



**Commercial Lease
Specialists**

INFORMATION SHEET

Why Specifying a “Permitted Use” Is Important

A Landlord client recently recounted an experience that they had had and one that we can all learn from.

Basically, their tenant rented the property as retail space and then without the Landlord’s consent applied to the Council for a change of use from “retail” to “office”.

The council didn’t contact the Landlord and subsequently approved the change. A couple of years later that tenant left and when the Landlord eventually found a new tenant who wanted to use the premises as retail space, the tenant checked with the Council and was told that they would have to apply for a change of use.

This turned out to be a problem because the Council then insisted that the premises must meet all of the correct planning regulations including carparking requirements for a “retail” use.

So the message is clear. By specifying a “permitted use” in the Lease the tenant cannot use the premises for any other purpose without the Landlord’s consent. If they do then they are in breach of the Lease and the normal remedies apply.

Legally Binding Documents

Reasonable Fixed Fees

Documents in 48 hours

Free Advisory Service

Rent Review Reminders

Extensions and Transfers

66 THE PARADE

NORWOOD SA 5067

08 83624444

theleasebureau.com.au