

Example Pages taken from a Commercial Building Survey

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A three storey mid-terraced property

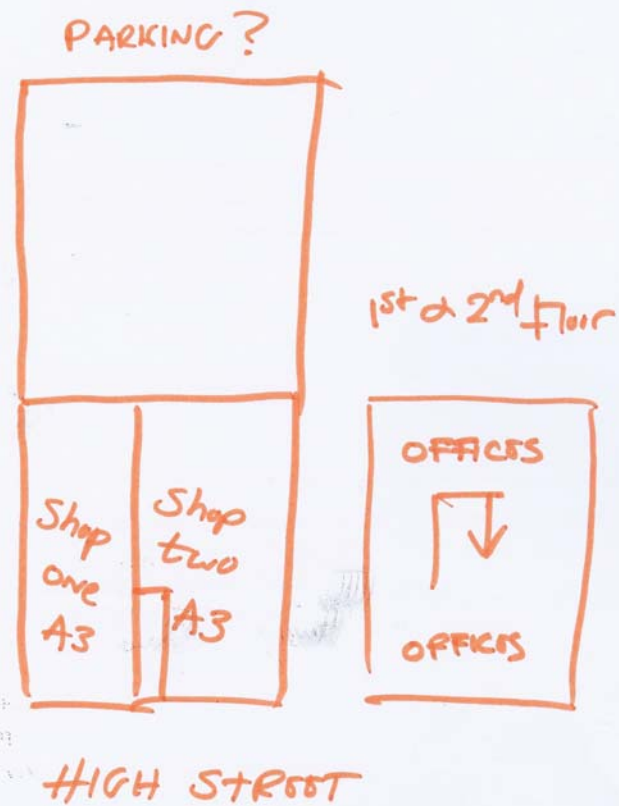
Consisting of:

Florist
Opticians
Offices
Storage Facilities

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Investment property

GF PLAN



COMMERCIAL BUILDING SURVEY OF Address of Property



FOR
Mr M

SYNOPSIS

SITUATION AND DESCRIPTION

This is a three storey mid-terraced commercial property with single storey and two storey extensions to the rear.

We are advised there is car access and parking to the rear of the property (to be confirmed by your solicitor).

The properties currently consist of and are divided between:-

To the front:

Florist, unoccupied
Opticians, occupied
Offices, currently leased by the opticians

To the rear:

Storage facilities, unoccupied leased and paying rent.

We believe the property was built in the early 1900's. If the age of the property interests you your Legal Advisor may be able to find out more information from the Deeds.

EXTERNAL PHOTOGRAPHS



Front view



Street view



Florist



Opticians



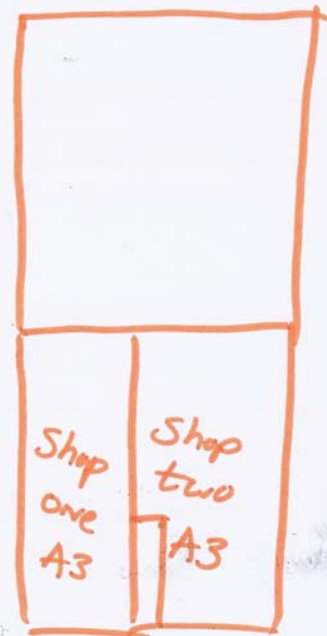
Rear view

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PARKING ?



1st & 2nd floor



HIGH STREET

ACCOMMODATION AND FACILITIES

Ground Floor

The ground floor of the front of the property consists of:

Florist:

Front of house

- Display / Reception Area

Back of house

- “Office”
- WC
- Access corridor

Opticians

Front of house

- Reception and display area

Back of house

- Various rooms used for testing, etc.
- Toilet facilities
- Access to below ground floor cellar area.

Storage Facility

Front of house:

- Storage area

Back of house:

- Office
- WC

First and Second Floors

Offices facilities with own independent access

- Toilet and kitchen facilities on second floor
- Kitchen facilities and roof access on the first floor

INTERNAL PHOTOGRAPHS

The following photos are of the internal of the property to help you recall what it looked like and the general ambience (or lack of). We have not necessarily taken photographs of each and every room.

Ground Floor



Florist



Optician's eye test room

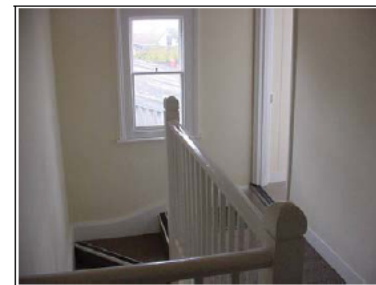


Storage area to rear of property

First and Second Floors



Example office space

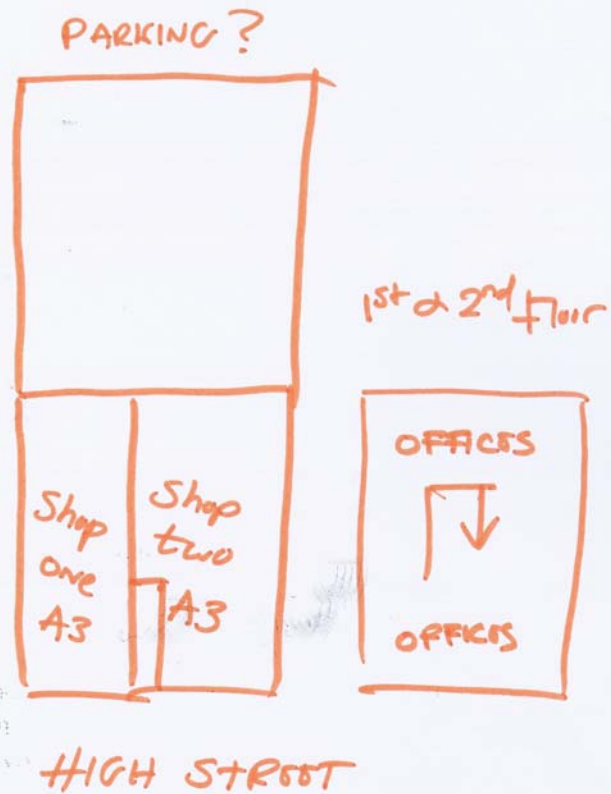


Access to second floor

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Investment property

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SUMMARY OF CONSTRUCTION TO ALL PROPERTIES

EXTERNAL

Chimneys:	One brick chimney to the front left hand side (right hand side chimney has been removed)
Roofs:	Main Roof: Pitched and clad with an asbestos cement based tile (assumed). Roof moss covered so difficult to be certain. Middle Roof: Flat felt roof. Rear Roof: Pitched asbestos sheet roof with valley gutters
Gutters and Downpipes:	A mixture of cast iron and plastic
Fascias and Soffits:	Painted timber
Walls:	A mixture of painted render (construction not confirmed) and painted brickwork
External Joinery:	A mixture of single glazed painted timber, sliding sash and metal windows

INTERNAL

Ceilings:	A mixture of lath and plaster/plasterboard and possibly fibreboard or asbestos sheets (assumed)
Walls:	A mixture of solid/studwork (assumed)
Floors:	Ground, First and Second Floors: RSJ's and joists and floorboards (assumed)
Store to Rear:	Cellar: Concrete floor in florist and opticians Internal walls: Studwork Ceiling: Painted board (the roof void has not been inspected in this area) Floor: Concrete

OUTSIDE

We believe that the property has a mains water supply, drains, electricity, gas, etc. (assumed).

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.

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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 50 photographs (a CD copy of all of these is provided) during the course of this survey and many pages of notes, so if an issue has not been discussed that you are interested in/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:

Generally we found the property in average condition considering the property's age, type and style. However this is a sweeping statement and there are specific issues set out below. We have divided the Executive Summary into 'The Good', 'The Bad' and 'The Ugly', to help distinguish what in our mind are the main issues.

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!

- Overall, the property has potential
- Overall, the location of the property appears good.

We are sure you can think of other things to add to this list.

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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.

Looking at each property individually:

The Florist

This property is vacant. We have not seen a copy of the Lease, but typically, with most full repairing and insuring leases there will be a yield up clause (give back), which would include a redecoration and removal of fixtures and fittings, that will make the property more lettable, in our opinion.

In addition to this, we have identified rising damp to the left hand rear of the property. This is due to the ground level variation of the adjoining properties.

We would also highlight the flat roof above and the gutter that sits on the wall (left hand wall of the florist), where we can see various repairs have taken place to the roof over the years.



High ground level to left hand side wall, which is damp with moss growing on it



Gutter sitting on the wall

The amount of water discharging down the wall surface of the florist we feel has affected the lintel to the left hand side wall and repairs will be needed to be carried out to this.



Lintel to the left hand side wall

ACTION REQUIRED: You need to get advise with regard to the Lease to establish whether you do have appropriate repair, redecoration or yield up clauses, which allows you to request the repair and removal of fixtures and fittings. There is also, typically, a reinstatement clause that would require the property to be put back in the configuration it was originally, assuming of course you have documentation (drawings?) to establish what its original configuration was.



Gutter and hopper head sitting on the wall. These are prone to allowing dampness into the wall structure.

ANTICIPATED COST: Legal fees and you will need to make a commercial decision. We would estimate the liability for repairs, redecoration and reinstatement based on a modern typical full repairing and insuring lease to be in the region of £5,000 to £10,000.

Opticians

You advised us that the opticians was coming to the end of its lease. Again, typically with a full repairing and insuring lease this would have repair, redecoration and yield up clauses, together with a reinstatement clause that would enable you to get the present leaseholders to, for example, paint the render to the front of the property (as they let the offices as well) and generally redecorate throughout, remove the specialist fixtures and fittings, such as the wood cladding that many tenants would not be keen on.



Equally, it can be argued that most new retail tenants do budget for refurbishment but any advantage at the present time, we feel, would be to your benefit.

The heating is currently electric and the lighting is dated. There may be statutory requirements within your Lease to ensure that the lighting is updated to current standards at your Leaseholder's cost.

There is an awkward valley gutter detail to the right hand side of the property that we could see when we went in the CAB (Citizens Advice Bureau). We believe that damage and deterioration of this wall has been hidden by the wooden panelling.



This is a photo of the valley gutter.

ACTION REQUIRED: The lease needs to be inspected to establish your position and you need to take a business decision as to how you wish to proceed, as we are aware that you have had dealings with this company in the past, and indeed sold them a property recently.

ANTICIPATED COST: We would estimate the liability for repairs, redecoration and reinstatement based on a modern typical full repairing and ensuring lease to be in the region of £15,000 to £20,000.

Offices to First and Second Floor

Again, the offices are likely to have a redecoration, repair and reinstatement clause within the lease, which will allow you to have everything from having the offices redecorated and getting the dampness stopped that is coming in via the right hand wall and the old chimney breast, having the roof space cleared of the various clutter that is within it, to upgrading the lighting system, depending, of course, upon the Lease.

Negotiations need to take place with regard to a Fire Certificate, depending upon the future use of the property and the configuration. For example, a fire exit may be needed from the second storey offices.

We would comment that there may be potential to open up the roof space and also carry out extensions and developments across the rear flat roof.

ACTION REQUIRED: Again, the Lease needs to be inspected to establish your position. You do need to resolve the dampness coming in on the right hand wall and, as mentioned earlier, the general redecoration of the render to the property.

Charity Shop / Store (to the rear)

A considerable amount of water is getting into this storage facility and office area, particularly down the right hand back wall (all directions given as you face the property from the front). This is affecting both your property and the adjoining CAB (Citizens Advice Bureau).



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The valley gutter and relatively small hopper head



Water damage to the CAB office, which you will have liability for

Valley Gutter

The only long term solution is to redesign the valley gutter. We would recommend a wider valley gutter. The roof problems could in turn, we believe, have affected the roof structure. Please note we have not gained access to the high level areas within the store.



The view of the right hand side valley gutter detail and your asbestos roof



Leaking valley gutter within the store. Note the moss to the wall indicating this has been a long term issue



Rot to supporting beams

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ACTION REQUIRED: We would recommend the only long term solution to the valley gutter problems that you have is to change the design of them. We would recommend a wider valley gutter, which allows access, i.e. to be a width of approximately half a metre to one metre. This, unfortunately, would involve reconfiguring part of the roof. Also, the question is do you replace the asbestos now, or encapsulate it, which of course depends how long a term your long term plans are!

We would add that the timber beams need checking as there looks to be rot to some of them.

The uneven floor needs repairing and how this is repaired, again depends upon how long term your long term plans are.



Finally, there is also a general upgrading requirement to the charity area/store if it is to be used.

ANTICIPATED COST: From what we can see of the lease document your costs would relate to the re-roofing. The other areas may be costs and you can get that from the Leaseholders. We would estimate the costs for the re-roofing and redesigning to be in the region of £20,000 but quotations need to be obtained.



Upgrading required!

Asbestos to Roof

We would specifically draw your attention to the asbestos that has been used for the roofing, which in our opinion, the perception of asbestos problems do affect clients/future tenants.



Left hand view of asbestos sheet roof



Cracked asbestos on roof



Right hand view of asbestos sheet roof

ACTION REQUIRED: We believe that you should budget for repair/replacement of the asbestos roof, if you are looking at this as a long term investment, i.e. ten years plus.

ANTICIPATED COST: Estimates would be needed to this type of work.

Flooring

The general condition and standard of flooring needs to be improved and the associated offices need upgrading, all of course depending upon the future use.



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Lease to the Charity Shop Store Area

Thank you for providing us with a copy of the Lease and also a copy of the Schedule of Dilapidations that has been served. In theory, based on the Lease and Schedule of Dilapidations, you would have an as new property, but in practice the problems are occurring in this property due to roof structure and rising damp and whilst redecoration of the walls may make the property look good for a short time, the cause of the problem is not being resolved. We have discussed the course of the problem being the valley gutters earlier within this report.

The Ugly

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

We do not feel that any elements of the property per se individually would be classed as unacceptable risk. However, together they need very careful consideration.

You need to carefully consider the problems with the rear asbestos roof, together with the valley gutter problems, general wiring and heating standards throughout the property, the floor conditions within the charity shop/store area with the potential of there being problems with rotten joists in the charity/store area that are currently hidden.

We very much agreed, from our discussions with yourself and your valuer, that the purchase price does need to be based upon a fire sale or a below market value sale, as we would term it, with a yield of 10%. Currently with the florist unoccupied, the opticians and the offices about to become unoccupied, we would term this as relatively high risk, unless you have very definite ideas and plans for the property.

Continued on separate slide show