



LAWYERS & ASSOCIATES

HOW CAN YOU AVOID REPAIR DISPUTES RELATING TO LEASES?

The landlord's obligation under section 52(2) of the *Retail Leases Act 2003* is to maintain the premises in the same condition the premises were in when the retail premises lease was entered into. This means that the structure, fixtures, plant, equipment, appliances, fittings and fixtures (relating to utility services) must be maintained by the landlord. This does not apply if repairs arise due to misuse by the tenant or the tenant is entitled or required to remove the item at the end of the lease. Accordingly, to determine which party to the lease is responsible for certain damage or repairs to the premises, it is imperative that a condition report of the property being leased be prepared and signed by the parties to the lease.

A condition report should be prepared and signed by the parties at the start of a lease, renewal or on assignment of a lease and at the expiration of a lease. If the condition report is not signed by the parties, it will be difficult to prove the condition of the premises.

A condition premises report before and after the tenant has occupied is therefore a simple and cost effective way of protecting both parties. The tenant would use the report to prove any pre-existing damages or fair wear and tear, whereas a

landlord would rely on the report to show any damage caused by the tenant.

An effective condition report would include a detailed written report with clear photographs and/or video.

If you require any further information on this topic, please contact MLB Lawyers & Associates.

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