



Heritage properties and insurance

Learn how property owners may insure a heritage property.

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Heritage designation

The [Ontario Heritage Act](#) enables municipalities to designate properties of cultural heritage value or interest through a by-law.

Designation is a way for:

- owners to express pride in the heritage value of their property
- the community to protect and promote awareness of its local history

Designation can apply to:

- individual properties
- a whole neighbourhood or district

If a property or district is designated, it gains public recognition as well as protection from demolition or unsympathetic alteration so that its heritage attributes can be conserved.

Property insurance premiums

Insurance premiums should **not** go up because of a heritage designation.

Insurance companies may increase premiums for older buildings for a variety of reasons such as outdated wiring, old heating systems, etc.

Some companies do not insure buildings over a certain age, but designation itself does not place additional requirements on the insurer and should not affect premiums.

Destroyed by fire or accident

The intent of designation is to preserve the historic, physical, contextual or other heritage value of a property.

If a building on a heritage property is completely or partially destroyed, the designation by-law does not require the owner to replicate any lost heritage attributes. A replacement building can be of a different design.

Replicate damaged heritage features

If you want the original features of your property to be replicated in case of damage, you should ensure you have appropriate insurance.

Coverage depends on the risk the owner and insurance company are prepared to share. The age, quality and condition of the building will affect the premium and available coverage.

As with any insurance plan, it's best to research insurance providers to find the most competitive rate and best service.

For more information, please contact the [Insurance Bureau of Canada](#).

Replacement cost coverage

"Replacement cost" coverage requires prior insurance appraisal of the building. It generally provides for the property to be repaired or replaced with like kind and quality up to the amount stated in the policy.

If available, guaranteed replacement cost coverage can provide for replication of original historical detailing and other important features that have been lost or damaged – whether or not a property is designated.

By-law endorsement coverage

Some insurance companies offer a special type of “by-law endorsement” coverage.

The ministry advises owners of designated heritage properties to share the designation by-law with their insurer to be certain that heritage attributes are properly covered by their policy.

Actual cash value

An owner can also obtain coverage for actual cash value — the calculated cost of replacing the property with something of like kind after taking depreciation into account.

When arranging the insurance, an owner should speak with their insurance representative about the basis of their claims settlement.

It is important to understand what to expect if the building were to be completely or partially destroyed by an insured peril.

Restore a designated property to its original appearance

Heritage designation does not require an owner to restore their building to its original appearance.

The designation by-law identifies the heritage attributes considered important, and council approval is required for changes that will affect those attributes.

If an owner wants to restore any lost or missing features, they should first discuss the project with the Municipal Heritage Committee or appointed municipal staff person for advice on:

- the proposed work
- the work’s impact on the property (especially if it involves removing an important feature from a later period)

General maintenance of a designated heritage property

General maintenance work does **not usually** require heritage approvals. This may include:

- repainting exterior trim
- replacing or repairing an asphalt roof
- altering and repairing property features not covered by the designation by-law

An owner may still need a building permit and should check with the local building department.

Decisions about alterations to designated heritage property

Municipal councils are responsible for making decisions about applications for a heritage permit, unless this power has been delegated to municipal staff.

Normally, a Municipal Heritage Committee will:

- review an application for changes to the property
- provide advice to staff and council

Staff and committee members can advise on how desired changes can be made without detracting from the property's heritage attributes.

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Government of Ontario

The Government of Ontario includes ministries, agencies and Crown corporations.

Questions or comments

There are many ways to contact the Government of Ontario.