

For Immediate Release

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New attack on rental property owners coming from insurance companies

Nova Scotia investment rental property owners under attack from politicians and activist groups are now facing their best financed opponent yet: insurance companies.

“Costs to own and operate rental properties are going up and up and up, with insurance rates the latest pain point, with no help or support from government,” said Kevin Russell, executive director of the Investment Property Owners Association of Nova Scotia (IPOANS). “Without a real plan to address housing solutions that involves rental property owners, the housing crisis is going to get worse over the winter and for years to come.”

Among the problems faced by IPOANS members from their insurance companies:

- Insurance rates on policy renewals are increasing 45-50%;
- Big insurance companies are placing unreasonable liability demands on landlords for older buildings, which will force small landlords to either assume added risk or leave the industry; and
- New developments are being directed by insurance companies to replace building components in conflict with current building codes.

Of the 6,000 landlords operating in Nova Scotia, 5,400 are small- and mid-sized landlords. More than 66,000 rental units in Nova Scotia are under the management of small- and mid-sized landlords.

“Landlords have been hit hard by higher taxes, higher energy costs, higher building costs, COVID-19 related expenses and now higher insurance costs,” added Russell. “Make no mistake, unless government works with landlords on an evidence-based housing plan to manage these skyrocketing costs, the housing crisis will get worse for all Nova Scotians.”

Nova Scotia’s NDP and allies in activist groups like ACORN have been falsely claiming that thousands of Nova Scotians will become homeless once Premier Tim Houston fulfills the commitment made by former Premiers Stephen McNeil and Iain Rankin to end the emergency rent cap at either the conclusion of the State of Emergency or February 2022. In September 2021, Nova Scotia Residential Tenancies issued a reminder on the regulatory protections in place for tenants that would protect them from large increases through the fall and winter.

“If Tim Houston breaks the promise made to Nova Scotians by Stephen McNeil and Iain Rankin on ending temporary rent control, there will be less competition as small landlords leave a hostile, costly market, there will be less investment in new buildings and less investment in renovating or upgrading buildings,” said Russell. “It’s time for government leadership to bring all the partners together for housing solutions, not extending populist schemes that don’t work like rent control.”

Questions

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