

NEW "CAREFREE HOME"

LÍNEA DIRECTA INTRODUCES COMPREHENSIVE HOME INSURANCE COVER AGAINST SQUATTING

- **Línea Directa Aseguradora's home insurance policy now includes specific and complete cover protecting owners from the legal and financial consequences of illegal occupation of their home. This is unique in Spain.**
- **This cover includes up to 10,000 euros in legal assistance from the company and legal costs (lawyers, solicitors, experts, notaries, court costs and fees) to recover the home and financial compensation for expenses to repair damage and other costs. The product's cover adds up to 33,900 euros, or more if the repair work on the property is done through Línea Directa's network of repairers.**
- **The product covers repair of the property, with the insured being able to choose between provision of the service by Línea Directa's tradespeople, with no financial limit, or reimbursement of 5,000 euros if they arrange the work themselves.**
- **They will also be compensated with: 300 euros per month for six months for water, electricity and gas bills for their main residence; 800 euros per month for six months for loss of rental income; 800 euros per month for six months if they need alternative accommodation. The cover also includes up to 7,500 euros for damage to third parties caused by the squatters.**
- **With this new cover, the Línea Directa Home policy protects owners in cases of illegal occupation due to home invasion and squatting, irrespective of whether the home is their main residence or is uninhabited.**
- **The company's new customers and current policyholders can opt to add this new cover to their Home policy for 10 euros a year.**
- **This new offer again demonstrates Línea Directa Aseguradora's capacity for innovation by launching unique products and services that meet the needs of policyholders as it seeks to drive the company's growth and diversification, as well as customer loyalty.**

Madrid, 12 June 2023. There have been an average of **15,000 complaints of illegal home occupations** every year over the last five years in Spain. That is more than 40 a day. Each year there are an average of **3,000 civil court cases** for this reason, according to figures from the Ministry of the Interior and the General Council of the Judiciary. This causes significant hardship for the owners, due to the complex legal procedure to get their property back and the costs resulting from the squatting.

Recovery of their property may be delayed as a result of the legal and judicial procedures needed before evictions can take place. And - above all - there can be **huge bills** for families affected by the costs associated with this legal process. There are also the costs of repairing the property, paying for utilities while the house is being squatted, damage the squatters cause to neighbours, and even loss of monthly rentals. And the owners may need alternative accommodation if their family home is squatted.

Concerned about this situation, and to cover all these aspects for owners, Línea Directa Aseguradora has launched comprehensive and specific cover against illegal home occupation as part of its Home insurance. This is a **unique guarantee in the Spanish market**, as it offers **legal assistance for recovery of the property**, and also includes extensive **compensation for the costs** resulting from temporary loss of their home. Línea Directa Home insurance aims to provide peace of mind for owners against this risk with **cover against squatting that together totals 33,900 euros, or more if the repair work on the property is done through Línea Directa's network of repairers.**

Legal cover for out-of-court and judicial proceedings

The new cover under the Línea Directa Home policy offers **unlimited legal advice by telephone** and recovery of the property through out-of-court and judicial proceedings. When it is informed that a property has been squatted, and before the start of legal proceedings, Línea Directa's legal assistance service includes up to three out-of-court attempts to persuade the squatters to leave the illegally occupied dwelling. If this out-of-court route fails, proceedings will be initiated through the courts.

The claim lodged by Línea Directa covers **up to 10,000 euros in legal costs**, including the costs of lawyers, notaries, solicitors, experts fees and expenses, and court costs and fees. The cover also includes **freedom to choose a lawyer**, up to 5,000 euros.

Compensation for repairs and other damage

The company also takes responsibility for **repairing the home**. The owner can choose between the **service being provided by Línea Directa's tradespeople, with no limit**, or **reimbursement of up to 5,000 euros**. This includes changing the locks, repainting the property, cleaning and clearing out furniture and repair of minor damage, as well as the costs of plumbers, builders, glaziers, electricians, flooring contractors and the servicing of appliances.

The owner will receive up to 300 euros per month for six months to cover **water, electricity and gas** bills for their main residence while it is being squatted.

If the occupied property is the main residence of the insured and they need **alternative accommodation**, they can receive up to **800 euros per month for six months to rent another property**. The owner will receive the same amount for six months if the house was for rental and could not be rented out, losing the **monthly rental income**.

Compensation the insured must pay for damage caused to third parties during the squatting, such as water damage to other occupants of the building, is covered up to **7,500 euros in civil liability**.

For main and second homes, and empty properties

Línea Directa Home insurance with illegal occupation cover protects the owner against **home invasion** when their home is occupied, regardless of whether it is their first or second home. It also covers **squatting** of uninhabited or empty properties, for example, properties that are being built or sold.

Línea Directa's new customers and current policyholders can **opt to add this new cover to their Home policy for 10 euros a year**.

Diego Ferreiro, Head of Sales at Línea Directa Aseguradora, said "Línea Directa is concerned about the same things as our customers. That is why this new cover offers a unique insurance solution in the Spanish market, fully protecting the owners against the main consequences of squatting. This further demonstrates Línea Directa's capacity for innovation and agility to adapt to new needs and respond to the real problems of our policyholders".

Línea Directa Aseguradora's commitment to innovation in the design and launch of new products has led to the launch of several important commercial developments in the first half of 2023, such as the "**Motor + Home Formula**", the first step towards the convergence of policies by an insurer in Spain; the "**Mortgage Free**" home insurance policy for customers who have paid off their mortgages; and now this new cover against squatting. By launching these products, the company aims to offer policyholders a unique range of products and services that meet their needs, while driving its growth, customer loyalty and diversification.

Recommendations to avoid squatting

Squatting mainly affects second homes and properties being built or sold, but it can also affect first homes. It is a good idea to follow some basic safety measures to avoid it.

1. **Reinforce the security of doors and windows** overlooking patios or gardens. For example, you can install reinforced doors or have at least two locking points, and you can fit bars on ground and first floor windows.
2. **Make it appear like there is always someone at home.** Take measures to disguise the property being empty during extended absences. For example, do not lower the blinds fully. You can ask a neighbour to drop in occasionally to pick up your mail, water the plants, turn on the lights and change the height of the blinds. You can program home automation systems to turn lights on and off automatically from time to time.
3. **Don't give any clues in social media.** Don't post that you are away on holiday, or the location of empty properties, on social media.
4. **Be in contact with a neighbour you trust** who can notify you quickly if your home is squatted while you are away.
5. **Inform the police if you find silicone threads, paper or plastic signs or marks on the door.** These are signs commonly used by squatters to identify whether a property is empty.

What should you do if you are squatted?

Here are the basic steps you should take if someone has moved into your home without your permission.

1. **Notify the Police or Civil Guard** as soon as possible and lodge a complaint.
2. **Avoid confronting** the squatters. **Do not cut off the water, electricity or gas:** this could be construed as an offence of coercion.
3. **Initiate the eviction process through legal channels by lodging the corresponding complaint.** If your Home insurance policy includes cover of squatting, like Línea Directa's Home policy, the company will manage this process from start to finish. If this is not the case, seek legal assistance.

About Línea Directa Aseguradora

Línea Directa Aseguradora is the 5th largest insurer of cars in Spain, specialising in direct sales of insurance for cars, motorbikes, companies, the self-employed and homes. Línea Directa Aseguradora ranks among the 100 Spanish companies with the best reputations, according to the MERCO Companies ranking. In 2017, it entered the health insurance sector, through a new brand built on digitisation and rewards for policyholders.

To learn more: <https://lineadirectaaseguradora.com>

This initiative applies to the following **Sustainable Development Goals**:



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