



Be wise, check the differences

When people first purchase a villa or apartment in Spain, they either take out insurance with the developer or, in many instances the bank especially if they have a mortgage on the property.

In my experience, this is not the most sensible way to insure your home. Why do I say that? Banks are not insurance people; they only want to safeguard the property and, are not very interested in the contents.

The main points to check are the rebuild allowance and your contents cover, it is very easy to find a cheaper quote but, along with the above mentioned, the questions to ask are “what are the overall benefits” and “is the claim system simple”?

If your property has a mortgage with the bank, you could be informed that you must insure with them. This, I assure you, is not true, it used to be but an EU ruling has made it an open market.

The other downside on many policies is the policy document; it can often be in Spanish. If you speak only a little Spanish this could cause trouble in understanding what you are insured for and when you claim. When comparing, as always, check the policy document, does it cover your particular needs?

With the house sales slowing down, some estate agents are reverting to selling insurances. Insurance is fast becoming not dissimilar to the UK, very competitive and a minefield of companies and prices to choose from.

Unfortunately, the world of insurance in Spain is not regulated in the same rigid way as it is in the UK. However, next month I will be advising you of the new regulations that have come into force in July. They are very similar to the ones the UK has already put into place via a directive from the EU.

Therefore, take care that you are not just tempted by price alone and make sure the insurer and agent is known to you and has been in business for a long time. Introducers working from home is one situation which, under the new directive will not be so easy.

I really do think that people often forget they are in Spain when it comes to insurances. No, everything is not the same; Spain has its own regulations. There is no compensation culture here, and to try and claim against misselling could be very difficult. You tend to be on your own, which I would find quite daunting, especially if you get tied up in bureaucracy and courts.

The amount of Public Liability in Spain is very small, often insurers will only offer 250.000 Euros whilst we British with our claims culture are used to far more. Also check if you have the option of accidental damage, and that you fully understand what this option covers.

Be particularly careful when choosing a company, because there are well known English insurance names on the market, but they do not necessarily offer an English policy. You will often find it is a Spanish policy dressed up to sound familiar. Sometimes Spain can be a minefield and we need to learn about the many differences.

There are other companies who operate from outside of Spain, I wonder why? The company I mainly deal with is Liberty Seguros, who have their Spanish office in Barcelona. As my company handles all sales and claims from four local offices, we are very accessible. As my logo says “We are more than just a voice on the phone “.



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Here are a few pointers you should check when taking out the policy:

- Do you fully understand what your house insurance policy offers, and doesn't offer?
- Always check insurance policy documents before signing.
- Check the all risk section on your policy. Does it cover in and out of the home and for the loss of gemstones?
- Is subsidence covered?
- Accidental damage can be a very important point.
- Does the policy cover new for old?
- Please contact any of my offices, details below, for a no obligation quote from my experienced and helpful staff.