Texas FAIR Plan Association Fact Book

Data & Information as of Q2 2026

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For more information about the Texas FAIR Plan Association, visit us at www.TexasFAIRPlan.org.

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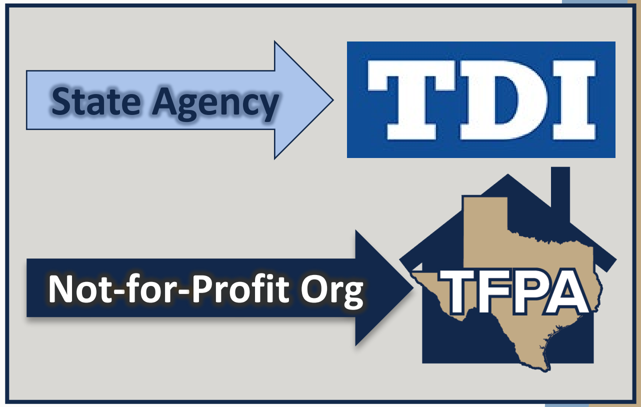
TFPA Overview

TFPA Funding & Rates

What is TFPA?

- Administered by the Texas Windstorm Insurance Association (TWIA)
- Authorized by the Texas Legislature in 1995; activated by TDI in 2002
  - Response to Texas mold crisis
  - TFPA’s governing statute is Texas Insurance Code, Chapter 2211
  - Regulated by the Texas Department of Insurance (TDI)
- Residual market insurance company for the state of Texas
  - Provides residential (statewide) and property owners’ association insurance (designated area)
  - Does not compete with the private insurance market
  - Cannot provide wind/hail coverage in TWIA’s coverage area
- Operates as a Not-for-Profit Insurance Company
  - Collects premiums, issues policies, pays claims
  - Does not receive Texas General Revenue Funds
  - Not a State Agency



TEXAS FAIR PLAN ASSOCIATION

TFPA Governance

- **Regulated by the Texas Department of Insurance (TDI)**
  - TDI approves TFPA's rates and forms, and oversees its administrative rules
  - TFPA operates under statutory authority granted by the Texas Legislature
- **Eleven-member, Volunteer Governing Committee**
  - Members are appointed by the Commissioner of Insurance
  - Composed of 5 industry members, 4 public members who live in Texas, and 2 general property and casualty agent members
  - Members serve two-year terms

Name	Member Representation
Ryan Bridges *Chair*	Public Consumer
E. Jay Sherlock *Vice-Chair*	Insurance Agent Representative
Georgia Neblett *Secretary/Treasurer*	Public Consumer
Craig Daughtery	Insurance Industry Representative
Kacey Diede	Insurance Industry Representative
Amanda Hourican	Insurance Industry Representative
Pamela Hurley	Public Consumer
Cody Marsh	Insurance Industry Representative
John Miletti	Insurance Industry Representative
Mark Solomon	Insurance Agent Representative
Vacant	Public Consumer

TFPA Facts & Figures[1]

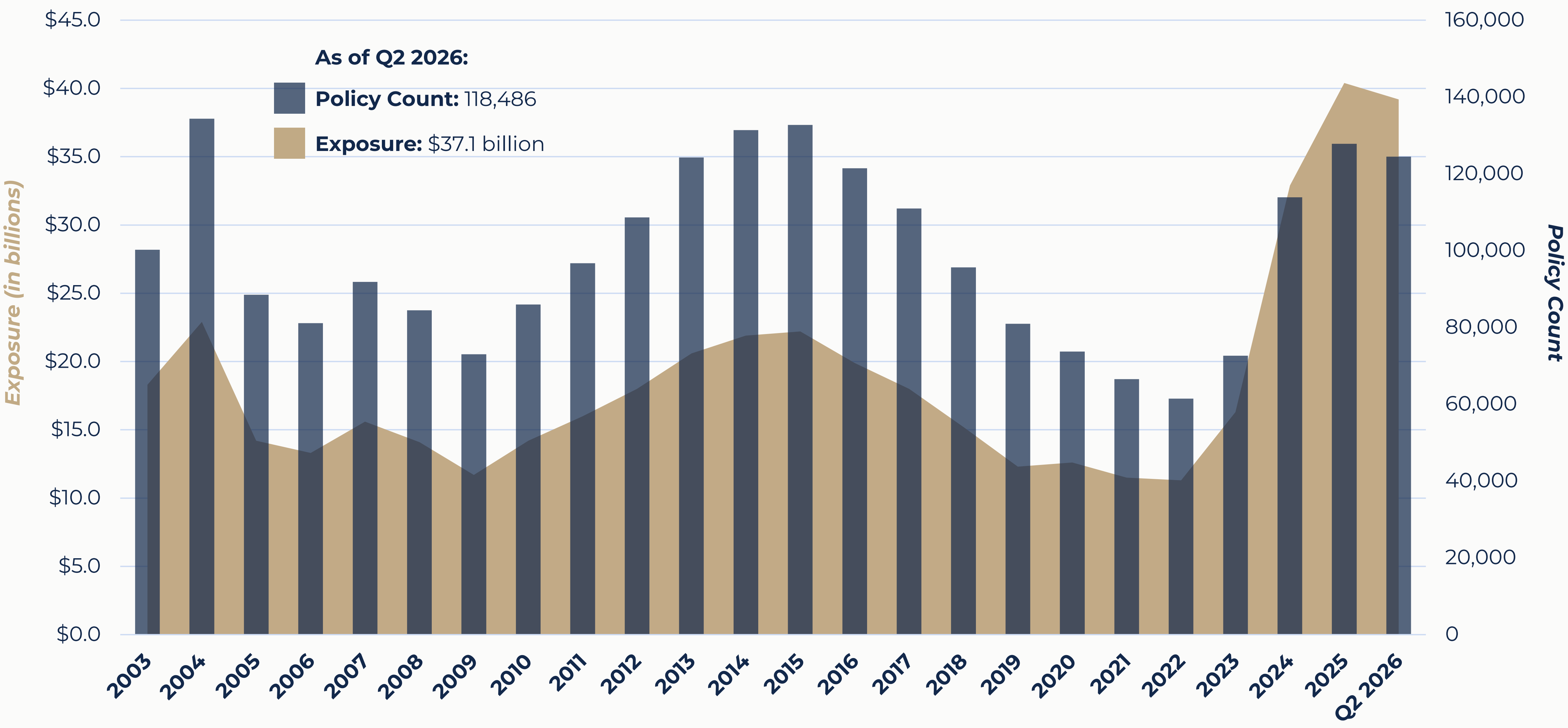
- As of June 30, 2026:
  - TFPA insures 118,486 properties.
  - TFPA's total insured value is approximately $37.1 billion (insured building and contents coverage).
  - TFPA has written more than $138 million in premiums.
- Comparing operating costs as a % of premium:

  TFPA: 6.4% | TX Private Market: 9.8%[2] | 37 Residual Market Plans: 33.9%[3]

- TFPA is the 15th largest residential homeowners writer in Texas[4] and has the 8th most policies in force[5] of the 37 residual market FAIR plans.

[1] Data as of 6/30/2026
[2] From the State of Texas Insurance Expense Exhibits for Calendar Year 2025
[3] Data for 37 US Property Insurance Plans as of 12/31/2024
[4] Based on the TDI 2025 Market Conditions Annual Report
[5] Data for 37 US Property Insurance Plans as of 12/31/2024

Historical Policy Count and Exposure



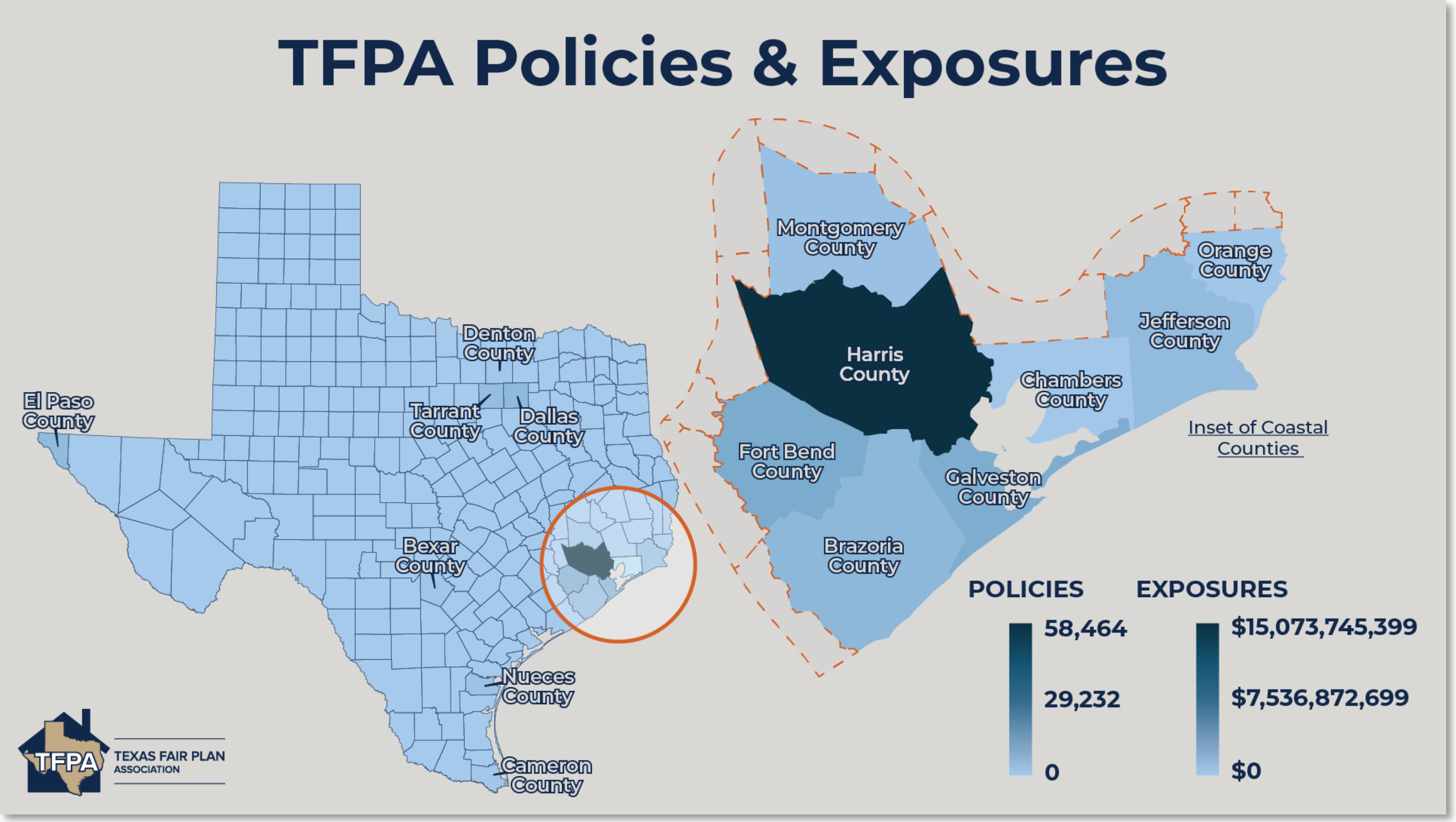
Policy Count & Exposures By Year

Year	Policy Count	Exposures	Written Premiums
2016	121,413	$19.9 B	$122.5 M
2017	110,989	$18.0 B	$112.3 M
2018	95,637	$15.2 B	$95.9 M
2019	80,923	$12.3 B	$85.3 M
2020	73,713	$12.6 B	$79.5 M
2021	66,512	$11.5 B	$75.6 M
2022	61,452	$11.3 B	$76.9 M
2023	72,626	$16.3 B	$113.5 M
2024	113,860	$32.9 B	$237.3 M
2025	127,835	$40.4 B	$300.1 M
Q2 2026	**118,486**	**$37.1 B**	**$138.6**

Policy & Exposure Distribution by County

County*	Policies	Exposures
Harris	58,464	$15,073,745,399
Galveston	8,709	$3,840,971,846
Fort Bend	8,470	$2,829,180,159
Brazoria	5,507	$2,534,750,062
Jefferson	4,517	$1,745,655,792
El Paso	4,288	$1,588,061,950
Dallas	4,139	$1,285,647,936
Tarrant	3,313	$1,003,237,189
Montgomery	2,472	$748,566,098
Nueces	2,200	$727,757,123
Bexar	1,336	$423,347,066
Orange	1,212	$348,111,621
Liberty	863	$160,371,350
Chambers	818	$407,621,476
Denton	745	$388,001,235
Cameron	741	$233,246,349
Travis	677	$268,227,544
Matagorda	629	$236,239,520
Calhoun	568	$198,243,530
Collin	470	$222,243,570
Total All Counties	**118,486**	**$37,072,414,738**

*Data as of 6/30/2026 for top 20 counties listed; Total includes all Texas counties



Texas FAIR Plan's highest area of exposure is in Harris County.

Market Share: Texas FAIR Plan vs. Private Market

Homeowners Multiple Peril*

There were 81 groups (157 companies) that had direct premiums written for homeowners multiple peril (including renters insurance) in 2025, compared to 80 groups (158 companies) in 2024.

The table below represents the top 25 groups for direct premiums written based on the most recent year. Also included is a comparison of direct premiums written in 2024 and 2025 for the same groups.

Direct Premiums Written Market Share for Homeowners Multiple Peril

Annual Rank	Group Name	Market Share 2025	Premiums Written 2025	Premiums Written 2024	% Change 2024 to 2025	Net Underwriting Profit or Loss 2025	Loss Ratio 2025
1	State Farm Group	19.10%	$3,771,115,427	$3,482,779,500	8.28%	$540,970,019	52.37
2	Allstate Insurance Group	16.79%	$3,315,036,551	$2,981,693,040	11.18%	$781,067,716	44.98
3	United Services Automobile Assoc. Group	11.22%	$2,216,568,957	$2,031,480,654	9.11%	$411,148,427	59.87
4	Farmers Insurance Group	8.15%	$1,609,124,111	$1,290,540,649	24.69%	$277,016,909	35.23
5	Liberty Mutual Group	6.05%	$1,195,188,063	$1,399,719,738	(14.61%)	$695,594,332	36.93
6	Travelers Group	5.15%	$1,017,100,071	$1,149,210,427	(11.50%)	($137,506,710)	50.12
7	American Family Insurance Group	3.98%	$786,827,326	$646,666,815	21.67%	$450,835,346	33.83
8	Texas Farm Bureau Mutual Group	2.44%	$481,294,674	$455,520,628	5.66%	$65,610,348	61.44
9	Progressive Group	2.39%	$471,772,934	$495,362,223	(4.76%)	$158,770,989	35.78
10	Iron Family Holdings Group	2.38%	$470,611,577	$402,964,811	16.79%	($4,528,628)	27.03
11	Chubb Limited Group	1.97%	$389,406,704	$371,922,997	4.70%	($1,388,794,557)	28.51
12	Auto Club Enterprises Insurance Group	1.96%	$386,506,859	$331,870,808	16.46%	$5,000,802	56.12
13	Nationwide Corporation Group	1.36%	$267,577,517	$340,343,709	(21.38%)	$61,685,241	65.44
14	Porch Group	1.31%	$258,753,241	$306,367,958	(15.54%)	$165,884,646	30.28
15	**Texas Fair Plan Association**	**1.11%**	**$219,991,472**	**$175,703,993**	**25.21%**	**$148,516,665**	**21.73**
16	Mercury General Group	1.08%	$213,828,252	$190,299,059	12.36%	$37,983,976	44.25
17	Hartford Fire and Casualty Group	0.90%	$178,012,557	$133,636,559	33.21%	$296,014	43.31
18	Tokio Marine Holdings Incorporated Group	0.89%	$175,891,031	$147,309,695	19.40%	$44,021,091	24.03
19	Amica Mutual Group	0.82%	$161,871,949	$161,446,653	0.26%	$67,698,908	38.70
20	Benchmark Holding Group	0.74%	$146,332,780	$153,440,547	(4.63%)	$254,037,679	21.29
21	Munich Re Group	0.69%	$136,393,585	$131,662,153	3.59%	$54,821,321	45.29
22	American Risk Insurance Company, Inc.	0.66%	$130,486,028	$136,513,568	(4.42%)	($4,188,678)	56.28
23	Allied Trust Insurance Company	0.62%	$122,686,425	$124,442,764	(1.41%)	$97,347,892	21.71
24	Cincinnati Financial Group	0.57%	$113,091,263	$87,179,212	29.72%	$43,062,415	19.14
25	IAT Reinsurance Company Group	0.55%	$109,391,428	$113,506,398	(3.63%)	$51,758,717	26.29
	Top 25 Groups Total	**92.90%**	**$18,344,860,782**	**$17,241,584,558**	**6.40%**	**$2,878,110,880**	**45.34**
	Total Market	**100.00%**	**$19,747,375,691**	**$18,692,039,519**	**5.65%**	**$3,357,166,758**	**45.29**

***Data from Texas Department of Insurance 2025 Market Conditions Report**

TDI data indicate that the FAIR Plan is about 1 percent of the homeowners insurance market in Texas.

Eligibility Requirements

- TFPA is authorized to issue policies throughout Texas
- Applicants must be **denied coverage by at least two insurers** licensed to write and actively writing residential property insurance in Texas
- Policyholders **must reapply** for voluntary market coverage **every two years**
- Properties **must be in good repair** with no hazardous conditions or major structural issues
- Applicants with a current homeowners or other property policy, a renewal offer, or a valid offer of comparable property insurance are **NOT ELIGIBLE** for TFPA insurance

TFPA Policies

TFPA provides limited property insurance coverage for the following policy types:

- Homeowners
- Dwelling
- Tenant
- Condominium Unit Owners
- Property Owners' Associations

Covered Perils

Policies cover damage caused by:

- Fire and lightning
- Sudden and accidental damage from smoke, windstorms, and hail
- Explosion
- Aircraft and vehicles
- Vandalism and malicious mischief
- Riot and civil commotion
- Theft (excluding Dwelling and POA policies)
- Springler leakage (POA only)

Dwelling & Personal Property Coverage

- **TFPA policies provide coverage on an actual cash value basis**
  - Replacement cost coverage is available by endorsement (excluding Dwelling policies)
  - Dwelling coverage is capped at $1 million
- **Personal property coverage is typically 50% of the dwelling amount, with higher limits available for an additional premium**
  - Personal property coverage is capped at $500,000 for condominium and tenant policies
- **Depending on policy type and selected endorsements, policies can include liability, medical payments, and loss of use coverage**

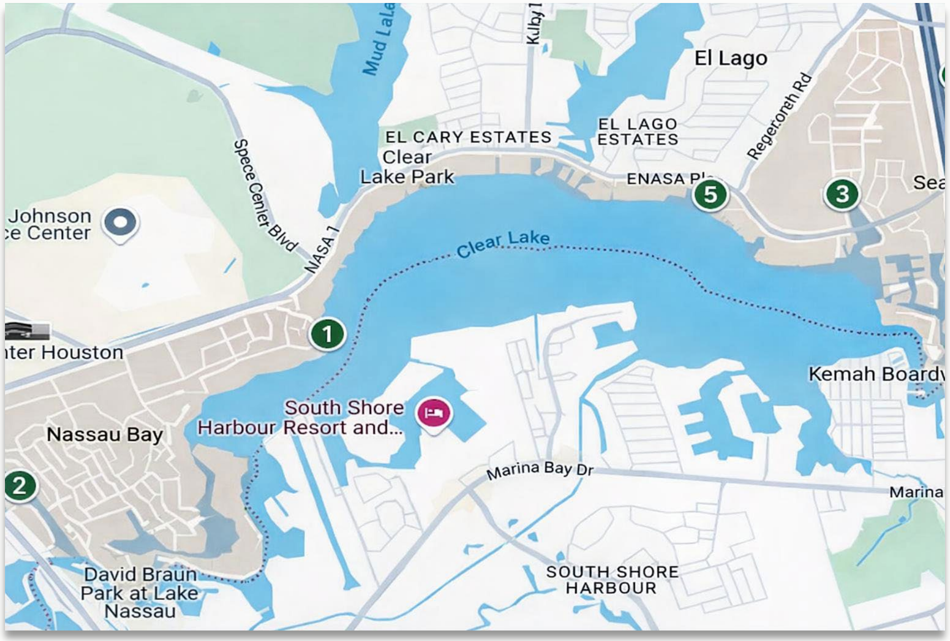
Actual Cash Value: The value of your property, based on the current cost to replace it minus depreciation.

Replacement Cost Coverage: Insurance coverage that pays the dollar amount needed to repair or replace the structure or damaged personal or business property, property without deducting for depreciation, but limited by the policy's maximum dollar amount.

Property Owners' Association Coverage

The Texas Legislature passed House Bill 998 in 2023, which expanded TFPA's role by requiring the Association to provide property owners' association coverage in designated underserved areas.

- **Property owners' association (POA) coverage is defined as "property and liability insurance covering:**
  - common areas and facilities of a homeowners' association; or
  - common elements of a condominium owners' association."
- **Coverage includes shared property and association liability exposure (not individual units).**
- **The maximum liability limit for property owners' association coverage is $3,000,000 per building/structure.**
  - General liability coverage is subject to $300,000 per occurrence with a $500,000 aggregate limit.



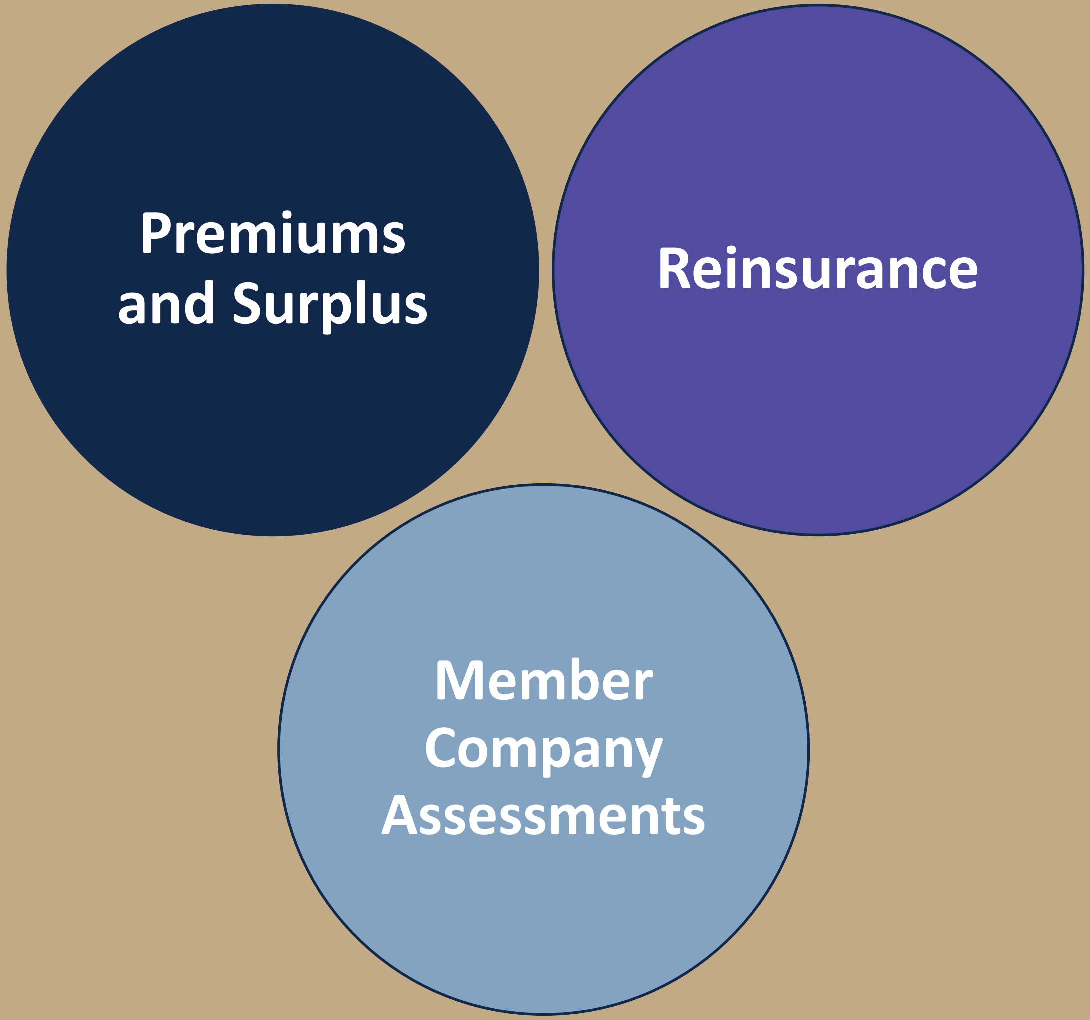
Designated Coverage Area(s)

- Associations can petition TDI to designate areas as underserved for POA coverage.
- Currently, an area along the north shore of Clear Lake in Harris County is designated as underserved by TDI.
- To date, FAIR Plan has issued no policies of this type.

How We Work with Insurance Agents

- **TFPA does not employ or contract with insurance agents**
  - Any TDI licensed insurance agent may register with TFPA to submit a policy application for coverage
- **Agents:**
  - Represent the policyholder in policy transactions
  - Handle policyholders' coverage questions and policy changes
- **Agent Commissions**
  - 12.5% commission on new business
  - 10% commission on renewal

TFPA Funding Sources

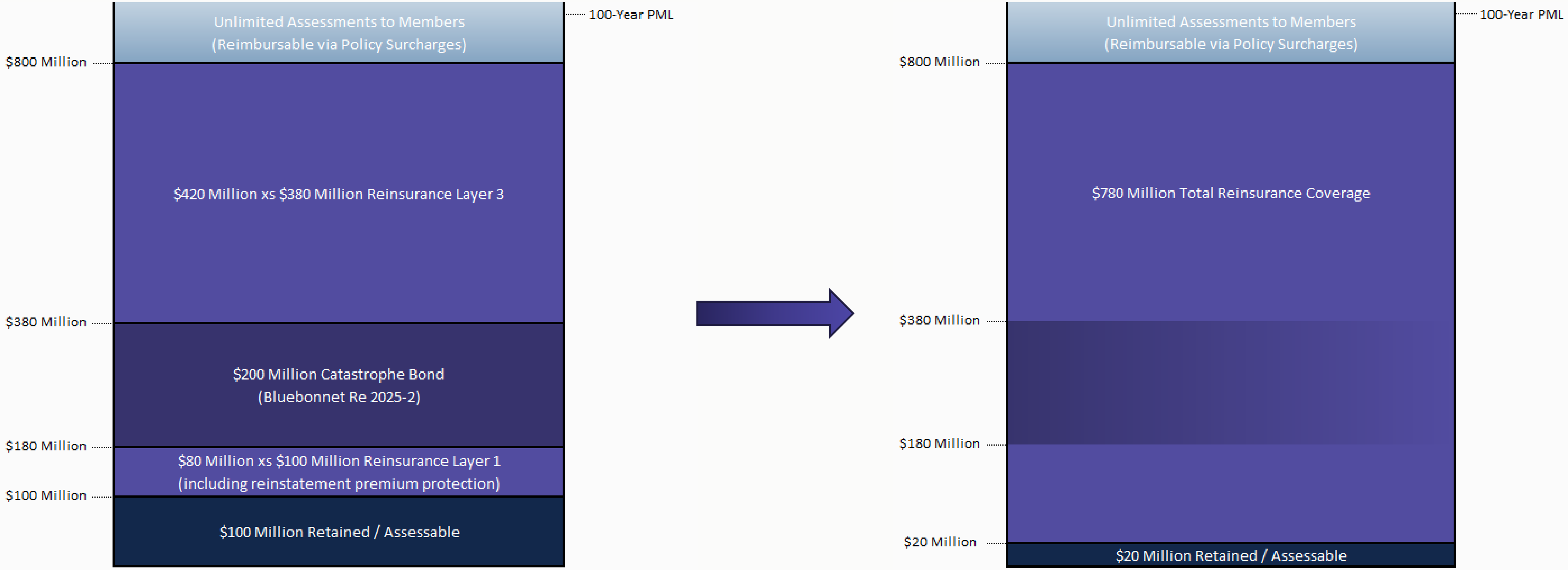


TFPA's funding to pay losses and expenses comes from three sources:

- ***Premium and Other Revenue:*** *Premiums collected in the normal course of business, both from the current year and from surplus*
- ***Reinsurance:*** *Insurance coverage purchased by TFPA to provide an additional source of funding for catastrophic losses*
    - The TFPA Governing Committee annually determines the amount of reinsurance to purchase
- ***Member Company Assessments****: Any deficit remaining after premium and reinsurance is funded through assessments to Texas private-market property insurers*
    - Assessments may be recouped via policy surcharges statewide over 3 years
- ***Public Securities:*** *Up to $75 million may also be issued to fund Association losses and loss adjustment expenses and purchase reinsurance*
    - Public securities may only be repaid via a service fee set by the Commissioner, assessed to private-market property insurers and Texas FAIR Plan

2026 Storm Season Funding

TFPA's 2026 reinsurance, effective from **June 1, 2026, to May 31, 2027,** provides $800 million in funding.



- **For an initial event**, the program includes $700 million in total reinsurance coverage above a $100 million retention.
- Includes $200 million in catastrophe bonds and $500 million in traditional reinsurance.

- **For a second event**, the program includes $780 million in total reinsurance coverage above a $20 million retention.
- Includes any unused catastrophe bonds and additional traditional reinsurance as necessary for remaining losses.

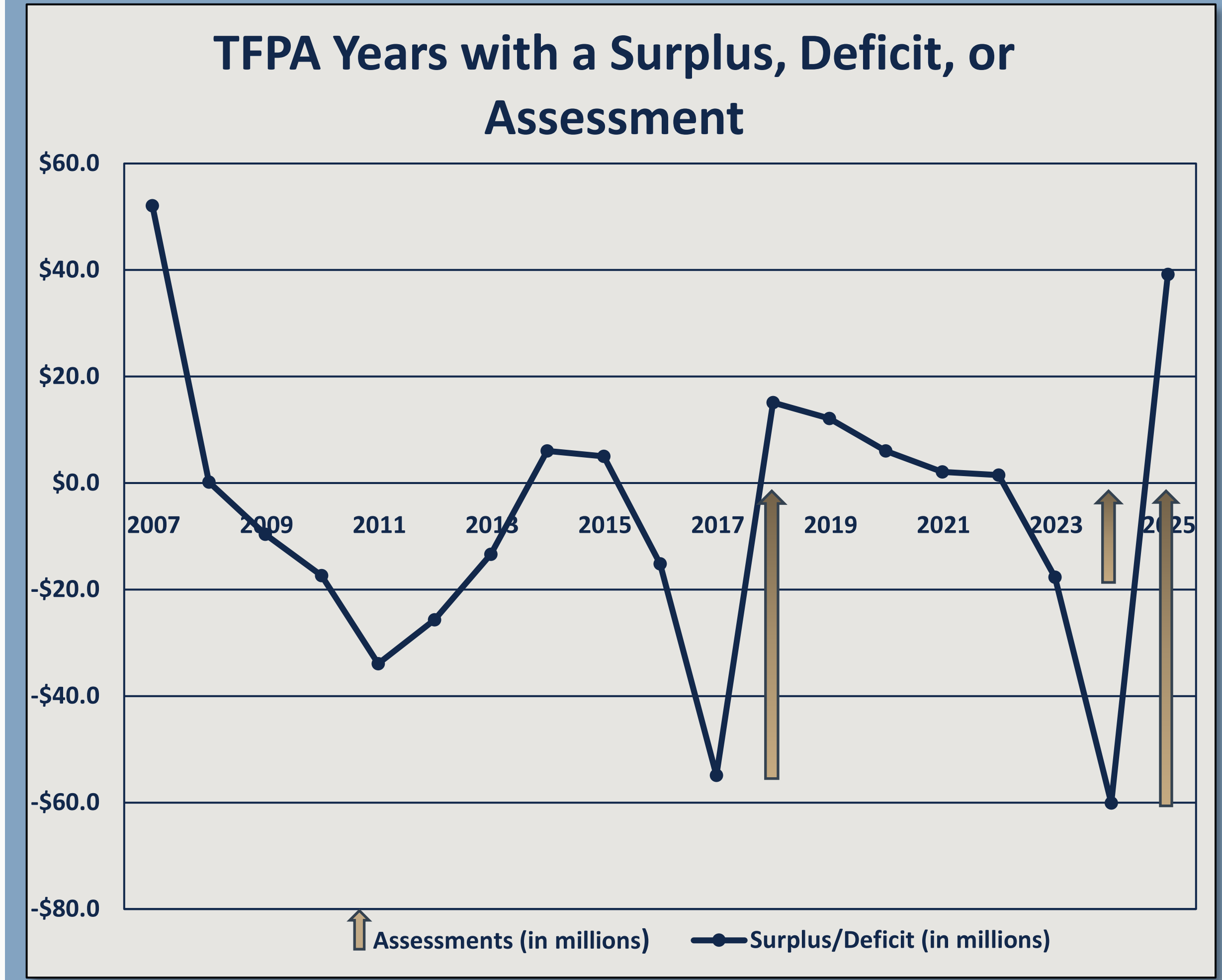
TEXAS FAIR PLAN ASSOCIATION

Member Company Assessments

- TFPA's governing statute allows the Association, with Commissioner approval, to assess member companies to cover storm losses or to repay an operating deficit.

Recent & Pending Assessments:

- *2018:* TFPA assessed member companies $54.9 million due to losses from Hurricane Harvey.
- *2024:* TFPA assessed member companies $17.7 million to eliminate the 2023 deficit due to above normal spring storm activity.
- *2025:* TFPA assessed $60.1 million for the 2024 deficit due to Hurricane Beryl.



Depicts TFPA years with a surplus or deficit amount and recent assessments to eliminate deficits.

TFPA Rates

- TFPA rates must be set in an amount sufficient to carry all claims to maturity and to meet all expenses incurred in the writing and servicing of the business
- TFPA rates must be filed and approved by the Texas Department of Insurance
- The TFPA Governing Committee voted at the February 2026 meeting to submit a filing to TDI proposing an average rate increase of 2.6%.
- TDI approved the filings to go into effect beginning September 1, 2026.

2026 Rate Changes

Region*	Homeowners	Dwelling Fire	Dwelling EC	Condo	Tenant+
Central North: Greater Dallas / Fort Worth	-4.5%	3.5%	25.0%	-13.7%	-25.0%
Central North: Remainder	-1.2%	3.5%	25.0%	-19.6%	-25.0%
Central South	-4.1%	3.5%	25.0%	-5.7%	-25.0%
North / Northwest	-2.1%	3.5%	25.0%	-21.0%	-25.0%
Seacoast - Tier 1	-21.6%	3.5%	-22.0%	-17.0%	-25.0%
Seacoast - Tier 2	0.3%	3.5%	21.3%	-5.5%	-25.0%
Overall	-2.6%	3.5%	21.6%	-7.5%	-25.0%

***Territories are based on standard definitions from the former Texas Personal Lines Manual originally published by TDI**

+Tenant coverage includes contents only