

Institutional Leases in the 21st Century by Chris Edwards and Paul Krendel

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This is a fascinating and unusual book; not so much a legal textbook as a recent history of the property industry, written in a most clear and readable style. It is a slim volume (only 184 pages) but each page is packed with information. The authors, Chris Edwards, a solicitor of more than 25 years' experience, and Paul Krendel, a surveyor of more than 30 years' experience, tell the story of the institutional lease and its evolution over the period during which they have been working in commercial property.

The first two pages give a good idea of what is to come, describing the changes to Croydon (as a typical representative of so many towns in this country) since the Second World War and the reasons for these, from the development of the uncovered shopping centre in the 1970s to the development of retail parks on the outskirts by the mid-1990s, and the role of the institutions in these changes. A short (and straight-forward) comparison of property as an investment in comparison with bonds and equities follows, and then there is a table comparing institutional lease provisions in 1983 with those in 2006. The first chapter ends with a summary of investment trends over the past 30 years. This first chapter alone should be compulsory reading for anyone working in the property industry, whether as a solicitor, a surveyor, or in some other capacity, as it explains so clearly and concisely why our towns are as they are and what changes have taken place in the property industry over the past 25 or 30 years.

The book then looks in more detail at each of the most important areas of an institutional lease, including repair, service charge, user, alterations, alienation, rent review and break clauses. Commonly used expressions, such as "FRI" and "clear rent", are clearly explained, and SDLT and Accounting Standards are also considered in the context of leases and lease developments. The only cases referred to by name are a small handful of landmark ones that

changed the face of the property industry: *Ravenseft v Davstone* (repair and inherent defects), *British Gas v Universities Superannuation Scheme* (rent review and the presumption of reality), two of the four "headline rent" cases of 1995 and *Canary Wharf v Telegraph Group* (the term of the hypothetical lease). Other cases are, however, referred to but not by name; a footnote giving the case name would have been helpful and would not have detracted from the readability of the book for the non-lawyer.

The book ends with a chapter entitled "From feudalism to consumerism?", which contains a fascinating collection of information on more recent developments, including serviced offices and flexible leasing, PFI and Trillium (including PRIME, STEPS and the "private sector PFI" transactions involving Sainsbury's and Abbey National), other corporate spin-offs (including Marks & Spencer), coverage of lease provisions in four countries within Continental Europe and in the United States, and UK REITs.

The only aspect of this book that I found disappointing is the fact that it is already out of date, despite only being published in October 2006. References are to the 2nd edn of *Service Charges in Commercial Property—a Guide to Good Practice*, rather than to the Code of Practice that has superseded it, and Ch.10 covers the 2002 Commercial Lease Code, not the new one. But this is a minor quibble. I wholeheartedly recommend this book to all property lawyers and surveyors, especially those who are just starting their careers and would like to know how (and why) standard leases and the property industry have evolved to the point that we have now reached. Those who, like me, remember the process of this evolution will enjoy a more nostalgic experience from reading the book.

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