

NZ-PRlse11

Business lease: offices above shop

Date of lease: [Date]

The Landlord: [Name]

The Tenant: [Name]

Lease of: [property address]

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Schedule 1: Rights reserved

The Landlord is: [name]

of [address]

The Tenant is: [name]

of [address]

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 :

“Building” means the whole of the building of which the Premises form part .

“Common Parts” means those parts of the Building 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. (:)

“Hazardous” has the meaning defined in the Hazardous Substances 1996 .

“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 all of the plans of the Premises attached to this
“Premises”	means [rooms numbered 2 and 3 of] the [first / second] floor premises at [full address]
“Rent”	means \$ [48,000] payable without any deduction, in advance, by [twelve equal monthly [instalments of \$4,000], on the first day of each month / [/] [/]];
“Rent Review Date”	means [date]
OR	
“Rent Review Date”	means every [third] anniversary of the start date of the lease. A reference to the Rent
“Security Deposit”	means the sum paid by the Tenant to the Landlord as a deposit against any breach
“Shop below”	means those parts of the Building which are
“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 [/]
“Use Allowed”	means: use as storage of goods / professional offices / restaurant / or / any other use to which the Landlord consents

2. Interpretation

In this lease

2.1. Whenever more than one person or company is the

2.2. Any reference to a place or

2.3. Any agreement by any party not to do or omit to

2.4. [\[Except where stated otherwise\]](#),

2.5. References to a party include references to a person to whom

2.6. The headings to

2.7. The schedules (if any)

2.8. All money sums mentioned in this lease are

2.9. A reference to a right of the Landlord to have access to

2.10. A reference to “the last year of the Term”

2.11. A reference to a specific statute includes any statutory

2.12. It is certified that

3. Entire agreement

3.1. This lease contains the entire

3.2. Each party acknowledges that, in entering into this lease, he does not

].

3.3. Conditions, warranties or other terms implied

4. The lease

4.1. By this lease the Landlord lets and the Tenant

4.2. There is included in this lease such rights of way over and use of, the
Common Parts as are reasonably

4.3. The Premises are let subject to

4.4. The rights specified

1

4.5. All payments which may be due by the

4.6. Except so far as provided in this lease, the

5. Rent and other payments

5.1. The Tenant shall pay to the Landlord:

5.1.1 the Rent;

5.1.2 the Insurance Rent;

5.1.3 a fair proportion (decided by a surveyor nominated by the Landlord) of the cost

5.2. For each of the above payments, an appropriate

5.3. The Tenant shall also pay

5.3.1 any works to the

5.3.2 dealing with any application by

5.3.3 even if forfeiture

5.3.4 preparing and serving a schedule

5.4. Payments to the Landlord shall be made by [\[direct debit / Internet /](#)
[/ \]](#)

5.5. [Despite the above provisions, the
[] []
/]].

6. Further Payments

The Tenant agrees ,
:

6.1. all periodic rates and other taxes, relating to the Premises, including
(
) ,
;

6.2. all charges for services at the Premises to be paid promptly to
(
, -)
;

6.3. the cost of the grant, renewal or continuation 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] ,
,
[8 %].
,
.

8. Condition and repair

In relation to :

8.1. use the Premises only for the Use Allowed;

8.2. maintain the state and condition of the
;
;

- 8.3. employ only ;
- 8.4. decorate the inside [and the outside] of the Premises in every third year of the Term and in the last three months ().
- 8.5. [at least once in every year, [];
- 8.6. maintain and keep clean the exterior of the , [];
- 8.7. keep clean and free of rubbish, the Common Parts and , , .
- 8.8. Keep the ;
- 8.9. clean, maintain and keep free from blockages , , , , , , .

9. Tenant's positive obligations

The Tenant agrees and undertakes that he will:

- 9.1. give the Landlord a copy of ;
- 9.2. provide a written notice to the / .
- 9.3. immediately notify the Landlord of any encroachment on the Premises .
- 9.4. assist the Landlord as far as reasonably possible, and ,

9.5. keep the

9.6. comply with the terms of every law regulating

9.7. comply with all laws

10. Restrictions on Tenant

The Tenant

10.1. make any alteration to the Premises;

10.2. in any circumstance do anything which might cause the ,

;

10.3. sleep overnight on the

;

10.4. apply for planning permission relating to the

;

10.5. make any ;

10.6. store or leave goods or detritus on

;

10.7. fix to the Premises any pole , ;

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

,

;

10.9. bring onto the Premises

;

- 10.10. remove or change
;
- 10.11. remove from the
;
- 10.12. obstruct any window on the Premises;
- 10.13. cause any nuisance or annoyance to
;
- 10.14. bring, keep or allow any animals to be
;
- 10.15. allow into the Premises, nor provide food
,
;
- 10.16. play or use in the Premises any musical instrument, audio or other
;
- 10.17. cease carrying on business in the Premises or leave the Premises
continuously unoccupied for more than []
[]
-];
- 10.18. do anything which might
;
- 10.19. change or install any locks and other
;
- 10.20. use the Premises for any activity which is dangerous, offensive,
noxious,
.

11. Asbestos and environmental obligations

The provisions in this

11.1. 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

11.2. Despite the foregoing provisions of this paragraph and all

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

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

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

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

12. Signs and advertisements

12.1. Before the Tenant may place any Sign on or near to the Premises, he must

12.2. The Landlord is under no obligation

12.3. The Landlord may approve any Sign subject

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

13. Goods and vehicles

The Tenant agrees that he will not:

13.1. park any vehicle except

OR

13.2. park more than [number] cars

13.3. load or unload

14. Default notice by Landlord

14.1. If the Tenant is in default of any provision of this

14.2. If the Tenant fails to remedy the default within seven

15. Assignment of the lease

15.1. Except as specified in this lease, the

15.2. The Tenant may not assign

15.3. The Tenant may assign or transfer his interest

15.4. The Landlord may not

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

15.5.1 the proposed transferee is less likely to be able

15.5.2 the Tenant owes money to the Landlord;

15.5.3 there is no satisfactory guarantor ().

15.6. In giving consent,

15.6.1 the assignee shall not

15.6.2 the assignment shall impose an

15.6.3 the assignee shall enter into direct

15.7. Within four weeks after the Premises are assigned (),

16. Tenant indemnifies Landlord

The Tenant agrees to

:

16.1. any act, omission or negligence ,

;

16.2. any breach by

;

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

.

17. The Security Deposit

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

17.2. The Landlord may use the Security Deposit

.

17.3. If the :

17.3.1 he will tell

;

17.3.2 the rights or

.

17.3.3 the sum used is repayable to the Landlord

[4]

.

18. Insurance

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

(),

18.2. The Landlord will keep the Premises insured with reputable insurers

18.3.

18.4.

18.5.

18.6.

18.7.

18.7.1 the lease ends on expiry of the notice;

18.7.2 the insurance money belongs to the Landlord;

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

18.7.4

19. Access for Landlord

19.1.

19.2.

19.3. to comply with any statutory obligation;

19.4.

19.5.

19.6. to value the Premises;

19.7.

Conditions for access for the Landlord are:

19.8.

19.9.

19.10.

20. Guarantor

The Guarantor agrees:

20.1.

;

20.2. that his obligations will continue through the Term;

20.3.

,

;

20.4.

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20.5.

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,

,

;

20.6.

[28]

;

20.7.

;

;

20.8.

.

,

.

20.9. The new lease will be:

20.9.1

;

;

20.9.2 at the Rent then payable under this lease;

20.9.3

,

.

20.10.

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20.11.

,

.

21. Provision for premature termination

21.1.

[

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,

,

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21.2.

,

,

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21.3.

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22. Renewal of the lease

22.1.

,

.

22.2. The Landlord need not to consent where:

22.2.1

;

22.2.2

.

22.3.

,

:

22.3.1

,

22.3.2

.

23. Forfeiture

23.1.

:

23.1.1

28

,

;

23.1.2

;

23.1.3

(
)

,

,

;

23.1.4

,

, (

)

;

23.1.5

;

23.1.6

23.2.

24. Rent review

24.1.

24.2.

24.3.

[20 %]

OR

24.4.

OR

24.5.

24.6.

24.6.1

24.6.2 the Premises are vacant;

24.6.3 the Premises can immediately be used;

24.6.4

;

24.6.5

,

;

24.6.6

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24.7.

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24.8.

.

24.9.

,

.

24.10.

,

,

[8] %

25. Failure to agree reviewed rent

25.1.

[]

,

.

25.2.

.

25.3.

.

25.4.

25.5.

25.6.

26. At the end of the lease

26.1. When this lease ends the Tenant must:

26.1.1

26.1.2

26.1.3 ()

26.2.

26.3.

26.4.

[14]

26.5.

27. Other matters

27.1.

27.2.

27.3.

27.4.

27.5.

27.6.

27.7. [

].

27.8.

It shall be deemed to have been delivered:

;

72

;

24

27.9.

27.10.

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

:

Witness: signature:

Name:

Address:

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

:

Witness: signature:

Name:

Address:

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

:

Witness: signature:

Name:

Address:

Schedule 1 Rights expressly reserved

1.

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2.

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3.

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4.

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5.

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6.

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Explanatory notes:

Business lease: offices above shop

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. There is no legal requirement that lease must be registered. However, the parties have the option of protecting .

Paragraph specific notes:

Notes referable to specific numbered paragraphs

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 .

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

Premises: 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 a plan.

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 premises are in excellent condition, the landlord will benefit most from photographs. If the premises are 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.

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 “Insurance rent”). The addition here of other expenses is

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

5. Rent and other payments

This paragraph contains detailed commercial terms. Make sure every word

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 to leave the lease showing the full amount of the rent payable. This ensures that you do

6. Further payments

We have no comment.

7. Interest

This provision crystallises the landlord’s entitlement when otherwise

8. 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

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

9. 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.

10. Restrictions on tenant

Here is a long

It is important to prevent anyone sleeping habitually on the

11. 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,

12. 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

13. Goods and vehicles

We have no comment.

14. 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

15. 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.

16. 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,

17. The Security Deposit

Use this paragraph for a simple arrangement where the landlord

18. Insurance

A current issue with insurance is where the insurer draws the

The landlord should be sure that he is able to provide the cover he promises in

19. Access for landlord

Essential, but the tenant may ask for more specific arrangements

20. Guarantor

We strongly suggest that you

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

" 1 " "

The last sub paragraph refers to the position

21. 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

22. Renewal of the lease

Generally a tenant may not exercise a right of renewal automatically on the expiry

Whether or not a

By

23. Forfeiture

These provisions are usual.

24. Rent review

The usual period for a short

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,

We have provided a step by step procedure to make the process as simple

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 premises for

27. Other matters

Apart from the

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

Schedule 1: Rights reserved

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

End of notes