

What Office Tenants Should Be Thinking About When Building Ownership Changes Hands or Enters Receivership

Changes in building ownership—or the appointment of a receiver—can create uncertainty for office tenants. While these transitions often happen behind the scenes, they can have real and immediate implications for lease obligations, building operations, and long-term occupancy strategy. This is precisely the moment when tenants should pause, assess, and ensure they have the right representation working solely in their best interest.

Understanding What Changes—and What Doesn't

When a property is sold or placed into receivership, tenants are often told that “nothing changes.” While it is true that most leases remain legally binding, the practical reality can be more complex. New ownership or a court-appointed receiver may interpret lease provisions differently, prioritize cost controls, or alter operational standards in ways that affect tenant experience.

Tenants should take time to review:

- Lease language related to ownership changes, assignment, and subordination/non disturbance
- Operating expense structures and how they may shift under new management
- Service levels, capital improvement plans, and maintenance priorities
- Any pending negotiations, concessions, or informal agreements with prior ownership

What was once a cooperative relationship can quickly become transactional, especially in a distressed asset scenario.

Receivership Creates a Different Set of Risks

When a building enters receivership, the receiver's primary responsibility is to protect the asset and satisfy lenders—not to accommodate tenant needs or long-term occupancy goals. This can lead to:

- Tighter enforcement of lease terms
- Reduced flexibility on renewals, expansions, or early terminations
- Deferred maintenance or paused capital projects
- Limited authority to negotiate beyond existing lease language

For tenants, this is not the time to rely on assumptions or past practices. It is a time for clarity, documentation, and strategic positioning.

Why Conflict-Free Tenant Representation Matters

In moments of ownership transition or financial distress, who represents you matters more than ever. Many brokerage firms represent both landlords and tenants, which can create inherent conflicts—particularly when a building is being sold, restructured, or stabilized.

Working with a conflict-free tenant representative ensures:

- Advice that is solely aligned with the tenant's interests
- Objective analysis of lease exposure, risks, and opportunities
- Strategic guidance that is not influenced by ownership relationships
- Strong advocacy during renewals, restructurings, or exit planning

At CBIZ Gibraltar, tenant representation is our exclusive focus. We do not represent landlords, which allows us to provide unbiased guidance during periods when tenants need it most.

A Strategic Moment—Not Just a Disruption

While ownership changes can feel disruptive, they can also present opportunities. New ownership may be open to renegotiation, lease restructuring, or repositioning the asset in ways that benefit tenants—particularly those who are informed, prepared, and well-represented.

Tenants should consider:

- Whether their current space still aligns with business needs
- How market conditions compare to existing lease terms
- Opportunities to improve flexibility, reduce risk, or plan for future growth
- Timing leverage created by uncertainty or vacancy concerns

With the right advisor, these transitions can become a strategic inflection point rather than a liability.

Final Thoughts

Building ownership changes and receiverships are not just legal or financial events—they are moments that can materially affect a tenant's cost structure, flexibility, and workplace experience. Tenants who remain passive during these transitions often find themselves reacting rather than leading.

Engaging a conflict-free tenant representative allows organizations to navigate uncertainty with confidence, protect their interests, and make informed real estate decisions—especially when the ground beneath them is shifting.



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