

## **BASE (DATE) YEAR**

**When comparing rents, adjustment should be made for different base years for the recovery of outgoings. It may be found that most comparable rents are at a certain base year. Therefore, a comparable rent with a different base year will require adjustment for comparison purposes. It is the date specified in a *net rent* where some datum is required for the estimation of recoverable outgoings.**

### **EXAMPLE**

**The lease agreement requires the tenant to pay the increase in outgoings from the base year. The base date is generally the commencing date and used to increase rents tied to some index (for example the CPI) or to increase recoverable outgoings (those outgoings paid by the tenant). In a complex rental schedule, base rents will vary with some leases providing for an updated base year for new market rents/outgoings or the determination of new market rents/outgoings with the old base year.**