

Letter to your landlord about rent arrears

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A commercial landlord has two fast remedies a normal supplier does not: sending enforcement agents to take the company's goods under commercial rent arrears recovery (CRAR), and forfeiting the lease, often by changing the locks. CRAR becomes available once net unpaid rent reaches 7 days' rent, and needs at least 14 clear days' notice of enforcement before goods are taken (the notice period doubled from 7 days on 1 May 2026). So the time to write is before the quarter day passes unpaid, not after the notice lands. The letter below tells the landlord the position plainly, puts one specific, affordable proposal on the table and asks them to hold enforcement while they consider it. It must not promise rent the company cannot pay, and if a director has guaranteed the lease, paying the landlord ahead of other creditors needs advice first. General information, not legal advice.

THE LETTER

[Company name]

[Registered office address]

Company number: [number]

[Date]

[Landlord name or managing agent]

[Address]

Your reference: [property / tenant reference]

Dear [Name],

Re: [premises address], lease dated [date], rent arrears of [amount]

I am writing about the rent on the premises above. The company owes [amount], made up of [the quarter's rent due on [date] / part of the quarter's rent due on [date]], and I would rather tell you now than let it drift.

The shortfall is the result of [one factual sentence: a large customer paying late / a fall in trade since [month] / an unexpected cost]. [For Options A and B:] The company wants to stay in the premises and keep paying rent. I am putting forward the following proposal, which I believe it can keep to:

[Use the option that fits and delete the rest.]

Option A, repayment plan: the company pays the arrears in [number] monthly instalments of [amount], starting on [date], on top of the rent as it falls due.

Option B, monthly rent: for the next [number] quarters, the company pays the rent monthly in advance instead of quarterly, starting on [date], and clears the arrears by [date].

Option C, the future of the lease: the company is not able to continue in the premises and would like to discuss a surrender of the lease, with the premises returned to you on [date].

I can send you [the latest management accounts / a cash-flow forecast] to show how this is funded. While you consider it, I would ask you not to take enforcement action or forfeit the lease, and I will reply to any questions within [number] working days.

[If true:] The company is taking advice on its financial position and I will tell you promptly if anything material changes.

You can reach me on [phone] or [email]. I am grateful for your time.

Yours sincerely,

[Name]

Director, [Company name]

BEFORE YOU SEND IT

- ☐ Read the lease: the rent days, the forfeiture clause and how many days of arrears it allows, any rent deposit, and who guaranteed it.
- ☐ Work out what the company can actually pay each month with the cash flow runway calculator. An instalment plan that fails in month two is worse than no offer.
- ☐ If a director guaranteed the lease, get advice before paying the landlord ahead of other creditors (see the questions below).
- ☐ If the company is already insolvent, the rent problem may be one symptom of a wider one. Check with the insolvency test before committing to a plan.

WHAT NOT TO PUT IN THE LETTER

- **A payment date you are not sure of.** A broken promise to a landlord usually ends in a notice of enforcement or a lock change.
- **Words that suggest you are giving the premises up,** unless you mean it. Leaving, returning keys or stopping trading at the premises can have consequences under the lease; take advice before Option C.
- **An assurance that the company is fine** if it is not. If it later fails, a misleading letter can be held against the directors.

IF THE LANDLORD WILL NOT AGREE

A landlord who refuses a reasonable plan is still a creditor like any other. A company voluntary arrangement can bind a landlord to a compromise if enough creditors vote for it, and administration brings a moratorium that stops forfeiture and enforcement without the administrator's consent or the court's permission. For other creditors who need a short, honest pause, use the creditor holding letter; for general enforcement, see bailiff action against a company.

Sources, all accessed 23 September 2026: Tribunals, Courts and Enforcement Act 2007, s.72, s.76 and s.77; Taking Control of Goods Regulations 2013, reg 52 and reg 6 (as amended by SI 2026/366 from 1 May 2026); Insolvency Act 1986, Sch B1 para 43, para 44, s.239 and s.240. England and Wales. General information, not legal advice; your lease terms matter more than any template.

Online version: <https://tdturnaround.co.uk/templates/letter-to-landlord-rent-arrears/>