

Aloha Agents and Agency Partners:

## HO6 Rate Change

Effective **March 13, 2025** for new and renewal business, Zephyr Insurance Company will be raising our **Condo (HO6)** policy rates by an average of **37.5%**.

We understand the difficulties that may come with this rate increase, but conditions such as rising inflation on the price construction, increases to reinsurance costs, and higher frequency and severity of water losses necessitate the increase.

With this rate increase, we are happy to keep the **HO6** product open for new business statewide. Please keep in mind that should you change the effective date on a quote or bind, the price will change if the new effective date moves from before **March 13, 2025** to on or after that date.

## Guideline Reminders

Here's a quick summary of our guidelines:

For all homeowners policies, we will be requiring evidence of updates for homes older than 50 years on new business and renewals, enforcing stricter guidelines around policies that have prior losses on new business and existing policies with Zephyr losses.

For HO6, we are requiring a \$2,500 deductible on all condos older than 30 years. We also do not accept any units in buildings with a loss assessment greater than \$50k or on our restricted list.

All lines of business will have a maximum Coverage A limit of \$1 Million for new business. Renewals will have a maximum TIV of \$3 Million.

Please reach out to any member of our team should you have questions or concerns you would like to discuss. Zephyr remains committed to being a stable, local, and long-term partner for our agency partners. We thank you for your support.