

# The Society of Chartered Surveyors

## **CHARTERED SURVEYORS WELCOME REPORT ON TRANSPARENCY IN COMMERCIAL RENT REVIEWS**

### **SCS PRESIDENT CALLS FOR PUBLIC DATABASE TO BE ESTABLISHED IMMEDIATELY TO RECORD DETAILS OF COMMERCIAL LETTING AGREEMENTS AND RENT REVIEWS**

**Tuesday, 17<sup>th</sup> August 2010:** The President of the Society of Chartered Surveyors, Peter Stapleton has welcomed the recommendations of the Department of Justice Working Group on Transparency in Commercial Rent Reviews.

Since April 2009, the Society had been advocating the need for agreed solutions amongst all stakeholders who are involved in commercial property and who have been experiencing serious difficulties over the past 24 months, in particular within the retail sector.

Commenting specifically on the two main recommendations in the Report, Peter Stapleton said that the Rent Review Arbitration Code 2010 will be very beneficial to all involved in a rent review as it will ensure that all parties will have a better understanding of the procedures underlying the arbitration process itself. This code, coupled with the recent enactment of the 2010 Arbitration Act will ensure that the parties are clear as to the basis for an arbitrator's decision.

'It will go a long way towards restoring confidence in the outcome of rent review arbitrations which have for sometime suffered from an incorrect perception of bias towards the landlord. The Department of Justice Working Group enabled an airing of views amongst all industry representatives which has created a better understanding of the pressures being experienced on all sides' Stapleton said.

Stapleton confirmed that the Society of Chartered Surveyors, in its capacity as the primary appointer of arbitrators in rent review disputes, will be calling on its members to adhere to the Code.

In relation to the recommendation to establish a public database to maintain details on commercial letting agreements and rent reviews, Stapleton said; 'the Society of Chartered Surveyors had been advocating for maximum transparency in the commercial property market and in this regard welcomed the intentions of the Minister to establish a national database where comprehensive and complete information on all transactions including the terms and conditions in a lease that may form part of the transaction.'

'It is imperative that work is undertaken immediately to establish such a database in order to ensure that there is an improvement in the flow of information in the commercial property market' The Society and its members will provide any assistance necessary to the Property Services Regulatory Authority to ensure that the database achieves its stated purpose' Stapleton concluded.

**ENDS**

**Further Information:**

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**Notes to Editor:**

The Society of Chartered Surveyors provides an important service to the resolution of commercial rent review disputes by maintaining a panel of highly qualified Chartered Surveyors who are trained Arbitrators and/or Independent Experts and can be appointed to resolve disputes. These Arbitrators and Independent Experts have the requisite relevant skills and experience to perform their functions to the highest standards. A minimum threshold of demonstrable and appropriate Continuing Professional Development over a five year period is necessary to maintain membership of the panel.