



Commercial Property Owners

How Legal Expenses Insurance can help your customers

ARAG

Being a landlord can provide a very good return on investment but it isn't without its pitfalls. In an ideal world you would have a problem-free relationship with your tenants but in reality issues such as a dispute about the renewal of a lease, damage and dilapidation to your property and late or non-payment of rent can all prove an expensive headache.

Here is a brief summary of the support that is available.

Legal & Tax advice helplines

You can call our legal advice helpline and get immediate advice on all legal problems affecting your business, including commercial and residential property letting, 24 hours a day, 365 days a year. You can also obtain tax-related advice from our tax helpline or use our counselling assistance helpline which is available to your employees and their families.

What does this policy cover?

We protect your clients' rights in disputes about:

- **A commercial lease dispute**
- **Damage to your property, nuisance and trespass**

- **The repossession of your residential property**
- **The recovery of rent arrears**
- **A contract dispute for a holiday home**

In addition, we can help you overcome a range of common business problems, for example:

- **Employment disputes & compensation awards**
- **Employment restrictive covenants**
- **Tax investigations & VAT disputes**
- **Legal defence**
- **Compliance & regulation**
- **Statutory licence appeals**
- **Loss of earnings**
- **Claims involving your executives**
- **Crisis communication.**

We have a short animation that will explain the cover we provide to your business customers.

[Click here](#)

Landlords' and Business legal services website

Your policy unlocks free access to our Landlords' and Business legal services website, which allows you to create a wide range of online tenancy and business legal documents and letters which can help your business.

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Claims examples

- Our insured contacted us after their tenant failed to pay rent for three months and then vacated the property. Despite chasing the tenant for payment, our insured was unable to get any response. We approved the claim and passed the matter to a panel solicitor. They were able to negotiate a payment plan with the tenant who was having cashflow issues. The insured received repayment plus interest over the following six months. ARAG settled the solicitor's cost.
- A landlord wished to oppose the renewal of his tenant's lease in order to redevelop land where the premises were located. Section 30 (1) (f) of the Landlord and Tenant Act 1954 allows a landlord to serve notice on the tenant to end the business tenancy (instead of renewing it) under such circumstances.

Before 2004, the Act required the landlord's notice to state whether he "would oppose" a lease renewal but some changes to the legislation resulted in the wording of the Act being changed to read whether (the landlord) "is opposed" to renewal. The tenant raised a legal challenge to the Section 30 notice which opposed renewal of the lease arguing that the change to the legislation overrode the established precedent that the relevant date of intention to redevelop under s.30(1)(f) was the date of trial. Instead, he suggested that the landlord had to prove the intention to develop at the date the notice was served on the tenant – between 6 and 12 months earlier in the process. The court found no Parliamentary intention supporting the tenant's assertion and saw no other reason to change the status quo, which meant our insured was able to proceed with his redevelopment.

