

## Residential Property Insurance and Heritage Designation

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## EXECUTIVE SUMMARY

Funded by the Community Heritage Ontario (CHO), Archaeological Research Associates Ltd. (ARA), in partnership with the University of Waterloo's Heritage Resources Centre (HRC), carried out a study on the effect of perceived barriers associated with insurance in relation to designation under Part IV and Part V of the Ontario Heritage Act (OHA) by residential property owners. The study seeks to help understand: 1) if those perceptions are substantiated, 2) why such insurance issues are occurring, and 3) if they are, what might be done to mitigate the problem.

Insurance is a legal contract provided by insurance companies that provides financial compensation if a disaster or accident unexpectedly occurs. Homeowner's insurance is the specific type of insurance that covers private residences. Insurance companies are required by law to ensure they have sufficient funds to pay any claims made. The amount a homeowner pays in premiums is calculated to reflect the likelihood of any loss that would result in a claim, and are directly influenced (i.e., increased or decreased) by the specific details or features specific to a building and/or property. The amount of coverage is limited to what is described in a homeowner's contract with the insurance provider. This means that issues not specifically outlined in the contract are not covered, nor is regular or required maintenance covered.

There is an overall trend showing that the number of property claims has steadily increased over the past few decades. This has a direct impact on the cost of premiums and the cost of home insurance. While every property has qualities for an insurance provider to consider, there are physical and legislative components specific to older/heritage buildings, which impact insurance premiums and/or coverage. This may include Galvanized Steel Plumbing, Knob and Tube, Woodstove etc. A detailed list can be found in Section 4.1.

In the province of Ontario, home insurance is not mandatory by law, however, most financial institutions and lenders require proof of home insurance in order to secure a mortgage. As an agency of the Government of Ontario, the Financial Services Regulatory Authority of Ontario (FSRA) is the regulatory agency that, among other sectors, works to "protect the rights of consumers in Ontario by promoting high standards of business conduct and transparency within the financial services we regulate" (FSRA 2025). While the FSRA's role is to regulate and ensure that those selling insurance are licenced and follow legislation, there are no mandatory requirements which requires companies to provide insurance to property owners. The decision to insure property owners is determined solely by the insurance company.

The Insurance Bureau of Canada (IBC) has participated in online webinars to provide guidance to property owners in relation to insurance. More information about the IBC webinar can be found in Section 4.3.1.

The National Trust of Canada undertook a nation-wide survey on insurance and issues with insuring heritage properties from February to April 2022. The survey was conducted following an increase in concerns from people related to insurance rates increases; and in response to discussion from planning/municipal/etc. entities noting that insurance was being used as a rationale to not pursue designation and/or as a means to justify de-designation. More information about this survey can be found in Section 4.3.2.

CHO, in association with ARA and Professor M. Drescher at the University of Waterloo's HRC, undertook a survey to gain insight into how designation under the *Ontario Heritage Act* (OHA)

may be creating real or perceived issues regarding property insurance. The study involved two components which were reviewed and analyzed independently.

1. The first component surveyed Municipal Heritage Planners and/or Planners responsible for heritage matters in their respective municipalities/towns/cities etc. to understand questions they had, or frequently receive, related to home insurance for heritage properties. The survey received responses from 42 planners from 37 municipalities across south and central Ontario.
2. The second component surveyed residential property owners to get insight into whether insurance was a real or perceived barrier to the designation process under the OHA. An invitation to take part in this study was sent out to 1,997 property owners. In total, 120 (6%) property owners responded.

The property owner study included the following parameters or considerations:

- Only residential properties were examined.
- The **sample group** included properties designated recognized under Part IV and V of the OHA.
- The **control group** included properties that were constructed in, or before, 1925 and were not recognized by the OHA.
- Survey locations were limited to places that had available information/data/lists/inventories for properties that were recognized under the OHA and inventories of properties built prior to 1925 but had not been recognized under the OHA.
  - Locations included:
    - City of Guelph
    - City of Kingston
    - City of Hamilton
    - Municipality of Clarington
    - Town of Ajax
    - City of Toronto
    - City of Kitchener
- Participation was voluntary and anonymous.

This study was reviewed and received ethics clearance through a University of Waterloo Research Ethics Board (REB #44379). Several study limitations were identified and are outlined in Section 5.1.3.

**To best understand the survey results, the reader is encouraged to read the Survey Findings (Section 6.0) and Appendix A in full.**

The following key findings were noted from the Planners Survey:

- The data shows that in a majority of municipalities (67%) the number of inquiries about insurance regarding heritage properties has increased over the last five years.
- The data shows that in a majority of municipalities (74%) at least some property owners asked not to be designated under Part IV or V citing insurance as the reason.
- The data shows that only in a third of municipalities (33%) property owners asked for their designation to be repealed because of insurance reasons.

- The data shows that none of the surveyed municipalities (n = 42, 100%) have any policies that would require a designated home to be rebuilt to match the historic home in the event of full catastrophic loss.

The following key findings were noted from the Property Owner Survey:

- Of the participating property owners, almost two-thirds indicated that they previously had changed their insurer. Of these changes, 15 respondents (45%) occurred in the last five years, and another 16 respondents (48%) occurred during the period 2010 to 2019, perhaps indicating an acceleration of changes to insurers. In almost one-third of cases (n = 9, 29%), the reason was related to the property being a heritage property, including the insurer refusing to continue insuring the property.
- The data shows that close to half of participating property owners (49%) indicated there was no discussion or consideration of the property's age, heritage or listing status with the insurance agent when the owner took possession of the property.
- The data shows that while more than one quarter of property owners (26%) have had insurance companies refuse to insure their property the majority, or three-quarters of property owners (74%) have not had this happen to them.
  - A chi-squared test was conducted on the counts of property owners who were refused insurance versus not refused, separated by heritage status of their property (heritage designation (Part IV or V) versus no heritage designation). The test shows that a significantly higher than expected number of property owners whose properties were designated Part IV or V were refused insurance coverage.
  - Only 5% (n = 6) of property owners ever had an insurer refuse to renew coverage for their property.
- A chi-squared test was conducted on the counts of property owners who had to accept special conditions versus no special conditions, separated by heritage status of their property (heritage designation (Part IV or V) versus no heritage designation). The test shows that there is no significant effect of heritage status on the requirement for conditions to ensure insurance coverage.
- A chi-squared test was conducted on the counts of property owners who have done renovations or upgrades that affected their premiums, separated by heritage status of their property (heritage designation (Part IV or V) versus no heritage designation). The test shows that there is no significant effect of heritage status on renovations or upgrades that affected their premium.
- A chi-squared test was conducted on the counts of property owners whose insurance premiums increased over the last five years, separated by heritage status of their property (heritage designation (Part IV or V) versus no heritage designation). The test shows that a significantly smaller than expected number of property owners whose properties are designated had no or small premium increases (<10%), while a significantly larger than expected number of such owners had larger premium increases (10% to 50%). Put in simpler terms, the data indicates that heritage designated homeowners experienced noticeably larger premium increases than the control group.
- A chi-squared test was conducted on the counts of property owners who have made insurance claims, separated by heritage status of their property (heritage designation (Part IV or V) versus no heritage designation). The test shows that there is no significant effect of heritage status on the number of insurance claims made.
- The data show that 63% (n = 67) of property owners believe that a list of insurance companies that insure heritage properties would be helpful.

- The data show that 53% (n = 57) of property owners believe that a list of insurance agents who insure heritage properties would be helpful.
- The data show that 50% (n = 54) of property owners would want to de-designate their heritage building if designation would increase their insurance premium.

In Section 7.0, ARA has outlined some high-level observations and insights gained from the existing research, conversations with industry workers and municipal planners, and the Planners and Property Owner's survey responses.

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A NOTE OF THANKS TO COMMUNITY HERITAGE ONTARIO WHOSE GENEROUS FUNDING ASSISTED IN THE REALIZATION OF THIS STUDY. THIS STUDY IS A SHARED EFFORT TO PROVIDE PRACTICAL GUIDANCE FOR PROPERTY OWNERS, HERITAGE PRACTITIONERS, OR ANYONE WHO IS PASSIONATE ABOUT PRESERVING THE CRAFTSMANSHIP AND BEAUTY OF OUR BUILT ENVIRONMENT.

## 1.0 STUDY BACKGROUND

Under a contract awarded by Community Heritage Ontario (CHO), Archaeological Research Associates Ltd. (ARA), in partnership with the University of Waterloo's Heritage Resources Centre (HRC), carried out a study on the effect of perceived barriers associated with insurance in relation to designation under Part IV and Part V of the Ontario Heritage Act (OHA) by residential property owners. The study seeks to help understand: 1) if those perceptions are substantiated, 2) why such insurance issues are occurring, and 3) if they are, what might be done to mitigate the problem.

The report is structured to begin with useful background information on this topic including, a glossary of terms (Section 2.0), a basic overview of the insurance process and industry (Section 3.0) and outlining the factors and/or considerations associated with older/heritage buildings (Section 4.0).

The bulk of the study and its findings are outlined in the study methodology (Section 5.0), detailed study findings (Section 6.0), and summary of the insight gained while undertaking this study (Section 7.0).

## 2.0 GLOSSARY

### 2.1 Relevant Insurance Terminology

Unless otherwise noted, the following definitions are from the Insurance Bureau of Canada (IBC 2026f)

**Actual Cash Value (ACV):** Actual cash value coverage gives you the cost of the item when it was new, minus depreciation. Depreciation is the loss of value due to the age and condition of the item. The depreciation depends on the item insured and the insurance company. For example, suppose a fire damages your computer. Your insurer will only cover the cost of your computer based on its reduced value at the time of the claim (Government of Canada:2025a).

Actual Cash Value is usually calculated in one of three ways: (1) cost to repair or replace less depreciation; (2) fair market value; or (3) consideration of all relevant evidence of the value of the damaged property (IBC 2026f).

**Appraisal:** An independent professional evaluation of the physical condition and/or market value of an item of property.

**Deductible:** An agreed specified amount that the insured must pay on a claim before the insurance company will cover the rest of the claim. This amount is agreed upon by both the insurer and the insured. An insured's obligation to pay a deductible is not based on whether the insured is at fault.

**Depreciation:** Reduction in value of property through use, ageing, deterioration and obsolescence.

**Endorsements (also known as add-ons or riders):** An amendment added to a written document, particularly an agreement between parties, altering its provisions. (i.e. adding on specific additional coverage such as "sewer backup" or insuring a specific valuable such as art piece).

**Guaranteed replacement cost:** An undertaking by the insurer to pay the cost of repairs to or replace the dwelling building even if it is more than the amount of insurance on the dwelling building, provided certain conditions are met in addition to those that normally govern settlement at replacement cost. Called enhanced replacement cost in Quebec.

**Indemnity:** To provide compensation for loss or expenses incurred.

**Insurance:** A contract in which one party, the insurer, for monetary consideration agrees to reimburse another, the insured, for loss or liability for a loss on a defined subject caused by specified hazards or perils.

**Insurance Claims Catastrophe:** A sudden and unexpected event causing many insured claims, often on a large scale. The event often creates an urgent situation of need for policyholders that is a challenge to service due to the scarcity of resources in the aftermath.

**Insurance Policy:** A written contract of insurance that provides evidence that a contract exists. It states in detail the terms of the contract; that is, the terms of the agreement between insurer and insured.

**Insured:** Any person (including a corporation) covered by an insurance policy. In some policies, the term may be defined exhaustively to limit the coverage or defined broadly to expand coverage.

**Insurer:** The insurance company that undertakes to indemnify for losses and perform other insurance-related operations.

**Loss:** A word often used in place of the word "claim." It refers to the amount an insurer must pay because one of the possibilities of loss insured against under a policy, has happened.

**Named Perils (or Basic) Insurance Policy:** A policy in which the perils insured against are listed, as opposed to one that insures against "all risks."

**Negligence:** Failure to use the degree of care expected from a reasonable and prudent person.

**Peril:** The event that caused a loss covered by the policy; for example, fire, windstorm.

**Policy:** Legally binding contract effecting insurance or certificates thereof, including all clauses, riders, endorsements and renewals.

**Policy Conditions:** Provisions which state the rights and duties of the insured or insurer.

**Personal Liability:** If someone slips on ice outside your door, or your condo's pipes leak, causing damage to other units, you may be legally liable for replacement costs, medical fees, legal fees and more. Insurance covers you for third party bodily injury or property damage as a result of an accident or negligence. Most basic home, condo and tenant's insurance policies offer some type of Personal Liability Insurance.

**Premium:** The price of insurance protection for a specified risk for a specified period of time.

**Replacement Cost Clause:** A provision, generally in property insurance coverage, to provide a substitute of the damaged or lost property with something similar, including having the same use but not necessarily identical to the property being replaced, without extra cost to the insured.

**Risk:** The chance of loss. Specifically, the possible loss or destruction of property or the possible incurring of a liability. Sometimes referred to as the subject of an insurance contract.

**Risk Management:** Analyzing a risk to quantify the potential for losses in a specific investment and to decide what is the appropriate action to take (or whether not to take action).

## 2.2 Relevant Cultural Heritage Terminology

The following definitions pertain to cultural heritage resources. Unless otherwise noted, the following definitions are outlined in the 2024 Provincial Planning Statement (PPS).

**Cultural Heritage Value or Interest (CHVI)**, also referred to as Heritage Value, is identified if a property meets one of the criteria outlined in Ontario Regulation (O. Reg.) 9/06 namely historic or

associate value, design or physical value and/or contextual value. Provincial significance is defined under *Ontario Heritage Act (OHA) O. Reg. 10/06*.

**Built Heritage Resource (BHR):** a building, structure, monument, installation or any manufactured or constructed part or remnant that contributes to a property's cultural heritage value or interest as identified by a community, including Indigenous community. Built heritage resources are located on property that has been designated under Parts IV or V of the *Ontario Heritage Act*, or that may be included on local, provincial and/or federal and/or international registers.

**Conserved** means “the identification, protection, management and use of built heritage resources, cultural heritage landscapes and archaeological resources in a manner that ensures their cultural heritage value or interest is retained. This may be achieved by the implementation of recommendations set out in a conservation plan, archaeological assessment, and/or heritage impact assessment that has been approved, accepted or adopted by relevant planning authority and/or decision-makers. Mitigative measures and/or alternative development approaches can be included in these plans and assessments”).

**Heritage Attributes** are defined in the *PPS* as: “the principal features or elements that contribute to a protected heritage property's cultural heritage value or interest, and may include the property's built, constructed, or manufactured elements, as well as natural landforms, vegetation, water features, and its visual setting (e.g., significant views or vistas to or from a protected heritage property)”.

- *Authors Note: Heritage attributes are typically identified and outlined in a property's designation by-law and/or heritage easement.*

**Protected heritage property** is defined as “property designated under Parts IV, V or VI of the Ontario Heritage Act; property subject to a heritage conservation easement under Parts II or IV of the Ontario Heritage Act; property identified by the Province and prescribed public bodies as provincial heritage property under the Standards and Guidelines for Conservation of Provincial Heritage Properties; property protected under federal legislation, and UNESCO World Heritage Sites”

**Significant** in reference to cultural heritage is defined as: “resources that have been determined to have cultural heritage value or interest. Processes and criteria for determining cultural heritage value or interest are established by the Province under the authority of the Ontario Heritage Act”

### 3.0 UNDERSTANDING INSURANCE

The following section does not constitute a detailed or exhaustive analysis of the insurance industry. Insurance varies from property to property and from location to location and generalizations do not capture site-specific considerations. This section is intended only to provide a high-level understanding of some of the fundamental considerations and elements that influence the operations of the insurance industry.

#### 3.1 Insurance Basics

Insurance is a legal contract provided by insurance companies that provides financial compensation if a disaster or accident unexpectedly occurs. Homeowner's insurance is the specific type of insurance that covers private residences. When a homeowner purchases insurance, the money contributes to an insurance company's 'premium pool' which is gathered monthly or annually from a company's insurance holders. The premium pool reflects an annual contract and therefore only operates one year at a time; it does not accumulate or carry forward over time (IBCa 2026). Insurance companies are required by law to ensure they have sufficient funds to pay any claims made. This is known as insurance solvency. As not all insurance holders will require a claim at the same time, the funds within the premium pool spread costs across the insurance claims.

The amount a homeowner pays in premiums is calculated to reflect the likelihood of any loss that would result in a claim, and are directly influenced (i.e., increased or decreased) by the specific details or features specific to a building and/or property (IBCb 2026). In the event of a minor or major loss resulting in a claim, insurance companies use the funding from the pool of premiums to provide coverage. The amount of coverage is limited to what is described in a homeowner's contract with the insurance provider. This means that issues not specifically outlined in the contract are not covered, nor is regular or required maintenance covered.

To summarize, the Insurance Bureau of Canada, breaks the basic understanding of the insurance process into the following four steps:

1. *Your insurance company estimates an annual cost or premium to accept the risk of covering your home, business or car. Premiums are based on how much money insurance companies think they will need to pay for the coming year's claims. There are many factors that go into this – like where you live, your claims history and the value of your property. Learn how home, auto and business rates are set.*
2. *On a monthly or annual basis, you pay a premium to your insurer for taking on this risk on your behalf.*
3. *Your insurance company puts premiums into one large pool of money to pay for claims. Typically, insurance is an annual contract, so the pool has premiums being added and subtracted from it all the time.*
4. *Not everyone makes a claim so your insurance company uses the pool of premiums from many people to pay the claims of a few people (IBCa 2026).*

#### 3.2 Insurance Governance

In the province of Ontario, home insurance is not mandatory by law, however, most financial institutions and lenders require proof of home insurance in order to secure a mortgage. As an

agency of the Government of Ontario, the Financial Services Regulatory Authority of Ontario (FSRA) is the regulatory agency that, among other sectors, works to “protect the rights of consumers in Ontario by promoting high standards of business conduct and transparency within the financial services we regulate” (FSRA 2025). As of June 30, 2025, FSRA’s website notes that the following insurance-related entities were regulated or registered:

- 280 insurance companies
- 1,162 mortgage brokerages
- 3,059 mortgage brokers
- 9,923 mortgage agents level 1
- 5,235 mortgage agents level 2
- 266 mortgage administrators
- 71,680 insurance agents
- 7,336 corporate insurance agencies
- 1,626 insurance adjusters (FSRA 2025).

While the FSRA’s role is to regulate and ensure that those selling insurance are licenced and follow legislation, there are no mandatory requirements which requires companies to provide insurance to property owners. The decision to insure property owners is determined solely by the insurance company. Typically, a property owner will purchase insurance from an insurance broker who may work with numerous insurance companies at the same time. Alternatively, a property owner may purchase insurance directly from an insurance agent representing a singular insurance company.

### 3.3 Types of Policies

Property insurance will have a wide variety of coverage that is directly dependent on the policy selected, however, it will typically cover “the property, contents and personal liability of you (the policyholder), your spouse or partner and your children (age limited)” (IBCc 2026). According to the IBC,

*...there are multiple levels of coverage, which we've summarized below:*

1. *Comprehensive. Covers the building and its contents for all risks, except for those specifically excluded Flood, earthquake or sewer backup are some of the optional coverages that you may be able to purchase separately.*
2. *Basic or Named Perils. Covers only those perils that are specifically stated.*
3. *Broad. Provides comprehensive coverage on big-ticket items, such as the building, as well as named perils coverage on the contents.*
4. *No Frills. Offered by some insurers, it covers properties that don't meet normal insurance standards. Correcting physical problems can help qualify for better coverage. (IBCc 2026).*

A standard or basic insurance policy covers a property’s owners building and contents against the specific ‘named perils’ outlined in the insurance contract. A peril is “a chance event that is unexpected and accidental” (IBCc 2026) and insured perils include:

- *Aircraft or vehicle impact*
- *Electrical current*
- *Explosion*

- *Falling object (excluding objects propelled by snowslide or earth movement)*
- *Fire*
- *Lightning*
- *Riot*
- *Smoke (released suddenly from malfunctioning cooking or heating devices, but not from fireplaces)*
- *Theft*
- *Transportation (of personal property while it is temporarily away from your home, including fixtures and fittings being repaired or in seasonal storage)*
- *Vandalism (where building is normally occupied)*
- *Water damage usually includes damage arising from sudden and accidental escape of water from an indoor plumbing, heating, sprinkler or air conditioning system; or from an indoor or outdoor “domestic appliance” on your premises; or from a water main. Coverage for overland flooding or sewer backup may be available as an optional add-ons to your policy. Speak to your insurance representative regarding the specifics of your policy.*
- *Wind and hail (applies to the exterior of the building excluding antennas and satellite dishes; interior of building is covered if the storm has first created an opening).*
- *Window breakage (in a building that is normally occupied) (IBCc 2026).*

Regarding uninsured Perils, the IBC notes the following:

*A home insurance policy is not a maintenance contract. Predictable events such as flooding of a home built on a flood plain, or preventable events, such as frozen indoor pipes, are not covered.*

Further to this, the IBC lists the following as generally ‘excluded perils’:

- *Landslides, earthquakes and other earth movements. While this is not covered on a home policy, damage from a fire or explosion caused by earth movement would be covered. Coverage for damage caused by an earthquake may be purchased as additional coverage.*
- *Damage arising from the freezing of indoor plumbing. This is generally regarded as preventable. If you’re away from your home for more than four days during the normal heating season, you must drain the plumbing or have your home checked regularly or daily to ensure that heat is maintained. If freezing-related damage were to occur and such precautions were not taken, it would likely be excluded.*
- *Damage from freezing outside the home. This is not covered, nor is melting or moving snow and ice, and heaving frost. Additional coverage for damage caused by roof ice damming may be available for purchase.*
- *Direct damage resulting from intentional application of heat (e.g., clothing shrunk by a clothes dryer, burned by an iron). This is not covered. However, if the dryer were to set the clothing on fire and the flames spread to the room and its contents, the resulting damage would be covered.*
- *Damage by insects and rodents. This is excluded; some policies may make an exception for damage to building glass.*
- *Pollution*
- *Damage to property acquired illegally.*

- *Losses caused by criminal or intentional acts by the policyholder.*
- *Losses due to war, terrorism, nuclear risks (IBCc 2026).*

### 3.4 Coverage – Replacement Cost VS Actual Cost Value

When an insurance policy is purchased, the value of a property must be determined. There are two methods for calculating this value: replacement cost or actual cash value.

Replacement Cost is defined by the IBC as:

*A provision, generally in property insurance coverage, to provide a substitute of the damaged or lost property with something similar, including having the same use but not necessarily identical to the property being replaced, without extra cost to the insured (IBCf: 2026)*

Actual Cash Value is defined by the IBC as”

*The fair market value of property, taking into account factors that might augment or reduce the value of the property in question. Actual cash value (ACV) is usually calculated in one of three ways: (1) cost to repair or replace less depreciation; (2) fair market value; or (3) consideration of all relevant evidence of the value of the damaged property (IBCf 2026)*

It is noted that both coverages have pros and cons and determining which one is right for the homeowner is at their discretion. The Cooperator Insurance Website provides the following example scenario and a list of pros and cons associated with each approach:

#### **Replacement cost insurance**

*If you have replacement cost insurance, your claim will cover the lesser cost of restoring items to their original condition or buying new items of like kind and quality to the ones lost; there will be no deduction for depreciation. This means, if your four-year-old TV is stolen, the claims payment you receive will allow you to buy a new TV with features as similar as possible to the stolen model. The payment you receive may not be the same as you originally paid for the TV, as a similar model is likely cheaper now.*

- **Pro:** *With a replacement cost policy, the money you receive in a claims payment will allow you to adequately replace your lost items.*
- **Con:** *Premiums for replacement cost policies are generally higher than premiums for actual cash value policies.*

#### **Actual cash value**

*If you have an actual cash value policy, your claims payment will be based on the cost of buying items in similar condition to the ones you lost; depreciation will be factored into your payment. For example, if your six-year-old washing machine is damaged in a fire, your insurance company will determine the*

*current value of that machine in its used condition, and provide you with that amount as a payment.*

- **Pro:** *When calculating items at actual cash value, you'll likely be charged a lower premium.*
- **Con:** *If you purchase new items to replace the ones you've lost, you'll be on the hook for the difference between the insurance payout and the cost of a brand new item. Or, if you choose to replace with an older or used item, you may find it hard to find something satisfactory (Cooperators 2026).*

### 3.5 Premiums

As outlined in Section 3.1, premiums are the cash/dollar amount that is regularly paid to the insurance company to ensure coverage. When determining how much is paid in premium, the Government of Canada notes that the following factors may be considered:

- *the type of residence you live in, such as a single family home, semi-detached or condo*
- *characteristics of your residence, such as materials it's made of, age, size, location, replacement value*
- *value of your property and contents they must insure*
- *the distance between your home and a fire hydrant or a fire station*
- *the crime rate in your neighbourhood*
- *your claims history*
- *the type of policy and coverage you selected*
- *the amount of your deductible (A deductible is the amount of your claim that you agree to pay before your insurance company pays the rest)*

The IBS outlines several key factors which play a direct role in determining home insurance premiums and rates. This includes:

1. **What's the replacement cost?** *A home's size, how and where it is constructed and the value of your contents significantly affects what you pay for home insurance. Your home insurance covers personal belonging such as appliances, clothing, furniture and electronic equipment. Some items – such as fine art, jewellery and collections – are subject to specific limits.*
2. **How well maintained and updated your home is.** *Insurers want to know what updates have been made to:*
  - A. **Electrical.** *Because outdated electrical systems and components can cause a fire, insurers will ask about knob-and-tube or aluminum wiring and fuses or service that's less than 100-amps. Updated wiring, a minimum 100-amp service with breakers and/or a electrical inspection by a licensed electrician may be required.*
  - B. **Plumbing.** *Galvanized steel or lead pipes are more likely to crack and leak. Upgrading to copper or plastic plumbing can help you reduce the cost of insuring your home.*

- C. **Roofing.** *It's your front line of protection against the elements so insurers generally prefer that roofs are updated within 20 years. If your roof has reached its lifespan and a leak occurs, the interior damage may be covered, but the roof damaged would not be insured. Remember home insurance is not a maintenance policy. You still need to maintain and update your home.*
3. **Wood stoves.** *If not properly installed or maintained, wood stoves and fireplaces can cause fires and carbon monoxide poisoning. Talk to your insurer before you buy or rent a property with a wood stove. Your insurer may require an inspection. Wood burning appliances do affect the availability and affordability of home insurance.*
4. **What makes your property unique?** *Your house may have unique features or uses that are different than those of your neighbours. Your insurer will want to know:*
- A. *Do you operate a home-based business?*
  - B. *Do you rent out all or part of your property?*
  - C. **Is your home a designated heritage property?**
  - D. *Do you have a burglar alarm, and smoke/carbon monoxide alarms? Are they monitored off site?*
  - E. *Do you own a swimming pool?*
  - F. *Do you have additional structures such as a pool house, separate garage or home office shed?*
5. **Where's your property located?** *Across Canada, every neighbourhood is home to different types of properties and risks. Insurers track the number, type and cost of claims by neighbourhood to understand how likely it is that a future claim may happen. If you live in an area experiencing severe weather events causing an increase in claims the cost to insure homes in your neighbourhood may increase.*
6. **Where's the closest fire hydrant and fire station?** *If you own a property that's far from a fire hydrant or fire station, the cost to insure it may be higher. The sooner a fire can be put out, the lower the cost is to restore your home.*
7. **What's your claims history?** *Your personal claims history may have an impact on your premium. Past claims are often an insurer's best predictor of future claims activity (IBCd 2026).*

### 3.6 Reducing Insurance Costs (General)

The IBC has identified a variety of discounts that may be available to the homeowner to help reduce premiums:

1. *Shop around and compare prices. This is the simplest way to save on your rates. Ask about promotions.*
2. *Ask about discounts and bundle your policies. If you own a car, get a home insurance quote from your car insurance provider. Companies often offer discounts when you "bundle" your home and car insurance together.*
3. *Increase your deductible on your policy. The deductible is the part of the loss you must pay when you make a claim. When the deductible goes up, the premium goes down. Make sure you can afford to pay the deductible in the event of a loss.*

4. *Protect your home against fire, theft, water and severe weather damage. Installing loss prevention devices such as a burglar alarm system, reinforced roofing, a sewer backwater valve, storm shutters, sump pumps and sprinkler systems can potentially provide additional protection and reduce your premiums. Upgrading electrical, heating and plumbing systems may help to reduce your premium. Contact your insurer when updating your home's protective systems – you may be eligible for a discount.*
5. *Ask your current insurance representative about additional discounts. If you're 55+ or are mortgage or claims-free you may be eligible to save money on your home insurance.*
6. *Consider paying your premium annually. You can save money by avoiding potential service or interest charges by paying your premium in installments.*
7. *Evaluate your coverage every year. Ensure your policy reflects your home's current value, including upgrades, recent renovations and major purchases.*
8. *As a non-smoker, you have a lower risk of fire loss and may be offered a discount.*
9. *Avoid over-insuring your home. Don't include the market price of underlying land. Insure your home for what it would cost to rebuild with like-quality materials in the event of a loss. Speak to your insurance representative about this.*
10. *When shopping around, wait until renewal to change your insurance company. Avoid a potential mid-term cancellation penalty if you decide to change your home insurance company (IBCe 2026).*

### 3.7 Making a Claim

The IBC notes there are generally three steps to filing an insurance claim:

#### **STEP 1. Document everything**

*When it's safe to do so, make a complete list of all damaged, destroyed or stolen items. Remember these tips:*

- *If possible, attach proofs of purchase, receipts, police reports, owner's manuals and warranties for lost or damaged items.*
- *Take photos of any damaged or destroyed items. Review your files for photos of any stolen items.*
- *Keep notes and be as detailed as possible when documenting damage and providing information.*
- *Keep damaged items unless they are dangerous or pose a health hazard. Confirm with your insurer before disposing of damaged property.*
- *Keep all receipts related to cleanup.*
- *Review and update your home inventory list after you experience a loss.*

#### **STEP 2. Contact your insurance representative**

*You must report an accident or claim to your insurance representative and provide complete, accurate details as soon as possible following a theft, accident or property damage. Most insurance companies have a 24-hour claims service.*

*Here are some things to keep in mind:*

- *Always keep your insurer's contact information handy.*
- *Be as detailed as possible regarding the circumstances and any subsequent damage.*

- *In the event your home is unfit to live in, ask your insurer if you are eligible for the Additional Living Expenses (ALE) that are covered under your policy and for how long.*
  - *Most personal property insurance policies (homeowner, condominium unit owner and tenant) cover the cost of alternate accommodations and living expenses for people whose home has become unliveable after an insured loss. There may also be limited coverage for mass evacuation under certain circumstances.*
  - *ALE covers anything over and above your normal expenses. For example, if your temporary accommodations doesn't have laundry facilities and you have to use a laundromat, those expenses may also qualify. However, ALE does not cover all of your expenses while you are displaced; it covers your increased cost of living as a result of being displaced.*
- *Keep all receipts and invoices for additional living expenses following your loss.*
- *After filing your claim with your insurer, a claims specialist or adjuster will contact you. They will review the loss circumstances; examine the documents you provide and explain the next steps.*

### **STEP 3. File a proof of loss if requested**

*When you file your claim, your insurance company will ask you to complete a "proof of loss" form. This form lists all damaged or lost property or items with the value or cost of the damage or loss.*

*You must sign and swear the statements you make are true. If any of the statements are untrue, your insurance may be voided.*

*Typically, a proof of loss must be completed and returned to your insurance company within 30 days. Your insurance representative or claims adjuster can answer any specific questions you might have (IBCg 2026).*

## **3.8 Market Trends**

There is an overall trend showing that the number of property claims has steadily increased over the past few decades. This has directly impacted the cost of premiums and the cost of home insurance. Figure 1 shows the number of claims that have been made between 2010 and 2022. Figure 2 provides a chart that shows the financial cost (paid out) due to catastrophic losses in Canada from 1994 to 2024. In both cases, there is an increase in the number of claims and the cost to pay out the claims.

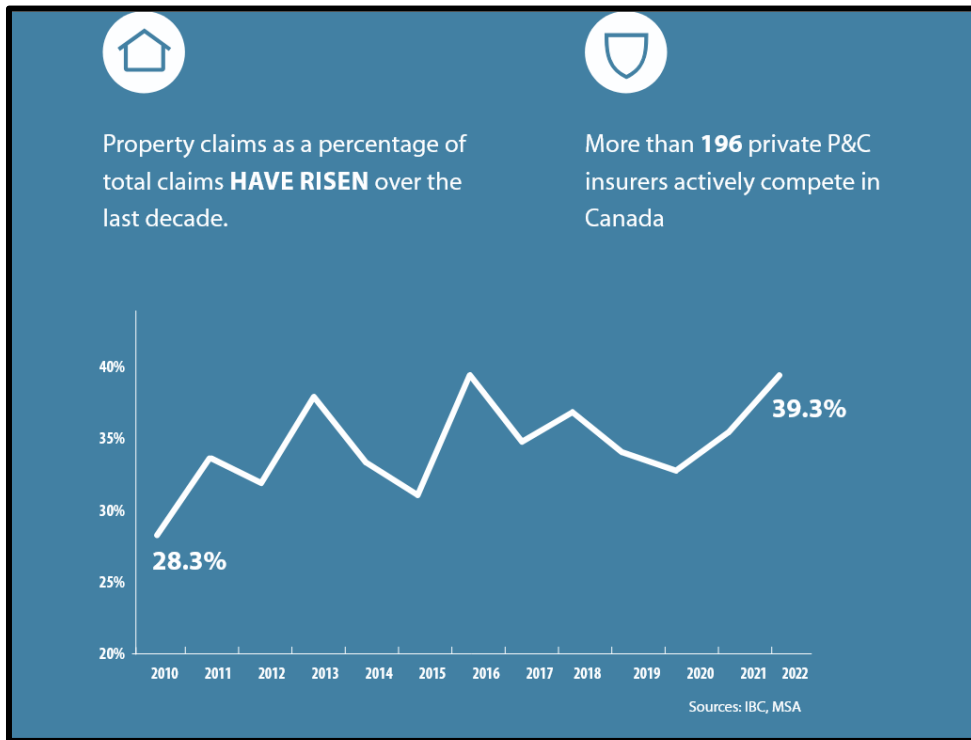


Figure 1: Property Claim Chart From 2010 to 2022 (IBC 2023)

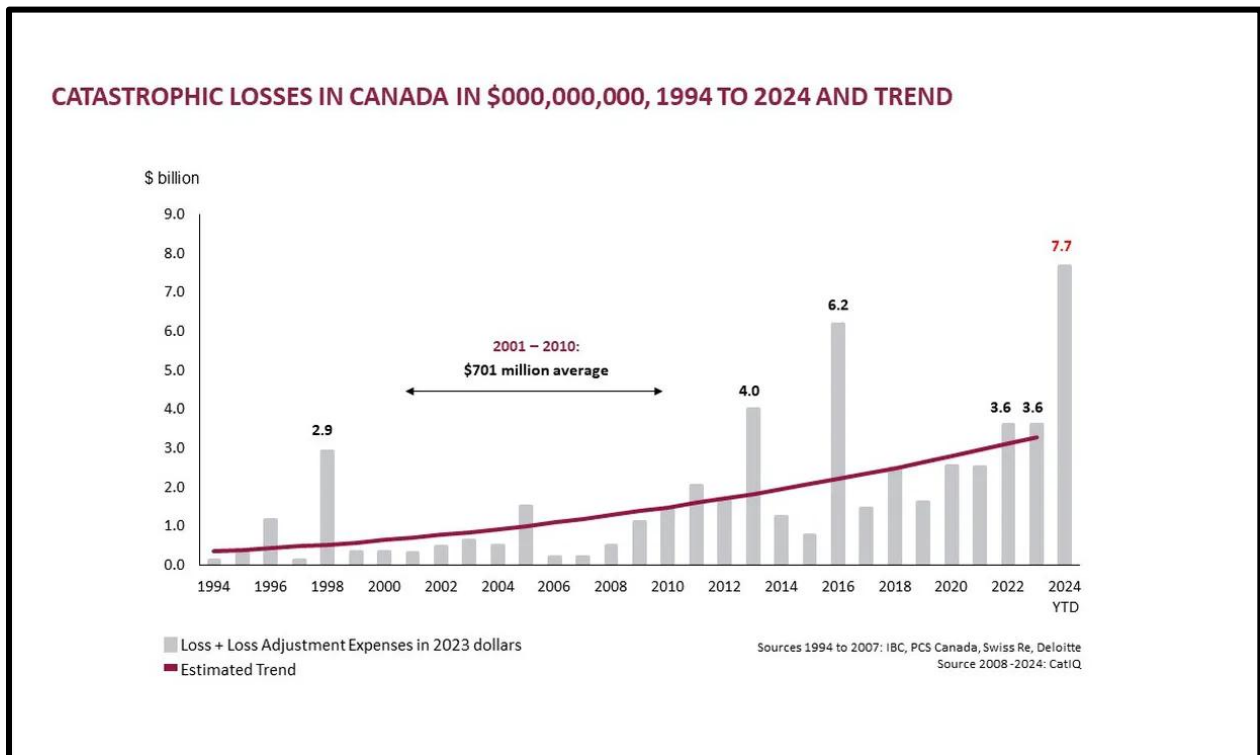


Figure 2: Catastrophic Losses in Canada Chart from 1994 to 2024 (IBC 2024)

## 4.0 INSURANCE PROVIDERS CONSIDERATIONS FOR OLDER/HERITAGE BUILDINGS CONSIDERATION

While every property has qualities for an insurance provider to consider, there are physical and legislative components specific to older/heritage buildings, which impact insurance premiums and/or coverage.

### 4.1 Built/Functional Elements of a Building That Impact Premiums/Coverage

A FSCO (Financial Services Commission of Ontario – now the FSRA) bulletin outlined several built/functional components of a home that could impact the premiums/coverage of a property. The components identified:

#### **Galvanized Steel Plumbing**

Prior to 1950, galvanized steel pipes were commonly used in residential plumbing. With a life expectancy of 40-50 years, over time the pipes can “rust or corrode from the inside out, resulting in reduced water pressure and restricted water flow. This presents an increased risk of leaks or ruptures occurring in the pipes and the potential for flood damage” (FSCO 2015).

#### **60-amp Electrical Service**

It is common for homes built prior to 1950 to have a 60-amp electrical service, whereas a 100-amp system is the standard for new home construction. A 60-amp electrical system “poses the threat of overuse and overheating, potentially increasing the risk of an electrical fire and a subsequent claim” (FSCO 2015).

#### **Knob and Tube Wiring**

Knob and tube wiring consists of “parallel hot (black) and neutral (white) wires, separated by knobs (or insulators) and ceramic tubes” (FSCO 2015). Unlike contemporary wiring, insurance providers consider knob and tube higher risk because there is no ground wire, the wiring is more susceptible to wear, and increased exposure heightens fire hazards due to potential contact between the black and white wires.

#### **Aluminum Wiring**

Homes built between 1960 and 1970 are likely to have aluminum wiring. While this wiring system can be safe when installed correctly, insurance companies will not provide insurance where wiring is not installed correctly and creates a safety hazard.

#### **Wood-burning Stoves**

If not installed correctly, wood burning stove present a fire hazard. Insurance companies may require that the stove “be inspected by a certified Wood Energy Technical Training (WETT) technician and certified by the Underwriters’ Laboratories of Canada (ULC), Canadian Standards Association (CSA) or Warnock Hersey before agreeing to provide you with home insurance” (FSCO 2015).

#### **Fuel Oil Tank**

Any tanks over 25 years old “are highly susceptible to rusting, deterioration and leakage and are considered environmental hazards” (FSCO 2015).

## Roofs

A typical roof is considered to have a lifespan of 20 years. Roofs older than 20 years present an increased chance of leaks and subsequent water damage (FSCO 2015).

## 4.2 Designated Heritage Properties

The OHA is provincial legislation that enables municipalities and the Ontario provincial government to protect heritage properties. As the IBC is a federal-level organization, it does not provide Ontario-specific guidance on how buildings recognized under the OHA interact with insurance. Therefore, the information shared on the IBC website discussing 'Heritage or Historically Designated Property' provides broad commentary on insuring heritage homes:

*Owning a heritage property is an investment in Canada's history. Your home's replacement cost – what it would cost to rebuild – includes time for planning approvals as well as repairs that may involve speciality contractors and building materials. Be proactive to ensure your heritage property is well protected and keep these tips in mind:*

- *Shop around. Find an insurance representative who understands the specific risks associated with a heritage property*
- *Reduce risks. Protect your property and reduce the chances of making a claim*
- *Maintain detailed records and photos and share them with your insurance representative. Comprehensive property information – such as applicable bylaws, type of historical designation, planning requirements, updates and maintenance records, unique features, etc. – enables your insurer to accurately assess your risk*
- *Buy enough insurance. Guaranteed replacement cost coverage – the full cost to replace your property – may not be available for a heritage property even as a policy add-on. It's your responsibility to purchase sufficient coverage to meet any heritage regulations (IBC 2026h)*

Similarly, the IBC has released a pamphlet outlining "Tips for Insuring a Heritage Property, What to consider" with respect to reducing risks, and it also provides several reasons "Why your heritage property may be more expensive to replace" (see full Pamphlet in Figure 3-Figure 4). The pamphlet notes the following factors may impact homeowner premiums:

- *Planning approvals. There are often more layers of bureaucracy involved in repairing or rebuilding a heritage property. This can increase the time period that insurers pay for your living arrangements while repairs are done.*
- *Insurer expertise. In order to adequately assess your home, most insurers have appraisals by qualified professionals with expertise in evaluating heritage properties.*
- *By-laws. It is generally a requirement that heritage properties be rebuilt on the original site, to the original occupancy, using materials similar to the ones used at the time it was built.*
- *Claims settlement costs. Extra time for approvals and repairs can also mean a lengthier claims process.*

Heritage properties are compelling connections to the past. **As older, historic buildings, it's important to have them adequately insured.**

Heritage homeowners typically spend considerable time to maintain and/or upgrade their properties. **A detailed document** that includes appraisals, photos and other information will go a long way to address insurers' concerns about insuring an older home.

**Questions about insurance? Call us.**  
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This information is accurate as of July 2022.

**Heritage Properties:  
Insuring the  
Living Past**

**IBC**  
Insurance Bureau  
of Canada

Figure 3: IBC Pamphlet (IBC 2026i)

### Tips for Insuring a Heritage Property

1. **Shop around.** Take the time to find an insurance company that understands heritage properties. When shopping around, consider the deductible amount and the claims settlement process in your decision.
2. **Reduce your risk.** Take the necessary steps to protect your home and reduce the chances of having to make a claim – whether it's to update wiring, install smoke detectors or replace an old roof. It will not only make your home safer but will help reduce your premium.
3. **Keep records.** Heritage properties often have unique features such as antique chandeliers and plaster mouldings. A record of your home's distinct details will help your insurance company accurately assess the cost of replacing these items.
4. **Choose the right coverage.** Avoid the temptation of reducing your coverage to save a few dollars – it's simply not worth it. Not having adequate coverage to repair or replace your home or personal property can be a financial hardship. The meagre savings will provide cold comfort in the event of a claim.

### What To Consider

Insurers look for well-maintained homes with low levels of risk and good claims records. Keep records on all updates to your home. You may want to consider:

- **Replacing knob-and-tube wiring** (this can increase the chance of a fire if deteriorated or damaged)
- **Updating the roof** (if upgrade needed)
- **Upgrading the plumbing** to copper or plastic (if needed)
- **Upgrading the heat source** (for example, forced air gas or electric)
- If the property is a row house or semi-detached of any age or designation, your insurer may request **proof of an adequate fire-break** between the homes.

### Why Your Heritage Property May Be More Expensive to Replace

With heritage properties, replacing after a loss isn't quite as easy as with regular properties. Here's why:

- **Planning approvals.** There are often more layers of bureaucracy involved in repairing or rebuilding a heritage property. This can increase the time period that insurers pay for your living arrangements while repairs are done.
- **Insurer expertise.** In order to adequately assess your home, most insurers have appraisals by qualified professionals with expertise in evaluating heritage properties.
- **By-laws.** It is generally a requirement that heritage properties be rebuilt on the original site, to the original occupancy, using materials similar to the ones used at the time it was built.
- **Claims settlement costs.** Extra time for approvals and repairs can also mean a lengthier claims process.



Figure 4: IBC Pamphlet  
(IBC 2026i)

## 4.3 Published Guidance and Insights on Heritage Specific Considerations and Insurance

### 4.3.1 Insurance Bureau of Canada

#### Underwriting

According to a webinar presented by IBC, titled “Insuring Older & Heritage Buildings with Amanda Dean (IBC/BAC) and Aneill MacCaul (IBANS)” heritage buildings have several considerations which impact not only if companies will insure a heritage property, but also how much the premiums will be impacted. In the webinar, the IBC outlined that the basis for all insurance settlements requires insurance providers to replace in “like kind and quality”. Because of this, the IBC concluded that certain features or requirements associated with heritage buildings could be more expensive and therefore add to a homeowner’s premium.

The 2021 IBC webinar highlighted several points insurers consider with regard to heritage buildings including:

- Construction and built/functional elements may need to be updated
  - One of the primary considerations is related to age and mechanics of the building (when were things updated and inspected etc.). There is an increased risk to older and more outdated mechanics, e.g. Roof, HVAC systems, plumbing etc.
- Considered a specialty risk
  - Heritage buildings requires expertise to assess and underwrite. Some insurance agencies do not have the staff on hand with specialty knowledge and therefore are not willing to provide insurance for heritage buildings.
- Custom exterior features are hard to repair or replace
  - Designated heritage properties have identified heritage attributes that need to be replaced. These features may include specific architectural components that are not readily available and/or require specific skillsets to be replicated.
- It can be hard to find the right coverage at an affordable rate.

The webinar also noted that certain features associated with heritage properties can add to homeowner’s premiums:

- Replacement Cost vs. Reproduction Cost
  - The requirement to replace in “like kind and quality” directly influences the “Replacement Cost vs Reproduction Cost. With heritage homes, there is uncertainty regarding what will be required to repair or replace, and if the insurer is required to meet the “like kind and quality”, it might cost more to do that.
- Modern building materials and workmanship vs those of the past
  - Will specific architectural features/details etc. require a specialty mill worker to completed the work, and/or how hard might it be to ascertain unique architectural detailing or features are considerations for insurance companies.

- Contaminants
  - Insurers are also aware that older homes have an increased risk that there is the presence of contaminated materials in the home (Asbestos and Lead Paint or Mold), which has the potential to need remediation.
- By-Laws and Planning Approval
  - With designated properties, the planning process and approval process has the potential to take time and may impact the premiums as it has the potential to increase payouts (i.e. time to go through the planning process). Often a special planning process may be required when there is a partial loss.

All of these factors, and more, are noted as influencing the anticipated claim settlement costs and therefore the premiums.

The IBC webinar notes that one of the ways property owner can help mitigate or better educated insurance companies/agents etc. is to create a Risk Prospectus. This helps insurers to better assess the risk associated with the individual property. An example of a IBC Risk Prospectus is included in Appendix A. The IBC webinar notes the following items should be provided to the insurance agent/agency to help reduce risk. This includes:

- By-Laws,
- Historic designation assigned to the property, and
- Planning requirements for heritage in the event of a partial loss and total loss.

### Claims Process

The IBC webinar also noted that the following costs are associated with a claim which include:

- Debris removal costs
- Construction costs (i.e. labour, materials, upgrades needed to be in compliance)
- Specific Design and Architecture services.

Lastly, the IBC webinar noted that claims made on older/heritage buildings may incur additional living expenses. For instance, time out of the house (i.e. in a hotel etc.) may be higher because of custom replacement or repairs and/or time navigating the planning process and permit approval process.

The full webinar is available to watch online (IBC 2021).

#### 4.3.2 National Trust of Canada

The National Trust of Canada undertook a nation-wide survey on insurance and issues with insuring heritage properties from February to April 2022. An information working session titled “Gathering the Heritage Sector: Insurance and Heritage Properties- Review of Survey Findings and Next Steps” took place on June 14th 2022. The purpose of the session was to highlight some of the main findings and facilitate a discussion on next steps. In this session, three representatives from IBC were present to provide some industry advice and insights and to comment on the survey findings.

The survey was conducted following an increase in concerns from people related to insurance rates increases; and in response to discussion from planning/municipal/etc. entities noting that

insurance was being used as a rationale to not pursue designation and/or as a means to justify de-designation. The National Trust of Canada's survey was aimed at determining if the data received would support the anecdotal evidence. The goal of the survey was to assess the pan-Canadian situation and help guide a fact-based advocacy campaign.

The National Trust received 930 responses from property owners across the country from various sized communities in both urban and rural areas. As noted by the National Trust, the key issues and top-level takeaways included:

- Heritage vs. older buildings experiencing similar issues?
  - There was a consensus that more information is needed to fully understand this issue
  - The survey suggested that it is older buildings in general which are experiencing issues with insurance, however this needs further exploration.
- Cancellation of policies and premium rate increases are uneven across Canada (not region specific)
  - The survey findings suggest that certain areas are experiencing extremely high rates.
  - Different provinces had different issues
- Need for greater insurance industry transparency around requirements – new “heritage appraisal” etc.
  - In the open ended responses, the requirement of needing a “heritage appraisal” was noted and becoming more common. This is an assessment of the specific replacement cost for individual properties. Although this was being asked by insurance companies, it was noted that there is a lack of clarity about who could do it and what qualifications were needed to complete that kind of appraisal.
- “Replacement Cost” continues to be entangled with heritage designation.
  - Replacement with “like materials” provides challenges
  - Heritage Designation does not obligate owners to replace in same design, but it still gets entangled in the approach or the understanding of the industry.
- Insurance issues are generating a negative “chill” around heritage/older buildings.

The survey showed that approximately 40% of survey participant had experienced difficulties with insurance coverage, over 60% of them had to accept higher premium rates, and almost 40% had been refused. “Heritage status” and “age of building” were the top two answers given when participants were asked “What concerns were raised by insurance companies?”.

In conversation about the topic, IBC representatives and Insurance Brokers provided some commentary on industry trends and the results of the National Trust's survey:

- Insurance companies primary interest is related to mechanics, updates, systems etc. When one of those is a risk, insurance agents often refuse coverage.
- Insurance is always related to the perception of risk. Issues of risk relate to the concern that the house has a higher risk.
- When there are unknowns and uncertainty with a property, it is perceived by the insurer as risk and often the reason why they do not insure/offer an insurance contract.
- Changes in market conditions (soft market vs hard market) directly impact the level of risk insurance agencies are willing to take on.
- When the market is hard, the riskiest accounts are the ones that present the most challenging and the ones that do not get re-negotiated.

- There is a limited number of insurers who understand the heritage process.
- The process of getting quotes for insurance online is sometimes determined by algorithms. When these online tools are employed to determine if the property is a candidate for insurance, a heritage property does not necessarily fit into the standard parameters. This can result in being denied receiving a quote, or denied in the renewal process.

The full webinar is available to watch online (NT 2022).

## 5.0 SURVEY

### 5.1 Background and Methodology

CHO, in association with ARA and Professor M. Drescher at the University of Waterloo's HRC, undertook a survey to gain insight into how designation under the *Ontario Heritage Act* (OHA) may be creating real or perceived issues regarding property insurance. The study involved two components which were reviewed and analyzed independently.

1. The first component surveyed Municipal Heritage Planners and/or Planners responsible for heritage matters in their respective municipalities/towns/cities etc. to understand questions they had, or frequently receive, related to home insurance for heritage properties. The survey received responses from 42 planners from 37 municipalities across south and central Ontario.
2. The second component surveyed residential property owners to get insight into whether insurance was a real or perceived barrier to the designation process under the OHA. An invitation to take part in this study was sent out to 1,997 property owners. In total, 120 (6%) property owners responded.

The property owner study included the following parameters or considerations:

- Only residential properties were examined.
- The **sample group** included properties designated recognized under Part IV and V of the OHA.
- The **control group** included properties that were constructed in, or before, 1925 and were not recognized by the OHA.
- Survey locations were limited to places that had available information/data/lists/inventories for properties that were recognized under the OHA and inventories of properties built prior to 1925 but had not been recognized under the OHA.
  - Locations included:
    - City of Guelph
    - City of Kingston
    - City of Hamilton
    - Municipality of Clarington
    - Town of Ajax
    - City of Toronto
    - City of Kitchener
- Participation was voluntary and anonymous.

This study was reviewed and received ethics clearance through a University of Waterloo Research Ethics Board (REB #44379).

#### 5.1.1 Residence Survey

In the control group, a total of 1,194 properties that were built on or before 1925 but did not have recognition under the OHA received a mailed information sheet inviting them to participate in the study and directing them to the online survey. The addresses of residences were provided by a municipal database (some publicly available online), provided by local planning staff, or were recorded as part of a past study (i.e. Guelph- Couling Inventory). The identity of the property

owners remained anonymous and confidential. The information in the mailout directed property owners to an online survey. The mailout provided the URL link as well as a QR code which was linked to the survey.

A total of 803 properties that have been recognized under Part IV or Part V of the OHA received a mailed information sheet inviting them to participate in the study and directing them to the online survey. The addresses of residences were obtained through a municipal database and by local planning staff.

The residential property owner survey resulted in 120 responses. Specifically, the breakdown of the survey results is as follows:

- Part IV – 22 responses
- Part V – 15 responses
- Listed on a Municipal Heritage Register – 5 responses
- Built from 1926 to 1960 but not recognized under the OHA – 2 responses
- Built in or before 1925 but not recognized under the OHA – 56 responses
- None of the above – 3 responses
- Do not know – 16 responses
- Did not answer – 1 response

### **5.1.2 Planner Survey**

The planners survey was conducted entirely online. The information regarding the voluntary option to complete the survey was communicated through the Ontario Heritage Planners Network. This email forum includes municipal heritage planners, or planners who are responsible for heritage matters in their community, from all over Ontario. Information on the background of the study, ethics information, introduction letters with link to the survey was provided to the Planners of Ontario Email Network.

### **5.1.3 Study Limitations**

The current report is based on self-report data, which always carries with it the potential for a degree of uncertainty and bias stemming from, e.g., faulty recall, social desirability bias, or anchoring bias. This is also true for the current study. A subsequent study that could combine a variety of data sources (e.g., insurance contracts, interviews with insurance company staff) could help with cross-checking data and increasing overall reliability.

The results in this report, while valid, are based on a relatively small sample size. Generally speaking, when a sample size is small, it is more difficult to show any effects or differences than when a sample size is large. This might have led the researchers overlooking possible additional effects or differences. Having said that, the effects that have been observed must be fairly strong to be registered with a small sample size.

This study is also characterized by a small response rate. There were some limitations to the study that may account for the low response numbers. Specifically, there was only one mailout wave to property owners carried out as part of the study. Typically, following best practice for mail surveys and to get a more fulsome response rate, a first, full mailout of a survey is followed by a reminder postcard, which is then followed by up to two more survey mailouts to non-respondents.

However, funding constraints did not allow for full implementation of best practice and therefore only one full mailout of the survey took place.

The low response rate of OHA designated property owners (37 of 119) versus those with homes built before 1960 that have no OHA recognition (82 of 119) is very different. Despite the survey being anonymous and confidential, a possible explanation is that there is uncertainty or concern about the topic especially among participants with designated properties who might have been weary of drawing attention to the matter, or their property's heritage status. Therefore, while methodologically rigorous and valid, the current study should be seen as exploratory. Caution should be applied when extrapolating the findings, while statistically significant in some cases, to other property owners or jurisdictions. However, at the very least, the findings can serve as the basis for hypotheses to be confirmed by further study.

A small response rate introduces the possibility of non-response bias, where respondents differ in a systematic way from non-respondents. In other words, ideally a sample should be representative of the larger population. When the response rate is low, the sample might not be representative. This might be just by chance, or because the ones that did respond are somehow different from the ones that did not respond. This can create challenges for extrapolating from the sample results to the larger population.

## 6.0 SURVEY RESULTS

The general questions intended to confirm the property's heritage status/no status, highlighted an interesting observation with many respondents indicated that they do not know whether their property is on the heritage register. Further, responses from property owners seem to indicate that they may not know what a heritage register is or what it means to be listed.

This unawareness could potentially explain why only five property owners indicated their house was on the heritage register while 16 indicated they did not know at all what the heritage status of their house was. The study did not include properties "listed" on a heritage register, therefore, there may be confusion about the terminology and the difference between "listed" under section 27 of the OHA and designated under Part IV or V.

The full results of the planner survey and property owner survey are outlined in Appendix A

### 6.1 Key Findings

#### 6.1.1 Planner Survey

- **Public Inquiries:** The survey asked: "How many inquiries do you receive annually regarding insurance of heritage properties?"
  - The data shows that for a majority of municipalities that responded (60%), the number of annual inquiries is five or less. However, for six municipalities (14%), the number of annual inquiries is over 15.
  - The data shows that in a majority of municipalities (67%) the number of inquiries about insurance regarding heritage properties has increased over the last five years. However, in some municipalities (14%) the respondents indicated they did not know whether the number of inquiries increased, decreased, or stayed the same.
- **New designations:** The survey asked: "Within the last five years, have any property owners in your municipality asked to not be designated under Part IV or V of the OHA, citing insurance concerns as the reason?"
  - The data shows that in the majority of municipalities (n = 31, 74%) at least some property owners asked not to be designated under Part IV or V citing insurance as the reason.
  - Whereas the data shows that only in a third of municipalities (n = 14, 33%) property owners asked not to be included on the Heritage Register citing insurance as the reason, it is important to note that for almost a quarter of municipalities (n = 10, 24%), heritage planners did not know why property owners asked not to be included on the Heritage Register.
- **Existing Designations:** The survey asked, "Within the last five years, have any property owners asked their designation to be repealed or to be removed from the municipal heritage register, citing insurance concerns as the reason?"
  - The data shows that only in a third of municipalities (n = 14, 33%) property owners asked for their designation to be repealed because of insurance reasons. For a considerable number of municipalities (n = 7, 17%), heritage planners did not know the reason property owners asked for their designation to be repealed.
- **The data shows that none of the surveyed municipalities (n = 42, 100%) have any policies that would require a designated home to be rebuilt to match the historic home in the event of full catastrophic loss.**

## 6.1.2 Property Owner Survey

### Selecting An Insurance Company

- The data shows that almost two-thirds (n = 72, 61%) of participating property owners have owned their property for more than ten years. Close to one-fifth (n = 21, 18%) have owned their property for five to ten years, and 10% (n = 11) have owned their property for less than one year.
  - This suggest that the majority of respondents are long term owners of their property.
- The results demonstrated that while there are frequently used insurance companies (TD, Cooperators, Intact, Desjardins), the data also indicated that a wide range of insurance companies are used by the participating property owners to insure their properties.
- The data shows that almost half of participating property owners have been with their current insurer for more than ten years (n = 55, 49%).
- Of the participating property owners, almost two-thirds (n = 73, 65%) indicated that they previously had changed their insurer. Of those who changed their insurer, only 45% (n = 33) indicated when this change happened. Of these changes, 15 (45%) occurred in the last five years and another 16 (48%) occurred during the period 2010 to 2019, perhaps indicating an acceleration of changes to insurer.
  - Of the property owners who changed their insurer, only 31 (42%) shared who their prior insurer was as well as why they left. In over half of these cases (n = 16, 52%), the premium cost was a reason leaving the insurer. In almost one-third of cases (n = 9, 29%), the reason was related to the property being a heritage property, including the insurer refusing to continue insuring the property

### Insurance Industry Knowledge

- The data shows that close to half of participating property owners (n = 55, 49%) indicated there was no discussion or consideration of the property's age, heritage or listing status with the insurance agent when the owner took possession of the property. One-third of property owners (n = 38, 34%) responded that their insurance agent was not knowledgeable about the issue of heritage properties. Only one-fifth of property owners (n = 22, 20%) indicated their belief that their insurance agent was knowledgeable about heritage properties.
- For those property owners who indicated that the insurance agent was **not** knowledgeable about heritage designations or listing, over half (51%) **stated the lack of knowledge among insurance agents was indicated by the purely generic approach of the agent** (i.e., use of generic list of questions). Over one-third of these property owners (37%) indicated that the agent had no knowledge regarding heritage properties and issues with insuring these. An illustrative quote by a property owner about the insurance agent's lack of knowledge was: "They had never heard of heritage designation".
- For those respondents who indicated that the insurance agent **was** knowledgeable about heritage designations or listing, **over two-thirds (68%) stated the knowledge of the insurance agent was indicated by the agent's specific knowledge regarding heritage properties.**

### Refusal of Insurance

- The data shows that the majority, close to three-quarters of property owners (n = 83, 74%), have not been refused insurance.

- The data shows that more than one-quarter of property owners (n = 29, 26%) have had insurance companies refuse to insure their property.
  - A chi-squared test\* was conducted on the counts of property owners who were refused insurance versus not refused, separated by heritage status of their property (heritage designation (Part IV or V) versus no heritage designation). **The test shows that a significantly higher than expected number of property owners whose properties were designated Part IV or V were refused insurance coverage** ( $\chi^2 = 4.265$ ,  $df = 1$ ,  $p = 0.039$ ). Put another way, owners of recognized heritage properties were more likely to be refused insurance coverage when compared to owners of older homes that are not recognized heritage properties.
  - Of the property owners who were refused insurance for their property, over two-fifths (n = 15, 43%) indicated the reason given was the heritage status of their property. For another two-fifths (n = 14, 40%), the reason given was the age of their property. Illustrative quotes by property owners were: “I have been told by many insurance companies ‘We do not insure heritage buildings’” and “When I did insurance cost comparisons, other insurers would not provide quotes due to the age of the house”.
- Only 5% (n = 6) of property owners ever had an insurer refuse to renew coverage for their heritage property.
- The data shows that while more than one quarter of property owners (n = 29, 26%) have had insurance companies refuse to insure their property the majority, or **three-quarters of property owners (n = 83, 74%) have not had this happen to them.**

\* A chi-squared test is a way to examine whether the observed differences/patterns are the result of a real effect or the result of chance/random. The chi-squared test indicates how likely the observed differences would be if there was no real effect. By convention, a difference is called ‘significant’ if  $p \leq 0.05$ , indicating a real effect.

### Conditions and Renovations

- The data shows that close to one-quarter of property owners (n = 27, 24%) have had to accept specific conditions from their insurance provider to obtain insurance for their property. However, over two-thirds of property owners (n = 79, 71%) did not have this happen to them
  - Frequent types of conditions were related to built/functional elements including electrical updates (n = 4, 14%), plumbing upgrades (n = 3, 11%), general property upgrades (n = 3, 11%), and roof upgrades (n = 3, 11%). Frequently, property owners also had to accept higher premiums (n = 4, 14%).
  - A chi-squared test was conducted on the counts of property owners who had to accept special conditions versus no special conditions, separated by heritage status of their property (heritage designation (Part IV or V) versus no heritage designation). The test shows that **there is no significant effect of heritage status on the requirement for conditions to ensure insurance coverage** ( $\chi^2 = 1.301$ ,  $df = 1$ ,  $p = 0.254$ ).
- The data shows that close to one-third of property owners (n = 35, 31%) have done renovations or upgrades to their properties that had an effect on insurance premiums. But over half of property owners (n = 66, 59%) did not make changes to their property that affected premiums. Illustrative quotes from property owners include “Heating changed from oil to gas. Knob and tube wiring removed. New water and sewage lines installed. An alarm system installed.” and “We did a beautiful and extensive renovation which increased

the value and replacement costs of the home so we increased our coverage which increased our premium”.

- A chi-squared test was conducted on the counts of property owners who have done renovations or upgrades that affected their premiums, separated by heritage status of their property (heritage designation (Part IV or V) versus no heritage designation). The test shows that **there is no significant effect of heritage status on renovations or upgrades that affected their premiums** ( $\chi^2 = 0.015$ ,  $df = 1$ ,  $p = 0.903$ ).

### Premium Increase

- The data show that for almost three-quarters of participating property owners ( $n = 81$ , 72%), insurance premiums increased over the last five years. For 25% ( $n = 28$ ) the increase was smaller than 10%, for 26% ( $n = 29$ ) the increase was between 10% and 20%, for 16% ( $n = 18$ ), the increase was between 20% and 50%, and for 5% ( $n = 6$ ), the increase was larger than 50%.
  - A chi-squared test was conducted on the counts of property owners whose insurance premiums increased over the last five years, separated by heritage status of their property (heritage designation (Part IV or V) versus no heritage designation). The test shows that **a significantly smaller than expected number of property owners whose properties are designated had no or small premium increases (<10%), while a significantly larger than expected number of such owners had larger premium increases (10% to 50%)** ( $\chi^2 = 11.782$ ,  $df = 1$ ,  $p = 0.019$ ). To, when we compare designated properties versus older buildings, we might expect to see higher premium increases, and this was found to be true. Put in even simpler terms, the data indicates that heritage-designated homeowners experienced noticeably larger premium increases than the comparison group.

### Insurance Claims

- The data shows that less than one-fifth of participating property owners ( $n = 18$ , 17%) have made an insurance claim during their current ownership.
- Property owners were asked whether their insurance claim required approvals by the municipality. **None of the property owners who answered this question ( $n = 18$ ) stated that this was the case.** A chi-squared test was conducted on the counts of property owners who have made insurance claims, separated by heritage status of their property (heritage designation (Part IV or V) versus no heritage designation). **The test shows that there is no significant effect of heritage status on the number of insurance claims made** ( $\chi^2 = 0.008$ ,  $df = 1$ ,  $p = 0.930$ ).
- Of the participating property owners who indicated whether their premium increased after insurance claim settlement, one third ( $n = 6$ , 33%) indicated that their premium increased. But over two fifth of property owners ( $n = 8$ , 44%) indicated that their premium did not increase. There are too many variables to account for in this line of questioning, and a more rigorous test would be needed to draw meaningful conclusions.

### Mitigation Suggestions:

- The data show that 19% ( $n = 20$ ) of property owners believe that a letter from the municipality stating that there is no requirement for replacement with historic materials would help with obtaining insurance or lowering rates. However, 30% ( $n = 32$ ) did not think such a letter would help, and 51% ( $n = 54$ ) of property owners did not know.

- The data show that 63% (n = 67) of property owners believe that a list of insurance companies that insure heritage properties would be helpful. But 15% (n = 16) did not think such a list would help, and 22% (n = 24) of property owners did not know.
- The data show that 53% (n = 57) of property owners believe that a list of insurance agents who insure heritage properties would be helpful. But 13% (n = 14) did not think such a list would help, and 34% (n = 36) of property owners did not know.

### De-Designation

- The data show that 50% (n = 54) of respondents would want to de-designate their heritage building if designation would increase their insurance premium. But 28% (n = 30) did not think they would want to do this, and 21% (n = 23) of property owners did not know. Illustrative quotes are: “I would de-designate my property in a heartbeat”, “People should not own heritage properties if they don't want to look after them. Sell it and buy a non-descript modern building instead (which no one will care what you do with it)”, and “My understanding is that it is very hard to delist once designated heritage”.

## 7.0 SUMMARY

This study found that owners of recognized heritage properties were more likely to be refused insurance coverage than owners of older homes without heritage status, prompting a closer examination of the real or perceived barriers associated with designation under Part IV and Part V of the *Ontario Heritage Act*. While Section 6.1 provides detailed findings, the following high-level observations reflect insights drawn from existing research as well as responses from planners and property owners. Together, these perspectives highlight the complexity of the issue and reinforce that no single conclusion can fully explain the insurance challenges faced by heritage property owners, given the many variables at play.

### Planners

- Given the current policy framework and timelines introduced through Bill 23, several municipalities have undertaken accelerated planning exercises aimed at wider protection of heritage properties, leading to increased designation of residential properties. In this context, property owners who object to formal designation, often list several reasons why they are in opposition to designation with insurance challenges often being cited. The timing of these planning exercises coincide with the current “hard market” and may account for the rise and prominence of challenges in obtaining insurance.
- From an insurance standpoint, the process and extra steps related to the impacts of the heritage legislation, heritage designation, and planning obligation remain ambiguous. For example: How much time is needed to go through the planning process and satisfy permits/planning procedures? Are there extra steps if the property is located in an HCD? It is possible having a policy or internal guidance document which provide clear and/or expedited procedures place (i.e. delegated authority for heritage planners) for such circumstances may help homeowners obtain/retain insurance and reduce the appearance of risk in the eyes of the insurance company.
- Similarly, it may be helpful for Planners to provide better transparency on the process/planning requirements required in the event of partial loss. This may include formal policies (such as inclusion in an Official Plan) or internal guidance documents. The information/guidance document may not only help to reduce ambiguity and/or the perceived risk for the insurance companies but also may help the homeowner understand some of the nuances associated with designation under Part IV or V.
- Planners should work with property owners to help provide assistance within their capacity and ability if they are encountering troubles or experiencing difficulty obtaining insurance. At minimum, this could include a letter that outlines the municipality does not require the existing heritage structure to be replaced with a replica if it is subject to a total loss.
- Planners may consider reaching out to local insurance companies or collaborating with Provincial or Federal agencies (i.e. IBC) and provide an information session/meeting. This might not only help educate the insurance agent and clarify some unknowns but might also help the Planners understand some of the nuances associated with the insurance process.
- Lastly, Planners are encouraged to create a list of known insurance companies that have qualified and educated agents who understand heritage properties. As insurance is dependant on market trends, this would be a living list which would need to be revisited annually or every two years.

## Property Owners

- Over three-quarters of participants did not have trouble obtaining insurance, which suggests that shopping around and reaching out to multiple insurance companies/agents might be the most straightforward solution to obtaining insurance.
- As market trends fluctuate, property owners should continue to seek multiple quotes to obtain the best coverage.
- Understanding that while designation should not inherently increase insurance, the additional obligations/requirements to replace with “like and in kind” by the insurance industry is real and may have direct implications on premiums.
- In general, there are several factors, outside of age and heritage status, that directly impact if insurance agents will insure a property and the associated premium rates. There are several things that can be done to decrease premium rates. It is important to document and communicate all upgrades etc. as this might help reduce the perceived risk.
- With any property, having clear documentation and understanding about the desired level of insurance, is important to getting the coverage needed.

## Insurance Providers

- The study, although limited in sample size, does suggest that there are no significant effects connecting heritage status and an increased number of insurance claims. Meaning, heritage buildings are not at a higher risk of making a claim or having an increased number of claims just because they are older buildings.
- The study confirmed that none of the surveyed municipalities have any policies that would require a designated home to be rebuilt to match the historic home in the event of full catastrophic loss.

## General Observations and Future Areas of Exploration

Exploring designated heritage properties and insurance is difficult due to the lack of transparency within the insurance sector. While insurance providers are subject to some regulatory oversight (i.e. licences), companies underwriting practices and risk assessment methodologies remain fluid, vary between locations and providers, and are not publicly disclosed. As a result, insurers may decline coverage without providing additional information. This lack of transparency in the industry can make it challenging to isolate the role heritage designation itself influences insurability, as opposed to other factors such as building age, condition, location, urban versus rural considerations, property size, maintenance history, or replacement costs.

As previously stated, the insurance industry is highly dynamic and directly influenced by market trends and the current economic conditions. As such, the underwriting practices, the level of risk tolerances by the insurance industry, and market conditions continually change. Furthermore, every property (regardless of heritage status) possesses a unique set of characteristics (i.e. age, construction methods, materials, modernizations, location, size of lot, and occupancy patterns) that make finding consistent patterns or drawing concrete conclusions challenging.

The findings of this study contribute to better understanding of the problem: that owners of heritage properties are facing challenges acquiring insurance premiums because of the heritage status of their property. This work reveals opportunities to further exploration to better understand and address the relationship between heritage properties and property insurance.

- First, additional research that draws from a larger and representative sample size is recommended. While the current study provides valuable preliminary and exploratory insights, a larger dataset will produce a greater understanding of trends, common challenges, and successful practices. Research that is tailored to insurance agents/brokers and/or the Insurance Bureau of Canada would create a more robust understanding of how heritage properties are treated in the insurance industry.
- Second, there is a continued need for education and communication. Our findings have shown that there is confusion among property owners, heritage advocates, and municipal staff on how heritage designation, heritage conservation district status, or the presence of heritage attributes affect insurance availability, premiums, and coverage requirements. Greater clarity regarding underwriting practices, risk assessment practices, and the factors that influence insurance decisions would help reduce misconceptions and improve decision-making by property owners and municipalities. Creating more education about this issue and a more public dialogue between the insurance industry and property owners is essential.
- Lastly, there is an opportunity for more education and stronger collaboration among key stakeholders including the Insurance Bureau of Canada (IBC), the Financial Services Regulatory Authority of Ontario (FSRA), municipal staff, property owners, heritage advocates (i.e. Community Heritage Ontario etc.), insurance companies, agents, and/or brokers. Each of these organizations/groups/stakeholders hold different and valuable pieces of information or experiences. Without coordinated dialogue, gaps in understanding will continue to persist and/or myths will continue to be perpetuated. Such educational opportunities and initiatives could help property owners better understand risk mitigation strategies, available coverage options, and/or the role that building maintenance might play in securing insurance coverage. Simultaneously, heritage property owners and municipal planners can educate the insurance industry about heritage designation and the heritage planning process.

## 8.0 SOURCES

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### Financial Services Regulatory Authority of Ontario (FSRA)

2026 *About FSRA.* Accessed online at: <https://www.fsrao.ca/about-fsra>

### Financial Services Commission of Ontario (FSCO)

2015 *Insurance Coverage Issues Affecting Older Homes.* Accessed online at: <https://alertinspectionservices.ca/wp-content/uploads/2017/11/Insurance-Concerns-Effecting-Older-Homes.pdf>

### Government of Canada

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2021 *Insuring Older & Heritage Buildings with Amanda Dean (IBC/BAC) and Aneill MacCaul (IBANS).* Accessed online at: <https://www.youtube.com/watch?v=rOc0eeoEpME>

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2026a *Insurance Basics: How Insurance Works.* Accessed online at:

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2026g *How to File a Home Insurance Claim.* Accessed online at: <https://www.ibc.ca/insurance-basics/home/how-to-file-a-home-insurance-claim>

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<https://a.storyblok.com/f/339220/6254b99ec9/heritage-properties-en.pdf>

### Ministry of Citizenship and Multiculturalism (MCM)

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National Trust of Canada (NT)

2022 Gathering of the Heritage Sector: Insurance and Heritage Properties: Review of Survey Findings. Accessed online at: [https://nationaltrustcanada.ca/what-you-can-do/advocacy-action/insurance-and-heritage-properties?utm\\_source=cambridgetoday.ca&utm\\_campaign=cambridgetoday.ca%3A%20outbound&utm\\_medium=referral](https://nationaltrustcanada.ca/what-you-can-do/advocacy-action/insurance-and-heritage-properties?utm_source=cambridgetoday.ca&utm_campaign=cambridgetoday.ca%3A%20outbound&utm_medium=referral)

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# Appendix A:

## Heritage Property Risk Prospectus



## Heritage Property Risk Prospectus

Owner occupied: YES  NO

Owner name(s): \_\_\_\_\_

Property address: \_\_\_\_\_

Lender/mortgagee (if applicable): \_\_\_\_\_

Heritage designation/bylaw: \_\_\_\_\_

### PROPERTY DETAILS

Item	Description	Additional comments
Property type		
Year of construction		
Dwelling History: Please describe the historical significance, if known. (Attach a separate document if more space is required).		
Construction type (wood-frame, brick, other) or style		
Occupancy (e.g. single family, duplex, triplex, etc.)		
Services (water/sewer)		
Detached structures on the property		
Foundation type		
Private Protection	Fire detection: Yes <input type="radio"/> No <input type="radio"/> Monitored off site: Yes <input type="radio"/> No <input type="radio"/> Service provider Burglar detection: Yes <input type="radio"/> No <input type="radio"/> Monitored off site: Yes <input type="radio"/> No <input type="radio"/>	
Public Protection:	Distance to responding fire hall: _____ Distance to nearest fire hydrant: _____	

**EXTERIOR PROPERTY FEATURES OR UPGRADES**

Item	Feature	Year upgraded/updated (Attach invoices/contractor name)
Roofing (metal, slate, cedar, asphalt, other)		
Exterior cladding		
Windows (style)		
Distinctive architectural details and other unique exterior features		

**INTERIOR FINISHES AND MECHANICAL DETAILS**

Item	Description	Year upgraded/updated (Attach invoices/contractor name)
Electrical		
Heating/ventilation		
Plumbing		
Appliances		
Other unique features (mantle, lighting fixtures, millwork)		
Wood-burning units/fireplace		
Fire/smoke & CO detectors		

## OTHER INFORMATION

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### Include recent property photos:

- Exterior front, sides and back, outbuildings, general exterior of property, and close-ups of any distinctive architectural details
  - Neighbourhood, if a heritage district
  - Interiors of all rooms, basement, oil tank, furnace, fireplace(s), electrical panel, hot water tanks and other infrastructure
- 

### Include documentation (if available):

- Heritage bylaw for property and/or conservation district, noting any restrictions or requirements
- Recent provincial tax assessment
- Lot survey
- Old photos of exterior
- Other relevant documentation
- Contractor invoices
- Recent Replacement Cost appraisal by qualified appraiser (AACI or CRA)
- WETT Survey on Wood-burning units/fireplaces

Notes:

**Disclaimer:** This document is meant for illustration purposes only and is not a definitive list of items needed to qualify for insurance coverage. Individual insurance representatives may have restrictions on binding authority that may or may not include heritage properties.

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# Appendix B:

# Full Survey Results

## Heritage Property Insurance Study Findings

Primary Researcher:  
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Heritage Resource Centre  
University of Waterloo

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## 1. Introduction

Community Heritage Ontario has retained the Heritage Resources Centre at the University of Waterloo, in partnership with Archaeological Research Associates Ltd. to conduct a survey of municipal planners and owners of heritage properties to explore various questions with regard to home insurance of heritage properties. The study is funded by Community Heritage Ontario who has decided to investigate this topic based on anecdotal reports from Ontario homeowners who recounted increasing challenges of insuring their heritage homes or even loss of insurance. The current report gives account of the survey results of 42 planners from municipalities across south and central Ontario, as well as of 120 owners of heritage properties.

## 2. Municipal Heritage Planners

### Q1. Geographic Distribution of Participating Planners

Question: *Which municipality are you employed by?*

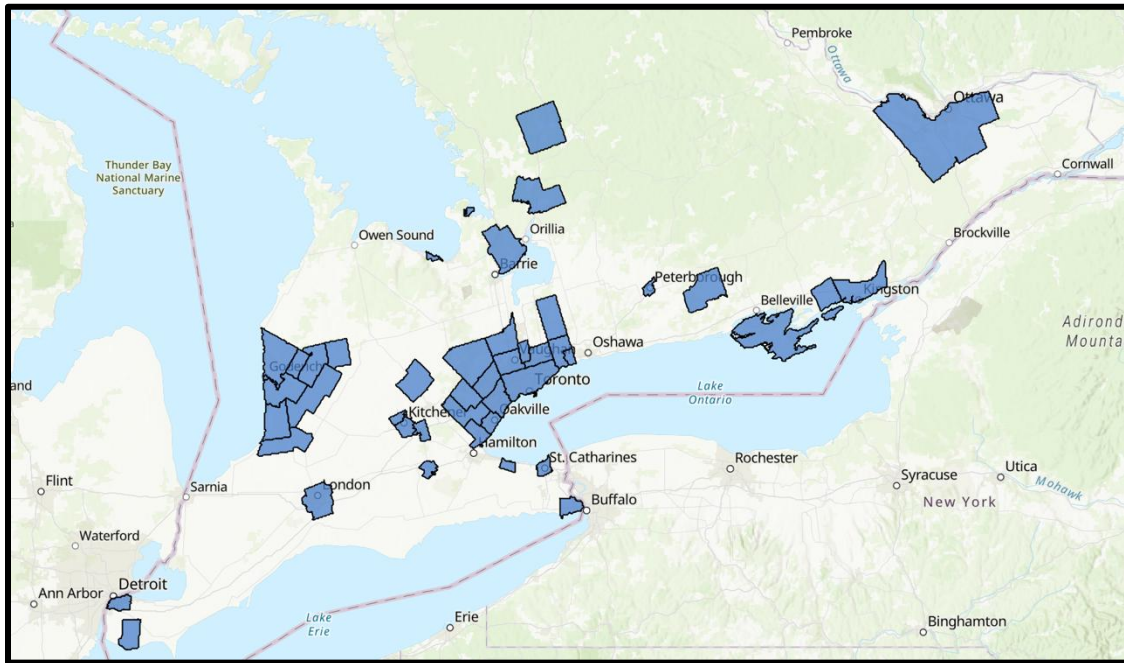


Figure 1. Planners from across south and central Ontario participated in the survey, ranging from Windsor in the far south-west to Ottawa in the north-east.

In total, 42 planners participated in this study. Most planners ( $n = 40$ , 95%) provided the municipality where they work. These planners worked in 37 different municipalities across south and central Ontario ranging from Windsor in the far south-west to Ottawa in the north-east. Most municipalities (93%) were represented by just one participant each. The remaining municipalities (Grimsby, Kingston, and Toronto) were represented by two participants each.

## Q2. Listed Heritage Properties in Municipality

Question: *How many listed heritage properties are located within your municipality?*



Figure 2. Number of municipalities with different numbers of listed heritage properties.

Table 1. Number of listed heritage properties with corresponding number of municipalities.

Number of Properties	Number of Municipalities
Less than 50	8
50 to 200	12
201 to 500	6
501 to 1,000	8
More than 1,000	5

The data shows a wide range in the number of listed heritage properties per municipality from less than 50 to over 1,000. The largest group of municipalities (n = 12, 31%) have between 50 to 200 listed heritage properties.

### Q3. Number of Part IV Properties

Question: *How many Part IV properties are located within your municipality?*

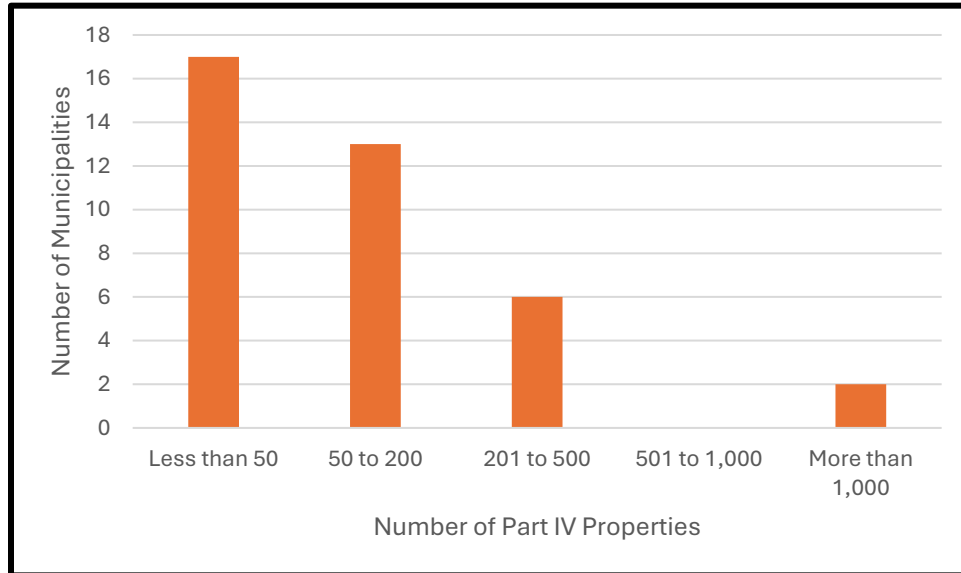


Figure 3. Number of municipalities with different numbers of Part IV properties.

Table 2. Number of Part IV properties with corresponding number of municipalities.

Number of Properties	Number of Municipalities
Less than 50	17
50 to 200	13
201 to 500	6
501 to 1,000	0
More than 1,000	2

The data shows a wide range in the numbers of Part IV properties per municipality from less than 50 to over 1,000. However, most municipalities (n = 36, 92%) have 500 Part IV properties or less. The largest group of municipalities (n = 17, 45%) have less than 50 Part IV properties.

## Q4. Number of Part V Properties

Question: *How many Part V properties are located within your municipality?*

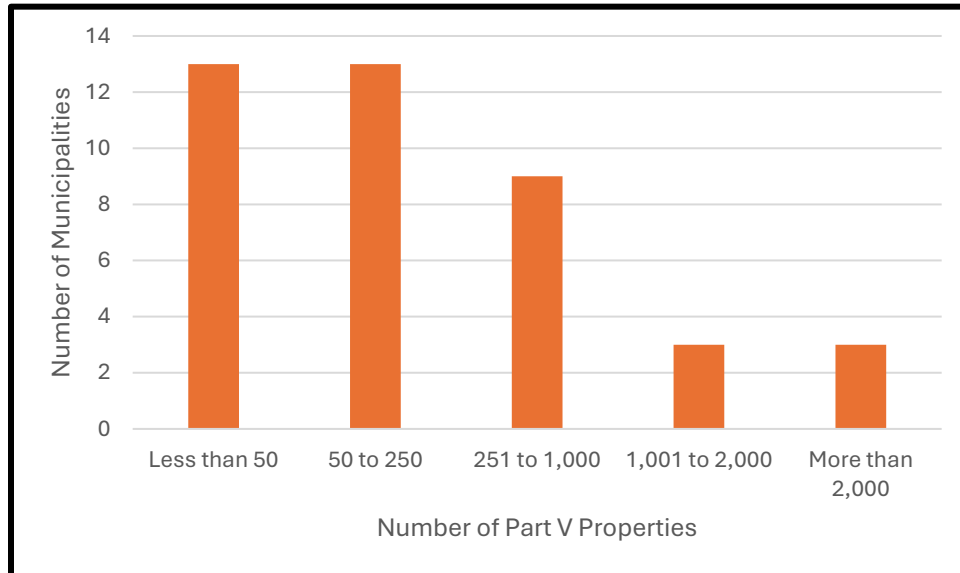


Figure 4. Number of municipalities with different numbers of Part V properties.

Table 3. Number of Part V properties with corresponding number of municipalities.

Number of Properties	Number of Municipalities
Less than 50	13
50 to 250	13
251 to 1,000	9
1,001 to 2,000	3
More than 2,000	3

The data shows a wide range in the numbers of Part V properties per municipality from less than 50 to over 2,000. However, most municipalities (n = 35, 85%) have 1,000 Part V properties or less. The two largest groups of municipalities together (n = 26, 63%) have less than 250 Part V properties.

## Q5. Property owners who asked not to be designated under Part IV or V

Question: *Within the last five years, have any property owners in your municipality asked to not be designated under Part IV or V of the OHA, citing insurance concerns as the reason?*

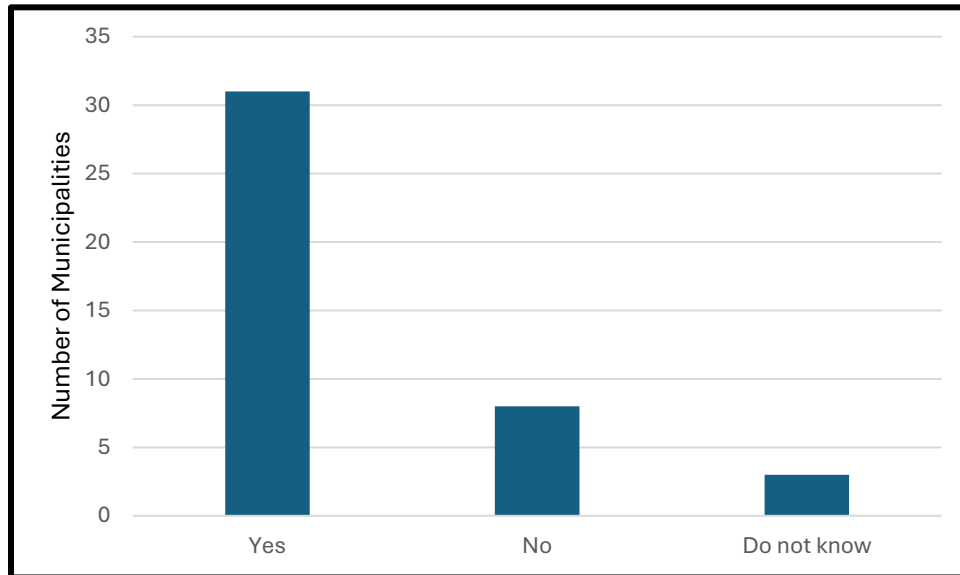


Figure 5. Number of planners who indicated that in their municipality at least some property owners asked not to be designated under Part IV or V.

Table 4. Number of planners who indicated that in their municipality at least some property owners asked not to be designated under Part IV or V.

	Number of Planners
Yes	31
No	8
Do not know	3

The data shows that in a majority of municipalities (n = 31, 74%) have had a request from a property owner not to be designated under Part IV or V, citing insurance concerns as the reason.

## Q6. Municipalities where property owners asked not to be included on the Heritage Register

Question: *Within the last five years, have any property owners in your municipality asked to not be included on the municipal heritage register (Section 27 of the OHA), citing insurance concerns as the reason?*

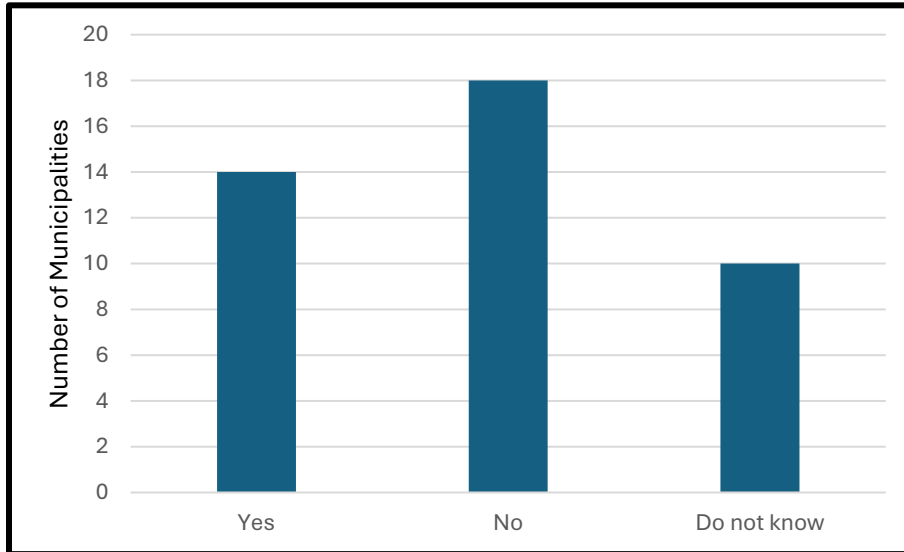


Figure 6. Number of municipalities in which property owners asked not to be included on the Heritage register.

Table 5. Number of municipalities in which property owners asked not to be included on the Heritage register.

	Number of Municipalities
Yes	14
No	18
Do not know	10

The data shows that only in a third of municipalities (n = 14, 33%) property owners asked not to be included on the Heritage Register. However, for almost a quarter of municipalities (n = 10, 24%), heritage planners did not know whether property owners asked not to be included on the Heritage Register.

There were 18 (43%) municipalities in which there were no property owners who asked for their property not to be included on the heritage register because of insurance concerns. The flipside is that there were 14 (33%) municipalities in which there were property owners who asked for their property not to be included on the heritage register because of insurance concerns.

## Q7. Municipalities where property owners asked for their designation to be repealed for insurance reasons

Question: *Within the last five years, have any property owners asked their designation to be repealed or to be removed from the municipal heritage register, citing insurance concerns as the reason?*

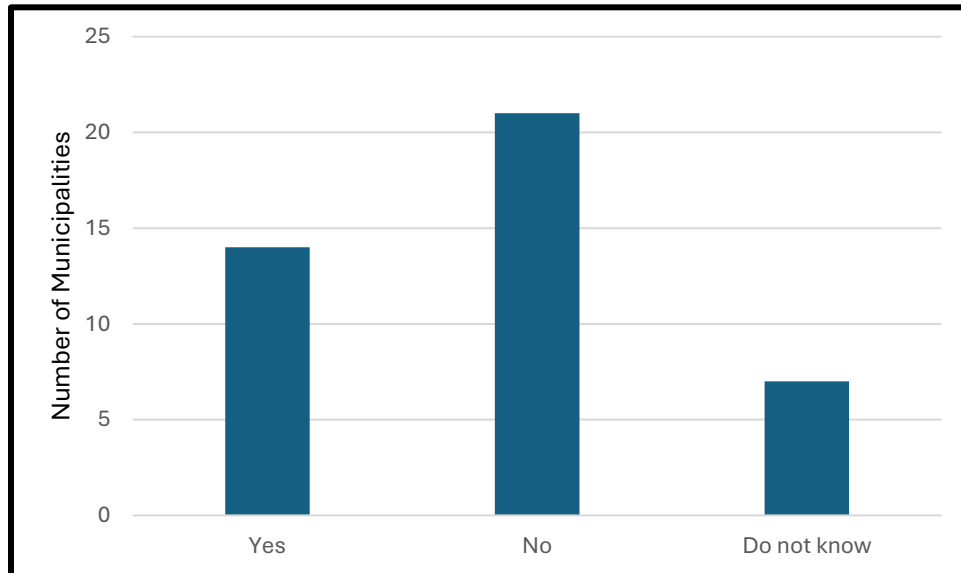


Figure 7. Number of municipalities where property owners asked for their designation to be repealed for insurance reasons.

Table 6. Number of municipalities where property owners asked for their designation to be repealed for insurance reasons.

	Number of Municipalities
Yes	14
No	21
Do not know	7

The data shows that only in a third of municipalities (n = 14, 33%) property owners asked for their designation to be repealed because of insurance reasons. For a considerable number of municipalities (n = 7, 17%), heritage planners did not know whether property owners asked for their designation to be repealed because of insurance reasons.

## Q8. Municipalities that require a heritage home to be rebuilt to match the historic home in the event of full catastrophic loss

Question: *Does the municipality have any policies in place which require a designated home to be rebuilt to match the historic home in the event of full catastrophic loss?*

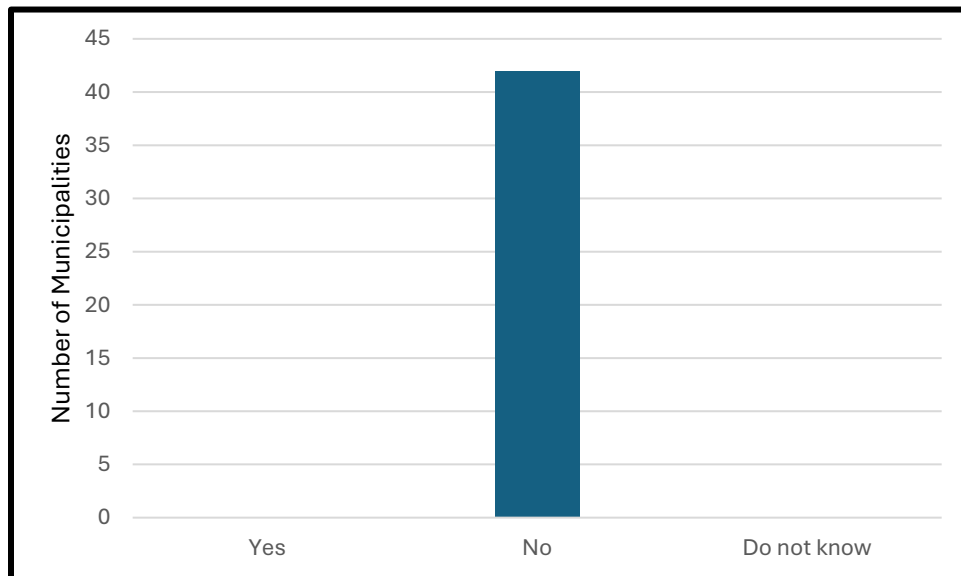


Figure 8. Number of municipalities that require a heritage home to be rebuilt to match the historic home in the event of full catastrophic loss.

Table 7. Number of municipalities that require a heritage home to be rebuilt to match the historic home in the event of full catastrophic loss.

	Number of Municipalities
Yes	0
No	42
Do not know	0

The data shows that none of the surveyed municipalities (n = 42, 100%) have any policies that would require a designated home to be rebuilt to match the historic home in the event of full catastrophic loss.

## Q9. Change in the number of inquiries about insurance regarding heritage properties

Question: *Within the past five years, has the number of inquiries about insurance regarding heritage properties: (answer options: increase., stay same, decrease., do not know)*

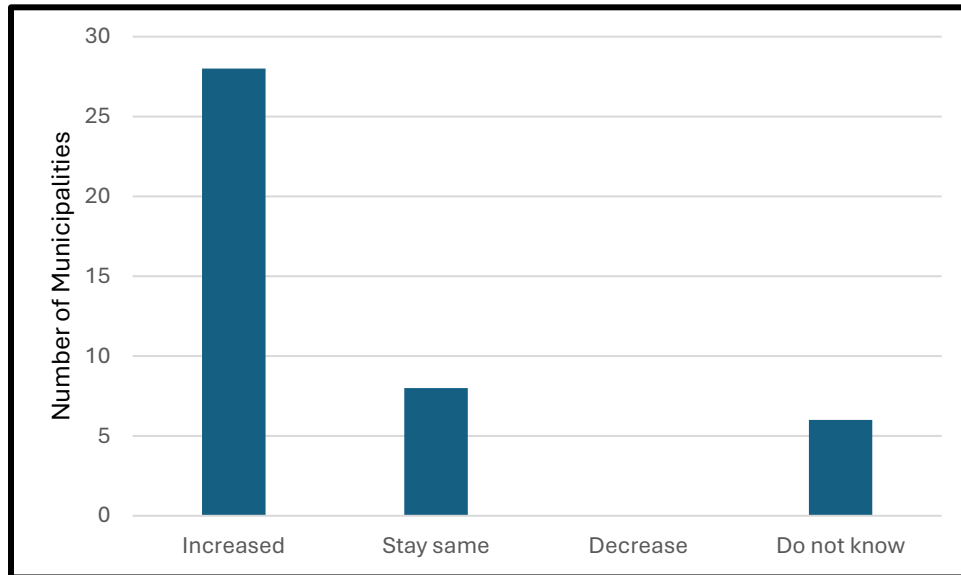


Figure 9. Change in the number of inquiries about insurance regarding heritage properties.

Table 8. Change in the number of inquiries about insurance regarding heritage properties.

	Number of Municipalities
Increased	28
Stay same	8
Decrease	0
Do not know	6

The data shows that in a majority of municipalities (n = 28, 67%) the number of inquiries about insurance regarding heritage properties has increased over the last five years. However, in some municipalities (n = 6, 14%) the respondents indicated they did not know whether the number of inquiries increased, decreased, or stayed the same.

## Q10. Property owners who asked their properties to not be listed, designated, or their listing, designation repealed, for insurance reasons

Question: *Within the last five years, how many property owners have asked their properties to not be listed, to not be designated, to have their listing removed, or to have their designation repealed, citing obtaining insurance or the cost of insurance as one of their issues? (answer options also included: 51-100, >100, but those had zero responses)*

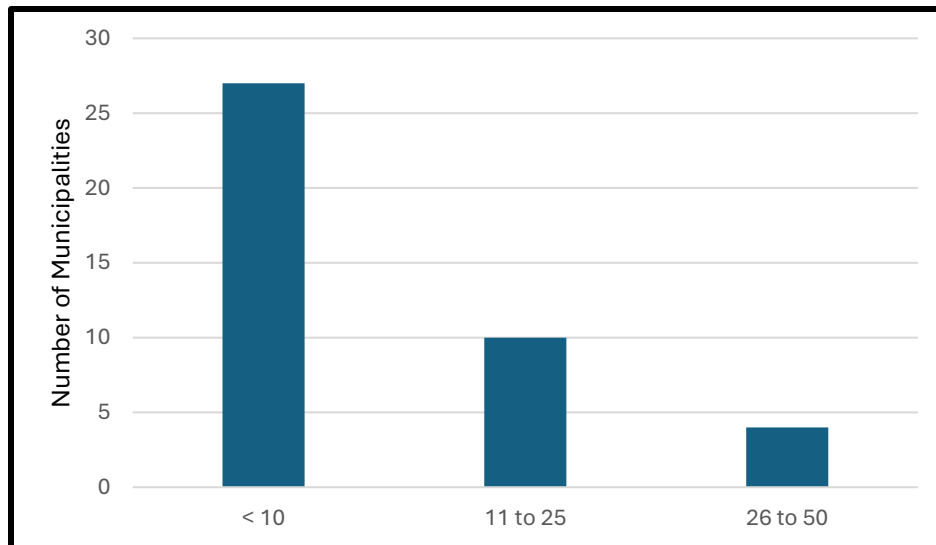


Figure 10. Number of municipalities by number of property owners who have asked their properties to not be listed, etc.

Table 9. Number of municipalities by number of property owners who have asked their properties to not be listed, etc.

Number of Owners	Number of Municipalities
< 10	27
11 to 25	10
26 to 50	4

The data shows that in two-thirds of municipalities (n = 27, 66%), the number of property owners who over the last five years have asked their properties to not be listed, etc. was smaller than ten. However, in almost one-quarter of municipalities (n = 10, 24%), the number of property owners who over the last five years have asked their properties to not be listed, etc. was between 11 to 25. In four municipalities (10%), the number of property owners who over the last five years have asked their properties to not be listed, etc. was between 26 to 50.

## Q11. Inquiries annually regarding insurance of heritage properties

Question: *How many inquiries do you receive annually regarding insurance of heritage properties?*

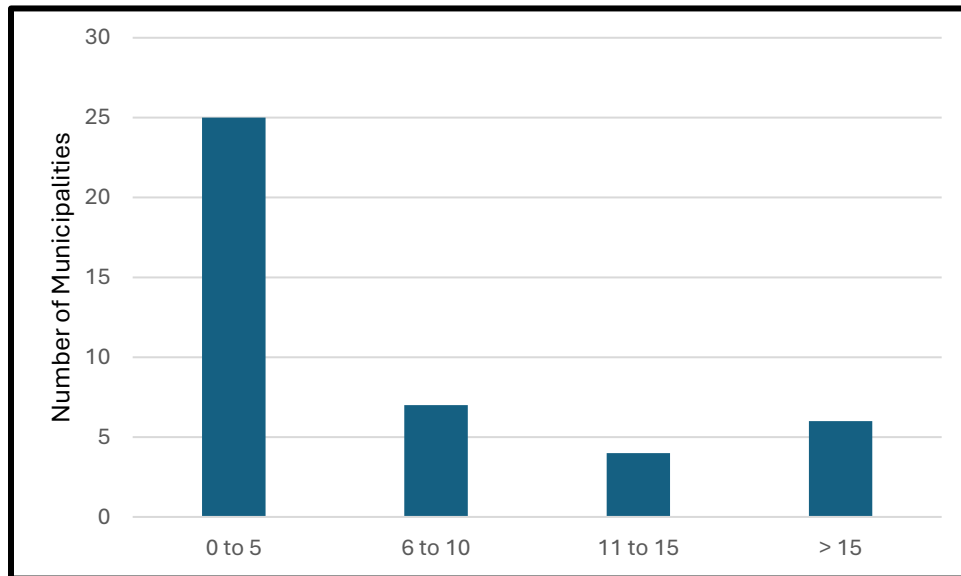


Figure 11. Number of municipalities by number of inquiries annually regarding insurance of heritage properties.

Table 10. Number of municipalities by number of inquiries annually regarding insurance of heritage properties.

Number of Inquiries	Number of Municipalities
0 to 5	25
6 to 10	7
11 to 15	4
> 15	6

The data shows that the number of annual inquiries regarding insurance of heritage properties varies from five or less to over 15. For a majority of municipalities (n = 25, 60%), the number of annual inquiries is five or less. But for six municipalities (14%), the number of annual inquiries is over 15.

## Q12. Did you ever have to deal with an insurance company based on partial loss of a heritage attribute?

Question: *In your experience, did you ever have to deal with an insurance company or inquiry based on the partial loss of a heritage attribute?*

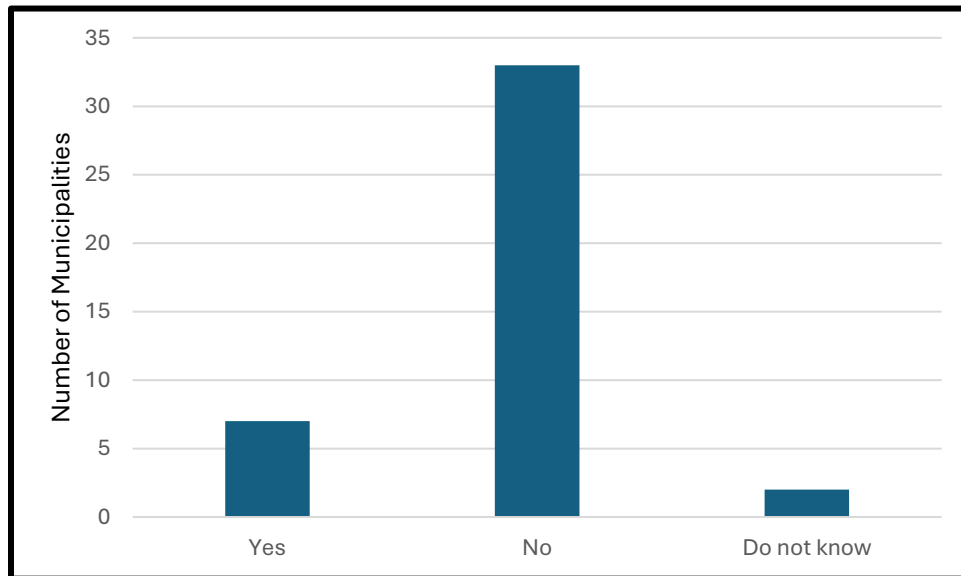


Figure 35. Number of municipalities by whether they ever have to deal with insurance companies re partial loss of heritage attribute

Table 46. Number of municipalities by whether they ever have to deal with insurance companies re partial loss of heritage attribute

	Number of Municipalities
Yes	7
No	33
Do not know	2

The data shows that planners in relatively few municipalities ( $n = 7$ , 17%) have to deal with insurance company inquiries about partial loss of heritage attributes. The majority of planners ( $n = 33$ , 79%) do not have to deal with insurance company inquiries about partial loss of heritage attributes.

### 3. Heritage Property Owners

#### Q1. Geographic Distribution of Participating Heritage Property Owners

Question: *What are the first 3 characters of your postal code?*



Figure 12. Heritage property owners in municipalities across south and central Ontario participated in the survey, ranging from Kitchener in the west to Kingston in the east.

In total, 120 property owners participated in this study. The largest group of property owners came from Guelph ( $n = 51$ , 43%), followed by Kingston ( $n = 24$ , 20%), Hamilton ( $n = 24$ , 20%), and Clarington ( $n = 15$ , 13%). Only very few participants came from Toronto ( $n = 2$ , 2%), Ajax ( $n = 1$ , 1%), and Kitchener ( $n = 1$ , 1%).

## Q2. Duration of Property Ownership

Question: *Please indicate how long you have owned your current property.*

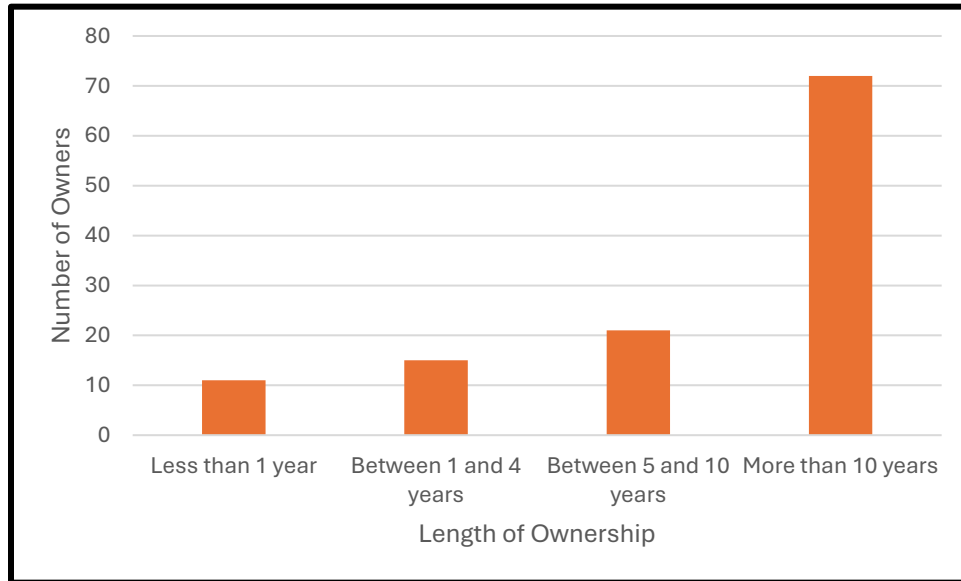


Figure 14. Number of owners by duration of property ownership.

Table 12. Number of owners by duration of property ownership.

Duration of Ownership	Number of Owners
Less than 1 year	11
Between 1 and 4 years	15
Between 5 and 10 years	21
More than 10 years	72

The data shows that almost two-thirds (n = 72, 61%) of participating property owners have owned their current property since more than ten years. Close to one-fifth (n = 21, 18%) have owned their property since between five to ten years. Only 10% (n = 11) owned their current property since less than one year.

### Q3. Type of Heritage Designation

Question: *Please indicate whether your property is:*

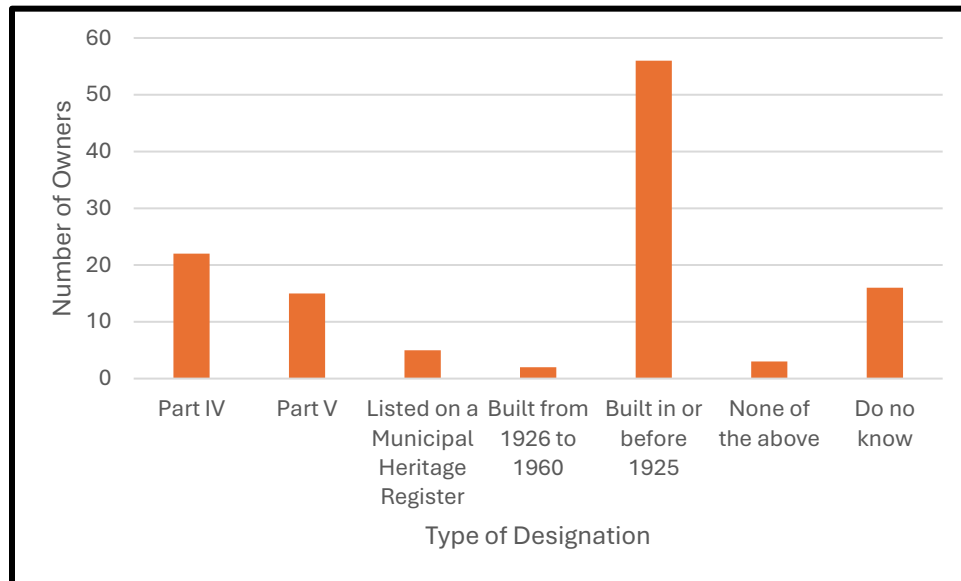


Figure 15. Number of property owners by type of heritage designation.

Table 13. Number of property owners by type of heritage designation.

Type of Designation	Number of Owners
Part IV	22
Part V	15
Listed on a Municipal Heritage Register	5
Built from 1926 to 1960	2
Built in or before 1925	56
None of the above	3
Do not know	16

The data shows that close to one-third ( $n = 37$ , 31%) of the properties of participating property owners are designated under Part IV or Part V of the Ontario Heritage Act. Of these, 18% ( $n = 22$ ) are designated under Part IV and 13% ( $n = 15$ ) under Part V of the Ontario Heritage Act. Just 4% ( $n = 5$ ) of the properties are listed on a municipal heritage register, but close to half of the properties were older 65 years at the time of study ( $n = 58$ , 49%) with 47% older than 100 years ( $n = 56$ ). Of the participating property owners, 13% ( $n = 16$ ) did not know the status of their property.

## Q4. Year of Heritage Designation under Part IV of Ontario Heritage Act

Question: *In which year was your house designated under Part IV?*

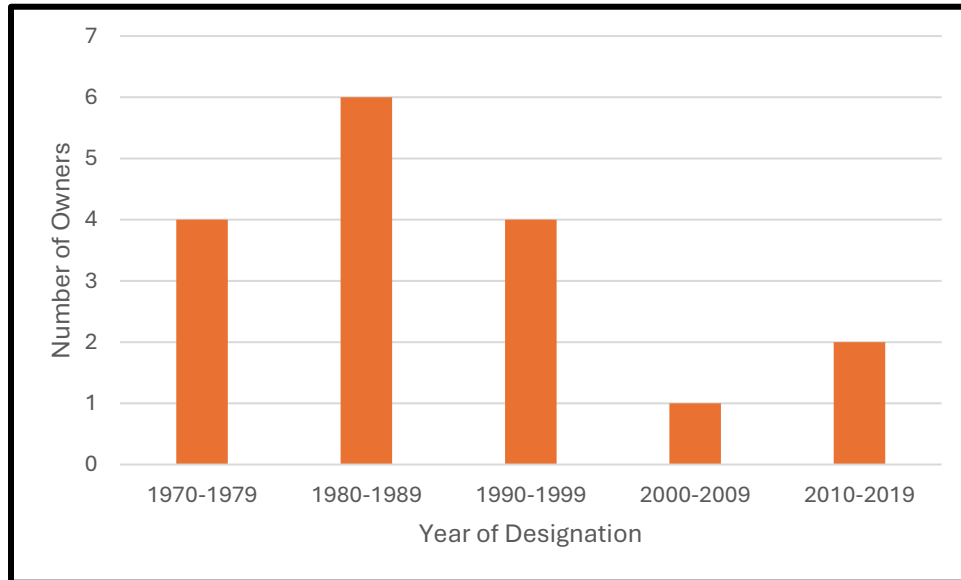


Figure 16. Number of property owners by year of property designation under Part IV of Ontario Heritage Act.

Table 14. Number of property owners by year of property designation under Part IV of Ontario Heritage Act.

Year of Designation	Number of Owners
1970-1979	4
1980-1989	6
1990-1999	4
2000-2009	1
2010-2019	2
2020-2025	0

The data shows that over four-fifths of the heritage properties designated under Part IV of the Ontario Heritage Act (n = 14, 82%) were designated before the year 2000. The largest group of properties (n = 6, 35%) was designated in the period of 1980 to 1989.

## Q5. Year of Heritage Designation under Part V of Ontario Heritage Act

Question: *In which year was your house designated under Part V?*

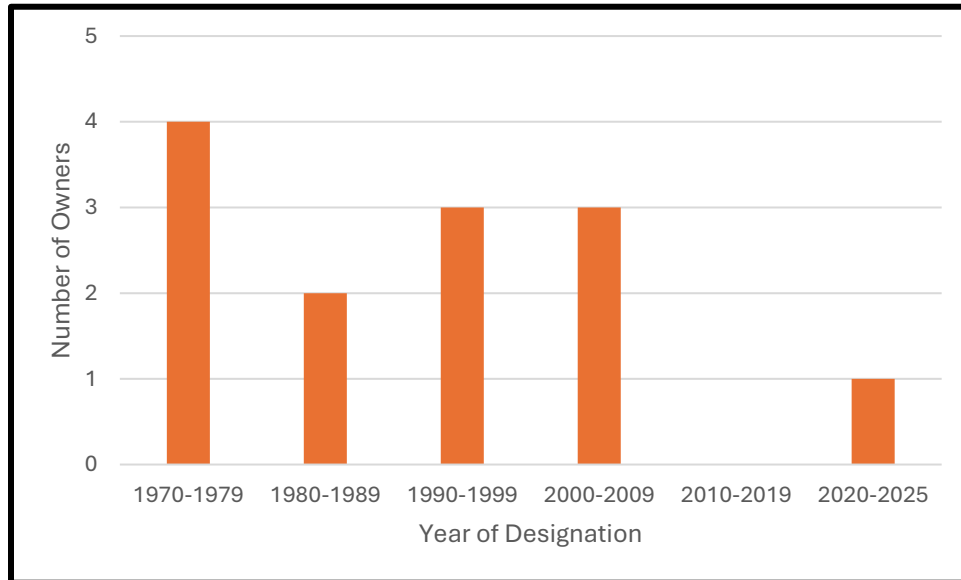


Figure 17. Number of property owners by year of property designation under Part V of Ontario Heritage Act.

Table 15. Number of property owners by year of property designation under Part V of Ontario Heritage Act.

Year of Designation	Number of Owners
1970-1979	4
1980-1989	2
1990-1999	3
2000-2009	3
2010-2019	0
2020-2025	1

The data shows that over two-thirds of the heritage properties designated under Part V of the Ontario Heritage Act ( $n = 9$ , 69%) were designated before the year 2000. The largest group of properties ( $n = 4$ , 31%) was designated in the period of 1970 to 1979.

Question: *In which year was your house listed?*

Only 3 responses were received for this question (2010, 2015, 2017). Only 5 people indicated in an earlier Question that their house was listed.

## Q6. Year of Property Construction

Question: *Please indicate the approximate period of construction of your property:*

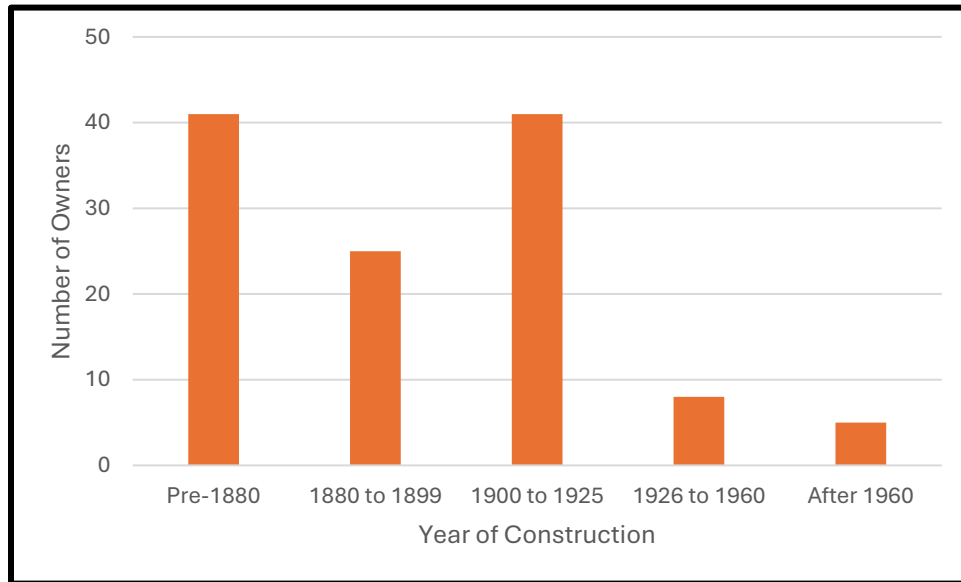


Figure 18. Number of property owners by year of property construction.

Table 16. Number of property owners by year of property construction.

Year of Construction	Number of Owners
Pre-1880	41
1880 to 1899	25
1900 to 1925	41
1926 to 1960	8
After 1960	5

The data shows that close to 90% of the properties of participating property owners (n = 107, 89%) were constructed 100 years or longer ago. Over half of all properties (n = 66, 55%) were constructed in 19<sup>th</sup> century.

## Q7. Kinds of Property Elements

Question: *Please indicate whether your home contains or runs on any of the following property elements:*

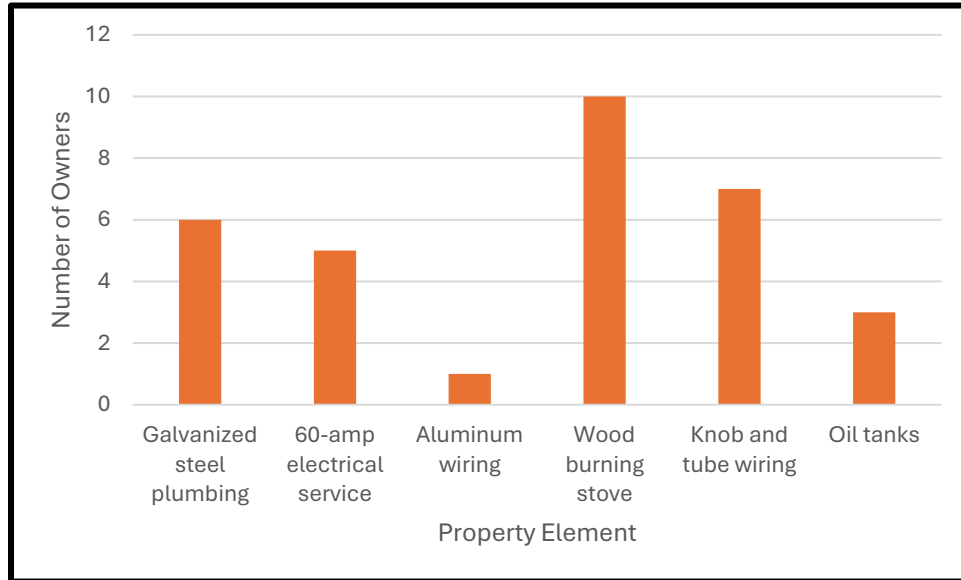


Figure 19. Number of property owners with specific elements in their home

Table 17. Number of property owners by property elements.

Property Element	Number of Properties
Galvanized steel plumbing	6
60-amp electrical service	5
Aluminum wiring	1
Wood burning stove	10
Knob and tube wiring	7
Oil tanks	3

The data shows a range of different elements that were typical in the original construction of heritage properties. The largest group of property owners (n = 10, 38%) indicated their property contained at least one wood burning stove. Of these owners, only one indicated that they had more than one (i.e., two) wood burning stoves.

## Q8. Insurance Companies

Question: *What is the company name of your current insurance provider?*

Table 18. Number of property owners by insurance company.

Insurance Company	Number of Property Owners
TD	17
Cooperators	13
Intact	11
Desjardins	10
Aviva	8
Economical	7
Others	45

The data shows a range of insurance companies that were used by the participating property owners to ensure their heritage properties. Of the participating property owners, 59% used just six different insurance companies to ensure their properties. The largest group of properties (n = 17, 15%) was insured by TD, followed by Cooperators (n = 13, 12%), Intact (n = 11, 10%), Desjardins (n = 10, 9%), Aviva (n = 8, 7%), and Economical (n = 7, 6%). The remaining 45 properties (41%) were insured by a range of 28 other insurance companies.

## Q9. Duration with Current Insurer

Question: *How long have you been with your current insurance provider?*

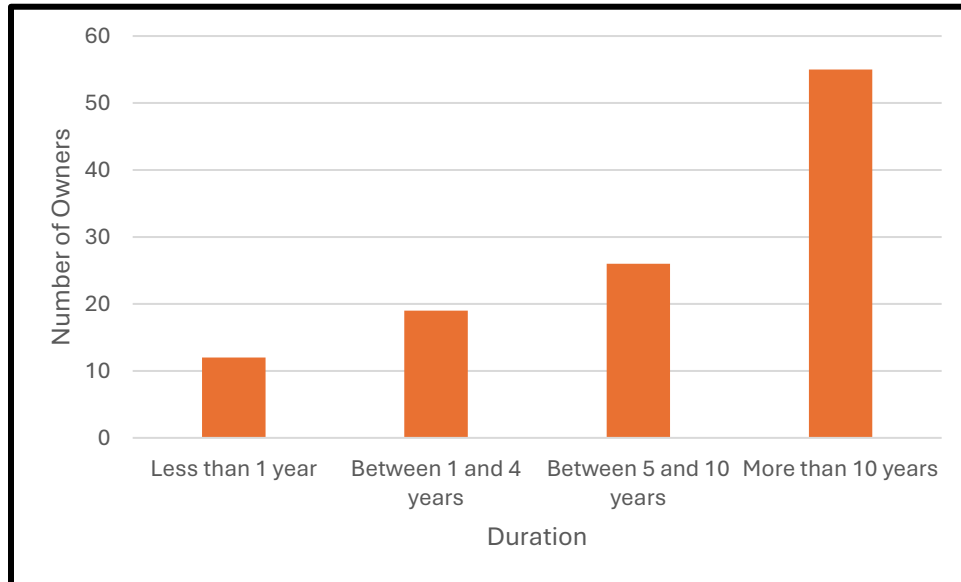


Figure 20. Number of property owners by duration with current insurer.

Table 19. Number of property owners by duration with current insurer.

Duration with Insurer	Number of Owners
Less than 1 year	12
Between 1 and 4 years	19
Between 5 and 10 years	26
More than 10 years	55

The data shows that almost half of participating property owners have been with their current insurer for more than ten years ( $n = 55$ , 49%). Almost three-quarters of the owners have been with their current insurer for at least five years ( $n = 81$ , 72%). Only 11% of the property owners have been with their current insurer for less than one year ( $n = 12$ ).

## Q10. Change of Insurer

Question: *Have you been previously insured by a different insurance company?*

Table 20. Number of property owners who changed insurer.

Changed Insurer	Number of Owners
Yes	73
No	39

Question: *In what year did your contract with your previous insurance company end?*

Table 21. Period when insurers were changed.

Period During which Insurers were changed	Number of Owners
1980-1989	1
1990-1999	0
2000-2009	1
2010-2019	16
2020-2025	15

Question: *What is the name of your previous insurance company?*  
 (Below figure is a combination of data from Table 18 and the current Q)

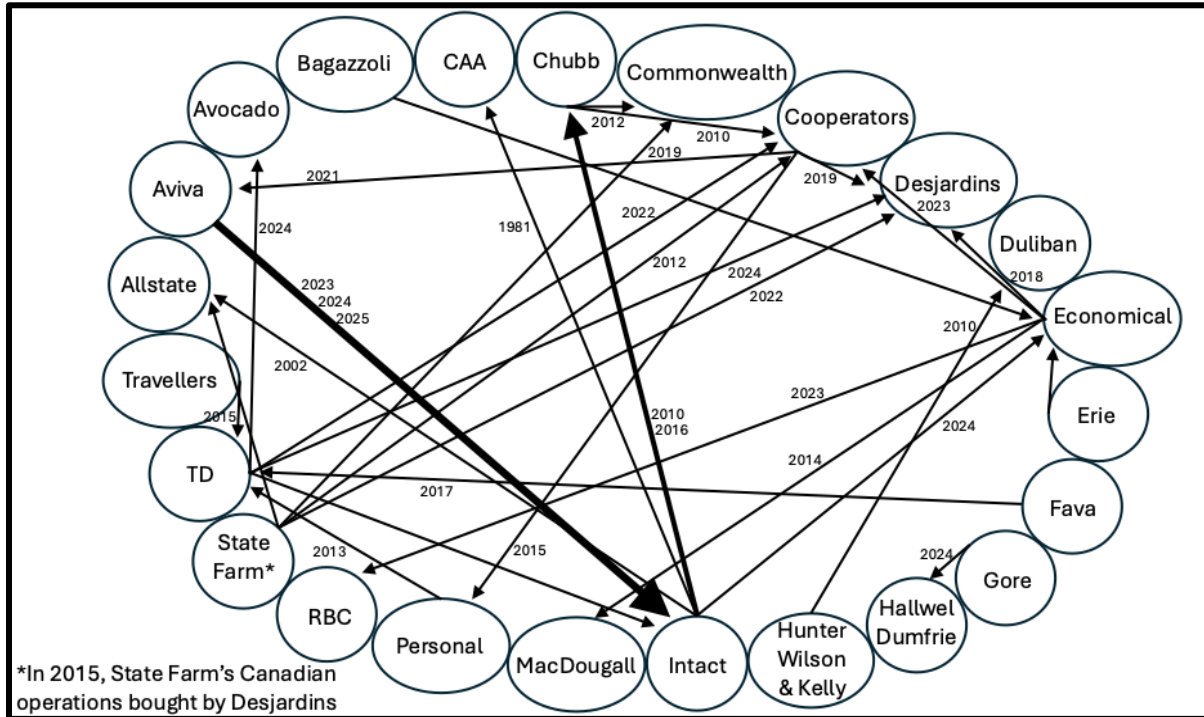


Figure 21. Changes in property insurers. Thickness of arrows indicates number of property owners that made this change. Numbers next to arrows indicate the year of change.

Of the participating property owners, almost two-thirds ( $n = 73$ , 65%) indicated that they previously had changed their insurer. Of those who changed their insurer, only 45% ( $n = 33$ ) indicated when this change happened. Of these changes, 15 (45%) occurred in the last five years and another 16 (48%) occurred during the period 2010 to 2019, perhaps indicating an acceleration of changes to insurers.

## Q11. Reason for Changing Insurer

Question: *What is the reason that you are no longer with your previous insurance company?*

Table 22. Reasons for Leaving Prior Insurer

Reason for Leaving Prior Insurer
Cost of premium
Cost of premium; claims
Stopped insuring heritage property
Cost of premium
Insurer did not renew b/o property age
Cost of premium
Increased cost b/o knob & tube wiring
Cost of premium
Wanted to use State Farm but could not b/o commercial property & switched after State Farm taken over by Desjardins
Insurer did not renew; did not say why
Cost of premium
Cost of premium
Cost of premium
Personal/family reasons
Cost of premium
Company takeover
Cost of premium
Cost of premium
Cost of premium
Refused to insure heritage property
Refused to insure heritage property
Difficulty insuring heritage property
Company takeover
Insurer does not cover farms
Cost of premium
Cost of premium
Insurance bundle
Insurer tried forcing structural changes
Cost of premium
Refused to insure heritage property
Cost of premium; insurer tried forcing structural changes

Of the property owners who changed their insurer, only 31 (42%) shared who their prior insurer was as well as why they left. In over half of these cases (n = 16, 52%), the premium cost was a reason leaving the insurer. In almost one-third of cases (n = 9, 29%), the reason was related to the property being a heritage property, including the insurer refusing to continue insuring the property.

## Q12. Insurance Agent Knowledge of Heritage Property during Purchasing Process

Question: *When you took possession of your property, was your property's age or heritage designation/listing considered or discussed by the property insurance broker or agent?*

Table 23. Consideration of property age, designation, or listing status by insurance agent?

Consideration of property age, designation, or listing?	Number of Property Owners
Yes	48
No	55
Do not know	9

Question: *When you took possession of your property, did you feel that your insurance broker or agent was knowledgeable about heritage designation/listing?*

Table 24. Insurance agent knowledge of the issue of heritage properties?

Agent knowledgeable?	Number of Property Owners
Yes	22
No	38
Do not know	52

The data shows that close to half of participating property owners (n = 55, 49%) indicated there was no discussion or consideration of the property's age, heritage or listing status with the insurance agent when the owner took possession of the property. One-third of property owners (n = 38, 34%) found that their insurance agent was not knowledgeable of the issue of heritage properties. Only one-fifth of property owners (n = 22, 20%) found that their insurance agent was knowledgeable of heritage properties.

Question: *Please indicate what demonstrated the broker's or agent's knowledge, and, Question: Please indicate what demonstrated the broker's or agent's lack of knowledge:*

In over two-thirds of cases (68%), property owners stated the knowledge of the insurance agent was indicated by their specific knowledge around heritage properties and issues of insuring these. In over half of cases (51%), property owners stated the lack of knowledge of insuring agents was indicated by the purely generic approach of the agent (i.e., use of generic list of questions). Over one-third of property owners (37%) indicated that the agent had no knowledge around heritage properties and issues of insuring these. An illustrative quote by a property owner about the insurance agent's lack of knowledge was: "They had never heard of heritage designation".

## Q13. Refusal to Insure Property

Question: *Have you ever been refused insurance coverage for your current property (i.e., new policy)?*

Table 25. Has the property owner ever been refused insurance coverage for the property?

Has insurance coverage ever been refused?	Number of Property Owners
Yes	29
No	83

The data shows that more than one-quarter of property owners (n = 29, 26%) have had insurance companies refuse to insure their property. However, this also means that close to **three-quarters of property owners (n = 83, 74%) did not have this happen to them.**

Question: *Please indicate what the reason was for refusal of insurance coverage:*

Table 26. Reason for refusal to insure property.

Reason	Number of Property Owners
Heritage status	15
Age of building	14
Conditions of property elements	3
Desired use	1
Unknown reason	2

Of the property owners who experienced a refusal to insure their property, over two-fifths (n = 15, 43%) indicated the reason given was the heritage status of their property. For another two-fifths (n = 14, 40%), the reason was the age of their property. Illustrative quotes by property owners were: "I have been told by many insurance companies 'We do not insure heritage buildings'" and "When I did insurance cost comparisons, other insurers would not provide quotes due to the age of the house".

Question: *In the last five years, has an insurance provider refused to renew your existing insurance coverage for your current property?*

Table 27. Has an insurance company ever refused to renew coverage for the property?

Has insurance ever refused to renew coverage?	Number of Property Owners
Yes	6
No	106

Only 5% (n = 6) of property owners ever had an insurer refuse to renew coverage of their heritage property, whereas **the vast majority of participants have never been refused renewal of coverage.**

A  $\chi^2$ -test was conducted of the counts of property owners who were refused insurance versus not refused, separated by their self reported heritage status of their property (heritage designation (Part IV or V) versus no heritage designation). **The test shows that a significantly higher than expected number of property owners whose properties are designated were refused insurance coverage ( $\chi^2 = 4.265$ ,  $df = 1$ ,  $p = 0.039$ ).**

## Q14. Specific Conditions of Insurance Coverage

Question: *Have you ever had to accept specific terms set by insurance companies to continue to receive property insurance (e.g., higher premiums, loss of insurance if upgrades are not completed)?*

Table 28. Did the property owner ever have to accept additional conditions for insurance coverage of the property?

Did have to accept specific conditions?	Number of Property Owners
Yes	27
No	79
Unknown	6

The data shows that close to one-quarter of property owners (n = 27, 24%) have had to accept specific conditions to obtain insurance of their property. However, over two-thirds of property owners (n = 79, 71%) did not have this happen to them.

Question: *Can you provide the stated reason for the terms and provide any additional details you may find important:*

Frequent types of conditions were electrical updates (n = 4, 14%), plumbing upgrades (n = 3, 11%), general property upgrades (n = 3, 11%), and roof upgrades (n = 3, 11%). Frequently, property owners also had to accept higher premiums (n = 4, 14%).

A  $\chi^2$ -test was conducted of the counts of property owners who had to accept special conditions versus no special conditions, separated by heritage status of their property (heritage designation (Part IV or V) versus no heritage designation). **The test shows that there is no significant effect of heritage status on the requirement for conditions to ensure insurance coverage ( $\chi^2 = 1.301$ ,  $df = 1$ ,  $p = 0.254$ ).**

## Q15. Renovations and Effects on Insurance Premiums

Question: *Have any physical changes, improvements or updates been made to your property which directly resulted in an adjustment in premiums (increase or decrease)?*

Table 29. Were any renovations or upgrades made that affected the insurance premiums?

Did renovations that affected premiums?	Number of Property Owners
Yes	35
No	66
Unknown	11

The data shows that close to one third of property owners (n = 35, 31%) have done renovations or upgrades to their properties that had an effect on insurance premiums. But over half of property owners (n = 66, 59%) did not make changes to their property that affected premiums.

Question: *Please provide further details of these changes and the premium adjustment:*

Illustrative quotes from property owners are: “Heating changed from oil to gas. Knob and tube wiring removed. New water and sewage lines installed. An alarm system installed.” and “We did a beautiful and extensive renovation which increased the value and replacement costs of the home so we increased our coverage which increased our premium”.

A  $\chi^2$ -test was conducted of the counts of property owners who have done renovations or upgrades that affected their premiums, separated by heritage status of their property (heritage designation (Part IV or V) versus no heritage designation). **The test shows that there is no significant effect of heritage status on renovations or upgrades that affected their premiums ( $\chi^2 = 0.015$ ,  $df = 1$ ,  $p = 0.903$ ).**

## Q16. Designation or Listing Effect on Premiums

Question: *Did the designation of your property directly impact your insurance premium?*  
(this Question applied to Part IV)

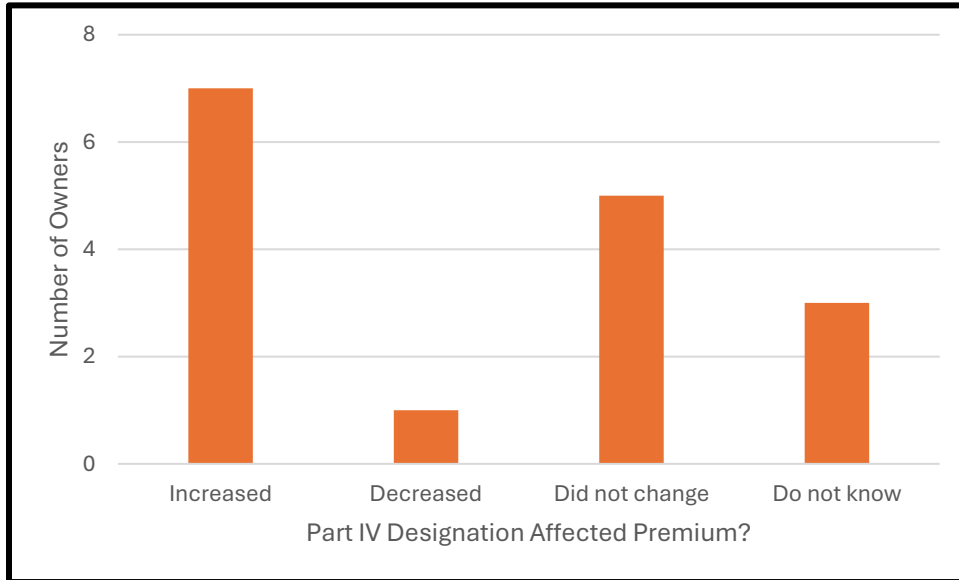


Figure 22. Number of property owners by designation (Part IV) effect on insurance premium.

Table 30. Number of property owners by designation (Part IV) effect on insurance premium.

Effect on premium	Number of Owners
Increased	7
Decreased	1
Did not change	5
Do not know	3

Question: *Did the designation of your property directly impact your insurance premium?*  
(this Question applied to Part V)

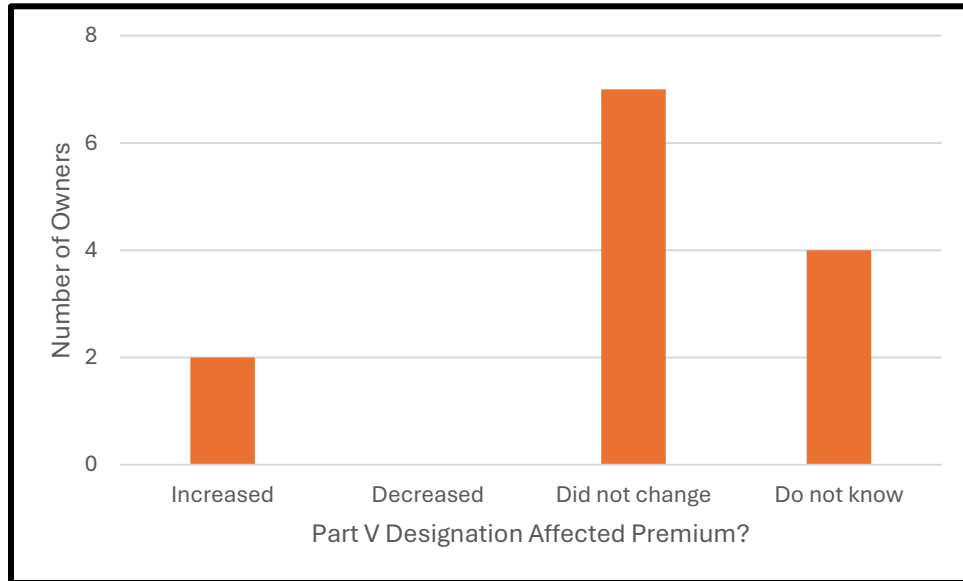


Figure 23. Number of property owners by designation (Part V) effect on insurance premium.

Table 31. Number of property owners by designation (Part V) effect on insurance premium.

Effect on premium	Number of Owners
Increased	2
Decreased	0
Did not change	7
Do not know	4

Question: *Did the listing of your property directly impact your insurance premium?* (Only 5 people indicated in an earlier Question that their house was listed; the current Question was only answered by 2 people)

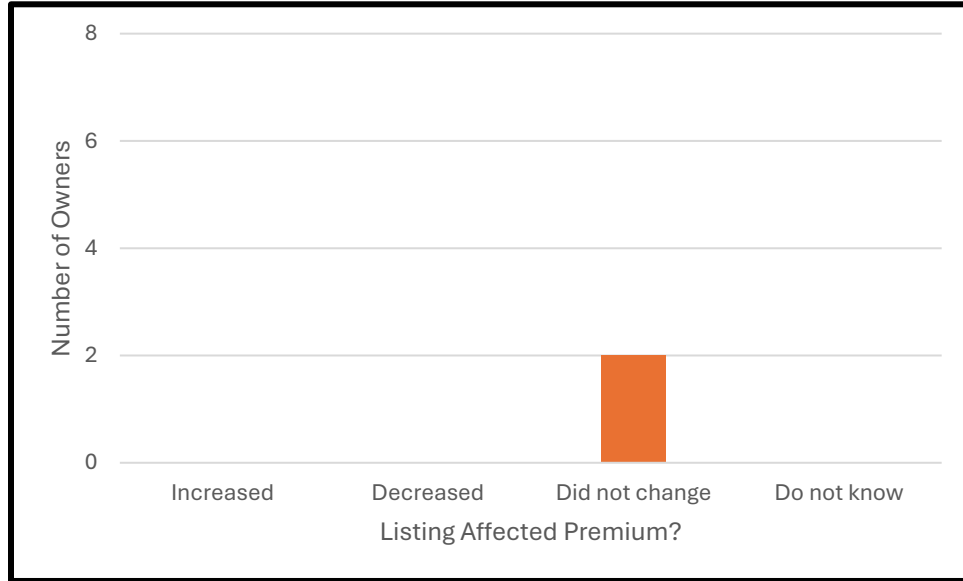


Figure 24. Number of property owners by listing effect on insurance premium.

Table 32. Number of property owners by listing effect on insurance premium.

Effect on premium	Number of Owners
Increased	0
Decreased	0
Did not change	2
Do not know	0

Question: *To approximately what percentage has your insurance premium increased because of the designation of your property?* (this Question applied to Part IV)

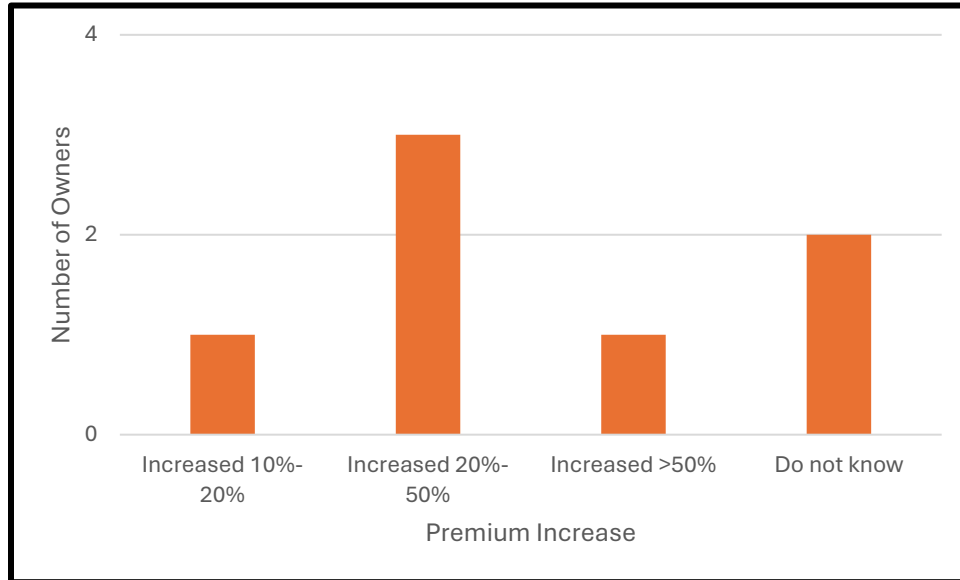


Figure 25. Number of property owners by premium increase after property designation (Part IV).

Table 33. Number of property owners by premium increase after property designation (Part IV).

Premium increase	Number of Owners
Increased 10%-20%	1
Increased 20%-50%	3
Increased >50%	1
Do not know	2

The data shows that for 23% of participating property owners (n = 9) premiums increased after the designation (Part IV or V) of their property. However, for 31% of property owners (n = 12) premiums did not change after designation (Part IV or V). Only two participating property owners whose properties were listed responded to this question. They indicated that their premiums were not affected. Of the property owners who indicated that their premiums increased after Part IV designation of their property, 43% (n = 3) indicated that their premium increased by between 20% to 50%.

Question: *To approximately what percentage has your insurance premium increased because of the designation of your property?* (this questions only applied to Part V properties. Only answered by 2 people who both said premium increased.

Question: *To approximately what percentage has your insurance premium increased because of the listing of your property?* Nobody answered this question.

## Q17. Premium Increase over Last 5 Years

Question: *To approximately what percentage has your insurance premium increased for any reason over the last 5 years? (this data is for all property owners)*

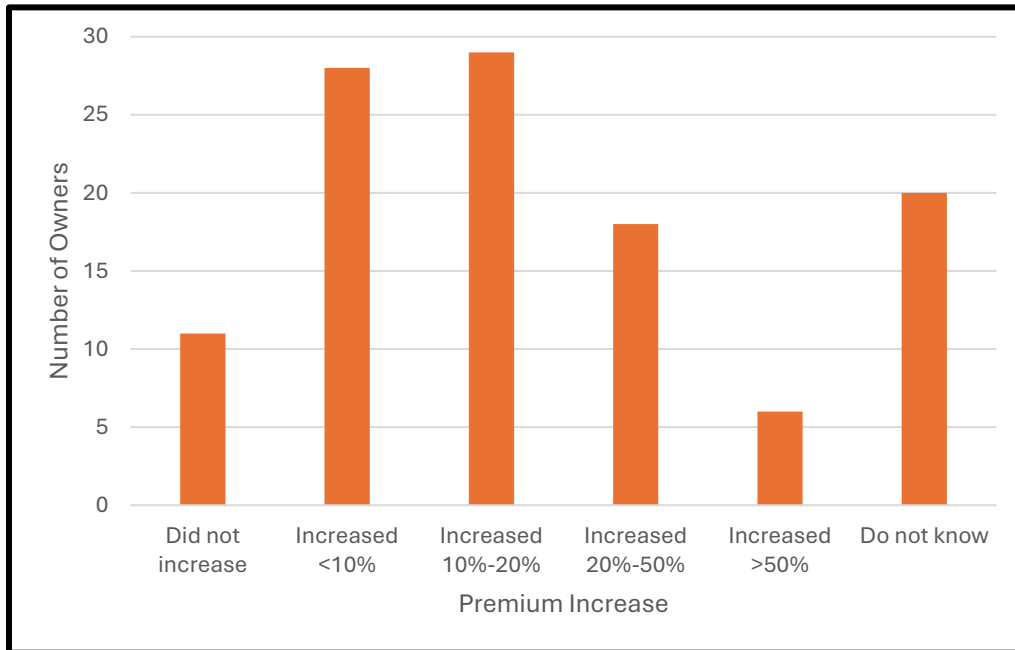


Figure 26. Number of property owners by insurance premium increase over last five years.

Table 34. Number of property owners by insurance premium increase over last five years.

Premium Increase	Number of Owners
Did not increase	11
Increased <10%	28
Increased 10%-20%	29
Increased 20%-50%	18
Increased >50%	6
Do not know	20

The data shows that for almost three-quarters of participating property owners (n = 81, 72%), insurance premiums increase over the last five years. For 25% (n = 28), the increase was smaller than 10%, for 26% (n = 29) the increase was between 10% and 20%, for 16% (n = 18), the increase was between 20% and 50%, and for 5% (n = 6), the increase was larger than 50%.

The test below is for Part IV and V property owners against all other property owners:  
A  $\chi^2$ -test was conducted of the counts of property owners whose insurance premiums increased over the last five years, separated by heritage status of their property (heritage designation (Part IV or V) versus no heritage designation). **The test shows that a significantly smaller than expected number of property owners whose properties are designated had no or small premium increases (<10%), while a significantly larger than expected number had larger premium increases (10% to 50%) ( $\chi^2 = 11.782$ ,  $df = 1$ ,  $p = 0.019$ ).**

## Q18. Insurance Claims

Question: *Have any previous insurance claims been made on this property during your ownership?*

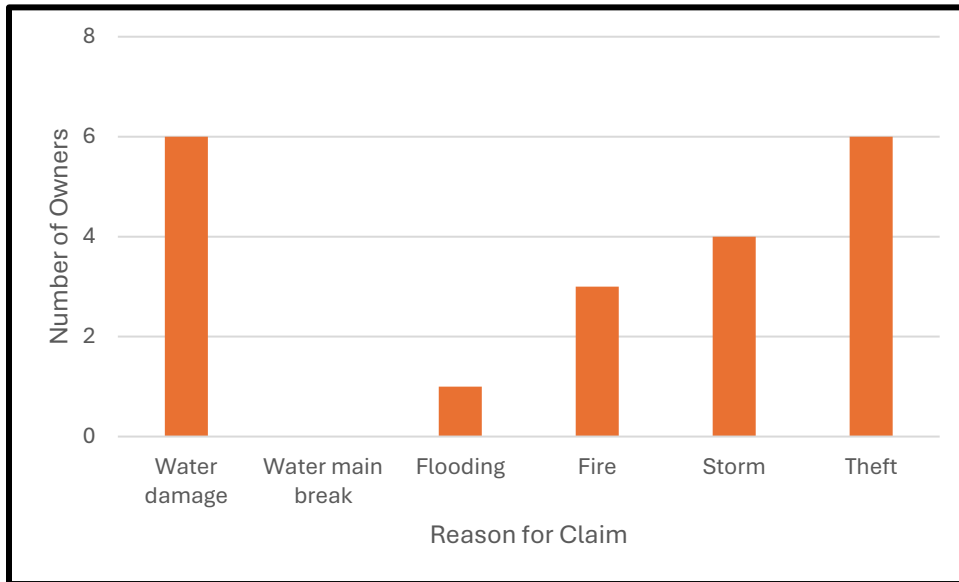


Figure 27. Number of property owners by insurance claim reason during current ownership.

Table 35. Number of insurance claims during current property ownership.

Insurance Claims	Number of Owners
Yes	18
No	88
Do not know	3

Question: *Please indicate the reason for the insurance claim(s):*

Table 36. Number of property owners by insurance claim reason during current ownership.

Claim Reason	Number of Owners
Water damage	6
Water main break	0
Flooding	1
Fire	3
Storm	4
Theft	6

The data shows that less than one fifth of participating property owners (n = 18, 17%) have made an insurance claim during their current ownership. Over four fifth of property owners (n = 88, 81%) have made no insurance claims. The two most frequent reasons for insurance claims were water damage (n = 6, 30%) and theft (n = 6, 30%), followed by storm damage (n = 4, 20%), and fire (n = 3, 15%). There were no claims made due to water main breaks.

Question: *Was a heritage attribute part of the insurance claim(s)?*

Only 18 participating property owners answered the question whether their insurance claim involved a heritage attribute of their property. All of them indicated that heritage attributes were not involved in the claim.

Question: *Was this considered a partial or full loss?*

Table 37. Number of property owners by extent of loss (partial, full).

Extent of Loss	Number of Owners
Partial	4
Full	7
Do not know	5

Of the participating property owners who indicated the extent of their loss involved in their insurance claim, over two-fifths (n = 7, 44%) indicated that it was a full loss. One-quarter of property owners (n = 4, 25%) indicated that it was a partial loss.

The test below is for Part IV and V property owners against all other property owners. A  $\chi^2$ -test was conducted of the counts of property owners who have made insurance claims, separated by heritage status of their property (heritage designation (Part IV or V) versus no heritage designation). **The test shows that there is no significant effect of heritage status on insurance claims made ( $\chi^2 = 0.008$ ,  $df = 1$ ,  $p = 0.930$ ).**

Question: *Did the insurance claim(s) require approvals made by the local Municipality (i.e., heritage permit approval)?*

Property owners were asked whether their insurance claim required approvals by the municipality. None of the property owners who answered this question (n = 18) stated that this was the case.

Question: *Did your insurance premiums increase after the claim(s) was/were settled?*

Table 38. Number of property owners who experienced an increase in premium after insurance claim settlement.

Increased Premium after Claim?	Number of Owners
Yes	6
No	8
Do not know	4

Of the participating property owners who indicated whether their premium increased their insurance claim settlement, one-third (n = 6, 33%) indicated that their premium increased. But over two-fifths of property owners (n = 8, 44%) indicated that that their premium did not increase.

## Q19. Effect of Building Update on Insurance Premium

Question: Please read the following statements and select the one that you agree with:

- I feel that my insurance premiums would decrease if I updated or modernized my home;
- I feel that my insurance premiums would remain the same if I updated or modernized my home;
- I feel that my insurance premiums would increase if I updated or modernized my home

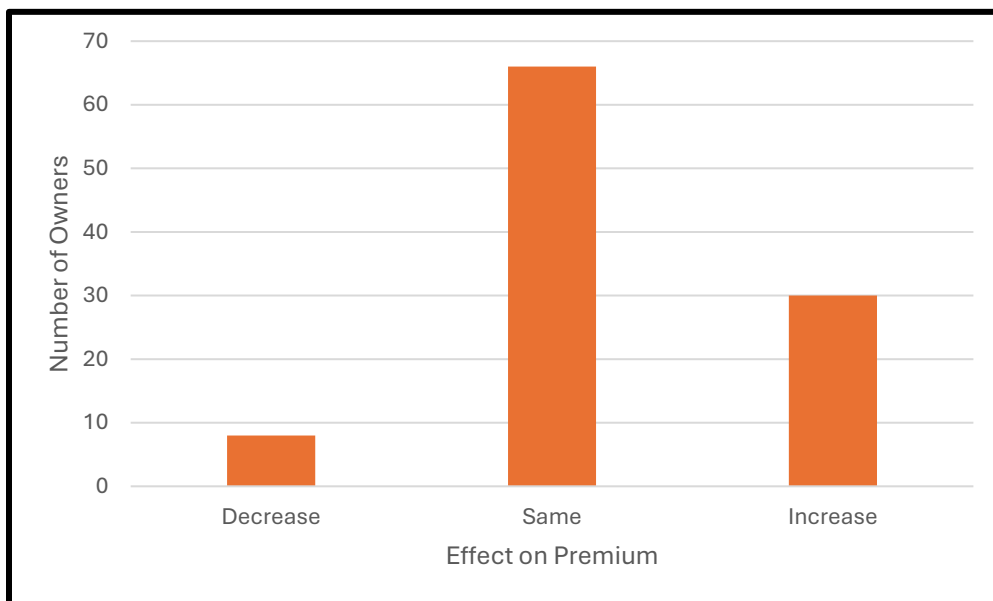


Figure 28. Property owner's perception whether a building upgrade would affect insurance premium.

Table 39. Property owner's perception whether a building upgrade would affect insurance premium.

Effect on Premium	Number of Owners
Decrease	8
Same	66
Increase	30

The data shows that just 8% (n = 8) of property owners believe a building upgrade would decrease their insurance premium. However, 63% of property owners (n = 66) believe their premium would stay the same, and 29% (n = 30) believe their premium would increase.

Question: *Please provide any additional details you may find important to explain the impact of updating or modernizing your home*

Responses included illustrative quotes that demonstrate the breadth of opinion: “It is the heritage designation alone that makes it expensive”, “Changed all windows and better costs for heating but no change in insurance premium”, “If the house is safer, from interior flood or fire, then less risk thus decreased insurance rate”, and “It would increase the value of the house, so premiums would likely increase”.

The test below is for Part IV and V property owners against all other property owners. A  $\chi^2$ -test was conducted of the counts of property owners who believed a building update would affect their insurance premium, separated by heritage status of their property (heritage designation (Part IV or V) versus no heritage designation). **The test shows that there was no significant effect of designation on this belief ( $\chi^2 = 2.006$ ,  $df = 1$ ,  $p = 0.367$ ).**

## Q20. Effect Letter Municipality about Replacement Process on Insurance

Question: *If your local planning authority provided you a letter explaining the replacement process of historic materials in the event of a catastrophic loss (i.e., no requirement for historic materials or replication), do you feel this might help obtaining or reducing insurance costs?*

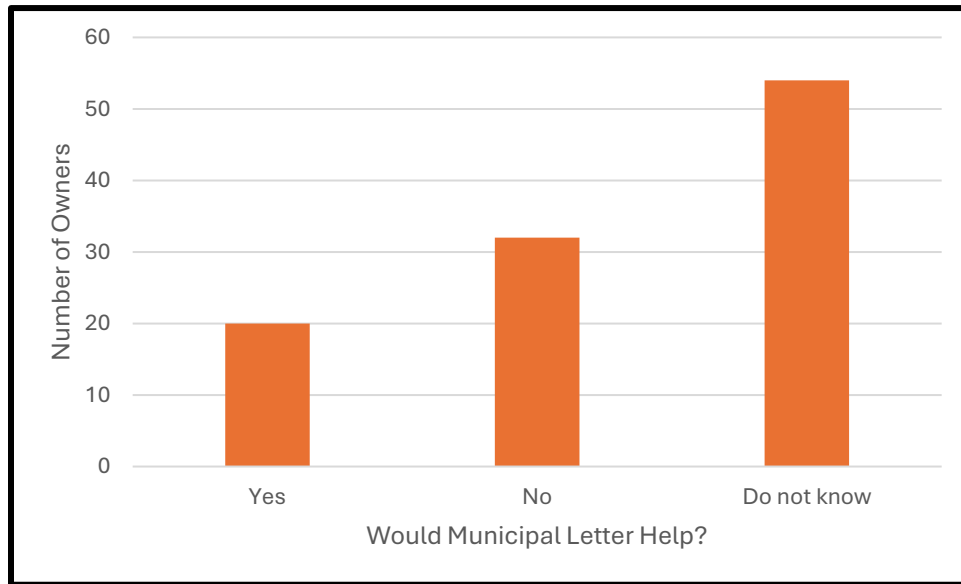


Figure 29. Property owner's belief about effect on insurance of letter from municipality stating that there is no requirement for historic materials or replication after catastrophic loss.

Table 40. Property owner's belief about effect on insurance of letter from municipality stating that there is no requirement for historic materials or replication after catastrophic loss.

Letter would Help	Number of Owners
Yes	20
No	32
Do not know	54

The data shows that 19% (n = 20) of property owners believe that a letter from the municipality stating that there is no requirement for replacement with historic materials would help obtaining insurance or lowering rates. However, 30% (n = 32) did not think such a letter would help, and 51% (n = 54) of property owners did not know.

## Q21. Would A List that Covers Insurance Agencies that Insure Heritage Buildings Be Helpful?

Question: *Would you find it helpful if insurance agents provided a list of insurers that insured historic buildings?*

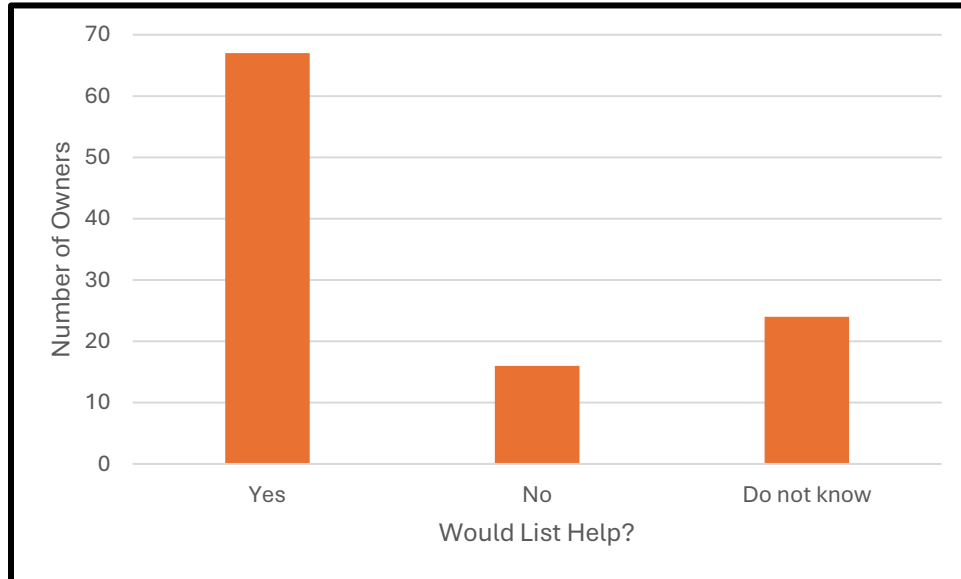


Figure 30. Property owner's belief whether it would be helpful to have a list with insurance agencies that insure heritage properties.

Table 41. Property owner's belief whether it would be helpful to have a list with insurance agencies that insure heritage properties.

List would Be Helpful	Number of Owners
Yes	67
No	16
Do not know	24

The data shows that 63% (n = 67) of property owners believe that a list with insurance agencies that insure heritage properties would be helpful. But 15% (n = 16) did not think such a list would help, and 22% (n = 24) of property owners did not know.

## Q22. Would A List Be Helpful that Covers Insurance Agents that Insure Heritage Buildings?

Question: *If a list existed of insurance agents who understand heritage buildings or are known to insure historic buildings, do you feel this might help obtaining or reducing insurance costs?*

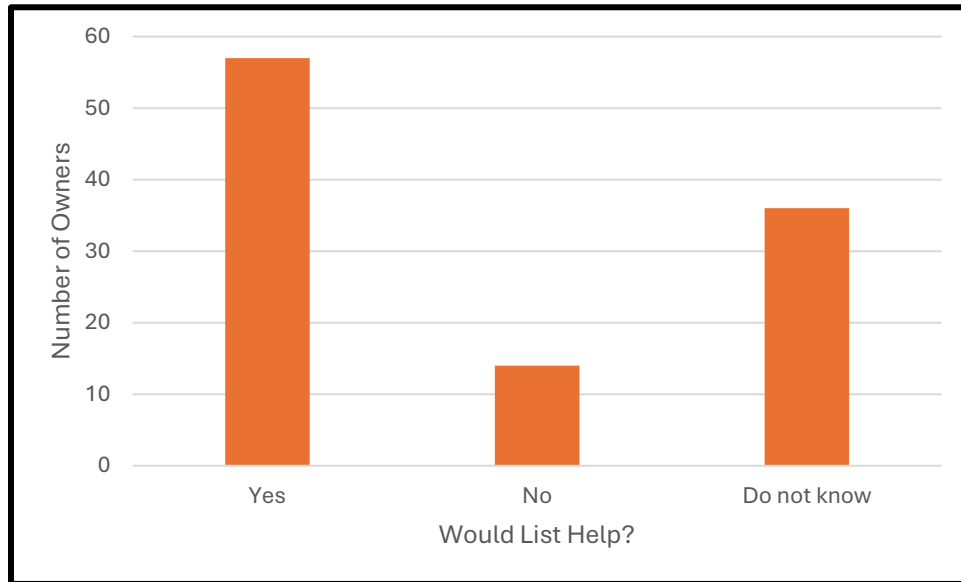


Figure 31. Property owner's belief whether it would be helpful to have a list with insurance agents who insure heritage properties.

Table 42. Property owner's belief whether it would be helpful to have a list with insurance agents who insure heritage properties.

List would Be Helpful	Number of Owners
Yes	57
No	14
Do not know	36

The data shows that 53% (n = 57) of property owners believe that a list with insurance agents who insure heritage properties would be helpful obtaining or reducing insurance costs. But 13% (n = 14) did not think such a list would help, and 34% (n = 36) of property owners did not know.

## Q23. Would Want to De-designate Building if Designation Increased Insurance Premium

Question: *If your insurance premium would increase after property designation or listing, would you consider de-designating or delisting your property?*

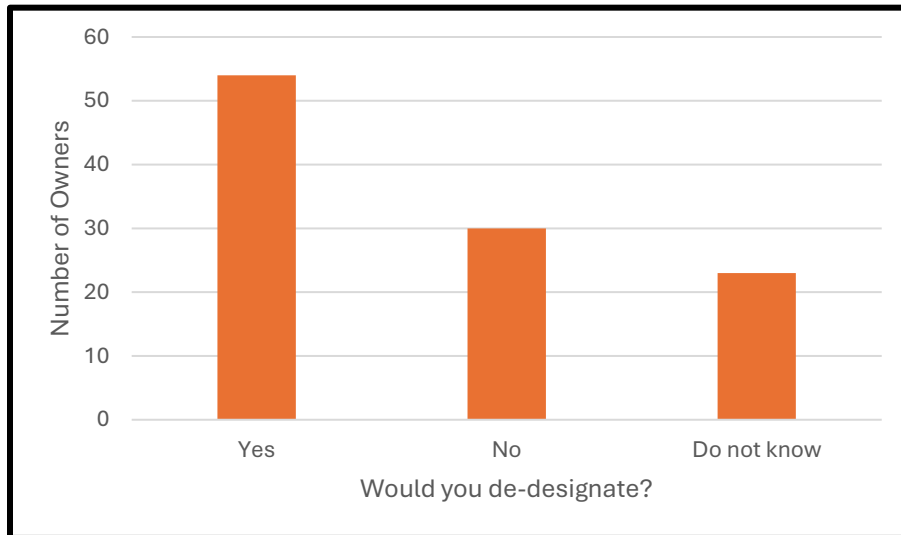


Figure 32. Number of property owners who would want to de-designate their heritage buildings if designation would increase their insurance premium.

Table 43. Number of property owners who would want to de-designate their heritage buildings if designation would increase their insurance premium.

Would Want to De-designate	Number of Owners
Yes	54
No	30
Do not know	23

The data shows that 50% (n = 54) of property owners would want to de-designate their heritage building if designation would increase their insurance premium. But 28% (n = 30) did not think they would want to do this, and 21% (n = 23) of property owners did not know.

Question: *Please provide any additional details you may find important with regard to the consideration to de-designate or delist your property*

Responses included illustrative quotes such as: “I would de-designate my property in a heartbeat”, “People should not own heritage properties if they don't want to look after them. Sell it and buy a non-descript modern building instead (which no one will care what you do with it)”, and “My understanding is that it is very hard to delist once designated heritage”.

## Q24. Property Owners who Feel they Understand Difference Between Replacement and Cash Value Cost

Question: *Do you feel you adequately understand the difference between actual cash value and replacement cost value, as it relates to your insurance policy?*

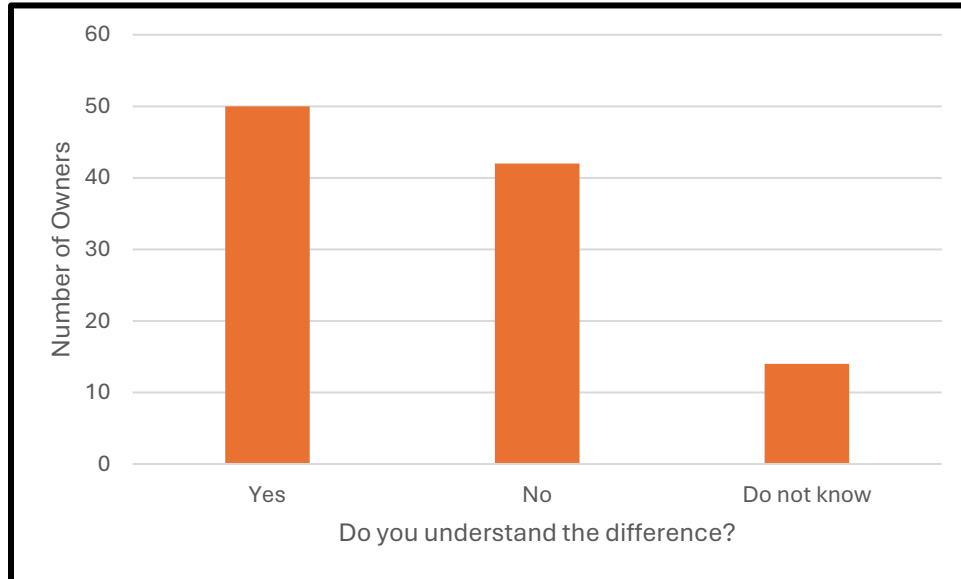


Figure 33. Number of property owners who feel they understand difference between replacement and cash value cost.

Table 44. Number of property owners who feel they understand difference between replacement and cash value cost.

Understand Difference between Cost Types	Number of Owners
Yes	50
No	42
Do not know	14

The data shows that 47% (n = 50) of property owners feel they understand the difference between replacement and cash value cost. But 40% (n = 42) did not think they understood the difference, and 13% (n = 14) of property owners did not know.

## Q25. Property Owners who Feel Heritage Homes should Have Higher Premium

Question: *Do you feel that heritage homes should have higher insurance premiums than new homes?*

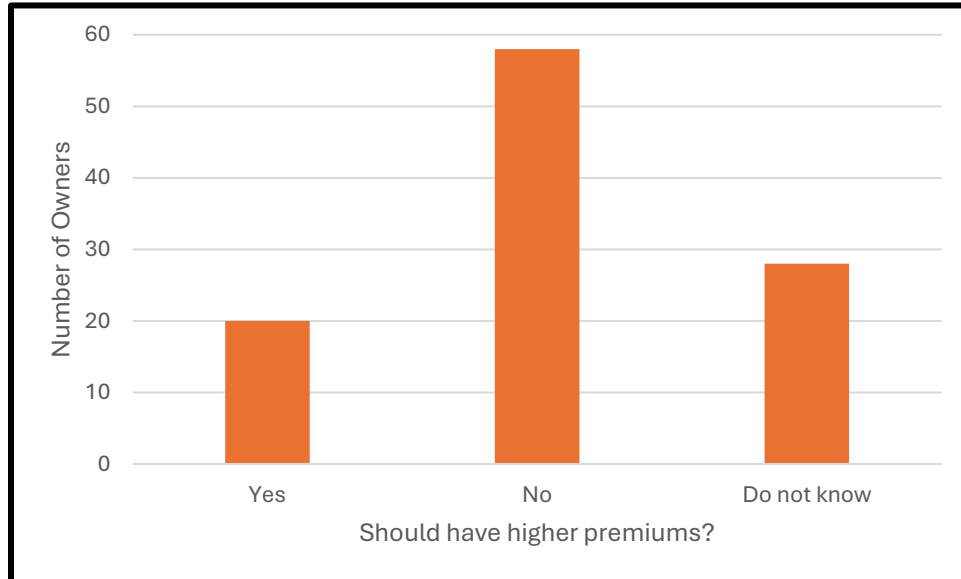


Figure 34. Number of property owners who feel that heritage homes should have higher insurance premiums.

Table 45. Number of property owners who feel that heritage homes should have higher insurance premiums.

Heritage Homes Should Have Higher Premiums	Number of Owners
Yes	20
No	58
Do not know	28

The data shows that 19% (n = 20) of property owners feel that heritage homes should have higher premiums than other buildings. But 55% (n = 58) did not think that heritage homes should have higher premiums, and 26% (n = 28) of property owners did not know.

Question: *Please explain why you think that heritage homes should have higher insurance premiums*

Responses included illustrative quotes such as: “Cost of repair and replacement is higher” and “Dependent on whether it has had all modern upgrades made to ensure it is safe. If they have, then no they shouldn't, if they haven't then yes.”

Question: *Please explain why you think that heritage homes should not have higher insurance premiums*

Illustrative quotes for this response included: “Heritage homes typically have better core structures vs flimsy construction methods of modern buildings so should withstand certain risks better” and “Because it is an unfair burden. The designation seems to be for the city not the owner”.

## Q26. How Often Do Property Owners Review their Insurance Policy

Question: *How often do you review or update your insurance policy?*

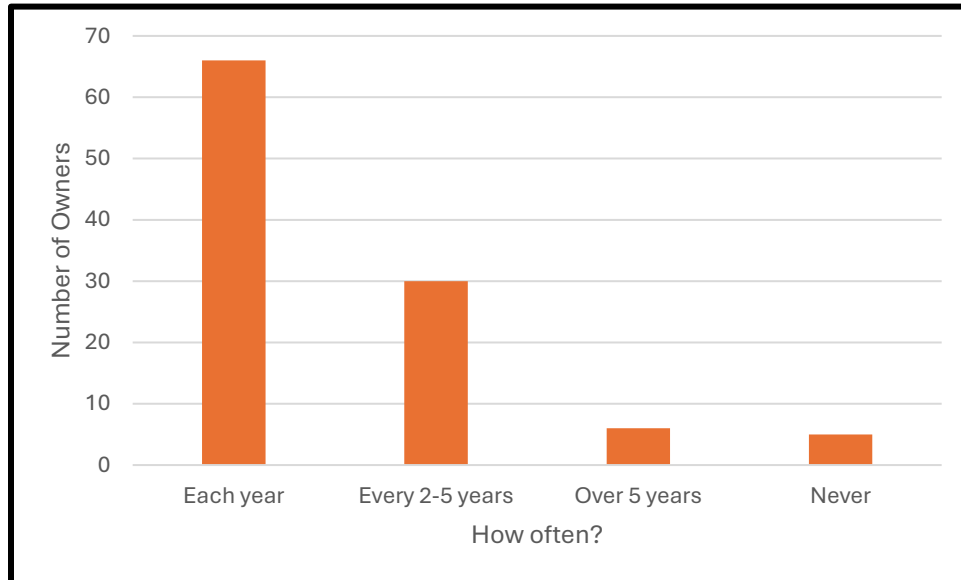


Figure 34. Number of property owners by how often their review their insurance policy.

Table 45. Number of property owners by how often their review their insurance policy.

Frequency of Policy Review	Number of Owners
Each year	66
Every 2-5 years	30
Over 5 years	6
Never	5

The data shows that 62% (n = 66) of property owners review their insurance premium every year, 28% (n = 30) review their policy every two to five years, 6% (n = 6) review less often than every five years, and 5% (n = 5) never review their insurance policy.

## Q27. Final Quotes

Question: *Do you have any final comments you feel we should be aware of at this time?*

“Many people in the insurance industry do not understand heritage buildings. Often heritage buildings are built much better than more recent construction and are more durable (fewer claims). Heritage designation should not be used as an excuse by insurance companies to charge higher fees.”

“It is not insurance related, but I feel that many municipalities, want to designate historical properties, but offer no support to homeowners for updates or expenses in maintaining heritage properties. Heritage homes and designation most often lead to higher insurance and maintenance costs, and the city has direct input into how this maintenance is to be done but offers no assistance for the increased costs.”