



Commercial Rent Arrears

Commercial Rent Arrears Recovery (“CRAR”) As most people will now be aware, the landlord’s remedy of distress is no longer available. Instead, we have the commercial rent arrears recovery which replaced distress on 6th April 2014. This retains the fundamental process of seizing tenant’s goods where there are arrears, but there are now more restrictive conditions. First, CRAR is only available for pure commercial premises.

Therefore, if any part of the premises is used as a dwelling then this remedy is not available (if the premises are used for residential purposes in breach of the Lease terms then CRAR will be available).

The process may only be used to recover rent plus interest and VAT. Sums such as service charge, insurance rent, rates and any other sums charged under the Lease (even if they are expressed to be reserved as rent) are not recoverable under this process. The other major change is that at least seven clear days’ notice must be given to the tenant before any goods can be seized.

This does, of course, raise the concern that a tenant then has seven days to remove goods from the premises prior to the Enforcement Agent being able to visit the premises and claim them. Finally, it should be noted that only a properly certified Enforcement Agent can take control of the goods and the goods that can be seized must belong to the debtor and exclude any items necessary for the debtor’s personal business or study use up to an aggregate value of £1,350.

Further Help & Advice

Lewes

Trinity House, School Hill,
Lewes, Sussex, BN7 2NN

Tel +44 (0)1273 480616

Fax +44 (0)1273 480618

DX 3100 Lewes1

Email lewes@adamsandremers.com

London

Comonwealth House,
55-58 Pall Mall, London, SW1Y 5JH

Tel +44 (0)20 7024 3600

Fax +44 (0)20 7839 5244

DX 140545 Piccadilly 5

Email london@adamsandremers.com