

Which Type of Office Agreement?

Choosing your office space is an important decision and we would like to assist you make the right choice. In our experience, office providers do not offer exactly the same facilities, features and services. To assist you in your decision, we have listed below the main features should influence your evaluation, but first, a quick explanation.

Leased Offices. Leases are often very complicated documents requiring a solicitor to interpret. There are many good factors with taking on leased premises, especially if you want to be assured that the premises are available to you for a long period. Typically, leases can be up to 12 years or longer, but market conditions are forcing many landlords to agree shorter leases. Landlords usually require a personal guarantee meaning that you can't just walk away from your commitment if things take a downward turn.

Serviced Offices. These are sometimes also referred to as managed office space and come in many disguises. Other distinctions might include the term 'fully serviced'. There is no real definition of a serviced office, and you should check carefully what is and what isn't included in the price. Also, business centres vary considerably and some services are simply not offered. Further, some landlords who traditionally offer leased offices are re-styling themselves as serviced office providers; but most of these still require commitment to a lease, albeit usually a short one.

The following table lists typical main features. This is not definitive as one size doesn't fit all, but we believe it is representative. Take a look at our costs comparison model for a full breakdown on what costs you could expect.

Feature	Leased	Typical Serviced	Orion
Agreement type	Lease	Licence	Licence
Term	Years	1-3 months	3 months
Dilapidations liability	✓	✗	✗
Personal guarantee required	✓	✗	✗
Deposit required	✗	✓	✓
Solicitors fees liability	✓	✗	✗
Business rates	✗	?	✓
Utilities	✗	?	✓
Service charge	✓	✗	✗
Furniture	✗	?	✓
Telephone line	✗	✗	✓
Reception services	✗	?	✓
Meeting room	?	?	✓
Maintenance	✗	✓	✓
Cleaning	✗	?	✓
Complimentary beverages	✗	?	✓

✓ included in the agreement.

✗ not included in the agreement, or not applicable.

? additional charges can apply, the service might not be available or the feature varies.