

Macro Roundup Article

Headline: [Commercial Real Estate's Next Big Headache: Spiraling Insurance Costs](#)

Article Link: <https://www.wsj.com/real-estate/commercial/commercial-real-estates-next-big-headache-spiraling-insurance-costs-604efe4d>

Author(s)	Konrad Putzier
Publication	Wall Street Journal
Publication Date	September 26, 2023

Tweet: [Since 2017, commercial real estate insurance costs have grown at 7.6% per year. Developers report that new projects are sometimes seeing no insurance bids.](#)

Summary: Commercial real-estate insurance costs have risen 7.6% annually on average since 2017, according to Moody's Analytics. Costs to insure rental-apartment buildings rose 14.4% annually on average in Dallas, 13% in Los Angeles and 12.6% in Houston. Some owners struggle to find anyone willing to insure their buildings, Moody's said. Intensifying natural disasters are a big reason for the increase, particularly in cities vulnerable to wildfires, floods or storms. The cost of reinsurance has also increased, trickling down to higher property insurance rates. Meanwhile, inflation has pushed up the cost of repairing or rebuilding damaged properties. Related: [Analyzing State Resilience to Weather and Climate Disasters](#) and [Rising Insurance Costs Start to Hit Home Sales](#) and [How a Small Group of Firms Changed the Math for Insuring Against Natural Disasters](#)

Primary Topic: Financial Markets

Topics: Database, Financial Markets, GDP, Global Warming, News article, Science

Permalink: <https://www.edwardconard.com/macro-roundup/since-2017-commercial-real-estate-insurance-costs-have-grown-at-7-6-per-year-developers-report-that-new-projects-are-sometimes-seeing-no-insurance-bids?view=detail>

Featured Image Link: <https://www.edwardconard.com/wp-content/uploads/2023/09/Average-Multifamily-Insurance-Cost.jpg>