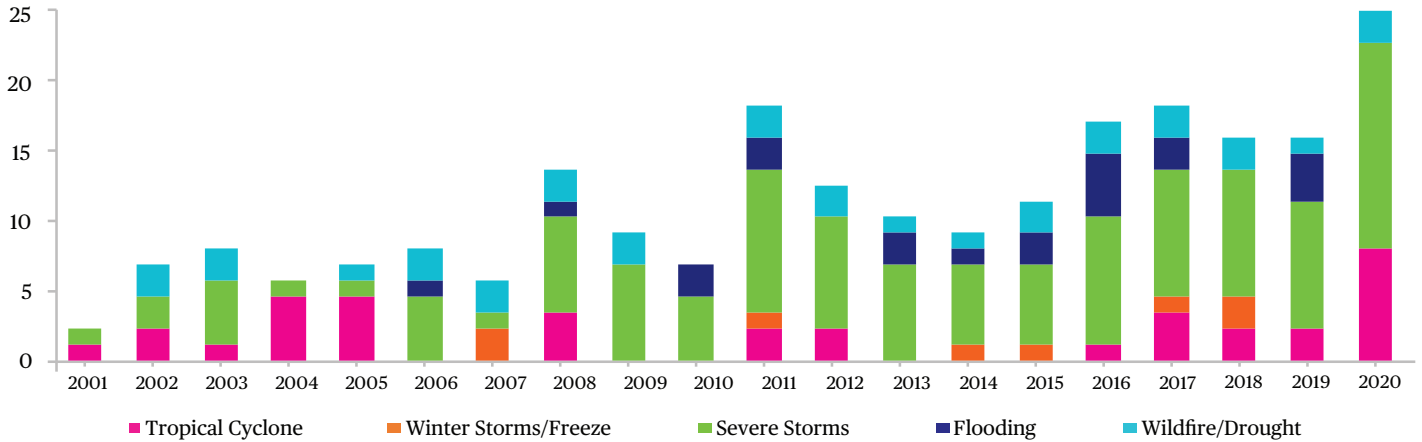


Market Trends 2021

Trends affecting the personal insurance market for successful families and individuals

Record Year For \$1B Weather and Climate Disaster Events with 22 Events

U.S. Billion-Dollar Disaster Events¹



2020 Data Review

In the last decade, the U.S. has seen 129 \$1B weather and climate events, **more than double** the 64 events in the decade prior



2020 Hurricanes²

30 Named Storms

This is the highest number of named storms on record, surpassing 28 from 2005, and the second-highest number of hurricanes on record

Above Normal Season

2020 was the fifth consecutive above-normal season. The last five years saw 90 named storms, a 22% increase over the previous five years

12 Storms hit the U.S. Coastline

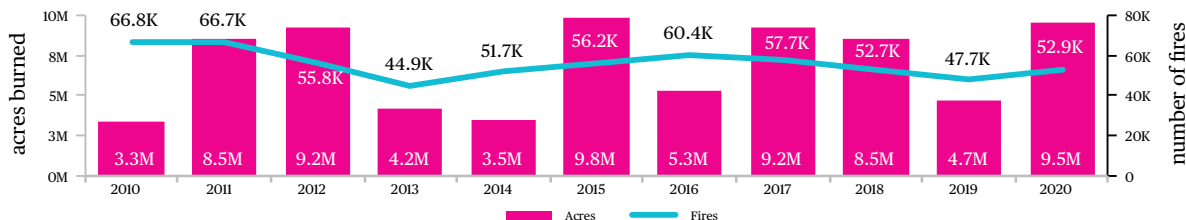
5 of these storms came ashore in Louisiana. Prev. record was in 1916 when 9 storms hit the U.S. coastline

Est. Damages

More than \$41 billion (2020 USD)



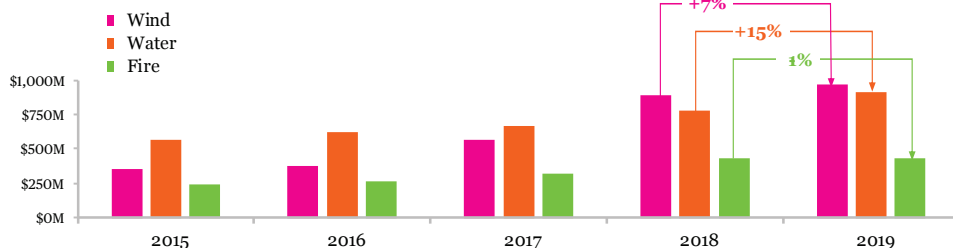
U.S. Wildfires³



5 of the top 6 largest California wildfires occurred in 2020

Water And Wind Paid Losses Continue To Rise

5-Year Trend of P&C Industry-Paid Losses in Luxury Home / Condo

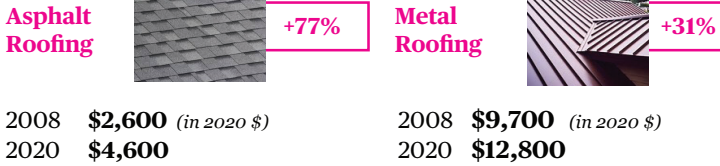


Key Facts on Damage Trends⁴

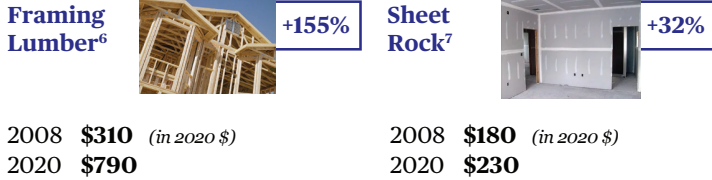
- From 2015 to 2019, industry-paid losses were up significantly for water, wind, and fire.
- Year over year, paid water losses are increasing at a larger percentage than wind and fire
- Plumbing-supply system failure remains the #1 source of residential water losses

Replacement Cost Trends for Home, Auto, and Boat

Home:⁵ Material Costs for 3,000 Square Foot Roof, 2008 vs 2020

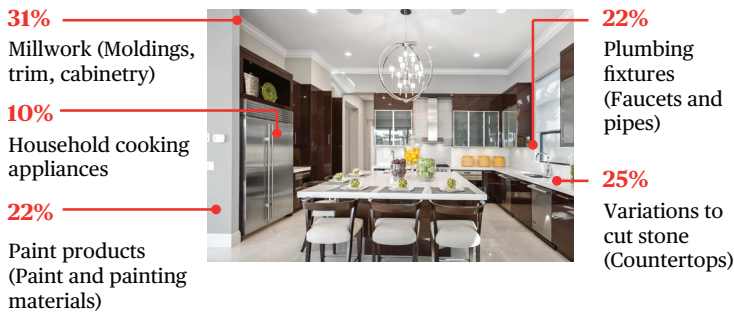


Material Costs Common in Reconstruction



Cost Impacts to a Kitchen Renovation⁸

Cost increases from 2010-2020



Newer Models with Advanced Technology Increasing the Costs for Vehicle Components⁹



Newcomers Join the Boating World in 2020



Reports that retail unit sales of new powerboats in the U.S. increased last year by an estimated 12% compared to 2019. This is at levels the recreational boating industry has not seen since before the great recession in 2008.¹⁰

1. NOAA National Centers for Environmental Information (NCEI) U.S. Billion-Dollar Weather and Climate Disasters
2. NOAA, Redzone.com
3. NIFC, fire.ca.gov
4. DisasterSafety.org, ISO
5. Data obtained from individual manufacturer websites and related articles in Forbes, NY Times, and Consumer Reports
6. Cost per 1,000 board feet, Source: Fast Markets RISI
7. Cost per 1,000 square feet gypsum, Source: U.S. Federal Reserve Board
8. U.S. Bureau of Labor Statistics Monthly Pricing Indexes

9. Data obtained from individual manufacturer websites and related articles
10. NNMA.org
11. Artimeus.com
12. NY Times
13. Robbreport.com, jckonline, collectability.com, rolex.com
14. Jckonline, kico.com, NjTimes
15. Public auction sites

Values Increasing in the Collections Market

Contemporary Art Is Appreciating at Rapid Rates¹¹



- Contemporary art represents 15% of the global art market vs just 3% 20 years ago.
- Contemporary is the segment of the art market where most millennials collect.

Spirits have also Appreciated Significantly¹²



- Spirits have had a growing presence at wine auctions, with rare whiskies being the most collectable spirit.
- More collectors are buying bourbon and seeking out vintage bottles from the 1960s through the 1990s.

Watches a Growing Source of Investment¹³



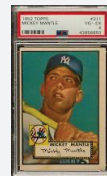
- Auction houses show booming sales in jewelry and watch items.
- A Patek Philippe Nautilus watch retails for \$30,000; collectors are willing to pay up to \$80,000 in the secondary market.
 - The Rolex Daytona has a list price of \$13,150; in the secondary market it is closer to \$30,000.

Prices Rising with Precious Gemstones and Gold¹⁴



- Gold prices per ounce reached an all-time high.
- The world's largest vivid purple-pink diamond, The Spirit of the Rose, sold for \$26.6 million at Sotheby's auction, setting a global auction record.

Significant Growth for Sports Memorabilia¹⁵



- The world record for the highest price ever paid for a modern sports card was \$5.2 million for a 1952 Mickey Mantle baseball card. Previously, the record was held by a Mike Trout baseball card sold for \$3.94 million in August 2020.