

Your Legal Questions

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Q. I have agreed to take a lease of a shop for my new business and have been given a lease by the landlord to sign. Money is tight so do I really need to see a solicitor?

A. A lease may at first glance look straightforward but it is a complex document. Usually, it will have been prepared for the landlord and contain terms that are "landlord friendly".
A lease contains promises on the part of the tenant to do certain things, such as pay the rent, and not to do certain things, such as cause a nuisance. These are known as "covenants" and the wording of them is crucial to understanding your obligations under the lease.

A lease will contain a covenant to keep the property in repair and in certain circumstances will also oblige the tenant to put the property into good repair in the first place. This can be very costly if the property is in a bad state to start with.

Commercial leases can prevent you from sub-letting the property at a rent less than you are currently paying. In the present market, with rents falling, this can effectively prevent you from sub-letting because you are unlikely to find a sub-tenant who will pay what you are paying. This leaves you on the hook to pay the entire rent without the ability to recover any of it from your own tenant.

These are just a few instances where the wording of the lease might seem innocuous initially but which could cost the tenant a considerable amount in the future. The advice of a solicitor is essential not only to explain the obligations you are taking on but also to negotiate more favourable terms on your behalf.

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