

Schedule of Condition Review for a Lease on a High Street Retail Property

Independent Surveyors

We can provide independent help and advice with regard to Schedules of Condition, Commercial Building Surveys, Structural Surveys, Independent Valuations, Property Surveys, Engineers Reports, Specific Defects Reports, or any other property matters. If you are proposing to lease or buy a

commercial property please freephone us on 0800 298 5424 for a friendly chat regarding the property.

Why is it essential to have a Survey and a Schedule of Condition when leasing a Commercial Property?

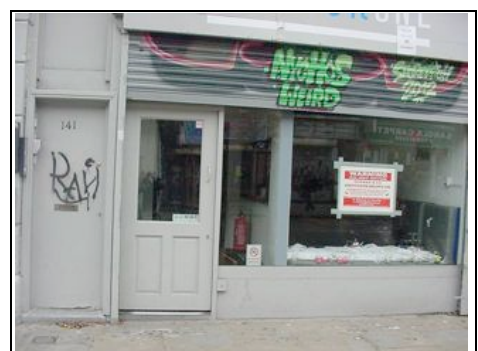
Under the terms of most leases there is a Yield Up Covenant requiring repair, redecoration, reinstatement and statutory regulations on termination of the Lease. A Schedule of Condition will enable you to agree with the Landlord the condition of the property when you start to lease it and should be signed and legally appended to the lease. The Schedule of Condition ensures that you are not liable for any repairs that should have been carried out by the previous tenant or indeed the landlord.



High Street shops



Corner shop



Shop front

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Schedule of Condition for a High Street retail property

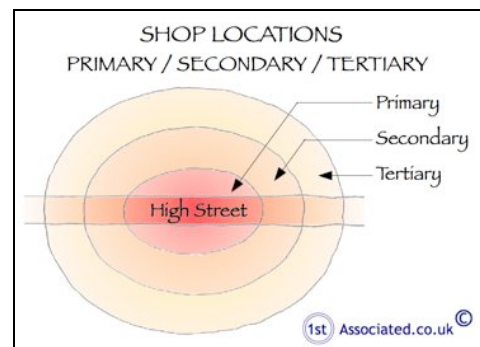
In this particular instance we surveyed a shop unit in a secondary tertiary retail location. Our client was the prospective tenant of the property who was considering taking a lease of the ground floor of the property however under the terms of the lease they were liable for the repair of the whole building. We were instructed to inspect and advise prior to legally committing to purchase the lease.

Secondary retail sector defined

The secondary retail sector is out of the main shopping area where the national and branded shops tend to be located. This is taken up by one off or local shops of lesser brands and national companies.

Tertiary retail sector defined

The tertiary retail sector is the area, which is a step away from the main and secondary shopping areas possibly on the outskirts of a secondary retail area or perhaps on the periphery of a shopping arcade or in a poor area with regard to passing traffic. These areas can be good for destination retail.



Shop locations

What is a Schedule of Condition?

A Schedule of Condition records the condition of the property at the time of our inspection and therefore will limit your liability if legally appended to the lease and will help protect you against future dilapidations claims. We also produced a Property Report which gives advice on what we consider are the key property issues which is for your information only and is not to be forwarded onto the landlord.

Dilapidations defined

Dilapidations are 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.

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Meet the building surveyor at the property

If you have the time available and can get to the property whilst the survey is being carried out our independent surveyors will be more than happy to talk to you about any concerns and possible problems that you think the property may have together with any potential alterations and improvements that you may be looking to carry out to the property. We will, of course, be happy to speak to you about the survey report once it has been completed.

What did the survey uncover?

Good points

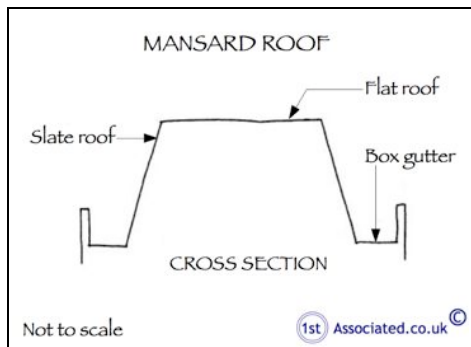
The property like any property has good elements. The fact that the landlord was willing to accept a Schedule of Condition was a good point as was the fact that he had offered a rent free period and was showing a willingness to negotiate.

Bad points

During the survey our Independent Surveyors uncovered many items, which would be problematic and expensive should our client, the prospective tenant, be liable for them. We have detailed some of the items below:

Mansard roof with hidden flat roof

The property had a mansard roof. Unfortunately we were unable to see the very top of the roof, which we believed was flat and leaking from the deterioration to the timber we could see from within the roof space.



Mansard roof



Mansard roof with hidden flat roof

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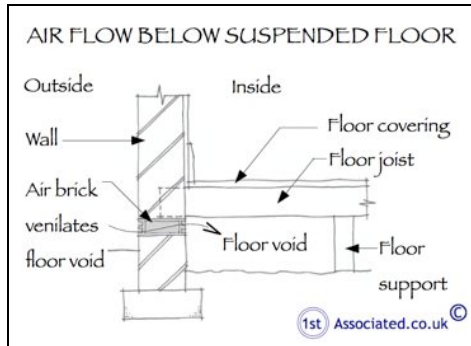
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Wet rot and dry rot

We found dampness throughout the property due to the high ground levels and the lack of air circulation under the floors in the form of airbricks. This caused deterioration in the form of wet rot and dry rot to the suspended timber floor and again should be resolved or excluded from the lease.



Suspended timber floor



Wet rot, dry rot to floor

Poor external redecoration

In addition the property was in general need of external redecoration.

Negotiating with the landlord

These Bad points were included in the Schedule of Condition together with a record of the condition of the property at the time of our independent inspection. The Schedule of Condition is then used to negotiate with the landlord items that the landlord or the previous tenant should either repair or replace and items that should be excluded from the lease such as the roof in this case.

Negotiations on Schedule of Condition are relatively common; landlords normally want to deal in extra rent free periods.

Compare our website and compare our surveys

Please feel free to have a look at our example surveys to see for yourself the quality of our website, articles and our Building Survey reports. We pride ourselves on our professional standard and easy to read reports which we have been carrying out for many years on every age, type and style of both commercial and residential property across the UK .

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Circles and ovals feature in our reports

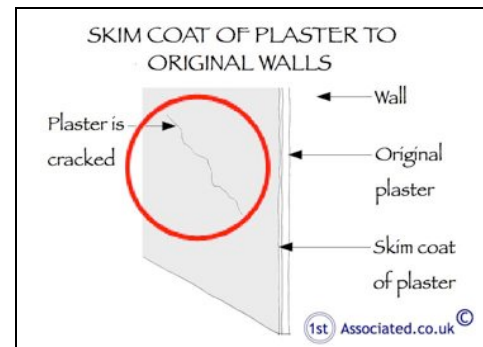
The red circles are a system that we use within our Structural Surveys, Building Surveys and Schedules of Condition to highlight problem areas so that you are not left uncertain what the property issue is.

Our unique sketches help you understand the survey

If the report, along with our photos, does not explain the problem or characteristics of a property enough then we also have a vast range of survey sketches that we have had commissioned exclusively for us that we can use in our reports such as the Mansard roof and suspended timber floor sketches used earlier.



Deteriorating render



Cracks to plaster

Why have an independent building survey?

Always have an Independent Building Survey as this will highlight any property problems. Caveat emptor means buyer beware and is why you need to have a building survey to find out if there are any problems within the property should you be purchasing a commercial property; the commercial property agent certainly will not advise you of any. Please call us on free phone **0800 298 5424**.

If you are a tenant an Independent Surveyor is essential to help to save you money with any future Dilapidations claims.

Remember the building Surveyor that you employ will be the only person working for you with your interests at heart.

Once again, we would reiterate that we highly recommend you always make sure when you have a survey you meet your Surveyor at the property.

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Commercial Property

If you are looking for commercial property, whether it is freehold or leasehold, we would recommend a survey as this will prevent dilapidations claims in the long run. You may wish to look at our Dilapidations Website at www.DilapsHelp.com and for Disputes go to our Disputes Help site www.DisputesHelp.com, both of which we have been advised are very helpful!

We can email you examples of our Commercial Surveys

We have normally carried out a Commercial Building Survey similar to the property you are considering buying or leasing and therefore we can show you an example of the type of survey you will be receiving.



We have example surveys of every type of commercial property including shops, offices, industrial buildings, and leisure buildings such as pubs, sports centres, places of worship and institutional buildings.

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Call us on free phone **0800 298 5424** to chat to us about your particular property.

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