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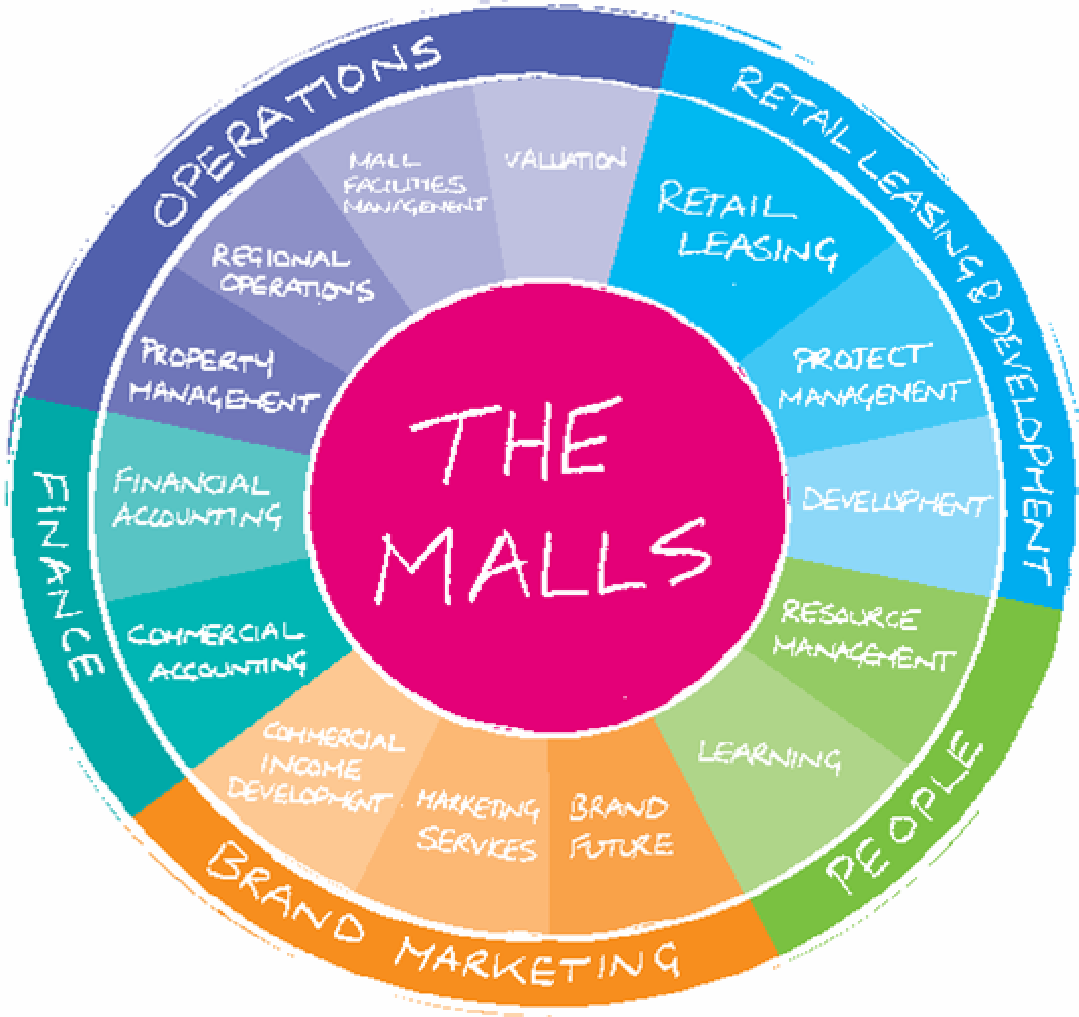




6 OCTOBER 2008



COULD DO BETTER!!!!



Service Charge – Case 1

QUESTION

Can you advise whether the offices are lettable space or when the RV was deleted?

ANSWER

The offices do constitute lettable space but have been vacant for a number of years. They have a current RV but the service charge does not incur any maintenance costs....

REPLY

All lettable space must be included in the service charge calculations. We now have a dispute.

Service Charge – Case 1

RESPONSE

Please confirm which Lease clause(s) you are relying on?

ANSWER

The Tenants proportion shall be that proportion which the RV of the premises bears to the aggregate RV...

REPLY

Noted. However, the definition of “The Centre” excludes the office block structure, access, repairs and maintenance. Therefore, the office block is excluded from the provision of services.

RESPONSE

I agree!

Lessons Learned

- Read the Lease
 - Equity of time / cost
 - The time gained for more worthwhile management matters
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QUESTION

My client doesn't contribute towards marketing and promotions which includes Christmas decorations.

ANSWER

Christmas decorations are not a marketing item.

REPLY

My client disputes this and will not pay.

LESSON

The Trafford Centre case

Management Fee – Case 3

QUESTION

My client's Lease states a Management Fee of 2.5%?

ANSWER

The Lease refers to an initial charge of 2.5%. The Lease was granted 37 years ago and therefore the current level in line with current market rates should be considered reasonable.

REPLY

We will pay 2.5%!

LESSON

Lease interpretation

Reasonableness

The Mall's Expectations

- Overriding responsibility to ensure all our tenants are treated fairly
 - Our approach is regarded as professional and caring
 - Come and talk to us – we won't bite!
 - To be treated with professional respect
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