



BUILDING SURVEY REPORT

ON

194 Goldhurst Terrace
London
NW6 3HN

ON BEHALF OF

London Borough of Camden

PREPARED BY
Lambert Smith Hampton
55 Wells Street,
London, W1T 3PT

Tel: 020 7198 2000

Date: 10 May 2022

Ref: 0136963-LW-0054

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Inspection Date: 27 April 2022

Report Issue Date: 09 May 2022

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1.0 Introduction

1.1 Basis of Inspection

1.1.1 Further to your instructions to carry out a pre-acquisition building survey for investment purposes, we have undertaken an inspection of the subject premises on 27 April 2022. This report summarises our findings and recommendations to provide an overview of the building's physical condition and to highlight any apparent defects in its construction, together with repairs required, which may influence your proposed acquisition.

1.1.2 This report focuses upon any material issues which may impact upon the investment value and development potential. Accordingly, we do not report on general maintenance or day to day management issues.

1.1.3 At the time of our inspection the weather conditions were mild and overcast.

1.1.4 We have assumed the notation that the main site entrance fronting 194 Goldhurst Terrace, faces due West, and all other references are given on this basis.

1.2 Limitations

1.2.1 We were unable to gain access to the following areas:-

- All of the bedrooms occupied by live in guardians

Notwithstanding, we do not consider there to be a need for further inspections as we have based the condition of unseen bedrooms on the condition of those seen.

1.2.2 Our report does not provide details on any legal issues that relate to the site, we assume that your solicitors will be reporting fully to you in this regards.

1.2.3 Upon your instruction, we have not made arrangements in respect of environmental matters. We provide no comment within our report on environmental issues. We understand that you dealing with environmental matters directly.

1.2.4 No detailed structural survey has been commissioned however, we have made comment on the structural elements based on our level of expertise.

1.2.5 The site was occupied by live in guardians at the time of inspection and general tenant's chattels and general operations obscured or obstructed access to some areas of the building and structure.

1.2.6 In accordance with our standard practice, we must state that this report is for the use only of the party to whom it is addressed and no responsibility is accepted to any third party for the whole or any part of its contents unless an appropriate letter of reliance has been agreed between Lambert Smith Hampton and the reliant party.

2.0 Property Description





- 2.1 194 Goldhurst Terrace is a detached property located to the west of the London Borough of Camden within the South Hampstead Conservation area between West Hampstead, South Hampstead and Kilburn High Road tube stations.
- 2.2 The building occupies a 0.2 acre plot which is externally landscaped and is approximately 6,135sqft and comprises ground and two upper floors. The plot has a large front garden and smaller rear courtyard which can be accessed via the side of the property and also through the ground floor. The building is presumed to be constructed in the early 1900's and is of traditional construction comprising solid brickwork walls and timber ground and upper floors and single glazed timber windows.
- 2.3 The roof comprises of a timber mansard with rolled steel top to the mansard and other flat roofs within the structure. The pitched structure drains to modern uPVC guttering and downpipes which appear to have been recently installed to replace what would have been cast iron rainwater goods originally. The flat roof structures to the front elevation also drain to uPVC guttering behind parapet upstands, which in turn fall to outlets and downpipes. The roof also accommodates several brick built chimney stacks.
- 2.4 Internally, the main entrance is on the front elevation off Goldhurst Terrace. The ground floor is made up of separate individual rooms comprising bathrooms, living areas, utility rooms and bedrooms. There is also a large hall with central atrium to the rear of the property that appears to have been used for a range of recreational activities under the old occupants. The areas comprise mainly of painted and plastered walls and ceilings and a mix of carpet and vinyl sheet floor coverings throughout. There is a central stairwell providing access to all floors. Each floor is serviced by a WC and common kitchen areas and there are 2 bathrooms on the first and second floors.

3.0 Occupancy

- 3.1 The property was previously used as a supported living facility by the London Borough of Camden. The facility has since been relocated and the property is currently occupied by live in guardians.

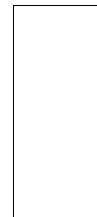
4.0 Condition

The items below are marked as follows;

-  Requiring immediate action / requiring resolving as a condition of purchase.
-  Short term action requiring resolution within 1-2 years.
-  Medium/Long term action, management / housekeeping issue or non-critical issue.
-  No actions required / no issues of concern.

4.1 Structure and Foundations

4.1.1 We have assumed that the building has been built on shallow strip foundations although we have not been provided with any information relating to the nature of the below ground structure. Our survey did not highlight any areas of concern relating to movement or cracking in the structure or finishes that would suggest that there are defects relating to the substructure.



4.2 Roofs and Rainwater Goods

4.2.1 The main roof appears to be in good condition throughout including the roof covering and lead flashing details. We did not inspect using any specialist viewing equipment to be able to view the full condition of the roof from a vantage point, however, internally, there is no evidence to suggest that the roof is currently not watertight and no leaks or water ingress was observed from the roof with the exception of that around the skylights which is detailed below. The flat roof structure above the single story rear extension appeared to be in poor condition with the covering reaching the end of its useful life. Internally, leaks and areas of water ingress was observed to the ceiling finishes.



4.2.2 The chimney stacks and clay pots appear to be in fair condition, albeit there is evidence of surface soiling that will need to be cleaned as part of any planned maintenance programme going forward.



4.2.3 Minor deterioration and maintenance is expected to the roof covering over its lifecycle which would be picked up as part of any ongoing maintenance plan for the property.



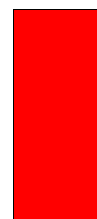
4.3 Perimeter Walls

4.3.1 The facades of 194 Goldhurst Terrace are generally in satisfactory condition and have been well maintained. Some minor spalling was noted to the external elevations facing brickwork however this is unlikely to cause any major issues. Vegetative growth from mortar joints at low level was noted and more significant vegetation grown was noted to the single storey extension to the rear of the property. this is likely to have caused damage to the brickwork pointing that will need remediating. It was also noted that the mortar joints to the coping stones of the flat roof structures are blown which has caused staining to the elevations below. During the next five years, or following any redevelopment of the property, the elevations will require properly cleaning, vegetation removal and patch repointing works will need to be undertaken.



4.4 Doors and Windows

4.4.1 The windows generally are in fair condition. There is evidence of rot to the frames which will need to be splice repaired. Throughout the property, damp to the window reveals was also noted. The painted finish to the frames is weathered and we recommend that these are redecorated to prolong the economic life of the timber frames so far as is possible. Following this, the windows will need to be redecorated on a 5-7 year cycle.



4.4.2 During our inspection we tested several windows to determine whether they were functional, of those tested we found the vast majority were operational and openable. We recommend a thorough overhaul of all of the windows to ensure they are fit for purpose within the next 1 – 2 years.



4.4.3 The windows are single glazed, therefore the thermal performance is poor. Consideration should be given to replacing with a double glazed equivalent as a more thermally efficient solution. Notwithstanding this, any replacement will be subject to a Planning Application and Conservation Area Consent and it is essential to ensure materials are sympathetic with the building. If this is not an option, secondary glazing installed internally could also be an alternative that could be explored.

4.4.4 There are c.4 skylights within the property, one to the 2nd floor of the property and 3 to the ground floor rear extension. The skylights are all in poor condition and the seals have blown allowing for water ingress, damp and mould growth around the lights. The skylights appear to have reached the end of their useful life and will require replacement.

4.4.5 The main building entrance way and door was generally in good decorative condition and the render around the front door appeared to have been recently undertaken. There is a tiled entrance porch, to the front of the door and the tiling to this area was largely broken and damaged.

4.4.6 The rear and side decorated timber access doors to the property were in poor condition and the timber was heavily damaged and deteriorated.

4.5 Floors and Staircases

4.5.1 During our inspection, the floors and central stair case were concealed by floor coverings to include vinyl and carpets. We saw no evidence of unevenness, deflection or undulation to suggest failure of the underlying floor structure. It was, however, noted that the airbricks providing ventilation to the ground floor, floor structure were blocked with debris and vegetation during our inspection. This could be causing further issues with the floor structure and so should be remedied to stop the development of any condensation damp and/or mould growth which could affect the structural integrity of the timber structure.

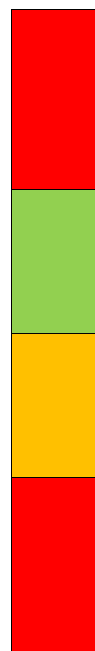
4.6 Internal Areas

4.6.1 The condition of the internal areas was consistent throughout and reflected its past use as a residential supported living facility. There were basic finishes throughout that were mainly in poor condition and well worn. Most of the finishes had reached the end of their serviceable life and require replacement and redecoration.

4.6.2 Hairline cracking was noted to the ceiling and wall finishes throughout, mainly at the ceiling and wall junctions and around window and door frames. These were presumed to be minor plaster cracks and appear to be aesthetic as opposed to structural.

4.6.3 Each floor is serviced by kitchen facilities and a WC. 2nr bathrooms with shower and bath facilities are provided to the first and second upper floors. The finishes in these areas are especially worn and dated and require modernisation.

4.6.4 Two significant areas of damp were noted to the ground floor by the front entrance door and rear door to the garden area. We recommend further investigation in order to investigate the exact cause of the damp and what will be required to remediate it. The damp was at low level, however, and given the construction of the building is likely to be due to inefficiencies in the building damp proof course.



4.7 Site Boundaries and External Areas

- 4.7.1 The external areas to the front and rear of the property are landscaped and are generally largely overgrown and in need of maintenance. The perimeter fencing is also in poor condition and was damaged in a number of places beyond repair. It is likely that this will need to be fully replaced in order to be fit for purpose.



5.0 Mechanical and Electrical Services

In accordance with your instructions we have not instructed a specialist M&E consultant to review the service installations. We have provided commentary below on the physical appearance of the service installations but confirm our advice is limited to that of a Chartered Building Surveyors perspective and we have not tested the working order of adequacy of the service performance.

5.1 Mechanical Services

- 5.1.1 We have not had sight of any O&M manuals in respect of the property so we are not able to comment if appropriate water, electrical and fire alarm safety checks have been carried out.
- 5.1.2 A gas supply was noted, however, it is unclear as to whether the gas system has been serviced and is compliant with current gas safety legislation.
- 5.1.3 The property was heated via a gas central heating system with radiators in each room. The radiators were deteriorated and could do with modernisation. It is also assumed that the boiler will need modernising as not viewed
- 5.1.4 There are standalone toilet extract systems located to the WCs and bathrooms. These appear dated, albeit operational.



5.2 Electrical Services

- 5.2.1 Small power provisions are provided via double sockets located to the walls above the skirting boards. The electrical fittings associated with the small power appeared dated however operational. Subject to further advice, the property may require re-wiring in order to modernise its electrical infrastructure in this regard.
- 5.2.2 No items were observed that suggested the property had provisions for three phase supply. If this is required, it is recommended that enquiries are made to UKPN as to the feasibility of this.
- 5.2.3 Lighting to the rooms comprises of a mixture of LED and florescent luminaries, generally on central pendant lights, controlled by manual light switches. They appear to be in working order, however, upgrading the tungsten lighting to LEDs complete will improve the energy efficiency. LED spotlights throughout the rooms will also increase the lux levels in order to provide better lighting conditions throughout.



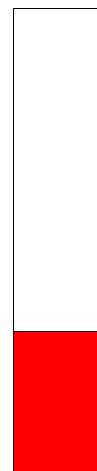
6.0 Building Management

- 6.1 Internally, the building appears to have been well managed. There are a number of backlog maintenance issues that relate to the external fabric and internal fit out that need to be addressed in the short term in order to bring the property up to the standard that is required. In addition, the building is of an age whereby the windows are reaching the end of their economical lives and whilst it will be possible to maintain them in the short to medium term it is uneconomical when compared with full replacement over the long term.



7.0 Statutory Matters

- 7.1 During the course of our survey we have had regard to:-
- Regulatory Reform (Fire Safety) Order 2005
 - Workplace (Health, Safety & Welfare) Regulations 1992
 - Currently cited Building Regulations
 - Control of Asbestos Regulations 2012
 - Equality Act 2010
- Commentary on the specific considerations we have had in relation to the above during the course of our survey is provided at Appendix A.
- 7.2 There were a number of fire doors within the property. We have not had sight of any maintenance records for the fire doors. The fire doors should be inspected to check they are still fit for purpose. The layout and requirement of the fire doors should be checked but is subject to change on the basis of any new development plans.



8.0 Matters For Your Solicitor

- 8.1 Your solicitors should verify the title of the property and confirm that there are no restrictive covenants on the land register. In doing so your solicitor should verify the exact position of the boundary together with the access arrangements to the premises and establish any rights of way or other obligations associated with the neighbouring properties or land.
- 8.2 Your solicitors should provide a full report on the current occupational leases. In particular, you should have regard to any limitations on the repair, decoration or reinstatement provisions where you might be liable for the cost of any short falls.
- 8.3 Your solicitor should ascertain whether there are any construction documents, as-built information or health and safety files available in respect of any tenants fit out or refurbishment works and provide copies of Listed Building Consent approvals.
- 8.4 Your solicitors should confirm the completion of Building Regulation works certificates have been issued in respect of the landlord's refurbishment.

9.0 Summary and Recommendations

- 12.1 It is understood that the freehold interest is to be acquired for investment purposes.

- 12.2 The majority of issues highlighted relate to general repair and maintenance of the internal areas, including damp remediation works and window and skylight repairs, fire door inspections. Sight of the O and M manuals and the gas service record would also be advised. We recommend that following the execution of any redevelopment plans you may have, a detailed planned maintenance schedule for the 5-year period is prepared in order to continue to maintain the property in good order and budget for any repairs that may be needed over this time period.
- 12.3 We recommend further investigations are undertaken in respect of the damp and water ingress noted to provide cost certainty on any repairs deemed necessary.
- 12.4 Subject to your acceptance of the issues raised within our report, the anticipated future liability to you as freeholder and the outcome of your solicitor's enquiries, we see no reason from a Chartered Building Surveyors perspective why you should not proceed with your proposed acquisition.
- 12.5 We trust that this report is satisfactory for your present requirements and if you wish to discuss this matter please contact:

Kara Boddy BSc (Hons) MRICS

Building Consultancy
UK House
180 Oxford Street
London, W1D 1NN

Tel: 020 7198 2000

LAMBERT SMITH HAMPTON

APPENDIX A

STATUTORY CONSIDERATIONS

Regulatory Reform (Fire Safety) Order 2005

Under the terms of the Regulatory Reform (Fire Safety) Order 2005 a Responsible Person is required to assess the fire risk and to take reasonable precautions. Typically this encompasses the preparation of a Fire Risk Assessment and the implementation of the recommendations contained therein.

Further guidance can be found at www.communities.gov.uk/fire/firesafety/firesafetylaw

Control of Asbestos Regulations 2012

Under the terms of these Regulations a Dutyholder is required to manage asbestos in non- domestic premises. Typically, this encompasses a positive obligation to assess the likelihood of asbestos containing materials (ACMs) being present at the premises. This can be achieved either by reference to bone fide statements confirming that ACMs were not incorporated into the construction of the building, or by commissioning an asbestos survey. The results of that survey would then be interpreted, acted upon and recorded in an Asbestos Management Plan.

Further guidance can be found at <http://www.hse.gov.uk/pubns/indg223.pdf>

Workplace (Health, Safety and Welfare) Regulations 1992

A variety of statutory instruments and supporting legislation govern the health and safety of people in the context of the built environment.

Further guidance can be found at <http://www.hse.gov.uk/pubns/indg244.pdf>

Energy Act 2011

By 1 April 2018 at the latest, it will be unlawful to let a property with an EPC rating of F or G. EPC's last for a period of 10 years before re-assessment is required. The government are continually tightening the bandings for EPC's, therefore it is entirely possible that a property with an EPC rating of B in 2010 if assessed today could have a reduced rating.

Further guidance can be found at

http://www.decc.gov.uk/en/content/cms/legislation/energy_act2011/energy_act2011.aspx

Equality Act 2010

Under the terms of the Equality Act 2010, employers or service providers are required to take reasonable steps to avoid discrimination. Typically this encompasses the preparation of an Access Audit specific to the requirements and nature of the service provider and/or employer, and the implementation of the recommendations.

Further guidance can be found on the Equality and Human Rights Commission website at <http://www.equalityhumanrights.com/advice-and-guidance/new-equality-act-guidance/equality-act-guidance-downloads/>

Construction (Design and Management) Regulations 2015 (CDM)

Under the terms of the CDM Regulations” certain construction operations attract the requirement for the preparation of a Health and Safety File. Amongst other things this document records details of the works completed in order to assist safe and appropriate repair in the future. The Client (as defined by the CDM Regulations) is required to retain the Health and Safety File and to allow appropriate access to it.

Further details can be found at www.hse.gov.uk/construction/cdm/responsibilities.html

APPENDIX B

ILLUSTRATIVE PHOTOGRAPHS

APPENDIX C

TERMS AND CONDITIONS

Terms of Engagement for Building Consultancy Services

1 INTERPRETATION

i) In these Terms:

"Agreement" means the agreement between the Client and LSH for carrying out the Service incorporating the Terms and the Engagement Letter.

"Client" means the person to whom LSH is to provide services in accordance with the Terms and includes the person to whom the Engagement Letter is addressed.

"Data Protection Laws" all applicable data protection and privacy legislation in force from time to time in the UK including without limitation the Data Protection Act 2018 (and regulations made thereunder) ("DPA 2018"); the UK GDPR (as defined in section 3(10) and as supplemented by section 205(4) of the DPA 2018); the Privacy and Electronic Communications Regulations 2003 (SI 2003/2426) as amended.

"Director" means any person whose title includes the word 'director' whether or not a statutory director.

"Engagement Letter" means the letter or proposal document sent out by LSH to the Client setting out the basis on which it will carry out the Service.

"Expert Witness Terms" means the terms and conditions which, in addition to the Terms of Engagement letter, govern the provision of the Expert Witness Services (as defined within the Expert Witness Terms of Engagement).

"Fee" means the fee for the Service as set out in the Engagement Letter or as otherwise agreed in writing between LSH and the Client, plus any expenses or other amounts properly due under this Agreement.

"LSH" means Lambert Smith Hampton Group Limited whose registered office is at 55 Wells Street, London, W1T 3PT and any company which is the same group of companies as that company.

"LSH Report" means the written advice and report(s) provided to the Client by LSH under this Agreement.

"Property" means the property identified in the Engagement Letter and any agreed variation to the Engagement Letter, (and includes any property being or to be constructed altered, repaired or modified as part of the Service).

"RICS" means the Royal Institution of Chartered Surveyors.

"Scope of Service" means the schedule setting out the scope of service appended to or otherwise referred to in the Engagement Letter.

"Service" means the service to be performed or procured by LSH under the Agreement including, where applicable, any Expert Witness Services (as defined in the Expert Witness Terms).

"Terms" means the terms and conditions set out in this document and includes the Expert Witness Terms and any other terms and conditions set out in the Engagement Letter or any other letter or document from LSH accompanying, supplementing or varying the Terms.

ii) In these Terms:

- (a) A reference to "writing" includes electronic mail
- (b) A reference to any provision of a statute or regulation shall be construed as a reference to that provision as it is in force at the relevant time taking account of any amendment, re-enactment, extension or repeal.
- (c) Except where the context otherwise requires, words denoting the singular include the plural and vice versa, words denoting any gender include all genders and any reference to a "person" includes an individual, firm, corporation and/or other legal entity.
- (d) References to a numbered Condition are to that condition in these Terms.
- (e) The headings are for convenience only and shall not affect the interpretation of these Terms.

2 GENERAL

- i) The Agreement shall be made when the Client receives a copy of the Terms or gives instructions to LSH, whichever shall be the later, and shall be subject to the Terms, which shall also apply to all or any part of the Service carried out prior to such date.
- ii) LSH shall perform all Services on the basis of the Agreement only, which shall apply to the exclusion of any other terms and conditions which the Client may seek to impose or incorporate, or which are implied by trade, custom, practice or course of dealing.
- iii) No variation of:
 - (a) the Terms shall be binding unless previously agreed in writing by a statutory director of LSH (as identified on Companies House from time to time);

- (b) the Engagement Letter shall be binding unless previously agreed in writing by a Director of LSH,

and in entering into the Agreement the Client acknowledges that it has not relied on any statement, promise or representation which has not been confirmed in writing by a Director of LSH.

- iv) In the event of any ambiguity or conflict between any of the documents comprising the Agreement, the Engagement Letter shall take precedence over any of the other Terms.
- v) Nothing in the Agreement shall confer or purport to confer on any third party any benefit or right to enforce any terms of the Agreement. No term of the Agreement shall be enforceable under the Contracts (Rights of Third Parties) Act 1999 by a person who is not a party to the Agreement, although this shall not affect any right or remedy of any third party which exists or is available other than under such Act.
- vi) LSH's duties under the Agreement shall be limited to those set out in the Terms.
- vii) LSH shall be entitled to accept and act on any instruction given to LSH by any person who is an employee of, or agent, advisor or subcontractor to, the Client.
- viii) If any provision of the Terms shall become or be declared illegal, invalid or unenforceable for any reason such provision shall be divisible and shall be deemed to be deleted, from the Terms.
- ix) The Client shall provide its authority, instructions or information required to LSH promptly.
- x) It is a condition of the Client's agreement with LSH that (save where LSH instructs independent experts, consultants or other third parties on the Client's behalf) the duties and responsibilities owed to the Client are solely and exclusively those of LSH and that no employee of LSH shall owe the Client any personal duty of care or be liable to the Client for any loss or damage howsoever arising as a consequence of the acts or omissions of such employee (including negligent acts or omissions) save and to the extent that such loss or damage is caused by the fraud, dishonesty, wilful misconduct or unauthorised conduct on the part of such employee.

3 SERVICE

LSH shall seek to provide a service such as would be expected of a national firm of consultant surveyors in a proper professional manner and shall perform the Service with all reasonable care and skill.

The Service shall, however, be provided on the basis that:

- i) LSH reserves the right to carry out instructions in accordance with such procedures, principles or methodologies as LSH deems to be appropriate. Where appropriate, LSH shall comply with the relevant Practice Statements and Guidance Notes published by the RICS.
- ii) LSH should carry out a visual inspection of all accessible internal and external parts of the Property available at the time of the inspection only and LSH shall not be obliged to and will not, unless otherwise agreed, carry out any inspection of parts of the Property that require opening up or invasive investigations or of concealed or inaccessible areas, and LSH shall not be under any duty to identify or deal with any concealed defects or generally any closed up areas or spaces.
- iii) LSH shall not be obliged to and will not, unless otherwise agreed, carry out any inspection of external parts of the Property above 2 metres high and, in any event, will only carry out external inspections to the extent that a fixed and safe form of appropriate access is available, or if the Client requests and LSH agrees to hire specialist access equipment at the Client's expense.
- iv) The Client shall indemnify LSH for all actions, claims, demands, expenses and proceedings arising out of or in connection with, or incidental to, the carrying out of any opening up or invasive inspections of the Property whether with or without specialist access equipment in respect of the Client's Property or any third party or third party's property and the Client shall specifically indemnify LSH against the cost of any remedial or reinstatement works required following the carrying out of such investigations.
- v) No building materials including the fabric of the Property or any constituent parts or services shall be tested or analysed unless specifically requested and agreed by LSH.
- vi) LSH shall not be under any obligation to inspect any service media, conduits, drains or shafts including lift shafts, service ducts, suspended ceilings or floors and any advice or comments made by LSH about any such areas must not be relied on by the Client without specialist survey.
- vii) The Services shall be limited to matters upon which it is suitable and usual for a chartered building surveyor to advise and unless the Client specifically instructs and LSH accepts such instruction in writing, LSH will not undertake any detailed engineering, service installations, plant and machinery or structural inspections or reports regarding the Property.
- viii) LSH shall not be obliged and will not unless otherwise agreed carry out any assessment or advice in respect of environmental or contamination issues relating to the Property and in all cases a specialist shall be instructed for this purpose.

- ix) LSH shall not be obliged to provide estimates for any likely cost of works or quantities or other such specialist advice unless the Client instructs LSH and LSH agree in writing to perform such services, and LSH shall not be obliged and will not unless otherwise agreed carry out any such service, including the certification or approval of works or stages of works or payments to contractors or due under any form of contract or otherwise unless the Client instructs LSH to do so and LSH agrees in writing to perform such services.
- x) LSH will not provide advice regarding IT management infrastructure or services including computers, data chip information sensitivity, compliance issues, software or hardware in connection with climate control or other facility management systems.
- xi) Estimates of times for performance of all or any part of the Service have been made upon the basis of information available to LSH at the time and are approximate only so that LSH shall not be bound by any such estimate.
- xii) LSH may, if it considers it appropriate, secure performance of any or all Services by instructing one or more other persons (whether as subcontractor or in any other capacity) upon such terms as LSH considers appropriate. In circumstances where LSH secures the performance of another person, no additional fee shall be payable by the Client in the absence of prior agreement to such additional fee but the Client shall be liable to pay all Fees as if all Services had been performed by LSH.
- xiii) The Client shall provide LSH (or ensure that LSH is provided) with details of any other consultants or contractors appointed or to be appointed by the Client relevant to the Service.
- xiv) The Client shall provide LSH with details and shall facilitate access to the Property and the Client shall be liable to pay LSH for any abortive time incurred in travelling, waiting or otherwise in connection with access and inspection arrangements.
- xv) LSH shall not be liable to the Client for the non-performance or delay in the performance of any of its obligations hereunder due to events or circumstances outside its reasonable control. Upon the occurrence of such an event, LSH shall immediately notify the Client with as much detail as possible and keep it updated of continuing developments. Once the event is removed or ended LSH shall perform its obligations unless this Agreement has been terminated in accordance with Condition 10ii)(a).

4 THE PROPERTY

i) Information

The Client warrants, represents and undertakes to LSH that (save as specifically notified to LSH by the Client in writing):

- (a) LSH shall be entitled to rely upon information and documents provided by or on behalf of the Client including those relating to matters such as Health & Safety, the Asbestos Register, energy performance and details of tenure, tenancies, use, contamination, building costs, costs of development, town planning consents and building regulation consents and the like as being, to the best of the Client's knowledge, information and belief, accurate and not misleading (either on their face or by inference or omission) and the Client shall advise LSH and shall instruct any advisor to inform LSH in the event that the Client and/or any advisor receives notice or becomes in any other way aware that any information given to LSH is or may be misleading or inaccurate.
- (b) It shall provide legible true copies of any relevant documents reasonably required by LSH including all/court orders and directions where LSH are appointed as expert witness (for which service a separate fee shall be required and the Expert Witness Terms shall apply).
- (c) It shall make arrangements for the inspection of or attendance at the Property by LSH on reasonable notice in order to carry out the Service.
- (d) there are no facts known to the Client which ought to be brought to the attention of LSH to enable it to ensure that access to or inspection of the Property by any person is safe and without risks to health.

ii) Assumptions

Except where disclosed to LSH in writing, LSH shall be entitled to assume the following as appropriate:

- (a) LSH shall not take account of any item in the nature of the tenant's fixtures and fittings, improvements, plant equipment, and machinery and LSH may (without any obligation to do so) make any reasonable assumptions to identify if any fixtures and fittings are part of the Property and which would pass, with the Property, on reversion, back to the landlord and that all such tenant's improvements or fixtures and fittings have all necessary consents and are not subject to any onerous conditions.
- (b) The Property has the benefit of all necessary full planning consent or established use rights and building regulations approvals and all or any work has been carried out fully in compliance with those consents.
- (c) The Property complies with all relevant statutory requirements including building safety and fire regulations and that a fire certificate if required will be issued if it has not already been issued.
- (d) No dangerous or harmful materials or techniques have been used in the construction of the Property or its subsequent alteration, extension or

refurbishment and the Property is not contaminated or potentially contaminated or subject to environmental hazards. Unless specifically instructed, LSH shall not undertake any investigation into the past or present uses of either the Property or any adjoining or nearby land, to establish whether there is any potential for contamination from these uses and shall assume that none exists.

iii) Other matters

Unless otherwise agreed by LSH in writing:

- (a) LSH shall not be responsible for making any local search or other enquiries of local or any other authorities, including HMLR, town planning enquiries or investigation of title regarding the Property, which shall be the Client's sole responsibility, and LSH may rely on any such information provided by the Client or the Client's advisors without further enquiry. If LSH shall make oral or other enquiries regarding the Property to third parties, the results of such enquiries shall not be relied on by the Client.
- (b) Subject to agreement of the terms of any subsequent instruction, LSH shall not be responsible for making any structural or site survey or audit of the Property such as may be required under applicable law, including without limitation under the Equality Act 2010 or the Control of Asbestos Regulations 2012 or with respect to any other statutory regulations or recommendations or for testing any services to or on the Property, including the availability of broadband or other communications or information technology infrastructures.
- (c) Any advice, approval or representation made by LSH or any person on behalf of LSH regarding the legal meaning or effect of any lease or contract shall not be relied on by the Client and such advice shall be limited to matters upon which it is suitable for a Chartered Surveyor to advise and shall not constitute advice regarding legal interpretation or drafting issues. Unless otherwise agreed in writing between the Client and LSH, LSH shall not be obliged to advise upon the interpretation or drafting of any draft agreements, leases or other legal or technical documents.
- (d) Unless the Client shall specifically commission a formal management arrangement with relevant obligations and LSH accept such instruction on terms to be agreed, the Client shall remain responsible for the insurance of the Property and for notifying its insurers should the Property become vacant. LSH shall not be responsible for the management, security or deterioration of the Property or for any other like matter or loss however caused. If the keys for the Property are held by LSH then the Client shall be deemed to have given authority to LSH to supply keys to any persons who wish to inspect the Property or carry out works or inspections at the Property and LSH shall accept no responsibility for the action of such persons. The Client shall effect and maintain full insurance cover against any claim that may be made by LSH or any representative or employee of LSH or by any third party in respect of any loss, damage or injury however caused arising directly or indirectly under or in respect of the Agreement.
- (e) LSH shall not be responsible for advising in respect of, or effecting the service of, any notice or schedule required to be given under statute or under the provisions of any contract or lease or otherwise and shall not be liable for advice, interpretation or compliance with any time periods or other provisions under statute, regulation (including the Civil Procedure Rules from time to time) or provided for in any contract or lease including any notice of appeal or for making payments or carrying out any other actions in accordance with such time periods or provisions including, unless agreed in writing by LSH otherwise, any form of certification or approval of works.
- (f) Whilst LSH shall endeavour to treat all information which is relevant to the Client's instruction as confidential, LSH may at its sole discretion provide any information to other professionals or third parties associated with this instruction and, in any event, LSH may be required to provide such information to a court, tribunal or the other party in any proceedings.
- (g) LSH shall not be under any duty to carry out conflict checks in relation to any third party (such as related companies) other than the Client or any other relevant party notified in writing by the Client to LSH.

5 TERMS OF PAYMENT

- i) Unless otherwise stated in the Engagement Letter the Client shall be liable to pay LSH its Fee at intervals to be determined by LSH or on completion of the Service at LSH's discretion. Payments are due on issue of the invoice and the final dates for payment by the Client shall be the date of issue of the invoice.
- ii) LSH shall provide such information as is reasonably required in support of each invoice.
- iii) LSH shall be entitled to submit accounts for the expenses element of the Fees at the time when incurred or ordered by LSH and such accounts shall be payable by the Client whether or not the Client withdraws its instructions. Accounts for expenses are due for settlement on presentation. Alternatively LSH may arrange for the suppliers to invoice the Client directly for services supplied.
- iv) No later than 5 days after the Fees stated in the invoice become due, the Client shall notify LSH of the Fee that the Client considered was due on the payment due date and the basis on which that Fee is calculated.
- v) The Client shall pay LSH the Fee referred to in Condition 5iv) (or if the Client has not given a notice under Condition 5iv) the Fee referred to in LSH's invoice) (the "Notified Sum") on or before the final date for payment of each

invoice unless the Client has given notice of intention to pay less in accordance with Condition 5vi).

- vi) Not less than 5 days before the final date for payment the Client may give LSH notice that the Client intends to pay less than the Notified Sum (a "pay-less notice"). Any pay-less notice shall specify:
 - (a) the Fee that the Client considers to be due on the date the notice is served; and
 - (b) the basis on which the Fee is calculated.
- vii) VAT will be payable where applicable at the prevailing rate on all Fees.
- viii) LSH reserves the right to charge the Client interest (both before and after any judgment) on any unpaid invoice at the rate of 3% per annum above the base lending rate of the Bank of Scotland calculated on a daily basis from the date of issue of its invoice up to and including the date of settlement in full.
- ix) If any sum due to LSH from the Client remains unpaid for more than 30 days after the date of issue of the invoice and no pay-less notice has been issued in respect of such sum LSH shall be entitled to suspend all further work for the Client until the outstanding sum is paid to LSH in full. In these circumstances LSH shall not be liable for any delays, losses or expenses resulting from such suspension.
- x) The Client shall not withhold any payment after the final date for payment of any sum due under this Agreement unless in relation to a bona fide dispute of which notice is provided to LSH in writing by the Client not less than seven days before the final date specifying the amounts to be withheld and the reasonable grounds for withholding payment or, if there is more than one ground, each ground and the amount attributable to it.
- xi) Unless otherwise stated in the Engagement Letter and subject to Condition 5x), all amounts due under this Agreement by the Client shall be made without set-off, deduction, withholding or counterclaim (other than any deduction or withholding of tax as required by law).
- xii) Where there are two or more clients in the case of a joint or multiple instruction by multiple parties invoices for an appropriate share of any Fees as determined in LSH's sole discretion shall be issued to all or any client simultaneously or otherwise and each client shall be jointly and severally liable for the full amount of LSH's Fees in the event that payment is not received from one or more clients.
- xiii) The Client may, with the prior written consent of LSH, appoint a third party nominee to satisfy the Client's obligations under this Condition 5 (an "Appointed Payor"). Appointment of an Appointed Payor shall not discharge any obligation of the Client under this Agreement, provided that payment by the Appointed Payor of any sums owed by the Client to LSH in accordance with this Condition shall be good and valid discharge of the Client's obligations to pay such sums.

6 FEES AND EXPENSES

- i) LSH shall charge the Fees. In the event of a change in the scope of Service or LSH being required to carry out additional Services, LSH reserves the right to charge an additional Fee.
- ii) The Client shall also be responsible for all fees and expenses incurred or ordered in respect of the Property which may include without limitation photography, mailing, administration, Anti-Money Laundering checks, travel, mileage, messenger delivery and copying of documents and plans. Expenses shall be passed on to the Client at gross cost unless otherwise stated in the Engagement Letter. LSH shall be entitled to retain any discounts or commissions which are available or paid to LSH in order to offset administrative expenses. A copy of LSH's rates where applicable shall be made available upon request, such rates being subject to amendment from time to time by LSH on written notice.
- iii) If it is agreed with the Client, in connection with the service, that the resolution of a dispute with a third party is referred or if such dispute is otherwise referred to an adjudicator, arbitrator, expert, mediator, court or tribunal, all costs in connection with such referral shall be the sole liability of the Client and will either be paid for direct by the Client or be recharged to the Client as an expense and the Client will indemnify LSH in respect of any liability or costs in such matters.
- iv) Unless specifically provided for in the Terms or Engagement Letter or as otherwise agreed in writing between LSH and the Client the Fees do not include remuneration for acting as expert witness for which service a separate fee shall be required and the Expert Witness Terms shall apply.

7 INTELLECTUAL PROPERTY

- i) Ownership of any rights in any information, documents or other material provided by the Client to LSH in relation to the Property or Services shall remain the property of the Client ('Client Material') and the Client hereby grants LSH a perpetual, royalty free, worldwide, irrevocable licence to use, copy, adapt and modify such Client Material for the purposes of performing the Services and for the purposes of advertising or promoting LSH and its business.
- ii) Ownership of all rights in materials, know-how, developments, reports, forecasts, drawings, accounts and other documents created and/or originated

by LSH or its employees or agents, in relation to or arising out of the Service, shall belong to LSH.

- iii) LSH shall grant the Client a royalty free licence to use the LSH Report in accordance with this Agreement. The Client may not use the whole, or any part of the LSH Report, or any reference to it in any published document, circular or statement, without LSH's written approval of the form and context in which it shall appear. Such approval is required whether or not LSH is referred to by name and whether or not the reports are combined with others.
- iv) LSH shall grant the Client a royalty-free, non-exclusive licence to copy and use the materials referred to in Conditions 7ii) but only for purposes related to the Property. Such purposes shall include the operation, maintenance, repair, alteration, extension, promotion, reinstatement, leasing and/or sale of the Property provided that:
 - (a) The designs in any such materials shall not be used for any extension of the Property or for any other project; and
 - (b) LSH shall not be liable for the use of any such materials for a purpose other than that for which they were prepared.
- v) If at any time the Client is in default of payment of Fees, LSH may suspend the Client's licence to the LSH Report and the licence granted pursuant to Condition 7iv). Use of the licence may be resumed on receipt of such outstanding amounts.

8 INDEMNITY

- i) The Client shall indemnify and keep indemnified LSH from and against all and any liability, losses, damages, penalties, fines, costs and expenses (including legal costs and expenses) suffered or incurred by LSH arising out of or by virtue of:
 - (a) The breach by the Client of any of its obligations under the Terms;
 - (b) The Client's instructions to LSH other than any losses, damages, costs and expenses arising by virtue of the negligence or wilful default of LSH or its employees or agents; or
 - (c) Any allegation that the Property (including without limitation the means of access to or egress from the same or any plant or substances in such premises provided for the use of any person) were not safe or posed a risk to health except where LSH had been notified in writing of all facts necessary to bring to the attention of LSH such facts.

9 LIMITATION AND LIABILITY

- i) Nothing in this Agreement shall limit LSH's liability for death and/or personal injury caused by the negligence of LSH or its employees, fraud or fraudulent misrepresentation, or any other liability to the extent that such liability cannot be limited in accordance with applicable law.
 - ii) **Subject to Condition 9i) above, in respect of this Agreement, the aggregate liability of LSH to the Client whether arising from tort (including negligence), breach of contract, breach of statutory duty or other obligation or duty or howsoever otherwise arising shall be limited to one million pounds sterling (£1,000,000.00).**
 - iii) Subject to Condition 9i) above, LSH shall not be liable for any claim to the extent that such claim is or can be characterised as a claim for (or arising from):
 - (a) Loss of revenue or profits;
 - (b) Loss of business opportunity or loss of contracts;
 - (c) Loss of goodwill or injury to reputation;
 - (d) Anticipated savings

(in each case whether arising directly or indirectly from any breach of this Agreement by LSH); or

 - (e) For any indirect, consequential or special loss or damage.
- iv) In the event of the Client engaging LSH together with other advisers, service providers and/or suppliers engaged by the Client or any other third party in relation to the Property, LSH's liability shall, in addition to the limitations contained in this Condition 9 and subject always to Condition 9i) above, be limited to that proportion of any loss or damage suffered by the Client as it would be just and equitable for LSH to bear having regard to LSH's responsibility for it and on the basis that all other advisers, service providers and/or suppliers shall be deemed to have paid such proportion of the relevant loss or damage suffered by the Client which is just and equitable for them to have paid having regard to the extent of their respective responsibilities.
- v) The LSH Report is provided solely for the purpose of the Service and to the Client. Should the Client disclose any part of the LSH Report to any third party, the Client shall notify such third party in advance of the disclosure and in writing that LSH does not owe a duty of care to such third party. The Client shall indemnify LSH and hold LSH harmless against all liabilities, costs, expenses, damages and losses suffered or incurred by LSH arising out of or in connection with such disclosure by the Client.
- vi) All risks and/or liabilities in relation to toxic mould, deleterious materials, contamination, radon gas, HAC or calcium chloride shall remain with the Client

and the Client shall take such steps as it deems necessary to insure against or otherwise address such risks and liabilities.

- vii) LSH is not qualified to and will not provide any advice or services in connection with asbestos. The Client acknowledges that all risks relating to asbestos howsoever arising remain with the Client who shall take such steps as it deems necessary to address such risks. If appropriate the Client will arrange for the appointment by the Client of specialist asbestos consultants.
- viii) LSH will not advise on capital allowances in performance of the Services and will not be liable for any liability, losses, damages, penalties, fines, costs and expenses suffered or incurred by the Client or any other Third Party in respect of capital allowances. Insofar as LSH are liable for any capital allowances incurred as a result of the performance of the Services the indemnity set out in Condition 8 shall apply.

10 TERMINATION OF INSTRUCTIONS

- i) The instruction from the Client to LSH may be terminated by the Client by giving not less than 30 days' notice in writing to LSH whereupon LSH shall be entitled to charge (at LSH's option):
 - (a) A fair and reasonable proportion of the full Fee which would have been payable if the work had been carried through to a conclusion and as if LSH had become entitled to payment in accordance with Conditions 5 and 6; or
 - (b) A reasonable sum for all the work undertaken up to and including the date of termination based on quantum meruit; or
 - (c) The Fees as LSH are entitled to under Conditions 5 and 6 to include in each case any expenses already incurred (each a "Contracted Fee").
- ii) The instruction from the Client to LSH may be terminated by LSH on the following terms by giving not less than 30 days' notice in writing:
 - (a) If, as a result of circumstances outside the reasonable control of either party, it becomes unfeasible to perform the Services within a reasonable period. In these circumstances the Client shall pay to LSH all Fees by way of the "Contracted Fee", or a fee for all work which has been done up to and including the date of termination on a quantum meruit basis where early termination of this Agreement deprives LSH of entitlement (or the opportunity to become entitled) to a Contracted Fee; or
 - (b) If the Client has made it impossible to complete the instruction within a reasonable period or has not made payment by the due date of any sum payable by the Client to LSH. In these circumstances the Client shall pay to LSH the full Fee which would have been charged if the work had been carried through to a conclusion (plus any expenses already incurred);
- iii) Any outstanding Fees due to LSH shall be paid in full by the Client on or before the expiry of the notice period for termination of instructions. For the avoidance of doubt in the event of termination of instructions, whether by LSH or by the Client, LSH shall not be liable to repay the Client any Fees previously paid by the Client to LSH.
- iv) Where any Fees are to be charged on a quantum meruit basis such Fees shall be calculated by reference to LSH's hourly charges from time to time, details of which are available from LSH on request.
- v) Notwithstanding the provisions of Conditions 10(i) and ii) above, LSH shall be entitled to terminate an instruction from a client, without notice if required to do so for statutory or regulatory reasons.

11 REGULATION AND COMPLAINTS

- i) LSH is regulated by RICS for the provision of surveying services. This means we agree to uphold the RICS Rules of Conduct for Firms and all other applicable mandatory professional practice requirements of RICS, which can be found at www.rics.org. As an RICS regulated firm we have committed to cooperating with RICS in ensuring compliance with its standards. The firm's nominated RICS Responsible Principal is Massimo Marcovecchio, Chief Operating Officer, 55 Wells Street, London, W1T 3PT or email mmarcovecchio@lsh.co.uk
- ii) LSH aims to carry out any instructions received from the Client in an efficient and professional manner. LSH, therefore, hopes that the Client will not find cause for complaint but recognises that in an isolated circumstance there may be complaints. These should be addressed initially to the Head of the LSH office dealing with the instruction.
- iii) LSH adopts the complaints handling procedures that are required by the RICS, a copy of our Complaints Handling Procedure may be obtained from our National Head of Standards and Practice, 55 Wells Street, London, W1T 3PT or email NHSP@lsh.co.uk.

12 ASSIGNMENT

- i) LSH may assign the Agreement without the consent of the Client.
- ii) The Agreement is not assignable by the Client without the prior written consent of LSH.

13 DATA PROTECTION

- i) We collect and process your personal information. All information will be processed in accordance with the applicable Data Protection Laws.

- ii) Full details of how we process your information can be found on our website <http://www.lsh.co.uk/privacy-policy>. Printed copies of our privacy notice are available on request.
- iii) You may change your communication preferences or withdraw from any further communications from us by contacting us at privacy@lsh.co.uk
- iv) Where we receive personal data from any prospective purchaser or tenant of the Property, we shall only use that data for the purposes of your instructions and shall comply with Data Protection Laws. The Client warrants that where it or its appointed third parties or advisors provide such data to LSH, it has or shall procure that all necessary notices and consents are in place to enable the lawful transfer to LSH in accordance with Data Protection Laws.

14 MONEY LAUNDERING REGULATIONS

i) Client Identification

As with other professional service firms, LSH is under stringent requirements to identify its clients for the purposes of the anti-money laundering legislation. LSH is likely to request from you, and retain, some information and documentation for these purposes and/or to make searches of appropriate databases. If satisfactory evidence of your identity is not provided within a reasonable time, there may be circumstances in which LSH is not able to proceed with the required services.

iii) Money laundering reporting

- (a) Much of LSH's work falls into the regulated sector under the Proceeds of Crime Act and Sanctions and Anti-Money Laundering Act 2018 and, as such, we are required to report all knowledge or suspicion (or reasonable grounds for knowledge or suspicion) that a criminal offence giving rise to any direct or indirect benefit from criminal conduct has been committed. Failure to report such knowledge or suspicion would be a criminal offence. This duty to report exists regardless of whether the suspected offence has been, or is about to be, committed by a client or by a third party.
- (b) If as part of our normal work LSH obtain knowledge or suspicion (or reasonable grounds for knowledge or suspicion) that such offences have been committed we are required to make a report to the National Crime Agency or OFSI. It is not our practice to discuss the existence or otherwise of any reports with you or with anyone else, because of the restrictions imposed on us by the tipping off provisions of the anti-money laundering legislation.
- (c) LSH shall not be liable for any liabilities of the Client or third parties arising out of its regulatory obligations to report.

15 ETHICS

- i) Each party shall:
 - (a) Comply with all applicable law relating to anti-bribery, anti-facilitation of tax evasion and anti-slavery including without limitation the Bribery Act 2010, the Criminal Finances Act 2017 and the Modern Slavery Act 2015 ("Relevant Requirements");
 - (b) Have and maintain in place throughout the term of this Agreement its own policies and procedures, including without limitation adequate procedures under the Bribery Act 2010 and reasonable prevention procedures under the Criminal Finances Act 2017 to ensure compliance with the Relevant Requirements, and enforce them where appropriate; and
 - (c) Promptly report to the other party any: (i) breach, or potential breach, of the Relevant Requirements (ii) actual or suspected slavery or human trafficking in a supply chain which has any connection with this Agreement, or (iii) request or demand for any undue or suspicious financial or other advantage of any kind received by it in connection with the performance of its obligations under this Agreement, or (ii) request or demand from a third party to facilitate the evasion of tax within the meaning of Part 3 of the Criminal Finance Act 2017 in connection with the performance of the complying Party's obligations under this Agreement.

16 GOVERNING LAW AND JURISDICTION

The Terms, and the Agreement of which they form part, shall be governed by and construed in all respects in accordance with English Law and the parties irrevocably and unconditionally submit to the exclusive jurisdiction of the English Courts in relation to any dispute or proceedings arising out of, or in connection with, the Terms or any such Agreement but without prejudice to LSH's right to take proceedings in any other jurisdiction in order to enforce payment of any sums owed to LSH.