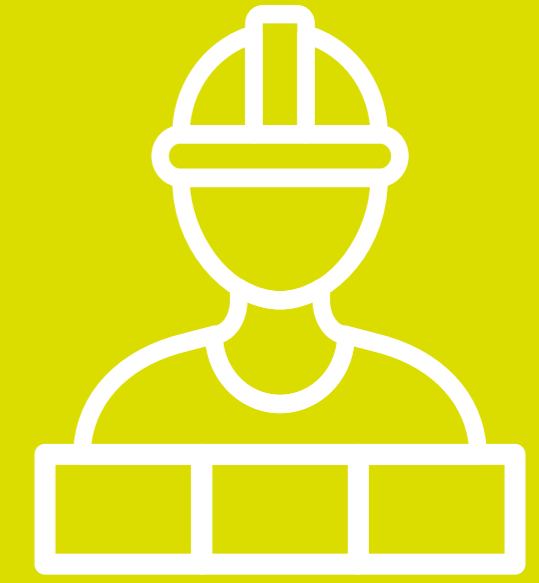


Projected insurance and inflation implications over time



STANDARD HOMEOWNERS RATE INCREASE



BUILDING LABOR AND MATERIALS INFLATION RATE¹

INFLATION RATE

4%

10%

Initial reconstruction costs

\$300,000

\$300,000

Reconstruction costs after 1 year

\$312,000

\$330,000

Reconstruction costs after 5 years

\$361,459

\$483,153

DIFFERENCE AFTER 5 YEARS

\$121,694

(1) This is an estimate based on historic and future projections. The current inflation rate for building labor and construction materials is ~20% in the U.S.

(2) This example is illustrative in nature and is not intended to predict future inflation trends.