



NEWSLETTER
AUTUMN 2026

Real Insight

A regular email from Jones Day's UK Real Estate team.

INTRODUCTION

Welcome to the Autumn 2026 edition of *Real Insight*, our UK real estate update.

In real estate funds, we look at the growing trend of investors purchasing stakes in property manager businesses, whilst our energy and infrastructure team summarise key themes arising from our recent powered land event. In real estate finance, we review the interesting judgment in the Brussels Finance Tower case and how it may influence the drafting and use of cash trap clauses in loan documents. We explore the lessons learned to date from case law on the "just and equitable" test for associate liability for the remediation of defective buildings, and we explain the forthcoming landlord and rented property database under the Renters' Rights Act. Our construction team report on the Construction and Infrastructure European Leadership Summit, before we finish by delving into planning, with a look at the first draft Environmental Delivery Plan to be published by Natural England.

We hope that you enjoy this edition.

REAL ESTATE FUNDS



General Partner Stakes in UK Real Estate: From Niche Play to Strategic Imperative

Mark Davies explains the trend in investment in real estate general partnerships, the different type of deal structures that are encountered and some of the important factors that investors and managers will need to consider in striking a deal.

[Read our related *Commentary* >>](#)

ENERGY AND INFRASTRUCTURE

Powered Land Event

On 30 September, we held a round table event about powered land which was attended by leading experts in the energy and infrastructure fields.



Chaired by [Michelle Davies](#) and titled "Full Circle: How Energy Resilience is Driving New Opportunities", the session looked at the commercial imperatives which are driving large-scale consumers of power such as heavy industry and data centres to use local "behind the meter" or "private wire" electricity supplies that are not connected to the main electricity grid. Security of supply, certainty of price for end users and delays in grid connection are all playing a role (see the [Commentary](#) by our Energy team which explains this in greater depth). The consensus was that this trend is likely to continue, and end users will often look to a hybrid approach of both on- and off-grid electricity supplies where they can.

[Brian Sedlak](#) moderated a discussion on the different approaches which are being taken in various countries to enable intensive energy uses and the lessons that can be learned from them. In the final part of the session, [Martin Stewart-Smith](#) and [Kirsty Rogerson](#) discussed some key considerations, such as how the availability and timing of power connections is increasingly driving site selection, deal structuring and value, with grid capacity now often treated as a key asset in its own right.

REAL ESTATE FINANCE



The Finance Tower Judgment: Property Valuations Under the Microscope

A judgment handed down by the English High Court on 8 September 2026 deserves the attention of real estate lenders and borrowers whose facility documents contain valuation-based triggers, writes [Ricardo Oliveira](#).

The owner of the Finance Tower in Brussels—acquired in 2020 with approximately €724 million of debt from a consortium of institutional lenders—alleged that the lenders had procured a valuation that did not reflect

the building's true value in order to trigger a cash trap event under the loan agreement, diverting rental income away from the owner. The valuer's €920 million figure fell below the relevant cash trap threshold, and earlier valuations from other firms had come in above €1 billion.

The court dismissed the claim. It accepted that the lenders expected, and wanted, a valuation at or below the cash trap threshold, and that the valuer probably appreciated this, but held that wanting a particular outcome is not the same as bringing it about improperly. The valuer's work was open to criticism, and the judge said so in pointed terms, but there was no impropriety or actual bias, and an imperfect valuation remained a valuation within the contractual definition. Apparent bias, the court held, is not enough, and the court was not satisfied that the valuer was improperly instructed or pressured, breached the standards and principles from the Red Book, or lost its independence.

The result is reassuring for lenders: market-standard valuation mechanics held, and the bar for a borrower to displace a valuation on these grounds is high. Yet the judgment also contains observations that lenders and borrowers should not overlook. The judge remarked that a process built around a single valuer, instructed by one side only, with unequal access for the other and serious consequences attached, may in practice erode confidence in the valuation process, and that there may be weaknesses in what the parties agreed. He also noted the vulnerability of mechanics that turn on the pinpoint of a single figure when valuation is, in truth, a matter of range.

Borrowers have long pushed for changes to standard valuation clauses—for example, on valuer selection, instruction protocols, information flows and dispute mechanics—with limited success. Those asks are not new, but they now carry a judicial footnote. Requests for parity of access to the valuer, adequate time to comment on drafts and express independence requirements could be expected to resurface.

Lenders, for their part, have their own reason to potentially review process: the facts here—a truncated Q&A, drafts shared with one side weeks before the other, a valuer aware of the threshold—were found to be on the right side of the line, but not by a wide margin. Prescriptive, documented procedures that both sides can point to as having been followed may protect lenders as much as borrowers. Cash trap and cure mechanics may also attract renewed attention, in particular the position pending resolution of a disputed valuation, which is better addressed expressly than left to litigation.

BUILDING DEFECTS REMEDIATION

The Just and Equitable Test: Where Are We Now?

Lendlease's recently reported near £100 million building liability order claim against Berkeley Group, alleging that Berkeley should share in the liability for defects because of its former ownership and control of the original developer Crosby, provides a fresh reminder of how far the net can now be cast in claims issued under the Building Safety Act 2022 ("BSA"). Whether the claim succeeds will likely turn on the application of the "just and equitable" test against Berkeley.



[Alexandra Davies](#) discusses the latest emerging trends in the application of the just and equitable test in the context of building liability orders and remediation contribution orders.

The associate provisions of the BSA allow for remediation contribution orders ("RCOs") and building liability orders ("BLOs")—orders requiring developers and owners to contribute to or bear the cost of remedying building defects—to be made against entities *associated* with the developer and/or landlord. Associates are not automatically liable under the BSA, which requires the court/tribunal to be satisfied that it would be "just and equitable" to impose liability on an associate.

Thanks to the absence of any statutory guidance in the base legislation as to how this test should be applied, the industry has been collectively grappling with the practical application of this test ever since. While still a moving feast, key themes are emerging from the growing body of caselaw in the last 18 months:

- **Follow the Money.** Financial connections between a developer and its associates carry significant weight. In *Triathlon Homes LLP v Stratford Village Development Partnership & Ors*, the developer's financial dependence on its parent was a decisive factor. In *Grey v Edgewater (St George Wharf) Ltd*, the tribunal focused on the common controllers' practice of moving funds between 76 respondent entities.
- **No Fault Required.** There is no need to show wrongdoing by the associate, nor any requirement for there to have been direct involvement in the development concerned.
- **No Benefit Required.** An associate need not have derived any commercial benefit from the development for an order to be just and equitable, although any such benefit may be taken into account.
- **Brand and Identity Matter.** Use of the developer's brand by an associate has been treated as a relevant linking factor (*Grey v Edgewater*).
- **External Investors May Get Protection.** In *Grey v Edgewater*, associates in which external parties held more than 50% of the shares were not subject to an RCO—suggesting the tribunal will have regard to the interests of third-party investors.
- **Change of Ownership Is No Defence.** A subsequent change in the ultimate beneficial ownership of a developer or associate does not affect the analysis—when the current owners acquired the entity, they

acquired its liabilities, including latent ones (*Triathlon Homes*).

- **Policy-Driven Approach.** The tribunal applies the BSA in line with its overarching policy objective: Developers and building owners bear the cost of remediation first, so that individual leaseholders and the public purse are protected.

The Lendlease/Berkeley dispute will be one to watch, not least to see whether the trends above are followed or departed from. For further information on BLOs and RCOs please refer to our [BSA guide](#).

RESIDENTIAL LETTINGS

Renters' Rights Act: The New Landlord and Property Database

Just when you thought you had a breather from it, the Renters' Rights Act 2025 is making another big change to residential lettings, this time with the introduction of a database for landlords and properties. [Richard Adams](#) provides a summary of the new system.

The Act requires landlords of assured residential tenancies in England to register both themselves and each of their properties on a new database. On 9 September 2026, the government published its plan to roll out this new service (now referred to as the "Register Your Rental Property" service). The database will go live on a phased, regional basis (based on the location of the relevant property):

Region	Date regulations commence	Deadline to register
West Midlands	15 December 2026	14 March 2027
East of England	15 January 2027	14 April 2027
East Midlands	15 February 2027	14 May 2027
South East	15 March 2027	14 June 2027
Yorkshire & Humber	15 April 2027	14 July 2027
North West	15 May 2027	14 August 2027
North East	15 June 2027	14 September 2027
London	15 July 2027	14 October 2027
South West	15 August 2027	14 November 2027

The registration fee is £65 per lettable property, and landlords will need to renew their registrations each year for each property and pay the £65 fee on each renewal.

Landlords will need to register themselves on the database to obtain a "Landlord Registration Number". Landlords that are limited companies will need to provide the name, type of legal entity and contact details of their organization, their Companies House registration number and certain other information. Once they have a Landlord Registration Number, landlords will need to obtain a separate "Property Registration Number" for each of their properties, and they will need to do this by the deadline set for the relevant region. The information needed to obtain the Property Registration Number includes the address and postcode of the property, the type of property (e.g. house or flat) and the type of ownership, details of any relevant property licensing (e.g. selective licensing, HMO licensing) that applies, the number of occupants and households living in the property, the number of bedrooms, the rent payable and health and safety information.

An active Landlord Registration Number and Property Registration Number will be required to lawfully market

and let a property. Letting agents and landlords will need to include registration numbers on adverts.

There are significant sanctions for failure to adhere to the new rules, including civil fines, and a new criminal offence will apply if a person knowingly or recklessly provides information to the database which is false or misleading in a material respect.

If you would like to discuss how these changes may affect your business, please contact [Ryan Hill](#) or [Richard Adams](#).

CONSTRUCTION AND INFRASTRUCTURE



Construction and Infrastructure European Leadership Summit

Jones Day's London Office recently hosted the Construction and Infrastructure European Leadership Summit, bringing together senior figures from government, industry and investment to discuss the future of construction, infrastructure and energy across the United Kingdom and Europe.

Discussions covered some of the most pressing issues affecting the industry such as AI in megaprojects, the UK government's £800 billion infrastructure ambitions and raising capital amid uncertainty, and included notable speaker contributions from the Director-General of the CBI, Rain Newton-Smith, as well as Rt Hon Darren Jones MP.

We thank all our speakers, moderators and guests for making the summit such a success.

PLANNING

Making a Splash: The UK's First Draft Environmental Delivery Plan Divides Opinion

Under the Planning and Infrastructure Act 2025, the UK government and Natural England have published the first draft Environmental Delivery Plan for consultation, covering protected wetland habitats in Norfolk. As [Richard Adams](#) and [Will Land](#) report, the draft plan has divided opinion.

[Read our related Commentary >>](#)



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