one response per row.

	<10%	10%-15%	15%-20%	20%-25%	25%-30%	>30%
2020-21	<input type="radio"/>					
2021-22	<input type="radio"/>					
2022-23	<input type="radio"/>					

22. How have the following restrictions to premium general liability coverage changed?

Select one response per row.

	No Change	Exclusion	Sublimit Change: \$50K	Sublimit Change: \$100K	Sublimit Change: \$250K	Sublimit Change: \$500K
Assault & Battery	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Firearms	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Security Services	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Sexual Abuse & Molestation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

If other, please explain.

## NLHA - Insurance Costs for Affordable Housing Providers

### General Premium Liability - Rationale for Rate Increases

23. What rationale, if any, did the insurance company provide for the increase in general premium liability premiums?

*Select all that apply.*

	Claims history/loss experience	Construction of property	Gov't regulation	Limited markets/ capacity	Renter population	Other	N/A
2020-21	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2021-22	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2022-23	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If other, please explain.

## NLHA - Insurance Costs for Affordable Housing Providers

### SECTION 4. EXCESS/UMBRELLA LIABILITY INSURANCE

**The following questions relate to excess/umbrella insurance for affordable housing (LIHTC/Project Based Section 8).**

## NLHA - Insurance Costs for Affordable Housing Providers

### Excess/Umbrella Liability - General

24. How did your excess/umbrella liability coverage change each year?

Select one response per row.

	Renewed Policy with <b>Same/Similar Coverage</b>	Renewed Policy with <b>Less Coverage</b> than Prior Year	Renewed Policy with <b>More Coverage</b> than Prior Year	N/A
2020-21	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
2021-22	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
2022-23	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

25. How much did your excess/umbrella liability rates change each year?

Select one response per row.

	<10%	10%-15%	15%-20%	20%-25%	25%-30%	>30%
2020-21	<input type="radio"/>					
2021-22	<input type="radio"/>					
2022-23	<input type="radio"/>					

## NLHA - Insurance Costs for Affordable Housing Providers

### Excess/Umbrella Liability - Deductibles & Restrictions

26. How much have your SIR/deductibles for excess/umbrella liability coverage changed each year?

Select one response per row.

	<10%	10%-15%	15%-20%	20%-25%	25%-30%	>30%
2020-21	<input type="radio"/>					
2021-22	<input type="radio"/>					
2022-23	<input type="radio"/>					

27. How have the following restrictions to excess/umbrella liability coverage changed?

Select one response per row.

	No Change	Exclusion	Sublimit Change: \$50K	Sublimit Change: \$100K	Sublimit Change: \$250K	Sublimit Change: \$500K
Assault & Battery	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Firearms	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Security Services	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Sexual Abuse & Molestation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

If other, please explain.

28. Did you buy the same limits each year? If not, what reduction in limits did you take?

Select one response per row.

	None	Reduction: \$5M	Reduction: \$10M	Reduction: >\$10M
2020-21	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
2021-22	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
2022-23	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

## NLHA - Insurance Costs for Affordable Housing Providers

### Excess/Umbrella Liability - Rationale for Rate Increases

29. What rationale, if any, did the insurance company provide for the increase in excess/umbrella liability premiums?

Select all that apply.

	Claims history/loss experience	Construction of property	Gov't regulation	Limited markets/capacity	Renter population	Other	N/A
2020-21	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2021-22	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2022-23	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If other, please explain.

## NLHA - Insurance Costs for Affordable Housing Providers

### SECTION 5: IMPACT & CLOSING COMMENTS

**The following questions relate to the impact of increased insurance costs on your business and provide space to share any final thoughts.**

## NLHA - Insurance Costs for Affordable Housing Providers

### Impact & Final Comments

30. Due to the increase in insurance premiums, have you or are you likely to take any of the following actions to manage costs?

*Select all that apply or "no changes."*

- 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
- Reduced insurance coverage
- Other
- No changes

If other, please explain.

31. Please share any additional comments related to increased insurance costs.

32. All survey responses and comments are confidential. If you would like to be contacted about the comment above, please complete the information below. We will share the comment text and your contact information with the National Leased Housing Association.

**Name**

**Company**

**Email Address**

**Phone Number**