

Property damage caused by cannabis factory

When a property owner in Hull let his house to tenants, he didn't expect it to be turned into a cannabis factory.

Loss Recovery Insurance

#Water Damage
#Property

Although the rent was paid in advance and regular visits to the house didn't arouse suspicion, the problem came to light, when a neighbour called to say that water was running out of the front door.

Being away at the time, the landlord gave permission to the local police to force entry. Apart from damage to the cold-water cylinder, they found substantial alterations to the property, including the installation of stud walls, a high energy lighting system and damage to the electricity supply meter.

At first, the loss adjuster acting for the landlord's insurance company, offered to pay £5,000 to cover the tenant's actions in converting the property but not for the water damage, as they argued that this was due to humidity and damp.

The landlord had Lorega's Loss Recovery Insurance as part of his landlord policy and a Chartered Loss Adjuster was appointed to represent and support him with the claim process.

The Lorega Expert was able to prove that most of the damage had been caused by an escape of water, an event that was covered by the policy wording.

In addition to the £5,000 originally offered by the insurer, he was able to secure an additional £23,000 of funds, both to cover the cost of returning the house to a position where it could be let and to cover the rental income lost as a result of the damage.

"As a landlord, you think that your insurance should cover the worst. Having a Lorega Expert on my side, throughout this less than straightforward claim ensured that I received a fair settlement from my insurance company".

Residential landlord, Hull.