

# L & T – SIDE LETTER WAIVING PAYMENT OF RENT



[Insert name of Tenant]  
(Registered Number [SC][  
[Insert address of Tenant]]))

[Insert name of Guarantor]  
(Registered Number [SC][  
[Insert address of Guarantor]]))

[Insert date]

Dear [Name of addressee]

**Property:** [ ]

**Lease:** [The lease between [ ] and [ ] dated [ ] and [ ] registered in the Books of Council & Session on [ ] [the tenant's right to which is registered in the Land Register of Scotland under title number [ ]].

We act for your landlord under the Lease, [ ] Limited incorporated under the Companies Acts (Registered Number [SC][ ]) and having its Registered Office at [ ] ("Landlord").

This letter is personal to you and uses the defined terms in the Lease unless we state otherwise.

## 1. Waiver of Rent<sup>1</sup>

[As a result of the Covid-19 pandemic you] [You] have asked the Landlord to waive the requirement for you to pay the [annual rent payable under the Lease ("Rent")]<sup>2</sup> [and provisional Service Charge] due on the [ ]<sup>3</sup> [in consideration of you instead paying to the Landlord the Rent [and provisional Service Charge] at the reduced sum of [ ]<sup>4</sup> per annum exclusive of VAT in advance and in equal instalments on [ ]<sup>5</sup>.]

## 2. Termination of Concession

2.1 This concession terminates on the earliest of:

2.1.1 [Insert expiry date of concession]; or

<sup>1</sup> Ensure that the Landlord has any creditor's and head landlord's consent before granting this concession if necessary.

<sup>2</sup> Alternatively if the annual rent payable under the Lease is defined in the Lease use that expression instead (eg Annual Rent) instead of Rent throughout the letter.

<sup>3</sup> Insert date or range of dates that concession is to cover.

<sup>4</sup> Insert reduced annual rent in words and figures

<sup>5</sup> Insert next rent payment date.



- 2.1.2 the date we notify you in writing that this concession has been terminated; or
- 2.1.3 the date you assign your right to the Lease; or
- 2.1.4 the date you complete a sublease [of the whole or any part] of the Property; or
- 2.1.5 the date the Landlord completes the sale of the Property; or
- 2.1.6 the date that you fail to comply with your obligations in this letter; or
- 2.1.7 the date on which an event occurs which would entitle the Landlord to irritate or otherwise terminate the Lease.

2.2 If this concession is terminated or expires, the rent [and service charge] reduction set out at paragraph 1 will cease with immediate effect.

### 3. **Government Grants**

- 3.1 You will apply for and diligently pursue any payments which may be available to you from third party sources to cover the Rent and other payments due under the Lease including claims which may be made under insurance policies or from Government hardship funds or grants.
- 3.2 If you receive any payment or compensation in relation to the Rent or other sums due under the Lease for the period which is the subject of the concession in this letter you will pay those sums to the Landlord within [5] [Business Days]<sup>6</sup> after receipt.
- 3.3 If such payment results in the Landlord receiving more than the sums which are due to the Landlord under the Lease for any particular period the Landlord will credit the excess against future payments due under the Lease.

### 4. **No Variation of the Lease**

This concession constitutes a limited and temporary waiver and does not vary the Lease which continues in full force and effect. [This concession will be disregarded on any rent review due under the Lease].

### 5. **Confidentiality**

You will keep the terms of this concession confidential and will not disclose the terms of this concession except:

- 5.1 with the prior written consent of the Landlord;
- 5.2 to your agents and professional advisers in connection with the management of the Property;
- 5.3 to your bankers or other providers of finance (and their professional advisers) in connection with the management of the Property; and
- 5.4 to the extent required by law or by any legal or regulatory authority.

### 6. **Notices**

The Landlord may send any notice to you by email addressed to [ ] [or [ ]].

### 7. **Third Party Rights**

This concession does not create any rights in favour of third parties under the Contract (Third Party Rights) (Scotland) Act 2017 to enforce or otherwise invoke any provision of it.

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<sup>6</sup> Amend to use relevant defined term if Business Days is not defined in the Lease

**8. Acceptance**

8.1 [Your obligations under the Lease are guaranteed by *[insert name of Guarantor]*. This concession does not vary the guarantee which continues in full force and effect.]

8.2 This concession is not effective until you [and *[insert name of Guarantor]* each] sign and date a copy of this letter and return it to us [by email addressed to *[insert email address]*] to confirm that you accept its terms.

Yours faithfully

.....  
Solicitors for the Landlord

We agree to and accept the terms of this letter.

For and on behalf of [ ]  
the tenant under the Lease

.....  
Dated: [ ]

For and on behalf of [ ]  
the Guarantor of the tenant's obligations under the  
Lease

.....  
Dated: [ ]