

## Business lease: unit on industrial park

**Date of lease:** [date]

**The Landlord:** [name]

**The Tenant:** [name]

**Lease of:** [property address]

:

# Contents

1.	Definitions
2.	Interpretation
3.	Entire agreement
4.	The lease
5.	Responsibility for others
6.	Rent and other payments
7.	Interest
8.	Further payments
9.	Condition and repair
10.	Tenant's positive obligations
11.	Restrictions on Tenant
12.	Asbestos and environmental obligations
13.	Signs and advertisements
14.	Goods and vehicles
15.	Default notice by Landlord
16.	Assignment of the lease
17.	Tenant indemnifies Landlord
18.	The Security Deposit
19.	Insurance
20.	Access for Landlord
21.	Guarantor
22.	Provision for premature termination
23.	Forfeiture
24.	Rent review
25.	Failure to agree reviewed rent
26.	At the end of the lease
27.	Stamp duty
28.	Other matters
	Schedule 1: The Service Charge and Services
	Schedule 2: Rights expressly reserved
	Schedule 3: (Draft) Security Deposit agreement

The Landlord is: [name]  
of [address]  
ABN: [Number]  
The Tenant is: [name]  
of [address]  
ABN: [Number]  
The Guarantor is: [name]  
of [address]  
Start date of lease: [date]  
End date of lease: [date]

## 1. Definitions

In this lease the following words shall have the meanings shown unless it is clear from :

“Common Parts”	means those parts of the Estate and surrounding area, as are used in common with others, for example: gates, signs, roads, , , , .
“Conduit”	means any medium through which a service is supplied to any property. ( : ).
“Estate”	means the industrial estate named [name] and situated at [address], as shown , .
“Hazardous”	has the meaning mentioned in the Annex III .
“Insurance Rent”	means the premium, net of any commission, paid by the Landlord to .
“Landlord”	includes the person or persons from time to time entitled to possession of the .

“Lease Period”	means the total of the Term plus any extension or renewal, during which
“Plan”	means the plan or plans of the Estate and the Unit attached to
“Rent”	means [\$12,000] payable without any deduction, in advance, by [twelve equal monthly instalments of \$1,000], on the first day of each month / [ / ] [ / ];
“Rent Review Date”	means every [third] anniversary of the start date of the lease. A reference to the Rent
OR	
“Rent Review Date”	means [date].
“Security Deposit”	means the sum paid by the Tenant to the Landlord as a deposit against any breach
“Services”	means the services supplied by the Landlord to maintain the Unit and the remainder of the Estate. A list of Services 1 .
“Sign”	means any sign, poster or advertisement or other visual message in any medium, painted onto or attached to any part of the ,
“Term”	means a term of [number] years [ / ].
“Unit”	means the unit at [full address and post code] the boundaries and details of which are ,
“Use Allowed”	means: use as warehouse / manufacturing unit / professional offices or / any other use to

## 2. Interpretation

In this lease the following matters apply unless

- 2.1. Whenever more than one person or company is the Tenant or the Guarantor, their obligations can be enforced against
- 2.2. Any reference to a place or location at the Unit is a reference to
- 2.3. Any agreement by any party not to do or omit to do something is deemed to include an obligation not to allow or permit
- 2.4. [except where stated otherwise], any obligation of any person arising from this
- 2.5. References to a party include references to a person to whom those rights and obligations are transferred or pass as a result of a
- 2.6. The headings to the paragraphs of this lease
- 2.7. The schedules to this lease are part of the lease and
- 2.8. All money sums mentioned in this lease are calculated net of GST, which will be charged when
- 2.9. A reference to a right of the Landlord to have access to the Unit is to be construed as extending to any head landlord or mortgagee
- 2.10. A reference to “the last year of the Term” or to the “end of the Term” is a reference to
- 2.11. A reference to a specific statute includes any statutory extension or modification, amendment or re-enactment of that

2.12. It is certified that there is no agreement for lease

### **3. Entire agreement**

- 3.1. This lease contains the entire agreement between the parties and supersedes all
- 3.2. Each party acknowledges that, in entering into this lease, he does not rely on any representation, warranty, information or document or other term not forming part [ ]
- 3.3. Conditions, warranties or other terms implied by statute or common law are excluded from this

### **4. The lease**

- 4.1. By this lease the Landlord lets and the Tenant takes the Unit for the Term at the Rent and subject
- 4.2. There is included in this lease such rights of way over and use of, the Common Parts as are reasonably necessary for the proper use and enjoyment of the Unit. This grant is subject to a
- 4.3. The Unit is let subject to all rights, easements, restrictions, covenants
- 4.4. The rights specified in Schedule 2 are expressly
- 4.5. All payments which may be due by the Tenant to the Landlord from time to time shall
- 4.6. Except so far as provided in this lease, the Landlord warrants that he will not interfere with Tenant's peaceful use

## 5. Responsibility for others

- 5.1. The Tenant accepts that he is liable to the Landlord for compliance with all the provisions of this lease and for any breach by any person whether  
 , .
- 5.2. A promise by the Tenant not to do something also implies that the Tenant will not  
 .
- 5.3. If the Tenant asks the Landlord for consent to some action or activity by any person, and the Landlord agrees, the Tenant remains entirely liable for compliance  
 .

## 6. Rent and other payments

- 6.1. The Tenant shall pay to the Landlord:
- 6.1.1 the Rent;
  - 6.1.2 the Insurance Rent;
  - 6.1.3 the Service Charge;
  - 6.1.4 a fair proportion (decided by a surveyor nominated by the Landlord) of the cost of repairing maintaining and cleaning party walls, party structures, yards, gardens, , , , , .
- 6.2. For each of the above payments, an appropriate apportionment shall be made for the period from now until  
 .
- 6.3. The Tenant shall also pay to the Landlord all costs, including  
 , :
- 6.3.1 any works to the Unit which the Landlord undertakes as  
 ;
  - 6.3.2 dealing with any application by the Tenant for consent or approval, ;

6.3.3 preparing and serving a schedule of dilapidations either during the Lease Period

6.4. Payments to the Landlord shall be made by [direct debit / Internet / electronic transfer / other] to the bank account of the Landlord, details

6.5. [Despite the above provisions, the tenant need not pay Rent for a period of [ ] [ ] / [ ]].

## 7. Interest

All the payments to the Landlord referred to in this lease are payable on demand and if any payment is more than [seven] days overdue, the Landlord is entitled to interest on the late payment, from the date it was originally due to the date [ 8 % ].

## 8. Further Payments

The Tenant agrees to make the following payments,  
:

8.1. all periodic rates and other taxes, relating to the Unit, including any imposed after the date of this lease (even if of a novel ),

;

8.2. all charges for services at the Unit to be paid promptly to the service supplier or a fair proportion (as recorded on any - )

;

8.3. the cost of the grant, renewal or continuation of

,

## 9. Condition and repair

In relation to

:



- 9.1. use the Unit only for the Use Allowed;
- 9.2. maintain the state and condition of the Unit  
,  
;
- 9.3. employ only  
;
- 9.4. decorate the inside and the outside of the Unit in every [fifth] year of the Term and in the last three months ( ).  
,  
.
- 9.5. [at least once in , , ];
- 9.6. prevent damage to the Unit  
;
- 9.7. maintain and keep clean the exterior of the  
,  
;
- 9.8. clean, maintain and keep free from  
, , , , ,  
;
- 9.9. Keep the .

## 10. Tenant's positive obligations

The Tenant agrees and undertakes that he will:

- 10.1. give the Landlord a copy of  
;
- 10.2. provide a written notice to the  
/
- 10.3. immediately notify the Landlord of any encroachment on the Unit

10.4. assist the Landlord as far as reasonably possible, and

10.5. comply with the terms of every law regulating

10.6. comply with all laws

## 11. Restrictions on Tenant

The Tenant

11.1. make any alteration to the Unit;

11.2. in any circumstance do anything which might cause

11.3. sleep overnight on the

11.4. apply for planning permission relating to the

11.5. store or leave goods or detritus on

11.6. make any connection to or in any Conduit;

11.7. park or place on any external

11.8. fix to the Unit any pole

11.9. pour into any pipe or drain any trade waste or

- ;
- 11.10. bring onto the Unit
- ;
- 11.11. remove or change ,
- ;
- 11.12. remove from the
- ;
- 11.13. obstruct any window on the Unit;
- 11.14. cause any nuisance
- ;
- 11.15. bring, keep or allow any animals to be
- ;
- 11.16. play or use in the Unit any musical instrument, audio or
- ;
- 11.17. cease carrying on business in the Unit or leave the Unit continuously unoccupied for more than 1
- [
- ].
- 11.18. do anything which might
- ;
- 11.19. change or install any locks and other
- ;
- 11.20. use the Unit for any activity which is dangerous, offensive, noxious,
- ,
- .

## 12. Asbestos and environmental obligations

The provisions in this

12.1. Despite any other provisions in this Lease, the Tenant shall bear no responsibility (whether directly or via the obligation to pay any other sums under this Lease) or liability

12.2. Despite the foregoing provisions of this paragraph and all

12.2.1 if asbestos is discovered as a result of investigation by the Tenant or building work commissioned by the

12.2.2 if asbestos is discovered in circumstances unconnected to work or investigation

12.2.3 in any circumstance when the Landlord has an obligation in respect

12.2.4 the Landlord shall in no circumstances be responsible for damage caused to

## 13. Signs and advertisements

13.1. Before the Tenant may place any Sign on or near to the Unit or on any part of

,  
,  
, , ,  
, , .

13.2. The Landlord is under no obligation

-  
.

13.3. The Landlord may approve any Sign subject

, , , , , .

13.4. The Tenant accepts full liability for and indemnifies the Landlord

, , ,  
.

## 14. Goods and vehicles

The Tenant agrees that he will not:

14.1. park any vehicle

;

OR

14.2. park more than [number] cars

,  
;  
;

14.3. load or unload

/

;

14.4. park any commercial

;

14.5. cause congestion of any adjoining

;

14.6. permit any vehicle belonging to him or any visitor to him,

,  
;  
;

14.7. move goods into or

## **15. Default notice by Landlord**

15.1. If the Tenant is in default of any provision of this ,

15.2. If the Tenant fails to remedy the default within seven ,

## **16. Assignment of the lease**

16.1. Except as specified in this lease, the ,

16.2. The Tenant may not assign

16.3. The Tenant may assign or transfer his interest ,

16.4. The Landlord may not

16.5. It is a good reason (among other good reasons)

:

16.5.1 the proposed transferee is less likely to be able /

;

16.5.2 the Tenant owes money to the Landlord;

16.5.3 there is no satisfactory guarantor of the  
( )

16.6. In giving consent,  
:

16.6.1 the assignee shall not  
.

16.6.2 the assignment shall impose an

16.6.3 the assignee shall enter into direct

16.7. Within four weeks after the Unit is assigned ( ),

## 17. Tenant indemnifies Landlord

The Tenant agrees to  
:

17.1. any act, omission or negligence ,

;

17.2. any breach by  
;

17.3. any act, omission or negligence of the Tenant which

## 18. The Security Deposit

The parties acknowledge that

OR

18.1. The Landlord confirms that he has \$[ ]

18.2. The Landlord may use the Security Deposit

18.3. If the :

18.3.1 he will tell

;

18.3.2 the rights or

;

18.3.3 The sum used is repayable to the Landlord

[ 4 ]

## 19. Insurance

19.1. "Insured Risks" means the risks of loss or damage by any naturally occurring event, fire, explosion, riot, terrorism, civil commotion, malicious damage, ( ),

19.2. The Landlord will keep the Unit insured with reputable insurers

19.3. If damage is caused to the Unit by an Insured Risk, the Landlord will

(

).

19.4. Once a year, if the Tenant asks,



19.5. Provided that the Tenant is not responsible for any damage for which the Landlord is compensated under the insurance policy, then if

19.6. If, within one year from the date of the damage, either party is of the

19.7.

19.8. If either party

19.8.1 the lease ends on expiry of the notice;

19.8.2 the insurance money belongs to the Landlord;

19.8.3 the Landlord's obligation to make good damage ceases;

19.8.4 all other provisions shall apply as

## 20. Access for Landlord

The Tenant is to give the Landlord,

20.1. to inspect the condition

20.2. to do works

20.3. to comply with any statutory obligation;

20.4. at any time during the last six months of the

20.5. to show the interior and

;

20.6. to value the Unit;

20.7. to inspect, clean or repair neighbouring

, , , .

Conditions for access for the Landlord are:

20.8. the Landlord must

;

20.9. each visit must

;

20.10. The Landlord must promptly make good

.

## 21. Guarantor

The Guarantor agrees:

21.1. that his obligations are made to the landlord for

.

21.2. that his obligations will continue through the Term;

21.3. that if the Tenant assigns his interest without having

,

;

21.4. that any variation to the terms of

.

21.5. to indemnify the Landlord against all losses incurred as a result of any failure by the Tenant to comply with

, .

,

, ;

21.6. to make payment under this indemnity to the Landlord

[ 28 ] ;

21.7. to use his best endeavours to

.

21.8. to accept a new lease from the Landlord if this lease ends prematurely.

,

.

21.9. The new lease will be:

21.9.1 for the period from ;

21.9.2 at the Rent then payable under this lease;

21.9.3 on the terms of this lease as they apply on the termination ,

.

21.10. The Guarantor will pay

.

21.11. Even if the Landlord does not require the Guarantor to enter into a new lease,

.

## **22. Provision for premature termination**

22.1. Despite all other provisions of this lease, the Tenant may terminate this [ ]

,

.

22.2. If the Tenant so terminates the lease,

22.3. Payments made to the Landlord

## 23. Forfeiture

23.1. The Landlord may

23.1.1 any Rent or payment treated as  
28

23.1.2 the Tenant or the Guarantor is in

23.1.3 the Tenant or the Guarantor, if an individual ( )

23.1.4 the Tenant or the Guarantor, if a company,  
, ( )

23.1.5 the Tenant enters

23.1.6 the Tenant has any distress or execution levied on

21

23.2. The forfeiture of this lease

## 24. Rent review

24.1. The Rent shall

24.2. Six months before the Rent Review Date, the Landlord and the Tenant  
( ),

24.3. The Landlord may increase [ 20 %]

OR

24.4. From the Rent Review Date, the

OR

24.5. From the Rent Review Date, the

24.6. The market rent is the rent which a willing tenant would pay for the Unit  
on the open market,

:

24.6.1 the willing tenant takes account of any likelihood that he would  
be

24.6.2 the Unit is vacant;

24.6.3 the Unit can immediately be used;

24.6.4 the Unit is in the condition required

;

24.6.5 the Tenant has done nothing to the Unit to

24.6.6 no payment or allowance

24.7. If the Landlord and the Tenant agree the amount of

24.8. The Tenant is to continue to pay Rent at

24.9. Starting on that rent day, the

24.10. On that rent day, the Tenant is also to pay

[ 8 ] %

## 25. Failure to agree reviewed rent

If the Landlord and the Tenant fail to agree

25.1. either party may request the president

25.2. The valuer

25.3. The parties shall share the fees and expenses of

25.4. If it becomes apparent that the valuer shall not have produced a report

25.5. The instructions to the valuer

## 26. At the end of the lease

26.1. When this lease ends the Tenant must:

26.1.1 return the Unit to the Landlord leaving

;

26.1.2 give up

;

26.1.3 (if the Landlord so requires) remove anything

,

.

26.2. The obligations of the Tenant to return the Unit to the Landlord in the state and condition in

-

.

26.3. The Landlord will return the Security Deposit to the Tenant after deduction of any money due to the Landlord within [\[14 days\]](#)

.

,

.

26.4. The Tenant may not use the Security Deposit as

,

.

26.5. Within 56 days of the departure of the Tenant

,

.

## 27. Stamp duty

[The Tenant must pay all](#)

.

## 28. Other matters

28.1. No amendment or variation to this lease

28.2. So far as any time,

28.3. If any term or provision of this lease is at any time held to be void, invalid or unenforceable, then it shall be treated as removed,

28.4. The Tenant is not entitled to the benefit of

28.5. No failure or delay by any party to exercise any right,

28.6. This lease does

28.7. [Each party shall bear its own

].

28.8. Any communication to be served on either of the Parties by

It shall be deemed to have been delivered:



24 ;

-

- : 24

-

.

28.9.

,

.

28.10.

,

[ ].

[ ] .

Signed as a deed by or for the Landlord [\[write name\]](#) (who certifies that he has proper authority to sign)

Signature: .....

Witness: signature:

Name:

Address:

Signed as a deed by or for the Tenant [\[write name\]](#) (who certifies that he has proper authority to sign)

Signature: .....

Witness:      signature:

Name:

Address:

Signed as a deed by the Guarantor [\[write name\]](#)

: .....

Witness:      signature:

Name:

Address:

# Schedule 1: The Service Charge and Services

## 1. Definitions

“Accountant”

“Accounts”

“Common Parts”

“Fair Proportion”

“Financial Year”

“Other Let Unit”

“Plant”

“Service Charge”

“Surveyor”

“Total Cost of Services”

“Unit”

“Unlet Space”

## 2. The amount payable

2.1.

2.2.

2.2.1

2.2.2

2.2.3

2.3.

2.4.

2.5.

### **3. The Services which constitute the charge**

The Services are:

3.1.

3.2.

3.3. placing and running maintenance contracts for the Estate;

3.4.

3.5.

3.6. providing lighting;

- 3.7. , , ;
- 3.8. , , ;
- 3.9. , [ , ]
- 3.10. , ;
- 3.11. ;
- 3.12. , ;
- 3.13. , .

## 4. Services and payments excluded from the Service charge

- 4.1. , :
- 4.1.1 , ;
- 4.1.2 ;
- 4.1.3 ;

4.1.4

;

4.1.5

;

4.1.6

.

## 5. Service charge accounts

5.1.

,

.

5.2.

.

5.3.

.

5.4.

,

.

5.5.

.

,

,

.

5.6.

.

5.7.

.

5.8.

.



## Schedule 2: Rights expressly reserved

1.

, ,

.

2.

.

3.

,

,

.

4.

.

5.

,

,

,

,

.

6.

,

,

.

## Schedule 3: (Draft) Security Deposit agreement

This agreement is dated [date] and made between:

The Landlord: [name]  
of [address]

The Tenant: [name]  
of [address]

### Background:

A.

B.

It is now agreed as follows:

## 1. Definitions

“Call Down”

“Client Account”

“Default”

“Deposit”

“Lease”

“Referee”

“Sum Claimed”

## **2. Interpretation**

2.1.

2.2.

## **3. The Referee**

3.1.

3.2.

3.2.1

3.2.2

3.2.3

,

.

3.2.4 [

,

].

3.2.5

.

3.3.

,

,

,

.

3.4.

,

.

3.5.

,

.

## 4. The Deposit

4.1.

\$ [ ].

4.2.

[

/

]

.

4.3.

.

4.4.

,

.

## 5. Calling down the Deposit

:

5.1.

,

:

5.1.1

;

5.1.2

,

,

;

5.1.3

,

;

5.1.4

,

.

5.2.

.

5.3.

[ 14 ]

.

,

.

5.4.

[ 14 ]

,

,

.

.

5.5.

,

.

5.6.

.

5.7.

.

## 6. Topping up the Deposit

Signed by / on behalf of the named parties by their representatives who personally accept liability for the proper authorisation by their respective employer or principal to enter into this agreement

For, and on behalf of Landlord

[print name](#)

For, and on behalf of Tenant

[print name](#)

## Explanatory notes:

### Business lease: unit on industrial park

## General matters

### 1. What to take up on completion

When you meet to complete, you should expect \_\_\_\_\_ :

- The counterpart lease: that is to say the copy signed by the tenant. (He \_\_\_\_\_ );
- Any capital money paid to you as a premium \_\_\_\_\_ ;
- The rent, apportioned to the next \_\_\_\_\_ .

### 2. Registration

The lease term can be as long as you want. In most states, if the lease period exceeds three years, it should be registered with the Land Title Office. If you want to register the lease,

:

[www.lpi.nsw.gov.au](http://www.lpi.nsw.gov.au)

[www.nt.gov.au/justice/bdm/land\\_title\\_office/](http://www.nt.gov.au/justice/bdm/land_title_office/)

[www.nrw.qld.gov.au/property/index.html](http://www.nrw.qld.gov.au/property/index.html)

[www.landservices.sa.gov.au/](http://www.landservices.sa.gov.au/)

[www.dpiw.tas.gov.au/inter.nsf/ThemeNodes/JGAY-53CUVH?open](http://www.dpiw.tas.gov.au/inter.nsf/ThemeNodes/JGAY-53CUVH?open)

[www.dse.vic.gov.au/property-titles-and-maps/land-titles-home](http://www.dse.vic.gov.au/property-titles-and-maps/land-titles-home)

[www.landgate.wa.gov.au/corporate.nsf/web/Conveyancing+Channel](http://www.landgate.wa.gov.au/corporate.nsf/web/Conveyancing+Channel)

## Paragraph specific notes:

Notes referable to specific numbered paragraphs

### Party details

If landlord or tenant is a company, include ABN. Do

.

## 1. Definitions

We believe it is bad drafting practice to randomly capitalise words which are not defined terms. For example, in this document, the word “lease” is not a defined term. However, in the

**Conduit** is an ancient word for a pipe. In law it has a wider meaning, to include pipes, wires and anything which carries

**Insurance rent:** landlords have special powers to obtain rent which are not available for the collection of other debts. It is therefore always advantageous to specify that monies due to a landlord should be treated as rent, as they are in this lease. Insurance rent is a commonly used term.

“ ”

**Lease Period:** see note on guarantor

A good plan may also throw up unresolved side issues such as where the bins go and whether the landlord can park a

A further tip is to take photographs, particularly close-up to any feature, so that the condition is clear. If the Unit is in excellent condition, the landlord will benefit most from photographs. If the Unit is in poor condition, then it is the tenant who

**Rent:** is generally calculated in \$s per square foot or \$s per square metre, but the calculation rarely appears in the lease. The landlord will often specify a particular round sum when a property is advertised.

**Rent review:** an option. In or out. You choose. The usual period for a short lease is three years. Your position will depend on your view

**Security deposit:** whether you decide to take a security deposit or not is for your choice. Once decided, you have the option of using the formal agreement or simply placing the deposit

**Unit:** substitute some alternative work if you wish. We cannot over emphasise the importance of a full specification of the subject matter of the lease. If it is complicated you could put it in a schedule. The best way is a description



which refers to

**Use allowed:** When a rent review comes up, the landlord will claim rent based on the open market value for the Use Allowed. The question of user is of course more important in longer leases where the use is much more likely to change over time. It is a mistake for the landlord to fix the use paragraph narrowly - perhaps with the thought that if the landlord needs to change the use

The point he misses is that at a rent review the new rent will be calculated by reference to the rack rent (then current rent) payable in the open market. Clearly, that market rent will be highest when the property can be used for many uses and lowest, when the use is restricted to a single, low value use. A landlord should therefore think

## 2. Interpretation

Leave these items in place unless there is a good reason to edit or remove. Each of them

## 3. Entire agreement

This paragraph prevents a party from later saying he was relying on some other document or web site or what was said. If other documents are to be relied on, let them be listed here, so that both parties know the basis of the deal.

## 4. The lease

This paragraph covers a reservation of general rights. In addition, we have provided for a schedule of rights. The reason is: first, you may wish to use a schedule for the avoidance of doubt and second, the schedule could contain rights which you want to reserve from now, but which previously did not exist.

It is usual for only the cost of insurance to be treated as rent (and usually referred to as “”).

This paragraph also contains the usual landlords warranty for “  
”.

## **5. Responsibility for others**

These points are usually lost among a long list of other matters. We have separated it so as to be more prominent “ -  
”

## **6. Rent and other payments**

This paragraph contains detailed commercial terms.

Important: the last sub-paragraph provides for a rent free period. However, it is better practice to deal with any money concession to the tenant in a side letter and

## **7. Interest**

This provision crystallises the landlord’s entitlement when otherwise

## **8. Further payments**

We have no comment.

## **9. Condition and repair**

The level to which repairs and maintenance must be maintained is usually to be as it is on the date of the lease. In other words the

This is done through a "schedule of dilapidations". The parties jointly appoint a surveyor to provide a list of all the deficiencies in the building. It should

Generally, you should make sure this paragraph ties in with

Decoration: the specification for redecoration and the frequency are a matter for negotiation. Many landlords are not too concerned about the quality of the interior decoration, provided it is done really thoroughly in the last year, so that they do not have the expense of undertaking the work before -

This lease document will be used by landlords with widely different units let for an even wider array of uses. There may be

#### **10. Tenant's positive obligations**

Encroachments happen constantly and unexpectedly. Once a neighbour has committed to the construction of a large adjacent building, the only practical remedy is damages.

#### **11. Restrictions on tenant**

Here is a long

It is important to prevent anyone sleeping habitually on the

#### **12. Asbestos and environmental obligations**

Here we cover an area which rarely arises but which could be extraordinarily expensive if it did. It may be difficult

It is usual (and fair) for the Landlord to pay for any hazardous substance treatment or removal

However, asbestos is found in most old buildings, in some form or another. If the tenant wants to change your building in any way,

There are general rules regulating the removal of asbestos in most states. Generally, if more than 10 square meters of asbestos material is present, a licensed abatement contractor must perform the asbestos removal. National laws demand that non-residential buildings have an asbestos register and management plan in place and that the

\$ 60 , 000 6

### **13. Signs and advertisements**

Traditionally drawn leases fail to cover the many possibilities for visual impact. We take the view that a Landlord is entitled to know about, and approve what his tenant wishes to show.

If a sign affects the use or enjoyment of adjacent or neighbouring premises of the Landlord,

“ ”.

Because the requirements of every tenant will be different, we recommend that the landlord prepares a specification for a new tenant as to what is

For a multi-let property, the landlord will no doubt

### **14. Goods and vehicles**

Land around a building is often forgotten in lease provisions. Consider what is the land use and state of it. It is important to the landlord to maintain the amenity of :

### **15. Default notice by Landlord**

This paragraph provides a practical solution to the dilemma facing a landlord when the tenant is in breach but fails to take action. It may be

## **16. Assignment of the Lease**

When a tenant no longer requires property, he will have to transfer it to some other person in order to avoid the continuing obligation to pay the rent.

## **17. Tenant indemnifies landlord**

Few draftsmen include an indemnity in a lease because the tenant's covenants are precise and a simple recourse is to sue on a breach. However,

## **18. The Security Deposit**

If you decide on a security deposit, we give

## **19. Insurance**

The landlord should be sure that he

## **20. Access for landlord**

Essential, but the tenant

## **21. Guarantor**

Whether a guarantor is required is entirely a commercial decision. We suggest that in the case of a grant to a limited company, you should always obtain personal

The guarantee provisions in this lease are stronger than most tenants would like. In particular, the guarantor remains in place after an

In order to remove the obligation of the guarantor for

The last sub paragraph refers to the position

## **22. Provision for premature termination**

Otherwise known as a “break clause”, that is a provision for the tenant to give notice, at some particular point in time, to terminate the lease

## **23. Forfeiture**

These provisions are usual.

## **24. Rent review**

We provide for three clear alternatives:

the rent is

the rent

the

The purpose of a rent review is to bring the rent into line with rents

Many older leases provide for "upwards only" review. When rents are falling, this prejudices a tenant. However,

## **25. Failure to agree reviewed rent**

A simple procedure for resolving disputes. We have made this provision because it is likely to be acceptable to all parties,

The provision for the person appointed to act as expert and not as arbitrator is

## **26. At the end of the lease**

These provisions simply tie up loose ends.

If the tenant has fitted out the Unit

## **27. Stamp duty**

In some states you

<http://www.business.gov.au/BusinessTopics/Taxation/Taxesexplained/Pages/Stampduty.aspx>

## **28. Other matters**

Apart from the

A provision for mediation has been included in place of the more usual

## **Schedule 1: The Service Charge and Services**

Service charges are probably the area of lease law providing most frequent litigation. The

Another reason for distrust is that the landlord sets

## **Schedule 2: Rights expressly reserved**

Reserved rights are rights which the landlord is keeping back from the grant of the lease. It is usually unnecessary to specify them



(  
, )

### **Schedule 3: (Draft) Security Deposit agreement**

We have provided ,

It is not appropriate to involve the Referee as a

,

There is no reason in law why the landlord should not

,  
 . (  
 ).

A Security Deposit is usually signed .

**End of notes**