

Real Estate Case Study

Slip Incident Causing Injury



Case Details:

The insured was notified of an event at a premises which they managed where by the claimant alleges to have slipped on the back step when entering the rented premises. It was claimed that the step was rotted. The claimant suffered significant injuries to the right foot, ankle and shoulder.

The insured were made aware of the incident and rectified the issue immediately. Despite this the claimant was left with significant and permanent injuries.

Legal proceedings were commenced against the insured, notification under the Policy was made and the insured was provided with the services of a legal representation covered under the terms.

Through investigations completed by the insured it was evident that the insured was made aware of the circumstance in the months leading up to the event occurring, though the insured failed to ensure the adequate repairs were completed.

At the first notification of the risk, the insured notified the owner of the circumstance and requested repairs be completed, the owner agreed for a tradesperson to attend the site and quote the repair works. The quote was provided to the owner by the insured and no further action was undertaken.

Legal proceedings were only filed against the insured, however the insured managed to ensure that the owner was brought into proceedings as well because of their negligence.

This matter proceeded to court despite vigorous attempts to settle prior to trial. The claimant showed no interest in settling, hours of time was poured into this case from all parties who were apart of this claim. It was very clear there was negligence on the part of the insured.



Case Outcome:

Legal

This matter settled at trial and the claimant was awarded \$100,000 in damages plus costs. Legal costs exceeded \$150,000 between both parties. The insured was required to pay the relevant excess amount and must declare this claim to Insurers for the next 5 years.

Policy Response

What was evident in this case is that the insured had breached their professional duties. Demand was made on them for compensation and therefore the insurer granted indemnity.



Reduce Your Risk:

- Ensure that the owner is aware of their responsibilities to repair damaged or dangerous areas within the premises;
- At inspections talk to the lessee's and thoroughly investigate their complaints, if it looks bad it generally is;
- Follow up relevant parties to ensure maintenance is completed in a timely manner;
- Document all communications, including any discussions with the owner, tenant, and repairers.