



# Landlord Legal Expenses Cover & Rent Guarantee



We're ready to assist...

# Landlord Legal Expenses Cover & Rent Guarantee – professional support for you and your rented property

Whilst some insurance policies may provide an element of legal cover, there are many other situations that landlords should consider insuring themselves against.

There are two policies available designed to provide legal protection to landlords renting property for residential purposes:

- Landlords Legal Expenses Insurance
- Landlords Legal Expenses with Rent Guarantee Insurance

Both policies are the same in respect of legal cover and provide access to a legal advice helpline, plus help to find a specialist lawyer and the cost of legal fees up to £50,000.

If the Rent Guarantee cover option is taken, the policy will also cover rent up to £3,000 a month for up to 12 months.

## Who can take it out?

Legal expenses cover can be added to the core buildings insurance policy by residential property Landlords. Legal expenses and rent guarantee is not available as a stand-alone product.

### Did you know?

Landlords of furnished leasehold properties (where buildings insurance is not required to be taken by the landlord) can also add legal expenses cover to their contents only policy.

## Is it worth it?

Landlords have a lot to contend with and even experienced landlords could be struggling with the challenges of a changing and now complex market.

The Renters' (Reform) Bill has been implemented and may be considered in some quarters to have given more power and protection to tenants to challenge landlords against rent rises or "no fault" eviction.

It is also said that renters are now nearly three times as likely to miss a rental payment than a homeowner missing a mortgage payment so Landlords need to do all they can to protect themselves and their investment against this happening which includes legal assistance and protection to cover loss of rent.

## What it costs

Annual cover for Landlord Legal Expenses costs **£16.94** (**£1.52** if paid monthly)

Annual cover for Landlord Legal Expenses with Rent Guarantee costs **£141.04** (**£12.64** if paid monthly)

## Case study example – Missed Rent

### What was the issue?

One of our landlord policyholders had a tenant in their property who missed a rental payment. The tenant explained this was due to him receiving his salary late and they would catch up before the next rent payment was due.

### What did the landlord do?

The landlord anticipated the tenant would not catch up on the rent so reported the matter as a potential claim. The landlord was reminded of his policy requirements which included contacting the tenant's employer and issuing notice within 45 days.

The tenant missed further payments so the landlord issued the relevant notice and started claim process to evict the tenant.

### What was the outcome?

The claim was accepted and transferred to solicitors who evicted the tenant as it was confirmed they had lost their job and unable to settle the debt.

Although the debt went over the deposit, the landlord was able to regain possession of the property and re-rent.

**Note** - if the policy had included Rent Guarantee it would have covered the unpaid rent as well as supporting the eviction process.

## Case study example – Refusal to quit

### What was the issue?

A landlord policyholder wanted to sell his rented property so issued the required notice to the tenant that they must leave the property at the end of the agreement.

The tenant was waiting for the local council to find alternative accommodation. The council advised the tenant to not leave at the end of the agreement and wait to be evicted so they could be placed into emergency housing.

### What did the landlord do?

As the tenant failed to leave at the end of the agreement, the landlord reported the matter to make a claim. Solicitors were appointed to obtain the formal eviction notice.

### What was the outcome?

As the tenant still did not leave despite the court ruling, the policy funded the deployment of bailiffs to enforce the eviction allowing the landlord to take back control and sell the property.

## IMPORTANT INFORMATION

For the Landlord Legal Expenses & Rent Guarantee Policy to be valid, there are a number of Tenant Referencing terms that must be met prior to purchasing this policy.

- There must be a formal and valid tenancy agreement in place between the landlord and the tenant\*.
- Referencing for all tenants and guarantor(s) including credit references and other documentary evidence must be obtained and retained showing the tenant's ability to meet their obligations under the tenancy prior to the start of the tenancy\*.

**These conditions that must be met from the START of the written tenancy agreement between the Landlord and the Tenant.**

\* Please refer to the IPID and Policy Document for full details of what is a valid tenancy agreement

## How to make a claim

You can claim by contacting the administrator:

Lexelle Limited, PO Box 4428, Sheffield, S9 9DD .

Telephone: **0114 249 3300**

Email: **assist@lexelle.com**

On the making of any claim, further information will be required and the policyholder should be in a position to:

- Forward copies of the tenant reference documents to the claims handler
- Confirm that the information given as part of the application is true and correct.

Please refer to the IPID and Policy Document for full details of Policy Conditions and General Exclusions

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