

## Case update: Landlords' repair and insurance obligations



The High Court case of *Stonecrest Marble v Shepherds Bush Housing Association [2021] EWHC 2621 (Ch)* reaffirmed the longstanding position of the courts to give effect to the ordinary meaning of a lease, rather than stepping in and interpreting a commercial arrangement with the benefit of hindsight.

The tenant's property was damaged by water ingress resulting from part of the landlord's retained property. The damage fell outside of both the definition of insured risks and the type of damage invoking the rent cesser provision under the lease. Importantly, the landlord was expressly not liable for damage or destruction by a risk against which it was not obliged to insure.

The High Court held that where the lease contained a comprehensive scheme of repair and insurance for both the demised and retained premises, it is not appropriate for the court to fill in the gaps of a commercial arrangement.

As the express terms of the lease precluded any obligation on the landlord to repair the damage under its insurance policy, the tenant could not pursue tortious liability or invoke the covenant for quiet enjoyment. Both arguments were alternative means of imposing a position obligation on the landlord which it would not otherwise be obliged to perform.

This case is an important reminder for both landlords and tenants to carefully review their repair and insurance obligations prior to entering into a commercial lease.

The full judgment can be found [here](#).



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