



Housepower guide: The state of American homeownership

Homeowners navigate costs,
climate risks, and coverage gaps

hippo

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Dear homeowners,

Purchasing a home remains one of life's most significant milestones. Your home is more than its roof and walls—it's where life happens.

For nearly a decade, we've never lost sight of helping customers protect what matters most through deep home expertise and a commitment to an exceptional customer experience.

I'm pleased to share our annual Housepower Guide, an important resource designed to help U.S. homeowners navigate the realities of owning a home—from the joyful moments to the more challenging ones.

This year, we surveyed more than 1,600 homeowners as they faced rising costs, increased weather risks, and rapidly evolving technology. Despite these challenges, we found reason for optimism: homeowner satisfaction reached its highest level in three years.

The insights in the pages ahead are intended to help you navigate homeownership with confidence. And as your home protection partner, we're here every step of the way.

In this Housepower Guide, you'll find:

- What's driving repair and maintenance costs and how to stay ahead
- How shifting climate patterns are reshaping what it means to protect your home
- The ways in which AI is being used for home insurance tasks

We believe every homeowner deserves the resources that help them feel confident about protecting and caring for their home. We look forward to sharing these findings with you as you continue on your homeownership journey.



Rick McCathron

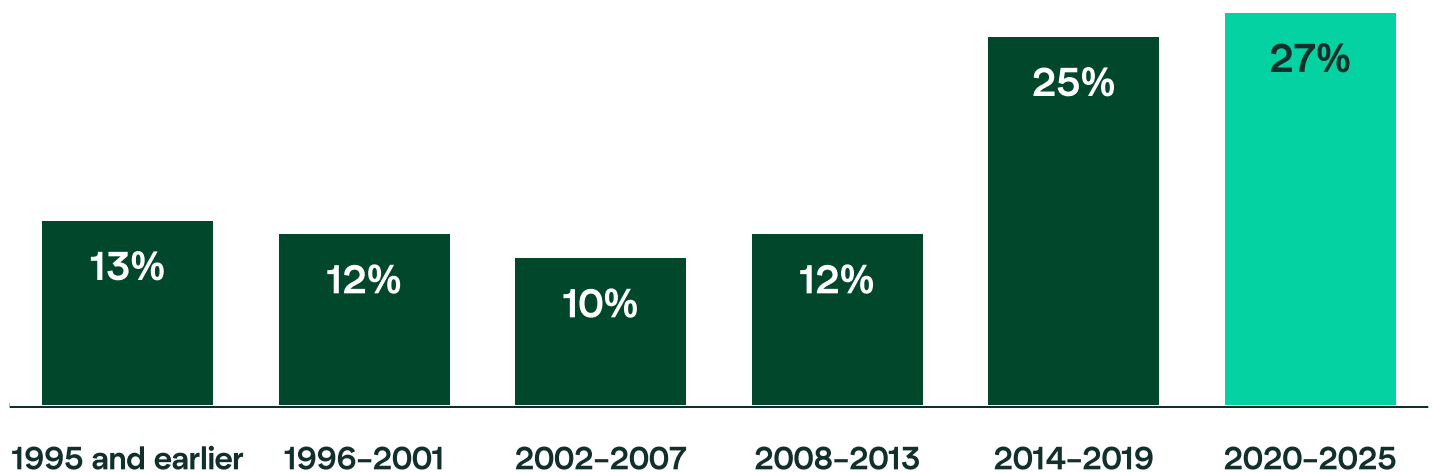
President & CEO
Hippo

Understanding modern homeownership

Homeownership today is a blend of lifestyle choices, long-term investments, and generational responsibility. Whether you're a first-time buyer navigating rising rates or maintaining a decades-old home, every decision shapes your financial resilience.

Market volatility, aging housing stock, and increased climate risk are pushing homeowners to make choices that will define the future of American housing. These factors influence everything from financial planning to preparedness and coverage decisions.

Most homeowners bought in the last decade—one of the toughest housing markets in history



More than half of homeowners surveyed (52%) acquired their homes within the past decade, reflecting a wave of recent buyers adapting to fluctuating market conditions.

This wave represents a pivotal shift: a generation stepping into homeownership during one of the most complex periods in housing history—with more data, tools, and risk than ever before.

Additional resources

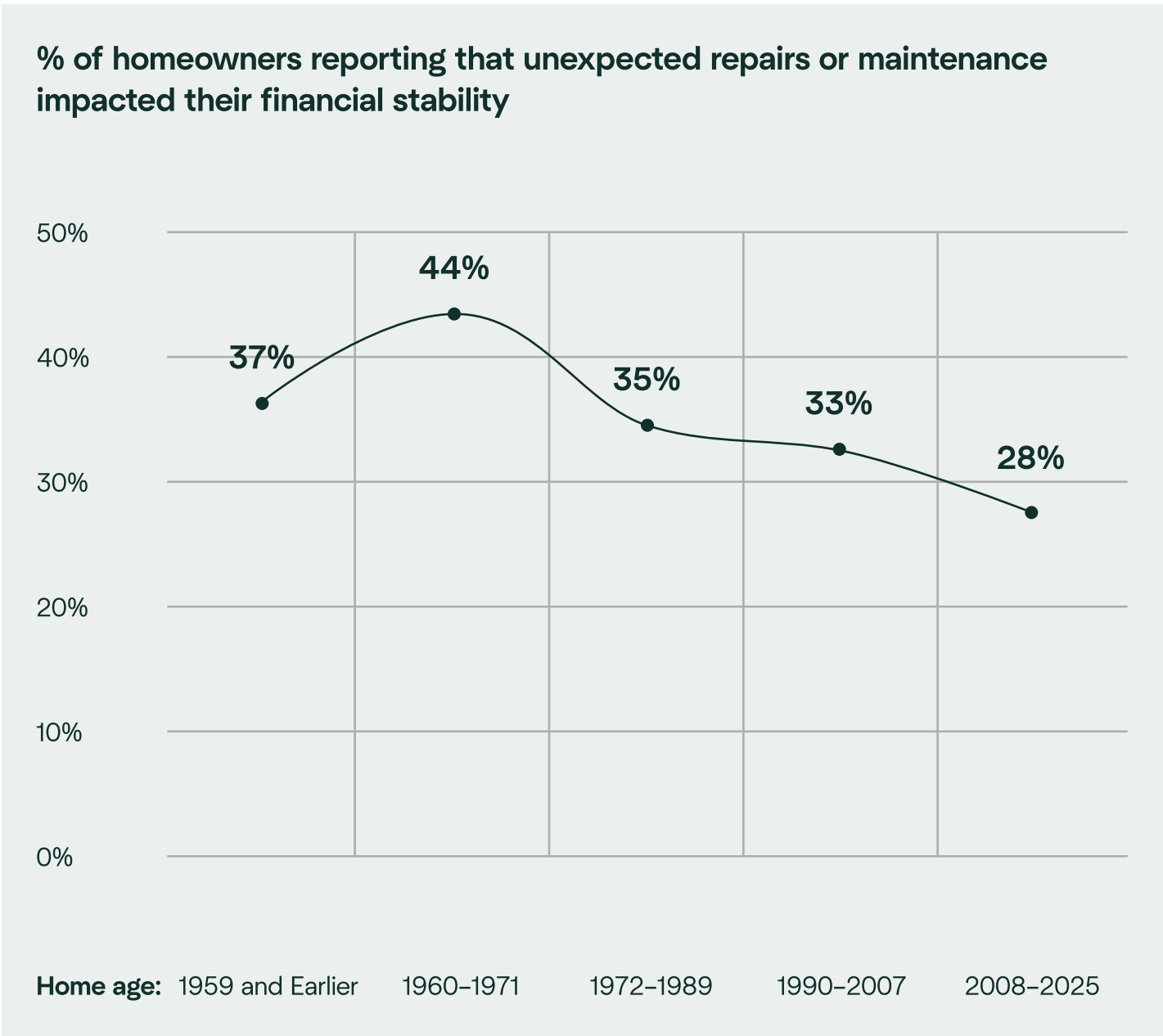
- [When Is the Best Time To Buy a House? Expert Tips for Homebuyers](#)
- [2025 Dream Home Must-Haves: Practical, Flexible, and Built to Last](#)

Financial strain from surprise repairs rises with home age

Aging homes are increasingly becoming the frontline of financial stress for U.S. homeowners. Our data shows a clear pattern: as homes grow older, so does the burden of unexpected repairs.

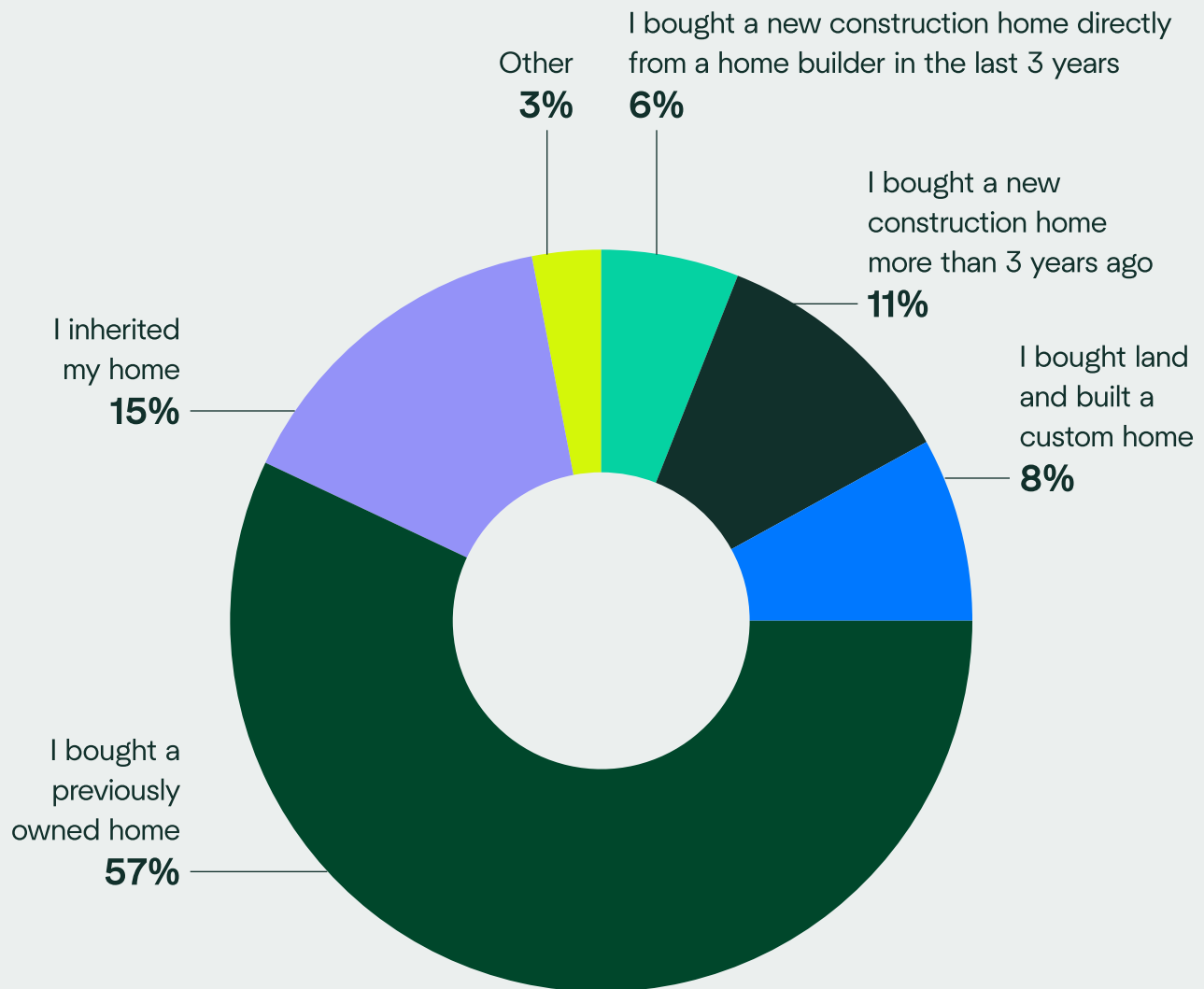
Behind these numbers is a story of homeowners juggling uncertainty—trying to balance maintenance costs with inflation, rising bills, and growing climate threats. These pressures reshape expectations for what “preparedness” means for today’s homeowners.

The older the home, the more homeowners reported unexpected repairs or maintenance issues impacting their financial stability.



Despite the correlation between older homes and reported maintenance issues, 57% of homeowners reported purchasing a previously owned home. This choice signals a growing preference for character, location, and value. Today's buyers are willing to inherit a home's history, but they're also inheriting its risks.

Which of the following best describes your experience purchasing your current home?



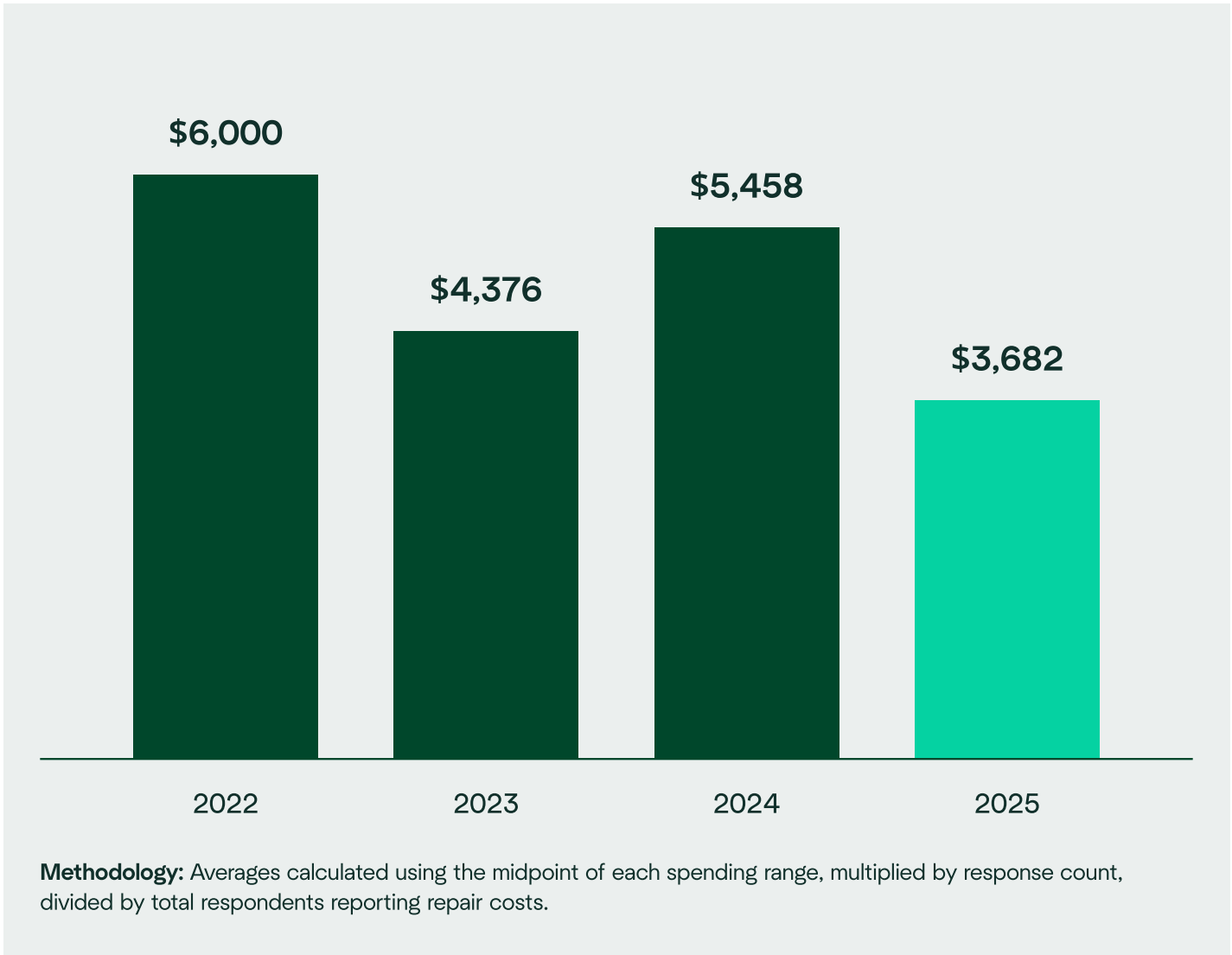
Quick tip

Data suggests owners of homes built 1961-1970 feel more financial pressure from unexpected repairs. Budgeting for major system replacements and reviewing optional coverage options (e.g., equipment breakdown coverage) could help protect older homes and their long-term value.

Where homeowners spend, and where they struggle

Our data shows that average spending on unplanned repairs continues to swing year to year. This volatility tells a deeper story: the cost of homeownership is becoming less predictable. Modern homeowners must balance routine maintenance with the financial shock of sudden repairs. 2025 sets a new standard. It's not just budgeting—it's building financial resilience.

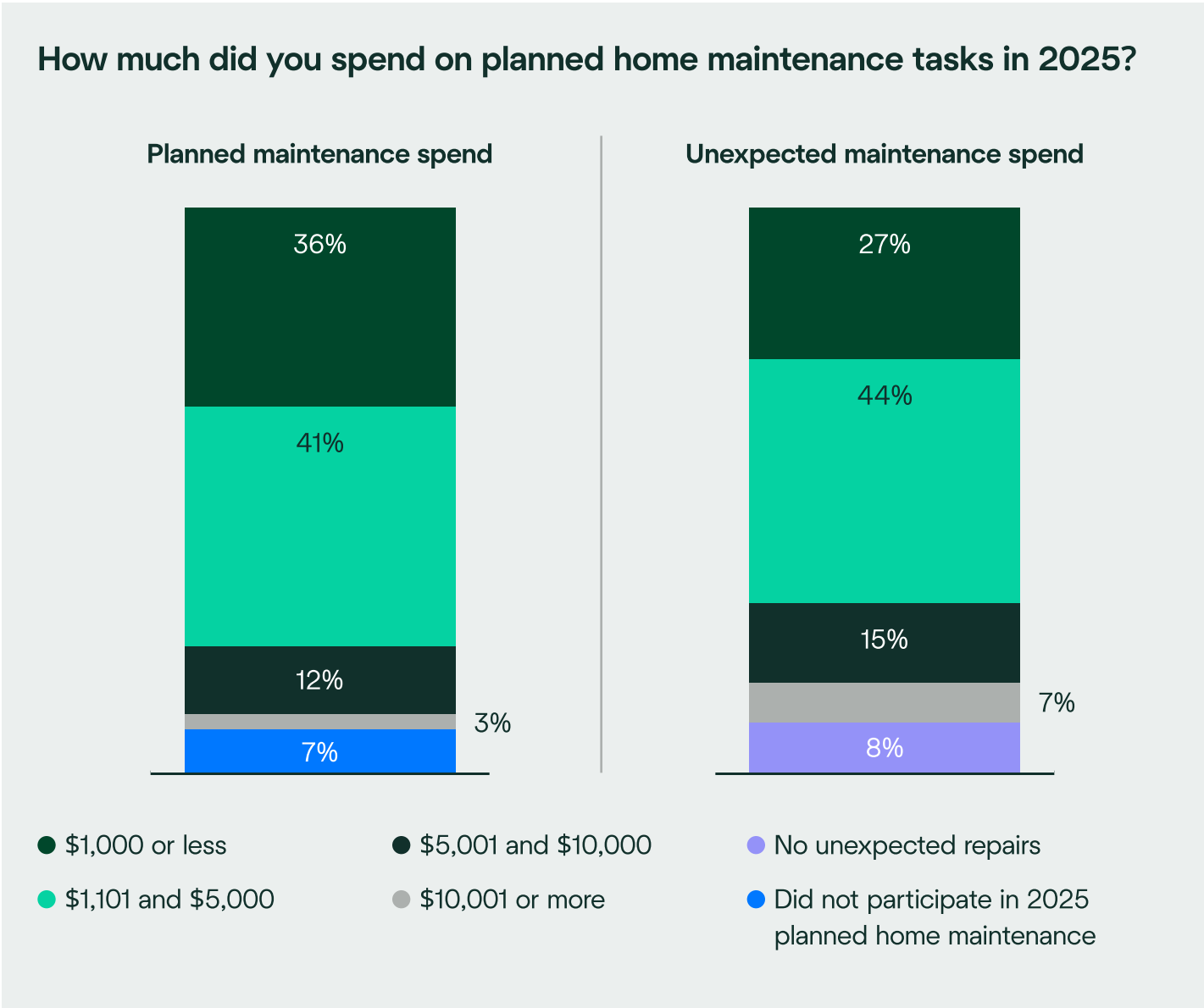
2022-2025: Average cost of unplanned repairs



Planned vs. unplanned maintenance costs in 2025

In 2025, planned maintenance largely stayed within budget. Unexpected repairs, however, often strained wallets. Only 8% of homeowners avoided surprise costs entirely, while 44% spent between \$1,101 and \$5,000 on unexpected issues.

Unplanned expenses can be a significant financial burden for many homeowners, particularly when funds aren't set aside or when multiple repairs occur within a short period.



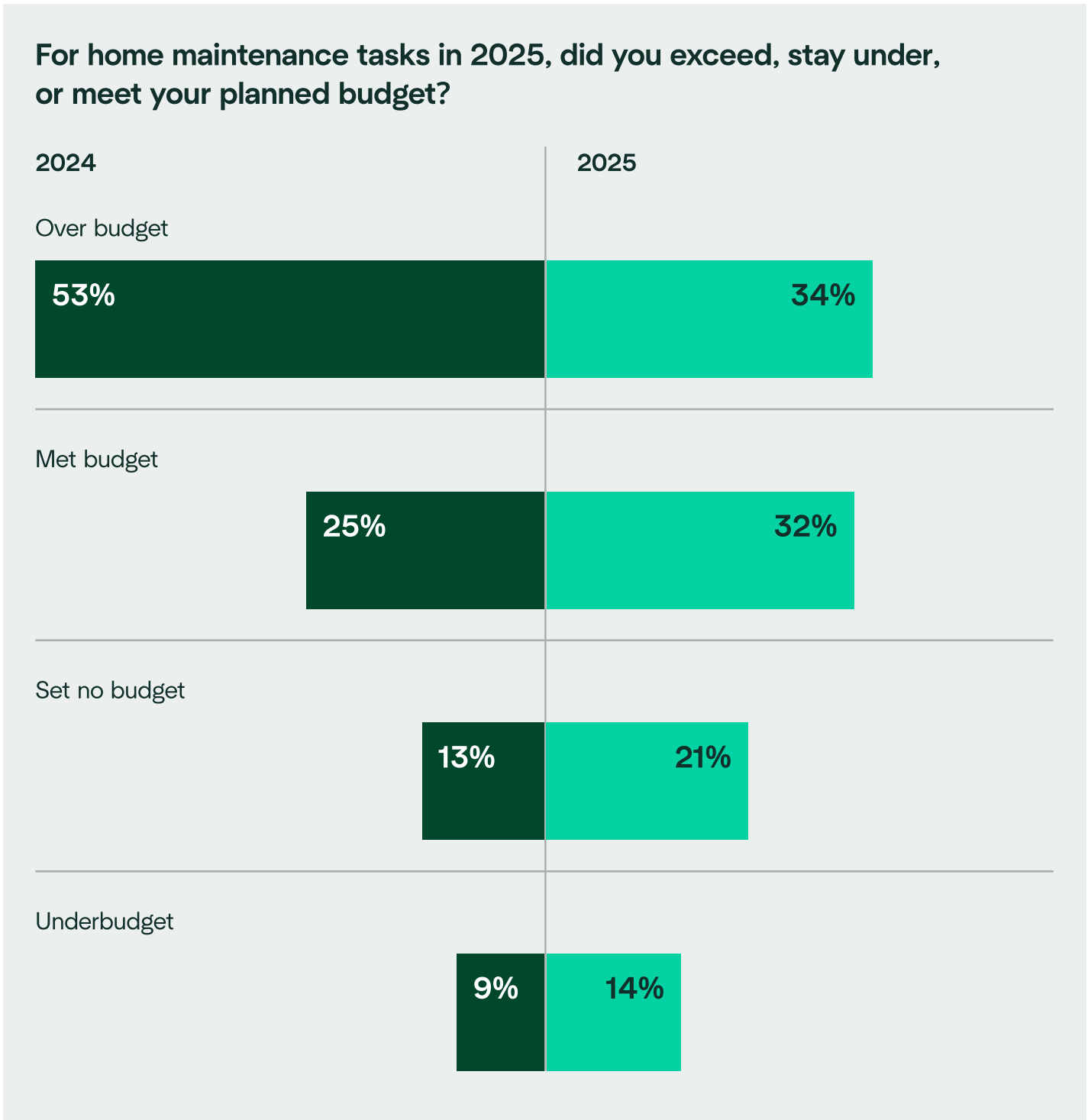
Additional resources

- [5 Costly New Homeowner Maintenance Mistakes \(And Fixes\)](#)
- [The 9 Most Expensive Home Repairs to Watch Out for](#)

A year in review: Budget accuracy

Budget management improved overall in 2025, but challenges remain.

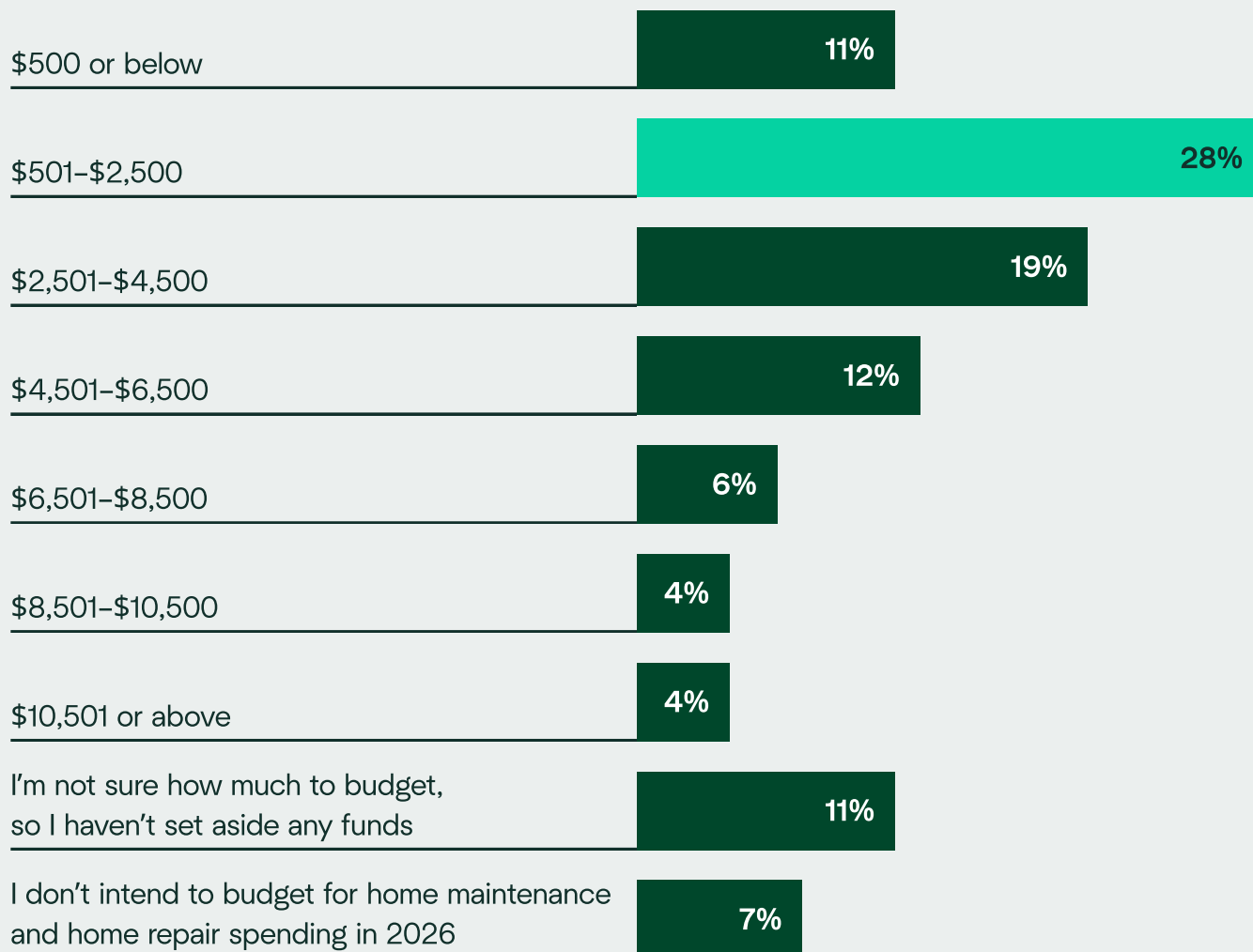
These improvements reflect a shift towards more intentional financial planning. Homeowners are going beyond reacting to repair needs—they’re budgeting for them. This shift is key to proactive homeownership.



Looking ahead: 2026 budget projections

Even as confidence rises, our data shows that homeowners decreasing or eliminating maintenance savings could expose themselves to high-cost surprises. This is especially true with aging homes and rising climate threats.

How much will you budget for home maintenance and home repair spending in 2026?



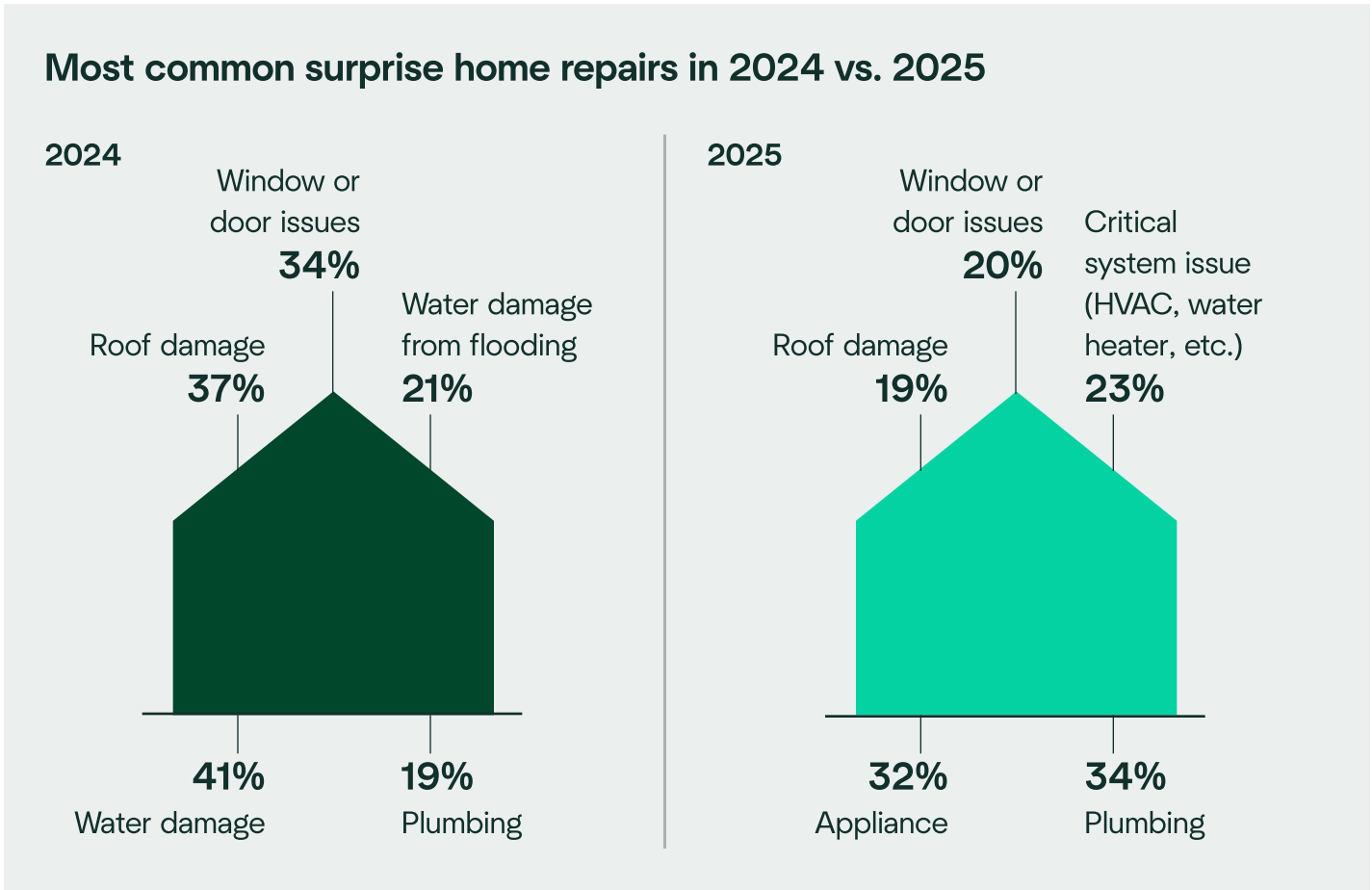
Quick tip

Last year, many homeowners faced financial surprises at home. Utility bill fluctuations (37%) and unexpected repairs (33%) were among the top challenges. Planning for these costs with a dedicated home budget or emergency fund can help absorb sudden expenses and keep homeownership more manageable.

Issues that matter most to homeowners

When it comes to homeowner concerns, a notable shift occurred between 2024 and 2025. External threats (roof damage, water intrusion, and structural issues) dominated 2024. By 2025, internal system failures moved to the forefront, with plumbing issues and appliance breakdowns leading the list.

The shift from exterior to interior concerns

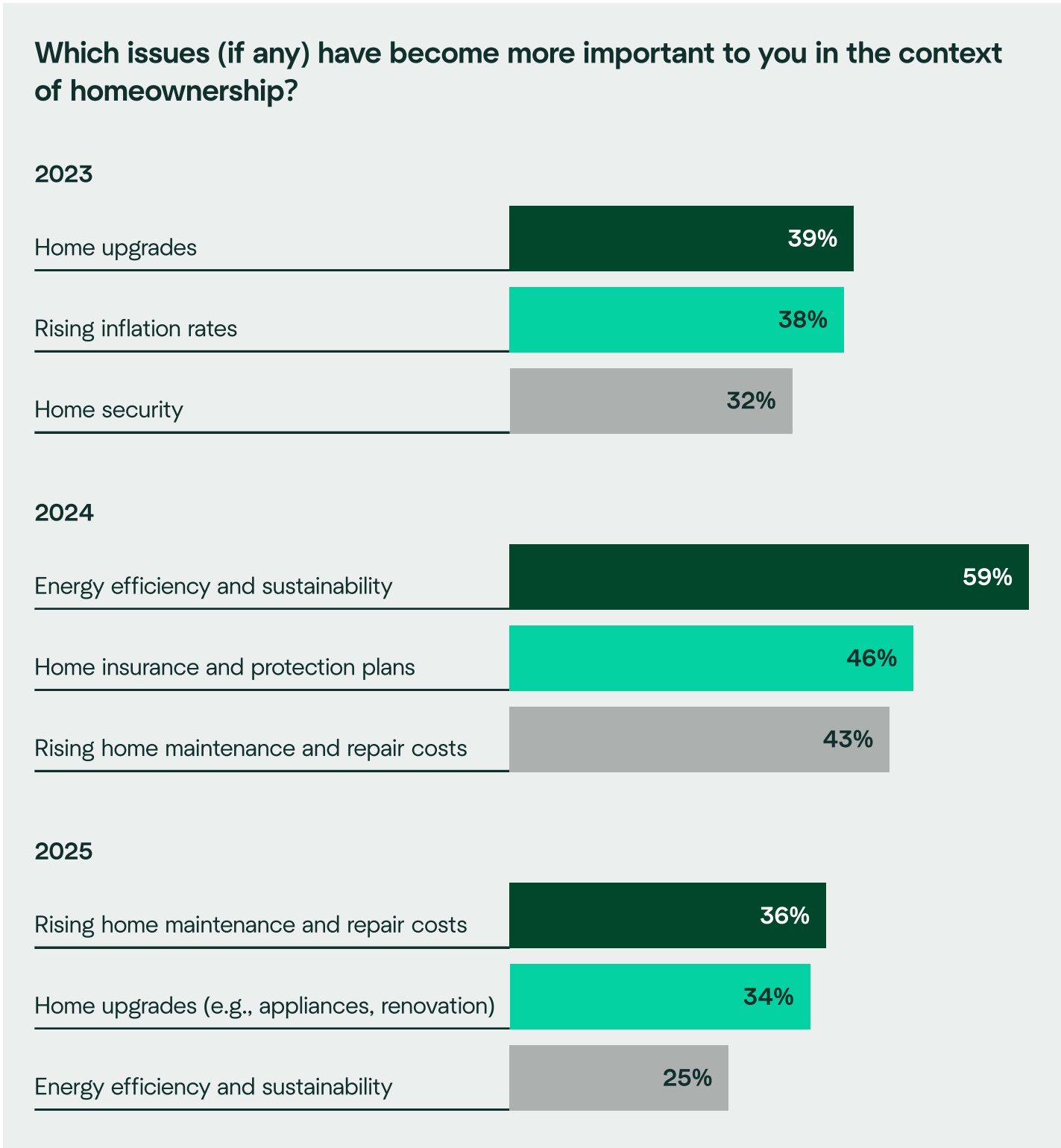


Additional resources

- [Does Homeowners Insurance Cover Water Damage?](#)
- [Home Appliance Maintenance Tips](#)

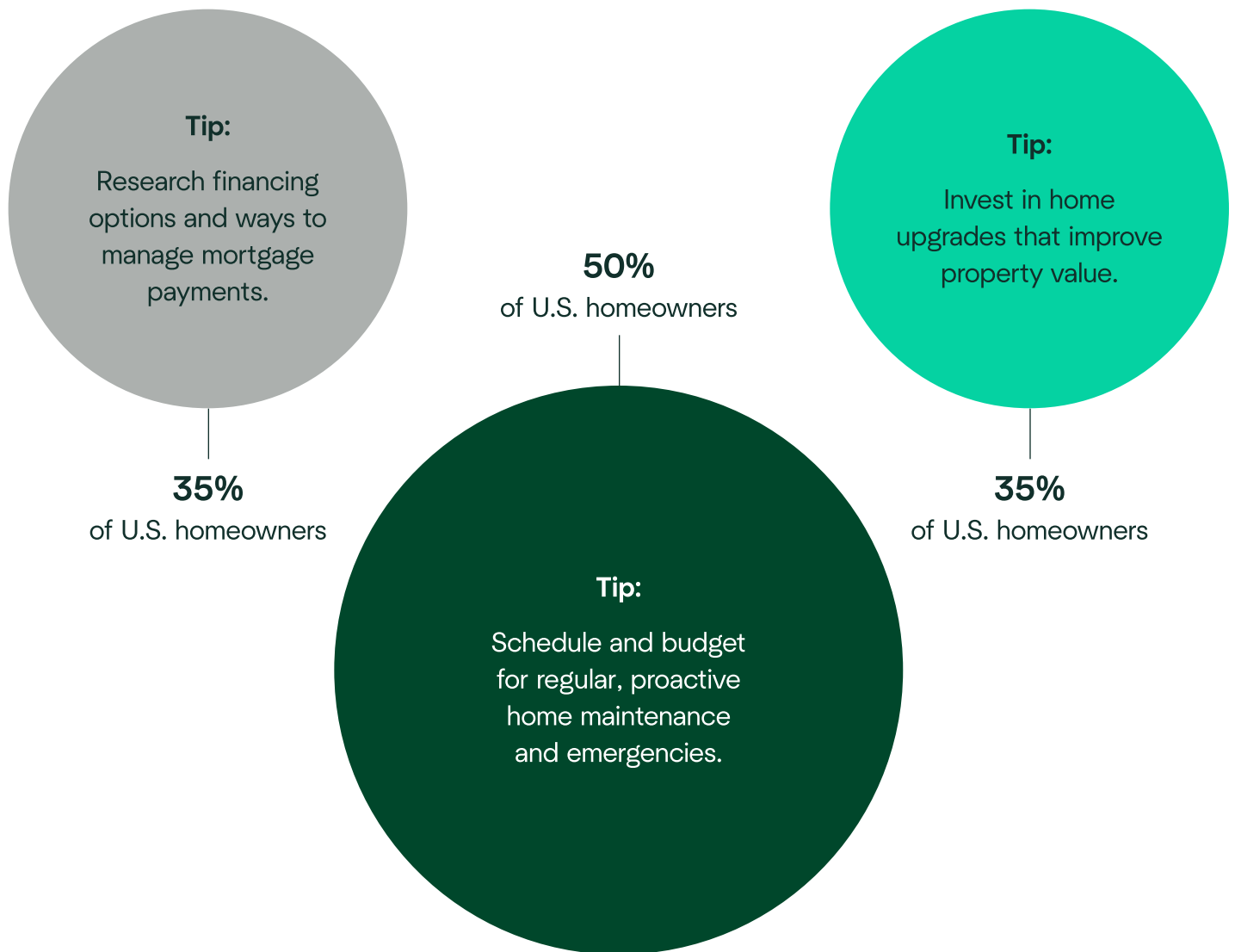
From 2023 to 2025: Mapping homeowner concerns

Homeowner priorities have evolved significantly over the past three years. While energy efficiency surged to the top in 2024, financial pressures have taken center stage in 2025, with rising maintenance costs becoming the leading concern.



What current homeowners wish they'd known

When we asked homeowners what advice they'd give to those just starting out, their responses revealed hard-won lessons about financial preparedness. With rising maintenance costs now the top concern among homeowners, it's no surprise that half emphasize the importance of proactive planning—both for routine upkeep and unexpected emergencies.



Respondents could select multiple options

Additional resources

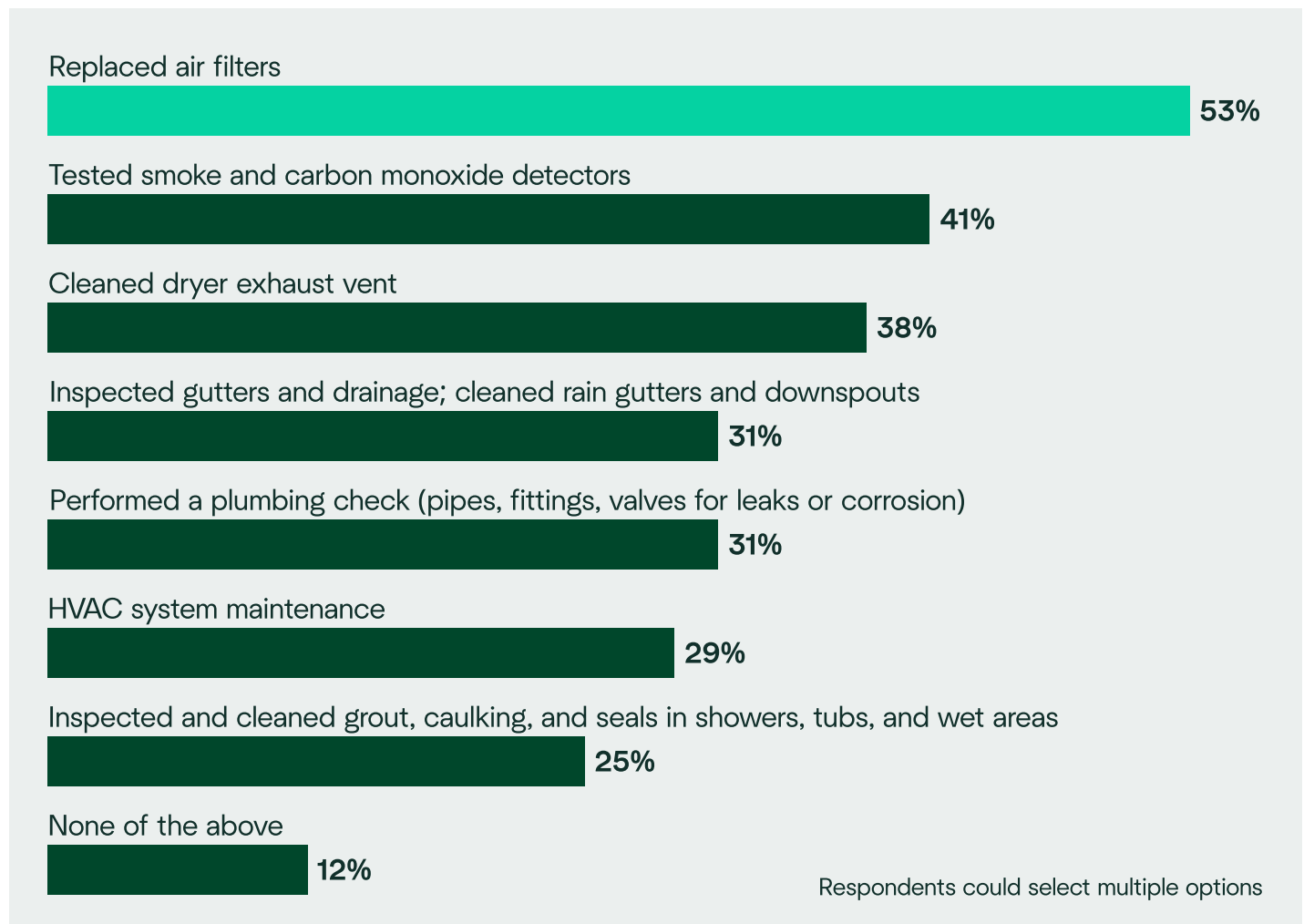
- [5 Costly New Homeowner Maintenance Mistakes \(And Fixes\)](#)
- [Types of Homeowners Insurance You Need to Know](#)

Home maintenance habits and areas for improvement

When it comes to regular upkeep, homeowners are sticking to the basics. The most popular maintenance tasks are the simple, affordable ones that can help prevent bigger problems down the road.

This gap represents one of the most important—and often overlooked—risks in modern homeownership. A home’s biggest vulnerabilities often emerge not from catastrophes, but from procrastinating on regular maintenance tasks.

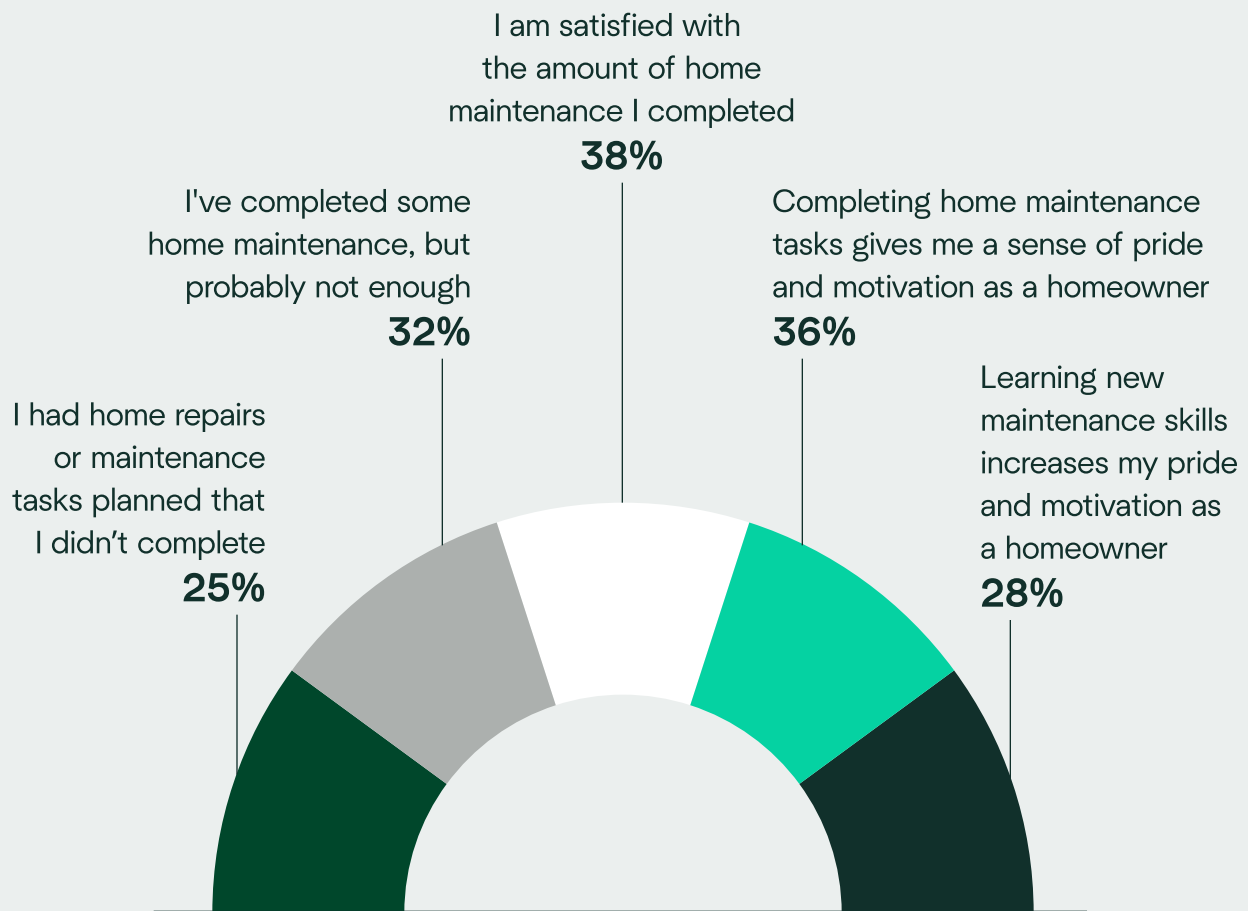
Most commonly completed maintenance tasks in 2025



The emotional side of home maintenance

Maintenance habits tell only half the story. The other half is how homeowners feel about the upkeep they're doing (or not doing). Even as many homeowners take pride in keeping up with maintenance, a large share admit they're not doing as much as they'd like.

In 2025, which of the following statements about home maintenance apply to you?



Respondents could select multiple options

Quick tip

Last year, critical system issues struck nearly a quarter (23%) of all U.S. homeowners. Planning regular maintenance of critical systems throughout the year can help prevent these major repairs.

The DIY homeowner: Self-reliance and skill building

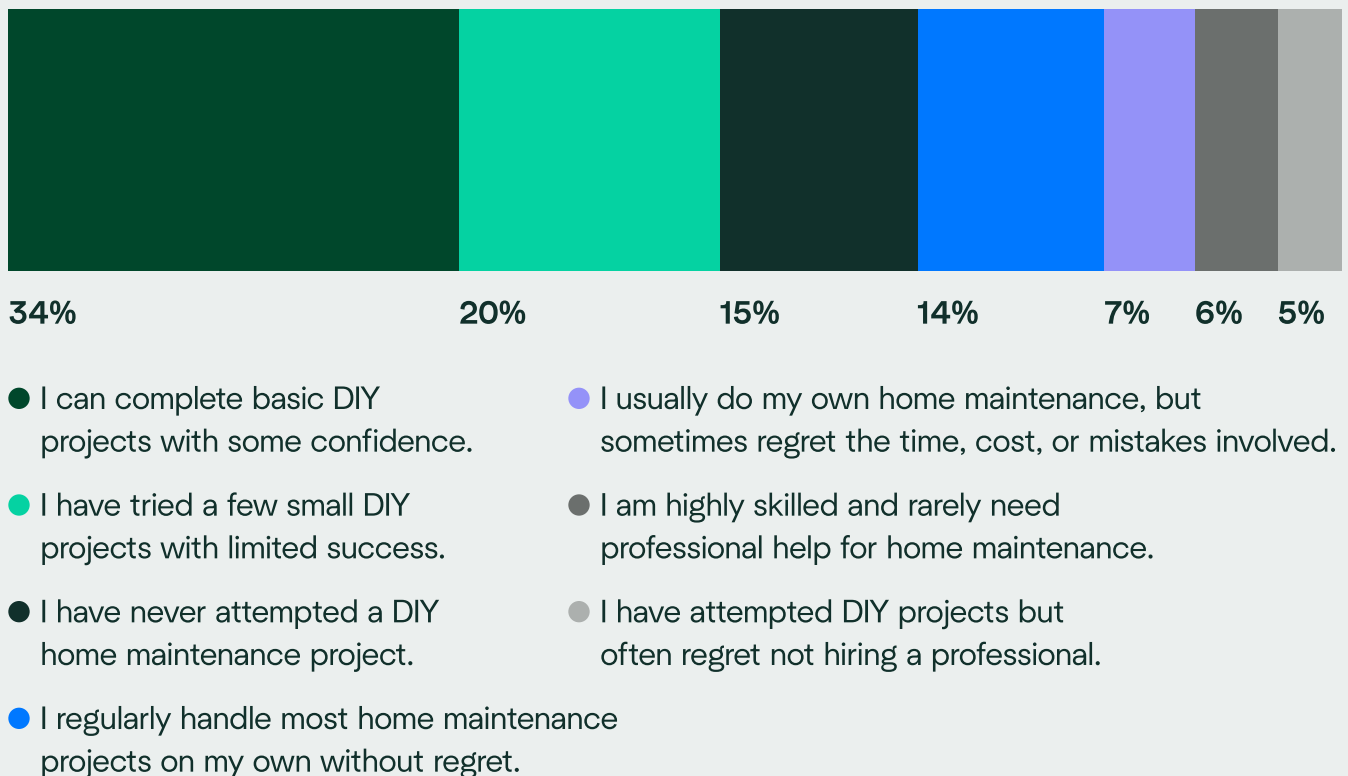
DIY enthusiasm continues to grow, fueled by cost savings and a sense of accomplishment. More than eight in ten homeowners plan to take on DIY projects in 2026.

The rise of DIY also points to a broader shift towards self-reliance. Homeowners are reclaiming control over their spaces and redefining what it means to take ownership of their home's condition.

When it comes to maintenance, most homeowners fall somewhere between curious beginners and capable DIYers. Only a small share considers themselves highly skilled, suggesting that while enthusiasm is high, there's still room to grow in both confidence and know-how.

DIY confidence levels

Homeowner self-reported DIY experience and ability



What motivates American DIY home projects

To save on costs

57%

Personal satisfaction/sense of accomplishment

36%

I like learning a new skill

30%

I want more control over the project

21%

I think I can perform the work better than hired help

17%

Difficulty finding a reliable or qualified professional whom I trust

17%

To bond with my family and/or friends

14%

None of the above: I do not plan to take on DIY home maintenance projects in 2026

14%

Respondents could select multiple options

Additional resources

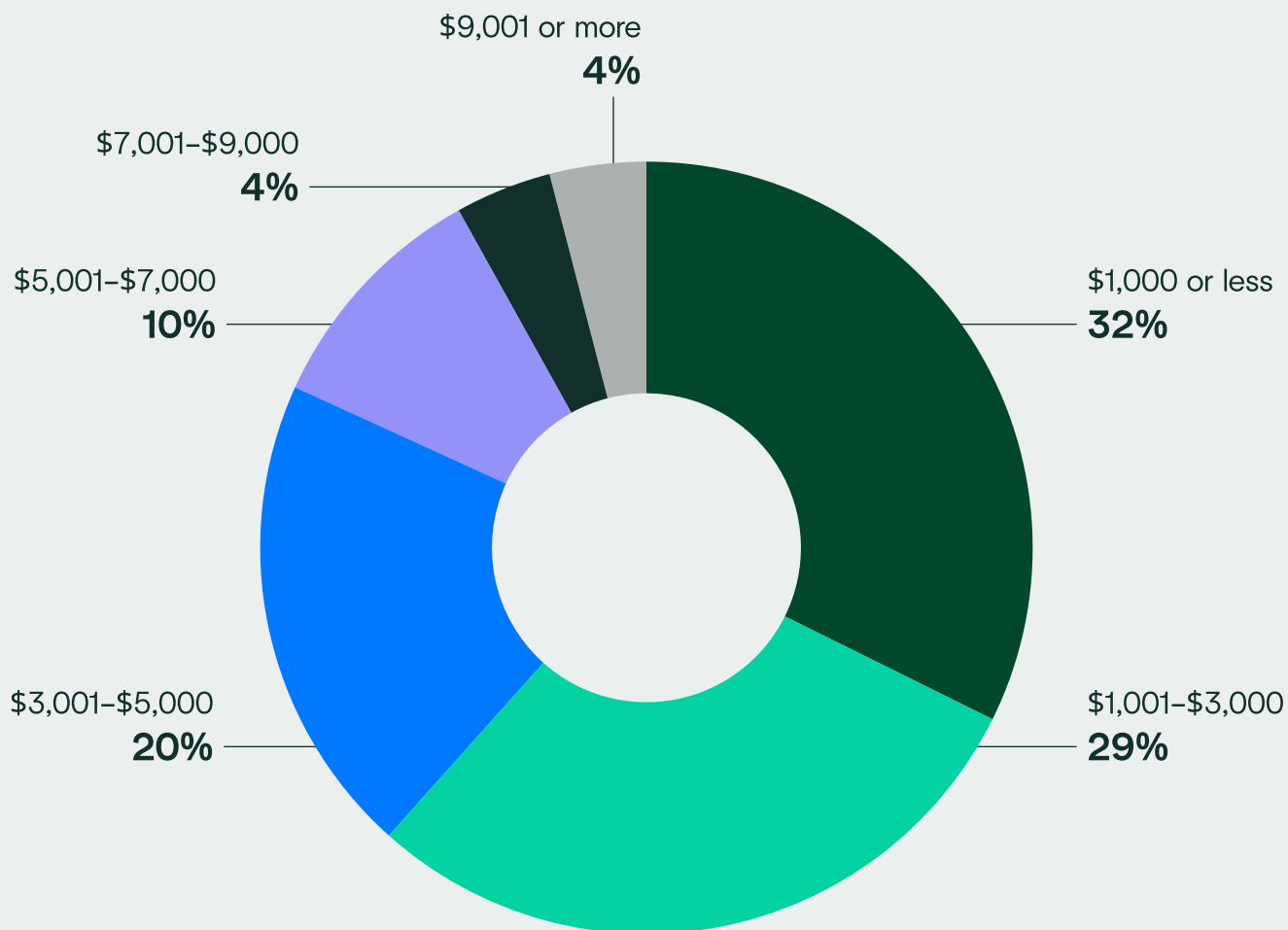
➤ [The Hidden Cost of DIY: 58% of Homeowners Blow Their Budget](#)

➤ [Costly Home Renovation Mistakes To Avoid](#)

2026 DIY project budgets

DIY ambitions remain strong, with most homeowners planning modest budgets. This reflects the typical DIY mindset: save money while building skills that pay dividends over time. But with limited budgets comes risk, making it more important than ever to know when to DIY and when to call in the pros.

How much homeowners plan to spend on DIY home maintenance in 2026



Quick tip

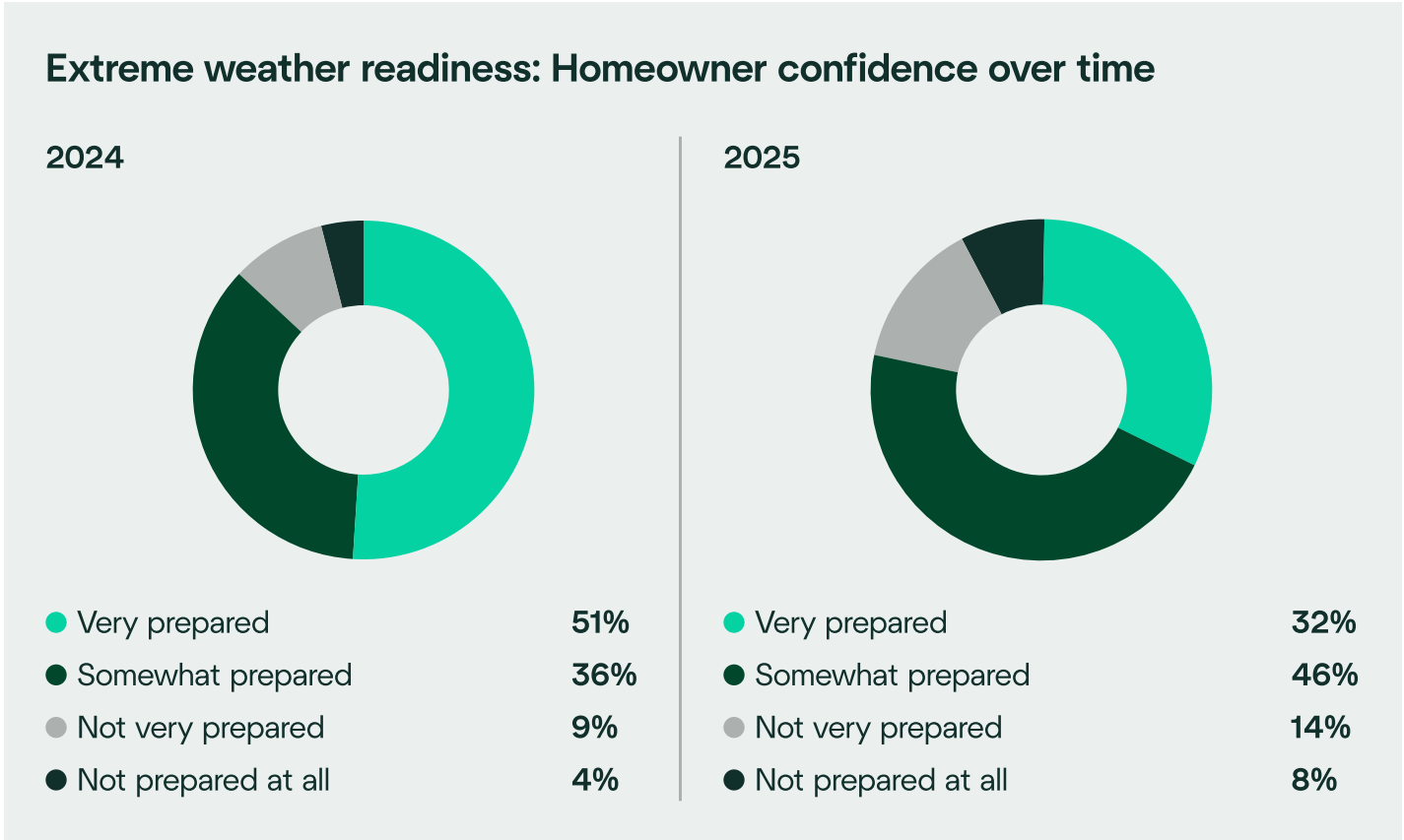
DIY projects can boost a home's value, but mistakes can be costly. Our [DIY Disasters Survey](#) found that 58% of DIYers spent more than expected due to errors. Check insurance coverage before starting a project to help protect against these surprises.

Rising climate threats: Challenges and preparedness gap

As extreme weather events continue to hammer the U.S., homeowners are taking notice. Our data found that homeowners are increasingly worried about intensifying climate risks and their ability to protect their properties.

In 2024, just over half of homeowners felt very prepared for extreme weather. By 2025, that number fell nearly 20 percentage points. This dip reflects a national reckoning: climate risk is accelerating faster than expected.

Homeowners feel less prepared for extreme weather year-over-year



Extreme weather readiness: How homeowners are preparing

Despite a falling confidence rate, emergency preparation is moving in the right direction. Homeowners are taking action through planning, budgeting, and policy reviews—setting the groundwork for stronger resilience.

While fewer have added optional coverage so far, these foundational steps show a commitment to getting ahead of climate risk.

How homeowners are getting ready for home emergencies and extreme weather

I have or will create an emergency plan

35%

I have or will review my home insurance coverage

32%

I have or will set aside an emergency fund specifically for home repairs

32%

I have or will install more home protection equipment

23%

I have or will purchase optional insurance coverage

18%

I do not plan to take additional emergency preparedness steps

21%

Additional resources

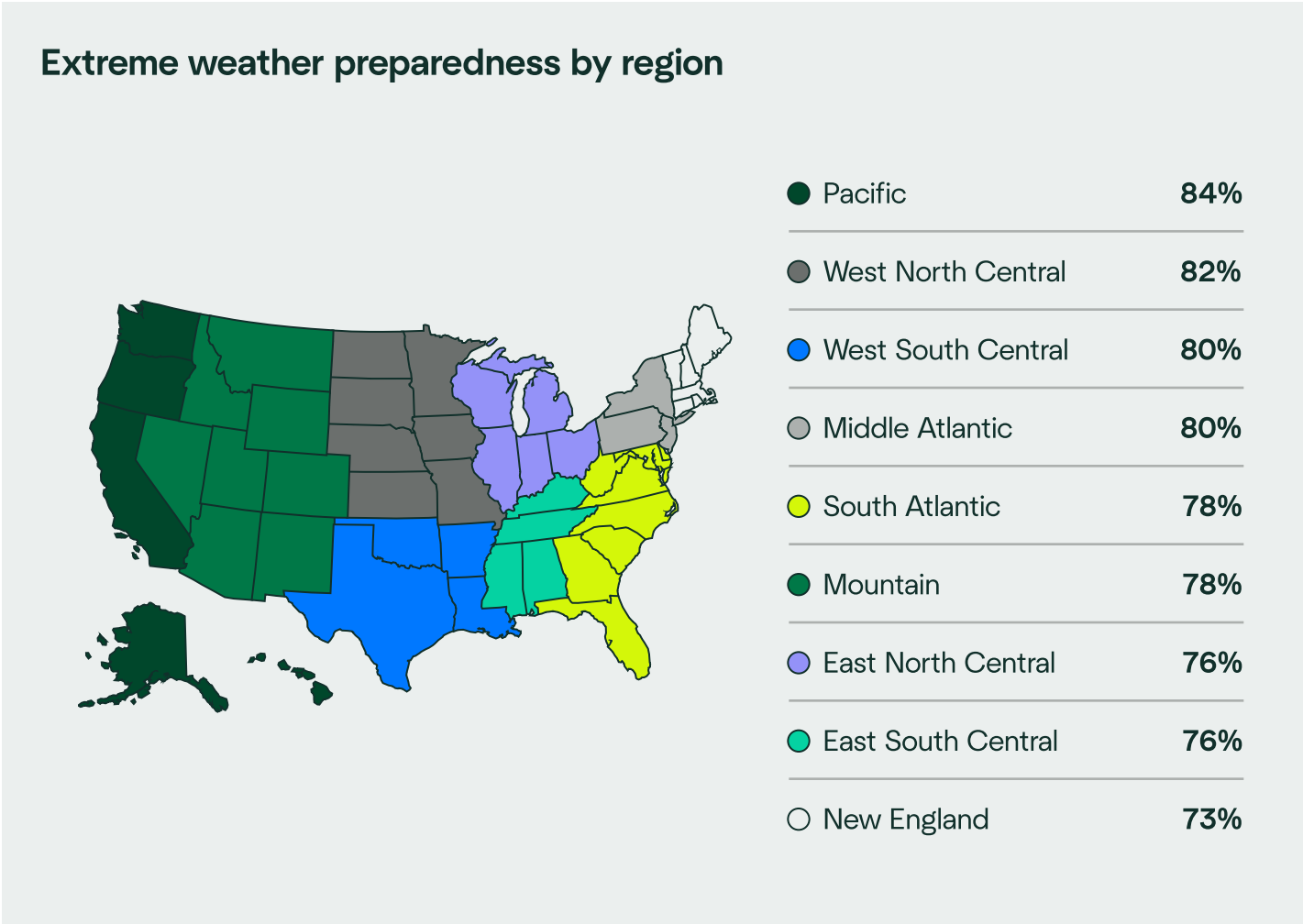
➤ [Buyers Want Disaster-Resilient Homes and 88% Will Pay More for Them](#)

➤ [What Is an Act of God Insurance Clause?](#)

Where homeowners are taking the most (and least) preventive actions

The majority of homeowners plan to take some form of action, but the level of preparedness varies by region. This suggests that climate resilience is becoming highly localized, shaped by geography and recent events.

Homeowners in the Pacific are leading the way, with more than 80% planning protective steps in the year ahead. These regions are on the front lines of evolving climate risks and are responding with higher intent to prepare. Other regions, including the East South Central and New England, show room for continued progress as climate threats evolve.



Quick tip

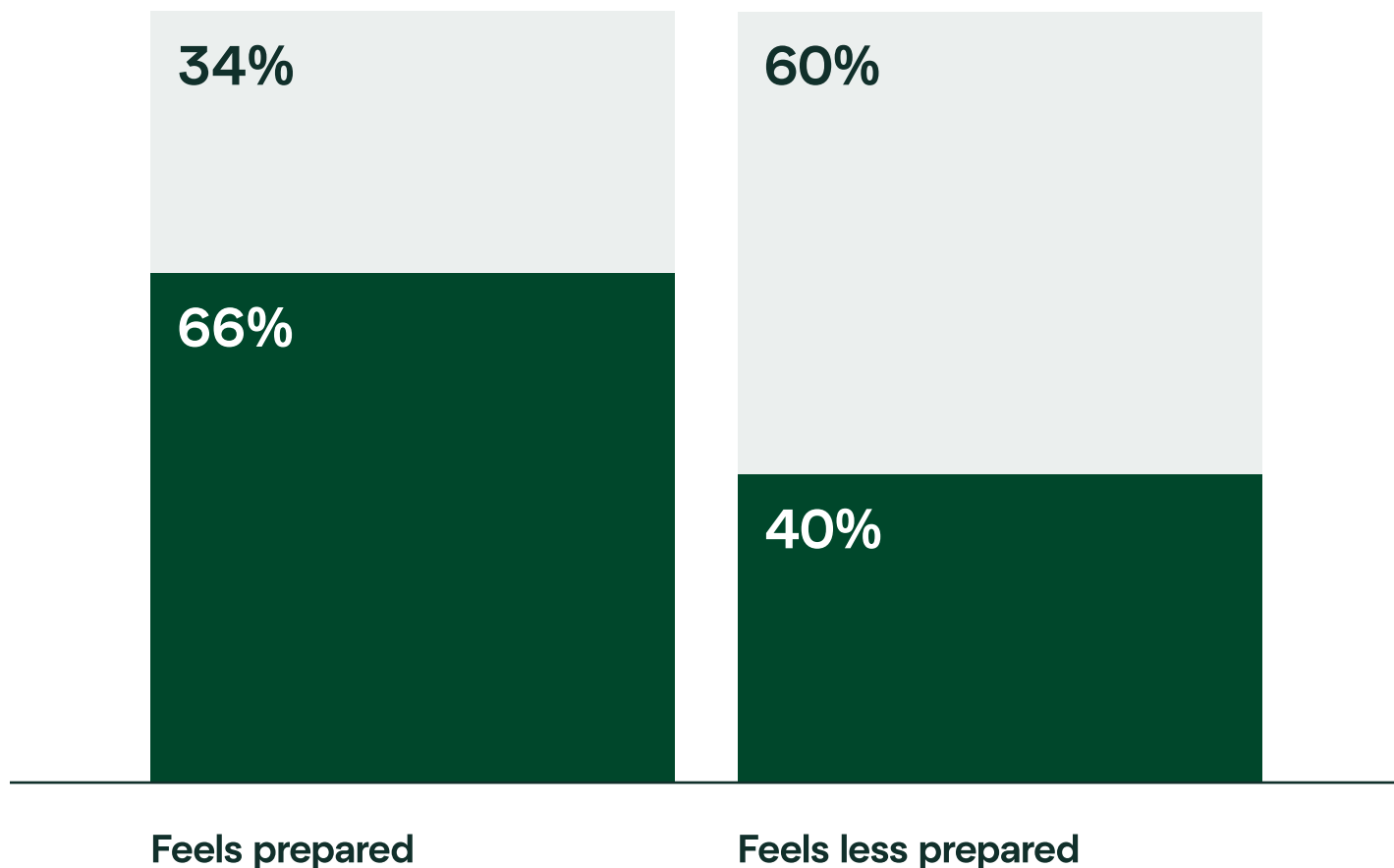
Optional coverage (e.g., [earthquake](#), [flood](#), [windstorm](#), etc.) could make a huge difference. Understanding what a policy includes before disaster strikes ensures homeowners are not only aware of the risks but are equipped to recover from them.

Insurance add-ons connected to disaster preparedness

Our data makes one thing clear: coverage choices have a direct, measurable impact on confidence. Insurance isn't just financial protection—it's peace of mind in a time of escalating climate uncertainty.

Disaster preparedness: homeowners with vs. without insurance add-ons

● Has additional coverage ● No additional coverage



Additional resources

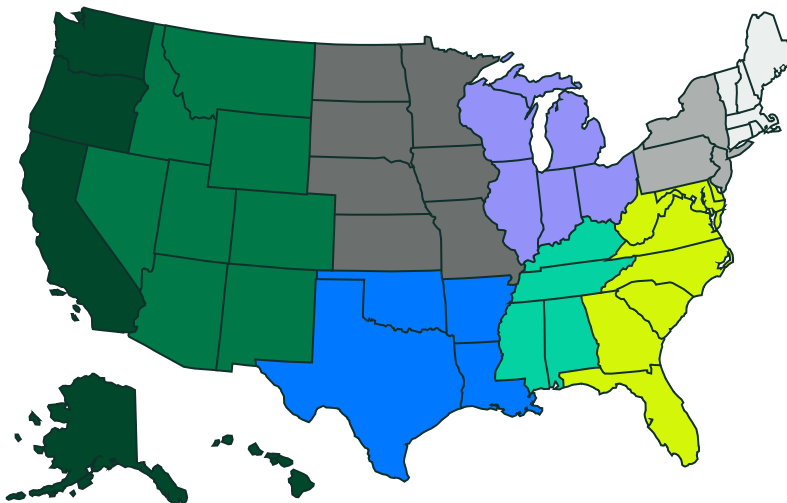
➤ [Young Homeowners Fear Natural Disasters Most, Despite Preparation](#)

➤ [Why Catastrophe Insurance Matters](#)

Top add-on policies across the U.S.

Homeowners across the country are becoming more strategic with their insurance coverage. They're tailoring their protection to their region, climate threats, and home age. This signals a shift towards personalized, data-informed insurance decisions.

Top insurance add-ons by U.S. region



● West South Central

1. Flood
2. Replacement Cost
3. Windstorm

● West North Central

1. Replacement Cost
2. Water Backup/Sump Pump Overflow
3. Flood

○ New England

1. Replacement Cost
2. Service Line Coverage
3. Scheduled Personal Property

● South Atlantic

1. Flood
2. Replacement Cost
3. Windstorm

● Pacific

1. Earthquake
2. Flood
3. Water Backup/Sump Pump Overflow

● Mountain

1. Replacement Cost
2. Windstorm
3. Water Backup/Sump Pump Overflow

● East South Central

1. Windstorm
2. Replacement Cost
3. Flood

● Middle Atlantic

1. Replacement Cost
2. Flood
3. Water Backup/Sump Pump Overflow

● East North Central

1. Replacement Cost Scheduled
2. Personal Property
3. Identity Theft

Additional resources

➤ [Hippo Resilience Report: Best States for Climate Change](#)

➤ [Climate Change Solutions for Homeowners](#)

AI and the future of home insurance

AI usage is rising steadily, and many homeowners have already begun to use it to help them make decisions about their coverage. This moment marks a turning point: more homeowners are turning to AI as another touchpoint in understanding coverage, evaluating risks, and navigating complex policies. As adoption grows, AI will reshape how homeowners make decisions, setting the stage for the next evolution in home insurance.

AI adoption for home insurance tasks

● Use AI ● Never or rarely use AI

To better understand my current home insurance policy



To learn more about additional insurance options I should consider



To understand how to file a claim



To compare different home insurance providers and policies



To understand the recommended insurance riders for risks in my area



To check if I'm paying a fair price



AI tools can provide helpful guidance but may occasionally be inaccurate or biased. For important decisions, it's best to seek advice from a licensed insurance producer.



Additional resources

- [The Ultimate Home Insurance Buyers Guide](#)
- [How Much Homeowners Insurance Do I Need?](#)

Home protection tips for 2026

The future of home protection belongs to homeowners who act early, stay informed, and embrace new tools. The tips below could help homeowners protect their home and reduce stress in 2026.

Maintenance essentials

- ☐ **Schedule seasonal maintenance:** Set reminders for Spring and Fall check-ups on critical systems.
- ☐ **Prioritize preventative tasks:** Remember simple actions like changing filters and checking detectors to avoid bigger issues.
- ☐ **Consider when to DIY and when to hire pros:** Save money on simple tasks, but call in the experts for complex work.

Additional resources

- [Seasonal home maintenance checklist](#)

Financial protection

- ☐ **Review coverage annually:** Make sure your policy reflects your home's current value and your needs.
- ☐ **Assess rider needs:** Consider additional coverage based on your location and home age.
- ☐ **Budget for maintenance and emergencies:** Set aside funds for routine upkeep and emergency repairs. Some experts recommend saving 1-4% of your home's value.

Additional resources

- [What does home insurance cover?](#)
- [Insurance riders, explained](#)
- [Budgeting for home maintenance](#)

Emergency preparedness

- ☐ **Create an emergency plan:** Know what to do and who to call when problems arise.
- ☐ **Document your home inventory:** Photos and receipts make claims faster and easier.
- ☐ **Understand your coverage:** Know what's protected when extreme weather strikes before it happens.

Additional resources

- [Build an emergency preparedness plan](#)
- [What to add to your insurance binder](#)
- [Types of homeowners insurance](#)

Protect your home with Hippo

Coverage that matches your reality

Our Housepower Guide shows homeowners are facing real challenges: rising repair costs, increasing climate threats, and the need for better protection.

But it also reveals a powerful new generation of informed homeowners who are ready to take control of their home's future.

Homeowners with the right coverage feel more prepared and confident. If you're among those without additional protection, we're here to help you understand your options and find coverage that truly fits your needs.

For more insurance insights

[Visit the Learn Center](#)

To understand your coverage options

[Get a personalized quote](#)



Methodology

The survey was completed on September 22, 2025, and conducted by Centiment on behalf of Hippo Insurance Services. The results are based on 1,619 completed surveys. In order to qualify, respondents were screened to be residents of the United States, over 18 years of age, and own a home. Data is census-balanced, and the margin of error is approximately +/-2% for the overall sample with a 95% confidence level.

The MOE and confidence level for data filtered by specific demographics (subgroups) may differ from the overall result. Because these subgroups are naturally smaller than the total sample, they may have a larger margin of error than the $\pm 2\%$ for the full data set.

This content is for informational purposes only. It reflects general homeowner considerations and is not professional advice. It also includes observed trends within the surveyed population and certain additional information compiled from sources not affiliated with Hippo. While we believe this information to be reliable, we do not guarantee its accuracy or completeness. For any insurance-related decision, please consult your licensed insurance producer.

Sources cited are publicly available and referenced in October and November 2025.