



FOR FAWKE'S SAKE

NOVEMBER 2016

This is a bonfire night warning: don't be *outfawked*.

Picture this, you're walking home from the fireworks display, waving your sparklers around without a care in the world. All of a sudden you've reached your destination but in front of you lies the burning embers of what used to be your apartment block: *for Fawke's Sake*.

Let's check the facts.

The landlord should insure the apartment block for its *reinstatement* value. The lease will dictate the insured risks and the level of cover. Your ground rent (and usually your service charge) will be suspended until your apartment is rebuilt.

Time moves on. Things are looking up. The landlord has funding for the rebuild. But disaster strikes again, the local planning authority reject his rebuild plans. Where does this leave you? With a building site, a rebuild project back to the drawing board, and a mortgage lender asking for their money back!

Be warned: some leases also contain a clause saying that if the Landlord can't rebuild the apartment block, the lease will come to an end once they pay out the insurance proceeds. This means they keep the land value! Don't let them get away with this – you want more than the rebuild costs, you want the value of your apartment back!!

Remember, remember: the Landlord doesn't insure your contents – this is your responsibility!

The moral of our story: it is imperative that your property is adequately insured so that in the unfortunate event that your property is destroyed, you can adequately protect yourself from any costs to rebuild or reinstate.

Penny for the Guy (who didn't check his lease)?

Happy Guy Fawkes Night from the [Collas Crill UK Real Estate Team!](#)

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