

## Procedural steps (tenant's legal practitioner)

Step		Action
1.	<b>Take instructions:</b>	<ul style="list-style-type: none"> <li><input type="checkbox"/> obtain general instructions from clients;</li> <li><input type="checkbox"/> once received, discuss the Information Booklet and proposed lease with client (this may occur after the matters set out in 2). Take instructions on:               <ul style="list-style-type: none"> <li>▪ basic agreement; and</li> <li>▪ Special Conditions.</li> </ul> </li> </ul>
2.	<b>Receive proposed lease and Disclosure Statement:</b>	<ul style="list-style-type: none"> <li><input type="checkbox"/> review lease and explain to client lease provisions remembering to emphasise important clauses such as:               <ul style="list-style-type: none"> <li>▪ term and options;</li> <li>▪ rent and reviews;</li> <li>▪ permitted use of premises (remember it is prudent to add "...and associated and related activities" to ensure that the clause is wide enough to cover all activities the tenant/client is likely to undertake);</li> <li>▪ transfer of lease and subletting;</li> <li>▪ tenant's cf/landlord's obligations (with particular emphasis on outgoings to be paid by tenant);</li> <li>▪ destruction/damage to premises;</li> <li>▪ dispute resolution mechanisms;</li> <li>▪ special conditions;</li> </ul> </li> <li><input type="checkbox"/> review and advise on disclosure Statement.</li> <li><input type="checkbox"/> advise client of your costs.</li> </ul>
3.	<b>Search title</b>	<ul style="list-style-type: none"> <li><input type="checkbox"/> Search title and ensure that:               <ul style="list-style-type: none"> <li>▪ the proposed landlord is registered or entitled to be registered as proprietor of the land;</li> <li>▪ if the landlord is a natural person, a bankruptcy search should be obtained;</li> <li>▪ identify any mortgagee and contact the landlord's legal practitioner to confirm the mortgagee's consent to the proposed lease.</li> <li>▪ If mortgagee's consent is not obtained, the lease will not be binding on the mortgagee. As a consequence, the tenant would not be afforded any protection against the mortgagee exercising its power of sale.</li> <li>▪ there are no restrictive covenants which would prevent the proposed use of the premises; and</li> <li>▪ any caveat noted on title is dealt with.</li> </ul> </li> </ul>

4.	<b>Company search</b>	<input type="checkbox"/> If the landlord is a company then obtain a company search and a search of the PPSR to determine: <ul style="list-style-type: none"> <li>▪ if there are any charges over assets and if so, enquiries made with chargees regarding approval of lease;</li> <li>▪ if there are any notices to wind up; and</li> <li>▪ the name of the company and the directors.</li> </ul>
5.	<b>Zoning and planning</b>	<input type="checkbox"/> Obtain rate, zoning and building certificates and a current building energy efficiency certificate.
6.	<b>Inspect the property</b>	<input type="checkbox"/> Have inspections of property by client, of local council etc;
7.	<b>PPSR</b>	<input type="checkbox"/> Consider whether the Personal Property Securities Act 2009 (Cth) applies to the lease (for example, if the landlord also leases goods to the tenant, the landlord obtains a security deposit in the form of cash, or the landlord provides an incentive to pay for the tenant's fit-out).
8.	<b>Lease amendments</b>	<input type="checkbox"/> Obtain instructions from your client regarding any amendments they would like regarding the lease and communicate amendments to the landlord. <input type="checkbox"/> Where landlord agrees to the amendments, return for inclusion in lease of amended clauses. <input type="checkbox"/> where landlord disagrees discuss and negotiate problems then advise client.
9.	<b>Amended lease</b>	<input type="checkbox"/> Receive amended lease: <ul style="list-style-type: none"> <li>▪ have client execute;</li> <li>▪ obtain cheque for bond and rent if client in possession or shortly to be; and</li> <li>▪ send executed lease, and cheque for bond and rent, if relevant, to landlord's legal practitioner.</li> </ul>
10.	<b>Executed lease</b>	<input type="checkbox"/> Receive executed lease from landlord's legal practitioner. Hold for safekeeping. Render Bill of Costs and advise client of the last date for exercise of any option under the lease.
11.	<b>Report to client.</b>	<input type="checkbox"/> Report to client receipt of executed lease and note important lease dates for the client (ie. renewals, rent increases etc).
12.	<b>Diarise</b>	<input type="checkbox"/> Diarise important lease dates (for example, when the tenant needs to be notified of an option to renew the lease).