

NFPA ISSUES ITS U.S. FIRE LOSS REPORT SUMMARY FOR 2010

Steven K. Gerber • 215.665.2088 • sgerber@cozen.com

Each year the National Fire Protection Association (NFPA) Journal publishes a U.S. Fire Loss Report Summary. The 2010 summary report was published in the September/October 2011 NFPA Journal. See, www.nfpajournal.org. Bearing in mind that NFPA tracks fires reported to fire departments and not insured property losses, the 2010 summary report includes some interesting data that may be instructive to the subrogation and recovery professional:

- Structure fires have decreased from 1,098,000 structure fires in 1977 to 482,000 structure fires in 2010, an overall decrease of 56.1 percent in 33 years.
- An estimated \$11.6 billion in property damage occurred as a result of fires in 2010, a decrease of 7.5 percent from 2009.
- Of the 482,000 structure fires in 2010, 384,000 structure fires occurred in residential properties, representing 80 percent of the total number of structure fires.
- Of the \$11.6 billion in property damage as the result of fires, \$9.7 billion occurred in structure fires, a decrease of 10.4 percent from 2009; of the \$9.7 billion in property damage in structure fires, \$7.1 billion occurred in residential properties, a decrease of 9.2

percent from 2009; of the \$7.1 billion in property damages in residential properties, \$5.9 billion occurred in one and two family homes, a decrease of 7.8 percent, with about \$1 billion occurring in apartments.

- The average property loss per structure fire in 2010 was \$20,158, a decrease of 10.6 percent from 2009, but an increase of 436% from the \$3,757 average property loss per structure fire in 1977, which, when adjusted for inflation, represents an increase of 48 percent.
- A reported structure fire occurs in the United States at the rate of one structure fire every 65 seconds.

For NFPA's complete report on fire loss in the United States during 2010 see www.nfpa.org/fireloss.

The property insurance industry has had a significant role in helping to make the United States safer by substantially reducing the number of structure fire occurrences. However, notwithstanding the decrease in structure fire occurrences of over 56.1 percent since 1977, even after adjusting for inflation, the average property loss per structure fire has increased by 48 percent continuing to highlight the value the subrogation and recovery professional can bring to the property insurance industry.