

## HOMEOWNERS

# What's driving up the cost of home insurance?



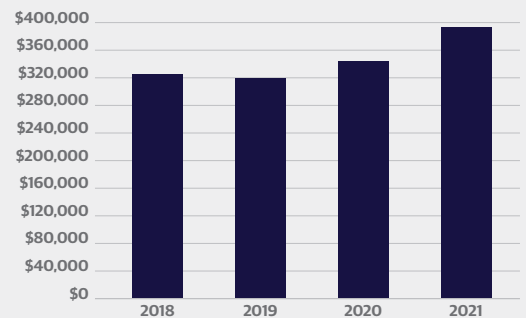
A perfect storm of market trends has driven up the cost of building homes — and with it the cost of insuring them for repair and replacement.

### Low housing inventory and historic demand

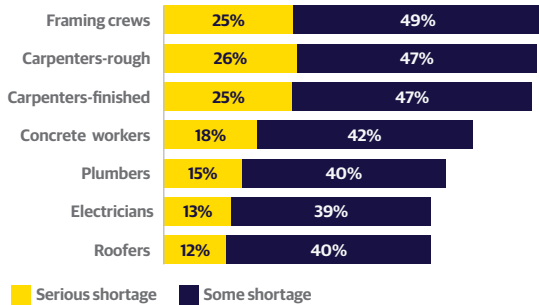
In March 2022, there were only 870,000 unsold homes on the market, down 60% over the past two years. As a result, the median price of homes sold in the U.S. has surged 23% since 2019.

Sources: National Association of Realtors, Federal Reserve Bank of St. Louis

Median price of houses sold (U.S.)



### Builders reporting shortages of labor: Oct. 2020



### A shortage of skilled labor

The home-building industry is currently facing a shortfall of at least 200,000 skilled trade workers. About 60% of surveyed builders report a skilled labor shortage.

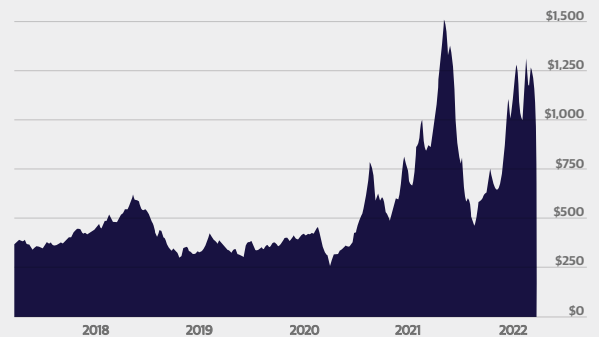
Source: Home Builders Institute

### Skyrocketing materials costs

Last year alone, the cost of building materials rose 14.1%. Lumber has played an outsized role in that inflationary trend, more than tripling in price since March 2020.

Sources: National Association of Home Builders, Nasdaq

Lumber prices per thousand board feet



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