

## What is First Title Insurance plc?

First Title is a wholly owned subsidiary of First American. The company provides a range of insurance, processing, conveyancing and property services.

First Title Insurance plc, its principal subsidiary, is an FSA regulated insurer which commands strong financial security ratings from the insurance industry's leading rating agencies (at the time of publishing the A.M. Best rating is 'A-' Excellent) and is licensed to issue policies in England & Wales, Scotland, Northern Ireland, the Republic of Ireland, and many other European countries.

As of May 2009 First Title Insurance plc is also the preferred choice for legal indemnity insurance of The Law Society.



England and Wales  
London International Press Centre,  
76 Shoe Lane, London, EC4A 3JB  
Tel: 020 7832 3100  
Fax: 020 7832 3101  
Email: [comm.team@firsttitle.eu](mailto:comm.team@firsttitle.eu)  
[www.firsttitle.eu](http://www.firsttitle.eu)

## Rights of Light Insurance



# Reducing Real Estate Risk

Rights of light insurance has developed in response to a shift in the legal landscape and, in particular, the aggressive use of private rights to influence or prevent developments.



## Risk Profile

- The typical profile of an insurable risk is a project that has been designed to maximise development potential and minimise interference but where a surveyor has been unable to eliminate all risk associated with prescriptive rights of light that have accrued to neighbouring properties (or, where to do so, would render a project uneconomical)
- The proper application of insurance should enable a developer to balance the requirements of good conduct (as advocated by the Courts) with a viable rights of light strategy. In other words, accommodating the interests of genuinely affected third parties without incurring cost from dealing with parties whose motivation is purely financial
- Insurance compliments (rather than replaces) the expert surveyor's input by enabling an appropriate rights of light strategy and transfer the residual financial risk to the insurer's balance sheet. The extent of coverage will vary from insurer to insurer

- Our own policies provide two forms of protection: firstly, we will pay all legal costs involved in addressing claims against our insured developer, at our own cost; secondly, we will typically insure any combination of the cost of any settlements, damages award, abortive costs or additional project costs incurred as a result of a third party claim or loss in land value in the event the developer's desired project is permanently halted by the Court.
- Most insurers would expect to use expert surveyors in two capacities: initially, in conjunction with the developer, to assess the extent of interference with third parties' rights and to assist in devising an appropriate rights of light strategy; secondly, in a claims management role, to address claims made against the insured developer and assist in negotiations of settlement or resultant legal action.

## General information required for a Rights of Light quote

The underwriters require the following information for all proposals

1. Rights of Light surveyors report
2. Plans and elevations of the proposed development.



## Cover we can provide

- Absentee Landlord
- Access and/ or services (including common land)
- Adverse Possession
- Breach of Trust
- Business Interruption
- Chancel Repair
- Covenants for Title
- Flying and/ or Creeping Freehold
- Deed of Postponement
- Defective Title
- Forfeiture of Headlease
- Forfeiture of Lease
- Improvement Grant Liability
- Insolvency Act
- Judicial Review
- Lack of Good Root of Title
- Lack of Listed Building Consent
- Lack of Planning Permission and/ or Building Regulation Consent
- Lost Documents
- Lost Title Deeds
- Manorial Rights
- Mineral Rights
- Obstruction of Right of Way
- Outstanding Leasehold Interest
- Outstanding Mortgage Interest
- Outstanding Rights of Common
- Rent Charges Indemnity
- Restrictive Covenant
- Reversion Risk
- Reverter of Sites Act
- Right of Light
- Road Charges Indemnity
- School Sites Act
- Search Indemnity
- Sewer Indemnity
- Unknown Rights and Easements

