

Negotiating a new lease for a regional HQ in Manchester.



SBM negotiated flexibility together with stability and cost savings totalling almost £100,000 to achieve a better-than-market outcome.

Our client's property scenario

Our client occupied a 3,000 sqft office space in Salford Quays, Manchester – a hub for its international operations.

The lease expired in March 2020 and our client wanted to remain in the building, with the option to occupy additional space in the future if required.

SBM was instructed to explore market alternatives, ensure minimal rent uplift, deliver in-built lease flexibility, secure the option of expansion space and liaise with a challenging landlord.

“Our client’s strong preference to remain in the existing building whilst having the flexibility to acquire expansion space was accomplished.”

Property challenges

- The existing lease was outside the Landlord and Tenant Act - creating a time pressure to secure a new lease before the existing terms expired.
- Our client would face a dilapidations’ claim estimated at more than £50,000 if it was to vacate the property.
- Our client’s requirement for additional expansion space on a flexible basis.
- The attempted imposition of the landlord’s Schedule of Condition on the additional expansion space.

Property solution

Market Research

Identifying alternatives and market prices.

Communication

Integration with our client’s management team – plus opening effective channels of communication with the landlord.

Creating a market

By showing a resolve to relocate, the landlord became more realistic in the proposed terms and as a result we were able to achieve a better-than-market outcome.

Result

✓ Continued occupation

SBM negotiated a lease renewal that secured our client’s uninterrupted occupation for a further five years, aligning with their corporate strategy of remaining in the locality due to the area’s rising prevalence within the media industry.

✓ Reduction in liabilities

SBM negotiated flexibility together with stability and a reduction in overall lease liabilities.

✓ Significant savings

SBM negotiated cost savings totalling almost £100,000 in the following areas:

- Achieving cumulatively 17 months’ rent free.
- Limiting future dilapidations liability by producing a formal Schedule of Condition.

SBM expertise applied



Research

Evaluated the local property market for similar sized alternatives in our client’s preferred location with specific plant requirements.



Building Surveying

A full dilapidations review was carried out and a formal Schedule of Condition was drawn up.



Negotiations

Using a qualified, experienced and market orientated team with a granular sense of detail.

