

Don't leave your lease end  
to chance...



Although it feels logical to just wait and see what the other side come up with, as with everything in life being pro-active produces better results. Adopting a simple set of strategies with a coordinated lease end consultancy team in advance of lease end may save you substantial amounts of time and money.

With careful planning and a coordinated team of specialists, lease end costs can be minimised, reclaimed or even negated. An effective strategy needs to be formulated about 3 years before the lease end. This allows sufficient time to consider all available options, whether to renew or relocate, negotiate reductions in dilapidations costs, reclaim any over-paid service charges and business rates. Savills Lease End Consultancy team will gather the necessary expertise to ensure that your lease end costs are minimised and savings are maximised.

### ■ Early surrender or renewal

With tenants more thin on the ground, landlords are receptive to any deal that might help them retain an income stream. Sub tenancies can often become a key negotiation factor. Issues up for negotiation include landlord contributions to improvement works, additional breaks, capped dilapidations liabilities, capped service charge contributions and reduced rents. These concessions can deliver substantial value at the same time as minimising disruption to the business.

### ■ Service charge

Service charges often read more like works of fiction than accurate statements of expenditure. In the final years of the term landlords often try to recover excessive and inappropriate costs. We can challenge on-account demands and secure refunds of inflated or incorrect charges. Refunds can often include payments already made into sinking or reserve funds.

### ■ Dilapidations

Inflated claims are back in fashion and often exceed the final year's rent. If the space is likely to remain empty for years landlords are understandably desperate to maximise their dilapidations recovery - the unprepared are suffering. We boast an average 75% reduction on landlord claims!

### ■ Rating

The approach of a lease end can create a variety of opportunities to claw back some of the ever increasing business rates, in addition to the cost saving opportunities that exist during occupation. The lease end could signify the last chance to claim any retrospective refunds; whether it be a gradual vacation of old premises or occupation of new; claiming reliefs or delaying liability. We can advise on strategies to maximise all of these opportunities to keep the level of rates down to a bare minimum.



## Early Surrender or Renewal



Utility Consultant, Redhill  
5 year rental saving:  
**£210,000**



NHS Trust, Southall  
5 year rental saving:  
**£1,000,000**



Serviced Offices, W1  
5 year rental saving:  
**£499,000**

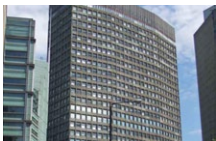


Video Games, TW8  
5 year saving at review:  
**£435,000**

## Service Charge



IT Firm, Hounslow  
Claim: £1,025,000  
Settlement: £287,250 [credit]  
Reduction: **128%**



Financial, SW1  
Disputed sinking fund  
Refund: **£140,000**



Utilities, WC1  
Dispute over S/C caps  
Refund: **£160,000**



Head Office, W6  
Service charge and  
historic arrears recovered  
Saving: **£910,000**

## Dilapidations



Software, Egham  
Claim: £38,085  
Settlement: £12,000  
Reduction: **68%**



Head office, EC3  
Claim: £18,869  
Settlement: £1,500  
Reduction: **92%**



Law Firm, EC4  
Claim: £577,646  
Settlement: £50,000  
Reduction: **91%**



IT Firm, Slough  
Claim: £2,538,704  
Settlement: £450,000  
Reduction: **82%**

## Rating



Law firm, EC2  
3 leases ending, relocating  
into a single new building.  
Refund: **£480,000**



Financial Services, SW1  
Surplus space before  
lease end  
Refund: **£27,500**



Food manufacturer,  
Buckinghamshire  
Head office relocation  
Saving: **£45,000**



Property Company, W1  
Early vacation of part of offices  
before lease ended on whole  
Saving: **£40,500**

# Lease End Consultancy

Savills multi-disciplinary Lease End Consultancy team are based in 6 UK wide offices and include top professionals with proven expertise in dilapidations, lease surrenders/renewals, service charge, rent reviews, building surveying, rating and finance.



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## Clients include:

Alliance Medical Ltd  
Alpha Bank Ltd  
Asda Stores Ltd  
Association of British Foods plc  
Baker Hughes  
Banque AIG  
Barclays Bank  
Beachcroft LLP  
Brit Insurance Ltd  
Carat UK Ltd  
Coty Services UK Ltd  
Crittall Windows Ltd  
Debenhams Retail Ltd  
Delta Airlines IAC  
Denmaur Papers plc  
Dennis Publishing (UK) Ltd  
Diageo plc  
H&M Hennes and Mauritz UK Ltd  
Henkel Ltd  
Hilco Appraisals Ltd  
H.J. Heinz Group Ltd  
Huntsman Trioxide Europe Ltd  
IPC Media Ltd  
Japan Airlines Ltd

Jewson Ltd  
LB of Barnet  
Marriot Hotels Ltd  
Mills & Reeve Ltd  
Mitsui & Co Ltd  
Moet & Chandon (London) Ltd  
Movianto UK Ltd  
MWB Business Exchange Plc  
NEC Technologies (UK) Ltd  
NUS Consulting Group Ltd  
Pattinson & Brewer  
Rapp Ltd  
Revolve Technologies Ltd  
Robert Bosch Ltd  
S J Berwin LLP  
Sega Europe Ltd  
Thomas Goode & Co Ltd  
Time Magazines Europe Ltd  
Toshiba Tec Europe  
Toyota Motor Europe  
United Biscuits (UK) Ltd  
West London Mental Health  
Trust NHS Ltd  
Yell Ltd

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