

# Bannon **Rent Review**





## Rent REVIEW

As a key lease event, a rent review usually occurs between the owner and occupier on the fifth year anniversary of the commencement of the lease and every five years thereafter.

However the commercial rental market is on the cusp of significant change. The true impact of Section 132 of the Land Conveyancing Reform Act 2009 is now impacting all reviews. This provision introduces the concept of open market rent reviews to all commercial lease agreements entered into after the 28th February 2010. Consequently the first relevant year for open market rent reviews to apply was 2015. Despite this, many rent reviews were not implemented in 2015 due to a period of recovery post recessionary years with rents being maintained at commencement levels. Therefore, introducing open market rent reviews and the impact of the Land & Conveyancing Law Reform Act of 2009, is only now coming to fruition.

In addition, in the current economic climate, rent review date itself has a material impact as the process may be viewed upon as pre-pandemic, during pandemic and post pandemic. In this context owners, investors and occupiers need highly skilled and experienced surveyors to guide them through the process.





## Why Bannon For Your Office Rent Review

Bannon is proud to be Ireland's largest domestically owned Commercial Property Consultancy. For us, the customer is the investor, the owner, the users of their buildings and the communities they support. We provide proactive, engagement driven property advice that centres around a fresh and customer centric approach.

Bannon is involved in numerous office rent reviews on behalf of owners and occupiers. We understand the nuances involved in office rent reviews.



The importance of determining the category of office i.e., is it Grade A space or of a different quality.



The specification of the building in relation to fit-out, mechanical systems and floor to ceiling heights.



The importance in the correct interpretation of wording within the rent review provisions of the lease, particularly having regard to; hypothetical terms, headline rents versus net rents and how comparable evidence is to be treated and the disregards thereto.

Rent reviews are now becoming more contentious due to an increase in comparable evidence and the subsequent upwards/downwards nature of the rent on review. Bannon provides tenacious negotiation, professionalism and the experience required to achieve the best result for our clients, be it from an owner or occupiers perspective.



## Here For You



### **Unrivalled technical skills and experience.**

Our people are heavy weight industry thought leaders with a depth of experience and a finger on the pulse of the Irish market. We work collaboratively across departments, matching clients' needs with skills from investment, agency, valuation, project management and consultancy property professionals.



### **We are not afraid of arbitration.**

Our experience and skills position us in a place of strength for negotiating and questioning. We have confidence to advise our clients on our true evidence-based opinion of the rental value.



**We know the market.** The Bannon office and research teams produce leading quarterly research, collating data and monitoring the Dublin office market. It offers accurate and current intelligence on take up, requirements, vacancy rates and development activity in the sector. Our quarterly reports are used as benchmarks for industry peers and media.



**For owners** we maintain and where possible, increase asset values, meeting client and fund expectations.



**For occupiers** we advise on the provisions of the rent review clause within the lease including negotiation of rent and when required regarding the lease.

# The Team

Leading the rent review service for the office sector are Des Byrne and Lucy Connolly.



## Des Byrne

Director | [dbyrne@bannon.ie](mailto:dbyrne@bannon.ie)

Des Byrne is recognised as one of the foremost property professional services experts in Ireland. He is the current chairman of Royal Institution of Chartered Surveyors Ireland, current council member of Society of Chartered Surveyors Ireland, former president of the Society of Chartered Surveyors and former Chairman General Practice Division, Society of Chartered Surveyors.

As an experienced arbitrator, Des specialises in rent reviews, court lease renewals, valuations and compulsory purchase orders. He has unrivalled experience in leases for major commercial assets of all types in Ireland from both a rent review and asset management viewpoint identifying lease factors affecting value. He understands deeply the nuances that exist in rent reviews.



## Lucy Connolly

Divisional Director | [lconnolly@bannon.ie](mailto:lconnolly@bannon.ie)

As head of the Bannon office team, Lucy has been at the forefront of some of Dublin's largest office design, development and transactions. High profile projects include ESB's Project Fitzwilliam HQ, Hibernia Reit's 2 Windmill Lane office project, Irish Life's development of Cahir House and Davitt House at Earlsfort Terrace and on daa's Dublin Airport Central.

Lucy has acted for a wide variety of private clients, investors and institutions in relation to office acquisitions, sales and lettings. Clients include Aviva, KBC, Bank of Ireland, Special Olympics, CEIST, RBK, ARI, Melcorpo Commercial Properties Limited and Dublin City Council. Lucy is the editor of the Bannon Office Review and Outlook produced quarterly.

Working together, Des and Lucy offer a combination of highly technical rent review skills and deep market insight and knowledge.

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