
Retail Leases in Australia

State-by-state guide for landlords and tenants

Docet Legal | theleasinglawyer.com.au
info@docetlegal.com.au | +61 2 7262 6662

This guide contains general information only. It does not constitute legal advice. Always seek advice specific to your matter before acting.

What makes retail leases different

Every Australian state and territory has dedicated retail tenancy legislation. That legislation operates alongside the lease — and in some cases overrides it. Provisions that are perfectly enforceable in a commercial lease may be void in a retail context. This guide covers the five main retail leasing jurisdictions.

New South Wales

Retail Leases Act 1994 (NSW)

Threshold

Effectively all retail leases (annual rent above \$1,000).

Disclosure

Landlord must provide a disclosure statement at least 7 days before the lease is signed. Failure to comply gives the tenant the right to terminate within 6 months.

Cooling-off

7 business days from the date the tenant receives the executed lease.

Prohibited outgoings

Land tax, capital expenditure, depreciation and costs of preparing the lease cannot be passed on to tenants.

Fitout disclosure

Landlord must provide a fitout schedule before the lease is entered. Failure to do so is a breach of the Act.

Minimum term

No prescribed minimum. However, the landlord must grant a 5-year term if requested in writing by the tenant.

Disputes

NCAT Consumer and Commercial Division. Mediation is required before most hearings.

Victoria

Retail Leases Act 2003 (VIC)

Threshold

Annual rent up to \$1,000,000. Above that threshold, the Act does not apply.

Disclosure

Disclosure statement required at least 14 days before execution. The tenant must have 14 days to obtain independent advice.

Cooling-off

No general cooling-off. If disclosure is late or defective, the tenant may terminate within 3 months of entering the lease.

Prohibited outgoings

Land tax, capital expenditure for major repairs, and costs of obtaining the lease are prohibited. Estimates must be disclosed upfront.

Ratchet clauses

Ratchet clauses on market rent reviews are prohibited in VIC — rent on a market review can go down.

Minimum term

Minimum 1-year term unless the tenant obtains independent legal advice and signs a waiver.

Disputes

VCAT Civil Claims List. A Retail Tenancy Dispute Resolution Officer may assist before a VCAT application.

Queensland

Retail Shop Leases Act 1994 (QLD)

Threshold

No rent threshold — applies to all retail shop leases.

Disclosure

Disclosure statement required at least 7 days before the lease is entered. Late or defective disclosure gives a 3-month termination right.

Cooling-off

No statutory cooling-off period in QLD.

Prohibited outgoings

Land tax, costs of preparing the lease, and mortgagee consent costs cannot be recovered from tenants.

Outgoings estimates

Annual estimates must be provided. Actual outgoings cannot exceed estimates by a prescribed margin without prior notice.

Ongoing disclosure

QLD has extensive ongoing disclosure obligations, including notification of developments that could materially affect the tenant.

Disputes

Specialist mediation or QCAT, with specific provisions for urgent applications and interim orders.

Western Australia

Commercial Tenancy (Retail Shops) Agreements Act 1985 (WA)

Threshold

Annual rent above \$25,000.

Disclosure

Disclosure statement required before or at the time the lease is entered. Less prescriptive than eastern states.

Cooling-off

No statutory cooling-off period.

Prohibited outgoings

Land tax, depreciation, costs of preparing the lease and capital expenses cannot be recovered.

Disputes

State Administrative Tribunal (SAT). WA also has a Commissioner for Commercial Tenancies for informal resolution.

Note

WA's legislation is older than other states and reform has been discussed. Always check current requirements.

South Australia

Retail and Commercial Leases Act 1995 (SA)

Threshold

Annual rent up to \$400,000.

Disclosure

Disclosure statement required before the lease is entered. Defective or late disclosure gives a 3-month termination right.

Cooling-off

No statutory cooling-off period.

Prohibited outgoings

Land tax, depreciation and costs of preparing the lease documentation cannot be recovered from the tenant.

Rent reviews

Specific restrictions on market rent review methodology. Ratchet protection for landlords applies but has limits.

Disputes

SACAT. Mediation available before formal hearing. Costs orders available in certain circumstances.

Ready to talk about your lease?

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