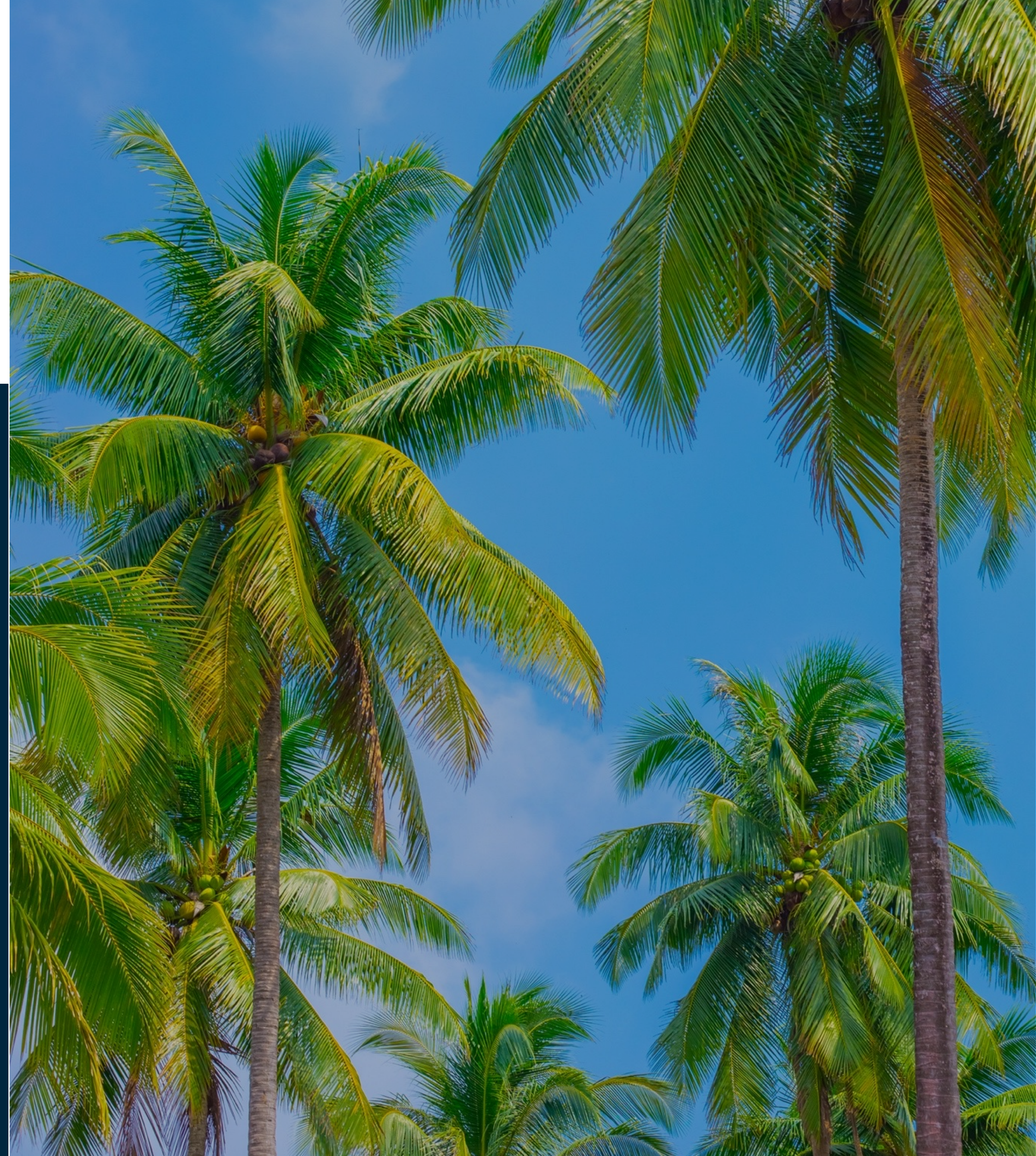# Navigating Growth

## FLORIDA'S E&S MARKET
A 2023 review and a 2024 projection

# WHAT WE'LL COVER TODAY.

1. National Perspectives

2. Florida Outlook

3. Homeowners and Commercial Property Spotlight

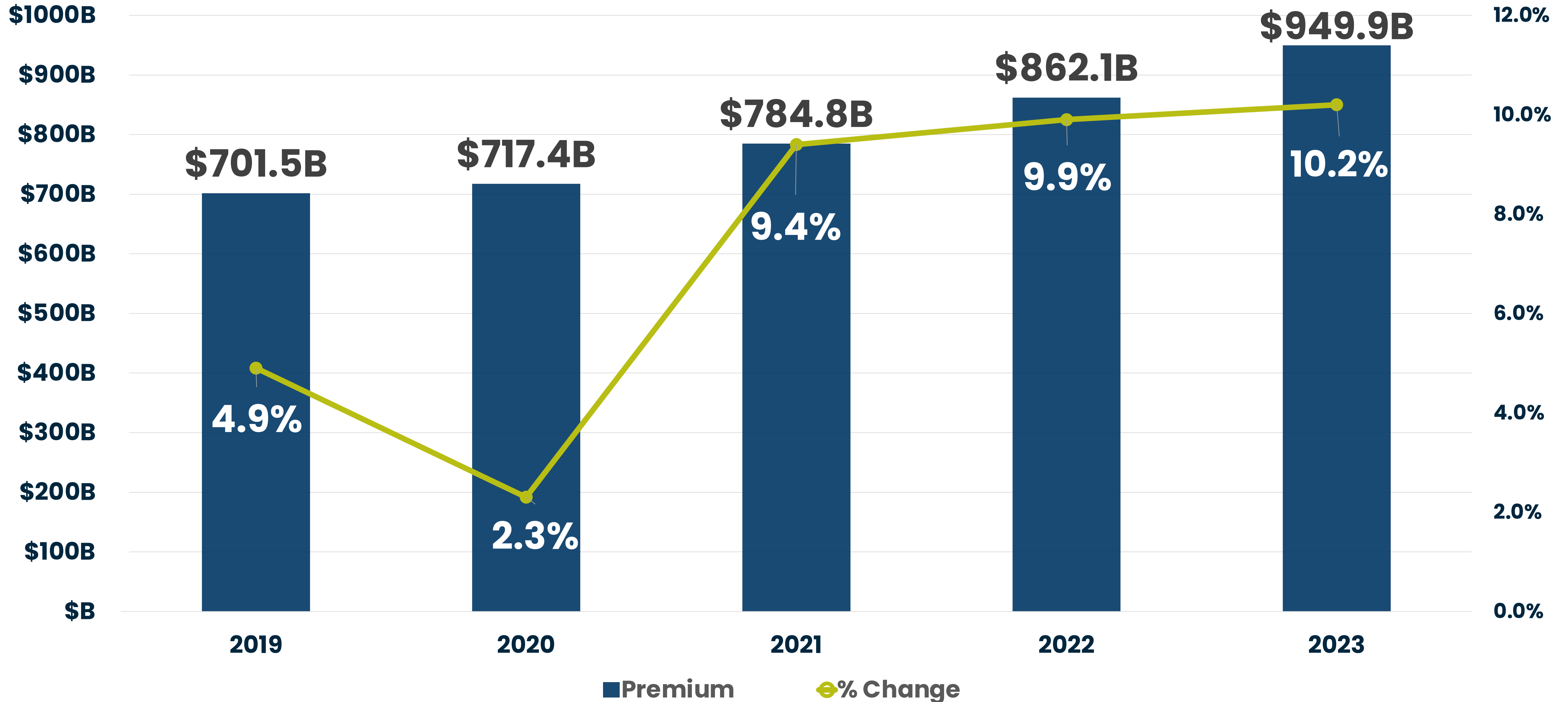4. Forecasting and Trends

5. FSLSO Initiatives

# TOP 5 STATES BY PREMIUM

| | 2023 | YTD June 2024 |
|---|---|---|
| Florida | $15.4B | $9.7B |
| California | $16.7B | $8.2B |
| Texas | $14.6B | $8.0B |
| New York | $8.1B | $4.3B |
| Illinois | $4.0B | $2.1B |

# NATIONAL PERSPECTIVES
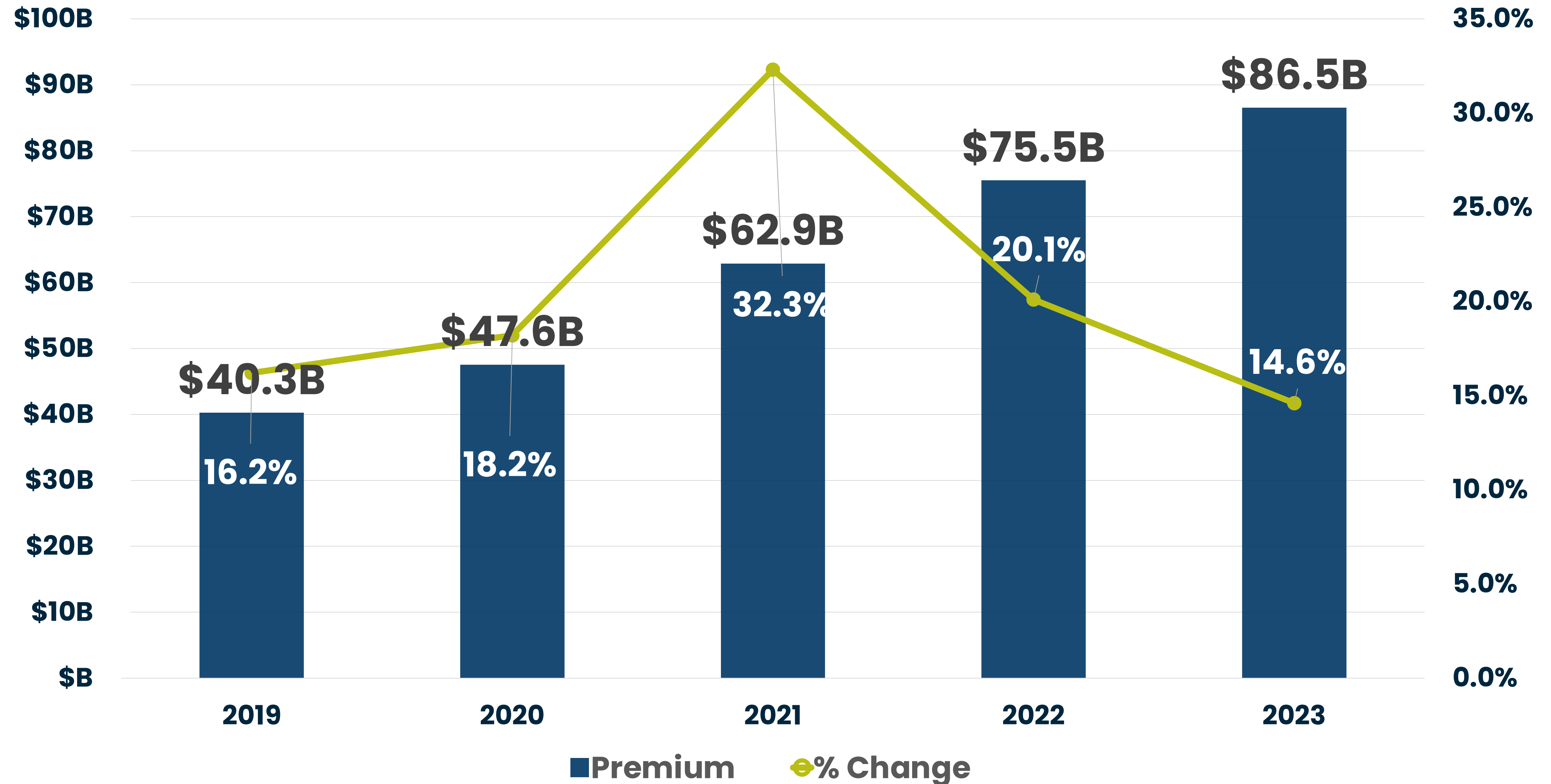
# E&S MARKET SHARE OF TOTAL: NATIONAL

| Year | Market Share |
|------|------|
| 2019 | 5.4% |
| 2020 | 6.2% |
| 2021 | 7.4% |
| 2022 | 8.1% |
| 2023 | 8.3% |
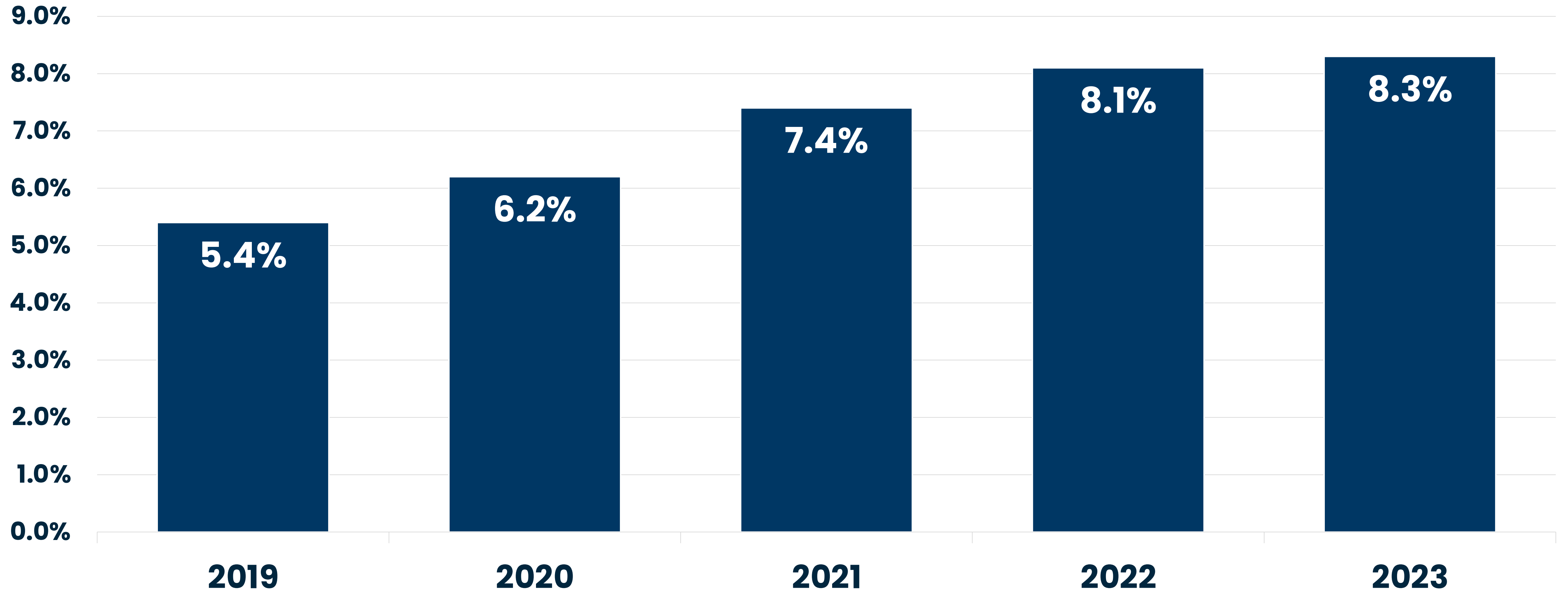
# FLORIDA OUTLOOK

# ADMITTED PREMIUM: FLORIDA

Premium & YOY % Change



| Year | Premium | % Change |
|------|---------|----------|
| 2019 | $56.6B | 5.1% |
| 2020 | $59.3B | 4.7% |
| 2021 | $66.4B | 12.0% |
| 2022 | $75.8B | 14.1% |
| 2023 | $88.1B | 16.3% |

■ Premium  —○— % Change

# E&S PREMIUM: FLORIDA
Premium & YOY % Change



| Year | Premium | % Change |
|------|---------|----------|
| 2019 | $6.7B | 14.5% |
| 2020 | $7.6B | 13.4% |
| 2021 | $9.5B | 25.9% |
| 2022 | $12.0B | 26.5% |
| 2023 | $15.4B | 27.8% |
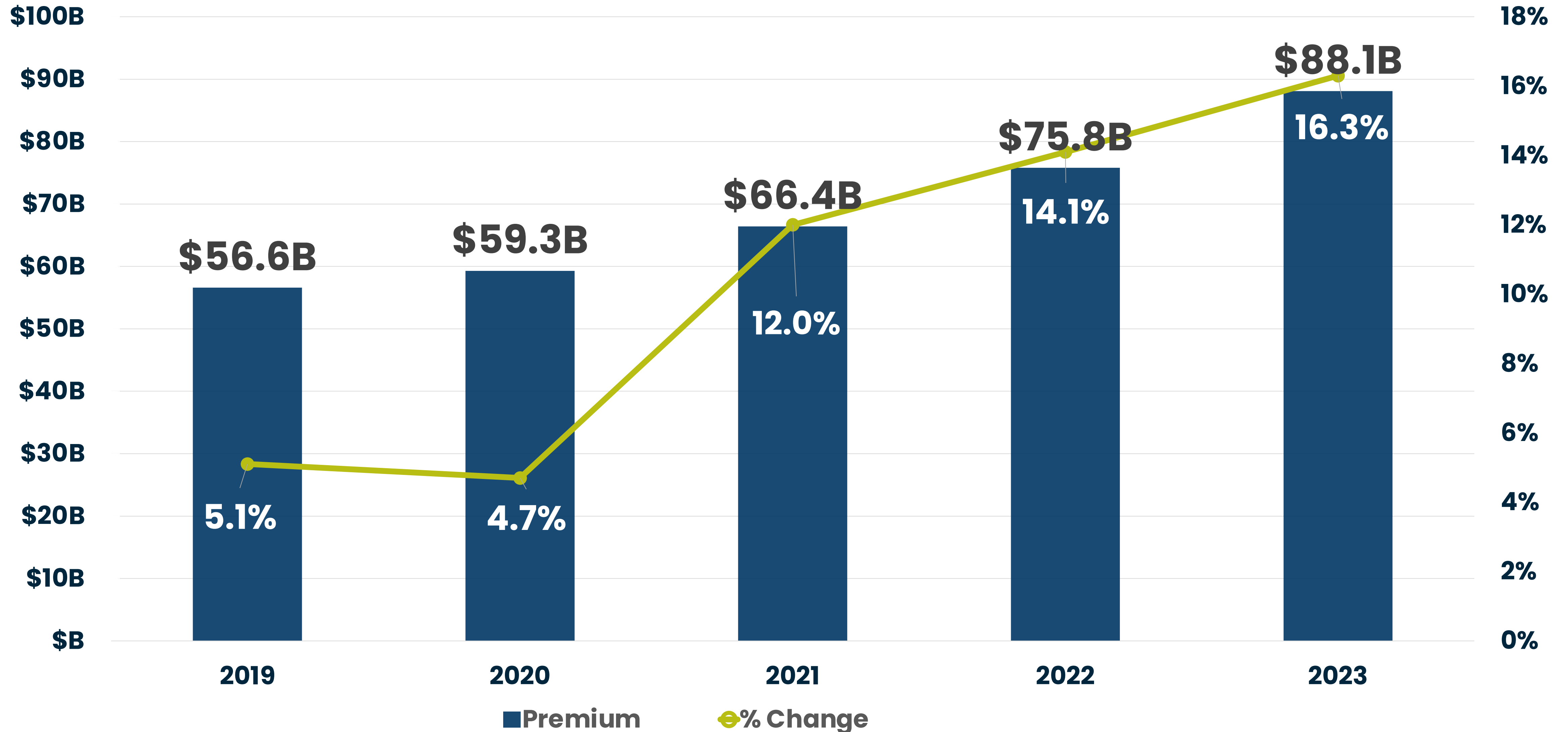
Premium    % Change
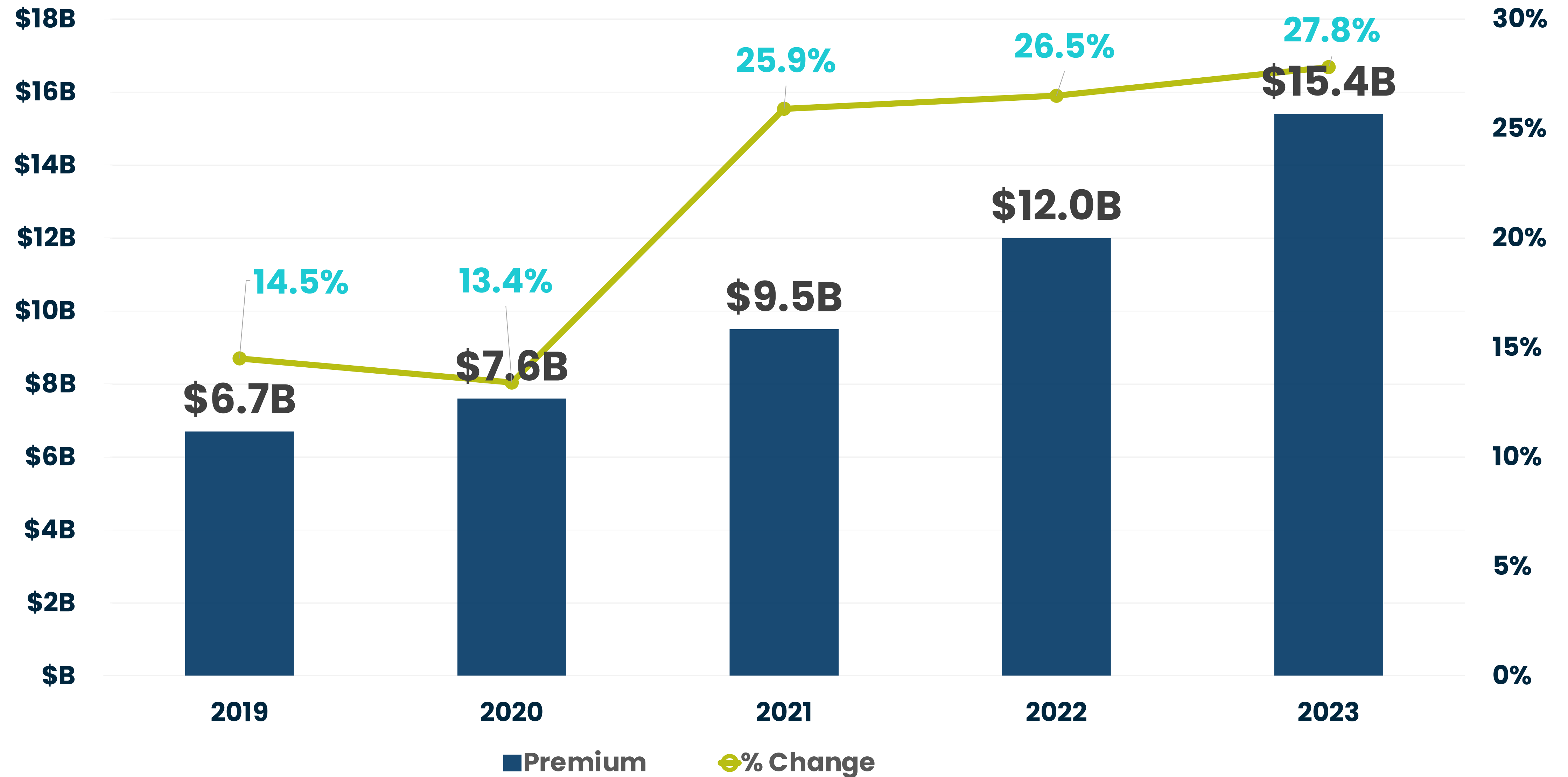
# E&S MARKET SHARE: FLORIDA



| Year | Market Share |
|------|--------------|
| 2019 | 10.5% |
| 2020 | 11.3% |
| 2021 | 12.5% |
| 2022 | 13.7% |
| 2023 | 14.9% |
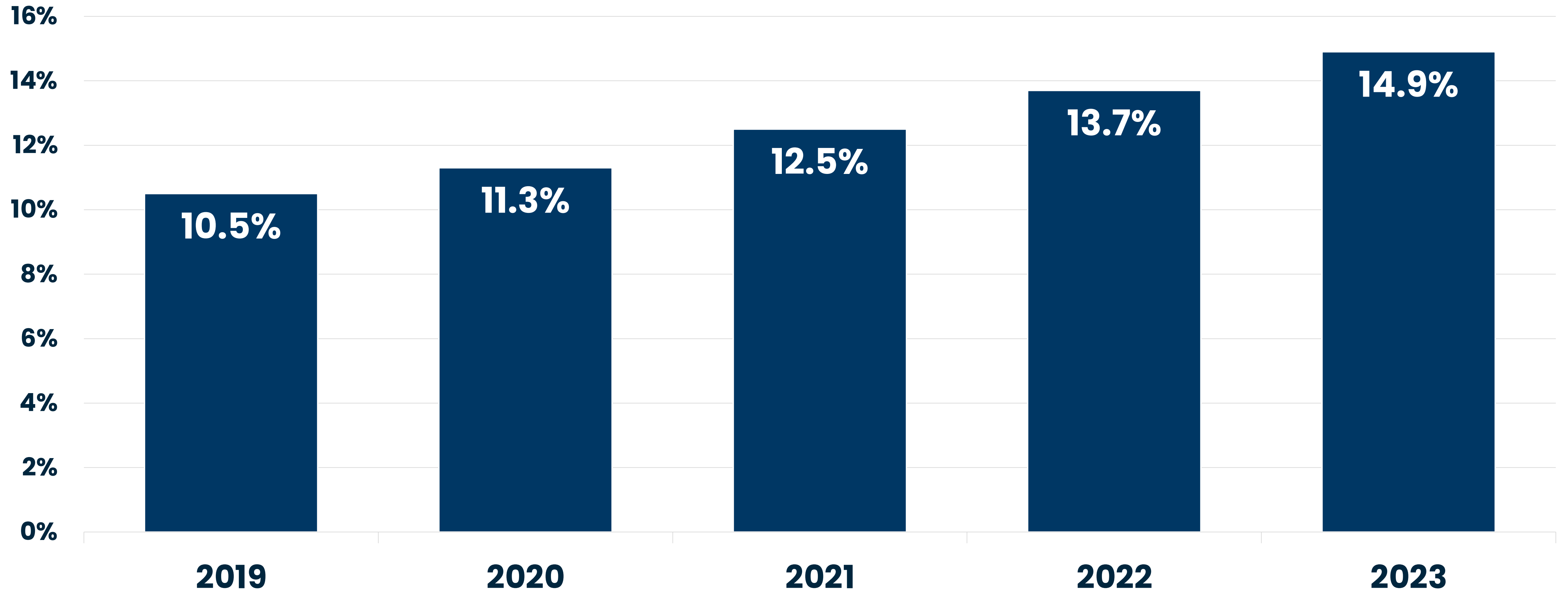
# FLORIDA'S SCORECARD: MARKET CONSIDERATIONS

**Legend:**
- Improving/Increasing
- Unchanged

| | | | | |
|---|---|---|---|---|
| **196,900** | **3.3%** | **$1.65T** | **3.0%** | **12,682** |
| Jobs YoY Change | Unemployment rate in May 2024 | Florida GDP Q1 2024 | National Inflation Rate | Housing Starts |
| **#1** | **2.0%** | **23.2M** | **$63,597** | **68.4%** |
| Business Start Up Ranking | Job Growth Rate | Florida's Population | Per Capita Income | Home Ownership Rate |

# FLORIDA SPOTLIGHT ON ADMITTED VS. NON-ADMITTED

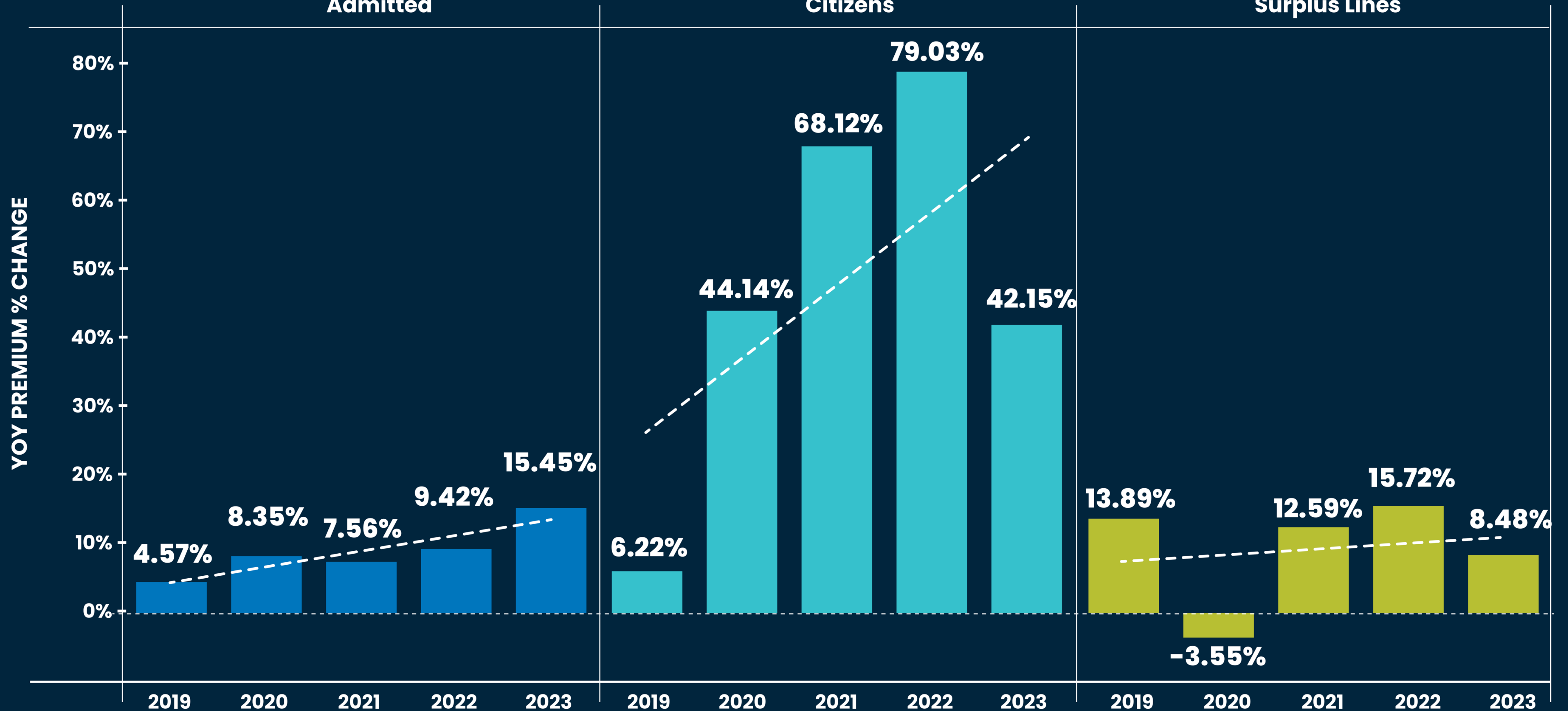# HOMEOWNERS: ADMITTED, CITIZENS, & SURPLUS LINES

YOY Premium % Change

**YOY PREMIUM % CHANGE**

## Admitted

| Year | Value |
|------|-------|
| 2019 | 4.57% |
| 2020 | 8.35% |
| 2021 | 7.56% |
| 2022 | 9.42% |
| 2023 | 15.45% |

## Citizens

| Year | Value |
|------|-------|
| 2019 | 6.22% |
| 2020 | 44.14% |
| 2021 | 68.12% |
| 2022 | 79.03% |
| 2023 | 42.15% |

## Surplus Lines

| Year | Value |
|------|-------|
| 2019 | 13.89% |
| 2020 | -3.55% |
| 2021 | 12.59% |
| 2022 | 15.72% |
| 2023 | 8.48% |

# COMMERCIAL PROPERTY: ADMITTED & NON-ADMITTED
YOY Premium % Change

**Admitted**

**Surplus Lines**

YOY PREMIUM % CHANGE

Admitted:
- 2019: 7.81%
- 2020: 14.34%
- 2021: 12.90%
- 2022: 27.11%
- 2023: 42.75%

Surplus Lines:
- 2019: 16.79%
- 2020: 17.90%
- 2021: 30.00%
- 2022: 30.69%
- 2023: 42.28%
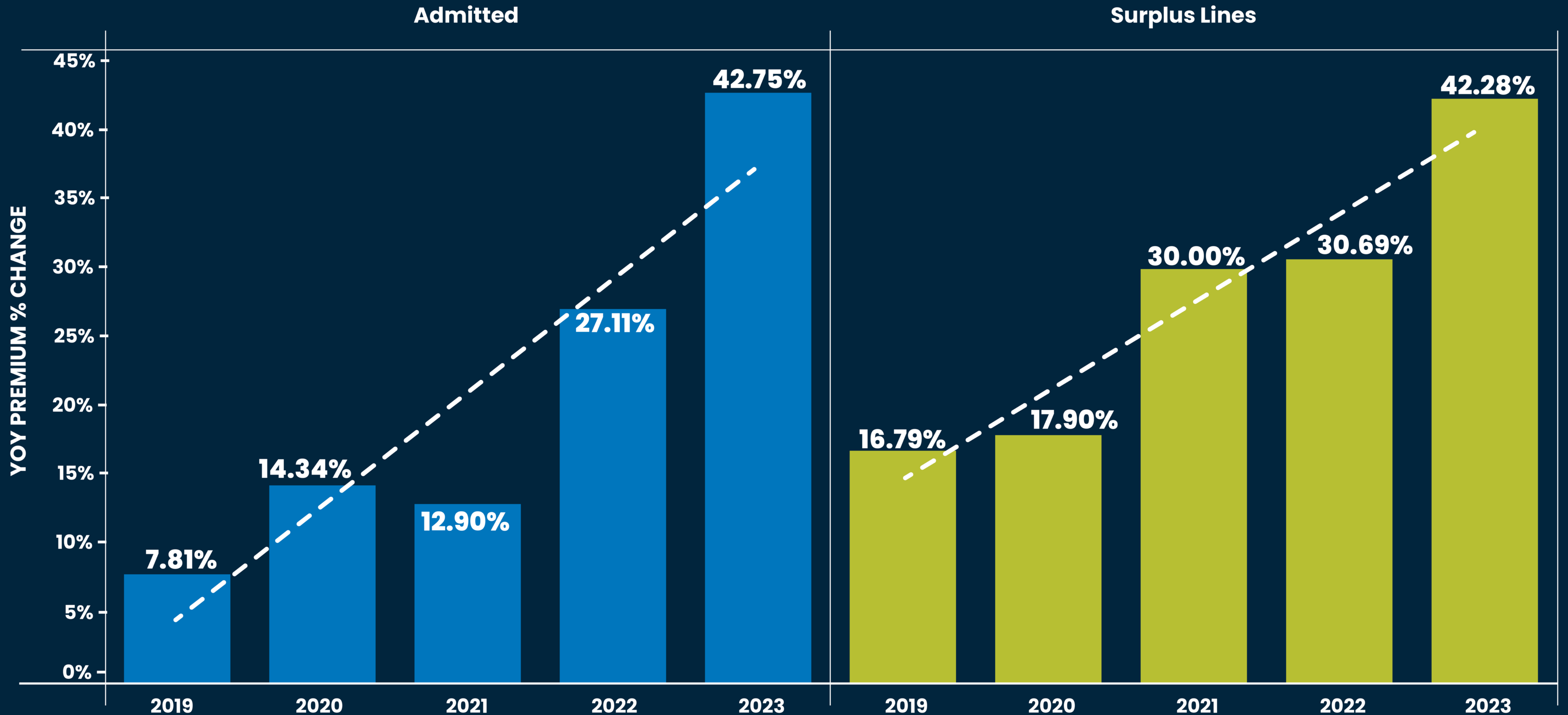
# TRENDS & FORECASTING:
## PREMIUM & POLICY COUNT

# TOTAL FL E&S PREMIUM TRENDING

$16B
2023 Forecast
—
96%
Forecast Accuracy

$17.2B

$15.40B

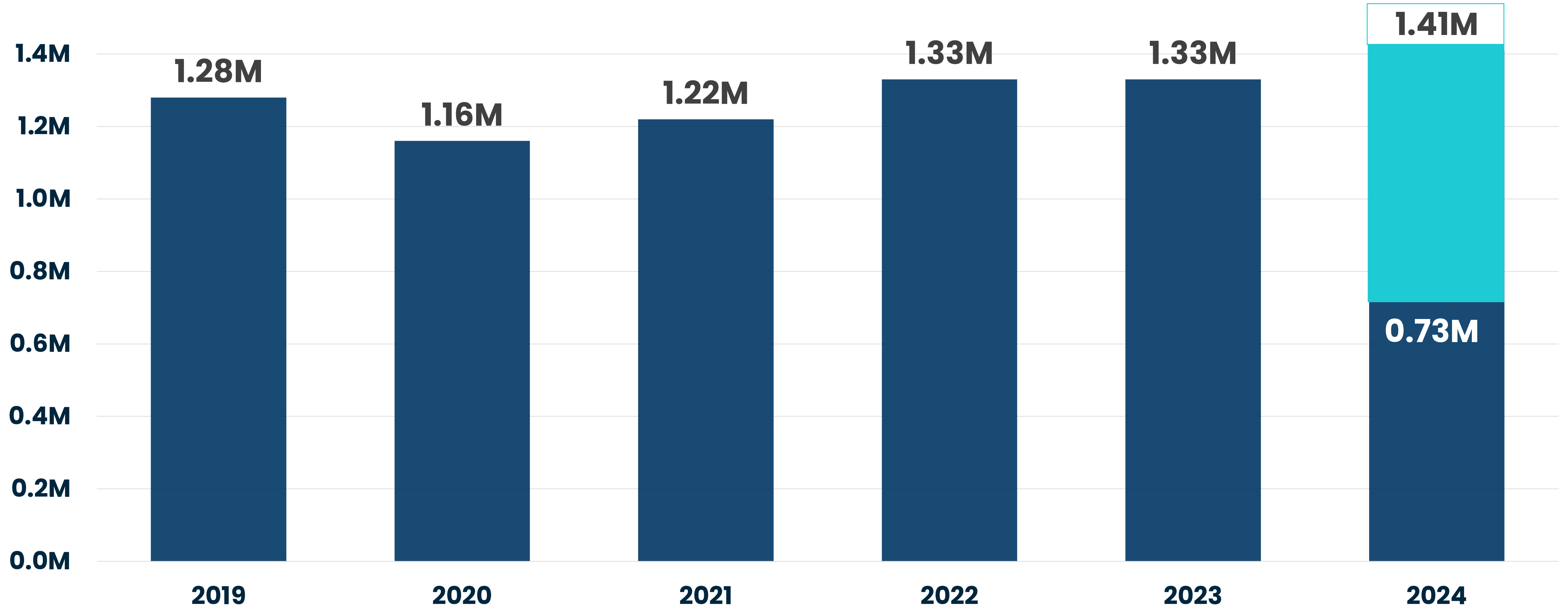$12.05B

$9.52B

$7.56B

$6.67B

$9.7B

$16B
$14B
$12B
$10B
$8B
$6B
$4B
$2B
$B

2019    2020    2021    2022    2023    2024
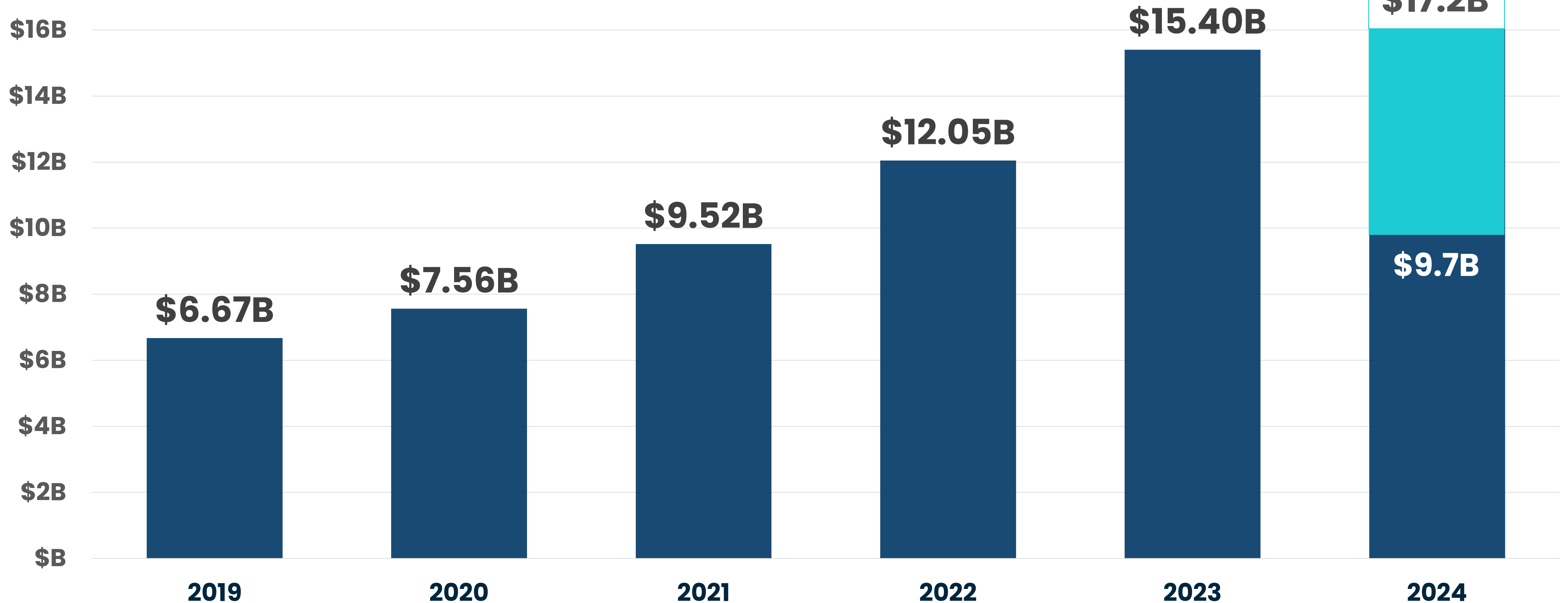
# TOTAL FL E&S POLICY COUNT TRENDING

1.37M
**2023 Forecast**
—
**97%**
**Forecast Accuracy**

1.4M
1.2M
1.0M
0.8M
0.6M
0.4M
0.2M
0.0M

1.28M — 2019
1.16M — 2020
1.22M — 2021
1.33M — 2022
1.33M — 2023
1.41M / 0.73M — 2024
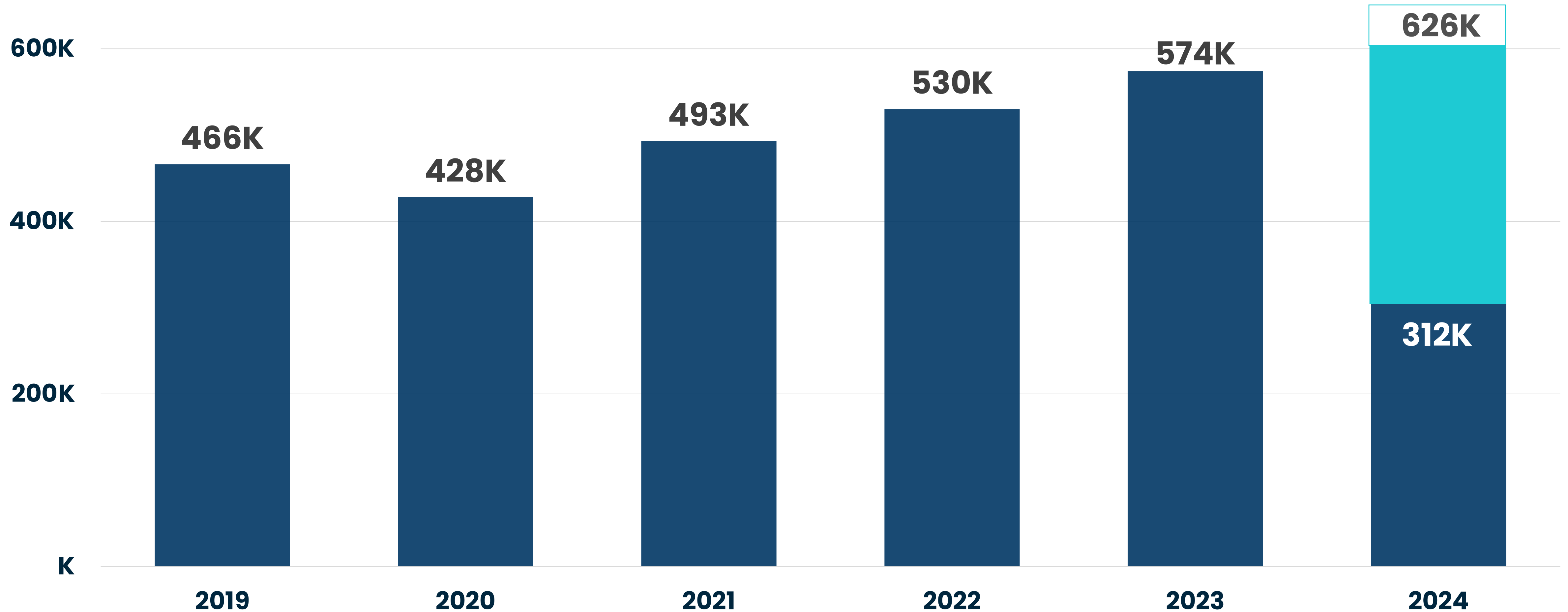
# TOTAL FL E&S RENEWALS TRENDING

785K
2023 Forecast

97%
Forecast Accuracy

900K

811K
732K
732K
796K
761K
788K

600K

422K

300K

K

2019
2020
2021
2022
2023
2024
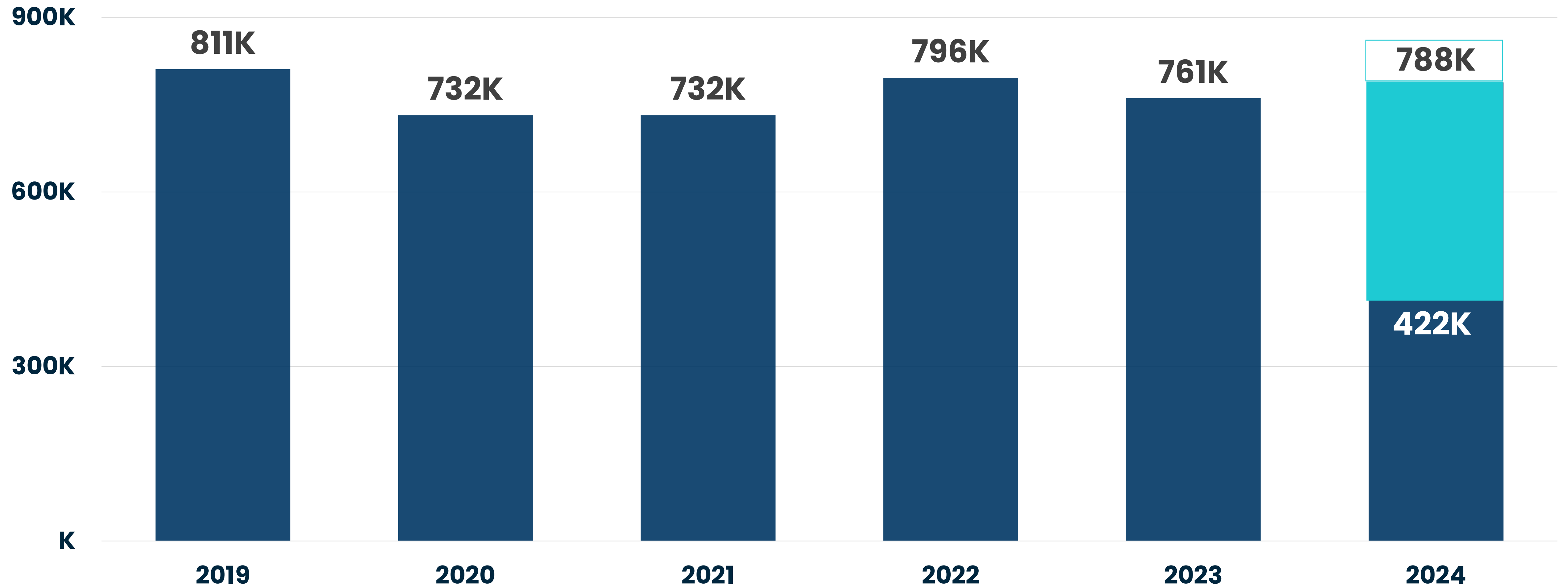
# TRENDS & FORECASTING:
## TOP 10 LINES OF BUSINESS 2024

# 1 COMMERCIAL PROPERTY



**$2.2B** 2019
**$2.7B** 2020
**$3.4B** 2021
**$4.4B** 2022
**$6.2B** 2023

136.5K
146.8K
179.3K
188.8K
175.8K

■ Premium  ─○─ Policy Count
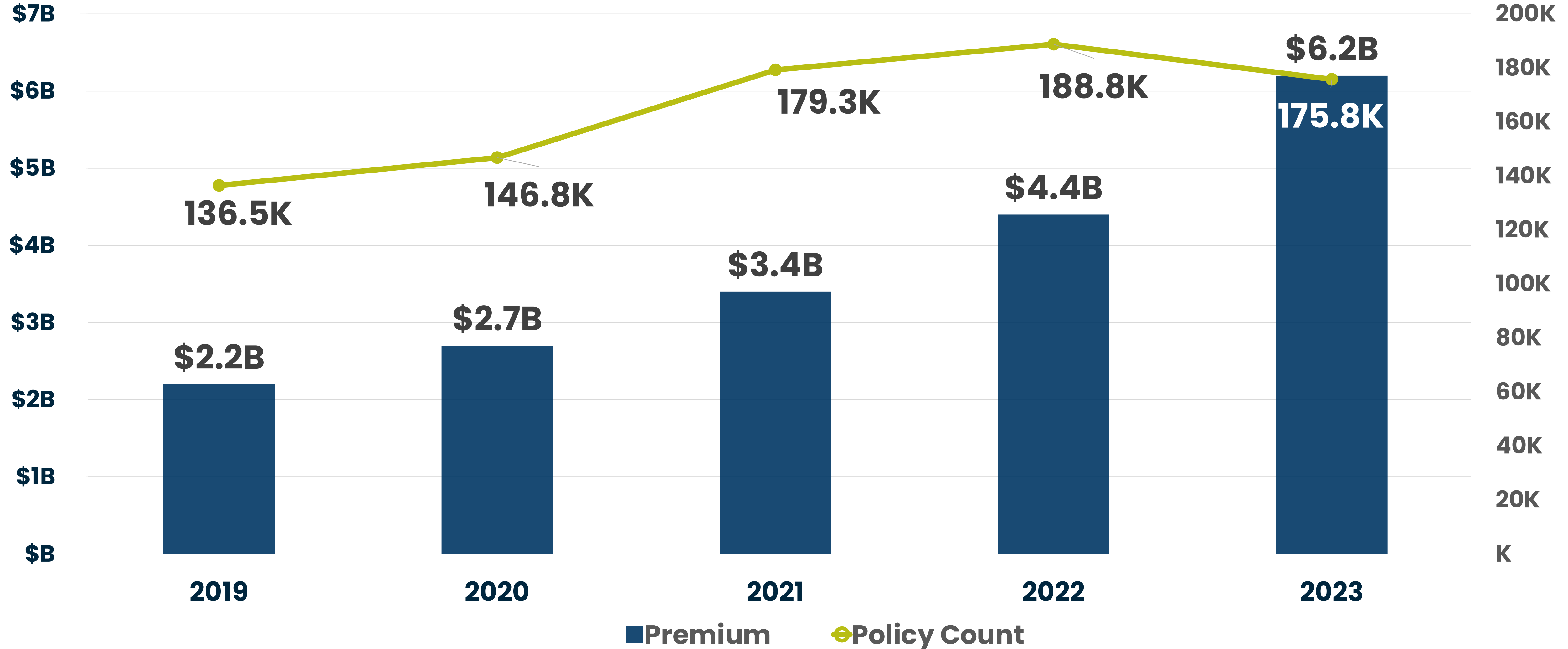
# COMMERCIAL PROPERTY PREDICTION

## Premium

| | |
|---|---|
| **$6.3B** | 2023 Forecast |
| **98%** | Forecast Accuracy |
| **$4.2B** | Q1/Q2 2024 |
| **$6.6B** | 2024 Forecast |

## Policy Count

| | |
|---|---|
| **176.3K** | 2023 Forecast |
| **99.7%** | Forecast Accuracy |
| **108.6K** | Q1/Q2 2024 |
| **194.8K** | 2024 Forecast |

# **2** COMMERCIAL GENERAL LIABILITY



Chart showing Premium (bars) and Policy Count (line) by year:

| Year | Premium | Policy Count |
|------|---------|--------------|
| 2019 | $1.1B | 203.9K |
| 2020 | $1.2B | 201.9K |
| 2021 | $1.4B | 209.5K |
| 2022 | $1.7B | 216.9K |
| 2023 | $2.1B | 225.1K |

■ Premium  —○— Policy Count
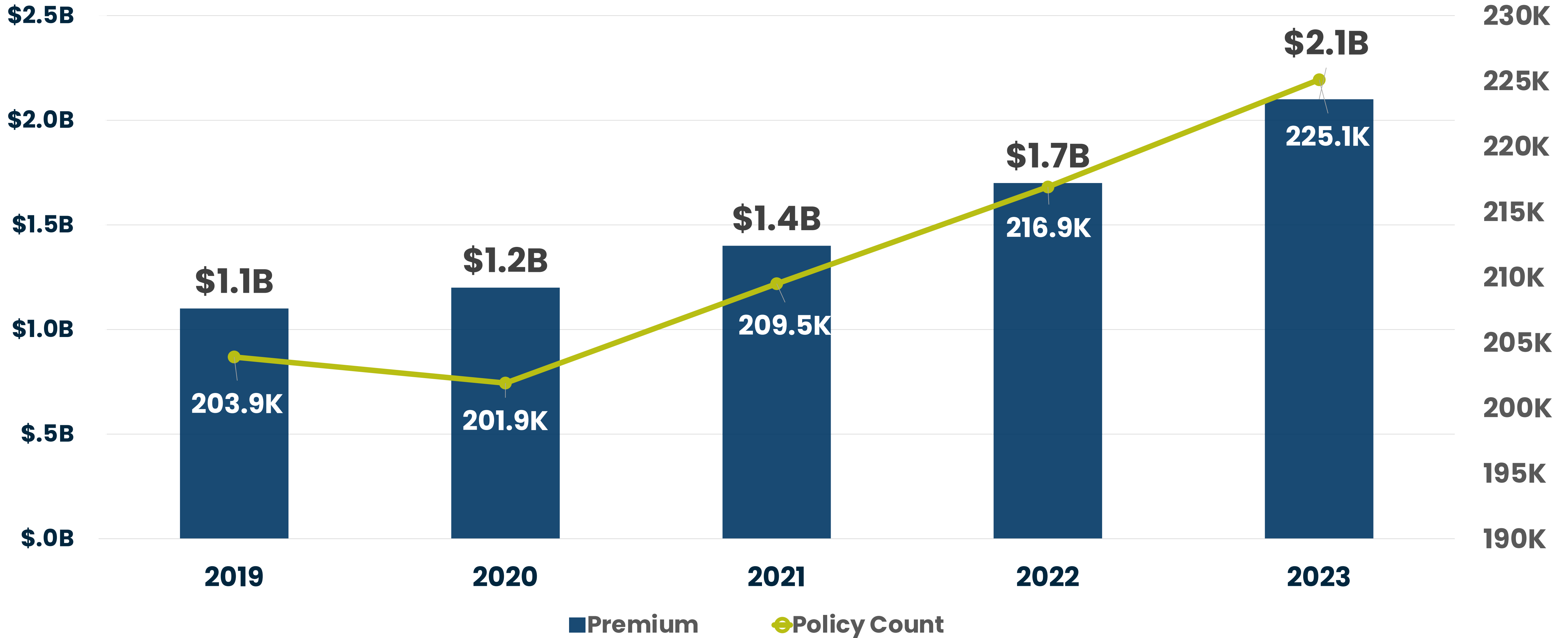
# COMMERCIAL GENERAL LIABILITY
# PREDICTION

## Premium

**$2.1B** — 2023 Forecast

**100%** — Forecast Accuracy

**$1.3B** — Q1/Q2 2024

**$2.5B** — 2024 Forecast

## Policy Count

**216.7K** — 2023 Forecast

**96%** — Forecast Accuracy

**121.7K** — Q1/Q2 2024

**253.3K** — 2024 Forecast

# 3 EXCESS COMMERCIAL GENERAL LIABILITY



| | 2019 | 2020 | 2021 | 2022 | 2023 |
|---|---|---|---|---|---|
| Premium | $304.7M | $415.6M | $622.8M | $852.8M | $960.9M |
| Policy Count | 14.9K | 18.7K | 21.1K | 27.8K | 32.2K |

Premium    Policy Count
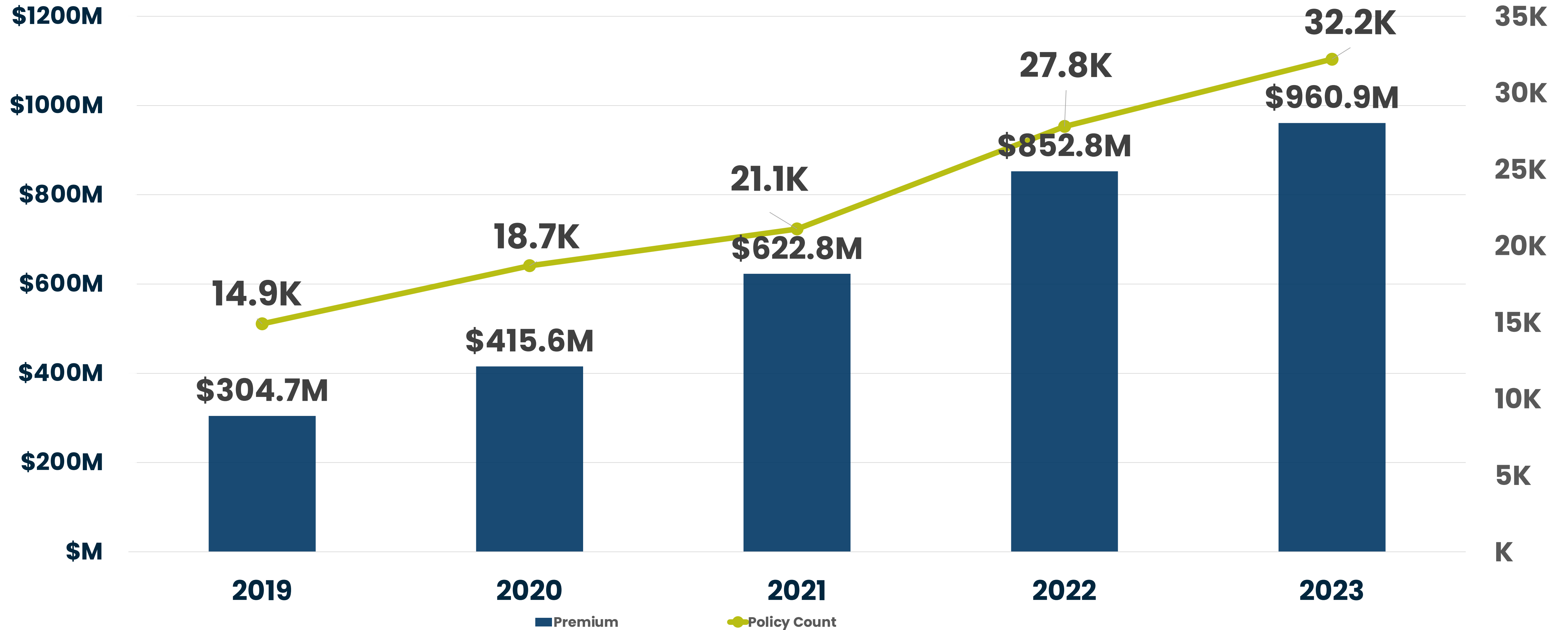
# EXCESS COMMERCIAL GENERAL LIABILITY
## PREDICTION

## Premium

**$920.4M**    **2023 Forecast**

**96%**    **Forecast Accuracy**

**$0.6B**    **Q1/Q2 2024**

**$1.3B**    **2024 Forecast**

## Policy Count

**32.3K**    **2023 Forecast**

**99.7%**    **Forecast Accuracy**

**18.4K**    **Q1/Q2 2024**

**36.3K**    **2024 Forecast**

# 4 COMMERCIAL PACKAGE



- Premium
- Policy Count

| Year | Premium | Policy Count |
|------|---------|--------------|
| 2019 | $392.2M | 86.5K |
| 2020 | $414.5M | 82.3K |
| 2021 | $498.9M | 86.3K |
| 2022 | $606.9M | 89.8K |
| 2023 | $846.2M | 90.4K |
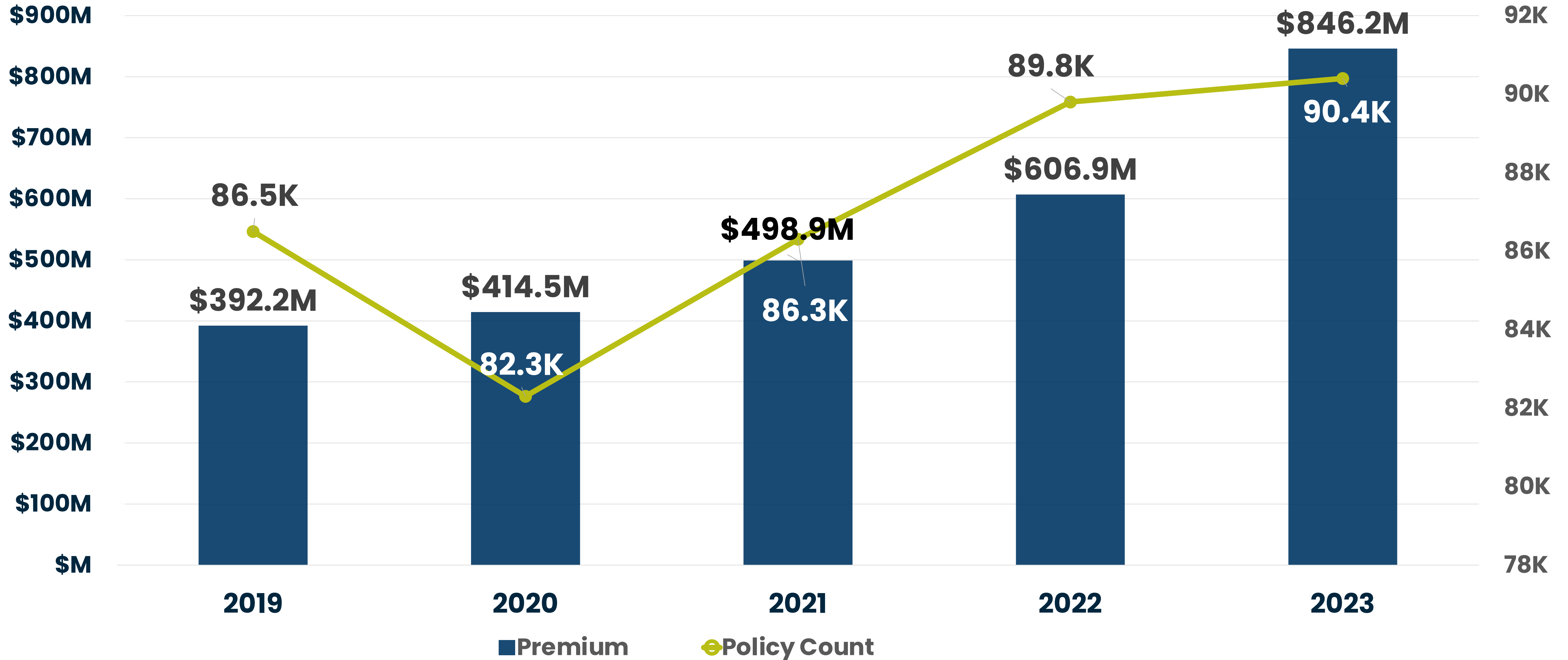
# COMMERCIAL PACKAGE
# PREDICTION

## Premium

**$921.2M**    **2023 Forecast**

**92%**    **Forecast Accuracy**

**$500.5M**    **Q1/Q2 2024**

**$931.8M**    **2024 Forecast**

## Policy Count

**92.0K**    **2023 Forecast**

**98%**    **Forecast Accuracy**

**47.0K**    **Q1/Q2 2024**

**90.0K**    **2024 Forecast**

# 5 HO-3



$700M — 180K

155.4K

$600M — 160K

$578.5M

$533.3M

$486.1M

$500M — 140K

$435.4M

112.6K

$465.1M

$400M — 120K

98.7K — 100K

95.4K

$300M — 80K

92.5K

$200M — 60K

$100M — 40K

— 20K

$M — K

2019          2020          2021          2022          2023

■ Premium   ●—Policy Count
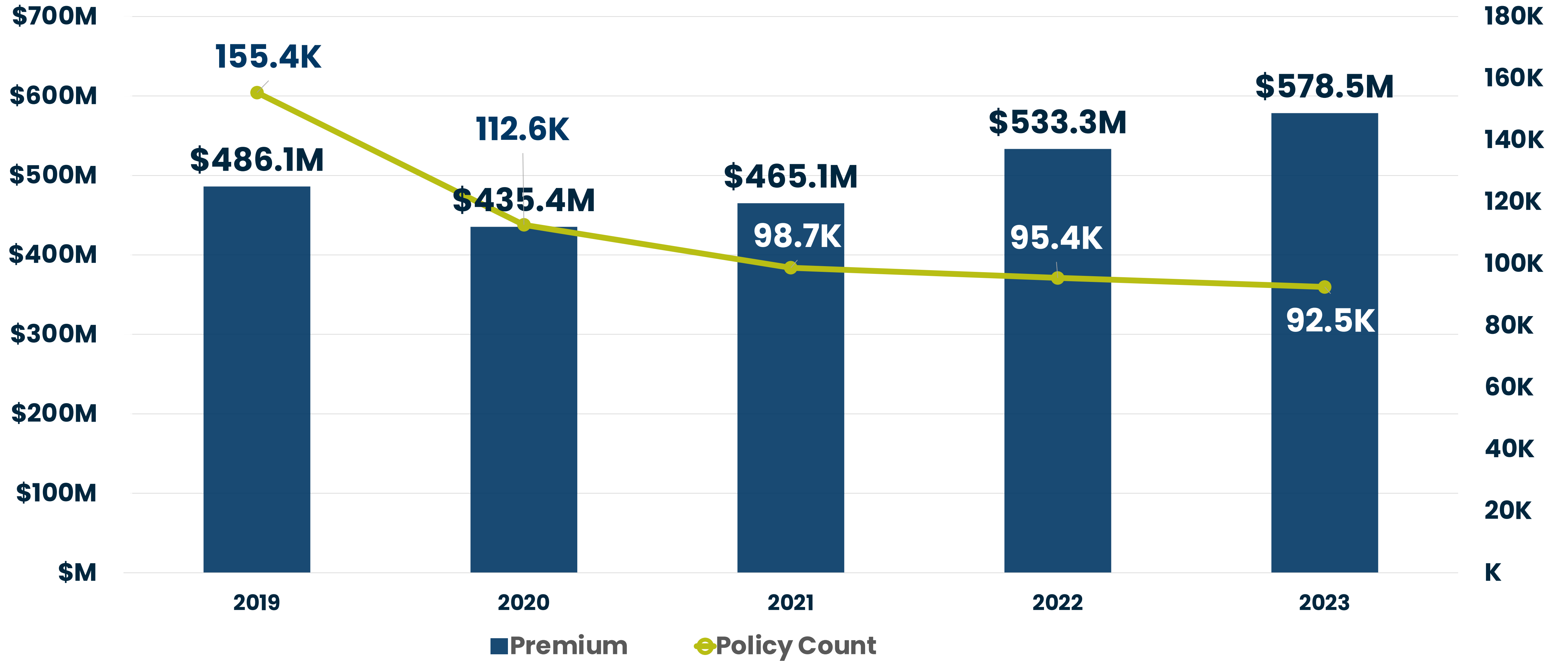
# HO-3 PREDICTION

## Premium

**$541.2M** 2023 Forecast

**94%** Forecast Accuracy

**$332.4M** Q1/Q2 2024

**$629.0M** 2024 Forecast

## Policy Count

**86.4K** 2023 Forecast

**93%** Forecast Accuracy

**51.2K** Q1/Q2 2024

**102.3K** 2024 Forecast

# 6 BUILDERS RISK - COMMERCIAL

| Year | Premium | Policy Count |
|------|---------|--------------|
| 2019 | $87.9M | 2.7K |
| 2020 | $77.4M | 2.7K |
| 2021 | $114.4M | 4.2K |
| 2022 | $229.6M | 5.7K |
| 2023 | $358.8M | 5.3K |

**Premium** ● **Policy Count**
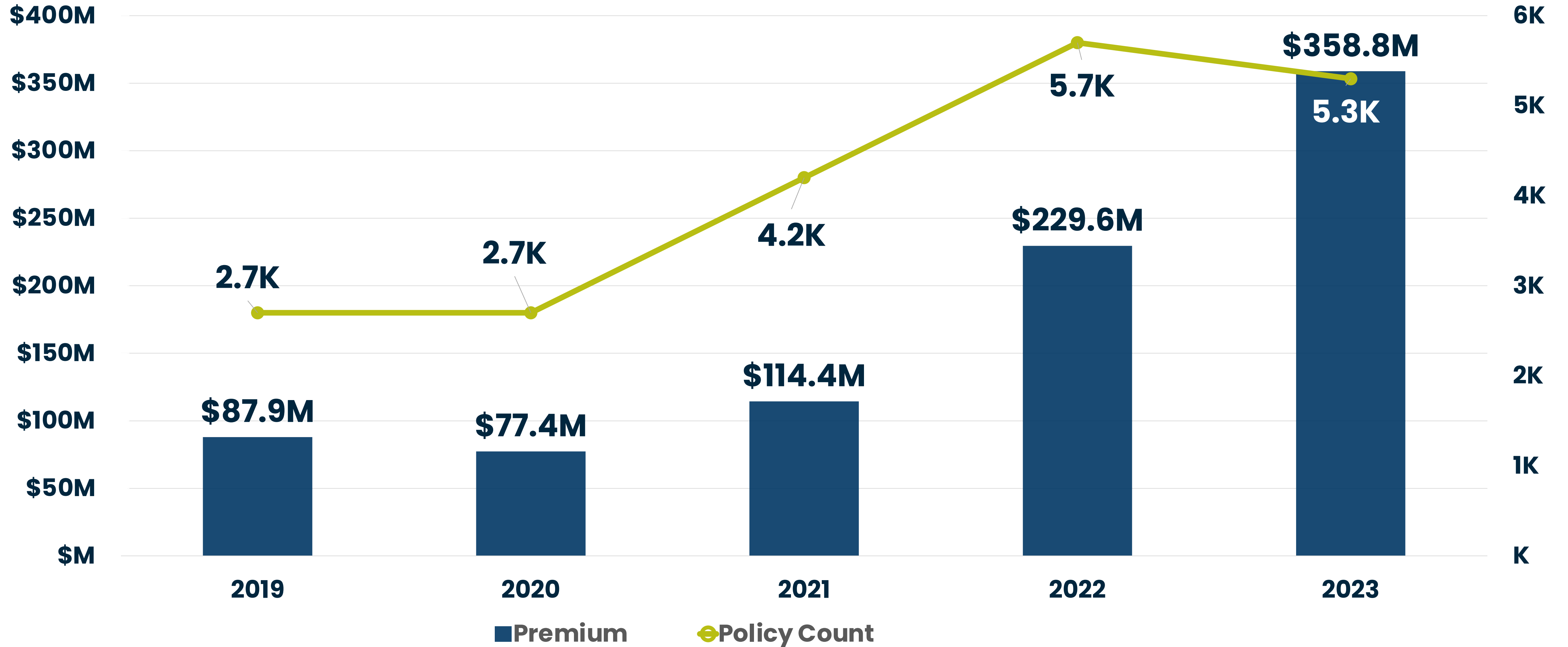
# BUILDERS RISK - COMMERCIAL PREDICTION

## Premium

**$400.5M** — 2023 Forecast

**90%** — Forecast Accuracy

**$254.6M** — Q1/Q2 2024

**$469.8M** — 2024 Forecast

## Policy Count

**5.8K** — 2023 Forecast

**91%** — Forecast Accuracy

**2.6K** — Q1/Q2 2024

**5.2K** — 2024 Forecast

# 7 WINDSTORM AND/OR HAIL - COMMERCIAL



**2019**: $101.6M, 5.2K
**2020**: $132.1M, 6.3K
**2021**: $180.3M, 8.7K
**2022**: $254.6M, 10.8K
**2023**: $427.5M, 9.8K

■ Premium  ━○━ Policy Count
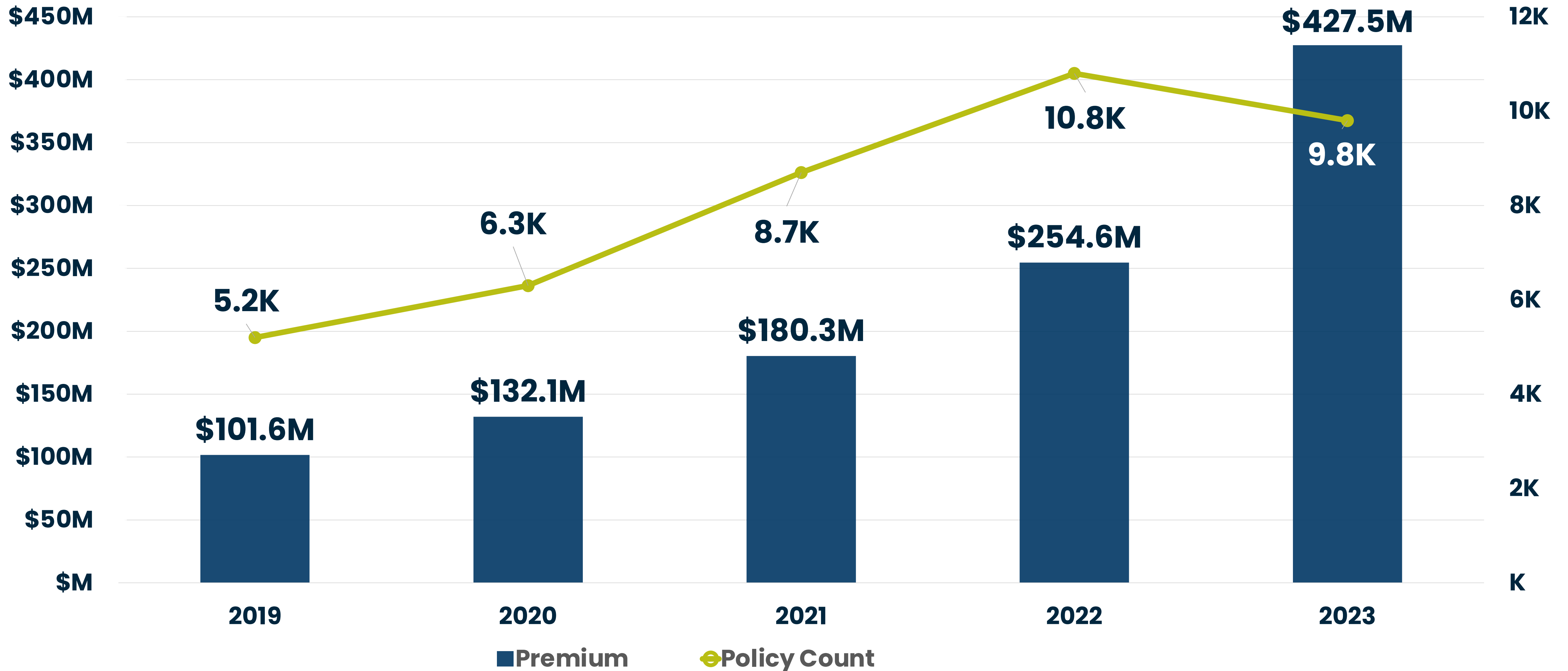
# WINDSTORM AND/OR HAIL – COMMERCIAL PREDICTION

## Premium

| $484M | 2023 Forecast |
|---|---|
| 88% | Forecast Accuracy |
| $291.5M | Q1/Q2 2024 |
| $462.3M | 2024 Forecast |

## Policy Count

| 10.3K | 2023 Forecast |
|---|---|
| 95% | Forecast Accuracy |
| 6.6K | Q1/Q2 2024 |
| 11.9K | 2024 Forecast |

# 8 MISCELLANEOUS E&O LIABILITY



| | 2019 | 2020 | 2021 | 2022 | 2023 |
|---|---|---|---|---|---|
| Premium | $130.6M | $150.7M | $206.0M | $269.3M | $313.6M |
| Policy Count | 11.9K | 12.0K | 13.9K | 15.0K | 15.9K |

■ Premium    ─○─ Policy Count
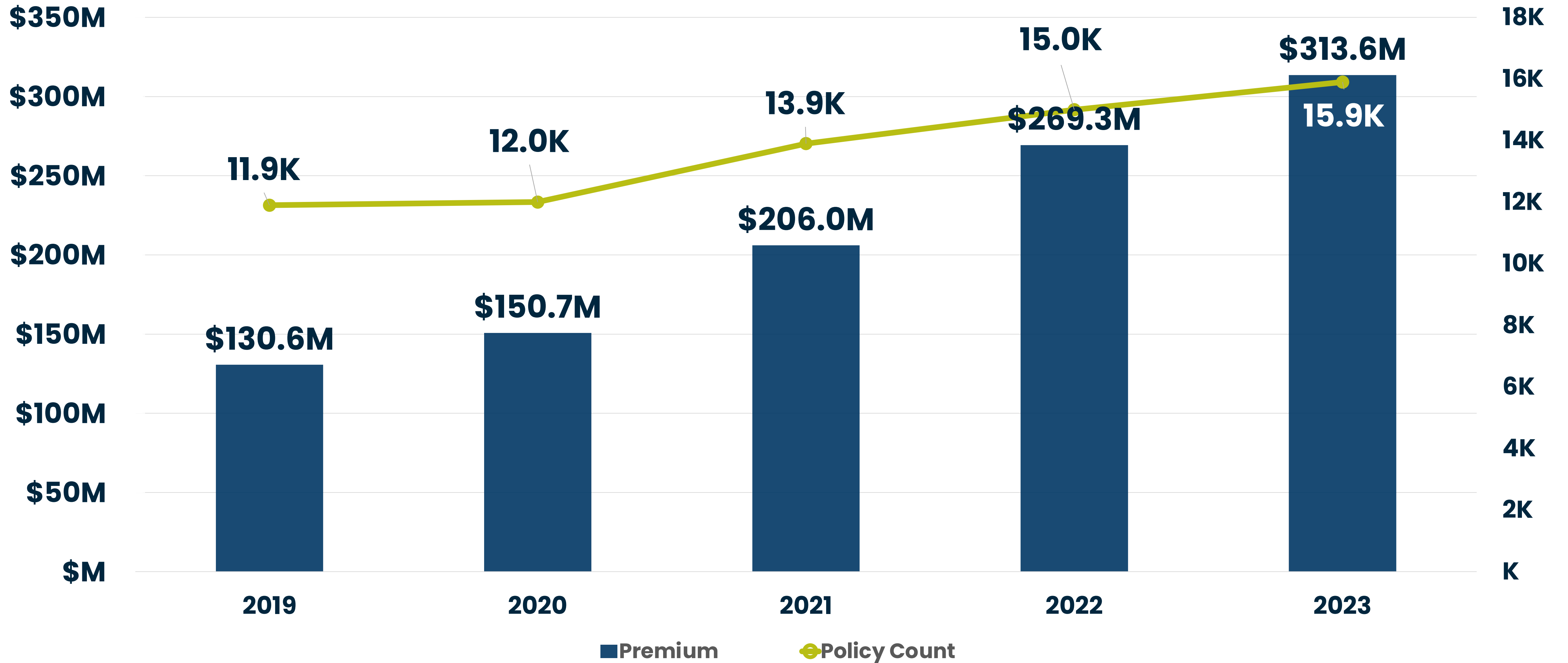
# MISCELLANEOUS E&O LIABILITY PREDICTION

## Premium

**$160.2M** Q1/Q2 2024

**$335.3M** 2024 Forecast

## Policy Count

**8.9K** Q1/Q2 2024

**17.6K** 2024 Forecast

# 9 CYBER LIABILITY



| | 2019 | 2020 | 2021 | 2022 | 2023 |
|---|---|---|---|---|---|
| Premium | $74.0M | $87.8M | $142.3M | $268.5M | $296.5M |
| Policy Count | 7.0K | 8.4K | 9.6K | 10.4K | 12.1K |

■ Premium  ⊸ Policy Count
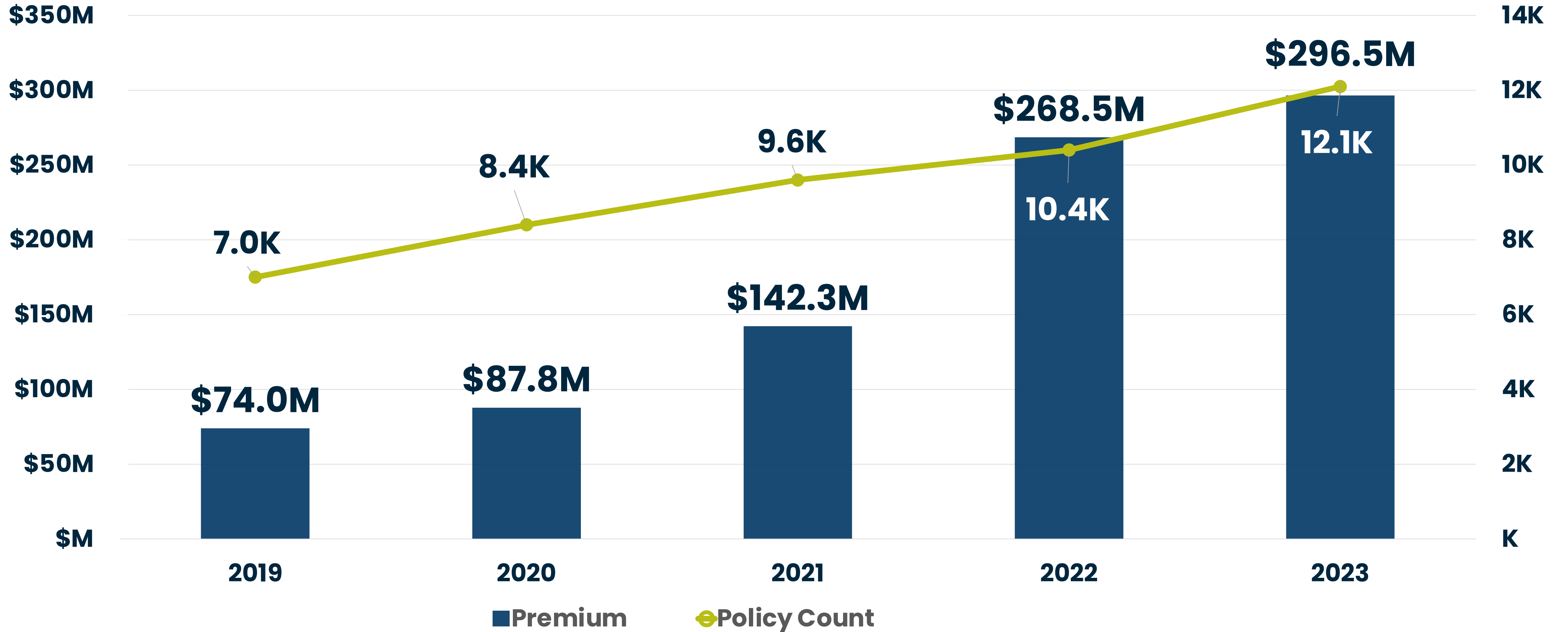
# CYBER LIABILITY PREDICTION

## Premium

**$320.1M** 2023 Forecast

**93%** Forecast Accuracy

**$146.6M** Q1/Q2 2024

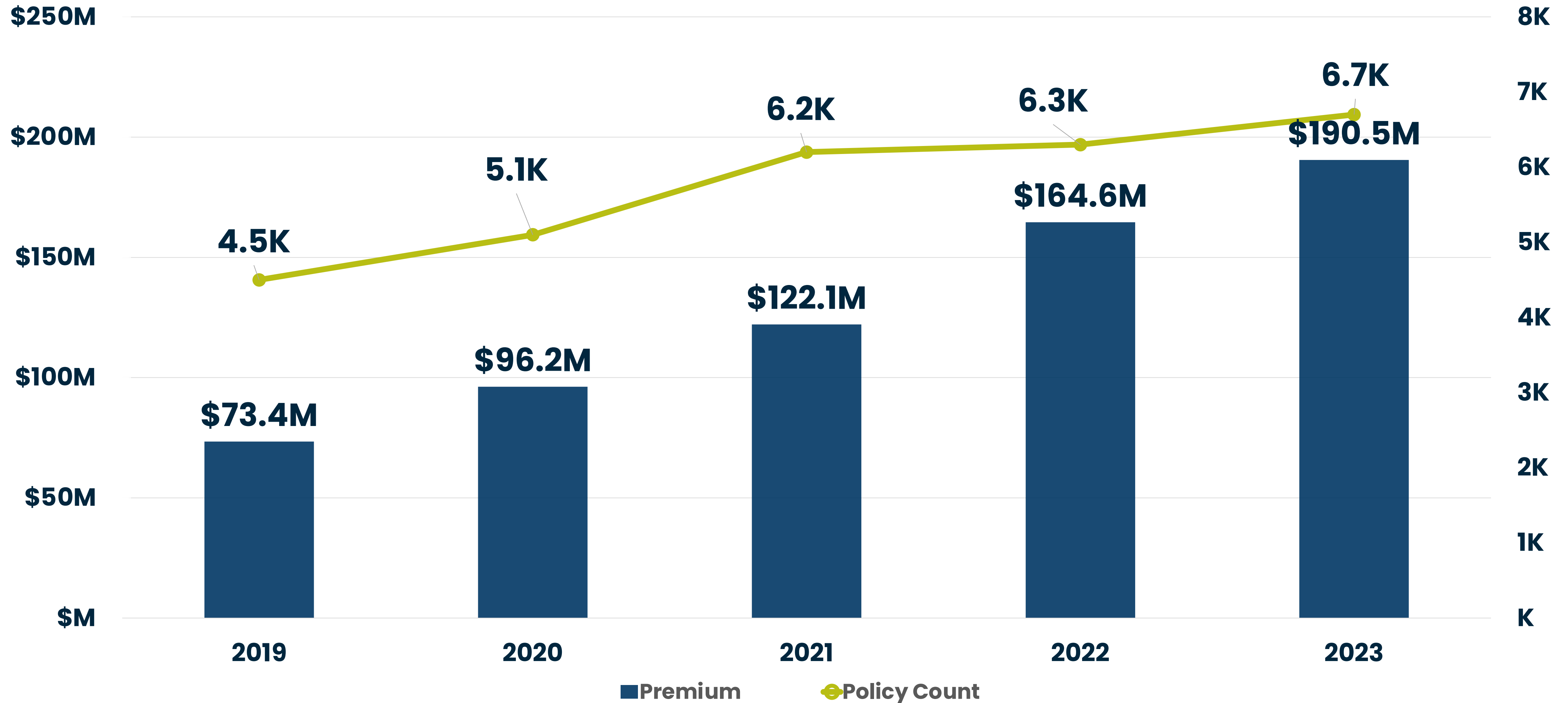**$308.0M** 2024 Forecast

## Policy Count

**12.6K** 2023 Forecast

**96%** Forecast Accuracy

**6.7K** Q1/Q2 2024

**13.6K** 2024 Forecast

# 10 COMMERCIAL UMBRELLA LIABILITY

Premium by year:
- 2019: $73.4M
- 2020: $96.2M
- 2021: $122.1M
- 2022: $164.6M
- 2023: $190.5M

Policy Count by year:
- 2019: 4.5K
- 2020: 5.1K
- 2021: 6.2K
- 2022: 6.3K
- 2023: 6.7K

Legend: Premium | Policy Count

# COMMERCIAL UMBRELLA LIABILITY PREDICTION

**Premium**

$114.9M Q1/Q2 2024

$224.5M 2024 Forecast
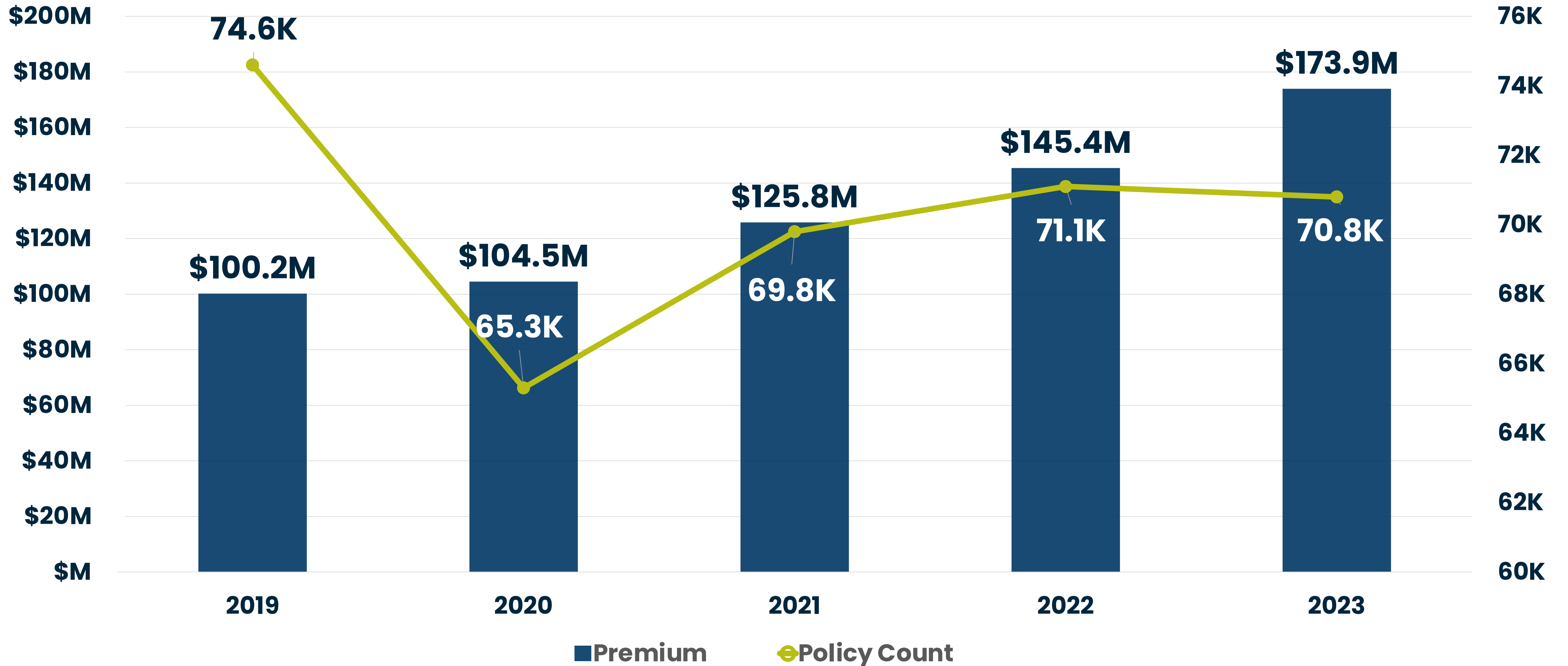
**Policy Count**

3.7K Q1/Q2 2024

7.2K 2024 Forecast

# TRENDS & FORECASTING:
## LINES OF BUSINESS | RANKINGS 11-20

| Rank | Line of Business | 2023 Premium | 2024 Premium* | 2023 Policy Count | 2024 Policy Count* |
|---|---|---|---|---|---|
| 11 | Misc. Liability | $213.4M | $180.6M | 8K | 12.1K |
| **12** | **HO-6 Condo Unit Owners** | **$173.9M** | **$181.4M** | **70.8K** | **67.9K** |
| 13 | Condominium Package | $162.4M | $163.4M | 1.9 | 2.0K |
| 14 | Commercial Auto Liability | $162.3M | $164.2M | 5.9 | 6.2K |
| 15 | Dwelling Property | $148.7M | $133.7 | 35.1 | 30.0K |
| **16** | **HO-5** | **$141.9M** | **$167.1M** | **5.0K** | **5.4K** |
| 17 | Misc. Med Professionals | $124.0M | $134.7 | 4.4K | 4.4K |
| 18 | Pollution & Environment Liability | $117.3M | $134.9M | 8.6K | 9K |
| 19 | Flood – Personal | $112.1M | $121.1M | 80.4K | 101.8K |
| 20 | Inland Marine -Comm | $87.6M | $104.3M | 8.0K | 8.6K |

*Forecasted*

# HO-6: CONDO UNIT OWNERS PREDICTION

## Premium

**$174.4M** 2023 Forecast

**99.7%** Forecast Accuracy

**$94.3M** Q1/Q2 2024

**$181.4M** 2024 Forecast

## Policy Count

**72.7K** 2023 Forecast

**97%** Forecast Accuracy

**35.6K** Q1/Q2 2024

**67.9K** 2024 Forecast

# 16 HO-5

**2019** $92.9M — 8.1K
**2020** $100.5M — 7.2K
**2021** $105.3M — 6.6K
**2022** $112.9M — 5.2K
**2023** $141.9M — 5.0K

■ Premium   ○ Policy Count
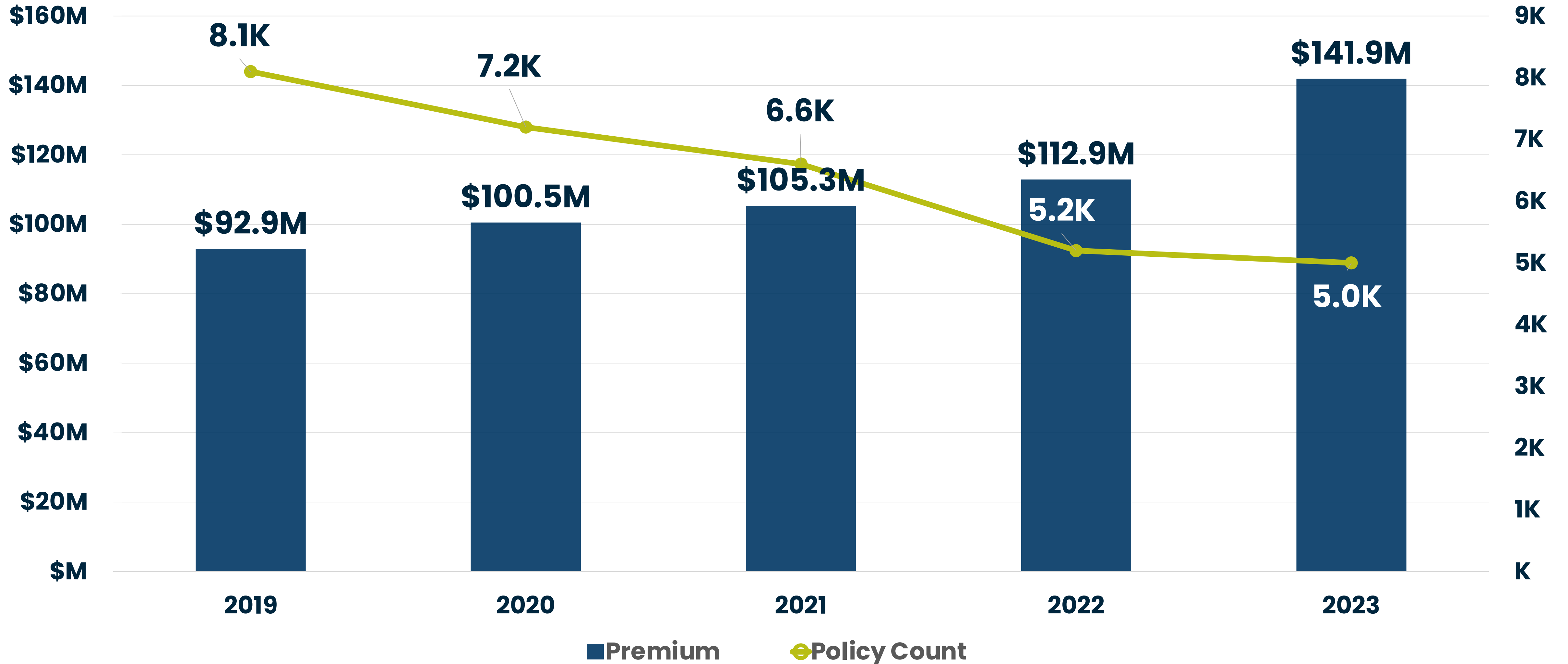
# HO-5
# PREDICTION

## Premium

**$128.1M**   2023 Forecast

**89%**   Forecast Accuracy

**$94.9M**   Q1/Q2 2024

**$167.1M**   2024 Forecast

## Policy Count

**4.8K**   2023 Forecast

**96%**   Forecast Accuracy

**3.2K**   Q1/Q2 2024

**5.4K**   2024 Forecast

# FORECASTING THE REMAINDER OF 2024

## POTENTIAL FACTORS THAT COULD INFLUENCE THIS FORECAST

**Current Market Trends**

**Major Weather Events**

**Potential Legislative Changes**

# FLORIDA SURPLUS LINES SERVICE OFFICE

Evolve & Elevate

# ABOUT FSLSO

## OUR MISSION

Promote a reputable and modern insurance marketplace.

## OUR VISION

To lead and serve through innovative solutions.

## OUR VALUES

Integrity
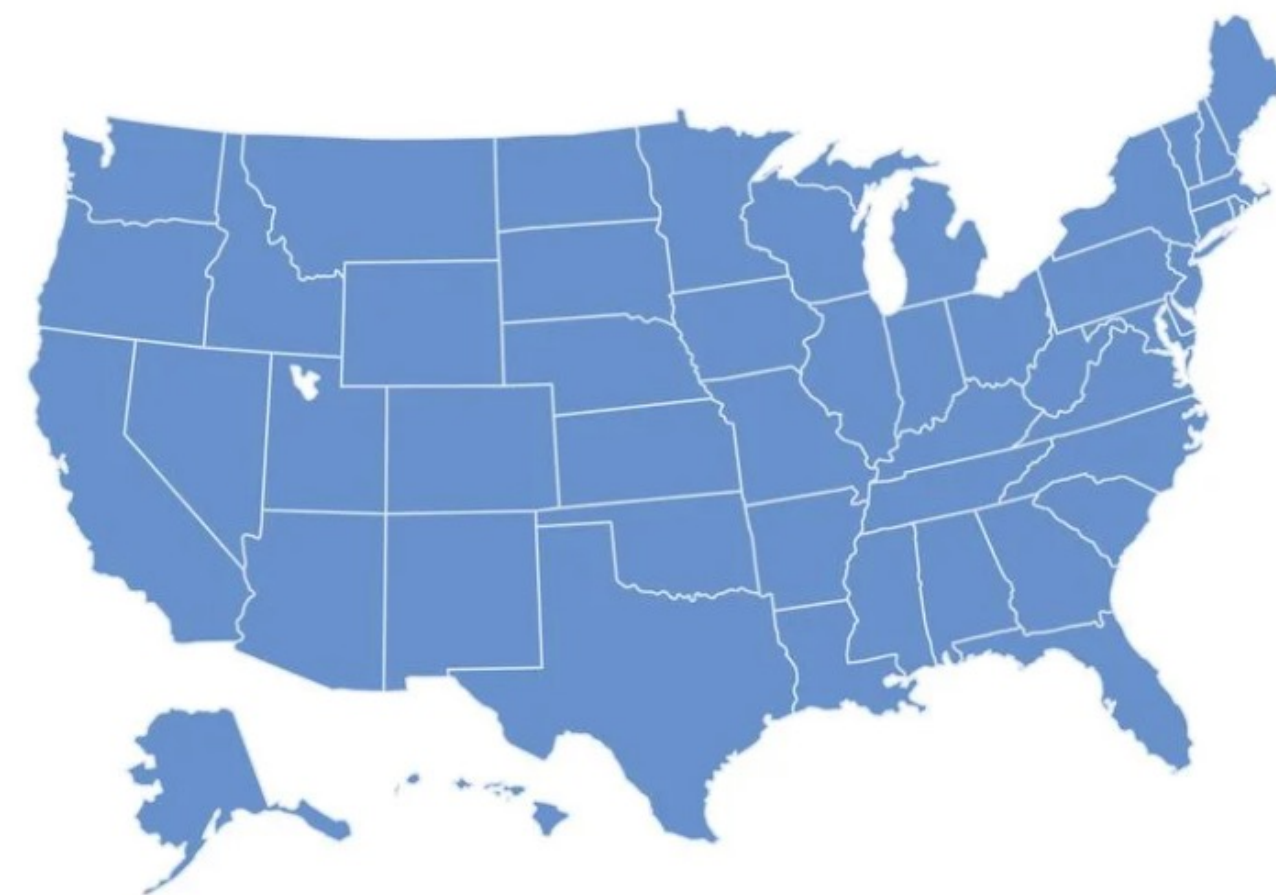
Reliability

Maximize

Excellence

**SLIP 2.0**

**New Market Data Reports**

**Higher Ed RMI Support**

**Customer Forums**

**National Representation**

**Premier Internship Program**

**Cultivating Media Relations**

**New Information Products**

**Investments in Tech**

**Accurate Information**

**Collaboration + Partnership**

**Stewards to our Stakeholders**

**Elevating the Brand**

**Maintain Quality Staff**

**Give Back to Our Community**

**97%**

**Customer Satisfaction Rating**

**Best Places to Work x 2**

**Drive Company Culture**

EST. 1998

Florida Trend
Best Companies
To Work For In Florida™
WINNER
2024

# CONCLUSION & TAKEAWAYS

**1**

**E&S industry growth is steady nationally.**

The E&S industry has been growing steadily for the past five years, although it might be plateauing in some areas.

**2**

**Florida is a major E&S player.**

Florida is the 2$^{nd}$ largest player in the E&S market in the country. However, the market growth in Florida is volatile, with growth rates varying greatly from month to month.

**3**

**Florida's E&S future is promising.**

Predictive models suggest continued growth in Florida's E&S market, although at a more stable pace. FSLSO continues to support the market through quality service, products and staffing.

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For inquiries, please contact ashleeweber@fslso.com or 800.562.4496