



Property Insight

Legal Indemnity Insurance

Summary Guide



www.clspi.co.uk

You're at the heart of our business.

Customer service is at the forefront of what we do but it doesn't stop there.

Our passionate and highly qualified underwriters and client services teams provide outstanding service as standard and our products and services are designed to fit to you, not to us.

We're constantly monitoring, listening to your feedback and reacting quickly to ensure we're always offering you the best service as well as products.

Use our live feedback tool displayed throughout our site to tell us how we can improve and help you.

We set out to make your personal journey with us more enjoyable and we're committed to providing world-class customer service which is reflected in our consistently high transactional Net Promoter Score (NPS).

So, if you need any additional support, we are always here for you.

Connect with us



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Our Products & Services

With 15 years' experience across the CLS group and a proven track record, we deliver competitive and reliable online legal indemnity solutions and due diligence searches for property professionals, all at the touch of a button.



Via our secure portal, PIPA, we offer a suite of over 60 legal indemnity policies, most of which are available with a limit of indemnity of up to £10 million. Enabling you to smooth your transactions, aid due diligence and manage risk.

How can CLS PI help me?

1. Point of property sale/purchase

- We offer a suite of residential and commercial legal indemnities.
- Variable statements of fact are available online allowing you to tailor the policy to your client's needs and reduce the amount of offline bespoke cases.
- Commonly ordered legal indemnity insurance;
 - Absence of Easement
 - Build Over Sewer
 - Contaminated Land
 - Contingent Buildings
 - Insolvency Act Indemnity
 - Lack of Planning and/or Building Regulations
 - Missing Information
 - Restrictive Covenant Indemnity
 - Search Indemnity

For more information on the policies we sell, please refer to the contents and additional pages within this brochure.

2. Remortgage transactions

- Lenders Limited Title insurance providing search and Title cover for remortgage transactions.
- No search insurance for remortgage

3. Other land and property development

- Bespoke commercial development Knotweed cover.

4. Estate Administration

- Early Distribution - Inheritance and Family Dependents Act 1975
- Lost Share Certificate
- Missing Beneficiary
- Missing Will
- Section 27 of the Trustee Act 1925

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**Cover for this risk is available for residential and commercial properties.*

Bespoke Policies

What if I cannot meet the Statements of Fact for an online policy?

Our underwriting team may be able to provide a bespoke policy offline to meet your needs, where a standard online policy does not suit the terms required. We can adapt the standard wording and may be able to offer cover for instances where a development does or does not have planning permission. For unusual or complex scenarios, or if you are unsure whether we offer cover for your requirements, please contact our underwriting team for a bespoke quote.

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Absence of Easement* (Access/Services)

What is an Easement?

An easement is a type of right which one person has over the land of another.

What does the policy cover?

Absence of Easement Insurance provides cover where there is an absence of a legal right to use the access and/or services serving the property in the event of the owner of the access and/or services prevent the insured from using them.

An example:

A common example of an easement is a right of way, for instance a landowner may need to pass (with or without vehicles) over land belonging to a third party to reach their property.

We can also insure where there is a future development causing an intensification of use to the services/access way to the property.

Absent Landlord*

Who would purchase an Absent Landlord policy?

You would only need to take out this policy if you are purchasing a leasehold property with an absent freeholder or missing landlord.

What does the policy cover?

Absent Landlord Insurance provides cover where the landlord is missing, unresponsive or insolvent. The landlord or its successor may subsequently re-appear and at this point make a claim against the property owner.

This policy protects you should the landlord of your property bring the lease to an end because you took an assignment without consent, or you have not paid ground rent/service charge, due to the landlord being absent or in receivership/liquidation at the time of your purchase. It also protects you if you are unable to exercise a right/enforce an obligation to repair or maintain part of the building (of which your property forms part), due to your landlord being absent or in receivership/liquidation.

Adverse Possession* (Garden Land Only)

What does the policy cover?

Unregistered Adverse Possession (Garden Land Only) Insurance provides cover in the absence of documentary evidence of title to all or part of the unregistered garden land of a property in the event of any party proving a superior title to such land.

If cover is required for an area which is not garden land, our underwriters can look into this further on a bespoke basis.

We can also consider cases offline where the adversely possessed land is registered at the Land Registry.

Adverse Possession (Roofspace/Basement) (Leasehold) (offline only)

What does the policy cover?

We can insure Leasehold properties where the leaseholder does not have the appropriate title or rights to use the roof space and/or basement whether this be through omission or error in the drafting of the lease. We can protect both the purchaser and lender for losses they may suffer if the freeholder asserts their rights and takes possession of the roof space and/or basement.

The policy covers non habitable usage of the roof space and/or basement only i.e where the roof space and/or basement is being used only for storage purposes or where it is has been used to accommodate the installation of a water tank, boiler and pipework and similar, and not as any room or space used for general habitation purposes.

Balcony Rights

What does the policy cover?

If the lease of a property grants a right to a balcony but the lease is defective, such as the plan is uncoloured, or, the insured is concerned regarding this right being challenged, CLS can offer insurance to cover the leaseholder and their lender for financial loss as a result of this.

Breach of Section 106/52

What is a Section 106 Agreement?

A Section 106 Agreement is an agreement between the developer and the local authority at the early stages when Planning Permission is granted for a new development. The Agreement will set out requirements that the local authority asks of the developer to allow the development to take place. This may include that the developer has to pay the local authority a lump sum payment on completion or, that they have to make a certain percentage of the homes affordable housing or that the developer must ensure that there are local shops to benefit the owners of the new estate etc.

Should the obligations imposed by the Section 106 be breached and the developer does not abide by its terms, the local authority can claim back these losses from the proprietors of the land if these cannot be recoverable from the original developer.

CLS offers insurance to the purchaser and to the lender to cover any financial losses arising from breach of the Section 106.

Build Over Sewer*

What does the policy cover?

This product provides cover for the lender, the current owners and successors in title where a property has been built over a sewer and the local authority and/or water company need to carry out repairs and maintenance to the sewer, causing damage or destruction to the property.

Building Standards (Lender)

What does the policy cover?

This policy protects the mortgage lender in the event that a house or flat is being sold without production of a valid NHBC guarantee or such other equivalent new-home warranty or certificate as would be acceptable by the mortgage lender, if gained at the time that the property was built or converted.

What is a Chancel?

A chancel is the part of a church near the altar, reserved for the clergy and choir, and typically separated from the nave by steps or a screen.

What is Chancel Repair Liability?

Chancel repair liability is a medieval anomaly whereby the Church of England was granted powers to charge those owning 'rectorial land' (land which used to be owned by the rector) for the upkeep of the chancel of the parish church. This liability for repair is passed on to anyone who owns the land or properties built on the land to fund the repairs of the chancel of their local church.

What does the policy cover?

Where a property has been identified as being within a Parish that retains the right to charge for repairs to the chancel of the Parish church, ChancelSure® offers a cost effective solution. ChancelSure® provides cover for residential or commercial properties for any loss sustained as a result of contributions demanded from the insured in respect of Chancel Repair Liability.

What does this policy cover?

This policy provides cover where a Cheshire Brine search has not been conducted. We insure where the Cheshire Brine Compensation Board refuse to make payment for remediation to the property following subsidence, on the basis that the Compensation Board have made payment in the past and future claims were either commuted, or where payment was made to a previous owner and the work was not carried out. As a Cheshire Brine search was not carried out, the property owner would not have been aware that claims had previously been made and as such will be required to pay for the remedial works themselves. This policy protects the purchaser for this event.

What causes Land Contamination?

Contamination caused by historical industrial uses has the potential to significantly impact upon the health of the residents of dwellings built on redeveloped brownfield sites, and may also damage the wider environment.

What does the policy cover?

The Contaminated Land policy covers liabilities for necessary remediation costs. Following regulatory action under Part 2A of the Environmental Protection Act 1990.

What does the policy cover?

The policy provides cover for the purchaser, lender and their successors in title for financial loss arising out of damage/ destruction to a property leading to the insured being unable to reinstate/repair their property as a result of defective insurance provisions.

An example:

Should the property collapse and the buildings insurance held by the landlord/ other leaseholders be insufficient the client may suffer a loss as the building of which the property forms part of cannot be repaired/ reinstated.

Defective Lease

What does the policy cover?

Provides cover for the purchaser, lender and their successors in title against risks as defined within the Insured Risk Appendix, including, but not limited to; losses as a result of lack of inadequate rights of support, shelter and/or access to common parts; cover where the leaseholder is unable to enforce rights or obligations for repair/maintenance of the property as well as being unable to obtain appropriate contributions for repair/maintenance of the property. It also provides cover where the insurance provisions in the lease are inadequate and the property cannot be repaired or re-instated due to the defective terms.

Early Distribution

What does the policy cover?

This policy is designed for the protection of Executors, Administrators, Personal Representatives or Trustees in the event that a deceased person's estate is distributed without waiting for the expiry of the appropriate period under the Provisions of the Inheritance (Provision for Family and Early Distribution - Inheritance and Family Dependants Act 1975). The policy will provide cover for the beneficiaries under the will, as well as beneficiaries of an intestate estate should a dependant challenge their interest in the estate.

Insurance is available for England, Wales and Scotland.

Enforcement of Rights* (Known/Unknown)

What does the policy cover?

Enforcement of Known or Unknown rights of way and/or easements provides cover where a property is (or may be) subject to private rights of way or easements and other parties attempt to enforce such easements over, through or under the property.

What is an Easement?

An easement is a type of right which one person has over the land of another this may be for the right of access or the right to use and connect into services on a neighbouring property.

An example:

The office copy entries to the property states that, by way of a previous Deed, Conveyance or Transfer it is subject to the rights of a third party to lay and thereafter use service media pipes and cabling running over, through or under the property.

Enlargement of Lease*

What does the policy cover?

The Enlargement of Lease Insurance provides cover where it cannot be proven that an ownership conversion from leasehold to freehold is valid due to the absence of full particulars of the relevant lease in the event that any other party attempts to establish otherwise. The policy will cover the following:

- Damages or compensation
- Reduction in the value of your interest in the property
- Any sum paid under an order to free the property from such adverse legal right
- Costs and expenses with our consent

An example:

Land Registry may have agreed to enlarge a leasehold interest to a freehold one, but as the original copy of the lease was not available, the Land Registry have inserted a note on the title that states the property may be subject to provisions contained within the lease.

Estate Rent Charge

What does the policy cover?

This policy provides protection for rent charges which were created after the Rent Charges Act 1977 and as such, will only cover charges which were created after 1977. These charges are commonly imposed by developers on new build estates for the upkeep of the common areas. Should the rent charge be unpaid for a period of 40 days or more they have legal rights of re-entry under Section 121 (4) of the Law and Property Act 1925 to register a rent charge lease against the property as a means to recover the arrears, interest and additional fees.

There are currently no statutory mechanisms to challenge the registration of the lease and the lease could remain registered on the property, even if arrears are paid prior to its end date. The rent charge owner has the right to take possession of the property and could let the property as a way to recover funds and this could mean that properties which have a rent charge lease registered to them can become unsaleable.

Estate Rent Charge continued.

The Estate Rent Charge policy will protect the lender for the financial loss they suffer resulting from the borrower defaulting on their mortgage and there being a shortfall on the mortgage due to the rent charge lease being registered to the property.

We can offer this policy where the estate rent charge has not been paid or, where the rent charges are paid and up to date but where the lender requires protection in the event the borrower doesn't pay throughout the term of the mortgage.

Flat/Maisonette Maintenance and Repair Rights

What does the policy cover?

The Flat/Maisonette Indemnity policy provides cover when the seller of a single private flat or maisonette has confirmed that there have not been any problems with repairs/maintenance or the payment for their property, but may be unable to enforce necessary repairs to other parts of the building or obtain appropriate maintenance contributions from other tenants because:

- The lease is defective
- The landlord cannot be traced
- The landlord has no obligation to take over the responsibilities of a management company that fails to perform its duties

An example:

It is common, when dealing with a block of flats, that the lease to each flat will contain an obligation that the tenant of each flat will be responsible for the repair and maintenance of their respective flats. However, if the wording of the obligation has been poorly drafted, the insured may not be able to enforce, via the Landlord, an owner of another flat to carry out certain repair works, thus causing financial loss to the insured.

Flying and/ or Creeping Freehold

What is a Flying Freehold?

This is where a part of one property extends physically into/over a neighbouring property.

An example:

A covered passage between two terraced houses owned by the neighbour on the left, with a room directly above it owned by the neighbour on the right.

What is a Creeping Freehold?

This differs from a 'flying freehold' as it is where one property extends under the property of another.

An example:

A cellar which is owned by one neighbour has a room directly above it which is owned by another neighbour.

What does the policy cover?

Problems may arise where a property is supported by land/property which it does not own. This policy provides protection if the insured does not have documented rights to be supported by the adjoining property, to carry out maintenance/repairs or to enter the adjoining property in order to carry out maintenance/repairs.

Forfeiture of Lease (Bankruptcy/Insolvency) (Lender)

What does the policy cover?

Forfeiture of Lease (Bankruptcy/Insolvency) Mortgagee Insurance provides cover for the mortgage lender if the landlord forfeits the Lease in accordance with its provisions, or exercises a legal right of re-entry to the property, because of the bankruptcy or insolvency of a lessee after the Inception Date. The policy does not cover the buyer or the owner of the property.

An example:

The lease contains provisions allowing for forfeiture of the lease upon the insolvency of the tenant. If the lease is forfeited, there will likely be a shortfall in the mortgage and the lender will lose the value of their interest in the property.

Forfeiture of Lease (Breach of Covenant)

What is a covenant?

A covenant is a formal written agreement by lease, deed, or other legal contract, whereby either or both parties stipulate to perform or give something to the other, or to abstain from the performance of certain actions.

What does the policy cover?

Forfeiture of Lease (Breach of Covenant) Insurance provides cover for a lender/purchaser and lender (subject to which option you select) in the event the landlord forfeits the lease due to a breach by the lessee of any covenant in the lease. The policy indemnifies in respect of loss arising from this forfeiture of the lease or the head lease and losses caused by the exercise of legal rights of re-entry by the lessor in accordance with any determination clause in the lease. We can also offer this policy where the lease is missing and the leaseholder is unaware of the covenants that affect the property.

An example:

The lease of a property contains a restrictive covenant preventing any alterations without landlord consent. It is clear that an internal wall has been removed and there is no evidence that consent of the landlord was obtained at the time of the works.

Forfeiture of Lease (Housing Act Repossession) (Lender)

What does the policy cover?

A Landlord may be able to issue proceedings for possession against a tenant under Schedule 2 of the Housing Act 1988 where the tenant's lease could be construed as an Assured Short-hold Tenancy as a result of outstanding rent due from this tenant. We can insure the Lender to the borrower of the long leasehold interest of a property in case the Landlord forfeits the lease under Schedule 2 Ground 8 which relates to the non-payment of rent.

This policy covers the lender for loss arising out of this repossession, such as any shortfall on the mortgage paid by the borrower.

Freehold Rent Charge*

What does the policy cover?

This policy provides cover where there is a rent charge listed in the title deeds of the property prior to 1977 which has not been paid, usually where the rent charge owner is unknown or absent. Where the rent charge has not been paid, the rent charge owner has legal rights of re-entry under Section 121 (4) of the Law and Property Act 1925 to register a rent charge lease against the property as a means to recover the unpaid rent including any administrative fees.

We can provide cover where the rent charge has not been paid to protect both the property owner, their lender and successors in title.

Good Leasehold Title*

What is 'Good Leasehold Title'?

Good Leasehold Title is a type of title given by the Land Registry when the original freehold of a property was registered without the owner of the property being able to provide certified copies of the freehold title, showing the person who originally granted the lease as freeholder (at the time of the grant of the lease).

What does the policy cover?

Good Leasehold Title Insurance policy provides cover where a property is registered at the Land Registry with good leasehold title if Land Registry have not been satisfied as to the title of all superior interests (i.e. the freehold title out of which the lease was granted).

An Example:

Where a lease, granted a number of years ago, is now being registered for the first time. The immediate landlord is no longer available, so the tenant is unable to demonstrate that the lease was entered into validly.

Insolvency Act*

What does the policy cover?

Insolvency Act Insurance policy provides cover for a mortgagee or third party purchaser where a property is passed by deed of gift or transfer at less than its true value or when part of the purchase price (usually the deposit) has been provided by someone other than the buyer. If the person who made the gift becomes bankrupt, it is possible for their creditors to reclaim the money or claim an interest in the property, in accordance with the Insolvency Act of 1986. This insurance is purchased to protect either the lender of the deed of gift/transfer at undervalue for the current transaction or, the purchaser and lender for a transaction at arm's length.

We can also offer protection for a cash buyer where they negotiate a reduction in the market value of the property in return of a "quick sale".

An example:

A parent gives their child a donation to the deposit of their first home, the parent then becomes bankrupt and the bank claims an interest in the property as one of the bankruptee's assets.

Knotweed Indemnity*

What does the policy cover?

We can offer Knotweed insurance to protect property owners, lenders, leaseholders and freeholders in the event that Japanese Knotweed, Bohemian Knotweed or Giant Knotweed damage the insured's property. We can insure both residential and commercial properties. Our policy is designed to cover where the result on a TA6 Property Information form is either "no" or "not known". Our standard policy will cover:-

1. compliance by the Insured with any Remediation Notice
2. completion of required remediation works identified in a Knotweed Survey
3. the costs to reimburse the Enforcing Authority for remediation works carried out by the Enforcing Authority on the property
4. the cost of altering, repairing or demolishing all or part of the property as a result of damage caused by Knotweed.

We are also able to offer this on a master style policy wording.

Lack of Conservation Area Consent*

What is a conservation area?

An area which is considered worthy of preservation or enhancement because of its special architectural or historic interest will be registered as a conservation area.

What does the policy cover?

If a property is registered as being in a conservation area, this can have implications on what you can and cannot do to the property. As well as planning permission needing to be obtained, you may also need to obtain Conservation Area Consent. Conservation Area Consent takes into consideration whether the works will preserve the original features of the property and whether this will be in keeping with the area.

If Conservation Area Consent is not obtained, the planning authority can issue an enforcement notice and it can also be deemed a criminal offence.

Lack of Listed Building Consent*

What is a listed building?

A property may be registered as being listed for various reasons which include if the property is considered to be of exceptional or special interest. The main types of properties to be listed are those which are historical and built before 1840.

What does the policy cover?

If a property is registered as being a listed building, this can have implications on what you can and cannot do to the property. It may mean that different steps are reviewed when obtaining planning permission and you may need to apply for planning permission where you wouldn't need to for a non-listed building. As well as planning permission, you may also need to obtain Listed Building Consent. This takes into consideration whether the works will preserve the original features of the property and if the works are in keeping with the rest of the property.

If listed building consent is not obtained, the planning authority can issue an enforcement notice and it can also be deemed a criminal offence.

Lack of Party Wall Agreement

Party Wall Act 1996

Sets out rules and regulations when removing/altering a party/boundary wall (as defined within the act). Consent must be obtained from adjoining owners and they have a right object the works.

What does the policy cover?

Our policy covers both the lender and purchaser for any loss arising out of an agreement historically having not been entered into. A Notice can be served and court proceedings can take place where such consent has not been obtained.

Lack of Permission to Construct a Vehicle Crossing or Dropped Kerb

A dropped kerb or vehicle crossing is the dip in the path and kerb which you drive over to reach your drive.

The kerb is dropped from the normal height and the path is strengthened to take the weight of the vehicle. Without this, the path and any pipes that are buried below could be damaged.

The pathway is maintained by the Highways Authority and therefore consent should be obtained before the kerb is dropped.

If an agreement hasn't been entered into there is a risk that the Highways Authority can issue an Enforcement Notice if it is deemed unacceptable in terms of street scene or highway grounds. Just because other neighbours have a dropped kerb does not mean that consent is not required.

What does the policy cover?

This policy provides protection against enforcement action taken by the local authority for a dropped kerb being installed at the property without the appropriate local authority consent.

Lack of Planning and/or Building Regulations*

What does the policy cover?

Planning and/or Building Regulations Insurance provides cover where approval has not been obtained in respect of the works carried out on a property, in the event of the local planning authority issuing the insured with an enforcement notice, planning contravention notice or breach of condition notice.

This policy does not cover any adverse matters that should have been picked up by a survey carried out on the property.

What is an enforcement action?

Enforcement action is taken by the local authority when there is a breach of a planning condition, breach of building regulations, or works are being undertaken without relevant permissions being obtained.

If there is a breach, or works are taking place without permissions, the local authority will serve an Enforcement Notice on the land owner confirming what the contravention is. The local authority may require that works stop immediately. Enforcement Notices will say how to rectify the breach or how to apply for the correct permissions and timescales to which the landowner must now adhere.

Lack of Planning and/ or Building Regulations* continued.

An example:

A planning and building regulations policy will respond in the event the local authority issues an enforcement notice, by rectifying the works that have been carried out and bringing them up to the standard required by the local authority, applying for retrospective consent for the works or ensuring that works are correctly signed off.

In the worst case scenario, where the works (perhaps an extension for example) have to be removed, the policy will respond by paying for the removal of the works and making good any damage to the remainder of the building and, should it become apparent that the value of the property has dropped due to the lack of extension, the policy would, in principal, cover the actual loss between the value of the property with and without the extension.

Cover is very often required for mortgage lenders rather than the buyers of the property as the lender wants to ensure the money they are lending is secure. However, the policy covers the purchaser, the lender and any successors in title.

Lenders Limited Title*

What does the policy cover?

Protects the lender against unforeseen losses following unknown title defects which were not insured against or addressed when the original transaction took place, or where matters may have “slipped through the net” or were forgotten about.

Covers any risks which have arisen since the date of the original mortgage transaction.

Combines Remortgage Title with No Search indemnity policy including Chancel and Environmental Searches

Whilst we have a transactional policy, we can also look into offering block policy solutions if needed.

Limited Title Guarantee

What does the policy cover?

When selling a property, it is usually sold with “Full Title Guarantee” meaning that various pieces of information are implied (such as that the seller has the right to sell the property and it has good title).

If a property is being sold with “Limited Title Guarantee” it means that the seller is selling the property with limited knowledge and it may well be that the property is being sold by an attorney, personal representative or a mortgagee in possession. This means that they cannot sell the property with full title guarantee and promise that the property is not subject to any financial charges, that others do not have rights over the property etc. because they are not aware and have limited knowledge.

CLS can offer insurance where there is a Limited Title Guarantee which will cover unknown charges, encumbrances or rights that third parties have over the property.

Lost Share Certificate (Countersign Indemnity)

What does the policy cover?

This policy protects the Registrar where the shareholder fails to indemnify them should the original share certificate come to light and the shares under that certificate are sold and the registrar thereafter seeks recourse under the indemnity. It is important to note that this policy does not cover the shareholders responsibilities but, it protects the registrar in the event that the shareholder does not fulfil their duties under the indemnity.

The policy;

- Guarantees the registrar’s funds are secure once the lost share certificate has been replaced in the event the lost share certificate is found and the registrar fails to seek recourse from the shareholder.
- Provides reassurance if the missing share certificate is found and the registrar is unable to seek recourse from the insured.
- Provides protection indefinitely after the share certificate has been re-issued for a one-off premium.

Lost Share Certificate (Full Indemnity)

What does the policy cover?

CLS Property Insight (CLS PI) provides a separate counter indemnity to the shareholder relieving them of their obligations under the indemnity in the event of a claim by the registrar under the countersign-indemnity.

This will effectively be full insurance rather than an indemnity. The policy will protect the shareholder in the event that the original share certificate is found and a third party attempts to sell the shares meaning that the registrar attempts to seek recourse from the shareholder.

The policy;

- Guarantees the shareholder's funds are secure once the lost share certificate has been replaced in the event the lost share certificate is found and the registrar seeks recourse from the insured.
- Provides reassurance and comfort if the missing share certificate is found and the registrar attempts recourse from the insured.
- Provides protection indefinitely after the share certificate has been re-issued for a one off premium.

Manorial Rights*

What are Manorial Rights?

The "Lord of the Manor" will hold the title to land which they have certain rights over, these rights are called "manorial rights" and include sporting rights such as being able to fish, shoot, hunt, as well being able to extract minerals and hold fairs and markets on the land. Whilst there may be a freehold owner of the title which is not the Lord of the Manor, the Lord of the Manor could still hold certain rights over the 'copyhold' land.

What does the policy cover?

CLS PI offers insurance to cover against the risk that the Lord of the Manor exercises or attempts to exercise their rights over the property causing you a financial loss. Please note that mineral rights are excluded from this policy and a Mineral Rights policy can be obtained separately for this specific risk.

Mineral Rights*

What does the policy cover?

This policy provides cover where a property is or may be subject to exceptions or reservations of mineral rights beneath the land. The policy protects the purchaser, lender and their successors in title, should a third party exercise their right to the mines and/or minerals beneath the property. The policy will cover financial loss which may arise if the rights are exercised, including the cost of attempts to challenge the excavation.

We can offer cover where the rights have been excepted and reserved, where there is a Caution/Unilateral Notice on the title deeds to the property or, where the mineral rights owner has registered a minerals title over the property.

Missing Information* (Unknown Rights, Easements & Covenants)

What does the policy cover?

Missing Information (Registered Title) Insurance provides cover in respect of matters referred to on the title of a property where the full particulars cannot be ascertained or have not been provided to the Land Registry. These documents may contain unknown or unclarified matters which could affect the property should any party attempt to establish any estate, right or interest adverse to the title of the insured.

The policy includes cover if a third party attempts to exercise rights, easements, or enforces restrictive covenants.

Missing or Unknown Beneficiary

What does the policy cover?

This insurance policy is designed for the protection of Executors, Administrators, Personal Representatives or Trustees in the event that a known but missing beneficiary or unknown beneficiary asserts their interest in the estate after it has been distributed, which could result in the estate having to be redistributed.

Insurance is available for England, Wales and Scotland.

Missing Will

What does the policy cover?

A Missing Will insurance policy is designed for the protection of Executors, Administrators, Personal Representatives or Trustees in the event that a deceased's estate has been distributed under the rules of intestacy/laws of succession for an intestate estate or, in accordance with a will but later needs to be redistributed as a missing will is located which affects the distribution of a deceased person's estate.

Insurance is available for England, Wales and Scotland.

Overhang of Property (Balcony, eaves, fascias, gutter and/or canopy)

What does the policy cover?

Many properties overhang third party land whether it be the balcony, the gutters, fascias, eaves or, the canopy to a property. Whilst this forms part of the legal title to the property there are not always rights of "overhang" onto neighbouring land.

This can cause problems for property owners as they have no rights to use or access the adjoining land to repair or maintain their property. This can cause severe implications if they are unable to maintain and repair their property and particularly concerning if a neighbouring property were to dispute the rights of overhang i.e. if they wish to develop or extend their property on the boundary where the canopy is, which may result in its removal.

This policy will protect the purchaser and their lender for financial loss which they may suffer if these rights are challenged.

Owners Title

What does the policy cover?

We can look to provide title solutions for large portfolios for known/unknown defects which may affect the property. We can offer cover for title defects, planning related issues as well as lack of searches. Where no title investigation has been performed, CLS PI would use their sister company, CLS Data, to perform title interrogation on the properties and can look to insure both known and unknown title defects to protect the purchaser and their lender.

Should you be interested in this type of indemnity we would require a spreadsheet containing a list of all properties in the portfolio together with full address, postcode, title number, whether the properties are freehold or leasehold, the value of each property and any known title defects.

Possessory Title*

(including Unknown Rights, Easements, Covenants)

What is Possessory Title?

When the Land Registry registers a particular piece of freehold land for the first time it will give it one of three “classes” of title – Absolute, Qualified and Possessory.

Adverse Possession is where there are no title documents to prove ownership of the property/land. After 12 years of owning the property/land you can apply for Possessory Title. The lack of evidence of title may be a result of lost or destroyed deeds or because the applicant wished to claim ownership of land that was not actually conveyed to them.

Possessory Title is a ‘holding’ title. If it is not challenged within twelve years from the date of first registration, you can apply for the title to be upgraded to ‘Title Absolute’.

What does the policy cover?

Possessory Title Insurance provides cover where all or part of a property is registered with possessory title in the event of any party proving a superior title to the property. The policy also provides cover for unknown rights, easements and covenants which may affect the property.

Restrictive Covenant*

(Known/Unknown)

What is a covenant?

A covenant is an agreement between two or more persons, entered into in writing and under seal, whereby either party stipulates the truth of certain facts, or promises to perform or give something to the other, or to abstain from the performance of certain things.

What does the policy cover?

Restrictive Covenant Insurance provides cover where a property is (or may be) affected by restrictive covenants in the event of any party attempting to enforce these covenants.

We can offer cover for previous or future breaches of covenants.

An example:

A document transferring ownership of property imposes a restrictive covenant which prevents the property from being used for a specified purpose (e.g. not to be used to sell alcohol) or limited to a specific use (e.g. only to be used as one single dwelling). These covenants can restrict the ability of the owner to deal with the property as they wish, e.g. if the covenant prevents sale of alcohol, the property cannot be used as an off licence without being in breach of the covenant.

Right to Park

(Leasehold) (Lender)

What does the policy cover?

If the lease of a property grants a right to use a parking space but the lease wording is defective, such as the plan referred to is uncoloured, CLS can offer insurance to cover the lender for any financial losses as a result of this. For example, the value of the leasehold interest may reduce significantly if it is deemed that a parking space is not included within the sale price and the lender may receive a shortfall on the mortgage payments made by the borrower.

Search

Insurance*

What does the policy cover?

Search Insurance provides cover for a property being adversely affected by any matter which would have been disclosed by a search where any (or all) of the property searches have:

- Been requested but not received (Search Delay)
- Been received but are out of date (Search Validation), or
- Have not, and will not be requested (No Search, Remortgage)

All of the above options are available online for the Purchaser/Borrower and Lender or on a Lender only basis. As well as the above standard searches, we now offer online Search Insurance for Auction and New Build/ Works Carried Out in the Last 12 Months.

- We can also offer additional searches of chancel, environmental, highways and utilities searches under this policy.
- We are also able to offer this on a master style policy wording.

Search Insurance* continued.

An example:

In most property transactions, the adviser will carry out specific searches.

These searches reveal information which could affect the property (use thereof) or the land, examples of these are:

Local Authority Search

- LLC1 – conditional planning consents; whether it's in a conservation area; tree preservation orders
- CON29(R) – Planning and Building decisions; nearby road and railway schemes; outstanding notices; contravention of building regulations
- CON29(O) – Public paths or byways; environmental and pollution notices; common land and village green

Drainage and Water Search

Whether foul and surface water from the property drains to a public sewer; whether the property is connected to mains water supply etc.

Search Insurance* continued.

Mining Search

- CON29(M) or any official form in substitution thereof or PCCB approved form of equivalent scope - underground and opencast coal mining; coal mining subsidence; mine gas; surface hazards related to coal mining.

Section 27 of the Trustee Unadopted Road Act 1925

What does the policy cover?

Provides protection for executors and beneficiaries in the event that an unknown claimant comes forward claiming a financial interest in the estate after all or part of a deceased person's estate has been distributed without a Section 27 Notice having been placed, where the executor has failed to wait for the expiry before distributing the estate as required under the provisions of Section 27 the Trustee Act 1925 or where a notice has been placed and has expired but where protection is required for the beneficiaries ongoing liability. The policy goes over and above the protection afforded by the Notice since it provides the ongoing protection for the beneficiaries which from placing the notice alone would not offer.

What does the policy cover?

Roads will either be “adopted” (and the responsibility of the Highways Agency to maintain/repair) or “unadopted”. Where a road is unadopted the Highways Agency may issue a Section 38 Agreement which will request that the adjoining neighbours to the road pay for the upkeep of the road to put it into an adoptable standard so that the road will be maintained and repaired by the local authority indefinitely.

With a new development, a bond will usually be put in place between the developer and the Highways Agency that the developer will agree to make the road up to an adoptable standard once the development is complete. This can sometimes be overlooked, and the onus may fall on the proprietor if the funds cannot be recoverable from the original developer.

This policy covers the purchaser and lender for the financial loss involved if the Highways Agency enforces their right and requests that the proprietor makes the road up to an adoptable standard.



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