



**Commercial Lease
Specialists**

Information Sheet

Business name as Lessee

Legally Binding Documents

Reasonable Fixed Fees

Documents in 48 hours

Free Advisory Service

Rent Review Reminders

Extensions and Transfers

Often we receive instructions to prepare a Lease where the Lessee (Tenant) is shown as a Business Name. Many small business owners identify closely with their Business name and want it to be displayed prominently everywhere possible. Unfortunately this often extends to asking that the Lease be prepared in the Business Name.

This is not possible. A Lease creates an 'interest in Land' and (with the occasional rare exception) there are only two entities that can legally hold an 'interest in Land'. They are:-

- 1) an individual; or
- 2) a Pty Ltd Company.

So when a prospective Lessee says that they want the Lease to be in the name of their Business, you probably need to dig a little deeper and explain that a Lease cannot be in a business name and ask whether they want it in their name as an individual or perhaps a Pty Ltd Company if they have one.

If they say that they want the Lease in a Company name, obviously the issue of the Directors Personally Guaranteeing the obligations of the Lessee needs to be addressed.

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