

1. Generally speaking, business tenants have a right to remain in occupation of the premises after the current lease expires for the grant of a new lease. This right is known as security of tenure and should be exercised by the tenant.
2. Before 1 June 2004, a common law procedure was offered to business tenants. This procedure must be followed below. A failure to follow the procedure will result in the tenant losing their security of tenure.
3. Step 1 – notice
  - 3.1 The landlord must give the tenant a written notice which contains a "health warning" of the effect of entering into a new lease.
  - 3.2 The notice must be given to the tenant before the tenant becomes contractually bound to enter into a new lease agreement for lease or before the lease is entered into.
  - 3.3 The landlord should explain the effect of the notice to the proposed tenant until the terms of the new lease are agreed and the lease is in its final form. If the notice is served before all the terms have been agreed, it may not be valid.
4. Step 2 – declaration (simple and statutory)
  - 4.1 Once the landlord's notice has been given to the proposed tenant, the tenant must make a simple declaration or swear a statutory declaration.
  - 4.2 If the landlord's notice is given to the tenant 14 days before the lease is granted (or, if applicable, before the lease is entered into) the tenant must make a simple declaration.
  - 4.3 If the landlord's notice is given to the tenant 14 days before the lease is granted (or, if applicable, before the lease is entered into) the tenant must swear the "tenant's simple declaration" before an independent solicitor, i.e. a solicitor who is not the landlord or the tenant in relation to the lease.
  - 4.4 Both declarations are required and they both confirm that the tenant has received the notice, that the tenant has read and understood the notice, and they both confirm that the tenant is aware of the consequences of entering into a lease without security of tenure.
5. Step 3 – reference in lease
  - 5.1 The new lease must contain a reference to the landlord's notice, the simple declaration or statutory declaration, and the parties' agreement to exclude the provisions of the Act.
  - 5.2 It is good practice to include a reference to the landlord's notice and the tenant's simple declaration in the lease.