

PROPERTY REPORT

**Unit in Business Park
Hertfordshire**



Marketing by:

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0800 298 5424

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INTRODUCTION

We have been instructed to prepare a Report and Schedule of Condition.

This Report is to be read in conjunction with the Schedule of Condition.

SYNOPSIS

SITUATION AND DESCRIPTION

This is an end unit within a small business park consisting of two box shaped separate buildings with nine occupiers in total (based upon the signage board as you enter the industrial estate).

The sale is for a 2,485 sq ft lock up unit ground floor and first floor facilities) and we assume it includes car parking and rights of access together with associated general costs and maintenance for the business park.

If the age of the property interests you your Legal Advisor may be able to find out more information from the Deeds.

SUMMARY OF CONSTRUCTION

MAIN BUILDING

External

Main Roof:	Not visible
Gutters and Downpipes:	Within fascia cladding
Soil and Vent Pipe:	Not visible, assumed internal
Walls:	Cladding panels at high level Brickwork to low level
External Detailing:	Glazed entrance door with glazed panels surrounding with roller shutter security. Main workshop door with roller shutter security.

Internal

Ceilings:	Office area – suspended ceiling system Workshop area – underside of cladding
Walls	Blockwork where visible
Floors: Ground Floor:	Concrete (assumed)
First Floor:	Joist and beams and timber (assumed)

Services

We assume that the property has a mains water supply, drainage, electricity and is heated via an unvented water heater located under the stairs. We believe there is an air handling unit. Please note we have carried out a visual inspection only of the services, no testing has been carried out.

The above terms are explained in full in the main body of the Report. We have used the term 'assumed' as we have not opened up the structure.

EXTERNAL PHOTOGRAPHS



FACILITIES

Ground Floor

- Entrance lobby
- Workshop area
- Internal toilets
- High level store
- Low level store

First Floor

- Straight run of stair access
- Internal toilet
- Open plan office area
- Meeting room/office to rear corner (windowless)

Outside Areas

- Car park to front

Shared Facilities

- Access to the unit

REPORT FORMAT AND INFORMATION

To help you understand our Report we utilise various techniques and different styles and types of text, these are as follows:

PHOTOGRAPHS



We utilise photographs and sketches to illustrate issues or features. In some photographs a pencil has been used to highlight a specific area.

ACTION REQUIRED AND RECOMMENDATIONS

We have used the term **ACTION REQUIRED** where we believe that there are items that you should carry out action upon or negotiate upon prior to purchasing the property.

Where a problem is identified, we will do our best to offer a solution. However, with most building issues, there are usually many ways to resolve them dependent upon cost, time available and the length of time you wish the repair/replacement to last.

MARKET VALUE

We have not been asked to comment upon the market value in this instance. We have not seen copies of the trading figures or the accounts.

EVERY BUSINESS TRANSACTION HAS A RISK

Every business transaction has a risk, only you can assess whether that risk is acceptable to you and your circumstances.

AGENT / BUSINESS DEVELOPMENT MANAGER – FRIEND OR FOE?

It is important to remember that the agents are acting for their client and not the purchaser. We, as your employed Independent Chartered Surveyor, represent your interests only.

SOLICITOR/LEGAL ADVISOR

To carry out your legal work you can use a solicitor or a legal advisor. We have used both terms within the report.

TERMS OF ENGAGEMENT/LIMITATIONS

This report is being carried out under our terms of engagement, as agreed to and signed by you. If you have not seen and signed a copy of our terms of engagement please phone immediately.

OUR AIM IS ONE HUNDRED PERCENT SATISFACTION

Our aim is for you to be completely happy with the service we provide, and we will try and help you in whatever way possible - just phone us.

EXECUTIVE SUMMARY

Summaries are dangerous as they try to précis often quite complex subjects into a few paragraphs. This is particularly so in a summary about someone's future business when we are trying to second-guess what their priorities are, so it is important the Report is read in full.

It is inevitable with a report on a building of this nature that some of the issues we have focussed in on you may dismiss as irrelevant and some of the areas that we have decided are part of the 'character' of this property you may think are very important. We have taken in the region of 200 photographs (a CD copy of all photographs is enclosed) during the course of this survey and many pages of notes, so if an issue has not been discussed that you are interested in or concerned about, please phone and talk to us before you purchase the property (or indeed commit to purchasing the property), as we will more than likely have noted it and be able to comment upon it. If we have not we will happily go back. Having said all of that, here are our comments:

When purchasing an industrial unit we believe there are several elements you need to consider, these are:

The Business

Only you can decide upon the true potential of the business and its value to you; although we do recommend taking independent advice on the value of the business and property.

The Property

There are many aspects to look at property-wise, both from its condition at the moment to how well it suits your business. As we are carrying out the survey at the moment we assume you have made a valued judgement on the latter.

You are currently reading the Property Report which is intended to advise you on the property element of the purchase. We will also provide you with a Schedule of Condition, which will enable you to have an at a glance look at the condition of the property.

We have divided the Executive Summary into 'The Good', 'The Bad' and 'The Ugly', to allow you to clarify and focus on exactly what the issues are.

The Good

Survey reports often are full of only the faults and general 'doom and gloom', so we thought we would start with some positive comments on the property!

- Modern metal frame structure with cladding panels.
- It appears to have adequate parking close by. We often find with business parks such as this there is a lack of parking.

The Bad

Problems / issues raised in the 'bad' section are usually solvable, but often need negotiation upon. However, a large number of them may sometimes put us off the property.

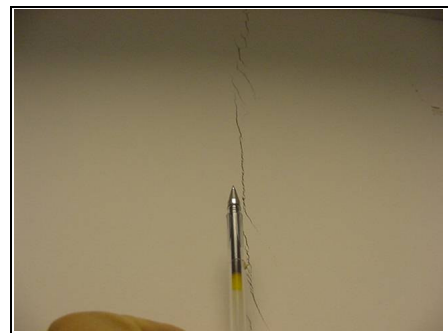
1) Movement/Settlement

Many buildings have initial settlement. It is establishing whether this settlement is movement and progressive which is difficult from a one-off inspection. To the rear of the property in the first floor there are signs of further settlement. The movement that we can see looks to be initial settlement however we would recommend the following:



Cracking requires further monitoring

ACTION REQUIRED: The existing owner should put in an insurance claim prior to you purchasing the property to limit your future liability. It is essential that this is carried out before you purchase the property so that you can then take over any insurance claim.



Signs of further settlement on first floor

2) Roof – Leaking/Deteriorating

We were unable to see the roof properly and the guttering detail which is unusual gutter detail due to the way it is formed within the roofing and furthermore we are not certain how easy it is to maintain which normally means that it isn't maintained.

We noted the staining to one of the ceiling panels within the office area. When we lifted this we noted above it a roof light.

ACTION REQUIRED: We would recommend that a roof inspection is carried out prior to purchasing the property which would ideally require a cherry picker over the top of the property.



Marked ceiling tile caused by leak from roof light



Leaking roof light

ANTICIPATED COST: In the region of £250 - £500; quotations required.

3) Leak below first floor toilet

We believe that there has been a leak either from a leaking wastepipe or condensation occurring to a supply pipe from the stained tiles we can see.

ACTION REQUIRED: Either way this is likely to be a minor issue that can be dealt with by day to day maintenance.

ANTICIPATED COST: A few hundred pounds; quotations required.

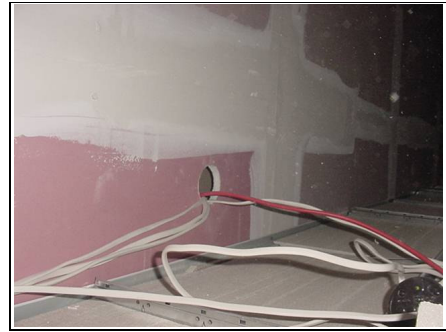


Stained ceiling tiles below first floor toilet

4) Holes in Fire Protection Wall to staircase

Ironically the fire protection wall for the staircase has been cut for the fire alarm system.

ACTION REQUIRED: The fire wall holes need filling with a fire resistance material.



ANTICIPATED COST: In the region of £500 - £1,000 due to the awkwardness of the work; quotations required.

One of two holes we noted that have been cut in the fire protection wall

5) External Areas

There are a few issues we would draw to your attention externally:

1. The cabling to the lighting wasn't buried as it should be to approximately half a metre.



Cabling to lighting not buried

2. We would also draw to your attention the masts to the rear that the jury is still out on as to whether these cause health issues.



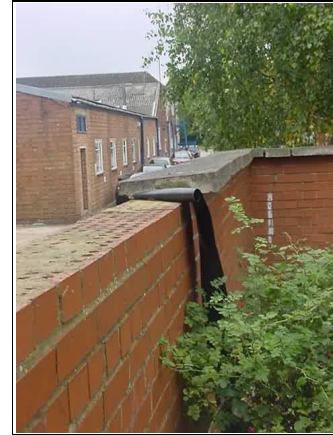
Radio mast close by

3. There is also an electrical generator as well which again the jury is still out on as to whether they cause health issues.



Electric generator close by

4. We would draw your attention to the boundary wall where the walls are deteriorating and the coping stone is missing in some instances.



Damage to boundary wall

SERVICES

6) Testing of Mechanical and Electrical Equipment

Not so much a bad thing but more of a request for further information and testing. Please note we have carried out a visual inspection only of the services, no testing has been carried out. Your legal advisor needs to confirm the arrangements for heating the property. The cost of mechanical and electrical services can sometimes be very high to repair.



Socket point loose

We noted that the socket point that we did the earth test on was loose at the time therefore some of the property may have suffered from general use and abuse although it has to be said that the electric services and electric cabling were concealed mainly within a skirting.

ACTION REQUIRED: We would recommend that a specialist is asked to test and confirm that all the mechanical and electrical equipment is working. The Institute of Electrical Engineers (IEE) recommends an NICEIC registered and approved electrical contractor carry out an inspection, test and report.

The Ugly

We normally put here things that we feel will be difficult to resolve and will need serious consideration.

There is nothing which we feel falls within this category however we do recommend the further investigation that we have identified.

Other Items

Moving on to more general information.

Maintenance

This type of property is relatively modern (i.e., less than one hundred years old) but nevertheless still requires ongoing maintenance and repair, for example we are concerned about the lack of access to the main roof. A budget for such work must be allowed to ensure it is maintained in a good condition. This will prevent undue and unnecessary deterioration.

ACTION REQUIRED: Request for further information, we would like to have details with regards to access to the roof and the guttering detail.

Estimates of Costs

Where we have offered an estimate of building costs please remember we are not experts in this area. We always recommend you obtain quotations for the large jobs before purchasing the property (preferably three quotes). The cost of building work has many variables such as the cost of labour. For unskilled labour we currently use between £75 and £100 per day (the higher costs in the city areas) and for tradesmen we use between £100 and £200 per day for an accredited, qualified, skilled tradesman. Other variations include the quality of materials used and how the work is carried out, for example off ladders or from scaffold.

If you obtain builders estimates that vary widely, we would advise the work is probably difficult or open to various interpretations and we would recommend a specification is prepared. It would probably be best to supervise the work if it is complex, both of which we can do if so required.

SUMMARY UPON REFLECTION

The Summary Upon Reflection is a second summary so to speak, which is carried out when we are doing the second or third draft a few days after the initial survey when we have had time to reflect upon our thoughts on the property. We would add the following in this instance:

Further investigation is required particularly with regard to the roof as this would be a high cost issue. We would be more than happy to return.

As a general comment for any work required we would always recommend that you obtain at least three quotations for any work from a qualified, time served tradesperson or a competent registered building contractor prior to legal completion.

If you so wish we can prepare specifications and obtain quotations for the work, whatever you do don't allow the agent to organise the quotes as he will utilise people he regularly uses who know they have to keep in with him/her to get further work and therefore are very keen to please the agent, as opposed to you the real client, and at the end of the day it doesn't take long to organise.

We would ask that you read this Property Report and the Schedule of Condition and contact us on any issues that you require further clarification on.

LIMITATIONS

As per our original Terms of Engagement, we would remind you specifically that:

We have not inspected parts of the structure that were covered, unexposed or inaccessible during our inspection. We therefore cannot confirm that such parts are free from defect, structural or otherwise.

We have not determined whether any hazardous materials such as high alumina cement, calcium chloride, asbestos etc have been used in the construction.

Our report is for the use of the party to whom it is addressed above and no responsibility is accepted under the Third Parties Act or for any third parties who use this report in whole or in part.

We have not carried out a comprehensive test of any electrical, mechanical or drainage services. We therefore cannot confirm that they are operational and in good condition. If you wish us to arrange tests please advise us.

We have not carried out or arranged for specialists to undertake any reports, for example an environmental report or an audit report upon the property. We are therefore unable to advise whether any contaminated or other adverse environmental issues affect the site.

If you would like any further advice on any of the issues discussed (or indeed any that have not been discussed!) then please do not hesitate to contact us on **0800 298 5424**.