

Things to know before that new office lease is signed

Signing a new lease agreement is one of the very best times for landlords and tenants to work together to save money, improve energy efficiency and ensure people are comfortable.

A NABERS Energy rating is compulsory whenever an office building larger than 1,000 square meters is being sold or leased. This measures the efficiency of the building and allows prospective buyers and tenants to understand how energy consumption in the building compares against the sector average.

There are three kinds of office ratings:

- **A base building rating:** taking into account central services like heating and cooling systems, and lifts and lobby lighting
- **A tenancy rating:** rating just the space an individual tenant uses, and factoring in the number of occupants and the hours the space is used
- **A whole building rating:** combining both the base building rating and the tenancy rating in one rating, usually because the building has only one tenant.

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Who is responsible for what?

Landlords pay for 'back of house' services and invoice tenants for these:

- air-conditioning and heating
- toilets
- lifts and elevators
- foyers
- corridors
- lighting (shared spaces)
- emergency lighting and systems
- roofing
- anything structural or external, for example, roofing or shading

Tenants pay for anything they install or use:

- lighting
- server
- ICT equipment
- data centres
- supplementary air conditioning or heating systems, such as for meeting rooms
- internal shading, curtains and blinds

Tenants pay for an agreed share of 'back of house services' which is specified in their lease agreement.



A better NABERS energy rating is better for landlords

A good landlord ensures building services are efficient to minimise tenants' energy use and costs. In doing so, they will achieve a higher NABERS Energy rating for their building, increasing the value of their investment, and attracting more interest from tenants.

Advice for tenants

Smart tenants know that signing or renewing a lease is the best time to reduce their future energy costs. Many people automatically look at a building's natural light and what the temperature is like. It's also important to consider the building's NABERS Energy rating and make sure you ask about how the metering works, so you're not overcharged for things you don't - or hardly - use.

To save costs, NABERS has an application process that allows tenancies to be rated alongside the Base Building of your building. This process is called Co-Assess. The easiest way to get your tenancy rated is to contact your building manager and ask to participate in a Co-Assess NABERS application. Find out more [here](#).

Over the past ten years, NABERS customers have saved an average of 30-40% on their energy

By working together, landlords and tenants can save money, gain a competitive advantage and achieve their sustainability goals.

For more information go to:
nabers.gov.au/about/what-nabers