

Resolution No. 11

Date: 6/10/2023

City: Washington, DC

NAHB Resolution

Title: Insurance Options for Rent-Restricted Affordable Housing
Submitted by: Barry Kahn

WHEREAS, the National Association of Home Builders (NAHB) has advocated for affordable rental and multifamily housing for close to eight decades;

WHEREAS, increased regulations, building code requirements, mortgage interest rates, and insurance premiums, among other things, add significant costs to the development and operation of affordable rental and multifamily housing;

WHEREAS, private insurance companies are increasingly and dramatically raising insurance rates and deductibles for affordable housing and/or denying the sale of new insurance policies and the renewal of existing coverages required to obtain or maintain adequate coverages meeting mortgage requirements;

WHEREAS, there is a severe shortage of affordable and low-income housing in the U.S. and this shortage is expected to continue for the foreseeable future.

WHEREAS, developers and operators of rent-restricted affordable housing cannot legally raise rents sufficient to cover these increased insurance costs;

WHEREAS, the development and operation of rent-restricted affordable rental housing--via the Low-Income Tax Credit and other affordable housing programs--is increasingly not feasible in many areas of the U.S. due to these high insurance costs, which will likely result in foreclosures and loss of housing for those of lesser means;

NOW, THEREFORE, BE IT RESOLVED that the National Association of Home Builders (NAHB) urge policy makers at all levels of government to seek solutions that cover the costs of real property, casualty, and general liability insurance in order to maintain and add to the availability of rent-restricted affordable rental housing.

Leadership Council Action: Approved
Resolutions Committee Action: Recommends Approval

This resolution was submitted after the 30-deadline and will require a two-thirds majority for approval by the Leadership Council.