

FULL REPAIRING LEASE

vs. non-repairing lease





A guide for landlords

When you let out a property, the type of lease you agree with your tenant makes a big difference to who is responsible for repairs, maintenance and insurance. Understanding this helps you make sure you have the right cover in place.

Full repairing lease (FRI Lease)

What it means:

The tenant takes on responsibility for keeping the property in good condition. This usually includes repairs to the structure (walls, roof, windows) and sometimes shared areas, depending on the lease terms.

Insurance:

- The landlord is still responsible for arranging the buildings insurance.
- The tenant may pay the landlord back for this cost through the service charge.
- Because the tenant is expected to keep the property in repair, claims may be less frequent – but as landlord, you still need cover in place.

Key point for landlords:

Even though the tenant maintains the property, you must make sure the right insurance is in force. If there's damage from a fire, flood or storm, it's your policy that protects the building.

Why this matters for your insurance

- **Both lease types:** The landlord arranges the buildings insurance.
- **Difference is in repairs:** In a full repairing lease, the tenant carries out repairs. In a non-repairing lease, the landlord does.
- **Impact on premiums:** The type of lease can affect how insurers assess risk and set premiums, so always let us know the lease terms.

In summary

- **Full Repairing Lease:** Tenant maintains and repairs. Landlord insures.
- **Non-Repairing Lease:** Landlord maintains and repairs. Landlord insures.

If you're unsure which type of lease you have, or what it means for your insurance, please speak to your broker. They'll help make sure your cover matches your responsibilities.



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