



# PLaN presentation Tenants vs Landlords

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# Statutory background

- Corporate Voluntary Arrangement (CVA)
- Administrations



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# The position of the landlord

- As a creditor
- Security



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# Example of CVAs

- Stylo
- Company Voluntary Arrangement proposed in February 2009, for all creditors including landlords
- The landlords were asked to accept 3% of shop turnover for three months increasing to 7% for the remaining 11 months of the CVA against all rent arrears.
- What happened? The landlords voted it down.



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# Example of CVAs

- JJB
- Landlords of closed stores able to claim from a fixed pot of £10 million
- The continuing stores agree to monthly rent payments
- What happened? This was accepted by the creditors



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# Conclusion

- Each case must be looked at in its own merits
- Landlords must consider:

Likelihood that the CVA will work even if agreed

Likelihood of a long term void and consequences



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