



Newsletter

Autumn 2014

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Fresson & Tee
CHARTERED SURVEYORS

Building Expertise
Since 1929

85 Years Young

2014 marks a milestone anniversary for Fresson & Tee, with the company currently celebrating its 85th anniversary.

Originally founded in Reigate by Ken Fresson in 1929, he was subsequently joined by 'Tee', as he was commonly known, in the 1950's. The practice has continued to grow and prosper, moving to London's Kings Cross in circa 1950 and re-forming as a limited company in 2008.

Demonstrating a typically professional and progressive attitude, Fresson & Tee has continued to be forward thinking, providing a holistic approach to property & construction matters, advising clients on a wide range of issues which are relevant to the ownership and occupation of real estate assets.

Eighty five years in the property industry has taught us is that the "market" is always going to have its highs and lows. Despite the irony of the market cooling during this year's mainly hot summer, we have nevertheless had several notable successes

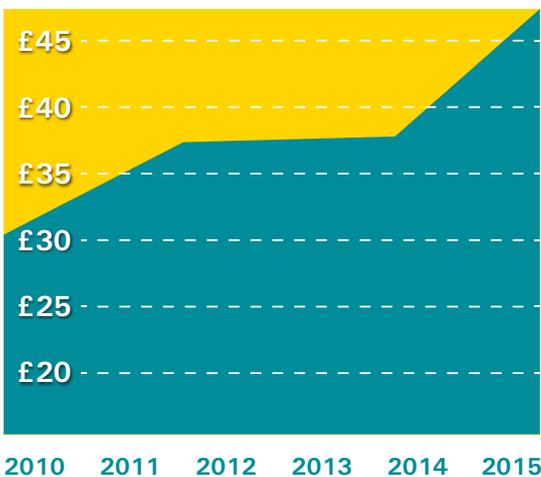


with properties that we've been involved with being disposed for at least the quoted prices, if not more.

Meanwhile, we continue to provide the same, professional service with high level personal attention that marked Fresson & Tee out right from the beginning. Coupled to the benefits of a lively, informative website and the 'chattering' of social media, we're

making very sure that we remain at the forefront of the industry, offering clients informed and experienced professional advice whether the property market is on a high or a low.

If you want to know more about us and the professional services that we offer, visit our website www.fandt.com or call on 020 7391 7100.



Rent Reviews Return

After several years of lethargic rental growth, rent reviews have been making a comeback. Due to significant rental increases over the past six months, rents have doubled for some businesses, overtaking rental levels last seen in 2007.

At both ends of the rental spectrum, companies are being forced to re-think their lease positions and company locations.

A charitable organisation that Fresson & Tee re-located three years ago, has a lease renewal on the horizon in March 2015. The rent looks likely to double from £20 per sq. ft rent to almost £40 per sq ft,

with Fresson & Tee ready to re-locate them once again if renewal negotiations are unsuccessful.

Other examples of spiralling rents include a sub lease on a new Argent building within St Pancras Square, which is asking £70 per sq ft – which was the preserve of St James' and Mayfair as recently as the last 12 months. Expect to pay in the region of £120 per sq. ft for St. James' now!

"With rents rocketing to almost unprecedented

levels, rent reviews, which had been pretty moribund over recent years, have kicked back in with vengeance", explains David Shapiro.

Most rent reviews are hangovers from previous cycles when leases were generally longer. Many recent leases are devoid of rent reviews as they are much shorter.

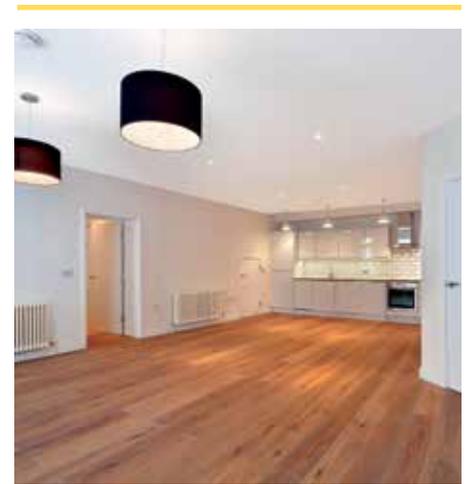
Market forces may have driven down lease lengths, perhaps making it more advantageous to tenants, but the knock on effect is that the rent is reviewed more frequently. In a rising market such as now, frequent reviews could cause problems to long term profitability, unless of course you are a landlord!

It Pays To Be Diligent

Two of London's top architecture and design companies have recently benefitted from the geographical knowledge and local connections of Fresson & Tee. The company has been instrumental in acquiring studio space for Thomas Heatherwick and Squire and Partners.

Fresson & Tee had standing instructions from both organisations to track and monitor the market for studio space in the area, resulting in two successes within weeks of each other.





Being Old School Can Be A Risky Business

While it's easy to think that if you work in the property sector, you can handle your own rent negotiations, it remains a risky business, as both landlords and tenants have found to their cost. "It's important to get the right lease terms and advice at outset, whether you are a landlord or a tenant. But even if you are an experienced landlord or tenant, things can still go wrong," highlights F&T's Anthony Tappy-Day.

A landlord client of Fresson & Tee agreed to give one of its tenants a two year rental concession when it struggled in the recent recession. The concession, which expired earlier this year, was informally gifted to the tenant with the

understanding that the rent would then be reviewed to either the higher of the pre concession rent or open market rental value.

The gentlemen's agreement was sealed the old fashioned way, over a handshake and a few e-mails which failed to unequivocally specify the facts.

Inevitably, over the short passage of time, the landlord and tenant's recollection over what was agreed differed with a dispute arising. Faced with a potential court case to resolve the matter, both parties turned to their respective surveyors to try and resolve the technicalities of the dispute.

With Fresson & Tee representing the landlord in this instance, after several months of negotiations, the dispute was resolved to a mutually acceptable position...

Money Well Spent

...But tenants, as well as landlords, frequently come to grief over leasing arrangements. One Fresson & Tee tenant regretted that he didn't take professional advice when he made an error under the Landlord and Tenant Act by failing to follow statutory timetables, thereby missing his statutory opportunity to renew his lease. The tenant was forced to agree to unfavourable new lease terms or vacate the property.

Of course there is a cost involved to taking professional advice, but it can save a huge amount of money in the longer term.

To paraphrase a great Yorkshire quote, "Buy cheap, buy twice", but with property, it could be thrice or more, depending on the length of the lease.



Chinatown Conversion

On behalf of Shaftesbury Chinatown Ltd, Fresson & Tee's Architecture and Building Consultancy recently completed the contract administration of the conversion of 4 floors of offices to 7 highly specified flats at 18 Rupert Street.

Part of an ongoing and larger scale construction project including the remodelling and linking of ground floor commercial units in adjoining buildings, the flats were finished within time and budget and are now occupied by tenants.

Fresson & Tee's Architecture and Building Consultancy provides advice to clients on construction and refurbishment, dilapidations and party wall advice. Call Robert Say, Neil Panton or Colin Martin on 020 7391 7100 if you wish to discuss a refurbishment project.



Project Managed And Completed

Fresson & Tee Associate Farkid Mia, who joined the company almost 3 years ago, recently completed a Project Management course, encapsulating his years of project management experience with a formal qualification. "Project management runs across all disciplines at Fresson & Tee as we aim to ensure jobs are dealt with on time, within budget and of appropriate quality," states Farkid.

News In Brief

Advised by Fresson & Tee, award winning architects, Squire and Partners has acquired a self contained former Victorian warehouse building with the majority of its accommodation arranged over ground floor. The characterful 3,000 sq. ft building was leased on a 5 year term and is nearby their headquarters building.

On behalf of Rapport WW, a subsidiary of global media giant, Inter Public Group, Fresson & Tee has sub leased the part 4th floor of The Place, 175 High Holborn. A modern office building, located a few minutes from Covent Garden, the contemporary 700 sq. ft. suite was sub let on a 3 year lease term with a mutual break clause after 2 years and at the asking rent of £49,500 PA.

Heatherwick Studio has acquired further accommodation in King's Cross. Advised by Fresson & Tee, the globally renowned designer leased a floor of offices close to its other nearby studios. A 5 year lease with regular break clauses was negotiated at a rental figure close to the £45 per sq. ft asking rent.

10 REASONS WHY YOU SHOULD CONTACT FRESSON & TEE:

1. Purchases and sales
2. Leasing
3. Property management
4. Design
5. Building conservation
6. Party walls
7. Project management
8. Rent reviews and lease renewals
9. Dilapidations
10. Ten decades in business, ten decades of experience

Featured Properties



Office to let

Part 7th floor, Lincoln House, 300 High Holborn

1,070 sq. ft. £47.50 per sq. ft. Offered on a sub lease to expire in November 2017. Modern office premises with perimeter trunking, air conditioning, bicycle parking, communal showers, close to Chancery Lane and Holborn Stations.



Office to let

1 Brandon Road, London N7

1,071 sq. ft.-3,833 sq. ft. £22.50 per sq. ft. A former warehouse building that was completely refurbished approx. 5 years ago. Available by the floor or in its entirety. Striking appearance, recently refurbished, comfort cooling, perimeter trunking on site car parking, great natural light, close to King's Cross.



Office for sale

Tankerton Works, 12 Argyle Walk, London WC1

2,962 sq. ft £2,500,000. Arranged over basement ground and first floors. A former Victorian stables that was refurbished and converted to offices approximately 10 years ago. Very close to the centre of King's Cross. Part tenanted, part vacant. Would suite an owner occupier or investor.

Find more properties
at www.fandt.com

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