

RETAIL LEASE ASSIGNMENT IN QUEENSLAND

When purchasing or selling a business in Queensland, it is common to transfer the lease for the business premises. This process, known as lease assignment, involves changing the tenant listed on the lease agreement from the seller (assignor) to the buyer (assignee). This fact sheet outlines the key steps in retail lease assignment in Queensland.

WHY IS IT IMPORTANT?



- **Ensures business continuity:** The buyer can keep operating from the same location
- **Often required:** It is typically a condition in the Business Sale Agreement (BSA)
- **Landlord involvement:** The property owner must consent to the change

1. REVIEW THE EXISTING LEASE



- **Buyer:** Understand your future obligations, rent details, and renewal options
- **Seller:** Familiarise yourself with the assignment clause in your lease

2. EXCHANGE DISCLOSURE STATEMENTS



At least 7 days before signing the BSA or seeking the Landlord's consent:

- **Seller:** Provides [Form 9](#) and current lease to the buyer
- **Buyer:** Provides [Form 15](#) to the seller and [Form 16](#) to the landlord

3. NOTIFY AND SEEK LANDLORD'S CONSENT



Seller requests the landlord's consent for the assignment.

4. MEET LANDLORD'S REQUIREMENTS



- The landlord to provide the buyer with a current disclosure statement
- The landlord may ask the buyer for financial statements, business references, increased security, or personal guarantees

5. REVIEW AND SIGN ASSIGNMENT DOCUMENTS



- Main document (to be prepared by the landlord's solicitor): Deed of Consent to Assignment of Lease
- If the lease is registered: Form 1 Transfer of Lease (requires wet ink signatures)

6. COMPLETE PRE-SETTLEMENT TASKS



- **Seller:** Pay the landlord's legal costs for the assignment
- **Buyer:** Provide financial and legal advice reports (unless you are a major lessee), security, and insurance certificates to the landlord

7. POST-SETTLEMENT DUTIES



- Handle stamp duty on assignment documents
- If the lease has been registered, you should register the transfer of lease on the title

TIPS FOR A SMOOTH PROCESS



- **Start early:** The process takes 2–4 weeks. Engage with the landlord early and provide information promptly.
- **Communicate clearly:** Maintain regular communication to keep all parties informed throughout
- **Be prepared:** Gather documents as soon as the BSA is signed
- **Review thoroughly:** Understand all terms and obligations in the lease and assignment documents
- **Financial readiness:** Ensure you can meet financial obligations, including security and any bank guarantee with the required wording

CONTACT US

visit our website | legalvision.com.au
email us | info@legalvision.com.au
call us | 1300 544 755