



Queensland

# Retail Shop Leases Regulation 2016

## Subordinate Legislation 2016 No. 223

made under the

*Retail Shop Leases Act 1994*

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## **Part 1 Preliminary**

### **1 Short title**

This regulation may be cited as the *Retail Shop Leases Regulation 2016*.

## **Part 2 Disclosure statements**

### **2 Prescribed particulars for lessor's disclosure statement**

The prescribed particulars for a disclosure statement given by a lessor of a retail shop under section 21B or 22C(1) of the Act are the following—

- (a) the names of the lessor and lessee;
- (b) the address of the retail shop;
- (c) the plan of premises (if any);
- (d) the term of the lease;
- (e) the date the lessee is entitled to occupy the retail shop, if different to the date or estimated date the lease starts;
- (f) if the lease is a sublease, details of the head lease;
- (g) details of any option to renew the lease, including—
  - (i) the date by which the lessee must exercise the option; and
  - (ii) the option period;
- (h) the following details about the rent—
  - (i) the starting annual base rent;
  - (ii) the method of payment;
  - (iii) the date from which rent is payable under the lease;
  - (iv) any rent free period;

- (v) for any rent adjustment, the method for calculation and when it is calculated;
- (i) if turnover rent is payable, the method for calculating the turnover rent;
- (j) if turnover rent is not payable, whether or not the lessee is required to give information to the lessor about turnover of the lessee's business;
- (k) details of any payments to be made by the lessee under the lease for the lessor's outgoings during the first year of the lease or, if the term of the lease is less than 1 year, that period, including details of—
  - (i) the date the payments start; and
  - (ii) how the lessee's payments are calculated; and
  - (iii) any period when the lessee is not required to make a payment;
- (l) details of the lessee's liability to pay costs arising under the lease, including—
  - (i) promotion amounts; and
  - (ii) amounts under section 48(2) of the Act;
- (m) the core trading hours for the retail shop;
- (n) the lessee's entitlement, if any, to access the retail shop outside core trading hours, including any cost payable by the lessee;
- (o) identification of any provision in the lease about—
  - (i) demolishing the retail shop, leased building or the retail shopping centre in which the retail shop is or is to be located; or
  - (ii) relocating the lessee's business to different premises;
- (p) the lessee's permitted use of the retail shop and whether or not the use is exclusive to the lessee;

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- (q) if the retail shop is, or is to be, located in a retail shopping centre, each of the following details—
  - (i) the name and address of the centre;
  - (ii) the number of retail shops in the centre when the disclosure statement is given;
  - (iii) the centre's lettable area or estimated lettable area;
  - (iv) details of the annual estimated turnover of the centre (if collected);
  - (v) details, including tenancy expiry details, of any anchor tenants in the centre;
  - (vi) a floor plan of the centre that includes the location of the anchor tenants for the centre (if any);
  - (vii) information about customer numbers (if any) for the centre;
  - (viii) details of any industry codes of conduct adhered to by the lessor;
  - (ix) whether or not the lessor gives any assurance to the lessee about the nature of other businesses operating in the centre;
- (r) the retail shop's area or estimated area;
- (s) whether or not a survey of the retail shop's area will be undertaken;
- (t) details of any available parking bays, including the number of bays reserved for the lessee's use;
- (u) details of any services or facilities to be provided by the lessor for the benefit of the retail shop;
- (v) details of any structures, fixtures, plant or equipment to be provided by the lessor;
- (w) details of any works to be carried out by the lessor before the lease starts;
- (x) an estimate of any contribution to be made by the lessee to the cost of the lessor's works;

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- (y) details of any fit-out works to be carried out by the lessee;
  - (z) any contribution to be made by the lessor to the cost of the lessee's fit-out;
  - (za) any requirements the lessee must comply with relating to the quality or standard of the shopfront or fit-out;
  - (zb) any alteration works the lessor knows are to be carried out by or for the lessor to any of the following—
    - (i) the retail shop;
    - (ii) the leased building;
    - (iii) the retail shopping centre in which the retail shop is or is to be located;
    - (iv) the roads surrounding the retail shop, leased building or the retail shopping centre;
  - (zc) details of any current legal proceeding in relation to the lawful use of the retail shop, leased building or the retail shopping centre in which the retail shop is or is to be located;
  - (zd) details of any other statements or representations made by or for the lessor in connection with the lease during the negotiations for the lease.

### **3 Prescribed particulars for prospective lessee's disclosure statement**

The prescribed particulars for a disclosure statement given by a prospective lessee under section 22A of the Act are the following—

- (a) the names of the lessor and prospective lessee;
- (b) the address of the retail shop;
- (c) the address of the prospective lessee;
- (d) if the prospective lessee is a corporation—sufficient information to identify the corporation;

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- (e) the number of retail business premises leased by the prospective lessee when the disclosure statement is given;
- (f) sufficient details about the experience of the prospective lessee in retail business to demonstrate the ability of the lessee to meet the financial and other obligations of the lease;
- (g) details of anything known to the prospective lessee that may affect the ability of the lessee to meet the financial and other obligations of the lease;
- (h) details of statements or representations made by or for the lessor during the negotiations for the lease that are being relied on by the prospective lessee in entering into the lease;
- (i) an acknowledgement that no other material statements or representations have been made by or for the lessor to the prospective lessee about the lease or the business to be carried on in, or from, the retail shop.

#### **4 Prescribed particulars for assignor's disclosure statement**

The prescribed particulars for a disclosure statement given by an assignor of a retail shop lease under section 22B(1) of the Act are the following—

- (a) the names of the assignor and prospective assignee;
- (b) the address and description of the leased shop;
- (c) the leased shop's area or estimated area;
- (d) the date the lease ends;
- (e) details of any options to renew the lease and the next date for exercising an option;
- (f) details of rent, outgoings, promotion amounts and any other amounts payable to the lessor under the lease for—
  - (i) the last 1 year; or

- (ii) if the assignor has carried on the business for a period of less than 1 year—the period;
- (g) the basis for a rent review under the lease and the date for the next review;
- (h) if the assignment involves the prospective assignee continuing the business carried on in, or from, the leased shop by the assignor—details of the sales figures and trading performance of the business for—
  - (i) the last 3 years; or
  - (ii) if the assignor has carried on the business for a period of less than 3 years—the period;
- (i) details of any outstanding notices from—
  - (i) the lessor under the lease; or
  - (ii) any government entity in relation to the leased shop;
- (j) details of any arrears of rent or other breaches of a term of the lease by the assignor for which the lessor has not issued a notice to the assignor;
- (k) details of any rent concessions or other benefits given or made available to the assignor by the lessor in relation to the lease;
- (l) details of any rent concessions or other benefits applicable to the balance of the term of the lease that would benefit, or transfer to, the assignee;
- (m) details of any encumbrance on—
  - (i) the lease; or
  - (ii) any of the fixtures or fittings in the leased shop;
- (n) details of the ownership of any of the leased shop's fixtures or fittings not owned by the assignor;
- (o) details of any alteration or demolition works the assignor knows are to be carried out by or for the lessor for any of the following—

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- (i) the leased shop;
  - (ii) the building or retail shopping centre in which the leased shop is located;
  - (iii) the roads surrounding the leased shop, leased building or retail shopping centre;
- (p) an acknowledgement that the assignor has given the assignee—
- (i) a copy of the disclosure statement given by the lessor to the assignor before the assignor entered into the lease; and
  - (ii) details of any material changes in the information contained in the statement that have happened since the statement was given; and
  - (iii) a copy of the current lease.

## **5 Prescribed particulars for prospective assignee's disclosure statement**

- (1) The prescribed particulars for a disclosure statement given by a prospective assignee, in entering into the assignment, under section 22B(2) of the Act are the following—
- (a) the names of the assignor and prospective assignee;
  - (b) the address of the leased shop;
  - (c) the address of the prospective assignee;
  - (d) if the prospective assignee is a corporation—sufficient information to identify the corporation;
  - (e) the number of retail business premises leased by the prospective assignee when the disclosure statement is given;
  - (f) sufficient details about the experience of the prospective assignee in retail business to demonstrate the ability of the assignee to meet the financial and other obligations of the lease;





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- (b) the name of the prospective lessee or prospective assignee;
- (c) the name of the lessor;
- (d) the address of the retail shop;
- (e) a statement that the accountant has given advice about the prospective lessee or prospective assignee's financial rights and obligations under the lease including—
  - (i) the rent, outgoings and other payments; and
  - (ii) the potential financial impact of the rent review; and
  - (iii) the fact that the operation of the business is restricted by the term of the lease;
- (f) a statement that the accountant has advised the prospective lessee or prospective assignee to obtain further professional advice including advice about the following—
  - (i) the volume of sales required to meet all costs of carrying on the business including capital costs, loan repayments and salary for the business operator;
  - (ii) appropriate accounting and financial reporting systems;
  - (iii) cash flow forecasting;
  - (iv) sales budget forecasting;
  - (v) taxation requirements;
- (g) a declaration by the accountant about any relationship, whether professional or personal, that the accountant has with the lessor;
- (h) a statement by the prospective lessee or prospective assignee about receiving and understanding the advice mentioned in the report.

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## **7 Prescribed particulars for legal advice report**

The prescribed particulars for a legal advice report given by a prospective lessee or prospective assignee under section 22D of the Act are the following—

- (a) the name of the lawyer signing the report;
- (b) the name of the prospective lessee or prospective assignee;
- (c) the name of the lessor;
- (d) the address of the retail shop;
- (e) if the prospective lessee or prospective assignee has given, or intends to give, a waiver notice under section 21B or 22C of the Act, a statement about whether the lawyer has given advice about the waiver;
- (f) a statement that the lawyer has given advice about the following matters in relation to the lease—
  - (i) the rent, outgoings and other payments and how they are calculated;
  - (ii) the rent review;
  - (iii) the liability to contribute to outgoings;
  - (iv) the term of the lease;
  - (v) any special or unusual terms or conditions of the lease;
  - (vi) whether a repayable bond or guarantee is required under the lease;
  - (vii) whether the lease contains an option to renew;
  - (viii) if the lease does not contain an option to renew—any rights the lessee or assignee may have to extend the lease;
  - (ix) the obligations on all parties at the end of the lease;
  - (x) any provision in the lease that allows the business of the prospective lessee or prospective assignee to

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- be relocated to other premises and how sections 46C to 46G of the Act may apply;
- (xi) any provision in the lease that allows the lessor to terminate the lease if the building in which the retail shop is located is to be demolished and how sections 46H to 46K of the Act may apply;
  - (xii) the uses permitted for the retail shop premises under the lease;
  - (xiii) the lessee's right, under section 45 of the Act or the lease, to deal with the lease and assets of the business intended to be carried on in, or from, the retail shop;
  - (xiv) the consequences of a breach of a term or condition of the lease;
- (g) any insurance or indemnity provisions in the lease and the liability or obligations of the prospective lessee or prospective assignee under those provisions;
  - (h) whether the premises are a lot within a community titles scheme under the *Body Corporate and Community Management Act 1997*;
  - (i) a statement that the lawyer has advised the prospective lessee or prospective assignee to obtain further professional advice including advice about the following—
    - (i) town planning matters, including the licences or permits required to carry on the business intended in the retail shop;
    - (ii) building laws, including the appropriate classification under the *Building Act 1975* to carry on the business intended in the retail shop;
    - (iii) the statutory approvals required to carry on a retail business of the type intended;
    - (iv) financial advice about the operation of the retail business intended to be carried on;



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## **Part 5**                      **Repeal**

### **10**      **Repeal**

The Retail Shop Leases Regulation 2006, SL No. 39 is repealed.

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# Schedule 1      **Businesses, goods or services**

section 8(1)

## **Antique and used goods retailing**

antiques

coins

disposal store

pawnbroking

second hand books

second hand clothes

second hand furniture

second hand goods

second hand jewellery

stamp dealing

## **Bread and cake retailing**

bakery selling directly to consumers

biscuits

bread

cakes

cheesecakes

pastries

pies

quiches

## **Clothing retailing**

bridal wear sale or hire

**Clothing retailing**

clothing  
clothing accessories  
clothing alterations and repairs  
clothing hire  
costume wear sale or hire  
embroidery  
equestrian wear  
formal wear sale or hire  
fur clothing  
gloves  
handbags  
hosiery  
leather clothing  
lingerie  
millinery  
screen-printing  
sunglasses  
work clothing

**Dine in retailing**

café  
carvery  
coffee lounge  
fast food  
restaurant  
snack bar



**Domestic appliance retailing**

air conditioners  
audio equipment  
audio visual equipment  
barbecue equipment  
computers  
computer accessories  
dishwashers  
electronic appliance hire  
electronic equipment or supplies  
fans  
floor polishers  
gas heating appliances  
heating equipment  
hot water systems  
household appliances  
kerosene heaters  
mobile phones  
mobile phone accessories  
oil heaters  
pocket calculators, electronic  
radio receiving sets  
refrigerators  
shavers, electric  
stoves  
television antennae  
vacuum cleaners

**Domestic appliance retailing**

washing machines

**Domestic hardware and household goods retailing**

brushware

chinaware

cooking utensils

crockery

cutlery

dinnerware

enamelware

fixtures and fittings

garden tools

glassware

hardware, domestic

household goods

kitchenware

lawn mowers

lighting products

paint

picnicware

plastic containers

plumbing

silverware

tools

wall decorations

wallpaper

**Fabrics and other soft goods retailing**

beads  
blankets  
curtains  
drapery  
dressmaking supplies  
fabrics, textiles  
haberdashery  
household textiles  
interior decorations  
linen, household  
piece-goods  
soft furnishings  
yarns

**Floor covering retailing**

carpets  
floor coverings  
floor rugs  
floor tiles  
parquetry

**Flower retailing**

cut flowers  
display foliage  
dried flowers  
floral accessories  
florist

**Flower retailing**

hydroponics

plant pots

**Footwear and footwear repair retailing**

footwear

footwear repair

**Fresh meat, fish and poultry retailing**

butcher

delicatessen

meat retailing

poultry, fresh

seafood, fresh

**Fruit and vegetable retailing**

fruit, fresh

greengroceries

vegetables, fresh

**Furniture retailing**

antique reproduction furniture

awnings

bedding

blinds

furniture, household

furniture, office

mattresses

**Household appliance installation and repair services—electrical**

household appliance installations

household appliance repairs

**Liquor retailing, for off-premises consumption**

alcoholic beverages

beer-making and soft drink-making supplies

**Miscellaneous retailing**

adult merchandise

amusement parlour

aquariums

art

bar accessories

batteries, other than motor vehicle batteries

boat chandlery

briefcases

children's amusements

condoms

craft

crystals

department store

dry cleaning and laundry

duty free

engraving

exercise equipment

fairy

flags

**Miscellaneous retailing**

glamour photography or makeover studio

irrigation and pumps

key cutting or duplicating

leather goods

mobility aids

motor vehicle accessories, other than from a tyre shop

nursery plants

office equipment

party supplies

pets, pet supplies and pet grooming

prams

service station

*Editor's note—*

Particular retail shop leases are subject to section  
20C(2) of the Act.

small job printers

souvenirs

swimming pool and spa accessories

tobacco, cigarettes and accessories

travel agency and booking

travel goods

trophies

umbrellas

**Music and video hire and retailing**

audio cassettes

audio equipment and accessories

compact discs

**Music and video hire and retailing**

digital video discs  
musical instruments  
music equipment  
phonograph records  
video cassettes

**Newspaper, book, stationery, arts and crafts retailing**

artist supplies  
books  
casket and gaming tickets  
gifts  
gift wrapping  
greeting cards  
magazines  
newsagency  
novelties  
periodicals  
picture framing  
postcards  
prints and posters  
religious goods  
rubber stamps  
stationery  
writing materials

**Pharmaceutical, cosmetic and toiletry retailing**

barber  
beauty products

**Pharmaceutical, cosmetic and toiletry retailing**

beauty salon

body piercing

cosmetics

hairdressing

hearing aids

optical goods

perfumes

pharmacy

tattoos

toiletries

wigs

**Photographic equipment retailing**

cameras

fast photo processing or printing

photographic equipment

photographic film or paper

projectors

video cameras

**Specialised food retailing**

confectionery

fruit juices

health and vitamin products

non-alcoholic drinks

nuts

smallgoods



**Specialised food retailing**

specialised foods

**Sport and camping equipment retailing**

ammunition

bait and fishing tackle

bicycles

camping equipment

canoes

firearms

kayaks

snow skis

sporting equipment

surf boards and accessories

surf skis

**Supermarket and grocery stores**

convenience or mixed business

groceries

grocery supermarket

**Takeaway food (ready for immediate consumption)  
retailing**

chicken, cooked

cut lunches

fish and chips

hamburgers

ice-cream

milk drinks

**Takeaway food (ready for immediate consumption) retailing**

pizza

soft drinks

takeaway food

**Toy and game retailing**

dolls

games

hobby equipment

hobby supplies

toy and game repairs

toys

**Watch and jewellery retailing**

clocks

jewellery

jewellery, clock and watch repairs

precious stones

watches

ENDNOTES

- 1 Made by the Governor in Council on 1 December 2016.
- 2 Notified on the Queensland legislation website on 2 December 2016.
- 3 The administering agency is the Department of Justice and Attorney-General.

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