

BRIEF UPDATE

FROM THE PROPERTY SERVICES GROUP



Property Leases Traps and Pitfalls Ahead

Property costs and management are a necessity but it's easy to miss some of the essential, and potentially costly, detail when you are busy running your business! Our investment structure for leasing property has some traps for the unwary occupier particularly as you near a termination date or if you are unprepared for a rent review. Additionally, the current climate is likely to result in a change of landlord for many occupiers as Banks seek to offload existing facilities for commercial properties where loan to value ratios have plummeted.

With the current in-depth focus on costs we believe that we can assist by providing a review of your occupational lease/contracts and can advise on issues contained in those which might contain pitfalls for the unwary.

Issues to consider are:

- What is the state of the building now and what repairs are you liable for?
- When should you have completed the redecoration – internal and external ?

- Did you redecorate without a required consent for changes?
- Have you carried out alterations – were these approved and will you have to reinstate?
- Will any alterations have an adverse impact on your rent review ?
- When does the lease end and what notice must you give?
- Does rent continue after termination to allow the landlord to effect repairs?
- When is the next rent review – have you considered the arguments on how that is likely to be determined ?
- Have you granted a sub lease and what is the effect on rent review?

All of these questions can have a cost impact to your business. If you do not know the answers to any of these questions but would like to, we can carry out an investigation and review of your obligations and liabilities and report on that with advice on the issues that you may face. We will discuss a fixed fee with you for this depending on the extent of the property portfolio.

Contact Details

For more information, please contact any of the following partners:-

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