

QUEEN - CITY - LAW
BARRISTERS & SOLICITORS

Landlord Name:

Date:

Tenant Name:

Issue	Completed	Comment
1. DEED OF LEASE		
1.1 The following paragraphs set out a guideline for issues to be considered in the document review.		
Parties		
1.2 The parties are correctly described and have legal capacity.		
1.3 Are there any limitations of the liabilities of parties?		
Premises		
1.4 The premises are correctly described.		
1.5 The common areas are correctly described.		
1.6 The parking areas are correctly described.		
1.7 Are there any options available to take further space?		
1.8 Proper access is available to the premises, common areas and carparking.		
Use		
1.9 Is the permitted use adequate? Can the permitted use be changed with consent?		
1.10 Is the landlord able to lease nearby premises to competition?		
1.11 Are all necessary consents in place to ensure the permitted use is lawful?		

Term		
<p>1.12 Is the term less than 1 year? If so, consider s 209 Property Law Act 2007.</p> <p>1.13 Is the term sufficient (including rights of renewal/extension and have all rights of renewal/extension been exercised)?</p>		
<p>1.14 Are there any rights for either party to terminate early?</p>		
<p>1.15 Diarise dates on which renewal notices are to be given.</p>		
<p>1.16 Does the lease amount to a subdivision? If so, has resource consent been obtained?</p>		
<p>1.17 If the lease is a sublease, is the term correctly described and do the renewal provisions work with the superior lease provisions? Is an obligation required on the landlord to renew the superior lease?</p>		
<p>1.18 Is the lease terminable on the happening of a specified event? If so, consider s 212 Property Law Act 2007.</p>		
<p>1.19 Is the rental as specified in the agreement?</p>		
<p>1.20 Are the rent review provisions acceptable?</p> <p>Consider:</p> <ul style="list-style-type: none"> • frequency • method of review • ratchet clause • backdating in the event of a delayed review • issues to be considered by the valuer in assessing the new rent. 		
<p>1.21 In a sublease, what is the impact of a review of the superior lease rent?</p>		

<p>Assignment</p> <p>1.22 Are there any inappropriate restrictions on assignment or subletting?</p>		
<p>Outgoings</p> <p>1.23 Identify the outgoings. Who pays for these?</p>		
<p>1.24 Obtain a budget of outgoings.</p>		
<p>1.25 Are there any anticipated significant outgoings?</p>		
<p>1.26 If there is a sinking fund, what is its state? Who holds the funds? What are they to be used for? Is the assignee entitled to the benefit of payments made by the assignor? If not, on an assignment will the assignee receive a refund of payments made?</p>		
<p>Maintenance during the term</p> <p>1.27 Are the maintenance obligations imposed on the tenant acceptable?</p>		
<p>1.28 Are the maintenance obligations imposed on the landlord acceptable, and are they being met? Are there positive obligations on the landlord to repair where the tenant has no liability to repair?</p>		
<p>Redecoration on the expiry</p> <p>1.29 Are the tenant's obligations to redecorate on the termination of the lease sufficiently described and acceptable? Do they include an obligation to remove fit-out already in place?</p>		
<p>Fixtures and fittings</p> <p>1.30 Are the fixtures and fittings and chattels of the landlord comprehensively described?</p>		
<p>1.31 Are the obligations to maintain the landlord's fixtures, fittings and chattels acceptable?</p>		

<p>Insurance</p> <p>1.32 Are the tenant's obligations relating to insurance acceptable?</p>		
<p>1.33 Is the tenant's interest noted on the landlord's insurance policy?</p>		
<p>1.34 Have the specified perils in the Landlord's insurance policy been checked against the lease provisions?</p>		
<p>Guarantee</p> <p>1.35 Is a guarantee required? If so, are the guarantee provisions acceptable? Can the guarantee be limited by time? By amount?</p>		
<p>Body Corporate</p> <p>1.36 If the premises are part of a body corporate development, obtain a section 36 certificate.</p>		
<p>1.37 Are any unusual costs anticipated?</p>		
<p>1.38 Who manages the body corporate? Is it done effectively?</p>		
<p>1.39 Are the body corporate rules acceptable?</p>		
<p>Warranties and indemnities in lease</p> <p>1.40 Review warranties and indemnities in the lease, for example:</p> <ul style="list-style-type: none"> • who warrants compliance with legislation? • are the costs of compliance recoverable from the tenant? • in what circumstances does the tenant indemnify the landlord? • does the landlord warrant fitness of the premises for the purpose the purchaser proposes to use the premises? 		

<p>OIO</p> <p>1.41 Is overseas investment office consent required? See: (a) Overseas Investment Act 2005. (b) www.linz.govt.nz/overseas-investment/ for explanatory notes and guidelines.</p>		
<p>Costs</p> <p>1.42 Who pays the costs of preparing/negotiating the lease? Is this acceptable?</p>		
<p>Environment liability</p> <p>1.43 Is the tenant inheriting any unacceptable environmental liability?</p>		
<p>Other</p> <p>1.44 Are all lease documents available and correctly signed?</p>		
<p>1.45 Are there any other onerous provisions?</p>		
<p>1.46 Are the implied covenants applicable or excluded?</p>		

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