



## Summary

This lease style is appropriate for a letting of a shop in a tenement and contains a break option exercisable by the Landlord in the event that the Landlord wishes to redevelop the Premises. The style takes the form of a full repairing and insuring lease and includes rent review provisions where the rent is to be reviewed either in an upwards direction or so as not to be less than the rent as reviewed in any previous review. The style assumes, among other things, that the Premises comprise a shop situated in a tenement building where the Landlord has an obligation to contribute to the repair and maintenance etc. of common parts of the tenement (e.g. exterior boundary walls etc.) either under the title deeds or, by default, under the tenement management scheme in schedule 1 to the Tenements (Scotland) Act 2004. The Lease permits recovery from the Tenant of such contributions. The aim of the drafting of the style, more generally, is to strike a reasonable balance between the respective interests of Landlord and Tenant in order to expedite the parties' negotiations. As the location, age and type of premises, and their intended use, will vary widely the style will usually need to be modified or adapted in a way that practitioners using the style find appropriate to the transaction in hand.

## Contents

1. DEFINITIONS AND INTERPRETATION
  - 1.1 Definitions
  - 1.2 Interpretation
2. LETTING AND LANDLORD'S BREAK OPTION
  - 2.1 Letting
  - 2.2 Acceptance of Premises
  - 2.3 Landlord's break option
3. RESERVED RIGHTS
4. TENANT'S OBLIGATIONS – RENT
5. TENANT'S OBLIGATIONS – OTHER MONETARY
6. TENANT'S OBLIGATIONS – REPAIRING ETC.
7. TENANT'S OBLIGATIONS – OTHER NON-MONETARY
8. LANDLORD'S OBLIGATIONS
9. WAIVERS AND DISCLAIMERS ETC.
10. NOTICES
11. IRRITANCY
12. GOVERNING LAW

13. ENTIRE AGREEMENT

14. REGISTRATION

#### **SCHEDULE PART 1 – PREMISES**

#### **SCHEDULE PART 2 – TENEMENT**

#### **SCHEDULE PART 3 – TITLE**

#### **SCHEDULE PART 4 – RESERVED RIGHTS**

1. Passage of services
2. Use of walls, Conduits and Plant and Equipment
3. Entry for inspections, repairs etc.
4. Servitudes etc.
5. Support etc.
6. Scaffolding
7. Attachment of fixtures to external walls
8. Works required by an authority

#### **SCHEDULE PART 5 – RENT REVIEW**

1. Definitions
2. Revised Rent
3. Agreement on, or determination of, Revised Rent
4. Appointment of the Surveyor
5. Arbitration or expert determination
- 6. [Submissions] [and hearings]**
7. Existing Rent unchanged
8. Finality of determination
9. Failure to determine Open Market Rent
10. Continuing payment of Existing Rent
11. Payment of arrears of rent
12. Cost of Surveyor's determination
13. Documenting Revised Rent
14. Time not of the essence
15. Scottish Arbitration Rules

#### **SCHEDULE PART 6 – TENANT'S OBLIGATIONS – OTHER MONETARY**

1. Definitions
2. Interest at Prescribed Rate
3. Impositions
4. VAT
5. SDLT
6. Supplies and services
7. Common Charges etc.
8. Cost of damage to Tenement
9. Cost of irrecoverable insurance proceeds etc.
10. Cost of Landlord's works and compliance with statute etc.
11. Cost of effecting plate glass insurance
12. Cost of preventing servitudes being acquired
13. Payment of Professional Costs etc.
14. Cost of repairs etc. at expiry
15. Cost of exterior and interior works before expiry

## **SCHEDULE PART 7 – TENANT’S OBLIGATIONS – REPAIRING ETC.**

1. Maintenance and repairs
2. Repairing notices etc.
3. Frontage
4. Exterior decoration
5. Interior decoration
6. Standard of exterior and interior decoration
7. Cleaning Premises and treating surfaces
8. Conduits and Plant and Equipment etc.
9. Repairs etc. at expiry

## **SCHEDULE PART 8 – TENANT’S OBLIGATIONS – OTHER NON-MONETARY**

1. Restrictions and prohibitions
  - 1.1 Fitting out
  - 1.2 Alterations
  - 1.3 Permitted Use etc.
  - 1.4 Prohibited uses
  - 1.5 No other building
  - 1.6 Obstruction of access
  - 1.7 Drains
  - 1.8 Storage of refuse
  - 1.9 Air pollution
  - 1.10 Dangerous things
  - 1.11 Notices and signs
  - 1.12 Masts and wires
  - 1.13 Unauthorised parking
  - 1.14 Emergency stairways etc.
  - 1.15 Public access to Premises
  - 1.16 [Loading and unloading of goods in the Service Area]**
2. Alienation, Landlord’s title, sub-tenants etc.
  - 2.1 Alienation
  - 2.2 Title conditions
  - 2.3 Remedying of breaches by sub-tenants etc.
3. Insurance
  - 3.1 Insurance compliance
  - 3.2 Plate glass insurance
  - 3.3 Carrying out of works required by Insurers
4. Statutory etc. requirements
  - 4.1 Compliance with statutory requirements
  - 4.2 Statutory Notices, etc.
  - 4.3 Planning Laws
  - 4.4 Fire fighting equipment
  - 4.5 Pollution and clean up
  - 4.6 Empty property
5. Third party and other claims

- 5.1 Notice of potential third party claims
  - 5.2 Windows and new servitudes
  - 5.3 Indemnity and disclaimer
- 6. Heating and ventilation
  - 6.1 Heating, cooling and ventilation
  - 6.2 Temperature
- 7. Notifications to Landlord etc.
  - 7.1 Notices and defects
  - 7.2 Occurrence of Insured Risk
  - 7.3 Application for consent
  - 7.4 Damage to Tenement
  - 7.5 Sale and re-letting of Premises

#### **SCHEDULE PART 9 – LANDLORD’S OBLIGATIONS**

- 1. Definitions
- 2. Quiet enjoyment
- 3. Insurance
- 4. Application of insurance proceeds

#### **SCHEDULE PART 10 – WAIVERS AND DISCLAIMERS ETC.**

- 1. Lease to continue in effect
- 2. Permitted Use
- 3. Adjoining Property
- 4. Disputes
- 5. Suspension of Rent
- 6. Demand for Rent
- 7. Limitation of liability
- 8. Failure to perform obligations
- 9. Agency
- 10. Exclusion of rights not conferred
- 11. Compensation on quitting Premises

#### **SCHEDULE PART 11 – BREAK NOTICE**

- 1. Definitions
- 2. Termination on Break Date
- 3. Requirements of Break Notice
- 4. Termination of the Lease
- 5. Rights of occupancy etc.
- 6. Form of Break Notice