

# SEMINAR NOVEMBER 19<sup>th</sup> 2018

08.00HRS TO 09.00HRS

VENUE : CBRE

'C-BAR'

Henrietta House

Henrietta Place

W1G 0NB

## SUBJECT

*THE WORDING AND THE MEANING OF RENT REVIEW CLAUSES*

50 mins

OPEN QUESTIONS

10 mins

*SEMINAR BY DOUG STEVENS TO 1<sup>st</sup> & 2<sup>nd</sup> YEAR GRADUATES*

*DELIVERED AS A POWERPOINT PRESENTATION*

**NEXT SEMINAR 17<sup>th</sup> DECEMBER 2018**

PREVIOUS SEMINARS FROM OCT 2014 ON [www.douglasstevens.co.uk](http://www.douglasstevens.co.uk) SEMINARS

# RENT REVIEW CLAUSES

- ❖ Q. WHAT IS A RENT REVIEW?
- ❖ A. A RENT REVIEW IS A MECHANISM IN A LEASE INTENDED TO SET A MARKET RENT AT A DEFINED RENT REVIEW DATE
- ❖ Q. HOW DOES IT SET OUT TO ACHIEVE THAT?
- ❖ A. IT SEEKS TO RE-CREATE THE CIRCUMSTANCES OF A NEW LETTING OF THE PROPERTY
- ❖ NB This does not apply where there are fixed uplifts or RPI or turnover based rent reviews
- ❖ IN REALITY THE PROPERTY IS OCCUPIED AND AN ACTUAL LEASE IS IN PLACE
- ❖ BUT AT RENT REVIEW IT IS ASSUMED THERE IS NO TENANT IN OCCUPATION
- ❖ THE BASIC PREMISE IS THAT THE PROPERTY IS VACANT AND TO LET ON NEW LEASE
- ❖ THE WORDING AND MEANING OF RENT REVIEW CLAUSES IS A MIXTURE OF THE ACTUAL & THE HYPOTHETICAL - FACT & FANTASY - IN AN UNDEFINED & VARIABLE MIX
- ▶ Q. HOW DID THE WORDING OF RENT REVIEW CLAUSES EVOLVE?
- ▶ A. THE BASIC STARTING POINT TO ESTABLISH RENTAL VALUE WAS S.34 OF THE LANDLORD & TENANT ACT 1954 - which deals with lease renewals rather than rent reviews

## ▶ **LANDLORD & TENANT ACT 1954 S.34 Rent under new tenancy**

- ▶ The rent ..... shall be the rent ... at which, **having regard to the terms of the tenancy** (other than those relating to rent), the holding might reasonably be expected to be let in the **open market** by a willing lessor,
- ▶ there being disregarded—
  - ▶ (a ) any effect on rent of the fact that the tenant has or his predecessors in title have been in **occupation** of the holding,
  - ▶ (b) any **goodwill** attached to the holding by reason of the carrying on thereat of the business of the tenant (whether by him or by a predecessor of his in that business),
  - ▶ (c) any effect on rent of any **improvement** carried out by the tenant or a predecessor in title of his otherwise than in pursuance of an obligation to his immediate landlord,
- ❖ **YOU WILL NOTE THAT S.34 SETS OUT A LIMITED NUMBER OF ASSUMPTIONS AND A LIMITED NUMBER OF DISREGARDS.**
- ❖ **THERE WAS AND IS NO LEGAL REQUIREMENT (nor any universally adopted industry standard) WHEN GRANTING A LEASE TO FOLLOW S.34 - HENCE OVER THE YEARS THERE HAS EVOLVED SUCH A MULTITUDE OF DIFFERENT RENT REVIEW CLAUSES OFTEN CONTAINING MORE AND MORE ASSUMPTIONS AND MORE AND MORE DISREGARDS.**
- ❖ **NB EVERY SINGLE RENT REVIEW PROVISION WILL HAVE VARIATIONS IN WORDING (even within a shopping centre or multi-let office building)**
- ❖ **SO YOU MUST CAREFULLY READ EVERY LEASE TO IDENTIFY THE SPECIFIC ASSUMPTIONS & DISREGARDS WHICH MIGHT IMPACT ON RENTAL VALUE.**

## Q. IS IT SUFFICIENT JUST TO READ THE RENT REVIEW CLAUSE?

▶ A. NO YOU MUST READ THE WHOLE LEASE & ANY OTHER MATERIAL DOCUMENTS ?

▶ Q. WHY

▶ A. BECAUSE THE RENT REVIEW PROVISIONS WILL INVARIABLY STATE THAT THE NEW LEASE

assumed to be granted at the rent review date) WILL BE ON THE SAME TERMS AS THIS LEASE (save as to rent) AND SO YOU NEED TO KNOW WHAT IT SPECIFIES IN TERMS OF - DEMISE - REPAIRS - ALTERATIONS - ALIENATION - USER - BREAK CLAUSES, etc, etc

▶ Q. WHAT OTHER MATERIAL DOCUMENTS?

▶ A. LICENCES OF ALTERATION/IMPROVEMENT - do you value what is on site or has the T carried out the work at it`s own cost and the works fall to be disregarded ,ie, sales staircase

▶ A. DEED OF VARIATION - has the review date or term or user clause been varied

▶ A. AGREEMENT FOR LEASE - was there a preceding document

▶ A. ORIGINAL LEASE - if the lease you are reading is a reversionary lease

▶ Q. WHAT IS A REVERSIONARY LEASE?

▶ A. A LEASE WHICH HAS BEEN AGREED AS AN EXTENSION TO AN EXISTING LEASE COMMENCING UPON THE EXPIRY OF THE EXISTING LEASE- aka regear/lease extension.

## Q. HOW DO ENSURE THAT YOU IDENTIFY ALL THE RELEVANT RENT REVIEW PROVISIONS?

- ▶ A. RUN THROUGH A CHECK LIST - TO IDENTIFY EVERY MATERIAL CLAUSE WHICH IS PRESENT & ANY WHICH ARE MISSING

## ▶ Q. WHY IS THIS NECESSARY?

- ▶ A. BECAUSE EACH CLAUSE (PRESENT OR MISSING) MIGHT AFFECT VALUE
- ▶ THE L/L AND THE T LOOK TO EMPHASISE IN THEIR NEGOTIATIONS THE RENT REVIEW PROVISIONS WHICH GIVE THEM THE MOST FAVOURABLE RESULT

- ▶ Ie, WHAT HELPS ME TO ACHIEVE A HIGHER RENT (L/L) - perhaps > 100% rental value

- ▶ or

- ▶ WHAT HELPS ME TO ACHIEVE A LOWER RENT (T) - perhaps < 100% rental value

- ▶ YOU NEED TO IDENTIFY ANY DIFFERENCES BETWEEN YOUR REVIEW TERMS & THE COMPARABLES

## ▶ Q. WHAT CLAUSES MIGHT RESULT IN > 100% -or < 100% RENT?

- ▶ A. ADDITION - FOR FITTED SPECIFICATION

- ▶ A. DEDUCTION - FOR RESTRICTIVE USER, LONG OR SHORT LEASE TERM, NO SUB-LETTING

## ▶ Q. OTHER REASONS TO IDENTIFY ALL RELEVANT RENT REVIEW PROVISIONS?

- ▶ A. BECAUSE THERE MAY BE TIME TRAPS - FOR SERVICE OF RENT REVIEW NOTICE OR APPLICATION TO 3<sup>rd</sup> PARTY

- ▶ POTENTIAL NEGLIGENCE CLAIM

## Q. WHEN IS THE RENT REVIEW DATE?

- ▶ A. THE RENT REVIEW DATE (S) MAY BE SPECIFIED IN THE REVIEW CLAUSE - OR MAY REFER TO AN ANNIVERSARY OF THE LEASE TERM COMMENCEMENT DATE - THERE MAY BE A SEPERATELY STATED VALUATION DATE DIFFERENT TO THE RENT REVIEW DATE
- ▶ HAS THE REVIEW DATE BEEN VARIED BY A DEED OF VARIATION?

## ▶ Q. WHAT IS A “LAST DAY RENT REVIEW” AND WHAT IS ITS PURPOSE

- ▶ A. SOME LEASES PROVIDE FOR A RENT REVIEW ON THE LAST DAY OF THE TERM. IT IS A GOOD WAY OF ESTABLISHING WHAT THE CURRENT RENT IS FOR THE UPCOMING LEASE RENEWAL - HOWEVER THE TERMS TO BE ASSUMED MAY WELL BE DIFFERENT ie, NOT ON A S.34 BASIS

## ▶ Q. WHAT IS A “FIRST DAY RENT REVIEW” AND WHEN WOULD IT BE USED?

- ▶ A. IN A REVERSIONARY LEASE - TO SET THE RENT FOR THE NEW LEASE WHICH IS AN EXTENSION OF THE OLD / EXISTING LEASE

## ▶ Q. WHAT IS THE RENT REVIEW PERIOD - In modern leases this is likely to be five years but may be more or less than five years and this will impact on rental value

- ▶ A. IF REVIEW PERIOD IS say 3 YEARLY AND THE COMPARABLES ARE 5 YEARLY ADJUST RENT DOWNWARDS BY SAY 2%
- ▶ A. IF REVIEW PERIOD IS say 7 YEARLY AND THE COMPARABLES ARE 5 YEARLY ADJUST RENT UPWARDS BY SAY 1% (0.5% per additional year over 5 years)

## Q. IS IT UPWARDS ONLY?

- ▶ A. MOST MODERN LEASES WILL STATE THAT AT RENT REVIEW THE REVISED RENT SHALL NOT BE LESS THAN THE CURRENT RENT PASSING - or - THE HIGHER OF THE RENT RESERVED AND THE OPEN MARKET RENT
- ▶ BUT IN SOME LEASES BY DESIGN OR DEFAULT THE RENT MAY BE SUBJECT TO DOWNWARDS PROVISION. This may occur where the rental level is tied to a turnover provision and the turnover falls below a previous level
- ▶ NB SOME NEW LEASES WILL INCREASINGLY CONTAIN UPWARDS/DOWNWARDS RENT REVIEWS PARTICULARLY IN THE RETAIL SECTOR AS T`S NEGOTIATING POSITION GETS STRONGER
- ▶ Dukeminster Ltd v West End Investments Ltd - recent lease renewal case - County Court judge decided that in a 10 yr lease with a rent review at 5<sup>th</sup> yr it should be upwards & downwards -
- ▶ - however it was the renewal of a long lease 50+ yrs with no rent review in
- ▶ A. CHECK IF THERE IS A RENT CAP - OR IF ANY RENTAL INCREASE IS TURNOVER RELATED and there may be no rent review to progress if a threshold has not been met
- ▶ Q. IS THERE A %AGE GEARING OF THE RENT to say 80% - IS THIS TO BE DISREGARDED
- ▶ IN GEARED LEASES WITH A TURNOVER TOP-UP THE %AGE GEARING IS INVARIABLY TO BE DISREGARDED WHEN SETTING THE OPEN MARKET RENT

## Q. WHAT IS THE ASSUMED LEASE TERM?

- ▶ A. ASSUMED LEASE TERM - WITHIN THE RENT REVIEW CLAUSE IT WILL STATE WHETHER THE LEASE TERM YOU ARE TO ASSUME IS THE UNEXPIRED TERM OR (IF LONGER) A MINIMUM TERM (SAY 10 YRS) OR IT MIGHT STATE THAT IT IS FOR THE WHOLE TERM OF THE ORIGINAL LEASE.
- ▶ THE UNEXPIRED TERM MAY BE ONLY 5 YRS - BUT THE REVIEW CLAUSE MAY ASSUME A 10 YR TERM
- ▶ THE LEASE TERM ASSUMPTION HAS VALUATION IMPLICATIONS
- ▶ WHERE THE ASSUMED LEASE TERM IS LONGER THAN THE NORM FOR THAT MARKET SECTOR OR SHORTER THAN THE NORM FOR THAT MARKET SECTOR.
- ▶ 5YRS MIGHT BE OK FOR A SINGLE SHOP UNIT - BUT 10 /15/20 MAY BE TOO LONG AND MAY RESULT IN A POSSIBLE DISCOUNT.
- ▶ HOWEVER, 5YRS /10YRS WOULD BE REGARDED AS TOO SHORT FOR A LARGE STORE (DEPARTMENT STORE OR FOODSTORE) AND A DISCOUNT WOULD APPLY.
- ▶ SEE CASE LAW CANARY WHARF INVESTMENTS (THREE) V TELEGRAPH GROUP LTD 2003 WHERE THE DECISION WAS THAT THE WHOLE TERM OF 25 YEARS WAS TO BE ASSUMED.
- ▶ IN THIS CASE THE WORDING WAS SPECIFIC AS TO A WHOLE TERM ASSUMPTION
- ▶ IN MOST CASES WITH NON-SPECIFIC WORDING THE UNEXPIRED TERM IS ADOPTED



## Q. WHAT ARE THE ASSUMPTIONS MADE

- ▶ **A. VACANT POSSESSION** you are to assume that the property is vacant
- ▶ THIS MEANS YOU MUST CONSIDER POTENTIAL TENANT DEMAND
- ▶ **OPEN MARKET LETTING** - you are to assume that the property is available to let on the open market and has been exposed to the open market and that the letting on a new lease takes place on the specified rent review date
- ▶ **WILLING LANDLORD + WILLING TENANT** (not in S.34 L & T Act 1954) - you are to assume that both parties are willing to do a deal on a new lease even if in practice one or both of them is not actually willing
- ▶ **F. R. Evans (Leeds) v. English Electric** (1978) hypothetical L/L & T - Read this case carefully. It defines the characteristic of the willing landlord and the willing tenant
- ▶ **Dennis & Robinson Ltd v Kiossos Establishment** [1987] assume willing L/L & T – In order to give full effect to establishing an open market rent the Court held that it must be assumed that there is a willing landlord and a willing tenant even if there is no reference to a willing tenant
- ▶ THE OPEN MARKET VACANT POSSESSION RENT REVIEW SCENARIO IS ARGUABLY HARSH ON BOTH L/L & T
- ▶ L/L HAS AN EXISTING T AND AN EXISTING LEASE IN PLACE BUT IS REQUIRED AT EACH REVIEW TO DEMONSTRATE THAT HE COULD RE-LET THE PROPERTY ON A NEW LEASE  
ie, DEMONSTRATE DEMAND IN THE OPEN MARKET
- ▶ T HAS AN EXISTING LEASE BUT IF THE L/L CAN DEMONSTRATE THAT ANOTHER T WOULD PAY A HIGHER RENT THAN THE EXISTING T CAN AFFORD THEN IT IS THE HIGHER RENT WHICH WILL APPLY

**Q. DOES LEASE REFER TO A NEW LEASE ON SAME TERMS AS THIS LEASE -or - THE TERMS OF AN HYPOTHETICAL LEASE**

- ▶ **A. THE LEASE MAY SPECIFY THAT YOU ASSUME SOMETHING DIFFERENT FROM WHAT ACTUALLY EXISTS** ie, Nike building in Oxford Street valued by reference to a shop unit in the former BHS block X a multiplier
- ▶ **COMPARE LEASE TERMS TO THE RENT REVIEW ASSUMPTIONS**
- ▶ **Q. IS THE PROPERTY TO BE LET AS A WHOLE?**
- ▶ **A. ARE YOU REQUIRED TO ASSUME THAT THE PROPERTY IS LET AS A WHOLE OR PARTS (ACTUAL OR ASSUMED) AND ADOPT A RENT WHICH IS THE GREATER OF THE WHOLE/SUM OF PARTS**
- ▶ **Q. WHAT IS THE SPECIFICATION?**
- ▶ **DOES THE LEASE REQUIRE YOU TO ASSUME THAT THE SPECIFICATION IS SHELL OR FITTED OR PART FITTED?**
- ▶ **ARE THERE ANY SCHEDULES OF FIXTURES AND FITTINGS ATTACHED ?**
- ▶ **COMPARE YOUR SPECIFICATION WITH THAT OF THE COMPARABLES**
- ▶ **THE LEADING CASE ON THE ASSUMPTIONS WHICH ARE TO BE MADE REGARDING THE SPECIFICATION OF A UNIT IS**

## London and Leeds Estates Ltd v Paribas Ltd [1995]

- ▶ IN THIS CASE THE LEASE STATED THAT
- ▶ *“that the demised premises are fit for immediate occupation and use and that all fitting out and other tenant’s works required by such willing tenant have already been completed”.*
- ▶ Q. DID THIS MEAN THAT IT WAS TO BE VALUED AS A FITTED UNIT?
- ▶ A. NO
- ▶ This is an important judgement. It determined where such wording occurs it is valuation neutral, i.e. it does not mean that the landlord can value fixtures and fittings or that the tenant can argue for a rent free period for fitting out.
- ▶ However variations on this wording may mean that fixtures and fittings are to be valued.
- ▶ IF THERE IS AN ENHANCED SPECIFICATION TO BE ASSUMED THIS WILL ADD TO THE RENTAL VALUE ie, A RENT OF > 100% CAN BE ACHIEVED
- ▶ Q. USE - ARE YOU TO ASSUME THE ACTUAL USE (SEE USER CLAUSE IN LEASE) OR AN ASSUMED USE STATED IN THE RENT REVIEW PROVISIONS?
- ▶ A. CHECK THE PERMITTED USE/USER CLAUSE AND COMPARE WITH THE STATED ASSUMPTIONS REGARDING USER IN THE RENT REVIEW CLAUSE - THEY MAY BE DIFFERENT
- ▶ IF THERE IS A RESTRICTIVE USER, ie, MENSWEAR ONLY A DISCOUNT WILL APPLY ie, a rent of < 100% will apply

## Q. WHAT ARE THE STANDARD DISREGARDS?

- ▶ A. S.34 disregards - TENANTS OCCUPATION, GOODWILL AND IMPROVEMENTS are standard BUT note if any of these disregards are NOT stated
- ▶ **TENANTS OCCUPATION** - assume the property is vacant and to let
- ▶ **TENANTS GOODWILL** - ignore tenants goodwill, ie, their established business - you cannot take account of their trading performance/ trading accounts even if you have this information
- ▶ **Q WHY NOT?**
- ▶ **A THIS WOULD CONFLICT WITH VACANT POSSESSION ASSUMPTION**  
**THE TRADING FIGURES WOULD NOT BE IN THE PUBLIC DOMAIN**  
**Cornwall Coast Country Club v Cardgrange Ltd [1987] 1 EGLR 146**
- ▶ **TENANTS IMPROVEMENTS** - if T has carried out alterations / improvements at his own expense under a Licence for Alterations (ie, with L/L's consent ) then no account is taken of the effect on rent of those alterations
- ▶ **HOWEVER - IF THE LEASE DOES NOT REQUIRE THE DISREGARD OF TENANTS IMPROVEMENTS THEN THEY CAN BE TAKEN IN TO ACCOUNT**
- ▶ **HOWEVER IF THERE IS NO LICENCE FOR ALTERATIONS/IMPROVEMENTS AND THE t HAS CARRIED OUT THE WORKS WITHOUT L/L 's CONSENT THEN THE L/L CAN DECIDE TO TAKE ACCOUNT OF THE ALTERATIONS/IMPROVEMENTS AND WILL DO SO IF THEY ADD VALUE**

## OTHER DISREGARDS

### ▶ Q. WHAT IS A “DAY ONE RENT”?

▶ A. IN MODERN LEASES THERE IS COMMONLY A DISREGARD OF RENT FREE PERIODS TO FIT OUT

▶ THIS IS TO ENSURE THAT RENT IS PAYABLE ON “DAY ONE” OF THE ASSUMED NEW LEASE

▶ AS THE EVIDENCE FOR A RENT REVIEW WILL OFTEN BE DRAWN FROM AN OPEN MARKET LETTING THAT LETTING MAY HAVE GRANTED THE INGOING TENANT A RENT FREE PERIOD

▶ TO PRECLUDE AN ARGUMENT THAT A RENT FREE PERIOD (or the annual equivalent thereof) IS DEDUCTED FROM THE REVIEWED RENT LEASES CONTAIN A PROVISION AS BELOW =;

*“There shall be no discount, reduction or allowance to reflect (or compensate any incoming tenant for the absence of) any rent free or concessionary rent period which reflects the time it would take for the incoming tenant to fit out the demised premises so as to be ready for immediate use & occupation*

▶ THIS WORDING HAS EVOLVED FOLLOWING THE CASE OF **BROADGATE SQUARE-V-LEHMAN BROTHERS** WHERE THE FOLLOWING WORDING WAS ADOPTED:

*“ .. the best yearly rent which would reasonably be expected to become payable after the expiry of a rent-free period of such length as would be negotiated in the market upon a letting of the Premises as a whole.....”*

▶ THIS WORDING DOES NOT LIMIT THE INCENTIVES TO RENT FREE OR CAPITAL WHICH WILL BE THE EQUIVALENT OF THE PERIOD FOR FITTING OUT A UNIT - IT REQUIRES THE DISREGARD OF ALL INCENTIVES AND THEREFORE CONFERS A HEADLINE RENT.

## Q. ARE THERE ANY TIME TRAPS - IS TIME OF THE ESSENCE

- ▶ A. CHECK IF THERE ARE SPECIFIED DATES/TIMEFRAMES FOR SERVING THE RENT REVIEW NOTICE AS A L/L – or A COUNTER-NOTICE AS T
- ▶ A. CHECK IF THERE IS A DATE/TIMEFRAME FOR THE L/L or T APPLYING FOR A 3<sup>rd</sup> PARTY
- ▶ ( ARBITRATOR or EXPERT) for the appointment of an Arbitrator.
- ▶ YOU NEED TO CAREFULLY RECORD ANY SUCH MECHANISMS BECAUSE TIME MAY BE OF THE ESSENCE AND FAILURE TO ADOPT THE CORRECT TIMESCALES MAY RESULT IN THE LOSS OF THE ABILITY TO EXERCISE THE REVIEW OR THE ACCEPTANCE OF A TENANT'S RENTAL OFFER OR THE INABILITY TO HAVE AN ARBITRATOR / EXPERT APPOINTED.
- ▶ MODERN LEASES NOW RARELY INCLUDE TIME-TRAPS – BUT older lease may do so
- ▶ See Case Law below:
- ▶ **United Scientific Holdings Ltd v Burnley Borough Council ([1978])** - Time is not of the essence unless it is stated to be **BUT**
- ▶ **BEWARE OF DEEMING PROVISIONS** – Words that make Time of The Essence – In relation to service of notices or reference to 3<sup>rd</sup> party, ie words such as
- ▶ “*but not at any at other time*” – “*but not otherwise*”
- ▶ *Mecca Leisure Ltd v Renown Investments (Holdings) Ltd.*
- ▶ *Starmark Enterprises Limited -v- CPL Distribution Limited*
- ▶ *Secretary of State for Communities and Local Government v Standard Securities Ltd*

## Q. WHAT IS THE DISPUTE PROCEDURE

- ▶ IF THE PARTIES CANNOT AGREE THE RENT REVIEW BY NEGOTIATION HOW IS RENT REVIEW TO BE DECIDED?
- ▶ A. THE LEASE WILL SPECIFY IF THE 3<sup>rd</sup> PARTY IS AN ARBITRATOR or INDEPENDENT EXPERT
- ▶ IT MAY PROVIDE THAT THE PARTIES CAN AGREE THE 3<sup>rd</sup> PARTY or APPLY TO RICS ?
- ▶ Q. WHO CAN APPLY - L/L ONLY OR EITHER PARTY L/L & T?
- ▶ A. LEASE MAY GIVE THE L/L THE OPTION OF CHOOSING ARBITRATOR or EXPERT
- ▶ YOU MAY BE ASKED TO ADVISE THE BEST CAPACITY OF THE 3<sup>rd</sup> PARTY
- ▶ ARBITRATOR - GOVERNED BY ARBITRATION ACT 1996 Reasons must be given - Award on costs
- ▶ IF 3<sup>rd</sup> PARTY IS AN EXPERT - CAN THE PARTIES MAKE SUBMISSIONS & COUNTER-SUBMISSIONS
- ▶ ARE REASONS REQUIRED - ARE COSTS SHARED 50/50 or CAN THE EXPERT DECIDE
- ▶ ARE THERE TIME FRAMES FOR APPLICATIONS - ARE THERE TIMEFRAMES FOR SUBMISSIONS & COUNTER-SUBMISSIONS - ARE THERE TIME FRAMES FOR THE DECISION (AWARD or DETERMINATION)
- ▶ Q. IS INTEREST PAYABLE ON RENT ARREARS FOLLOWING LATE SETTLEMENT OF THE REVIEW?
- ▶ A. YES - BUT NORMALLY AT 0% EXCEPT ON OLDER LEASES
- ▶ NORMALLY RENT REVIEW MEMORANDA MUST BE SIGNED TO RECORD THE SETTLEMENT

## CHECK LIST OF RENT REVIEW PROVISIONS

- ▶ DEMISE - ACTUAL OR HYPOTHETICAL
- ▶ REVIEW DATE & VALUATION DATE IF DIFFERENT
- ▶ OPEN MARKET - or - FIXED UPLIFTS or RPI
- ▶ RENT - CAPPED OR FULL OPEN MARKET RENT or GEARED WITH TURNOVER TOP-UP
- ▶ VACANT POSSESSION
- ▶ WILLING L/L WILLING T
- ▶ ASSUMED LEASE TERM - IS THERE A BREAK CLAUSE ASSUMED IN THE NEW LEASE
- ▶ FIRST DAY or LAST DAY RENT REVIEW DAY ONE RENT
- ▶ UPWARDS ONLY - or - UPWARDS & DOWNWARDS
- ▶ VALUE WHOLE PROPERTY - or - IN PARTS
- ▶ SPECIFICATION - FITTED or PART-FITTED or SHELL
- ▶ ASSUME EXISTING LEASE TERMS (save for rent) OR DIFFERENT ASSUMPTIONS  
ALIENATION, USER, etc
- ▶ NOTICE PROCEDURE - TIME TRAPS
- ▶ DISPUTE PROCEDURE