

August 17, 2022

## Inflation and Renewal

Renewal is just around the corner! Please remember to look at your values by completing a schedule review and sending in your applications prior to **August 31, 2022**. RMA Insurance has factored inflation into the past few years and will continue doing so in the future. Ensuring a regular review of the values on your schedules is very important. Should you experience a loss, our claims team will work with the listed values.

### Inflation

As you know, this has been an outstanding year. Home and abroad, we have seen increase in all areas; cost of living, building materials, etc. RMA Insurance is looking at applying an automatic inflation rate of 7 - 10% on buildings and approximately 15% on equipment. In the coming year, obtaining an appraisal will be valuable, as building costs are changing and are dependent on different geographical areas.

- ◆ **Building Appraisal** - Call or email your risk advisor, as we are able to recommend a few appraisers who can assist our members and provide you a discount on the associated fees. If you have a preferred company, we ask that you seek a rebuild value appraisal. In case of a loss, RMA Insurance needs to know the cost to rebuild and not the cost on the real estate market or the cost of the land.
- ◆ **Timing** - Due to growing need for re-appraisals this past year, the demand for the service is now greater than the supply. Therefore, it is taking more time between booking and obtaining an appraisal. Also, with the hard market we are currently in, many providers are getting requests from main insurance companies for more and more appraisals on the properties they insure.
- ◆ **Equipment** - Equipment values are also seeing a large increase due to supply chain issues, and you should be reviewing these values and contacting our team if you have any concerns.
- ◆ **Updates** - Updates you have made this past year, and the value it has added to your building or fleet is information you should ensure you are providing to the RMA Insurance MSR team.

### Renewal

Finally, please note that renewal period is a busy but perfect time to do an internal review of your schedules. Make sure your list is up to date; if you sold something or bought something new, ensure you complete an add or delete form. Thereafter, you can review all values for accuracy and reach out to us if there are any questions or concerns.

**Renewal is due August 31, 2022.**

If you have any questions or concerns, please do not hesitate to contact your risk advisor below.

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