

# The role of inflationary adjustments in property insurance

By Tiffany Woods

On September 1, WCIA applied an inflationary adjustment to all member property schedules for locations which were not appraised in 2025.

Regularly updating your property schedules is essential to ensure assets are adequately insured at their replacement cost. Without annual inflationary adjustments, the scheduled values may lag current market conditions. This gap can result in the schedules reflecting an under insured value, meaning the cost to rebuild or replace assets could significantly exceed the insured scheduled value. Keeping property values current protects the strength of the property program.

The 2025 scheduled property values were increased:

- Buildings 4.6%
- Contents 4.1%
- Property in the Open (PITO) 4.6%
- Art 1%
- Inland Marine 1%
- Wastewater Treatment Plants, Water Treatment Plants, and Water Reclamation Facilities Building values 2.3%.

These inflationary factors were based on comprehensive research done by our property appraiser using the following data sources:

- CoreLogic's MVS
- Verisk's 360Value Quarterly Update (Washington State)
- Handy Whitman Index (Utilities)
- Engineering News Record (ENR) – 20 Cities (Seattle-specific)
- Turner Construction Cost Index
- RLB's Quarterly Construction Cost Report (Seattle-specific)

WCIA encourages members to continue to review their property schedule at least annually to confirm all values and asset listings are current and accurate. While inflationary factors help keep values aligned with market trends, individual member reviews are necessary to ensure accuracy and adequate coverage.

If your agency has any questions about reviewing and updating the property schedule or the inflationary factors that have been applied, please reach out to Tiffany Woods, [tiffanyw@wciapool.org](mailto:tiffanyw@wciapool.org).

