

# HOMEOWNERS INSURANCE LOSS DATA IN TEXAS

## 1992 through 2010

Loss ratio is basically the percentage of losses (claims insurers have paid) versus what they have collected in premiums. Combined ratios provide a better snapshot of the state of the market. The combined ratio takes into account a company's expenses for agent commissions, overhead, and administrative costs. 100 is the break-even point; a ratio below 100 indicates a profit and above 100 indicates a loss.

### *Homeowners Insurance Loss Data for Texas - 1992 - 2010*

Year	Direct Premiums Earned (\$)	Direct Losses Incurred (\$)	Incurred Loss Ratio	Combined Loss & Expense Ratio
1992	1,786,929,066	1,926,584,308	107.8	151.1
1993	1,916,266,180	1,266,821,284	66.1	105.4
1994	2,087,305,728	1,530,838,923	73.3	115.2
1995	2,188,807,260	2,025,806,202	92.6	133.3
1996	2,329,765,210	1,382,897,123	59.4	99.0
1997	2,468,086,626	1,118,004,785	45.3	85.7
1998	2,633,703,160	1,194,948,538	45.4	87.7
1999	2,804,336,380	1,421,627,819	50.7	93.3
2000	2,907,168,495	2,431,007,220	83.6	126.7
2001	3,121,726,707	3,648,017,214	116.9	165.6
2002	3,802,852,983	4,142,463,985	108.9	158.5
2003	4,324,626,880	2,526,263,799	58.4	96.4
2004	4,361,635,314	1,213,088,301	27.8	60.6
2005	4,610,859,573	2,609,419,843	56.6	91.7
2006	4,604,385,162	1,566,429,126	34.0	68.1
2007	5,000,782,866	1,820,164,762	36.4	71.0
2008	5,224,968,126	6,742,744,446	127.0	176.0
2009	5,435,727,942	3,652,905,485	67.2	105.2
2010*	5,689,396,518	2,753,242,270	48.4	85.4
5-year Total	25,955,260,614	16,535,486,089	63.7	102.0
10-year Total	46,176,962,071	30,674,739,231	66.4	105.5
1992-2010 Total	67,299,330,176	44,973,275,433	66.8	106.7

\*2010 loss ratios and combined ratios are preliminary estimates. FAIR plan excluded.

Premiums are on a direct basis. This means that premiums insurers paid for reinsurance are not subtracted, and premiums insurers collected for reinsurance policies sold are not included. Similarly, losses are not reduced for amounts insurers collected from reinsurers, nor do losses include reinsurance payments made by insurers for reinsurance policies sold.