

TCRC *Property Update*

Our TCRC *Property Updates* are intended to bring important property issues and current training programs seminars and events to your attention.

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Leasing Loopholes

The standard make-good clauses in most pre-prepared leases require the Tenant to reinstate the property to its condition "at the commencement of the Lease".....is that the start of the "original" Lease or the start of the "renewal" Lease?

"Can the Tenant leave its fit-out and is the Owner required to reinstate?"

As you know most Tenant works are carried out within the time period of the original Lease. So, can the Tenant leave its fit-out and is the Owner required to reinstate in this instance?

Savvy Tenants argue they are only required to bring the property back to the condition at the commencement of the renewal lease....and according to Tenant representatives they are winning the argument and walking away.

When preparing your next Lease documentation, pay particular attention to the make-good clause.



the
condition report
company

protecting your interests



Essential Services Register and Form 15

The Building Regulations 1994 require *the owner* of commercial premises to maintain essential services, safety equipment fittings and other safety measures.

...." can your agency be held accountable?"

If there is an outbreak of Legionnaires Disease or a fire at a property, can your agency be held accountable if essential services are not being maintained? Apparently yes.

The Regulations require *the owner* to keep all annual essential service reports, records of maintenance check, service and repair work records on the site for inspection by the Municipal Building Surveyor or Chief Officer.

Regulation 11.6 describes what the annual essential services report should contain and that the owner or agent of the owner is to sign the Form 15.

The requirements of *the owner* in these regulations would revert to the managing agent where an agent acts for the owner.

Is it time to start an in-house Essential Services Register?

The website of the **Victorian Building Commission** - www.buildingcommission.com.au - provides much more information and a list of what essential services are.



Upcoming Training, Seminars & Events

WorkSafe Victoria is conducting free workshops on bullying prevention. Visit www.workcover.vic.gov.au and navigate the site for further information.

The **REIV**, in conjunction with **Consumer Affairs Victoria**, is conducting free seminars on body corporate issues. Visit www.REIV.com.au and navigate the site for further information.

The Property Council of Australia is holding an Occupational Health and Safety briefing that will cover the changes of most importance to the property sector. Visit www.propertyoz.com.au navigate the site for further information.