

Outline of a straightforward transaction for the grant of a new lease

1. Preparation of Heads of Terms

- Sent to both parties for approval before they are signed and solicitors are instructed.

2. Initial Title matters

- Title provided by landlord's solicitor.
- Searches carried out by tenant's solicitor and initial enquiries raised.
- Tenant to arrange any inspections and surveys if not already done so.

3. Preparation draft documents.

- Lease by landlord's solicitor
- Lease plan
- Ancillary docs for example Licence to Carry out Works if the tenant is to fit out the property; Rent Deposit Deed if a rent deposit is to be paid by the tenant.

4. Application for Consent made

- Applications made by landlord's solicitor
- Superior landlord consent?
- Mortgagees' consent?

5. Negotiation and agreement of lease and ancillary documents

6. Pre-completion searches are carried out by the tenant's solicitor.

7. Engrossment documents circulated for execution.

8. Completion of the lease

- All consents need to be obtained before completion
- All ancillary documents, such as rent deposits and licences for fitting-out works, will usually be completed at the same time.
- Any payments due under the lease to be paid to the landlord's solicitor

9. Post-completion matters

- submission of a land transaction return and payment of SDLT (tenant's responsibility);
- registration at the Land Registry (tenant's responsibility); and
- notification of superior landlords and mortgagees, (landlord's responsibility).