

A step by step guide to acquiring office space in Central London

The acquisition of new premises can be a frustrating and time consuming process.

The landlord will undoubtedly have the benefit of an experienced agent's advice to let or sell the building, so why shouldn't the occupier have the same advantage in acquiring it?

The fact is, most occupiers do, as they see the benefits of seeking professional advice, resulting in a cost saving to their business. To achieve a fair "market" result, both sides should be **independently represented**, without any conflicts, a fact that some of the larger real estate consultancies openly ignore.

Property is the second biggest overhead in business after staff costs. If there is an opportunity to **save on property costs**, why not take advantage? If you don't ask, you don't get. Landlords are 'open' for business.

Timing is crucial, so it is vital to **plan ahead** - don't back yourself into a corner or this will undermine your ability to achieve the best outcome. Prepare for lease events such as break options and/or lease expiries, which present both an opportunity and a threat.

Who are ABRE?

ABRE is an independent specialist in the Central London office market, providing personalised, high quality advice to occupiers of commercial real estate.

Founded by Alex Brown, whose 20 years plus experience in the market, ranges from the acquisition and disposal of small office suites from 1,000 sq ft, to mounting campaigns in excess of 100,000 sq ft on behalf of large corporate occupiers.

Why do you need to use an agent?

In a typical year approximately 12 million sq ft of offices are marketed across Central London, by over 100 different firms of agents.

Without specialist help, can you be sure that you have properly covered the market?

Occupational property leases are highly complex, and your obligations could last for years.

Rents, capital values and market incentives are constantly changing. Are you being offered what is currently correct?

Can you be sure that you have properly considered what your costs will be?

Seeking and identifying property can be very time consuming. Wouldn't this time be better spent on your business?

Please turnover, for
The 5 key stages →

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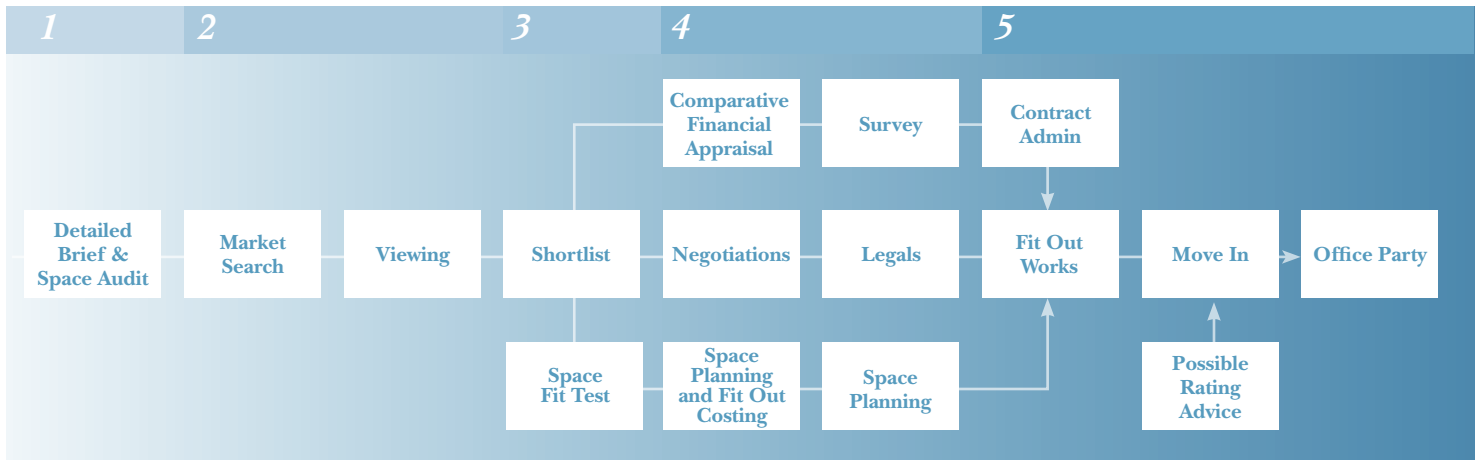
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We aim to do all the hard work on your behalf, by breaking down the acquisition process into

The 5 key stages



Stage 1

Analyse your requirement to provide a clear business plan and acquisition strategy based upon the following key factors:

- Move drivers - lease expiry or break, expansion or contraction or start up
- Existing and projected head-count i.e. 'A space audit'
- Budget
- Technical specification requirements
- Location
- Exit strategy from existing premises, including dilapidations evaluation

Stage 2

Thoroughly research the market and provide a concise schedule of available properties (including off market opportunities) using the following parameters:

- Size
- Location
- Specification
- Annual costs
- Lease length

This will lead to arranging a tour of inspections of potentially suitable properties.

Stage 3

- Analyse alternatives
- Start space-planning and costing of 'fit-out'
- Comparative financial appraisals
- Space fit test
- Advise on appointing suitable contractors to carry out your 'fit out'
- Advise on the need for building and other surveys and assist in the appointment of suitable surveyors/engineers

This will lead to identifying the preferred options.

Stage 4

Negotiate terms of the preferred options on your behalf through to agreement of Heads of Terms

The lease - principle clauses includes:

- Agreement for lease
- Lease term and length of commitment
- Rent or price
- Break options and any potential penalties
- Rent review provisions
- Landlord and tenant act 1954 protection (security of tenure)
- Rent free or incentives
- User

- Alienation/Disposal rights
- Collateral warranties
- Repair obligations
- Reinstatement/Yielding up at expiry (dilapidations)
- Insured/Uninsured risks
- Capital contributions
- Permitted alterations
- Service charges and possible caps
- Building specification and required works
- Security/Covenant issues

Any errors or omissions at this stage can prove to be extremely costly over the term of a lease.

Stage 5

- Advise you on the occupational aspects of the draft lease and assist your solicitors in agreeing all the legal documentation
- On completion of the contract, advise on appointing specialist rating surveyors for business rates
- Finally, attend the office-warming party!

Throughout the project, we will ensure that all parties are communicating regularly in order that the acquisition proceeds as smoothly as possible in order to minimise disruption to your day-to-day business.

For more information, please contact:

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