



News release

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HOPP SEES SIGNIFICANT UPTAKE AFTER FIRST YEAR

Since launching its Home Owners' Protection Policy (HOPP)[®] in September 2010, First Title Insurance plc (First Title) has seen a sharp increase in the number of homebuyers opting to safeguard against the risks associated with residential conveyancing.

The HOPP is now being used regularly by over 200 conveyancing solicitors, with over £150 million worth of property insured to date. Feedback from First Title's 2011 conveyancing CPD series indicates that 81% of conveyancers attending these events would recommend the HOPP to their clients. In August and September, following the completion of the CPD events, sales volumes and premiums soared to record levels reflecting conveyancers' growing exposure to the HOPP.

"The HOPP supports the due diligence we undertake on behalf of our clients and provides them and us with an additional level of security. The policy is, in our opinion, a useful addition to the range of policies available," commented Clark & Weeks, Solicitors of Plympton, Plymouth, Devon.

In July, First Title received its first HOPP claim, which was a mortgage fraud and is currently being processed. Despite the actions of the borrower, the lender was still fully protected through the policy.

Increasing levels of mortgage fraud and a rise in the number of home invasions by squatters have added to the growing awareness of the need for greater protection against high-impact risks, such as these – both of which are covered by the HOPP. As a result, more and more conveyancers are realising the benefits of the HOPP for their clients. The policy also covers major known and unknown risks, including: seller misrepresentation, boundary disputes, and lack of planning permissions and building regulation consents.

The 'no fault' nature of the policy means that claims can be made without clients having to prove negligence at their own expense, therefore providing them with greater protection than their solicitor's professional indemnity insurance.

“When we launched the HOPP last year, we were effectively introducing a new category of policy and we knew it would take time for solicitors and homebuyers to fully understand its benefits. However, as knowledge of the HOPP has grown there's been a rapid evolution in perceptions resulting in substantial demand for the policy,” said Phillip Oldcorn, Director of First Title.

First Title has also recently joined forces with underwriter, Ink Underwriting Agencies Limited, to offer professional indemnity insurance to law firms, for the first time. Solicitors who are already familiar with the HOPP, may find the new PII policy particularly resonant, given that the majority of PI claims are conveyancing related.

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Notes to editors

First Title

First Title Insurance plc offers expert risk management solutions and specialises in the provision of legal indemnity insurance to solicitors and property professionals involved in residential and commercial real estate transactions. With a successful 20-year track record in the UK, First Title has in-depth knowledge of the risk management market and emerging trends and issues. First Title Insurance plc is part of The First American Family that traces its heritage back to 1889. First Title is a trading name of First Title Insurance plc, which is authorised and regulated by the Financial Services Authority.

First Title policy advisory note

This material is intended to provide general information only. For specific coverage and exclusions, refer to the relevant policy wording.

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