

STRATEGIC DILAPIDATIONS REPORT

**Public House,
Bedfordshire,**

**FOR
Mrs XXX**



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What is a Strategic Dilapidations Report?

The aim of this report is to minimise your future Dilapidations costs. Dilapidations in the current climate are particularly difficult and unfortunately the property market has changed considerably since many leases were originally issued meaning that Dilapidations are now as certain as death and taxes!

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INSTRUCTION

We have been instructed by Mrs XXX to prepare an independent Strategic Dilapidations Report on The XXX Public House, XXX Bedfordshire.

We have carried out a visual inspection (non evasive) of the property on XXX.

The weather was a dry winter's day at the time of the inspection.

We are Independent Chartered Building Surveyors and professional members of:-

The Royal Institution of Chartered Surveyors (RICS)
and
The Independent Surveyors and Valuers Association (ISVA).

The 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.

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SYNOPSIS

We understand that you have a public house on a lease that ends very shortly and you wish to understand your Dilapidations claim and minimise your Dilapidations costs. We have viewed the property and looked at a selection of documents including:

1. The lease
2. Interim Dilapidations Schedule priced and not priced

There are various ways to solve a Dilapidations claim:

1.0) Carry out all the work that you consider you are liable for under the lease

2.0) One off monetary payment

One off monetary payment in Full and Final Settlement which would end future Surveyor and Solicitor costs and a potential insurance and rental payment charges claims from the landlord.

3.0) Item by item settlement

An item by item settlement of the Dilapidations. The benefit of this course of action is that you get a true value. The disadvantage of a Dilapidations settlement is that fees run up. With most leases you are paying for the fees of your professionals (Chartered Surveyor and possibly Solicitor) as well as fees for the landlord's professionals.

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First things first

You have very little time left before the end of the lease. We would recommend that you:

1. Immediately look at removing any of your own stored items
2. Instigate redecoration - although in theory you could argue that some of the redecoration is not possible due to the problems caused by landlord's liabilities, we feel it would put you in the best position to carry out redecorations before the end of the lease.
3. Communicate with the brewery/property owner to discuss the possibility of an extension of the lease.

We go into this in much more detail within the rest of the report.

Specific comment on the Dilapidations Schedule served

The Dilapidations Schedule served is an Interim Schedule and as such can be added to and amended. This is normally done when the occupiers have left the property and the only solution is a monetary (money payment) solution.

From our discussions with you it would appear that the brewers/property owners have carried out work and have accepted in the past that the condition of the property has affected things that strictly speaking would be your liability however how this is seen from a Dilapidations point of view may be completely different.

EXECUTIVE SUMMARY

Summaries are not ideal as they try to précis often quite complex subjects into a few paragraphs nevertheless here we give a summary of the problems and potential problems with regard to the Interim Dilapidations served and how we would propose is the best way forward.

1.0) The Lease

There are many elements that make up the lease, the ones that we feel are the most important are:

- 1) Repairs
- 2) Redecoration
- 3) Reinstatement
- 4) Statutory Regulations
- 5) Yield Up

2.0) Not a Full Repairing and Insuring Lease

In this particular case we were pleased to see this is not a Full Repairing and Insuring lease (FRI) and you have exclusion clauses which we were very pleased to see (and as you rightly state) 4.1.1. to 4.1.6 identifies that you are exempt from carrying out renewal, replacement or repair to the structure including the roof and the load bearing walls and timbers and foundations and drains.

We would broadly interpret this as meaning that you are responsible for the surface finishes such as the roof tiles and the plaster. On the services front you are exempt from the electrical wiring, cellar cooling equipment and central heating and externally resurfacing of the car park.

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These are excellent exemptions similar to an old brewery tenancy agreement in many ways.

3.0) Cause and effect

From what we understand you have over the years argued what we would term cause and effect i.e. that due to the condition that the brewer/property owner has left their parts of the building in, it has not been possible to carry out your obligations properly, for example:

It is not possible to make the roof watertight as the structure beneath has problems.

Whilst we can see these are strong arguments, you now have two weeks before the end of the lease and have had an Interim Schedule of Dilapidations served upon you with costs in the region of £40,000 plus other costs (which we will go into later), it could be costly to argue as you pay the fees.

4.0) Interim Dilapidations - what does this mean to you?

Leases are written by the landlord and generally tend to favour their viewpoint and Dilapidations Schedules are produced by the landlords surveyor and again favour their viewpoint and in particular in relation to pricing where you generally have what we would consider to be Rolls Royce pricing.

5.0) You pay the fees for both brewer/property owner and yourself

Unfortunately as with most leases, if you do negotiate after the end of the lease you will not only pay the costs of your surveyor (or yourself if you wish to carry out the negotiations) but also the cost of the landlord's surveyor and any associated professionals such as solicitors so the negotiation process can be expensive.

6.0) Interim Schedule of Dilapidations - additional costs

It should be noted that this is an Interim Schedule of Dilapidations and as such is not conclusive. As you have already discovered with the re-issuing of the Interim Dilapidations with the barns included, the Interim Dilapidations are open to additional elements being added.

7.0) Interim Dilapidations fees not mentioned

Another area that you need to be aware of is the Interim Dilapidations is not a complete claim, there are many additions we can see that haven't been included within the interim Schedule of Dilapidations, all of which cost money!

For example you would typically have additional surveyor's fees for tendering the proposed work and managing it typically anything between 8% and 20%.

Another example of additional costs would be loss of rent during the time the work is being carried out, say 4 – 8 weeks. You are looking with these two elements alone at considerable additional costs.

8.0) The term Interim Schedule of Dilapidations and Final Schedule of Dilapidations

Although the two terms are very similar, we would re-emphasise that this is an Interim Schedule of Dilapidations and as such is subject to alterations until a Final Schedule of Dilapidations is served. If the brewer/property owner was intending to serve a Final Schedule of Dilapidations before you left the property we would have expected it to be served by now. It is more typical for a Final Dilapidations to be served once you have left the property.

9.0) Dilapidations tactics one

From our experience from the property owner's point of view most property owners believe they get the best settlement from a monetary only settlement which they will instigate after the lease has ended.

10.0) Property owners are under no Dilapidations obligation

The common mistake is that tenants/operators believe that the property owner/brewer have to provide them with the Schedule of Dilapidations - they don't. Even the Dilapidations protocol that has been brought in to help make this a fairer game only require under the terms of their guidance for a Dilapidations notice to be served within 56 days of the end of the lease.

11.0) Dilapidations protocol and the wild west of Dilapidation claims

A Dilapidations protocol has come into place over the time that you have had this lease. It has been instigated by the Royal Institution of Chartered Surveyors however it is currently for guidance only.

The idea was to make Dilapidations claims a fairer game and to some extent it is working with giving typical times things should be carried out in, for example a Dilapidations notice should be served by the landlord surveyor within 56 days of the lease ending and it should be responded to by the tenants surveyor within 56 days of receiving it.

We have now had several times quoted to us by property owners/surveyors that this is only guidance and as yet not statutory however it is becoming more commonly used.

12.0) The reasons why property owners like monetary only solutions

For a property owner a monetary only solution usually mean that any work is priced within the Schedule of Dilapidations as what we

would term as Rolls Royce prices.

Whilst in theory the property owner is not meant to make a profit out of Dilapidations claims you can comment that this is an expensive process for a tenant to argue because as mentioned you pay for both your own professional fees and also your property owners/brewers/landlords fees.

It is best for this reason to negotiate a settlement directly with the property owner or with the property owner's surveyors depending upon how they wish to operate. Most operate via Dilapidations Surveyors or alternatively to carry out the work required under the lease yourselves before the end of the lease and this is the way which we would recommend proceeding.

13.0) Ending a lease with minimum costs

From our experience we have found over the years that it is far better to carry out as much work as possible that falls under what we would term negotiable Dilapidation claims issues.

14.0) Negotiation of an Interim Dilapidations claim

It is good to have had an Interim Dilapidations claim served on you although it is an Interim rather than Final it is a good starting place. Although as explained you could be served with further Interim claims, we would like to get a Final Dilapidations notice served but we haven't got any legal grounding for this. As mentioned they have 56 days after the end of the lease to carry this work out.

15.0) What this means to you

To reiterate what this means to you, you need to act very quickly on the following items:

1. Clear the building

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2. Get contractors in place to repair and redecorate as per your lease requirements.
3. This needs to include the cleaning of the floors and the ceilings.
4. Get the property owners/the brewer/landlord on board with the fact you are carrying out works.

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THINGS YOU NEED TO DO AS SOON AS POSSIBLE:

1) Write to landlord and landlord's surveyor

Put in writing to the landlord and the landlords surveyor that you intend to carry out works and state specific dates when you will be holding site meetings to review progress and invite them to come along to the meetings.

As you have so little time we have asked in the letter/email for them to give it their urgent attention and we would also advise that within a few days you need to send a second letter/email saying that you haven't heard from them as yet and re-emphasise you intend to carry out the works and re-emphasising the dates when you wish them to visit the property.

2) Remove all stored items and fixtures and fittings relating to the business that are yours

You need to clear the property as quickly as possible of any stored items, etc.

We would add that at the time we walked around with you it didn't look like anything had been carried out; you do need to move quickly.

3) You need to tender/get quotes for the painting work, external work and internal work and start the painting almost immediately

Externally you need to clear gutters first at this time of year and wait for some warmer days. Internally we would recommend that you continue trading and removing fixtures and fittings.

The easy part of this is getting the internal work carried out as

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it is not weather dependent. From what we have seen we do feel you can work this around your business.

External painting may be more difficult as you will be waiting for good weather. We would recommend at this time of year you do clear your gutters so that if it does rain during the course they don't overflow onto the paintwork.

4) You need to make repeated efforts to get the landlord or the landlord's surveyor to meet you at the property.

This needs to be done in writing as well as verbally. Please see letters in the Appendices. You of course have got to add your own headed paper to these.

ACTION REQUIRED: Use the format of the letters in the Appendices of this report.

5) The art of negotiation

Remember that you have to negotiate. We do like the phrase 'win friends and influence people'.

6) Tests and reports

You normally need to have tests and reports on all services however we note that it would appear you are excluded from liability on these.

We would query this in writing as you still may need to have tests and reports provided at the end although you don't have the liability for maintaining them.

7) Reinstatement covenant (requirement)

We are assuming that you haven't moved any walls, etc. without

permission therefore don't have to put any walls, etc back.

PHOTOGRAPHIC RECORD - PUB

EXTERNAL - PUB



Front Elevation



Rear Elevation



Left Elevation



Right Elevation

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INTERNAL - PUB GROUND FLOOR



Central bar



Right hand bar



Kitchen rear



Wash area rear right



Gents toilets rear right

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INTERNAL – PUB FIRST FLOOR



Left room



Middle room



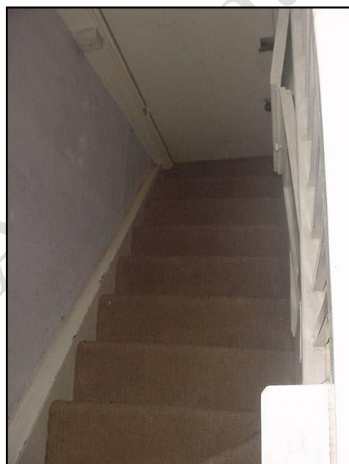
Front right room



Bathroom rear left



Kitchen



Staircase to front



Landing at top of spiral staircase

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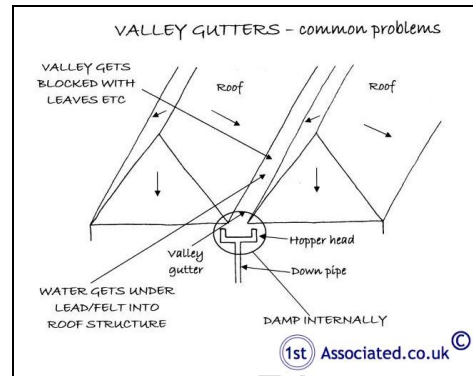
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INHERENT DEFECTS – PUB EXTERNAL



Defect to valley gutter to pub



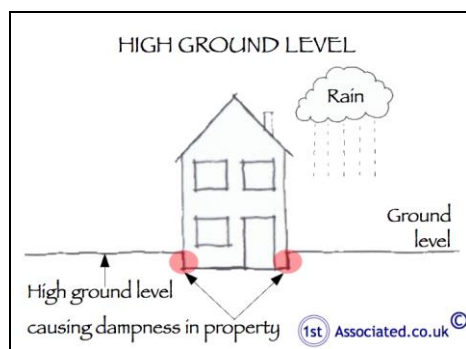
Valley gutter



Cement repair to tiles rather than lime



High ground level rather than French drain



High ground level



High ground level

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INHERENT DEFECTS – PUB INTERNAL



Condensation and dampness getting in relating to valley gutter on right side



Deterioration to first floor middle room caused by work to roof



Dampness coming into eyebrow section of front right room



Cold bridging to left hand room

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LACK OF MAINTENANCE - PUB



Weathering to chimney



Weathered ridge tiles

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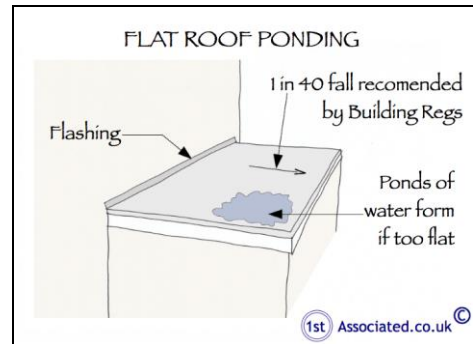
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WHOSE LIABILITY? - PUB **LIABILITY TO BE DISCUSSED**



Ponding to flat roof



Flat roof ponding

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PHOTOGRAPHIC RECORD - BARNS

EXTERNAL - BARNS



Front Elevation



Rear view



Rear view



Right view



Right view

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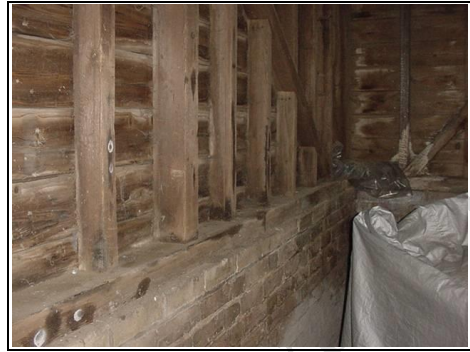
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INTERNAL - BARNES



One of the two store rooms



First of three barns

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INHERENT DEFECTS - BARNES



Asbestos



Wet rot, possibly dry rot to floor and walls



Very high damp meter readings generally and particularly to left side

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LACK OF MAINTENANCE – BARNS

You advised the tile repairs had been carried out by the brewer/property owner



Cement mortar repairs to tiles



Vegetation growing from barn roof



Vegetation



Lack of external painting

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WORK TO DO - BARN



Clear stored items

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EXTERNAL AREAS

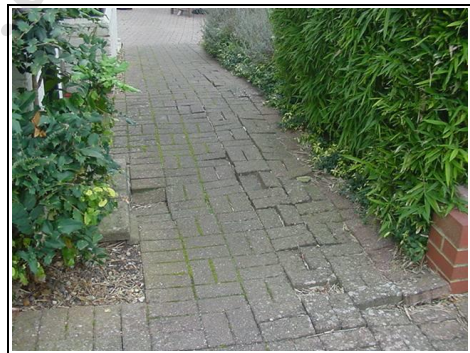


Car park

EXTERNAL AREAS DETERIORATION



Deterioration to car park



Areas of deterioration

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MAIN BODY OF THE REPORT

We would start this section by saying you need to focus on what is in the Executive Summary and read this section at your leisure at a later date.

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SITUATION AND DESCRIPTION

Whilst we appreciate you are occupying the building we do need to record its present condition:

This is a large detached public house with a separate barn. There is car parking to the front left hand side, all sitting on a sloping site in a country location.

We have included within this report a selection of photographs within the Photographic Record and we also reserve the right to produce other photographs.

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DILAPIDATIONS

Introduction - Dilapidations are as certain as death and taxes

Whatever the relationship you have had with your landlord it changes at the end of your lease. This is because the landlord no longer looks at you as a regular monthly rental income stream. The landlord moves his thoughts to renting out the property to a new tenant for as much income as possible spending as little as possible of his money on bringing the property up to standard which is within his rights as most leases are under Full Repairing and Insuring clauses (FRI's). You, of course, in this instance have a lease that isn't Full Repairing and Insuring.

Dilapidations Guidance and Protocol for Chartered Surveyors

A Dilapidations claim is a semi-legal process that can turn into a legal process if agreement is not reached.

The Dilapidations process is set within a legal Protocol and any Chartered Surveyors dealing with Dilapidations have recommended Guidance Notes prepared by The Royal Institution of Chartered Surveyors (RICS).

What this means to you

This means that you are part of a process designed to settle claims between landlords and tenants without going to court (where matters get very costly) in most cases.

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QUALITY OF LEASE

We have seen a signed copy of the lease and we would advise that we found the main liabilities that we feel you have are:

Repairs

Redecoration

Reinstatement - alterations

Statutory Regulations

Yield Up – the term used for how you have to give the property back which may be different to the lease terms.

Within your lease these various elements are referred to. For the record, we believe the main clauses are as follows:

Repair

Items 4.1- 4.1.6

Including the Not Obligated to Section

Redecoration

Items 4.2 & 4.3

Every three years during the term, 3 months immediately preceding the end of the lease so this is why the painting needs to be done. It does actually say that the landlord needs to approve.

Items 4.4, 4.5, 4.6, 4.7

Relates to general tidying of the property including cleaning windows.

Reinstatement

Item 5

Alterations and Additions to the property

Yield up clause (known as end of lease in this instance)

Item 6.

This is a clause over and above those that are required throughout the lease and there may be additional items.

Item 6.1

Refers to good repair and redecoration condition in accordance with the tenants obligations.

Item 6.2

Relates to clearing of anything that is considered to be the tenant's fixtures and fittings.

Item 6.3

Rent clause act which means you will be paying rent if the property isn't yielded up in the correct condition

Item 6.4

What is known in the Dilapidations industry as a supercession clause which means that if work is being carried out anyhow at the end of the lease you don't need to carry it out so you do need to include request to the landlord asking them to confirm they are not going to carry out alterations and extensions.

Item 6.5

Sell on clause for tenant's fixtures and fittings

Item 6.6

Contracts of employment

Main items identified from Interim Dilapidations

We would refer to the Appendices document in the lease reference page one to page nine.

SURVEY FINDINGS

The following is a brief summary of what was found. We reserve the right to add additional information as required and requested.

Our general comments are as follow:-

Future Dilapidations claim

With a Dilapidations claim against you, the landlord can serve on many issues. The main property headings tend to be:

- 1) Redecoration
- 2) Repair
- 3) Reinstatement
- 4) Statutory regulations
- 5) Yield Up Clauses

See photographic record.

Note: We have not moved furniture or fixtures and fittings unless stated.

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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 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:

You must ask for the Full and Final Dilapidations to be served as soon as possible however do note that it is generally a Dilapidations tactic that this isn't served until you have left the property.

You need to act quickly and you also need to look at the option of staying on for a month or so as requested by the brewer/property owner as this would give us additional time to negotiate the Dilapidations claim.

We would add that you were initially concerned with regard to the addition of the outbuildings to the Dilapidations claim; we do feel it is correct that the Dilapidations claim should include the outbuildings.

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APPENDICES

Inspection

Construction Summary

Time Line

Requests for Information

Contact Information

Example of Scotts Schedule

Dilapidations Terms

Negotiations with surveyor/landlord

Letters to be sent

Limitations

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INSPECTION

Our inspection has been specifically related to the Dilapidations issues detailed below:

Visual Inspection

Our inspection has taken the format of a visual inspection:

External

1. External of the property of the

Public House

- 1.1 Front
- 1.2 Rear
- 1.3 Sides

We have had the benefit of a x 16 lens on a digital camera

Internal

2. Internal of the property

We have viewed:

Public House

- 2.1 Ground floor
- 2.2 First floor

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CONSTRUCTION SUMMARY

External

Chimneys:	Brick
Main Roof:	Pitched, clad with tiles
Roof Structure:	Timber frame
Gutters and Downpipes:	Cast Iron and Plastic
Soil and Vent Pipe:	Internal
Walls:	Timber frame with render finish (assumed)
External Detailing:	Timber windows
Foundations:	Not inspected

Internal

Ceilings:	Lath and plaster / plasterboard Plastic cladding to kitchen
Walls:	Solid and hollow
Floors: Ground Floor:	Concrete
First Floor:	Joist and floorboards with embedded timbers (assumed)

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

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Time Line – A brief history of the structure

This has been based upon discussions with XXX on the date of the inspection and a telephone conversation on XXX.

DATE	DESCRIPTION
2000	Start of original lease
2003	Painted as part of refurbishment
2007	Painted as part of ongoing work
26/7/2012	Interim Schedule of Dilapidations served
November 2013	Further Schedule of Dilapidations served

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REQUESTS FOR INFORMATION

Landlord's Surveyor

Insist upon the Full and Final Dilapidations being served as soon as possible.

Note: many surveyors reserve the right to add and amend to the Dilapidations claim.

Client

Client has provided:

1. A copy of the lease
2. A Schedule of Interim Dilapidations priced and unpriced.
3. Various letters from the brewer/property owners.

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CONTACT INFORMATION

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Example of Scotts Schedule

If we had more time we would negotiate using what is known as a Scotts Schedule. If this goes to a monetary solution this is what we would suggest that we do.

Here is an example of it:

Item	Location/ Element	Lease Covenant	Breach of Repairing Covenant	Remedial Works Required	Landlords Costs	Tenants Comments	Tenants Costs
	<u>????????????</u>						

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DILAPIDATIONS TERMS IT WOULD BE BENEFICIAL TO KNOW

Interim Dilapidations

This is a Dilapidations served usually before the end of a lease and can be subject to further amendments.

Final Dilapidations

This should, in theory, be the last Dilapidations served. Usually these are served once the lease has come to an end.

Inherent defects

These defects are inherent in the property.

Schedule of Condition

A Schedule of Condition is a photographic record of the property that should be carried out when you first take on the lease. In this case we are advised that one wasn't carried out.

Section 18 Valuation

This is used at the end of a lease if the Dilapidations is unacceptably onerous and it meets various conditions. A Section 18 Valuation is the difference between what the property would be leased at and what its capital value would be if every clause of the lease was put into operation (i.e. everything was good) and what it would lease at and the capital value (because they are related) if it was given back in a condition you intend to give it back in known as diminution in value.

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We would be looking for these to be so close that the landlord would not wish to go to court over the matter. Indeed we would be giving the landlord back a building that they could rent if the market was there to rent at the levels they wish to rent at.

It's not just about your liability for the building; you also have a liability for the surrounding area.

Supercession

This is where repair work is being carried out to a property that will mean that any Dilapidations work is no longer valid.

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Negotiations with the Landlord/Landlords Surveyor

As part of our Strategic Dilapidations advice we usually make three telephone calls/letters/emails to the landlord's surveyor to gauge however in this case there is so little time.

If we carry out negotiations we will work along the following lines:

- 1.0) Their knowledge of Dilapidations
- 2.0) Check if the surveyor dealing with the Dilapidations claim is the same surveyor that has visited the property.
- 3.0) Check that the landlord's surveyor has had full information with regard to the lease and the Schedule of Condition.
- 4.0) We would check and confirm the level of authority the landlord's surveyor has to negotiate and also get to understand their negotiation skills level.
- 5.0) We would also at the outset see if the landlord's surveyors are willing to accept a Full and Final Settlement offer.
- 6.0) Any other factors that could be utilised.

Things that we always remind Landlords of

- 1.0) Landlords are not allowed to make a profit with a Dilapidations claim and genuinely should carry out the work that is being claimed for.
- 2.0) We remind the landlord if they are renting out the property to a tenant who can use the property in the condition that it has been returned from the lease in it they have not suffered a loss.
- 3.0) We also remind the landlord that if the new tenant or indeed the landlord intends to make major alterations to the property then again they cannot claim of loss.

- 4.0) We also make the landlord aware that we will consider Section 18 Valuations which is also known as diminution in value. This is where the repair liability (of the covenant) is limited by the difference between value of the property with the repairs carried out and the value of the property without the repairs carried out.

We have spoken to a Diminution Valuation Surveyor with regard to this property and await his comments with regard to Valuation and approximate costs.

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LETTERS YOU NEED TO WRITE/EMAIL

AS SOON AS POSSIBLE

(you do need to have written evidence)

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45

Your headed paper

EMAIL/LETTER TO LANDLORD

Dear Sirs,

Public House, Bedfordshire

We will be carrying out work as per the Interim Dilapidations Schedule. We would ask that you provide a Final Dilapidations Schedule as soon as possible. We are writing this with only a few weeks to go on the lease so we would ask you to give this your urgent attention. We intend to be carrying out works and invite you to our site meetings at XXX on the following dates:

XXX

We look forward to meeting you. If these dates are difficult for you for whatever reasons, we would be more than happy to meet you at an agreed time and place.

Yours faithfully

???

For and on behalf of
XXX

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Your headed paper

EMAIL/LETTER TO LANDLORDS SURVEYOR

Dear Sirs,

Public House, Bedfordshire

We will be carrying out work as per the Interim Dilapidations Schedule. We would ask that you provide a Final Dilapidations Schedule as soon as possible. We are writing this with only a few weeks to go on the lease so we would ask you to give this your urgent attention. We intend to be carrying out works and invite you to our site meetings at XXX on the following dates:

XXX

We look forward to meeting you. If these dates are difficult for you for whatever reasons, we would be more than happy to meet you at an agreed time and place.

Yours faithfully

???

For and on behalf of
XXX

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Your headed paper

**EMAIL/LETTER TO BE SENT A FEW DAYS AFTER
SENDING THE ORIGINAL LETTER IF NO
RESPONSE**

Dear Sirs,

Public House, Bedfordshire

Further to our letter dated ??????? we haven't as yet had a response from you.

We wish you to attend our site meetings at XXX on the following dates:

XXX

We look forward to hearing from you as soon as possible.

Yours faithfully

???

For and on behalf of
XXX

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LIMITATIONS

Strategic Dilapidations Report

1. Conditions of Engagement

Please note: references to the masculine include, where appropriate, the feminine.

Subject to express agreement to the contrary (which in this particular case has been none) and any agreed amendments/additions (of which in this particular case there have been none), the terms on which the Surveyor will undertake the Strategic Dilapidations Report are set out below.

Based upon a visual inspection as defined below the Surveyor will advise the Client by means of a written report as to his opinion of the visible condition and state of repair of the specific problem or problems only. In this instance in relation to a Dilapidations claim.

2. The Inspection

2.1 Accessibility and Voids

The Surveyor will base this report on a visual inspection and accordingly its scope is limited. It does not include an inspection of those areas, which are covered, unexposed or inaccessible. Our visual inspection will relate to the specific defects shown to us only.

a. Floors

We have not opened up the floor structure. We have only carried out a visual inspection and any conclusions will be based upon our best assumptions.

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2.3 Roofs

The Surveyor has not inspected the roofs on the initial inspection.

2.4 Boundaries, Grounds and Outbuildings

The Surveyor has not inspected boundaries including the grounds and outbuildings unless specifically stated (none stated).

2.5 Services

No services inspected.

2.6 Areas not inspected

The Surveyor will have only inspected those areas identified within the report. His report will be based upon possible or probable defects based upon what he has seen together with his knowledge of that type of structure. If you feel that any further areas need inspection then please advise us immediately.

2.7 Strategic Dilapidations Report

As this is a report upon a Strategic Dilapidations we do not offer any comment or guidance upon reactive maintenance and/or planned or routine maintenance items.

2.8 Whilst we have used reasonable skill and care in preparing this report, it should be appreciated that the Chartered Surveyors cannot offer any guarantee that the property will be free from future defects or that existing defects will not suffer from further deterioration;

3. Deleterious and Hazardous materials

Unless otherwise expressly stated in the Report, the Surveyor will assume that no deleterious or hazardous materials or techniques have been used in the construction of the property. However the Surveyor

will advise in the report if in his view there is a likelihood that high alumina cement (HAC) concrete has been used in the construction and that in such cases specific enquiries should be made or tests carried out by a specialist.

4. Contamination

The Surveyor will not comment upon the existence of contamination as this can only be established by appropriate specialists. Where, from his local knowledge or the inspection he considers that contamination might be a problem he should advise as to the importance of obtaining a report from an appropriate specialist.

5. Consents, Approvals and Searches

- 5.1 The Surveyor will assume that the property is not subject to any unusual or especially onerous restrictions or covenants which apply to the structure or affect the reasonable enjoyment of the property.
- 5.2 The Surveyor will assume that all bye-laws, Building Regulations and other consents required have been obtained. In the case of new buildings and alterations and extensions, which require statutory consents or approval the Surveyor will not verify whether, such consents have been obtained. Any enquiries should be made by the Client or his legal advisers.
- 5.3 Drawings and specifications will not be inspected by the Surveyor. It is the Clients responsibility to forward any drawings and specifications that he has or knows the whereabouts of to us to include information in our report. If these are not forthcoming we will make our best assumptions based upon the information available.
- 5.4 The Surveyor will assume that the property is unaffected by any matters which would be revealed by a Local Search and replies to the usual enquiries or by a Statutory Notice and that neither the property nor its condition its use or intended use is or will be unlawful.

6. Fees and Expenses

The Client will pay the Surveyor the agreed fee for the Report and any expressly agreed disbursements in addition.

7. Restrictions on Disclosures

- 7.1 This report is for the sole use of the Client in connection with the property and is limited to the current brief. No responsibility is accepted by the Chartered Surveyors if used outside these terms.
- 7.2 Should any disputes arise they will be dealt with and settled under English law;
- 7.3 This report does not fall under the Third Parties Rights Act.

8. Safe Working Practices

The Surveyor will follow the guidance given in Surveying Safely issued by the Royal Institution of Chartered Surveyors (RICS).

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