

Summary of Selected Findings – Nevada Home Insurance Wildfire Data Call – Expanded Version

Nevada Division of Insurance – Property and Casualty Advisory Committee Meeting of November 15, 2023

Note: This information represents the Nevada home insurance market **through December 31, 2022**.

A review of the change in policies from 2021 to 2022 in ZIP Codes where policies were cancelled or nonrenewed due to wildfire risk shows an **increase in availability in 26 ZIP Codes** and **reduced availability in 11 ZIP Codes**.

Overall, the change in the market from 2021 to 2022 is a **1.52% increase of availability of homeowners' insurance coverage in the wildfire-prone areas**.

All ZIP Codes considered wildfire-prone that showed a reduced availability from 2021 to 2022 had a decrease in availability of 5.5% or less, with the exception of ZIP Code 89450, **Incline Village in Washoe County**, which showed a **12.39% decrease in availability**.

ZIP Code 89413, **Glenbrook in Douglas County**, had the highest percentage of applications not accepted due to wildfire risk at **14.3% of all total applications** (421 applications) in 2022. This ZIP Code also experienced a slight decrease in availability of 1.32%, from 530 policies in 2021 to 523 in 2022.

In 2022, insurers reported **2,439 applications in 90 different ZIP Codes that were not accepted due to concerns regarding wildfire risk**. This represents 0.15% of the total applications of 1,602,266 and 0.25% of the 985,704 applications that were not accepted for any reason.

There were also **265 policies that were cancelled or non-renewed by insurers in 2022 due to concerns related to wildfire risk**. This accounts for 0.2% of the 115,365 policies cancelled or non-renewed by insurers for any reason and 0.03% of the total 2021 policies of 973,200.

Top 5 ZIP Codes with Greatest Number of Applications Not Accepted for Wildfire-Related Reasons in 2022

ZIP Code	City / County	Total Applications	Not Accepted for Wildfire Reasons	% of Total Not Accepted for Wildfire Reasons
89815	Spring Creek / Elko	8,794	334	3.8%
89451	Incline Village / Washoe	3,864	259	6.7%
89801	Elko / Elko	11,356	206	1.8%
89511	Southwest Reno / Washoe	14,213	192	1.4%
89508	Reno / Washoe	4,759	138	2.9%

Top 5 ZIP Codes with Highest Percentage of Applications Not Accepted for Wildfire-Related Reasons in 2022

ZIP Code	City / County	Total Applications	Not Accepted for Wildfire Reasons	% of Total Not Accepted for Wildfire Reasons
89413	Glenbrook / Douglas	421	60	14.3%
89831	Mountain City / Elko	9	1	11.1%
89124	Mount Charleston / Clark	551	47	8.5%
89451	Incline Village / Washoe	3,864	259	6.7%
89449	Stateline / Douglas	1,520	100	6.6%

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265 policies were cancelled or nonrenewed by any insurer in 2022 due to reasons related to wildfire risk. Washoe County was the most affected with 172 total policies nonrenewed due to wildfire risk, for 64.9% of the total. Douglas County was the second most affected, with 59 policies nonrenewed, for 22.3% of the total. Elko County was the third most affected, with 14 policies nonrenewed, for 5.3% of the total. Clark County had 7 policies nonrenewed, for 2.6% of the total, and Lyon County had 5 policies nonrenewed, for 1.9% of the total. Carson City, Nye, Lincoln, and Eureka Counties each had 2 policies nonrenewed, for 0.8% of the total.

37 ZIP Codes, or 14.6% of all ZIP codes, had policies cancelled or nonrenewed by the insurer in 2022 due to wildfire risk. These include:

<u>Zip</u>	<u>City</u>	<u>County</u>	<u>Policies Cancelled/Nonrenewed Due to Wildfire Risk</u>
89451	Incline Village	Washoe County	71
89511	Reno	Washoe County	40
89413	Glenbrook	Douglas County	21
89506	Reno	Washoe County	15
89448	Zephyr Cove	Douglas County	13
89521	Reno	Washoe County	13
89410	Gardnerville	Douglas County	8
89449	Stateline	Douglas County	8
89801	Elko	Elko County	8
89508	Reno	Washoe County	6
89402	Crystal Bay	Washoe County	5
89403	Dayton	Lyon County	5
89815	Spring Creek	Elko County	5
89460	Gardnerville	Douglas County	4
89510	Reno	Washoe County	4
89523	Reno	Washoe County	4
89704	Washoe Valley	Washoe County	4
89124	Las Vegas	Clark County	3
89436	Sparks	Washoe County	3
89135	Las Vegas	Clark County	2
89316	Eureka	Eureka County	2
89411	Genoa	Douglas County	2
89450	Incline Village	Washoe County	2
89519	Reno	Washoe County	2
89703	Carson City	Carson City	2
89705	Carson City	Douglas County	2
89008	Caliente	Lincoln County	1
89020	Amargosa Valley	Nye County	1
89040	Overton	Clark County	1
89043	Pioche	Lincoln County	1
89048	Pahrump	Nye County	1
89103	Las Vegas	Clark County	1
89434	Sparks	Washoe County	1
89439	Verdi	Washoe County	1
89444	Wellington	Douglas County	1
89503	Reno	Washoe County	1
89831	Mountain City	Elko County	1

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Underwriting Criteria – Selected Statistics

Scoring Models

50.5% of the responding insurers use a scoring model to assess wildfire risk in underwriting.

Underwriting Characteristics

Multiple property characteristics were provided that insurers use in making an underwriting decision. These include:

- i. Roof type, with wood roofs being ineligible or facing higher scrutiny.
- ii. Location of the property and accessibility of year-round firefighting equipment.
- iii. Vegetation management and defensible space.
- iv. Construction characteristics of property, siding, roof covering, flame, and ember-resistant venting, outbuildings, etc.
- v. Unacceptable loss history.

Mitigation

44.2% of the responding insurers indicated that individual wildfire risk mitigation taken by the policyholder was considered in the underwriting decision. Only 5.2% of the responding insurers indicated that community wildfire risk mitigation was a consideration in the underwriting decision.

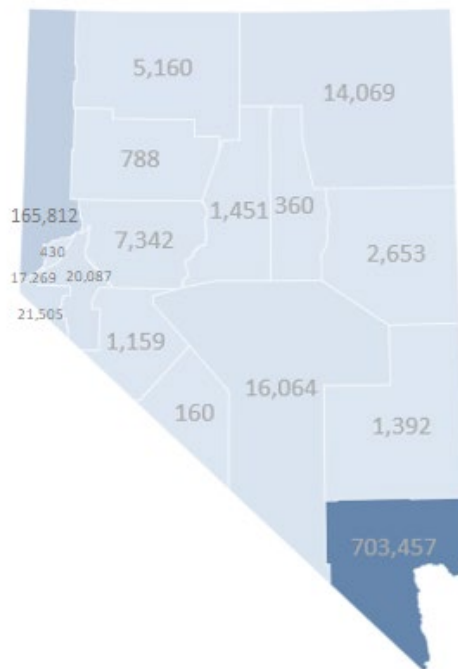
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EXHIBIT 1 2021-2022 HOME INSURANCE POLICIES BY COUNTY

County	Policies in 2021	Policies in 2022	Change
Clark County	702,137	703,457	1,320
Washoe County	162,255	165,812	3,557
Douglas County	21,418	21,505	87
Lyon County	18,888	20,087	1,199
Carson City	18,157	17,269	-888
Nye County	15,964	16,064	100
Elko County	13,729	14,069	340
Churchill County	7,215	7,342	127
Humboldt County	5,087	5,160	73
White Pine County	2,620	2,653	33
Lander County	1,460	1,451	-9
Lincoln County	1,372	1,392	20
Mineral County	1,158	1,159	1
Pershing County	803	788	-15
Storey County	415	430	15
Eureka County	356	360	4
Esmeralda County	166	160	-6
Grand Total	973,200	979,158	5,958

2022 Nevada Total Policies



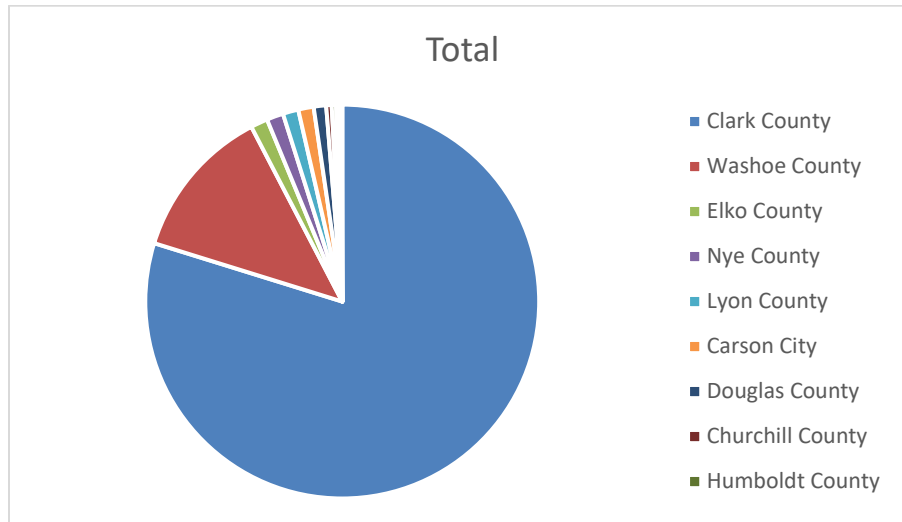
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EXHIBIT 2

2022 Home Insurance Applications by County

County	Total Applications in 2022
Clark County	1,278,465
Washoe County	201,524
Elko County	22,392
Nye County	21,925
Lyon County	20,474
Carson City	20,228
Douglas County	16,375
Churchill County	7,180
Humboldt County	5,675
White Pine County	2,445
Lander County	1,625
Mineral County	1,189
Lincoln County	1,171
Pershing County	734
Storey County	394
Eureka County	342
Esmeralda County	128
Grand Total	1,602,266



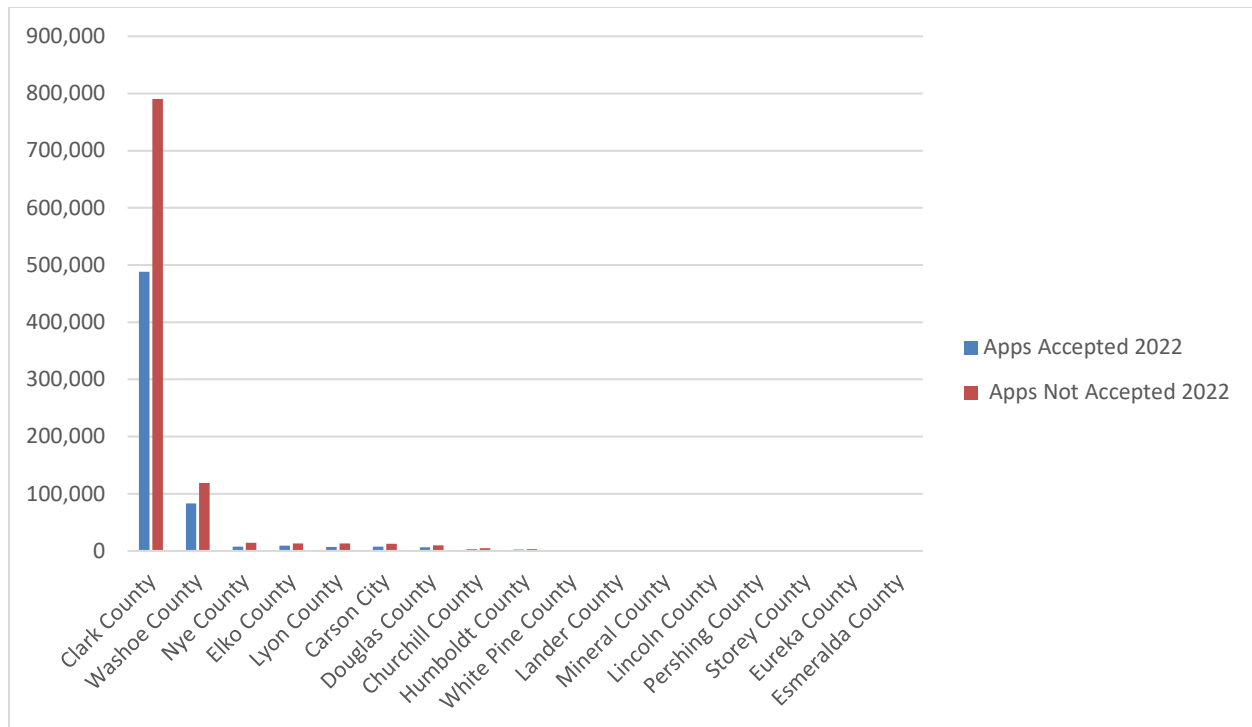
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EXHIBIT 3

2022 Home Insurance Applications Accepted / Not Accepted (For Any Reason)

County	Applications Accepted in 2022	Applications Not Accepted in 2022
Clark County	488,175	790,290
Washoe County	82,818	118,706
Nye County	7,457	14,468
Elko County	9,023	13,369
Lyon County	7,170	13,304
Carson City	7,565	12,663
Douglas County	6,445	9,930
Churchill County	2,762	4,418
Humboldt County	2,440	3,235
White Pine County	886	1,559
Lander County	467	1,158
Mineral County	358	831
Lincoln County	447	724
Pershing County	250	484
Storey County	151	243
Eureka County	121	221
Esmeralda County	27	101
Grand Total	616,562	985,704



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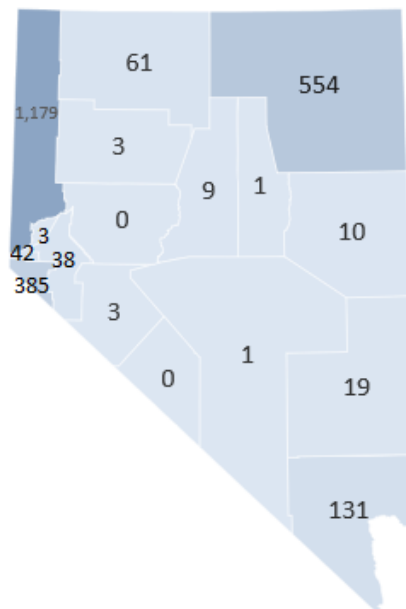
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EXHIBIT 4

2022 Home Insurance Applications Not Accepted Due to Wildfire Risk Concerns

County	Total Applications in 2022	Applications Not Accepted in 2022 Due to Wildfire Risk Concerns	Applications Not Accepted in 2022 Due to Wildfire Risk Concerns as a Percentage of Total Applications
Washoe County	201,524	1,179	0.6%
Elko County	22,392	554	2.5%
Douglas County	16,375	385	2.4%
Clark County	1,278,465	131	0.0%
Humboldt County	5,675	61	1.1%
Carson City	20,228	42	0.2%
Lyon County	20,474	38	0.2%
Lincoln County	1,171	19	1.6%
White Pine County	2,445	10	0.4%
Lander County	1,625	9	0.6%
Storey County	394	3	0.8%
Pershing County	734	3	0.4%
Mineral County	1,189	3	0.3%
Eureka County	342	1	0.3%
Nye County	21,925	1	0.0%
Churchill County	7,180	0	0.0%
Esmeralda County	128	0	0.0%
Total	1,602,266	2,439	0.15%

2022 Nevada Applications Not Accepted Due to Wildfire Concerns



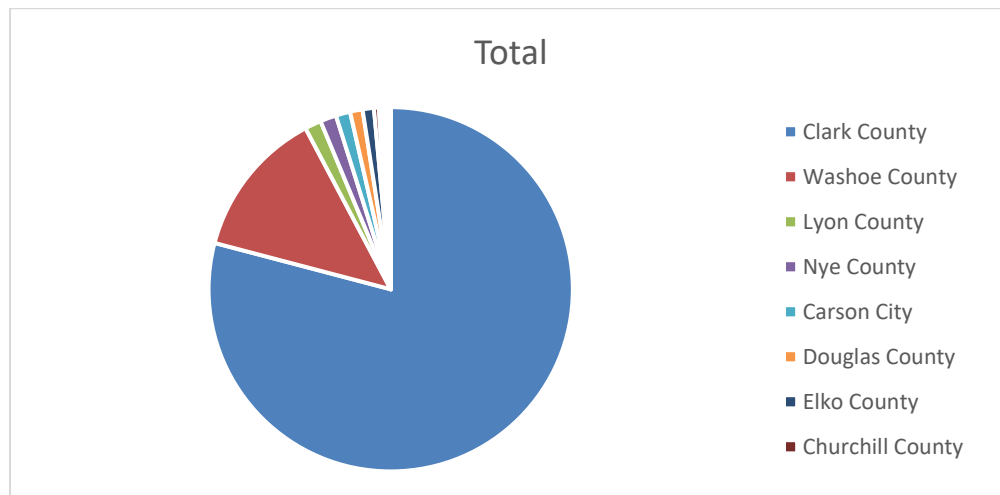
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EXHIBIT 5

Home Insurance Cancellations or Non-Renewals by the Insurer in 2022 (For Any Reason)

County	Policies Cancelled or Not Renewed
Clark County	91,248
Washoe County	15,181
Lyon County	1,677
Nye County	1,652
Carson City	1,471
Douglas County	1,281
Elko County	1,156
Churchill County	503
Humboldt County	392
White Pine County	274
Lander County	139
Lincoln County	125
Mineral County	122
Pershing County	64
Eureka County	37
Storey County	23
Esmeralda County	20
Grand Total	115,365



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EXHIBIT 6

2022 Policies Cancelled or Non-Renewed by the Insurer Due to Wildfire Risk Concerns

County	Policies Cancelled or Not Renewed for Any Reason in 2022	Policies Cancelled or Not Renewed Due to Wildfire Risk Concerns	Policies Cancelled or Not Renewed in 2022 Due to Wildfire Risk Concerns, as a Percentage of All Policies Cancelled or Not Renewed
Washoe County	15,181	172	1.1%
Douglas County	1,281	59	4.6%
Elko County	1,156	14	1.2%
Clark County	91,248	7	0.0%
Lyon County	1,677	5	0.3%
Eureka County	37	2	5.4%
Lincoln County	125	2	1.6%
Carson City	1,471	2	0.1%
Nye County	1,652	2	0.1%
Churchill County	503	0	0.0%
Esmeralda County	20	0	0.0%
Humboldt County	392	0	0.0%
Lander County	139	0	0.0%
Mineral County	122	0	0.0%
Pershing County	64	0	0.0%
Storey County	23	0	0.0%
White Pine County	274	0	0.0%
Total	115,365	265	0.23%

2022 Cancellations / Non-Renewals Due to Wildfire Concerns

