

DATED

20

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LEASE

relating to

[ADDRESS OF THE PREMISES]

between

[LANDLORD NAME]

and

[TENANT NAME]

EXAMPLE

## Particulars

**Date:** [ ] 20[ ]

**Landlord:** [ ] (Company Registration Number [ ]) whose registered office is at [ ]

**Tenant:** [ ] (Charity Registration Number [ ]) whose registered office is at [ ]

**Break Date:** At any time [ ] months after the Term Commencement Date

**Break Notice:** [ ] days' written notice

**Payment Day:** The first day of January each year during the Term

**Permitted Use:** Charitable use of the Premises for retail purposes

**Premises:** the internal parts of [address of property] excluding any load-bearing or structural part.

**Rent:** £[ ] [One peppercorn per annum] (if demanded)

**Schedule of Condition:** [Applicable][Not applicable]

**Statutory Declaration:** a statutory declaration dated [ ] 20[ ] in accordance with the requirements of section 38A(3)(b) of the LTA 1954

**Term:** A term of [ ] years from and including the date hereof

This lease is made on the date set out in the Particulars

**BETWEEN**

- (1) The Landlord; and
- (2) The Tenant.

**AGREED TERMS**

**1. INTERPRETATION**

The following definitions and rules of interpretation apply in this lease.

1.1 Definitions:

**LTA 1954:** Landlord and Tenant Act 1954.

**Particulars:** the particulars to this Lease.

**Service Media:** all media for the supply or removal of heat, electricity, gas, water, sewage, air-conditioning, energy, telecommunications, data and all other services and utilities and all structures, machinery and equipment ancillary to those media.

**VAT:** value added tax chargeable under the Value Added Tax Act 1994 and any similar replacement tax and any similar additional tax.

1.2 A reference to the **Landlord** includes a reference to the person entitled to the immediate reversion to this lease.

1.3 Any obligation on the Tenant not to do something includes an obligation not to allow that thing to be done and an obligation to use best endeavours to prevent that thing being done by another person including, but not limited to, employees, agents, workmen and invitees.

1.4 Unless the context otherwise requires, words in the singular shall include the plural and in the plural shall include the singular.

1.5 In the event of a conflict between the Particulars of this Lease and the remainder of this Lease then the Particulars shall prevail.

**2. GRANT**

The Landlord lets the Premises to the Tenant;

2.1 for the Term; and

2.2 except and reserving the rights mentioned in clause 3.

**3. RIGHTS EXCEPTED AND RESERVED**

3.1 The following rights are excepted and reserved from this lease to the Landlord (the **Reservations**):

- (a) the right to enter the Premises for any purpose mentioned in this lease or connected with it, at any reasonable time and, except in the case of an emergency, after having given reasonable notice (which need not be in writing) to the Tenant;
- (b) the right to display a sale or letting board on the Premises as long as it does not obstruct the Tenant's signage or window display; and
- (c) the right to sell as agent for the Tenant any belongings of the Tenant left in the Premises for more than five working days after the Term ends and keep the net sale proceeds if the Tenant does not claim them within one month after the Term ends.

3.2 The Reservations may be exercised by the Landlord and by anyone else who is or becomes entitled to exercise them and by anyone authorised by the Landlord.

3.3 The Landlord shall not be liable for any loss or inconvenience to the Tenant by reason of the exercise of any of the Reservations (other than any loss or inconvenience in respect of which the law prevents the Landlord excluding liability).

#### **4. THE RENT AND OTHER PAYMENTS**

4.1 The Tenant shall pay the Rent on the Payment Day.

4.2 The Tenant shall pay all costs in connection with the supply and removal of electricity, gas, water, sewage, telecommunications and data to or from the Premises. If any such costs are charged in respect of the Premises together with other property, the Tenant shall pay a fair proportion (determined conclusively by the Landlord except as to questions of law and in the absence of any manifest error) of the total.

4.3 The Tenant shall pay all rates, taxes and other impositions and outgoings payable in respect of the Premises and its use.

4.4 All sums payable by the Tenant are exclusive of any VAT that may be chargeable and the Tenant shall pay VAT in respect of all taxable supplies made to it in connection with this lease.

4.5 The Tenant shall pay the costs and expenses (assessed on a full indemnity basis) of the Landlord, including any solicitors' or other professionals' costs and expenses and whether incurred during or after the end of the Term, in connection with or in contemplation of the enforcement of the tenant covenants of this lease.

4.6 In the event that the Tenant is a registered charity and is not awarded the 20% discretionary business rate relief for the Premises by the local authority that it may otherwise qualify for as a charitable tenant, then the Landlord may in its discretion pay to the Tenant the equivalent amount of the said 20% business rate relief to the Tenant on a monthly basis as a charitable donation. On receipt of such sums the Tenant warrants to the Landlord that it will forthwith pay the said sums to the local authority to satisfy its rates liability for the Premises and further will indemnify the Landlord against any rate claims or actions made by the local

authority for the Premises for any periods arising during the Term where the business rates have not been paid.

## **5. INSURANCE**

5.1 The Landlord shall keep the Premises (including any plate glass or window glass) insured against loss or damage by fire and such other risks as the Landlord considers it prudent to insure against, provided that such insurance is available in the market on reasonable terms acceptable to the Landlord. On request from the Tenant, the Landlord shall inform the Tenant of relevant terms of its insurance policy.

5.2 If the Premises is damaged or destroyed so as to make the Premises unfit for occupation and use, then either party may determine this lease by giving 28 days' notice to the other.

5.3 If this lease is terminated pursuant to this clause, then the termination shall be without prejudice to any right or remedy of the Landlord in respect of any antecedent breach of the tenant covenants of this lease.

## **6. PROHIBITION OF DEALINGS**

The Tenant shall not assign, underlet, charge, part with or share possession or share occupation of this lease or the Premises or assign, part with or share any of the benefits or burdens of this lease, or in any interest derived from it, whether by a virtual assignment or other similar arrangement or hold the lease on trust for any person (except by reason only of joint legal ownership), or grant any right or licence over the Premises in favour of any third party.

## **7. REPAIRS AND DECORATION**

7.1 The Tenant shall keep the Premises clean and tidy, including cleaning the inside and outside of the windows at the Premises, and shall make good any damage caused to the Premises by any act or omission of the Tenant or any person under the control of the Tenant.

7.2 The Landlord shall replace any plate glass or other window glass that becomes cracked or broken.

7.3 The Landlord shall keep the Premises in reasonable repair and any Service Media within and exclusively serving the Premises in reasonable working order.

7.4 If the Particulars state that a Schedule of Condition is applicable, then the Tenant shall not be obliged to put the Premises into any better state of repair as evidenced by the schedule of condition annexed to this lease.

## **8. ALTERATIONS AND SIGNS**

8.1 The Tenant shall not make any alteration to the Premises (including any Service Media forming part of the Premises), other than the installation and removal of non-structural, demountable shop fittings and provided that, where reasonably required by the Landlord, it

removes any such fittings before the end of the Term and makes good any damage to the Premises caused by any such installation or removal.

8.2 The Tenant shall not attach any sign, poster or advertisement to the Premises other than:

- (a) a shop fascia of a design and size approved by the Landlord; and
- (b) such trade posters, notices and advertisements of a design, size and number and in positions that are appropriate to the nature of the Premises and to the Permitted Use.

## **9. BREACH OF REPAIR AND MAINTENANCE OBLIGATIONS**

The Landlord may enter the Premises to inspect its condition and may give the Tenant a notice of any breach of any of the tenant covenants in this lease relating to the condition of the Premises. The Tenant shall carry out and complete any works needed to remedy that breach within the time reasonably required by the Landlord, in default of which the Landlord may enter the Premises and carry out the works needed. The costs incurred by the Landlord in carrying out any works pursuant to this clause (and any professional fees and any VAT in respect of those costs) shall be a debt due from the Tenant to the Landlord and payable on demand.

## **10. USE**

10.1 The Tenant shall not use the Premises for any purpose except the Permitted Use.

10.2 The Tenant shall not place or keep any items on any external part of the Premises (whether or not such items are for sale).

10.3 The Tenant shall keep the shop window of the Premises appropriately dressed and lit.

10.4 The Tenant shall not leave any refuse outside the Premises except at such times and in such manner as accord with the arrangements for the collection of refuse from the Premises by the local authority.

10.5 The Tenant shall load and unload goods only at such times as accord with any bylaws or parking restrictions imposed by the local authority.

10.6 The Tenant shall not overload the Service Media at or serving the Premises.

10.7 The Tenant shall comply with all reasonable regulations for the proper management of the Premises as are made by the Landlord and notified to the Tenant in writing.

## **11. COMPLIANCE WITH LAWS**

The Tenant shall comply with all laws relating to the Premises and the occupation and use of the Premises by the Tenant, to the use of all Service Media and machinery and equipment at or serving the Premises, and to all materials kept at or disposed from the Premises.

**12. RETURNING THE PREMISES TO THE LANDLORD**

12.1 At the end of the Term, the Tenant shall return the Premises to the Landlord in the condition required by this lease and shall remove from the Premises all stock and chattels belonging to or used by it.

12.2 The Tenant irrevocably appoints the Landlord to be the Tenant's agent to store or dispose of any stock, chattels, fittings or items it has fixed to the Premises and which have been left by the Tenant on the Premises for more than ten working days after the end of the Term. The Landlord shall not be liable to the Tenant by reason of that storage or disposal. The Tenant shall indemnify the Landlord in respect of any claim made by a third party in relation to that storage or disposal.

**13. TRADING DURING SHOP OPEN HOURS**

To keep the Premises open for carrying on the trade or business for the time being permitted by this Lease during normal trading hours in the location as reasonably prescribed by the Landlord insofar as:

13.1 may be necessary for the carrying out with all reasonable speed of any repairs or permitted alterations to the Premises; or

13.2 to do so would be contrary to any regulation or requirement of any competent statutory or local authority.

**14. INDEMNITY**

The Tenant shall keep the Landlord indemnified against all liabilities, expenses, costs (including but not limited to any solicitors' or other professionals' costs and expenses), claims, damages and losses (including but not limited to any diminution in the value of the Landlord's interest in the Premises and loss of amenity of the Premises) suffered or incurred by the Landlord arising out of or in connection with any breach of any tenant covenants in this lease, or any act or omission of the Tenant or any person on the Premises with its actual or implied authority.

**15. LANDLORD'S COVENANT FOR QUIET ENJOYMENT**

The Landlord covenants with the Tenant, that, so long as the Tenant pays the rents reserved by and complies with its obligations in this lease, the Tenant shall have quiet enjoyment of the Premises without any interruption by the Landlord or any person claiming under the Landlord except as otherwise permitted by this lease.

**16. RE-ENTRY AND FORFEITURE**

16.1 The Landlord may re-enter the Premises (or any part of the Premises in the name of the whole) at any time after any of the following occurs:

(a) any rent is unpaid 21 days after becoming payable whether it has been formally demanded or not; or

(b) any breach of any condition or tenant covenant of this lease.

16.2 If the Landlord re-enters the Premises (or any part of the Premises in the name of the whole) pursuant to this clause, this lease shall immediately end, but without prejudice to any right or remedy of the Landlord in respect of any antecedent breach of the tenant covenants of this lease.

**17. JOINT AND SEVERAL LIABILITY**

17.1 Where the Tenant comprises more than one person, those persons shall be jointly and severally liable for the obligations and liabilities of the Tenant arising under this lease. The Landlord may take action against, or release or compromise the liability of, or grant time or other indulgence to, any one of those persons without affecting the liability of any other of them.

17.2 The obligations of the Tenant arising by virtue of this lease are owed to the Landlord and the obligations of the Landlord are owed to the Tenant.

**18. NOTICES**

18.1 Section 196 of the Law of Property Act 1925 applies to all notices and documents relating to this Lease.

**19. ENTIRE AGREEMENT**

19.1 This lease constitutes the whole agreement between the parties and supersedes all previous discussions, correspondence, negotiations, arrangements, understandings and agreements between them relating to its subject matter.

19.2 Nothing in this lease constitutes or shall constitute a representation or warranty that the Premises may lawfully be used for any purpose allowed by this lease.

**20. GOVERNING LAW**

This lease and any dispute or claim arising out of it or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with the law of England and Wales.

**21. JURISDICTION**

Each party irrevocably agrees that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim arising out of or in connection with this lease or its subject matter or formation (including non-contractual disputes or claims).

**22. MISCELLANEOUS**

22.1 The parties confirm that:

- (a) the Landlord served a notice on the Tenant, as required by section 38A(3)(a) of the LTA 1954, applying to the tenancy created by this lease, before this lease was entered into;
- (b) the Tenant, or a person who was duly authorised by the Tenant to do so, made the Statutory Declaration; and
- (c) there is no agreement for lease to which this lease gives effect.

22.2 The parties agree that the provisions of sections 24 to 28 of the LTA 1954 are excluded in relation to the tenancy created by this lease.

22.3 A person who is not a party to this lease shall not have any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this lease.

**23. BREAK CLAUSE**

If the either party wishes to determine this Lease on the Break Date and gives to the other the Break Notice then on the expiry of the Break Notice the Tenant shall vacate the Premises and the Term shall cease but without prejudice to the either party's rights and remedies in respect of any antecedent claim or breach of covenant

This document has been executed as a deed and is delivered and takes effect on the date stated at the beginning of it.

Signed as a Deed by  
**the Landlord**

.....  
Director

In the presence of:-

Witness Signature .....

Name (capital letters) .....

Address .....

.....  
.....

Occupation .....

Signed as a Deed by  
**the Tenant**

.....  
Director/Trustee

In the presence of:-

Witness Signature .....

Name (capital letters) .....

Address .....

.....

.....

Occupation .....

EXAMPLE