Commercial Rent Arrears Collection (CRAR)

Trusted, effective and professional commercial rent collection services for landlords.

Looking for assistance to help obtain commercial rent which is rightfully owed?

Ingram Associates undertake the collection of <u>commercial rent arrears</u> on behalf of landlords to ensure a fast, peaceful and successful outcome.

We act promptly and keep our clients updated on our progress on a regular basis. Strict guidelines of the court are followed at all times and fees paid by the debtor are charged in accordance with statutory regulations.



What is CRAR and how does it work?

CRAR, commercial rent arrears recovery, is the method of collecting commercial rent arrears without the necessity of instigating litigation or court proceedings and does not require the involvement of solicitors, although solicitors are very often instructed in the first instance by commercial landlords.

The collection process:

The collection process commences with the bailiff/enforcement officer/company sending a Notice of Enforcement which is a demand for the outstanding sums. This is sent at least seven days prior to the enforcement officer/bailiff visiting the commercial premises. The cost of this demand, together with all other fees are met by the tenant, although in the event of the tenant failing to make any payments, the cost of issuing the Notice of Enforcement is to be met by the landlord.

The payment options offered:

If when the enforcement officer attends the premises to collect the outstanding amount in full, the tenant is unable to pay, the enforcement officer will take control of the goods that are there and at his discretion, and that of the landlord, enter into a payment agreement plan.

Removal of goods:

If either the outstanding sums are not paid in full at the time of the visit, or in accordance with a subsequent agreement, the landlord is then permitted to instruct the enforcement officer to remove any goods within the premises for them to be sold to recover the outstanding arrears.

This is a straight forward method for the collection of commercial rent which, if it fails due to the financial weakness of the tenant, and in the case that any of the goods and chattels within the premises having little or no commercial value, we are very often instructed to forfeit the lease.

What can be seized during CRAR?

When it comes to commercial rent collection recovery, it is important to fully understand what can and cannot be seized. Goods owned by your commercial tenant can be seized, however, if these belongings are owned by a sub-tenant or third party, they can not be removed or seized. It is also important to note that specific tools of the tenant's trade are also exempt from CRAR up to a value of £1,350 – if costs go beyond this figure, CRAR will apply as per usual.



What is required for CRAR?

CRAR must be carried out by a certificated enforcement agent.

CRAR can only be used to recover principal rent and cannot be used to recover insurance premiums or service charges.

CRAR can only be used on premises which are commercial in use and cannot be used for mixed use leases.

Need help with commercial rent collection recovery?

Our years of experience have enabled us to build a dependable network of bailiffs/enforcement agents to ensure a prompt and reliable first class service each and every time.

If negotiations have broken down between you and a tenant, do not hesitate to telephone Ingram Associates to discuss your CRAR matter in more detail on 020 70732610 or 01865 301779.