



# Myerson Real Estate

Our guide to the  
assignment of a lease for buyers  
of commercial property

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# Welcome

We understand the complexities of modern life and the importance of taking care of your business interests. So it's a deep source of satisfaction that so many businesses choose Myerson as their trusted adviser, from assisting with day to day commercial property issues, to advising on large scale developments and investment.

## Why Myerson?

At Myerson, we are real estate experts. Putting our clients, their properties and their business at the heart of everything we do means we establish long term relationships and act as trusted advisers.

As a Top 200 UK Law Firm, we are also proud to be ranked as 'Top Tier' in the prestigious international directory **The Legal 500**, commended by The Times '**Best Law Firms**' and named '**Property Team of the Year**' at the Manchester Legal Awards 2021. Therefore, you can rest assured you will receive a high quality and truly bespoke service.

Our Real Estate Group advises clients on the full range of property matters including the sale and purchase of real estate, landlord and tenant work, commercial and residential property development, investment and portfolio management.

You can find out more about our Real Estate Group by clicking [here](#).



# How We Work.

Every client is different, and we are here to support you every step of the way.

**Personal, Partner-led Service.** Our most experienced solicitors get to know you, your properties and your business inside out. We strive to become your trusted adviser, providing added value and most of all, a genuine, personal service.

**The Highest Level of Expertise.** Combining commerciality, practicality and legal expertise enables us to deliver every time. Our solicitors are always at the forefront of new business practice and sector specialisms.

**A Team You Can Trust.** You're in safe hands. We help clients nationwide with complex real estate matters on a daily basis. You can rest assured that our expert team knows its stuff!



# Your Solicitors



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The solicitors that will be working with you are specialists.

All of the solicitors in our Real Estate Group are specialists and have a detailed understanding of commercial property matters and how to best protect you, your property and your business.

Your team of solicitors will provide practical advice and work closely with you, so you can concentrate on what's important, running your business.

You can find out more about our Real Estate Group by clicking [here](#).

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# Assignment of a Lease for Buyers

## How does a lease assignment (transfer) work?

Firstly, the seller (known as 'the assignor') will need to check that their lease permits assignment.

Normally assignments of whole will be permitted with the landlord's consent, subject to certain conditions (see below). The assignor or their solicitor will need to approach the landlord to request their consent to assign and to give the landlord your details. The landlord's consent will be documented in a licence to assign, which will be negotiated between the landlord's solicitor, the assignor's solicitor and your solicitor.

We will request a copy of the lease and any other relevant documents (for example, a rent deposit deed or licence to alter) from the assignor's solicitor. We will review the lease documents and carry out due diligence on the lease and the property, including property searches. We will also ask for replies to the Commercial Property Standard Enquiries and will raise additional enquiries. Once we have carried out the due diligence, we will prepare a lease summary for you, which will set out the key terms of the lease.

The assignment document will differ depending on whether or not the lease is registered at the Land Registry.

- If the lease is not registered: the assignment will be by a deed of assignment.
- If the lease is registered: the assignment will be by a Land Registry transfer form TR1.

You may also need a contract between you and the assignor to document any payments and apportionments between you. The assignor's solicitor will draft these documents and we will review and negotiate them.

Once the assignment has completed, the lease will usually require you to give notice to the landlord of the assignment and pay a small registration fee. We will deal with this on your behalf. We will also register the assignment at the Land Registry if the lease is registered.

## What do I need to agree with the seller?

You will need to agree with the assignor whether you will have to make any payment, called a premium, in return for the assignment of the lease. This is more common where the lease is for a longer term, or the property is in a high demand location.

You will also need to agree the position on dilapidations. The lease will contain a provision for the tenant to keep the property in good repair and condition, which usually means that there will need to be some repair and/or improvement works carried out at the end of the lease. We would strongly recommend that you instruct a surveyor to inspect the property so you are fully aware of the condition of the property. Your dilapidations liability when the lease comes to an end may be substantial if the property is in poor condition. You may want to negotiate with the assignor for them to carry out some repairs or make a contribution to the cost of repairs now.

If you are buying the business as well as the lease, our Corporate Team will be able to advise you on this and prepare the documents dealing with the purchase of the business.

Other points to agree are:

- Who will pay for the landlord's fees for the consent to the assignment?
- Do you need any variation to the lease? For example, do you need an amendment to the permitted use so that you can conduct your business from the property? Any variation will need to be agreed by the landlord, and the landlord will have no obligation to agree.
- Will you require a licence to alter for any fit out works you wish to undertake at the property?

# Does the Landlord have to give its consent to the assignment of the lease?

The lease may state that the landlord can refuse consent in certain circumstances, for example:

- where there are arrears of rent;
- where there is a material breach of covenant by the tenant; or
- where the assignee is not of sufficient financial standing.

The landlord may request further information from you to assess your financial standing, for example copies of your accounts for the last 3 years if the lease will be assigned to a company.

There will usually be conditions to any assignment set out in the lease. The lease may state that the landlord can request a guarantor from you and/or a rent deposit.

The landlord will instruct its solicitors to provide the draft licence to assign. The landlord will almost certainly require that the assignor covers its legal costs (which are normally between £1,250 and £1,750 plus VAT). The assignor may ask you to cover these costs - it is usually the assignor who pays, but it will depend on the bargaining position between you and the assignor.





# Don't just take our word for it...

***“From our first telephone conversation, Myerson dispelled any doubts with a warm and friendly approach.”***

***“Their response time and communication is excellent and I would have no hesitation in recommending Myerson in the future.”***

***“The service we received at Myerson was sensitively handled, highly competent, professional, timely and efficient. The advice, guidance and support were excellent, well communicated and expertly executed.”***

***“I would like to thank the property team. I would heavily recommend them, and I have, to other friends and family. Their service has been efficient, speedy and reliable. Myself and my family found them very understanding, kind and friendly.”***

***“The firm is a regional player and has grown to encompass a wide variety of disciplines. They are therefore able to cope with the demands of our commercial clients.”***

***“I have total confidence in the advice and support I received.”***

To view more Myerson reviews visit our Review Solicitors page by [clicking here](#).

# You're in safe hands!

If you would like further information about how we can help you, or if you have any questions, please don't hesitate to contact a member of our Dispute Resolution Team today.

**Call: 0161 941 4000**

**Click: [myerson.co.uk](http://myerson.co.uk)**

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Because  
life is rarely  
**black and  
white.**



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