

Law Society Commercial Lease 2021 and Retail Lease 2021

Why are there new editions?

The 2021 editions of the Law Society Commercial Lease and Retail Lease (“Leases”) have been designed so that they can be registered electronically. From 11 October 2021 all leases will only be accepted for registration electronically, with very limited exceptions.

What has changed?

In previous editions, Lease Form 07L was used to define variables such as the parties, property leased, term of the lease and other key variables. In the 2021 editions, Annexure A has been expanded to capture these key variables so that a Form 07L is no longer required.

Other amendments include –

- **Clause 5.1.6** of the Commercial Lease 2021 provides for the recovery of lodgment fees from the tenant, such as the ELNO lodgment fee. There is no equivalent provision in the Retail Lease 2021 due to limitations on the recovery of costs in the *Retail Leases Act 1994*.
- **Clause 11.7** introduces a new obligation on the landlord to advise the tenant of the registration details of the lease, where registered. Note there will no longer be a registered copy of the lease to provide to the tenant following electronic registration.
- **Clause 11.8** introduces a new obligation on the tenant to assist with any requirements to achieve registration, such as satisfying requisitions.
- **Clause 12.2.4** has been deleted to remove any ambiguity regarding the consistency of clause 12 with section 129 of the *Conveyancing Act 1919*.
- **Clause 14.2** has been revised to clarify permitted means of service.
- **Clause 15** (GST) has been revised to reflect the usual approach, providing for payment of GST by the tenant. It is no longer necessary to address the treatment of GST in the schedule to Annexure A.
- **Execution panels** for corporate entities have been added as alternative options.
- **IMPORTANT NOTES** has been expanded by the addition of:
 - note 6, a reminder of the need to always obtain mortgagee consent, and
 - note 7, regarding treatment of GST.

How to use the 2021 edition Leases for electronic registration

1. The landlord’s practitioner will prepare the lease by first opening a workspace to generate the rendered pages for the Lease, which form part of the Lease under clause 1.1.
2. The landlord’s practitioner will prepare Annexures A and B of the Lease as usual and include the rendered pages as part of the draft documentation issued to the tenant’s solicitor.
3. Once signed by the parties, the landlord’s practitioner will upload the Lease (both Annexures) as the Conditions and Provisions in the workspace. Other attachments that may need to be uploaded to the workspace include a mortgagee’s consent or a plan.

In rare cases where a lease cannot be registered electronically and is prepared in paper format in accordance with the Lodgment Rules, Form 07L should be used with the Leases.

Useful information regarding the electronic registration of leases

- ORG: [Do you prepare leases for your clients? Get ready for 11 October 2021](#)
- NSW LRS: [Electronic Leases: Frequently Asked Questions for Lodgment](#)
- [Registrar General’s Guidelines - Lease](#)
- PEXA: <https://community.pexa.com.au/t5/Help-Centre/Lease-Sublease-NSW-Help-Centre/ba-p/13758>