



REIX



Real Estate Insurance Exchange

**2024
APRIL
NEWSLETTER**

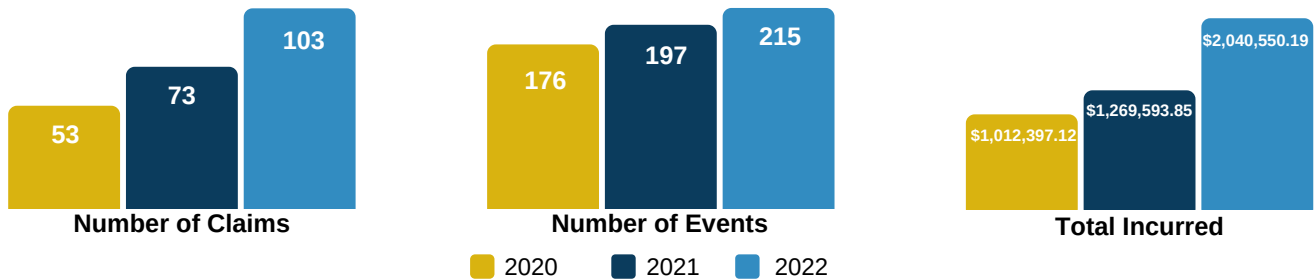
PREMIUM UPDATE

SURGING REAL ESTATE TRANSACTIONS PUSH REIX CLAIMS TO NEW HEIGHTS



As the Saskatchewan and Alberta real estate markets have heated up over the last two years, so have the number of claims for liability coverage by REIX subscribers.

These surging numbers are not only producing a significant increase in claims against REIX subscribers but also an increase in the number of “events” – situations when subscribers require support from the REIX team, but the situation doesn’t turn into an actual claim file being opened.



In order to deal with these increases and maintain the ongoing benefits and support for subscribers, REIX has made the tough decision to introduce a modest premium increase for all subscribers.

“With the increased number of claims and events that we’re seeing these past few years, we’re just not able to fund the increased support work that we’re doing on behalf of subscribers without a premium increase,” says REIX CEO Lisa Sabo. “It’s the first increase we’ve had since 2017 and, at \$200 per year, we’ll still have the lowest premiums of any province in the country for real estate liability coverage.”

After the premium increase, the cost of REIX coverage will be:

- \$200 per year for each individual insured
- \$200 per year for each brokerage

Helping offset costs to subscribers

This new premium continues to reflect the benefits of REIX’s proactive loss prevention program and a well-managed investment portfolio as these two tools help reduce the overall costs to subscribers. This year’s premium subsidy is approximately \$45 per subscriber per year based on calculations by REIX’s actuaries.

The timing of the increase will depend on your location, with the change occurring in:

- Saskatchewan on July 1, 2024
- Alberta on October 1, 2024

The costs for professional liability coverage, along with other excellent benefits such as Cyber Shield, will still be less than \$1 per working day, excellent value in today’s market.

POLICY UPDATES

Introducing limited coverage for social engineering fraud claims

In the past couple years, there's been media coverage of sophisticated attempts by fraudsters to commit what's known as "social engineering fraud." This type of fraud typically occurs when criminals work to deceive an agent or brokerage into transferring funds to someone other than the rightful recipient, often with last-minute requests to change the e-mail address where the transfer is going.



There have been a number of high profile cases across Canada where the criminals have succeeded, resulting in the transfer of several hundred thousand dollars to the wrong account. Usually, these funds aren't recoverable and the brokerage or the realtor is out of pocket.

As an expanding class of risk, REIX has decided to limit coverage to \$50,000 per claim and \$100,000 for a yearly aggregate per subscriber to protect all REIX insureds. REIX will be offering advice and resources on how subscribers can protect themselves against cybercrime and we'll continue to recommend that everyone participate in REIX's Cyber Shield program, that is free of charge and provides 24/7 cyber support.

EXCLUSIONS



Exclusion of coverage for Acting as a Property Inspector

For the coming policy year, there is a new exclusion that any activities for property inspection services aren't covered. These activities have not been covered up until now as they are not part of "real estate services" which is defined in the policy as "trading in real estate or property management." This new exclusion confirms this.



Exclusion of coverage for Condominium Document Review Services

For the coming policy year, there is a new exclusion for condominium document review services. This is a specialized area of expertise, with companies that focus on this area providing this kind of advice as well as lawyers and accountants to whom clients can be referred. As with property inspection services, this exclusion confirms activities that were also not covered up until now as they are not part of "real estate services."

2023

ANNUAL REPORT

2023 has been a year of growth for REIX, with new team members, our new Cyber Shield program, and many efforts to keep supporting our Alberta and Saskatchewan subscribers while reducing claims and keeping premiums low.

We are looking forward to another year of serving the industry and our subscribers in 2024!

[READ MORE](#)



BROKER SERIES

As Managing Brokers, your real estate agents and clients depend on your expertise. That's why, as part of REIX's Risk Management Support Program, we offer pre-designed Broker presentations around common claim topics. Available presentations can be found [here](#).



Knowing Your Limitations

Staying within your scope of competence ensures ethical practice and minimizes the risk of claims.



Importance of Taking Notes

Why keeping track of the facts and taking time to put good notes in your file are important.



LOOKING TO HOST A
REIX PRESENTATION?

EMAIL US TODAY!
admin@reix.ca

Advice and Insights on Common Issues

REVIEW OUR BLOGS

READ THESE BLOGS AND MORE AT
www.reix.ca

DISCLOSURE: PROPERTY CONDITION

When it comes to buying or selling a property, transparency is crucial. Courts have found that both sellers and agents have a responsibility to disclose any relevant information about the property's condition.

[READ MORE](#)



CYBER SHIELD: YOUR ALL-IN-ONE CYBER RISK MANAGEMENT SOLUTION

Alongside the benefits of technology, it also introduces security risks. Cyberattacks, data breaches, and unauthorized access are constant threats that organizations face. That's where REIX steps in with its innovative solution: Cyber Shield.

[READ MORE](#)



ARTIFICIAL INTELLIGENCE IN REAL ESTATE

Over the past few years, Artificial Intelligence has made its way into people's lives, from chatbots and homework research to virtual assistants and social media generation. Should you use AI to produce real estate documents or listings?

[READ MORE](#)



**NEED HELP OR SUSPECT
YOU'VE BEEN HACKED?**

REPORT A CYBER INCIDENT
reix@dynarisk.com

24/7 Cyber Helpline
1-855-615-1083