

PROPERTY REPORT AND NEGOTIATION DOCUMENT

XXXX

XXXX

Hertfordshire,
HP23XXX



Aerial view – 360 photo

FOR

Miss X

Prepared by:

XXXXXX

INDEPENDENT CHARTERED SURVEYORS



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INTRODUCTION

We have been instructed to inspect and prepare a Property Report and Schedule of Condition for:

The XXXX
XXXX Hertfordshire, HP23 XXX

We inspected the property on XXXX

Property Report

This Property Report gives you advice on what we consider are the key property issues however there may be other issues that you are aware of or are important to you. We may have taken these into consideration during the course of our investigations and would be more than happy to comment and ask that you raise these issues before you commit to purchase the lease so we can advise and investigate further if need be.

Schedule of Condition

The Schedule of Condition that is sent as a separate document relates to the lease you are considering and helps protect you against future liabilities from dilapidations claims if legally appended to the lease.

Dilapidations defined:

Dilapidations is a legal claim against you with regard to the covenants within your lease which you have not kept to the standard required by the lease. The covenants typically divide into Repair, Redecoration, Reinstatement and Statutory Regulations. Your Legal Advisor should fully inform you about Dilapidations claims.

Full Repairing and Insuring Lease

We have not seen a copy of the lease. We assume the property is being let on a standard Full Repairing and Insuring Lease (known as a FRI lease) and that any unusual or onerous clauses will be brought to our attention by your solicitor before legal commitment to purchase the lease.



Everything is negotiable

This is such a true phrase on this particular property. Remember with the purchase of a lease everything can be negotiated. Our golden rule is always to negotiate slowly and carefully as what is agreed at the start of the lease is generally what any future negotiations are based upon so it is so important to get it right at the start.

Existing dilapidations liability

As far as we are aware no dilapidations has been served on the existing leaseholder; your legal advisor needs to check and confirm this in writing as if a dilapidations notice is served it may become your liability.

Two years on the lease

From discussions with you we believe there is two years remaining on the lease. It is therefore essential that you take on none of the liability from the previous years which would be the normal way these leases continue. It is important that you have a Schedule of Condition attached to the lease and it is important that you have the exclusions agreed that we mention within this report.

Condition of the building is not up to Full Repairing and Insuring standard

We wish to emphasise that the condition of this building is not to a current Full Repairing and Insuring lease standard which means any work that is not carried out becomes your liability from day one. Dilapidations liabilities are generally as certain as death and taxes particularly as most leases have clauses in them which allow the landlord to charge all costs associated with a dilapidations to the leaseholder.

Queries regarding Schedules of Conditions

The Schedule of Condition that we've forwarded to you is often part of a negotiations process and it may be queried/challenged by the leaseholder and/or the freeholder/landlord and their agents and representatives. We are more than happy to work with you during this negotiation process.



New leases and break clauses

We are aware there are two years left on the lease. We do however recommend you negotiate a new lease now longer term given the difficulties with this existing lease. We would also negotiate break clauses in so you can step out of the lease after a two year period if things are not going to plan and again after a five year period.

We generally recommend break clauses are added to a lease as we feel this gives a better position to negotiate from on rent reviews, extensions of leases and alterations and of course if you wish to leave. We consider negotiations such as this to be a normal part of lease negotiations.

Terms and Conditions

This work has been carried out as per our standard Terms and Conditions of Contract, which have been emailed to you as part of the confirmation of our instructions. If you would like further clarification please do not hesitate to contact us. We always recommend a building survey and/or a structural survey on every property.



SYNOPSIS

SITUATION AND DESCRIPTION

This is a large detached inn that has been extended and amended over the years. There is a barn to the right side, car park to the rear and beer garden with a play area. The pub is in a dilapidated state and there had been a fire to the left side kitchen area.

Listed Building

The property is Listed, as found in BritishListedBuildings.co.uk, reference: XXXXX. Listings are often difficult to read, we have inserted some paragraphs which we hope makes it easier to read, we are more than happy to talk to you about the listing.

XXX
XXXX
(South side)
XXXX
XXXX
- II

House, now an inn. C17 or earlier, C17 E wing, brick cased in C18, early C19 SE wing projecting to E, C19 parallel rear (S) extension to original W range. Timber frame, brick cased and roughcast. Exposed C18 red brick and C19 buff brick on W gable. Hipped slate roof to W range with plastered eaves soffit, steep red tile roof to E wing.

A 2-storeys L-shaped building facing N with long projecting front wing enclosing E side of forecourt, and entrance now in the angle, into flat wing. Painted black plinth. 3-light casement windows set nearly flush. 6-panel door with pitched hood on shaped brackets. 2 windows to each floor to each wing.

Large internal chimney to W range, rear-wall E chimney to S part of E wing and N gable internal chimney. Interior has exposed framing, chamfered and stopped axial beam and fireplace lintel to wide fireplace in W range, with recess for oven. The name is said to indicate a resting place for drovers taking cows to the London market.

Listing NGR: XXXX



Ancient monument

There is an ancient monument listing as well. There is no information in relation to this from what we can see. Your legal advisor needs to check this further. From what we understand there were excavations in the area in the 1970's for four years and that this area has been classified as a Roman town.

Local maps

We have also noted in the local plans some circles and lines which we have not come across before, we are still investigating these. Your legal advisor should also investigate.

We have looked at ancient maps going back to 1870 and the circles and lines are included on these.



Go view plan

ACTION REQUIRED: Your legal advisor needs to check and confirm all of the above. Your legal advisor should specifically ask for a list of alterations carried out by the current owner during their occupancy of this property and also any unauthorised alterations that have been carried out prior to them occupying the property. This list needs to be in writing to your solicitor, with a copy to us to further comment upon if you so wish.

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Location Plans



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REPORT FORMAT

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

GENERAL/HISTORICAL INFORMATION

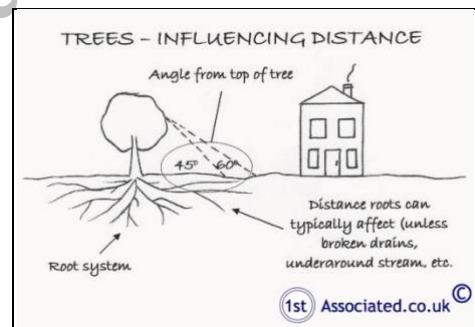
This has been given in the survey where it is considered it will aid understanding of the issues, or be of interest. This is shown in "italics" for clarity.

TECHNICAL TERMS DEFINED

Throughout the Report, we have endeavoured to define any technical terms used. This is shown in "Courier New" typeface for clarity.

A PICTURE IS WORTH A THOUSAND WORDS

We utilise photographs and sketches to illustrate issues or features. In some photographs a pencil, pen, circle or arrow has been used to highlight a specific area. The sketches are not 100% technically accurate; we certainly would not expect you to carry out work based upon the sketches alone.



Influencing distance of trees

ORIENTATION

Any reference to left or right is taken from the front of the property, including observations to the rear, which you may not be able to physically see from the front of the property.

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 lease.

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.



SUMMARY OF CONSTRUCTION

External

Chimneys:	Six chimneys - five rendered chimneys, one part rendered/brick chimney
Main Roof:	
Left:	Two flat roofs, square and rectangle (middle and rear left)
Middle:	Two pitched roofs, clad with clay tiles, change in height/step where two roofs meet
Right:	Hipped roof, clad with slates
Valley Gutters:	Hidden valley gutter between right and middle roofs.
Roof Structure:	Cut timber roofs Queen post modern/modified roof to front (all assumed)
Limited access:	Right roof is roof over an earlier roof which we could not access Central rear roof not accessed No access to flat roofs
Gutters and Downpipes:	Cast Iron / Plastic
Soil and Vent Pipe:	Cast Iron / Plastic
Structural Frame:	Traditional timber frame and metal frame
Walls:	Predominantly Roughcast Render with some smooth render Areas of painted Flemish Bond brickwork to right (all assumed)
Fascias and Soffits:	Painted timber
External detailing:	
Windows:	Timber casement and metal windows
Doors:	Timber doors to front, right and rear

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Internal

Ceilings:	Lath and plaster / modern plaster (assumed)
Perimeter Walls:	Lime plaster / modern plaster (assumed)
Internal Walls	Mixture of solid and studwork (assumed)
Floors: Basement:	Concrete
Ground Floor:	Suspended timber floor, Flagstone solid floor Modern suspended floor Concrete floor (all assumed)
First Floor:	Joist and floorboards with embedded timbers (all assumed) Undulating floors

Services

We believe that the property has a mains water supply, drainage and electricity (all assumed). We have not turned any services on or tested the services.

Heating:	There is an oil boiler located in the kitchen.
Electrics:	The electrics are located in various locations
Drainage:	The manholes are located to the rear and right.

We have used the term 'assumed' as we have not opened up the structure.

ACTION REQUIRED: Your Legal Advisor should check all the above and advise us of any further information they require before legal commitment to purchase the lease.



EXTERNAL PHOTOGRAPHS

Front



Front left and front centre



Front view
Left (green), middle (amber) and
right (red)



Front right

Right



Right front



Right rear



Right rear

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Left



Left front



Left rear

Rear



Rear left (square flat roof)



Rear middle and right



Rear left (rectangle flat roof)

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External Areas



Conifers to left



Front car park and side driveway



Barn front



Barn rear and road



Rear car park



Play area



Rear car park

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EXECUTIVE SUMMARY

Summaries are not ideal 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 your 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 550 photographs 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 lease (or indeed commit to purchasing the lease), 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 taking on a lease we believe there are three key areas that you need to consider, these are:

The Business

Only you can decide upon the true potential of this property for your future business and its value to you; although we do recommend taking independent advice on the market value and this identifies what the typical user would pay.

The Lease

The quality of the lease needs to be discussed with your Legal Advisor (particularly given the condition of the property) and understood. You need to understand your rights, responsibilities and liabilities when you sign for a lease of this nature.

ACTION REQUIRED: We ask that your Legal Advisor brings any onerous or unusual clauses to your and our attention before legal commitment to purchase. For the purpose of this report we have assumed this is a standard full repairing and insuring Lease.



The Property

There are many aspects to look at property-wise, both from its condition at the moment, to its condition in relation to the lease and its future condition/deterioration and of course it is a listed building and a scheduled monument.

Schedule of Condition recommended

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 agree with the Landlord the condition of the property when you start to lease it and should be signed and appended to the lease.

Only one opportunity to negotiate

We would remind you/reiterate that you only have one chance to negotiate the rent price correctly at the start of the lease. The rent agreed at the start of the lease will affect all future rent reviews so ensure you are paying the market rent/the lowest rent possible and be aware that rent free periods, stepped rents, etc do not lower the rent value. You also need to ensure that the Schedule of Condition is appended to the Lease to minimise future repair liability.

The Summary

The Summary is divided into the good, bad and the ugly or as we have titled the sections here plus points, medium priority and high priority. This is to enable you to get a better understanding of the potential and issues with the property.

Plus Points

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!

To summarise these into plus points:

- 1) A large property with good proportions, by this we mean the size of the bars and kitchen, although obviously, it has suffered from a lack of maintenance, damage from the fire and is a generally dilapidated condition, the worst we have seen for quite some time. We would also add that the toilets are relatively small given the size of the property and the gardens/surrounding grounds are obviously very large.



Medium Priority

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

1.0) General condition not to FRI Lease standards

We would advise that the property is not to typical Full Repairing and Insuring lease standards as inspected at the time of our survey which means there is work to be carried out by the existing leaseholder and/or the landlord or you will become liable for it.

Giving back the property (Yielding up)

We would add that typically a Full Repairing and Insuring lease requires full repair and redecoration when the lease comes to an end one month before giving the property back (yielding up).

Basic repairs and redecoration have clearly not taken place recently and we believe that these have not taken place regularly during the course of the Lease and are typical clauses in a Full Repairing and Insuring or Internal only Lease which can lead to hidden and latent defects.

We have detailed items within the Schedule of Condition which we do not believe are to the standard set within typical covenants (terms and conditions of the lease) as the property stands. There is a considerable dilapidations/financial claim against the existing lessee.

ACTION REQUIRED: We would not take on this Lease without a Schedule of Condition being legally appended to the Lease and the condition of the property being agreed and understood with the Landlord and their Legal Advisors.

In this case we would recommend exclusions from the Lease in the following areas:

- 1) Roofs
- 2) Roof structures
- 3) Cement based render and cement repointing
- 4) Timber structure



- 5) Cracking/Structural movement
- 6) External and Internal decoration
- 7) Trees

We cannot recommend taking on the lease

We believe that the two year remainder of the lease is a particularly large liability property-wise. The only way that we would consider taking this on would be if there was agreement that there will be no dilapidations at the end of it and that you can extend the lease, ideally with a new lease being put in place. Break clauses within a new lease we feel would be the best way forward with exclusion clauses/rent free periods to enable you to carry out the work if the landlord/property owner did not wish to. We would need to discuss the best way forward on this during the course of any negotiations you have with the landlord. There are pluses for the landlord doing the work as they still have the liability. There are pluses for you doing the work as you will be able to ensure it is carried out to a good standard.

2.0) Roof covering

The clay tile roof is deteriorating, there are literally holes in it, slipped tiles, spalling tiles and broken tiles allowing dampness into the property as well as around the chimneys.

In
the



Deterioration to tiles



Slipped, broken and missing tiles including holes in the roof for example to front left

main middle roof we can see that the common rafters are suffering from dampness getting in the roof. Please see our later comments.

Common rafters defined

Timbers which form the pitch of the roof.



Dip to rear left roof

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Unfortunately, we were unable to access either the rear left roof or the right roof structures however we can see from the ceiling in these areas that there are problems.

ACTION REQUIRED: Exclude roofs from lease. However the roofs will need work to make them watertight.

We would recommend further investigation by forming access hatches to each of the roofs (rear left and right roof), ideally before you purchase the lease or take on a new lease to carry out investigations in these areas.



Undulating ceiling

We would be more than happy to return to investigate further. Permission in writing would have to be obtained from the owners of the property and emailed to our office.

ANTICIPATED COST: In the region of £750 - £1,500 to form access hatches; quotations required.

3.0) Valley Gutters

This property has valley gutters which are generally problematic. Water appears to be sitting in this. We could not access either of the roofs that it would affect and it can cause rot to the common rafter feet. Valley gutters are often problematic particularly where different ages of roofs meet. There does not look to be sufficient fall on this valley gutter.



Valley gutter



Valley gutter

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Valley gutter defined

A valley gutter is where two main roofs meet or where there is a change in roof direction.

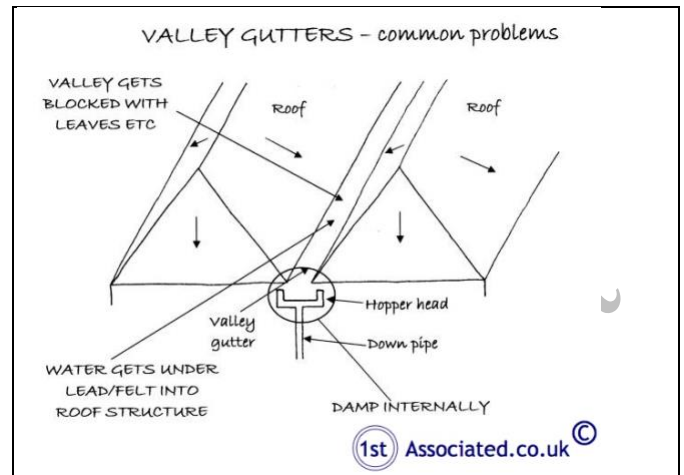
Common rafters defined

Timbers which form the pitch of the roof.

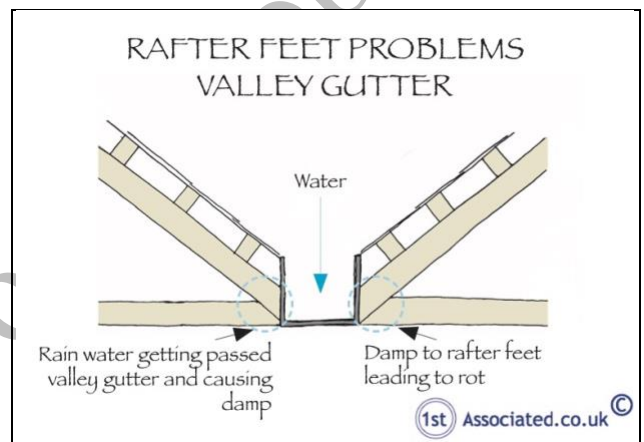
ACTION REQUIRED: Close inspection of both the roofs adjoining this valley gutter is required. Please see our previous comments regarding forming access hatches into both these roofs as currently there is very limited access.

It is likely that the valley gutter will need replacing with some repairs to the roof as well. A good fall is always recommended on a valley gutter, there may be limited possibilities to do this.

ANTICIPATED COST: In the region of £7,500 - £15,000 depending upon what is found within the roof; please obtain quotations. As it is high level work you may also need scaffolding.



Valley gutter problems



Rafter feet problems

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4.0) Roof structure

4.1) Main Central Roof

There are cracked and split common rafters in the main roof and also woodworm. The roof is in poor condition.



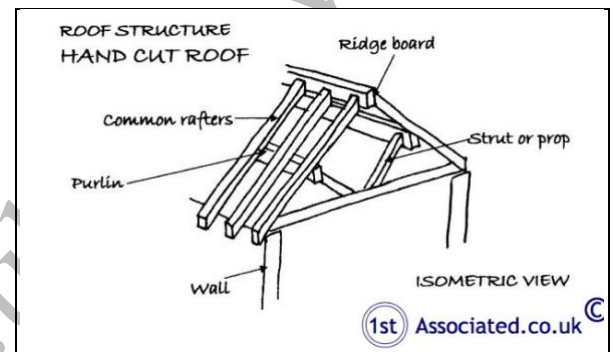
Main central roof

Common rafters defined

Timbers which form the pitch of the roof.

Purlin defined

Horizontal timbers which help give support to the common rafters which form the pitch of the roof.



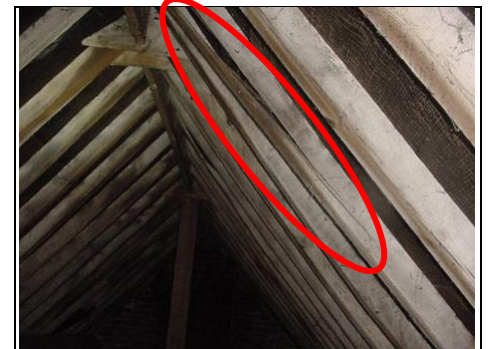
Cut timber roof



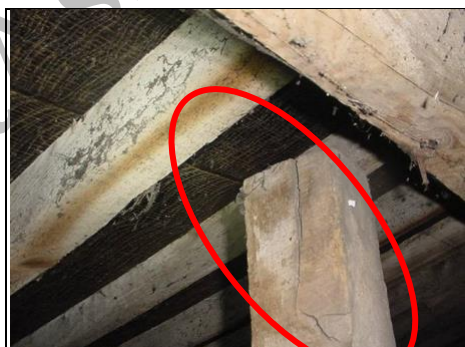
General bend in common rafters



Thinner common rafters than we would expect



Cracking in common rafters



Prop/strut no longer securing purlin



Struts giving support to purlin have been cut

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Dampness



Dampness particularly to roadside end

Woodworm



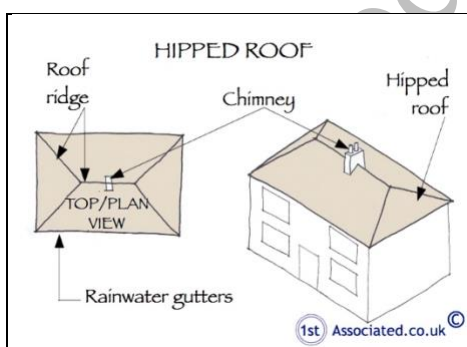
Woodworm



Woodworm

4.2) Right Hipped Roof

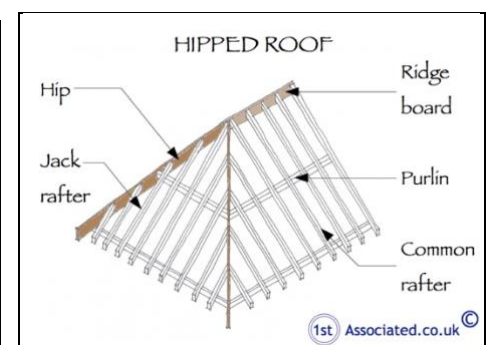
We had a limited view of the hipped roof however this also looked to have woodworm.



Hipped roof



Hipped roof



Hipped roof structure





Hipped roof



Hipped roof



Woodworm near entrance to roof

Rear Left Internal Roof

No access to this area readily available. We noted dampness is getting in at the step in the roof and causing deterioration to support timbers.



Rear Left Roof



Dampness to wall between front and rear roof

Roof Structures

ACTION REQUIRED: Exclude all roof structures from the lease as we believe there are hidden and latent defects present.

Further investigation. We recommend access hatches are added to all the roofs.

ANTICIPATED COST: Set aside the sum of £10,000 - £20,000; quotations required. As this is a listed building you will need to negotiate with the Conservation Officer with regard to the work being carried out. We would start by gaining access to the roofs.

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5.0) Flat Roofs

Dampness is noted within the catering kitchen due we believe to a leaking flat roof.



Tarpaulin on square roof, moss on rectangle roof

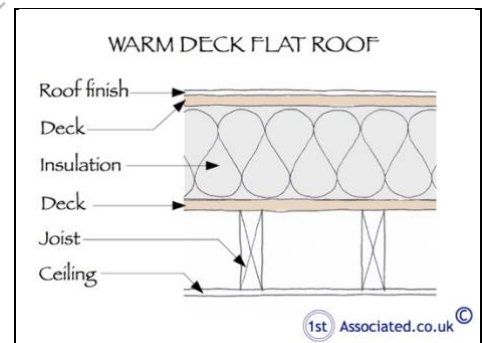


Staining and undulating ceiling in catering kitchen

ACTION REQUIRED: Exclude from lease. Patch repair required.

ANTICIPATED COST: £2,500 - £5,000 for patch repairs.

To renew £15,000 - £25,000 as a modern flat roof will require insulation. Please obtain quotations.



Insulated flat roof

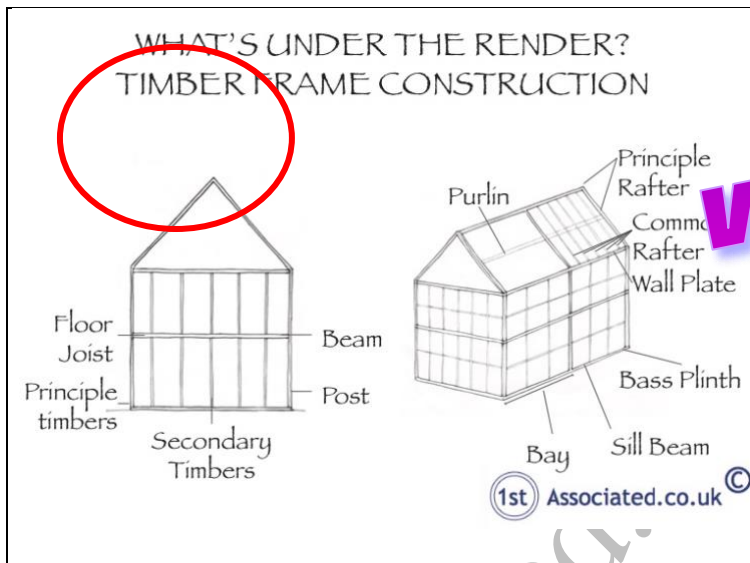
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6.0) Timber frame structure

There is a hidden timber frame structure which unfortunately has been incorrectly covered by a cement render, particularly bearing in mind this is a listed building it is completely inappropriate and is causing damage to the timber frame structure behind it. There may well be timber structures underneath other parts of the property as well; further investigation needs to be carried out by discreetly opening up the structure.



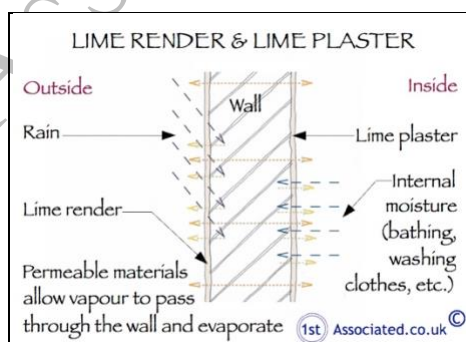
Box timber frame



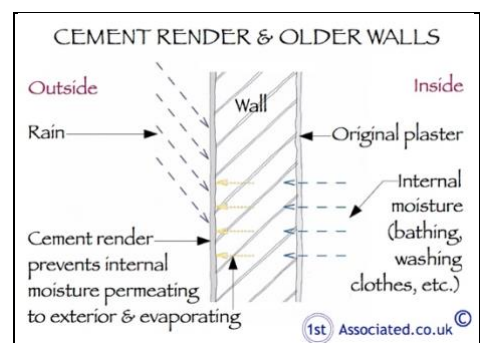
Timber frame

Cement Mortar

Cement mortar stops the building from breathing, this should be a lime based render. It also causes accelerated deterioration to the timber frame.



Lime render



Cement render

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ACTION REQUIRED: The render needs to be excluded from the lease and also the timber frame structure.

At some point sections of the render need to be opened up near where the timber frame is to check the condition of the timber frame and carry out appropriate repair.

We can see in the roof timber structure there is woodworm and dampness, this may well be the same throughout the entire timber frame structure.

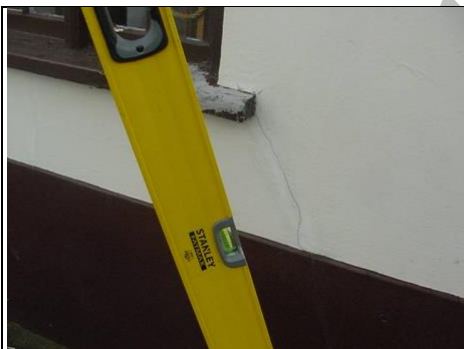
Cracks

Please see next section on cracking/movement.

7.0) Structural movement and cracking

7.1) Central building

Throughout the render to the central part of the building we can see cracks. There is movement occurring in the structure which is probably due to the timber frame having differential movement to the cement render.



Cracking below window



Cracking below window



Cracking

7.2) Right and rear of building

There is also cracking to the right side of the building. We are not sure if there is a timber frame in this part of the structure; further investigation required.

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Cracking above metal window to rear of building



Cracking to right side of building

ACTION REQUIRED: Exclude all cracking and associated damage from the lease.

We would also recommend that the landlord places an insurance claim, advising that the cracking has been noted by a chartered building surveyor (this should cost them nothing other than time to write the letter/email). We would recommend monitoring for one year as recommended by the Building Research Establishment to establish if there is any progressive movement.

Sections of the walls should be opened up to investigate further.

8.0) Fire damage to left side of building

Generally, the left side of the building where the fire damage is, is in a dilapidated condition. There are parts of the walls exposed and it needs general repair.



Walls exposed



Fire damage

ACTION REQUIRED: We do not know if this is subject to an insurance claim however it needs to be made watertight.

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ANTICIPATED COST: In the region of £10,000 - £20,000 including removing of waste/not needed material; quotations required.

9.0) External decoration

With most leases there is a requirement to carry out full redecoration and associated repair at periodic times, usually every three to five years and then whenever the lease is given up (yielded up) such as now. In addition to this it is also a listed building so it needs to be kept to a certain standard.

It is very important on a property such as this, particularly where there is hairline cracking and timber frame structure within; decoration needs to be regularly carried out to keep the building watertight.



Window in poor condition

Windows

The windows are in a poor condition. There have been various poor quality repairs carried out.



Joints opened up and window falling apart to right



Rot to windows



Wet rot to horizontal cladding to rear

Fascias and soffits

From ground level there are a few particularly bad areas to the fascias and soffits. Until the roof problems are sorted it is almost pointless repairing the fascias and soffits because the problem will just reoccur.

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Fascias and soffits in poor condition front right building



Flat roof fascias and soffits in poor condition

ACTION REQUIRED: Exclude from lease.

Under normal full repairing and insuring lease terms this property would have been repaired and fully redecorated. You need to get the redecoration clause excluded from the lease otherwise you will end up redecorating it just as you leave the property. There looks to have already been considerable repairs to some of the windows.

ANTICIPATED COST: In the region of £10,000 - £20,000, possibly more depending upon the amount of timber repairs; quotations required.

10.0) Dampness

There is dampness visible within the pub and there are also areas visible where water damage is coming through the roofs which is why we have recommended excluding roofs from the lease however they will nevertheless need repair. Further investigation needs to be carried out with regard to the dampness within this building.

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10.1) Left side – first floor

There is dampness visible to the left side of the property which includes the bathroom, lounge, etc and also to the rear dining room area of the pub. This dampness we believe relates to gutters.

ACTION REQUIRED: Gutters need to be cleared to the entirety of the property. We also believe there will be some gutter repairs.



Dampness to reception room one

ANTICIPATED COST: In the region of £1,000 - £2,000; please obtain quotations

10.2) Rear – ground floor restaurant area

There is also dampness to the rear of the property in the dining area. The rear timber cladding is rotten and we recommend replacing.



Dampness to rear behind horizontal cladding



Dampness to rear

ACTION REQUIRED: Replace horizontal cladding.

ANTICIPATED COST: Set aside the sum of £500 - £1,000 to replace. The wall will then need time to dry out; please obtain quotations.

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10.3) Right – ground floor toilets

We noted dampness to the toilet area which could relate to condensation.

ACTION REQUIRED: Add extract fans and heat in the area as well as refurbishing the toilets of course.

ANTICIPATED COST: Included within the decorations costs.



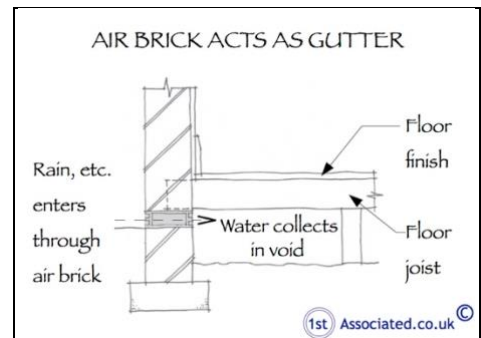
Dampness to toilet

10.4) General dampness

Generally, we found higher levels of dampness in the property than we would expect which may be because the property has not been fully utilised for some time, only time will tell. Unfortunately, with older properties like this you tend to get problems that cannot be seen until you actually occupy the property.

11.0) Suspended timber floor

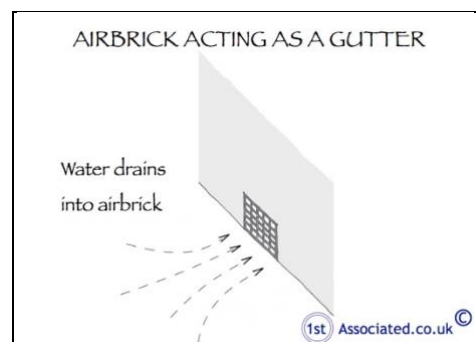
The property has a suspended timber floor to the front which needs an airflow underneath it to help reduce the chances of wet rot, dry rot and woodworm. The airbricks which should ventilate the floor unfortunately are so low they are acting as gutters. There is also general dampness where the cement surround to the pub is sitting against the property.



Airbrick acting as gutter



Airbrick acting as gutter



Airbrick acts as gutter

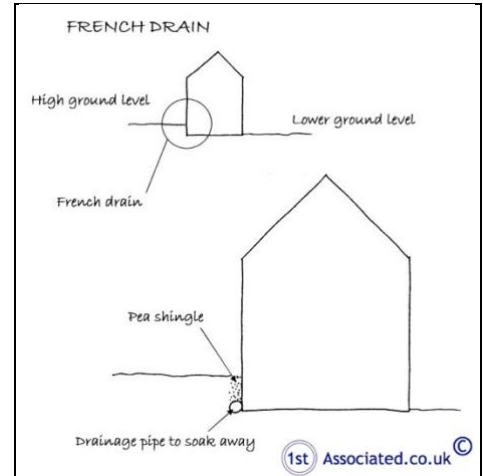
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ACTION REQUIRED: Add a French drain linked into the drainage system.

ANTICIPATED COST: In the region of £1,000 - £2,000; quotations required.



French drain

12.0) Internal decoration

In many areas, the property is smoke/nicotine stained.

ACTION REQUIRED: Once the dampness is resolved we would recommend redecorating throughout. You need to remember under a Full Repairing and Insuring lease you will normally be required to leave the property freshly decorated when you leave. We suggest this is excluded from the lease.



Dampness to rear right room

ANTICIPATED COST: In the region of £5,000 - £10,000. You can spend as much or as little as you like; please obtain quotations.

13.0) Front of House Ladies and Gents Toilets

These are very basic and require refurbishment particularly the Gents toilets.

ACTION REQUIRED: Strip out all sanitary ware and refurbish.

ANTICIPATED COST: In the region of £10,000 (ten thousand pounds). You may of course spend more money than this, this is for a basic fit out. Please obtain quotations.

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14.0) New bathrooms, shower rooms and kitchen

The bathrooms, shower rooms and kitchen are generally in need of work. We believe it would be appropriate to replace the shower units and the kitchen.

ACTION REQUIRED: Upgrade.

ANTICIPATED COST:

Bathroom:	£2,000 upwards
Shower room:	£1,000 upwards
Domestic Kitchen:	£4,000 upwards

Please obtain quotations.

15.0) Car park

The car park has pot holes and is in need of repair and general tidying up of the vegetation and plant life around it.



Pot hole



Pot hole repaired

ACTION REQUIRED: Fill all pot holes and re-tarmac where currently tarmacked and shingle unmade car park areas.

ANTICIPATED COST: £2,500 - £5,000; please obtain quotations.

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16.0) Trees

The surrounding trees, particularly the conifers need maintenance.

ACTION REQUIRED: Cut back and maintain.

We would recommend an arboriculturalist (not a tree surgeon) is asked to view the property and give a ten year plan for maintenance.



Overgrown conifers

ANTICIPATED COST: £500 - £1,000 for an arboriculturalist report. £2,500 - £5,000 to cut back trees depending upon how much they need cutting back; please obtain quotations.

17.0) Play equipment

There is some metal play equipment which is rusting. It may not be safe to use.

ACTION REQUIRED: RoSPA safety check on play equipment required. You may need to replace it and/or fence it off or add signage regarding supervision and who should use it.



Play equipment

ANTICIPATED COST: Depends upon what you require; quotations required.

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18.0) Left boundary

From the Go view map it appears there is a culvert or something similar running underneath the building on the left side.

We have also within our general investigations on the building discovered that there are lots of wells in the area, one record mentions fourteen wells.



Go view plan

Metal hood

We have been advised that this is the floor where once the kitchen freezer units used to stand. Of course, you will need a new freezer cabinet area.

ACTION REQUIRED:
investigation required.

Further



Metal hood

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19.0) Environmental health standards

There are lots of things that we could cover in this area from the dampness in the cellar to the condition of the kitchen and of course there are no freezers at present which need to be factored into your costs.

ACTION REQUIRED: You need to have a 'cup of tea' meeting with the Environmental Health Officer before you legally commit to purchase the lease.

20.0) Fire Safety/Fire Alarms/Emergency Lighting

Specialist advice should be sought depending upon how you intend to use the building. It looks like presently there are lodgers and as such you need to have good fire alarm systems.

ACTION REQUIRED: Again, you need to have a 'cup of tea' meeting with the Fire Officer or fire specialist before you legally commit to purchase the lease.

21.0) Two years remaining on the lease

We would reiterate as there is two years remaining on the lease you are taking a considerable amount of the previous tenant's dilapidations liability and the building is listed and in a poor condition. You need to consider this very carefully.

ACTION REQUIRED: Negotiate with your legal advisors to get exclusion clauses from the lease. We would recommend either a new lease (if a new lease is available) or extending the lease.



Services

This Property Report does not include any specialist reports on the electricity supply and circuits, heating or drainage, as they were not requested. The comments that follow are based upon a visual inspection carried out as part of the overall Survey.

Services and specialist installations have been visually inspected. It is impossible to examine every detail of these installations without partially dismantling the structure. Tests have not been applied. Conclusive tests can only be undertaken by suitably qualified contractors. The Landlord/Tenant should be requested to provide copies of any service records, test certificates and, ideally, the names and addresses of the installing contractors.

We carried out much of the survey in torchlight. We have not been able to check the services so we have assumed:

22.0) Electrics

Unless there are safety certificates with regard to the electrics, which would normally be offered at the termination of a lease, we feel that you have to think about and budget for starting again with the electrics. A good electrician will of course be able to recommend what areas are saveable. We are particularly concerned regarding areas where the roofs are not accessible which may have old electrical wiring.

ACTION REQUIRED: Part or full re-wire of the property. We recommend an Institution of Engineering and Technology (IET) test and report to be carried out by an NICEIC registered and approved electrical contractor or equivalent.

ANTICIPATED COST: Budget £5,000 - £10,000 for part re-wire however it will depend upon what you intend to do with the property; please obtain quotations.

23.0) Space heating

There was no heating on at the time of the survey, this needs testing before you commit to the lease. It is possible that the existing system is not working. The boiler in the kitchen area looked particularly old and we certainly do not believe it is that efficient.

ACTION REQUIRED: Consider replacing boiler and associated pipework.



ANTICIPATED COST: Budget £10,000 - £15,000, it really depends upon what you do, it can be a lot less if the existing system is saveable and more if it needs to be replaced; please obtain quotations.

24.0) Thermal efficiency

This age, type and style of property generally has poor thermal efficiency compared with modern units. In years gone by we did not consider energy bills and heating costs in the same way as we do today.

We would advise that the EPC rules change in April 2018 where it will be unlawful for a landlord to rent a commercial building with an Energy Performance Certificate (EPC) rating that does not meet the standard of E under the terms of the Energy Act 2013. We do not know what energy rating this building has however it is estimated that twenty percent of commercial properties will not meet the grading.

ACTION REQUIRED: Your legal advisor to confirm the landlord will meet this requirement and ensure that you are not liable.

25.0) Grease traps

Where there is a high food trade, there is often a high amount of grease and we recommend grease traps are installed. We haven't found any during the course of this survey.

ACTION REQUIRED: Install grease traps.

ANTICIPATED COST: £750 - £1,500; please obtain quotations

26.0) Drainage

There is drainage surrounding the property. We can see various manholes. Manholes are used where there is a change in direction of pipes or new pipes join the main run. It is therefore a good location for clearing any blockages. In this case we have not lifted the manholes as we thought it best that a CCTV camera report is carried out before you commit to purchase the lease.

Manholes Defined

Access areas which usually fit a man (or woman) into them and are put in where the drains change direction.

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ACTION REQUIRED: We would recommend a closed circuit TV camera report of the drains before you commit to purchase the lease.

ANTICIPATED COST: £250 - £500 for CCTV report; please obtain quotations.

High Priority

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

Exclude items from the lease as previously stated and make the building wind and watertight.

Generally the property is in a poorer condition than we normally see. With it coming to the end of the lease as well it means that you could have a liability for all the repairs that have not been carried out.

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OTHER MATTERS

Security Alarm

When we walked around with you briefly you advised that there was an alarm system. You need to ensure this is suitable.

ACTION REQUIRED: You need to check with your legal advisor as to the ownership of the alarm system. The important thing with a security alarm is to make sure whether it is a landlord fixture and fitting, a past tenant's fixture and fitting and whether it is working and if so whether it is fully maintained and is acceptable to your insurer.

Equalities Act 2010

The Equality Act 2010 legally protects people from discrimination, combining several pieces of earlier legislation, including the Disabilities Discrimination Act 1995 (DDA). The Act requires providers of services and employers to make reasonable provisions for those with disabilities

It should be appreciated that the definition of disability is all encompassing, hence includes those who are partially sighted, heard of hearing, as well as ambulant disabled persons – not just those confined to wheelchairs as many people tend to think.

In many cases, physical changes to the buildings may be required, such as creating level/ramped approaches, the provision of accessible WCs, adjustments to the height of door entry systems for wheelchair uses, and the use of higher contrast internal colour schemes to aid those with visual impairments. However, physical changes may not always be necessary; in some instances, it may be acceptable to implement a staff training and management policy to deal with disabled visitors.

In this case we would comment that there is no access or toilets for the disabled/less able.

ACTION REQUIRED: You should enquire as to the availability of an Access Audit for the property, a report prepared by a specialist examining the various aspects of the building. Whether works are reasonable or otherwise depends on the age and type of the building, and to some extent the nature of your business and the likely visitors. We recommend you commission an Access Audit if one is not available.

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Asbestos Register

In a property of this age there may well be some asbestos. Asbestos was commonly used post war until it was banned only in the 1990s, although it is rumoured that it was still used after this point in time.

It is now a requirement for any public building to have an asbestos register, indicating whether there is or is not asbestos and if so where it is.

ACTION REQUIRED: An Asbestos Register should be provided by the outgoing tenant/landlord.

You should note that work involving products containing asbestos is covered by Health and Safety legislation and you are recommended to seek the advice of the Local Authority Environmental Health Officer before proceeding with any such work.

Our insurance company requires us to advise we are not asbestos surveyors and advises us to recommend asbestos surveyors are instructed and that you have your own asbestos survey carried out.

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Certificates required to be obtained from landlord/outgoing lessee

Tests and reports are standard requirements of a Full Repairing and Insuring lease as is redecoration before the end of the lease. We have not been instructed to carry out independent separate services tests.

Test certificates to be provided on:-

- 1) Asbestos - Up to date asbestos report with samples.
- 2) Chimneys - Certificates confirming chimneys have been swept.
- 3) Drainage – closed circuit TV camera report.
- 4) Electrics – An Institution of Engineering and Technology (IET) standards test and report to be carried out by an NICEIC registered and approved electrical contractor or equivalent.
- 5) Environmental Health certificates and latest reports - we recommend you meet with the Environmental Health Officer before you legally commit to purchase.
- 6) Energy Efficiency Certificate.
- 7) Fire Safety/Fire Alarms/Emergency Lighting - we recommend you have a Fire Specialist to review the building prior to legally committing to purchase.
- 8) Flues - Record of the cleaning of flues.
- 9) Gas Safe inspection and test report (you need to see heating in working order)
- 10) Lighting - The lighting needs to be checked to ensure it is suitable for the purposes for which you wish to use it.
- 11) Safe Access System - Ensure there is a full safe access system for maintenance access and that this has been tested.
- 12) RoSPA safety check on play equipment.
- 13) Security System test.
- 14) Any other specialist testing.



- 15) Any proposed planned maintenance that the landlord will be carrying out before the Full Repairing and Insuring lease takes place on the basis of the property condition and Schedule of Condition.

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SUMMARY UPON REFLECTION

The Summary Upon Reflection is a second summary so to speak, which is carried out when we are writing 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:

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.

We have included some budget costs for you overleaf however you really do need to read through the report as some are basic budget costs, some need a decision from yourselves and some need further investigation and then we can help you more.

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ESTIMATE OF COSTS

These generally are budget costs. There may be savings if work is paired together, there may be extra work as things are discovered.

Add roof access hatches	£750 - £1,500
Valley gutters	£7,500 - £15,000
Roof Structures	£10,000 - £20,000
Flat roofs	
Patch repairs	£2,500 - £5,000
Renew	£15,000 - £25,000
Left fire damaged area	£10,000 - £20,000
External decoration	£10,000 - £20,000
Gutters and downpipes	£1,000 - £2,000
Horizontal cladding	£500 - £1,000
French drain	£1,000 - £2,000
Internal decoration	£5,000 - £10,000
Ladies and Gents toilets	£10,000 Plus
New domestic kitchen	£4,000 Plus
Bathroom	£2,000 Plus
Shower room	£1,000 Plus
Car park	£2,500 - £5,000
Trees - arboriculturalist report	£500 - £1,000
Trees – cut back	£2,500 - £5,000
Electrics budget cost	£5,000 - £10,000

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Heating budget cost	£10,000 - £15,000
Grease traps	£750 - £1,500
Drainage CCTV report	£250 - £500
TOTAL BUDGET ESTIMATE	£101,750 Plus - £176,500 Plus

These are considerable costs to take on, on a full repairing and insuring lease with only two years remaining.

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REPORT INFORMATION

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.

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.

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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**.

For and on Behalf of
XXXX
Independent Chartered Surveyors
XXXX

This Report is dated: XXXX

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APPENDICES

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FACILITIES

(All directions given as you face the property)

The following gives a general overview of the facilities at the property.

Ground Floor

Front of House Area

- 1.0) Right side entrance/stairs
- 2.0) Front Bar / Games Area
- 3.0) Middle Inglenook Fireplace Bar
- 4.0) Rear Dining Area
- 5.0) Gents Toilets right rear
- 6.0) Ladies Toilets right front

Back of House Area

- 7.0) Bar Served Area
- 8.0) Catering Kitchen front left
- 9.0) Access area to cellar

Basement

- 10.0) Cellar to rear left of pub accessed via cellar flaps

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First Floor

Private Living Accommodation

- 11.0) Stairs/Landing
- 12.0) Rear Right Wash Room
- 13.0) Rear Corridor
- 14.0) Shower Room
- 15.0) Room Rear Right
- 16.0) Bedroom Rear Middle
- 17.0) Bedroom Rear Left
- 18.0) Bedroom Middle Left
- 19.0) Domestic Kitchen Rear Left
- 20.0) Reception Room Rear
- 21.0) Reception Room Front Left
- 22.0) Bedroom with borrowed light
- 23.0) Bathroom Front Left
- 24.0) Lobby
- 25.0) Corridor Front
- 26.0) Office

Boundaries

- 1.0) Front: Tarmac area and road
- 2.0) Left: Field and possible culvert
- 3.0) Right: Small track
- 4.0) Rear: Fields

ACTION REQUIRED: Further investigation required to the left boundary.



Goview plan

Note, we have not seen a copy of the Deeds and assume the boundary is to be as visually set out above.

Your Legal Advisor to check and confirm boundaries and your legal rights with regard to access, parking and permitted hours of work.

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HISTORY

Ancient monument

Just a reminder for you to read up on the XXXX area. We do not know what is here, this is a very ancient area. To quote from Wikipedia 'XXXX is a small hamlet, it is on the site of a Romano-British settlement close to XXX Street which was a major roman road linking XX Street and XXX Way which went from XXX to XXXX. The name is said to derive from XXX and it has had an archaeological dig on it or near it in XXX for four years [Dacorum Heritage Trust website]. The site is now scheduled as an ancient monument and is under protection from English Heritage and is designated as a roman town.



What is underneath ground?

It also mentions there are fourteen well shafts, the number suggests the industrial use of water in the area, probably for iron production.

In summary it is a very historic area and there may be limitations on what you can and cannot do.

ACTION REQUIRED: Your legal Advisor needs to carry out research and specific investigations in this area, a general search is not good enough.

What does an ancient monument mean?

This was one of the first types of heritage protection with its history going back to the 1882 Ancient Monuments Protection Act which has been updated several times, the most recent that we were aware of is the Ancient Monuments and Archaeological Areas Act 1979.

Historic England (a new name for English Heritage) website describes them as nationally important archaeological sites carefully chose and managed.

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Historic England search of XXX area

The roman settlement of XXXX Inn is a scheduled monument. Full descriptions are not yet available.

Plaque in pub

A plaque in the front bar area states:

The property was built in the 17th Century on the site of a former Roman settlement. The name XXX is probably derived from XXXX as in the 1770's the pub was known to supply pens for cattle and drivers stayed in the Inn walking the cattle from the Midlands to London's Smithfield market. Later, as transport developed, the Inn supplied stabling for barge horses from the nearby canal. The Inn was known to have been XXX in 1806 owned by XXX and the XXXX in 1851 when owned by XXX.

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LIMITATIONS

CONDITIONS OF ENGAGEMENT

The report has been prepared in accordance with our Conditions of Engagement dated XXXX and should be regarded as a comment on the overall condition of the property and the quality of its structure and not as an inventory of every single defect. It relates to those parts of the property that were reasonably and safely accessible at the time of the inspection, but you should be aware that defects can subsequently develop particularly if you do not follow the recommendations.

ENGLISH LAW

We would remind you that this report should not be published or reproduced in any way without the surveyor's expressed permission and is governed by English Law and any dispute arising there from shall be adjudicated upon only by the English Courts.

SOLE USE

This report is for the sole use of the named Client and is confidential to the Client and his professional advisors. Any other persons rely on the Report at their own risk.

ONLY HUMAN!

Although we are pointing out the obvious, our Surveyors obviously can't see through walls, floors, heavy furniture, fixed kitchen units etc. they have therefore made their best assumptions in these areas.

As this is a one off inspection, we cannot guarantee that there are no other defects than those mentioned in the report and also that defects can subsequently develop.

WEATHER

It was a dry and cold day at the time of the inspection.



NOT LOCAL

It should be noted that we are not local surveyors to this area and are carrying out the work without the benefits of local knowledge on such things as soil conditions, aeroplane flight paths, and common defects in materials used in the area etc.

EMPTY PROPERTY

The property was empty at the time of our survey although it did look like some people were sleeping in the bedrooms, we were therefore not able to carry out our usual question and answer session or have our questionnaire filled out.

INSPECTION LIMITED

Unfortunately in this instance our inspection has been very limited due to:-

- 1) We have had a limited view of the roof, we were unable to view the rear left roof or the right hand side roof.
- 2) The property has been viewed from ground level; we would be happy to return and view with a cherry picker which is what we would recommend.
- 3) The fixtures and fittings limited our view internally.
- 4) We have not had the benefit of opening up the walls, as we do not feel we can do this without damaging the property.
- 5) We have not had the benefit of opening up the floors or taking core samples, as we do not feel we could do this without damaging the property.
- 6) We have not turned any services on or tested the services.
- 7) The property was unoccupied.
- 8) We have not had the benefit of questioning/filling out our questionnaire by the landlord/previous tenant.
- 9) We have not had a brief from your solicitors with regard to the lease.
- 10) We thank you for taking the time to meet us during the survey.



BUILDING INSURANCE

We do not advise with regard to building insurance. You need to make your own enquiries. Some areas may have a premium, some buildings may have a premium and some insurers may be unwilling to insure at all in certain areas. You need to make your own enquires prior to committing to purchase the property. Please be aware the fact a building is currently insured does not mean it can be re insured.

We would comment that non-insurability of a building we feel will affect lease value.

ACTION REQUIRED: You need to ensure that the leaseholders have adequate insurance.

TERMS AND CONDITIONS

Our computer system sends two copies of our Terms and Conditions to the email address given to us when booking the survey; one has the terms attached and the other has links to the Terms and Conditions on our website (for a limited time). If you have not received these please phone your contact immediately.

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