

Commercial property licence: to occupy business premises

1. The Licensor is: [name] []
2. The Licensee is: [name] []
3. The subject Rooms are all of: [description] at [address, inc post],
“ ”
4. Start date of Licence: [date]
5. Use allowed: the Rooms shall be used []
6. The licence fee is: [amount] pounds per month, payable by standing order to the account of the .
7. The Licence fee includes:
 - 7.1 business rates;
 - 7.2 electricity, gas, and ;
 - 7.3 maintenance of the rooms.
8. The Licensor will issue to the Licensee [number] , .
9. The Licensee is to give the Licensor, , .
10. The Licensee must not:
 - 10.4 make any structural alterations, ;
 - 10.5 remove any furniture or furnishings from the Rooms;
 - 10.6 share occupation of the Rooms or attempt to assign, .

10.7 allow any dog,

.

11. The Licensee must:

11.1

[

].

11.2 [

-

,

].

11.3

.

12.

.

,

[

]

.

13.

.

Signed by or for the Licenser [\[write name\]](#) (who certifies that he has proper authority to sign?)

Signature. . .

Signed by or for the Licensee [\[write name\]](#) (who certifies that he has proper authority to sign?)

Signature. . .

Explanatory notes:

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General notes:

1. Why not a lease?

It is essential that if the Court is not to treat this agreement as a lease, the “getup” and terms must be those one would reasonably expect in an informal licence and not in a formal lease. It will therefore be a mistake to “formalise” the document further than its present form. If more control is required by the licensor, it

2. Description of the Rooms

The description of the Rooms is important. It must be clear and precise. Even for a licence, it may be helpful to both parties if the Licensor has prepared an accurate scale plan of the Rooms, from which measurements of the areas can be taken. Agree the plan. It avoids future problems and arguments. A good plan may also throw up unresolved

Example description:

“The third floor Rooms numbered 3, 4 and 5 on their

”

Or

“Room 24 as ”

3. Prohibitions on licensee

What licensee is not allowed to do: a lease will generally be drawn with a long list of tenant’s covenants or promises to do and not to do things. The possibilities are endless. If this document is not to be interpreted as a lease, you must beware of including provisions which are suitable to a

4. Fee inclusive of outgoings

It is a characteristic

When fixing the licence fee, remember to

5. How many years for the License?

It is in the nature of a license that it is

6. VAT and Stamp duty

VAT is payable on all licence

End of notes