

COMMERCIAL LEASE AGREEMENT 2023



[THIS AGREEMENT IS TO BE SIGNED ONLY IF FAILURE TO PAY RENT FOR MORE THAN 21 DAYS WILL BE ACCEPTED AS GROUNDS OF SUMMARY RE-POSSESSION OF PROPERTY AND LOSS OF DEPOSIT IF HELD]

This Commercial Lease Agreement ("Lease") is made and effective this _____ of _____ 2023
by and
between **1stpropertiesUK of 307, 42-46 Hagley Road, Birmingham B16 8PE** ("Landlord/Managing agents") and

of _____ trading as _____

This Lease creates joint and several liability in the case of multiple Tenants.

1. **PREMISES.** Landlord hereby rents to Tenant and Tenant accepts in its present condition the house at _____ following address: _____ (the "PROPERTY").
2. **TERM.** The term of this Lease shall start on the date of signing of this agreement by the Landlord for a period of _____ months, starting _____ and ending _____

There will be a Break Clause at the end of the _____ months at which point either party can terminate the Contract with 01 Month PRIOR Notice IN WRITING.

2.1 The Landlord or the Tenant may end this Tenancy before the Tenancy end date specified in clause 2 in the circumstances specified in clause 2.2. This is subject to compliance by the terminating party with the requirements specified in clause 2.3.

2.2 The circumstances are that:

- (a) the Property is subject to a mortgage under which the Landlord is the mortgagor (borrower);
- (b) the mortgagee (lender) under that mortgage has appointed a receiver in relation to the Property; and
- (c) the receiver has notified the Tenant of his appointment by giving the Tenant a copy of the letter of appointment.

2.3 The requirements are that:

- (a) the terminating party must give notice in writing to the other party specifying the termination date (and where the Tenant is the terminating party the notice should be given to both the Landlord and the receiver);
- (b) the notice must not be given within the first 4 months of the Tenancy; and
- (c) the termination date specified in the notice must be at least two months after the date of service of the notice.

4.4 In this clause "receiver" means a person appointed by the mortgagee (lender) under the terms of the mortgage or pursuant to powers in the Law of Property Act 1925.

3. **RENT.** Tenant agrees to pay, without demand, to Landlord as rent for the House the sum of £ _____ per month in advance each calendar month. Rent will be paid into the landlord's bank account on the _____th of each month. A deposit of £ _____ will be paid on the date of signing of the contract. Agency fees for the Management Contract of £ _____ are to be paid immediately. Bank Details for setting up Direct Debit for transfer of Rent are:

Bank
Account:
Sort Code:
Account Number:

Administrative charges incase rent is paid late are agreed as follow: [Reminder 1: £15]; [Reminder 2: £15]; [late Fees Charge after 14 days: £75]

THE LANDLORD/ MANAGING AGENT RETAINS THE OPTION TO CANCEL THE AGREEMENT AND TAKE BACK THE PROPERTY IF THE RENT IS IN ARREARS FOR 21 DAYS

4. **QUIET ENJOYMENT.** Landlord agrees that if Tenant timely pays the rent and performs the other obligations in this Lease, Landlord will not interfere with Tenant's peaceful use and enjoyment of the House.

5. **USE OF PREMISES.**

A. The House is being Let with the Provision that the Tenants will Sub Let the Premises as per the consent of the Landlord. The house will be utilized for residential lettings and residential supported accommodation purposes only. For purposes of Supported Housing, the Tenant will fully bear the cost of insuring the property to include the provision of insuring against damage by the occupants.

B. Tenant shall comply with all the health and sanitary laws, ordinances, rules, and orders of appropriate governmental authorities and homes associations, if any, with respect to the House.

6. **NUMBER OF OCCUPANTS.**

Tenant agrees that the House shall be occupied by no more than persons, including no more than **Children** under the age of eighteen (18) years.

7. **CONDITION OF PREMISES.** Tenant agrees that Tenant has examined the House, including the grounds and all buildings and improvements. The tenant will thereafter maintain the property including all gas/electrics systems at his cost and no further charge will be made on the Landlord.

8. **ASSIGNMENT AND SUBLETTING.** Tenant cannot sublet or grant any concession or license to any third party to use the House or any part of the House without the landlord's consent.

9. **ALTERATIONS AND IMPROVEMENTS.** All alterations, changes, and improvements built, constructed, or placed on or around the House by Tenant, with the exception of fixtures properly removable without damage to the House and movable personal property, shall, unless otherwise provided by written agreement between Landlord and Tenant, be the property of Landlord and remain at the expiration or earlier termination of this Lease.

10. **DAMAGE TO PREMISES.** If the House, or any part of the House, shall be partially damaged by fire or other casualty not due to Tenant's negligence or willful act, or that of Tenant's family, agent, or visitor, there shall be an abatement of rent corresponding with the time during which, and the extent to which, the House is untenable. If Landlord shall decide not to rebuild or repair, the term of this Lease shall end and the rent shall be prorated up to the time of the damage.

11. **UTILITIES.** Tenant shall be responsible for arranging and paying for all utility services required on the premises. Tenant shall not default on any obligation to a utility provider for utility services at the House. **ANY DELAY OR DEFAULT IN PAYMENT OF BILLS AND COUNCIL TAX WILL BE ACCEPTED AS GROUND FOR TERMINATION OF AGREEMENT/**

12. **MAINTENANCE AND REPAIR.**

A. The Landlord will remain responsible for major structural issues including the roof and the pipework for the sewage system. Any sewage blockages caused due to Tenants negligence will be chargeable to the Tenant. If there is any internal breakage to the sewage waste pipes which requires major repairs, then the Landlord will remain liable to resolve such issues.

Tenant will, at Tenant's sole expense, keep and maintain the House and appliances in good and sanitary condition and repair during the term of this Lease. Tenant shall, at Tenant's sole expense, make all required repairs to the plumbing, range, oven heating apparatus, electric and gas fixtures, other mechanical devices and systems, floors, ceilings and walls whenever damage to such items shall have resulted from Tenant's misuse, waste, or neglect, or that of the Tenant's family, agent, or visitor.

B. Tenant agrees to promptly notify Landlord in the event of any damage, defect or destruction of the House, or the failure of any of Landlord's appliances or mechanical systems, and except for repairs or replacements

that are the obligation of Tenant pursuant to Subsection A above, Landlord shall use its best efforts to repair or replace such damaged or defective area, appliance or mechanical system.

13. **ANIMALS.** Tenant shall keep no domestic or other animals in or about the House without the prior written consent of Landlord.

14. **RIGHT OF INSPECTION.** Landlord and Landlord's agents shall have the right at all reasonable times during the term of this Lease and any renewal of this Lease to enter the House for the purpose of inspecting the premises and/or making any repairs to the premises or other item as required under this Lease.

15. **DISPLAY OF SIGNS.** During the last thirty (30) days of this Lease, Landlord or Landlord's agent may display "For Sale" or "For Rent" or "Vacancy" or similar signs on or about the House and enter to show the House to prospective purchasers or tenants.

16. **SURRENDER OF PREMISES.** At the expiration of the Lease, Tenant shall quit and surrender the House in as good a condition as it was at the commencement of this Lease, reasonable wear and tear and damages by the elements excepted.

18. **SECURITY.** Tenant acknowledges that Landlord does not provide a security alarm system or any security for the House or for Tenant and that any such alarm system or security service, if provided, is not represented or warranted to be complete in all respects or to protect Tenant from all harm. Tenant hereby releases Landlord from any loss, suit, claim, charge, damage or injury resulting from lack of security or failure of security.

19. **SEVERABILITY.** If any part or parts of this Lease shall be held unenforceable for any reason, the remainder of this Agreement shall continue in full force and effect.

20. **INSURANCE.** Landlord will be responsible only for standard building insurance for the property and will forward a copy to the tenant for his record. In case additional cover is required to cover any special requirements of the Tenant like for Supporting Accommodation, this will be the responsibility of the Tenant.

21. **TERMINATION OF LEASE.** The Tenant understands that this is a commercial Lease and agrees that any failure to pay the rent will allow the landlord/ Agent to take back possession of the Property immediately without further Notice.

21. **GOVERNING LAW.** It is agreed that this Lease shall be governed by, construed, and enforced in accordance with the laws of the State of [England & Wales subject to the jurisdiction of Courts in Birmingham only].

22. **NOTICES.** Any notice required or otherwise given pursuant to this Lease shall be in writing; hand delivered, mailed certified return receipt requested, postage prepaid, or delivered by overnight delivery service, if to Tenant, at the House and if to Landlord, at the address for payment of rent.

IN WITNESS WHEREOF, the parties have caused this Lease to be executed the day and year first above written.

SIGNATURES

[Landlord]

[Tenant]

1stpropertiesUK

Signed: 2023

Dated: 2023

