



ISSUES RELATING TO COMMERCIAL LEASING

BELIZE

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1. Describe [National][state][territorial][provincial] or local transfer taxes payable on creation or assignment of a lease.

Registration fee for a lease is \$15.00. Nominal stamp duty on the registration of a lease is \$12.

2. Describe any legal restrictions limiting the maximum term of a lease (including renewals).

The maximum term of a lease is 99 years but may be renewed.

3. Describe any laws requiring landlords to allow a tenant to renew its lease.

The Landlord and Tenant Act, Chapter 189 of the Laws of Belize, Revised Edition 2000 allows a tenant to renew its lease.

4. Describe any restrictions on rent that may be charged for to a tenant.

Restrictions - a) withholding security deposit paid as rent as a result of damages sustained to the leasehold premises.

b) suspension of rent as a result of damages sustained to leasehold premises due to hurricane or natural disaster.

5. Describe any laws permitting tenants to terminate a lease prior to its stated expiration date.

Landlord and Tenant Act allows for early termination if the landlord has breached the terms of the lease i.e non payment of insurance for leasehold premises, breach of quiet enjoyment of the leasehold premises by the tenant, failure to perform repairs of the leasehold premises, failure to pay property taxes, and failure to keep leasehold premises insured.

6. Describe any laws allowing tenants to assign or sublease without landlord's consent.

No laws allowing this. Landlord must always consent to assignment of sublease.

7. Describe any laws allowing landlord to restrict assignments or subleases by tenants.

No laws allowing this.

8. What is the common form of eviction proceeding? What is the customary length of time for that proceeding?

Notice of eviction which takes 3 weeks. Then if this fails, summary procedure can be filed in magistrate court for eviction which takes 2 months.

9. Are there any legal restrictions on pledging a leasehold interest as security for a financing?

There are no legal restrictions.

10. Describe any requirements for landlords to hold security deposits in separate accounts and, if such requirements exist, describe if there can be one separate account for all tenant security deposits or whether each security deposit must be held in its own separate security deposit.

There are no requirements on how a landlord must hold security deposits. It is up to the landlord if he wishes to use separate accounts or consolidate all security deposits in one account.

11. Describe any required statutory or other legal disclosures to be made to all tenants.

The only disclosure that must be made to the tenant is the condition of the leasehold premises and whether it is fit for habitation.

12. Describe all taxes on rent or other taxes that landlord are required to collect from tenants.

None. Tenants pay their own taxes (if any) to the respective authorities.

13. Describe any limitations on the ability of landlords to exercise self-help.

None.

14. Describe whether remedies such as acceleration of rent must be expressly stated or whether they are implied.

They must be expressly states.

15. Describe whether there are any expedited remedies for tenant default and, if so, what lease provisions (such as waiver of jury trial, for example) would be required for a landlord to seek expedited remedies.

There are not expedited remedies. All remedies are available to the landlord but are to be conducted in due process.

16. Describe any formal requirements for the execution of a lease.

If a lease is over 2 years, the lease must be properly prepared with attestation clauses and filed in the Lands Registry. The Registry will record the lease and issue an instrument number. The lease must be executed by the landlord and tenant in the presence of a witness and a justice of the peace or a notary public.

17. Describe whether a memorandum of lease or other document would need to be recorded for the lease to be enforceable against third parties.

The lease itself once it is over a term of 2 years must be recorded in the lands registry for it to be enforceable.

18. Describe any restrictions on the transfer of ownership of real properties subject to a lease. Does such a transfer affect the tenant's rights or obligations?

Once the property is transferred a notice should be issued to the tenant terminating the lease. Properties are sold with vacant possession and thus the tenancy must be terminated prior to the close of sale on the property.