

April 14, 2026

Chair Koegel, Chair O'Driscoll, and Members of the House Commerce Committee:

Thank you for the opportunity to submit written testimony in support of Rep. Elkins' HF 4223, modifying the strengthen Minnesota homes program.

Founded in 1919, Minnesota Realtors (MNR) is a business trade association with over 21,500 members statewide who work with buyers and sellers across all property types and price ranges.

MNR's 2026 Legislative Session agenda includes support for appropriate actions that address the cost and availability of homeowners and commercial property insurance.

In recent years, an increasing number of our members have expressed concerns regarding rising insurance costs and the impact those costs are having on current homeowners, prospective buyers, and owners of commercial real estate alike.

A couple of examples we have received:

- A member shared with us that the cost of his homeowners association master policy increased 85% over a three-year period.
- Another member shared an example of a recent real estate transaction being cancelled when the buyer's insurance company told them it would be an additional \$200 per month for their homeowner's insurance until they replaced the roof, putting their principal, interest, insurance, and taxes (PITI) payment beyond what they were comfortable paying.

While a limited supply of housing and mortgage rates tend to receive most of the attention when the topic of housing costs comes up, the rising cost of both insurance and property taxes are also significant contributors to the growing financial pressure on homeownership.

MNR data tracks how the monthly budgets of Minnesota homeowners are being stretched. In 2025, the monthly principal, interest, taxes, and insurance (PITI) payment on a median priced home statewide in Minnesota was \$2,606. Just five years ago (2021), that same PITI payment was \$1,592.

Specifically to the cost of homeowners insurance, MNR data shows the annual insurance payment on a median priced home in Minnesota increased from \$1,632 to \$2,521 between 2021 and 2025.


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MNR supports funding grants to homeowners via the Strengthen Minnesota Homes program, assisting those interested in upgrading their roofs to increase resilience against extreme weather conditions. Additionally, insurance companies are required to offer premium discounts or rate reductions to homeowners who upgrade their roofs to meet the Fortified standard.

MNR also urges the Legislature to continue working with industry and stakeholders to develop policies that make insurance more affordable for Minnesota homeowners and businesses.

Thank you again for the opportunity to provide testimony in support of HF 4223 and the importance of addressing the cost and availability of homeowners and commercial property insurance.

Sincerely,



Paul Eger
Senior Vice President, Governmental Affairs
Minnesota Realtors®