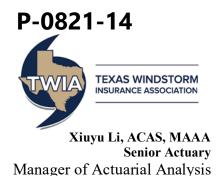
August 3, 2021



Mrs. J'ne Elizabeth Byckovski Chief Actuary Texas Department of Insurance 333 Guadalupe Street Austin, TX 78714-9104

RE: Texas Windstorm Insurance Association Adjustments to Maximum Liability Limits

Dear J'ne:

Section 2210.502(a) of the Texas Insurance Code states that the Texas Windstorm Insurance Association shall propose to the Commissioner inflation adjustments to its maximum liability limits at a rate that reflects any change in the BOECKH index.

On August 3, 2021, the Board of Directors of the Association approved the filing of increased limits as indicated by changes in the BOECKH index. These indicated limits are as follows:

	Current	Proposed	%
	2020	2021	Change
Dwellings and individually owned townhouses	\$1,773,000	\$2,037,000	14.9%
Manufactured Home	\$84,000	\$96,600	15.0%
Contents of an apartment, condominium, or townhouse	\$374,000	\$426,000	13.9%
Commercial structures and associated contents	\$4,424,000	\$4,927,000	11.4%

The limit of liability for governmental buildings and corporeal movable property shall be indexed and adjusted as provided for commercial structures and associated contents, per Texas Insurance Code Section 2210.502(d).

Supporting documents are attached.

We look forward to the Commissioner's consideration of the proposed limits. If you or your staff have any questions or comments, please contact me.

Respectfully,

Sup L

Xiuyu Li

## Texas Windstorm Insurance Association Calculation of Indicated Limits of Liability To Be Effective January 1, 2022

Using Marshall & Swift / Boeckh Building Cost Index Numbers



	Ratio of	Boeckh Index as of May/June 2020			Boeckh Index as of May/June 2021			
Type of Construction	Total TWIA Business	Corpus Christi	Houston	Average	Corpus Christi	Houston	,	Average
Describing the description in the distribution					<b>.</b> .			
Dwelling, including individually	<u>/ ownea townn</u>	ouse unit, & a	issociated corp	oreal movable proper	<u>ty</u>			
Frame	97.54%	2444.			2674.		3093.4	2884.
Brick	2.46%	2525.	5 2694.7	2610.1	2734.	5	3138.8	2936.
Weighted Average Factor				2510.9				2885.
Indicated Change								14.9
Current Limit								1,773,00
Indicated Limit of Liability								2,037,00
Manufactured Homes*								
Residential Dwelling Frame	100%	2444.	3 2572.4	2508.4	2674.	8	3093.4	2884.
ndicated Change								15.09
Current Limit Indicated limit of Liability								84,00 96,60
ndividually-owned corporeal r	movable prope	rty located in	an owner-occu	pied apartment, reside	ential condominium,	or townhouse	<u>unit</u>	
Frame	56.45%	2444.	3 2572.4	2508.4	2674.	8	3093.4	2884.
Brick	43.55%	2525.	5 2694.7	2610.1	2734.	5	3138.8	2936.
Weighted Average Factor				2552.7				2907.
ndicated Change								13.99
Current Limit Indicated Limit of Liability								374,00 426,00
Structure other than a dwelling	g or public buil	ding and the	corporeal mova	ble property located in	n that structure			
Apartments - Brick, Wood	15.44%	2523.	8 2630.6	2577.2	2737.	2	3118.2	2927.
Apartments - Brick, Concrete	2.75%				2725.		3304.9	3015.
Apartments - Brick, Steel Commercial - Frame	11.29% 26.93%				2718. 2864.		3469.0 3068.4	3093. 2966.
Commercial - Steel	0.00%				2809.		3293.5	3051
Commercial - Brick, Wood	0.96%				2977.		3417.8	3197
Commercial - Brick, Wood	20.07%				2815.		3604.9	3210
Commercial - Brick, Concrete					2520.		3158.2	2839
Weighted Average Factor				2692.3				2998
ndicated Change								11.4
Current Limit Indicated Limit of Liability								4,424,00 4,927,00

\* Manufactured Homes indexed based on Residential Frame Building Cost Index, TWIA will revisit the assumption when more data becomes available

## Texas Windstorm Insurance Association Proposed Limits of Liability To Be Effective January 1, 2022

Impact on Exposures In-Force as of 6/30/21



## Statutory Limits of Liability

	Current	Proposed	Increase	
Dwelling Manufactured Home Contents Non-Dwelling	1,773,000 84,000 374,000 4,424,000	96,600 426,000	12,600 52,000	
	Risks at Statutory Limits	Exposure Current		Increase
Dwelling Manufactured Home Contents Non-Dwelling	3 56 56 141	5,319,000 4,704,000 20,944,000 623,784,000	5,409,600 23,856,000	792,000 705,600 2,912,000 70,923,000
Total	256	654,751,000	730,083,600	75,332,600
Total TWIA Exposure				56,854,782,481
% Increase in TWIA Exposure				0.13%