

Commercial Partner Leasing Q&As



I'm interested in leasing a property – how much is the rent?

- For retail and hospitality businesses, the rent will be an agreed percentage of your net turnover (sales excluding VAT), the percentage will be agreed with you based on your business plan and affordability but will typically be between 5% and 12%
- From the second year of the lease onwards, there will also be a fixed rent element and you will pay whichever is greater

Do you offer 'peppercorn' or 'free' rent properties for community uses?

- No – we directly operate community facilities in the village, such as the Church Hall so do not lease out other premises for this type of use
- As a charity it is important that we charge fair commercial rents for our properties to raise funds to maintain the village buildings and landscape
- If you are a local group, and wish to use our community spaces please contact our resident and community engagement officer

How long are your leases?

Typically we offer leases of five years, which are 'contracted out of the Landlord & Tenant Act' – this means that there is no automatic right to renew the lease at the end of the five years

What other charges will I have to pay?

- We insure all of our commercial buildings on a single village wide policy, we will charge you for your proportion of this cost
- You will pay business rates to Wirral Council
- You will pay for utilities direct to the utility company if the property has an independent supply from the mains; if the building has a shared supply you will pay a fair proportion of the cost based on your usage
- You will need to make your own arrangements for telecoms, broadband, security and refuse collection

Do you offer 'break' options in your leases – if for example my business is struggling?

Yes – flexible break options can be negotiated if required

Do you offer 'incentives' to tenants, such as rent free periods or contributions to fit-out costs?

- As your first year rent is solely based on turnover, if you are not trading (for example whilst your fit-out works are taking place) then you will not be generating turnover so no rent will be due
- If your works involve improvements to the property that we will benefit from after your lease has ended we may be willing to fund these works
- We may also be willing to fund part of your fit-out works in return for an extra 1 or 2% in turnover rent, payable until the cost of the works plus interest have been paid back, after which your turnover rent would revert to the original percentage

As a tenant am I responsible for maintaining the property?

Every property is unique, but generally we are responsible for maintaining the outside and structural parts of the property (walls, roof, windows etc) and you are responsible for everything inside (heating, plumbing, electrics, décor etc) – we will be clear how this applies to your particular property as part of the lease negotiation

How do I bid for a property?

- We will ask to see a business plan, including costs for fit-out works, a forecast of turnover set out month by month, and a proposed turnover rent percentage – we may also ask for a Guarantor and proof that you have the funds to undertake the works and start the business
- For very popular properties, we may impose a deadline by when all bids need to be submitted and we will select the best offer from all bids received

How do you choose which bidder has been successful?

We will make a decision based on a range of factors, including how robust the business plan is, what level of rent is forecast, whether the business will contribute positively to the lives of our residents and the experience of our visitors, how appropriate the proposed use is for the property

Are there any types of businesses that you won't rent properties to?

- We particularly welcome proposals from quality hospitality and creative businesses
- We will not consider proposals for vape shops, standalone off-licences (i.e. not part of wider food store), betting shops, fast food take-aways, tanning salons, tattoo parlours – note other types of business may be added to this list from time-to-time
- Any businesses that need a local authority or other licence (e.g. for the sale of alcohol) will need to demonstrate that the licence is likely to be granted
- Businesses that may be disruptive to residents (e.g. loud music, late hours, high volumes of vehicle traffic) are unlikely to be successful in their bids