



## **Pre - Agreement for Lease Report - 145 High Street, Bradford [put picture above from StreetView]**

**High St Retailer Ltd**

13/09/18

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Ref: 1234.56/HJ

**Bloggs & Co Solicitors**

**YOUR LOGO HERE**

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## Introduction & your objectives

This report sets out the agreed terms for the lease of the property, and the results of our searches and enquiries. Once you have read this fully and confirm to us that you want to proceed to take the lease. You must raise any queries or objections now, as once we have exchanged the agreement for lease you will not be able to withdraw from the transaction.

You have told us that you want to take a lease of the premises to use as a retail shop for your business of a general discount retailer, and our report is prepared on this basis. You must read the limitations and exclusions set out at the end of the report.

## Executive Summary

The terms agreed for the lease are in accordance with our current memorandum of agreement with you for retail leases on your shops, save where mentioned below.

### Timescale

Once you have approved this report, signed the lease and we have exchanged agreements for lease you will have access for fitting out purposes.

The lease is to be completed 4 weeks after exchange of agreements for lease.

- You will not have security of tenure. You have told us that this is acceptable to you.
- The break clause is not generally commercially acceptable as under current law it is unlikely you will be unable to exercise the break. If you are unable to then assign or underlet the lease the financial impact alone could be at least £500,000. You have told us that you accept this risk.

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## Financials

Rent :	£50,000 pa +VAT	payable monthly in advance on 1st of month	Review every 5 years. 6 months rent free
Service Charge	£8,500 + VAT currently	payable quarterly £2,000 on 1st April, July, October, January	
Insurance	£3,000 pa	Payable annually in advance on 1 Oct	
Business Rates	£15,000 pa		Appeal in progress
Lease length	10 years	Break clause on 2nd anniversary	Conditional on full compliance

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Planning - see page [ ] below

■ Class A1. Consent for new shop front. there are no restrictions on use in the permissions supplied other than [ ].  
[There are numerous pre-construction/occupation conditions in the planning permissions provided but PC of the centre occurred in [ ] so the period for enforcement for breach of condition will have passed][ and the local search reveals no breach of condition or planning enforcement action]. [Your consultant [insert name] has reviewed the planning and reported to you separately].

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■ Access, Parking, Fire, Safety, EPC etc.- see page [ ] below

On public highway  
No parking.  
Service Bay (shared) - see plan attached.  
Fire escape routes marked on plan.- Formal easement.  
Asbestos present - see report at appx [ . ]  
EPC - category C, dated [ . / . / . ]  
Water & drainage - Metered water supply. Connected to foul and surface water drainage.

## Key lease provisions

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### ■ Premises and Repairing obligations

Internal surfaces, plaster, ceiling, basement, storage area and yard.

Repairing obligation limited by Schedule of condition - see attached and page [ ] below

■ **Tenants Covenants - see page [ ] below**  
Generally typical for a lease of this type. Note that :

.....

■ **Freehold Covenants - see page [ ] below**

■ No alcohol can be sold - 1890 covenant - title insurance obtained.

■ **Signs and Alterations - see para [ ] below**

You must get the landlord's approval to all signs in advance and cannot have signs in the window  
You must not make any alterations without the landlords approval but internal non-structural alterations are permitted provided you remove them at the end of the lease

■ **Security of tenure**

You will not have security of tenure I.e the right to a new lease at the end of this one

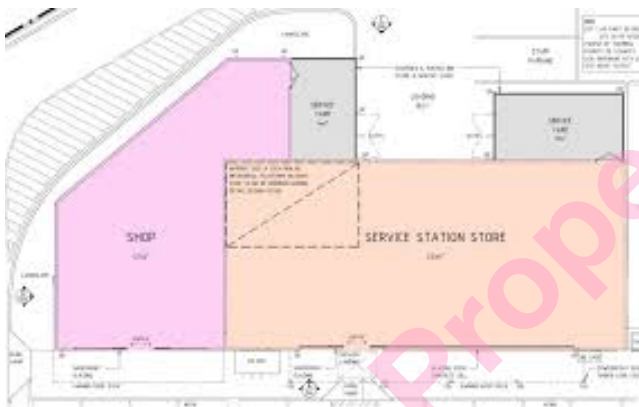
■ **Assignment/underletting - see page [ ] below**

You can assign or underlet the whole with the landlord's prior consent. You may be required to provide an AGA. The landlord cannot unreasonably withhold consent. No underletting or assignment of part is allowed.

## ■ Plan, Rights and reservations

See full plan at appendix 1

- Access for service bay coloured blue
- Highway boundary hatched black
- Shop coloured pink
- Temporary loading bay coloured yellow
- Fire escape routes coloured brown dotted lines
- Substation coloured brown
- Internal only plus shop front.



[Insert plans of the store from either lease and or land registry plans, using Snippet tool]

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# Main Report

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## Searches

### Local search

Purpose: ....

Results : ....

### Chancel Search

### Environmental Search

Our Environmental search reveals that the property is unlikely to be within the definition of contaminated land, and also that previous historic uses are unlikely to give rise to contamination generally.

### Commercial water and Drainage search

The property is connected to ...

### CPSE and other Enquiries

Replies to CPSE enquiries reveal that ...

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### Planning & regulatory

There is consent dated for .....

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## ■ Lease terms

The lease terms are commercially acceptable and in accordance with your standing requirements for leases of this type. However, note that.....

Break Clause

etc..

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## ■ Tax - Capital allowances, VAT & SDLT

### **VAT**

The rent is subject to VAT.

### **SDLT**

The initial tax will be £x, but as the rent review is actually 4.5 years in not on the fifth anniversary there will be an additional tax return due [ date ]. We shall not be reminding you but can submit the return for you at that time for an additional fee or you can ask your accountants to do this for you.

### **Capital Allowances**

See appendix [. ] ...

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## Contacts and rent payments information

### **Managing agents**

Contact name, address, 24 hour number

### **Rent & other payments**

- details and account information etc

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## Summary and recommendations

Assuming you accept the break clause and the points made above in relation to...

## Limitations and exclusions

You must understand and accept that in preparing this report for you:

- We give no opinion on value or rental levels
- You must get your own advice on matters of SDLT, Capital Allowances & VAT
- We give no opinion on the structure or physical aspects of the property
- You give no opinion on planning, building regulations, fire, asbestos or health and safety or similar issues except to give you the result of our searches and enquiries
- This report has been prepared for the sole benefit of you, [NAME OF CLIENT], in connection with your proposed purchase of the Property from the Seller and for no other purpose.
- The contents of this report are private and confidential. It must not be relied on by or made available to any other party without our written consent.
- The report is based on our review of the title documents, search results, planning documents and replies to pre-contract enquiries given by the Seller.
- We would advise you to arrange for a survey of the Property to be carried out, if this has not already been arranged. [A survey should identify any physical defects in the Property and may warn of potential defects. It is important to be aware of any defects in the Property before you exchange contracts. Once you have exchanged contracts, you will not be entitled to any compensation from the Seller if you have to put right any defects.]
- We recommend that you have the Property professionally valued. You should ensure that the valuer is aware of the matters mentioned in this report, as they may affect the value.

.....  
Bloggs, Solicitors, etc

## Appendices

Lease plan  
Searches  
EPC  
Highways  
Asbestos survey/plan  
Fire plan  
etc.