

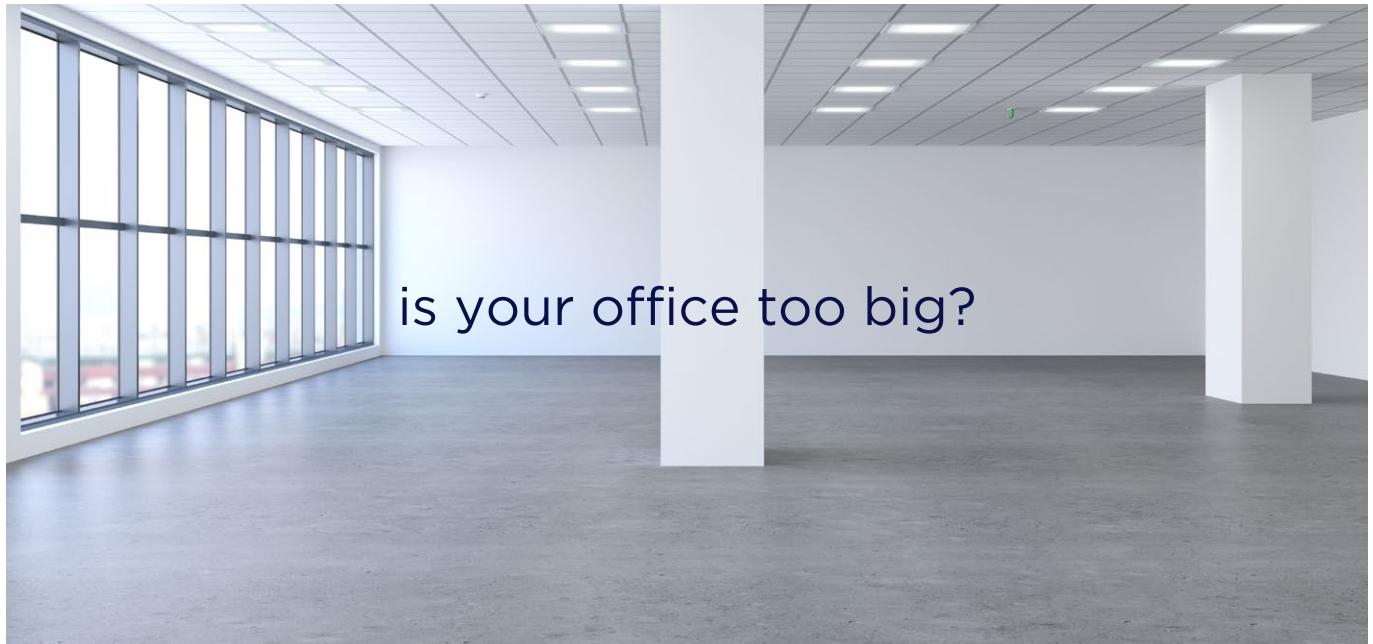
is your office too big?



# is your office too big?

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is your office too big?

## what are your options?



*Move to smaller  
premises if your  
lease allows*



*Sublet part of  
your premises if  
your lease allows*



*Renegotiate  
your lease*



## let us do all your heavy lifting

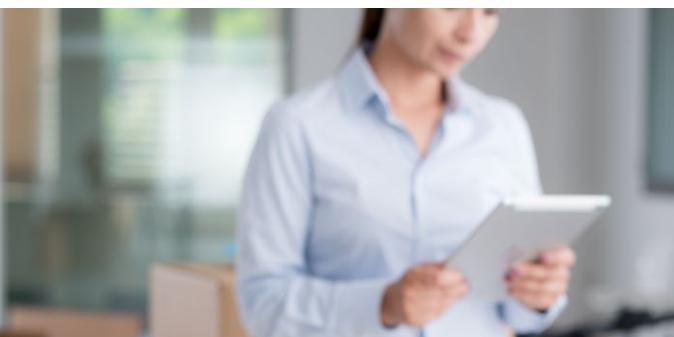
If your lease allows you to move office there are many things to consider including location, costs, size of premises you need, timing and much more.

Fortunately, we at Matthews & Goodman are experts in helping organisations like yours make the correct decision for you - by creating and executing the perfect strategy on your behalf.

For further information just click the link below or speak directly to one of our experts, and we'll be happy to chat through all your options and take away the stress of even thinking about moving office - let alone project managing an activity which detracts you from your day job.

However, if moving is not the right choice for you, take a look at your other options.

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## move if your lease allows it

This would be the optimum result: if your lease is almost at an end, or you are approaching a lease break - which will allow you to exit the contract and the space.

If you decide to move out, a landlord may serve you with a claim for dilapidations. This sets out any repairs and/or remedial works, which you are contractually obliged to undertake - which could prove costly.

Some leases have a clause for 'Full Repairing and Insuring' (FRI), which requires the tenant to undertake a full repair of the property and decorate it before they hand it back to the landlord. Even if the property was in poor repair when you moved in, you will still be responsible for restoring it to an A1 condition before moving out.

Many tenants will have entered into a Schedule of Condition, which ensures that a property does not have to be handed back in a better condition than when it was taken on.

Be careful, a landlord may also claim for the rent during the repair period.

If you move out without fulfilling any repairs and/or remedial work (as specified by your lease), your landlord will appoint a surveyor to prepare a Schedule of Dilapidations, showing all the work required. Protect yourself from this: check your lease terms before signing it, ensure you have photographs/evidence of the condition of the premises when you moved in or simply make sure you can negotiate from a position of knowledge/expertise – or appoint someone to do it for you. It is really worth speaking to a Building Surveyor, as a good one could save you significant time and money.

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## breathe. we know the best way to take the stress out of subletting

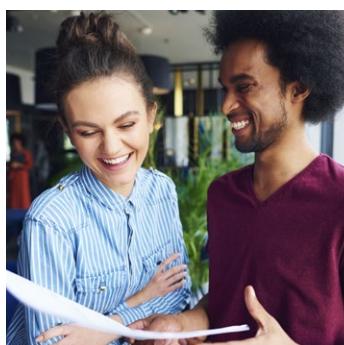
We know that subletting part of your office can be stressful.

- How much should you charge
- What facilities should you include – free broadband, free use of meeting rooms, free access to shower/gym facilities (if you are lucky enough to have them)
- How do you find the right tenant – it's not just about finding them, its also about checking their financial credentials and taking up and assessing their references
- Manage the whole process whilst continuing to do your day job.

The good news is that we have a team of professionals, with a wealth of experience, who can help you every step of the way. This will allow you to do what you do best – focus on financial and corporate goals.

For further information just click the link below, or contact one of our team: we would love to talk through all your options and help you find a more relaxing way to sublet your office.

If sub-letting is not the right choice for you, take a look at your other options.



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## sublet if your lease allows

If your lease allows it, subletting may be an option you would want to consider; but you will need to secure your landlord's permission first.

**With subletting, there are three key things to bear in mind:**

**1. How much will you charge for the space?**

Portal trawling could help you decide on an indicative price, but do seek the advice of a property professional, as they will have access to comparable data and good local knowledge of 'grey space'

**2. What are you including in the rental charge?**

From access rights and broadband usage, to how the utility bills will be paid; consider whether you will share the cost (how do you define 'sharing'), or whether it will be included in the rental fee

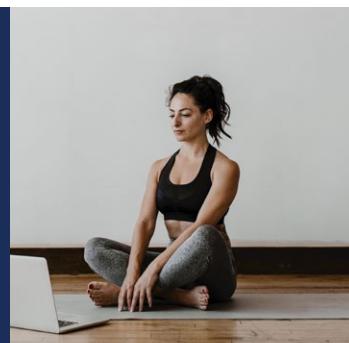
**3. Is your subletting contractual agreement in place?**

Before you even think about giving your new tenant a key to the space, ensure you have a subletting contract in place. You should seek the advice of a property professional before entering into any agreement.

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## **we will make sure that renegotiating your lease will never spell trouble**

Renegotiating your lease could feel like you're just asking for trouble, when in reality you're just looking for a fair deal for the premises you rent.

Our team of expert negotiators have considerable experience of working through all the complexities of your lease and will negotiate the best possible terms for you.

Because we have access to local market intel and historic (tenancy) data, we know how to secure a good 'deal' with landlords and how to counter any complex strategies they might adopt.

For further information on how we can help you just click the link below or contact one of our team and we will be happy to discuss all your options and negotiate the best possible terms for you.

If renegotiating your lease is not the right choice for you, take a look at your other options.

Whether it's a leg up or a helping hand ... our team has just one goal - your success.

Finding the right advisors to help you make the right decisions for your business can be a thankless task.

That's why we make sure we go the extra mile to make you comfortable and confident in the advice we give you and our implementation. Every member of our friendly team has deep expertise and experience across a broad range of property disciplines, which ensures that our clients always get the right result, on the best terms, at the right time.

So, whether you need a leg up or a helping hand we are here for you. Contact us via the link below or call us today ... it could be one of the best decisions you've made for your organisation.



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## renegotiate your lease

It may be time to review your financial relationship with your landlord: to ensure you secure the best terms, research the market and identify the evidence you need to make the best case and, unless you are good at it, appoint a seasoned lease negotiator.

Many managers think that the only bargaining chip they have is rent. Wrong; there are other factors which need to be considered to ensure you don't end up locked into unfavourable (and expensive) terms, for a number of years.

### **Common lease negotiating variables include:**

- **Negotiate a lower rent**
- **Adjust the frequency of rent payment**
- **Soften repair obligations**
- **Add or remove break clauses**
- **Reduce the size of a premises**
- **Secure upgraded premises with the same landlord.**

NOTE: a landlord may have their own reasons for wanting to change the terms of a lease – for example, they may want to redevelop the property. It is important that you bear this in mind when entering into a renegotiation.

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## cost management

Managing a commercial property portfolio includes monitoring and reviewing all costs and charges relating to the maintenance and general upkeep of premises. Identify them, ascertain what they are and what they are for, and price-match them. But don't just look at the £££, consider service, reputation and track record.



## service charge

Costs of maintaining and repairing the property. What is covered by a commercial property service charge will differ from unit to unit, but tenants can typically expect a service charge to include items such as:

- **General interior or structural repairs**
- **Cleaning all areas**
- **Refuse and recycling collection**
- **Central heating**
- **CCTV security**
- **Air-conditioning systems**
- **Insurance costs**
- **Property management fees**



## rent

Rent reviews are an integral part of commercial leases.

Typically, rent reviews happen every three to five years, but exactly when they occur will depend on the review clauses in the lease agreement.

In the UK, there are three common methods used to calculate the commercial rent:

1. **Open market - how much is the property's current market value**
2. **Periodic - the rent will be reviewed at intervals detailed in the lease, in line with the Retail Price Index (RPI)**
3. **Turnover - how much rent should be paid based on a business's financial turnover.**  
**Turnover-based rental values are used in the retail sector**



## utilities

Every organisation should review all its utilities' costs regularly/annually. Unlike domestic energy users, they are offered bespoke energy quotes to reflect the needs and consumption patterns of the organisation, which means that business prices will vary and shopping around pays dividends.

When checking your utility charges, pay particular attention to the unit cost and the standing charge, as they make the biggest difference to the amount you pay for gas and electricity.

- **Unit cost** - how much you will be charged for each kWh of energy used
- **Standing charge** - a daily amount that covers the cost of transporting energy to your premises and maintaining the National Grid

For the latest information on the average business energy rates, visit the [UK Power website](#).



## business rates

Business rates are a tax on property applied to non-domestic premises.

Although your local council calculates and collects your business rates, they cannot change your rateable value or your multiplier - these are set nationally.

Whilst it can be difficult to change the amount you have to pay, you are within your right to challenge it. It might be worth speaking to a **Business Rates Specialist** - why not contact our business rates advice team today for an independent and informed opinion.



If you'd like to speak to us  
about your options, then  
contact us today



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