

BUILDING SURVEY REPORT

23 New Mount Street, Manchester M4 4DE

Langland Estates

March 2016

CBRE

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CBRE

Prepared & Edited By: 	Stuart McBride MRICS Building Surveyor Senior Surveyor – Building Consultancy For and on Behalf of CBRE Limited	
Approved By: 	Steve Sidebottom MRICS Building Surveyor Associate Director – Building Consultancy For and on Behalf of CBRE Limited	
Date Of Issue: March 2016	File Name: LB2476 – 23 New Mount Street, Manchester Document Ref: 50BCD0156026	Version: 1 Status: Final

The contents of this Report may only be relied upon by:

i. Addressees of the Report; or

ii. Parties who have received prior written consent from CBRE in the form of a reliance letter.

This Report is to be read and construed in its entirety and reliance on this Report is strictly subject to the disclaimers and limitations on liability set out in our Report Qualifications at Appendix C. Please review this information prior to acting in reliance on the contents of this Report. If you do not understand this information, we recommend you seek independent legal counsel.

Key Point Summary

We set out below our key point summary which should be read and considered in conjunction with the body of this report and its appendices. For ease of reference, we have provided a colour-coded priority status for general guidance and to aid focus against each key point item. The colour coding is as follows:

Priority Status

COLOUR KEY	DEFINITION
	Critical Issues / Action – Resolution or clarification required prior to a legal commitment to transact
	Important Issues / Actions – To be considered within the proposed transaction and addressed when appropriate
	No Current Issues – No further action is presently considered necessary within the transaction

In consideration of our inspections and information review, we would advise the following high level status. This status should be considered within the context of the overall report and the commentary it provides.

Building Summary Status – 23 New Mount Street, Manchester M4 4DE

KEY ASPECT	STATUS	PRIORITY STATUS
Technical	The property is considered to be in a poor condition in the context of its age and form of construction and is receiving a limited level of maintenance.	
Legal & Statutory	We have not been instructed to review any legal documentation and anticipate you will be advised by your legal team in regard to any legal or statutory matters.	
Environmental	We have not undertaken an environmental survey and therefore are not able to provide comment on the environmental status of the property.	
Sustainability & Energy	The building has been designed and constructed utilising materials and methods prevalent at the time of construction and are considered adequate, though not sustainable or energy efficient.	

Building Key Point Status

KEY POINT	COMMENT	PRIORITY STATUS
Building Structure & Fabric	The building structure & fabric is in a poor condition with a number of defects observed to visible structure, some backlog maintenance items also require attention.	
Engineering Services	We have not undertaken a detailed inspection of the mechanical and electrical service installations, though note that the services are in a fair condition from a Building Surveyor's perspective.	
Deleterious & Hazardous Materials	We are of the opinion it is likely that Asbestos Containing Materials (ACM's) are located within the property. It is also possible, though less likely, that concrete additives are located to elements of the north-west extension.	
Additional Investigation & Testing	We recommend a Fire Risk Assessment is prepared for the property. If the property is proposed to be redeveloped, we propose the following testing to be undertaken by specialists: Asbestos Refurbishment and Demolition Survey; Woodworm/Timber condition survey; Concrete testing to the north-west extension and load testing to all retained structures.	

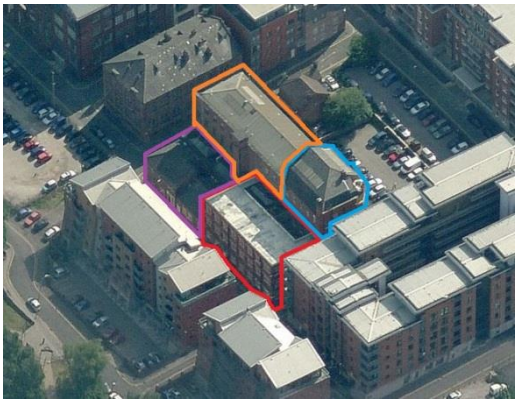
Key Point Summary

BUDGET COST LIABILITIES

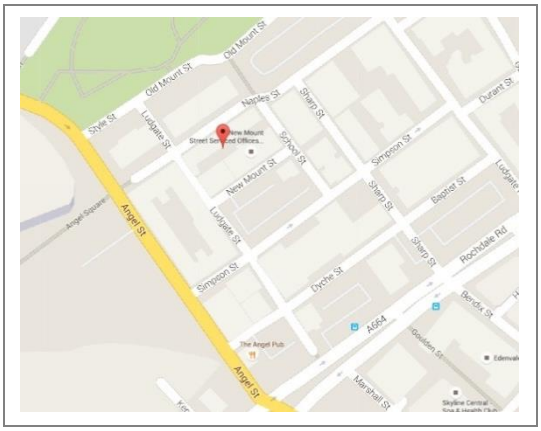
A breakdown of estimated budget cost liabilities, and the limitations to which they are subject, is provided in Appendix A. The summary budget costs are set out below:

Immediate (Within Year 1)	£ 5,000
Short Term (Year 1-2)	£ 575,000
Long Term (Year 3-5)	£ 0
Total	£ 580,000 ex VAT

1.0 The Property and Extent of Inspection



Aerial Photograph highlighting structures



Site Location

1.1 The Property

23 New Mount Street is a multi-storey office building comprising of four differing structures and is primarily occupied by a serviced office provider. The property is located on an island site and site sits adjacent an open-air car park and high-rise residential buildings.

The property was initially constructed in the late 19th century, though has been subsequently added to and altered on numerous occasions. The above aerial photo has been coloured to highlight the four respective sections. The warehouse structures to the south-west (blue) and south-east (orange) are considered original, a rear north-west extension (red) was added during the inter-war years (c.1920-1940) and a more recent 'cottage' structure (purple) was added to the north-east section circa 1980s.

The property is located on the northern periphery of Manchester city centre in a mixed use area of the city. The site is readily accessible by car from the A62 and A665. Manchester Victoria train station and the city centre are respectively a 5 and 10 minute walk to the west and south.

1.2 Basic Instructions

Langland Estates instructed CBRE to carry out an inspection of the property known as 23 New Mount Street, Manchester to report upon its general condition and state of repair prior to the proposed redevelopment of the subject property. The Scope of Service and Standard Terms of Business are confirmed in our email dated 20 January 2016 but we would draw your attention to the report qualifications in Appendix C.

Under the Scope of Services you have appointed Holloway Jennings Consulting Engineers to undertake a visual inspection of the structure of the property and a report detailing their findings is attached at Appendix B.

1.3 Limits on Inspection & Condition Definitions

We have not been able to gain access to the following areas:-

- Concealed voids, dry lined walls and areas of the building normally covered up in the course of construction unless otherwise stated;
- The structure known as the 'cottage' to the north-east corner of the property;

The Property and Extent of Inspection

- The pitched roof coverings to the south-west and south-east warehouse sections of the property;
- Inaccessible roof voids;
- Concealed services;
- Below ground drainage systems;
- Disused goods lift;
- Electrical sub-station;
- A sample across all floors of approximately 20 of the serviced office units were inspected internally;
- No special access provisions were used to inspect the property, observations of external elements have been made from ground level and the flat roof to the rear section of the property.

Notwithstanding this, we do not consider there is a need for further inspections.

For general reference, where summary condition descriptors are used, these are based on the following definitions:-

DEFINITION	DESCRIPTION
Good Condition	No fundamental or significant defects affecting the property/element from an investment viewpoint. May be subject to routine maintenance and repair activities arising through age and normal wear and tear.
Fair Condition	Defects or significant accruals of maintenance items to major elements which will require repair or substantial replacement in near future.
Poor Condition	Significant defects or unsatisfactory operational condition requiring major work or replacement in the immediate to near future.
Hazardous Condition	Significant life safety or hazard to health risk, immediate works required to comply with Health and Safety or other statutory obligations.

1.4 Inspection Date

Our inspection was undertaken on 23 February 2016 when the weather conditions were dry and clear.

1.5 General Description

We have not been provided with any information relating to the internal size of the property; though understand a measured survey has been commissioned. 23 New Mount Street consists of a predominantly five and six-storey office property, with two and three-storey extension to the rear. Information located on the English Heritage website states the property was constructed in the late 19th Century before being initially extended circa 1905.

Land Registry Title information has not been provided; though it is anticipated that the Freehold extends to the full island site and building structure, bounded by pavements and public highways on all sides

The building sits in the centre of the self-contained site, surrounded by a combination of public highways, residential accommodation and surface car parking. Access to the site is via an entrance off New Mount Street to the south. The site is on a slope up from the north to the south.

The Property and Extent of Inspection

The buildings have been built using a variety of methods and materials; though the majority of the property is of traditional solid masonry construction, supported by supplementary steelwork with concrete floor to the lower ground/basement, and suspended timber floors to upper floors. The property is surmounted by a combination of pitched, mansard and flat roofs with an assortment of coverings.

The property has been fitted out in a manner whereby a single tenant occupies the property for use as serviced office accommodation, with office suites, in turn, sub-let to sub-tenants.

1.6 Property Status

The property is Grade II listed under List entry Number 1291013 and is not located in a conservation area.

1.7 Site Configuration

The footprint of the site is rectangular, with public highways surrounding the boundaries on all sides: Naples Street to the north; School Street to the east; Ludgate Street to the west and New Mount Street to the south. For the purposes of this report, it will be deemed that the front elevation (facing New Mount Street) faces due south, all other directional references follow this reference point.

2.0 Building Description & Assessment of Condition

2.1 Overview

From a Building Surveying and Engineering Services perspective, the property is in a poor condition overall, though structurally sound, substantial remedial and replacement works are required to the external fabric elements of the property.

We would set out our more detailed observations and findings as follows.

2.2 Building Structure and External Fabric

Foundations

- No direct access was available to inspect the building foundations below basement level and no construction details pertaining to the foundations of the original development and subsequent extensions have been reviewed. Therefore, it is not possible to ascertain the method of construction. However, it is considered likely that the foundations will comprise traditional brickwork footings and compacted earth.

There was no evidence of any significant defects or signs of structural movement that would indicate subterranean movement, fundamental inadequacies with the construction of the foundations or ground bearing capacity of the supporting strata.

The foundations should continue to perform as designed for the reporting timescales of the report, provided that the ground conditions and use of the property do not significantly alter.

Main Structure

- The structure to the two original warehouse structures (south-west and south-east) consists of a combination of; solid, loadbearing masonry walls, and supplementary internal supporting steel columns. The lower ground floor is constructed of in-situ concrete, ground floor and all upper floors are of suspended timber. The pitched roof (south-east) and mansard roof (south-west) are constructed with timber frames.
- The structure to the north-west extension comprises solid masonry walls with assumed in-situ concrete supporting columns / frame located to the centre of the building and junction between the south-west and south-east warehouse structures. Floors are a combination of in-situ concrete and suspended timber. The flat roof is constructed of presumed in-situ concrete.
- The single and two-storey north-east 'cottage' structures were unable to be accessed internally though from external inspection, is assumed to comprise; traditional solid masonry loadbearing walls, in-situ concrete ground floor with suspended timber upper floor and timber roof structure.

Building Description & Assessment of Condition

South-east structure
View of internal wall and floor



Source: CBRE

South-east structure
View of roof internally



Source: CBRE

The structural frames to the majority of the property are partially concealed within plasterboard casings and other internal finishes. There was sporadic evidence of minor cracking noted to internal and external masonry, particularly internally adjacent the south-eastern stair of the south-east section of the property. Given the age of the property, it is likely that the cracking noted can be attributable to historic settlement and is not considered progressive.

There are numerous instances of exposed timber beams and floorboards to the underside of the suspended floors. Minimal levels of protection were noted to areas elsewhere throughout the property and the levels of fire compartmentation provided were relatively limited. A Fire Risk Assessment (FRA) has not been made available for review. If an Assessment does not exist, it would be advisable to commission an Assessment to determine the extent of protection required to the respective areas.

There is evidence of a woodworm infestation to a small area of timber to the roof within the roof of the south-eastern structural element of the property, this appears to be historic, though a timber specialist should be engaged to inspect and confirm this is the case.

Floor levels within the property, and especially between differing structural elements, vary significantly with numerous ramps and steps impeding level access throughout the property internally. It is expected that the measured survey and associated plans will identify the respective changes in floor levels.

No details as to the designed structural loadings of the frame or floor slabs were available for review at the time of inspection nor have any been provided. Notwithstanding this, no significant issues were identified at the time of inspection. The structural frame should continue to perform as designed for the reporting timescales of this report provided that the ground conditions or use of the property do not significantly alter. Should the property be redeveloped, then it would be sensible to undertake load testing of the additional structure prior to any detailed design work being undertaken.

Building Description & Assessment of Condition

Building Fabric

Roof Area

Roof coverings

- There are an assortment of roof coverings to the differing structural elements of the property.
- The south-eastern warehouse section has been recovered in the past. The pitched roof structure is now surmounted with a built-up, coated, profile metal covering. Dwarf parapet walls topped with coping stones are located at eaves level. Rooflights are provided to both pitches of the roof toward the eastern gable.
- The mansard roof surmounting the south-western warehouse section is covered with traditional slate. Due to access restrictions, it was not possible to inspect the 'upper' section of the mansard roof.
- The flat roof covering to the north-west extension comprises a waterproof membrane detailed into the parapet upstands at the perimeter.
- The two pitched roofs to the cottage structures to the north-east are surmounted by a combination of traditional slate and reclaimed slate to the two-storey and single-storey buildings respectively. The lightwells linking the cottage structures with the south-east warehouse are surmounted by a combination of pitched single glazed rooflights and membrane-covered flat roofs.

Roof to South-east Structure
View of south pitch facing east



Source: CBRE

Roof to south-west Structure
View of north-facing mansard



Source: CBRE

Building Description & Assessment of Condition

Roof to North-west Structure

View of flat roof facing west



Source: CBRE

Roof to North-east Structures

View of all roofs facing east



Source: CBRE

The condition of the roof coverings varies between the respective structural elements as a result of differing ages and materials used.

The profile steel roof covering south-eastern section of the building is in poor condition, the protective coating is extensively degraded and the majority of roof sheets are now beyond economic repair and will require replacement. Some of the coping stones to the parapet wall are loose and require re-bedding.

The slate-covered mansard roof to the south-western area of the property was in fair condition, where visible. However, the Tenant in the office suite directly beneath the roof reported frequent instances of water ingress during moderate and heavy rainfall. Accordingly, the slate covering should be repaired to leave the roof win a watertight condition. The chimney stack adjacent the mansard roof appeared in fair condition, where viewed from the rear roof.

The flat roof covering to the north-west extension was in fair condition in places, though some areas are in poor condition, with areas of water ingress visible below, indicating the covering is at the end of its life expectancy and should be renewed.

Access was not available into the areas of the cottage structures below pitched roofs, however, the slate roof coverings appeared in fair condition with only minimal repairs anticipated.

Building Description & Assessment of Condition

Rainwater Goods

- To the south-east pitched roof, gutters are concealed behind parapet walls at the eaves and comprise presumed lead or single-ply lined troughs. The troughs predominantly discharge into internal downpipes, with one cast-iron external downpipe noted to the front elevation.
- The gutters to the south-west and north-east cottage structures comprise PVCu gutters at eaves level which discharge into external downpipes.
- The north-west extension roof is drained via apertures in the parapet wall which discharge into external hoppers and associated external downpipes.
- External downpipes typically comprise either painted cast-iron downpipes that discharge into the below-ground drainage system or PVCu pipes that discharge into gullies/onto the highway at ground level.
- Internal downpipes, where visible, are of either PVCu or cast iron.

Gutter to South-east structure
View of trough gutter to south pitch



Source: CBRE

Downpipes to South-west structure
View of external downpipes at high level



Source: CBRE

Gutter to North-west extension
View of outlet from flat roof through parapet



Source: CBRE

Downpipe to North-west extension
View of external downpipe to north elevation



Source: CBRE

Building Description & Assessment of Condition

The PVCu elements of the gutters and the downpipes are in fair condition, though where they have replaced original cast iron equivalents to the rear elevation; sections of masonry have been crudely adapted to suit the new arrangement. Repairs to the masonry adjacent these areas require repair and consideration should be given to reinstatement of the original drainage routes.

Inspection of the trough gutters to the south-east structure was limited from a window overlooking the roof, however it is anticipated that the gutters are in poor condition and will require relining.

The external cast iron downpipes are in fair condition, where visible from ground floor level, though will require periodic redecoration as part of the ongoing maintenance of the property.

Internal downpipes, where visible were in fair condition. However there is a continual leak in the basement which appears to stem from an internal downpipe and has been channelled through the basement.

If the property is to be redeveloped, it would be prudent to consider a CCTV survey of the downpipes and below ground drainage.

Maintenance Access

- There is no defined maintenance access to the property, though access onto the roof rear north-west extension is via an access door and link structure from the main warehouse building. A mansafe system is provided to the roof of the south-east structure, though there is no clear means of accessing this roof from within the building.
- Access to the remainder of the property will require scaffolding and / or a mobile access platform and associated road / pavement closures.

Building Description & Assessment of Condition

Facades

External walls

- Elevations to the south-east structure comprise solid brickwork arranged in English bond with masonry lintels to windows at lower ground and ground floor and brickwork arches to windows above. A lift brickwork shaft associated with the goods lift has been added externally to the north elevation.
- Elevations to the south-west structure comprise solid brickwork arranged in English bond with ornate masonry details and feature pediment to the south elevation.
- Elevations to the north-west extension comprise solid brickwork arranged in English bond with brickwork piers located in between bays at first and second floor level. Concrete lintels to windows are provided to window openings.
- Elevations to the north-west cottage structures comprise brickwork walls; a presumed cavity wall arranged in stretcher bond and a solid brickwork wall arranged in English bond, to the two storey and single storey elements respectively.

South-east structure

View of south and east elevations



Source: CBRE

South-west structure

View of south elevation



Source: CBRE

North-west extension

View of north and east elevations



Source: CBRE

North-east extension

View of east elevation



Source: CBRE

Building Description & Assessment of Condition

The external brickwork walls to the property vary between fair and poor condition with a number of defects noted.

The elevations to the south-east structure are in fair condition overall, with only limited areas of brickwork requiring re-pointing. The parapet mortar to the parapet wall appears poor condition and it is anticipated that the top 5 courses of the parapet to the north, east and south pitches will require rebuilding.

The south-west structure is currently undergoing remedial works associated with penetrating water ingress to the south and west elevations. The scope and specification of these works is currently unclear, though it is presumed it incorporates re-pointing and localised replacement of brickwork and will leave the elevations in fair / good condition. An instance of vegetation growth was noted adjacent the south elevation pediment which should be removed and associated damage made good. The north elevation is in fair condition with only minor repointing required. The rendered finish to the west elevation is in poor condition and requires renewal.

The north and west elevations to the north-west extension are in poor condition with large areas of repointing and potential brickwork replacement required. The upper sections of the brick piers are detaching from the building and require urgent repair. The rendered section to the east elevation requires cleaning and redecoration. Concrete lintels to the extension are spalling and showing signs of extensive carbonation and will require extensive repairs or replacement.

The elevations to the north-east cottage structures are in fair condition with no significant defects noted externally. The brickwork at low level would benefit from a clean.

Windows

- The majority of windows to the property are single glazed, painted timber sliding sash units.
- There are a limited number of single glazed painted timber casement windows to the WCs and stairs.
- The windows to the north-west extension and single storey element of the north-east structure comprise multi-pane painted timber frame windows with openable top casement and internal security bars fitted at lower ground level.

South-east structure
Typical sash window



Source: CBRE

North-west extension
Multi-pane window



Source: CBRE

Building Description & Assessment of Condition

With the exception of the north-west extension, the majority of windows are in fair condition, though all require redecoration and the majority will require an overhaul of operating mechanisms. Given that all the windows are single glazed, acoustic and thermal performance is poor and consideration should be given to upgrading the windows, subject to listed building approval, especially if the property is to be redeveloped.

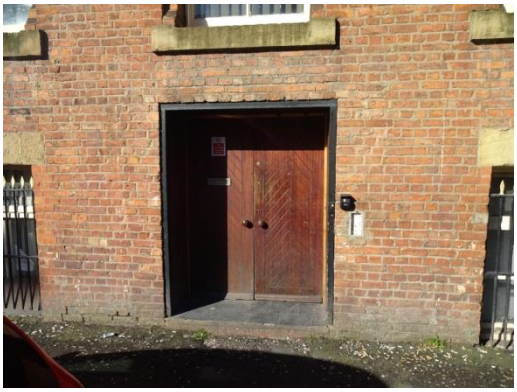
The windows to the north-west extension are typically in poor condition and will require extensive repairs, overhauling of locking mechanisms and redecoration. Given the poor thermal and acoustic performance and amount of remedial work required to the windows, it would be sensible to replace the windows with modern equivalents.

Doors

- There are a limited number of external doors associated with the property, a feature entrance comprising solid timber double doorset and ornate masonry surrounding architrave is located to the corner of the south and west elevations, though is not currently in use.
- The main entrance used by the Tenant is located to the centre of the south elevation and comprises a solid timber double doorset.
- A limited number of single leaf personnel access / escape doors are located to the perimeter of the property and typically comprise painted timber doors fixed to timber frames, a steel security lining is provided to some doors.

Entrance Door

External view of serviced office entrance to south-east section



Source: CBRE

Entrance Door

External view of entrance door to south-west section



Source: CBRE

The two main sets of double doors are in fair condition with minimal maintenance required, though the feature doors were locked at the time of inspection. The remaining personnel doors vary between fair and poor condition, and will require repairs ranging from adjusting and decoration extensive overhauls / replacement.

Building Description & Assessment of Condition

2.3 Internal Areas

Office

We have not been instructed to undertake a detailed inspection of the condition of the internal areas though the following cursory observations have been made.

Ceilings

- Ceilings predominantly comprise suspended plasterboard or exposed timber shiplap-style cladding.

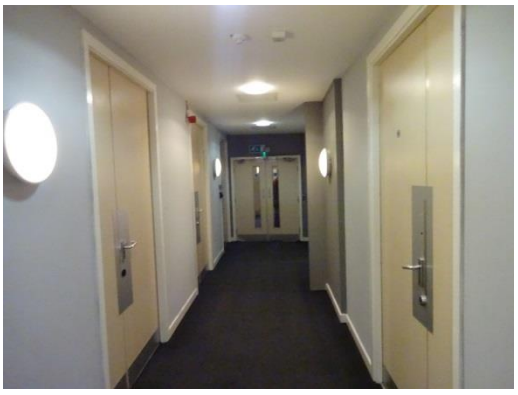
Walls / partitions / doors

- Loadbearing internal walls comprise blockwork/brickwork and finished with exposed fairfaced masonry or emulsion painted plaster.
- Nonloadbearing partitions are constructed of timber studwork and painted plasterboard.

Floors / Staircases

- Floors are predominantly finished with carpet finishes, though small areas of exposed timber boards, tiles and vinyl are also present to various locations.
- The main staircase (to the west elevation) comprise masonry stairs finished with carpet floor coverings, painted brickwork walls and painted steel handrails. The secondary stairs to the east elevation comprises a more basic finish of painted fairfaced surfaces.

Internal Areas
Typical corridor



Source: CBRE

Internal Areas
Typical Office



Source: CBRE

Internal finishes were predominantly in fair condition though it is assumed that the internal structures and finishes will be removed prior to any proposed redevelopment.

Building Description & Assessment of Condition

2.4 Engineering Services

CBRE Engineering Services have not been instructed to undertake a detailed inspection of the condition of the mechanical and electrical installations. Notwithstanding this, the following observations have been made from a Building Surveyor's perspective.

Overview of Principal Systems

- Incoming services comprise; gas, electric, water and telephone/BT.
- There is no mechanical ventilation to the property, natural ventilation is provided via openable perimeter windows.
- Heating is provided by perimeter radiators supplied by the boilers located in the sub-basement.
- The WCs are served by water which is presumed to be fed off the mains pressure. Drainage is provided by gravity drains discharging into externally mounted soil stacks.
- A fire alarm, incorporating smoke detection and break glass panels is provided to the occupied areas of the building
- Two lifts are provided within the south-east structure, a goods lift and personnel lift. The goods lift was not operational at the time of our inspection. The personnel lift was installed in 1989, serves all floors within the south-east structure and has a capacity for 8 persons / 630kg.

2.5 External Areas

Site Configuration

- There are no external areas associated with the property. It is anticipated that the Local Authority is responsible for repairing and maintaining the pavements and roads to the perimeter of the property.

Installed fittings; such access control barriers, lighting, bicycle strands.

- There is a limited amount of decorative ironmongery located to windows at lower ground / basement level, which will require redecoration if the ironmongery is to be retained.

3.0 Statutory and Legal Compliance Issues

3.1 Town Planning

Planning Permission

You have instructed CBRE Planning to advise you on planning matters and you should refer to their advice in this regard.

Listed Building / Conservation Area

The property is Grade II listed under List entry Number 1291013 and is not located in a conservation area.

3.2 Building Regulations

We have not had sight of any documentation relating to Building Regulations for the property. It is anticipated that a Local Authority Building Control Officer or Approved Inspector will be appointed to advise on any redevelopment scheme prior to the detailed design stage.

3.3 Fire Safety

The Regulatory Reform (Fire Safety) Order 2005 (the RRFSO) came into force in October 2006. The RRFSO requires that the 'responsible person' for each of the premises is required to carry out on assessment of the risks of fire and take reasonable steps to reduce or remove the risk.

We have not reviewed an assessment; though note the following key points:

- There is very limited fire protection of some structural elements within the building.
- Compartmentation throughout the offices is inadequate.
- A Fire Risk Assessment should be prepared for the property and any recommendations actioned without unnecessary delay.

3.4 Building Accessibility

The building is considered to provide poor provision for disabled persons in terms of facilities and features. Whilst we have not undertaken a disabled access audit, we note the following:-

- There is no level access to the property from street level.

3.5 Deleterious & Hazardous Materials

Given the age and type of construction, we are of the opinion that recognised deleterious materials such as Asbestos are likely to have been used in the construction of the building.

The following observations have been made. We would also note the qualifications on these matters set out in Appendix A & C.

Hazardous Materials (inc. Asbestos)

We have not had site of any asbestos register or asbestos surveys associated with the property, though anticipate that the presence of Asbestos Containing Materials (ACM's) are likely to be located in the property, especially within basement/sub-basement areas. An asbestos register should be requested from the Tenant for review, or if not available, should be prepared as a priority.

Statutory and Legal Compliance Issues

Concrete Additives

The traditional form of construction of the majority of the property dictates that concrete additives are unlikely to be located within the property. However, the assumed concrete columns supporting elements of the rear (north-west) extension are concealed and, though unlikely, may be constructed using concrete containing additives. Concrete testing of this structure should be undertaken prior to any redevelopment.

Ozone Depleting Substances

Neither CBRE Engineering Services, nor CBRE Environmental have not been instructed to undertake a survey of the property, therefore it has not been possible to assess if any Ozone Depleting Substances are present.

PCB's (Poly-chlorinated Biphenyls)

CBRE Engineering Services and CBRE Environmental have not been instructed to undertake a survey of the property, therefore it has not been possible to assess if any PCB's are present.

3.6 Operating & Maintenance Manuals and Statutory & Insurance Test Certification

The following Statutory and Insurance Test Certification was not available on site for review and should be obtained as a minimum:

- Fire Risk Assessment;
- Gas Safety Certification;
- Emergency Lighting Test Certification;
- Asbestos Register;
- Fixed Wiring Test Certification;
- Fire Alarm Test Certification.

APPENDICES

APPENDIX A - BUDGET COSTINGS FOR REPAIR

PROPERTY: 23 NEW MOUNT STREET, MANCHESTER

PRIORITY CODE
A = Health & Safety, Essential Repairs / Defect Rectification
B = Programmable Repairs and Maintenance
C = Major Capital Expenditure

Item Number	Item	Priority Code	Immediate Works Required Within Year 1	Medium Term Works Years 1 - 2	Longer Term Works Years 3 - 5
			£	£	£
1.00	**Building Structure & Fabric**				
	Roof				
1.01	Replace roof covering to south-east structure.	B		£60,750	
1.02	Re-line gutters to south-east structure.	B		£13,500	
1.03	Rebuild parapet wall to south-east structure.	B		£18,000	
1.04	Undertake repairs to slate roof covering of south-west structure.	B		£15,000	
1.05	Replace flat roof covering to north-west extension.	B		£50,500	
1.06	Minor repairs to rainwater goods.	B		£7,500	
2.00	**Elevations**				
2.01	Scaffolding access to perimeter elevations to facilitate below works.	B		£82,500	
2.02	Minor re-pointing and masonry repairs to south-east structure.	B		£15,000	
2.03	Extensive re-pointing and masonry repairs to north-west extension.	B		£22,500	
2.04	Undertake concrete repairs to window lintels to north-west elevation.	B		£7,500	
2.05	Replace downpipes to north-west elevation.	B		£4,500	
2.06	Overhaul, repair and redecorate windows throughout (excluding north-west extension).	B		£165,000	
2.07	Replace windows to north-west extension.	B		£97,500	
2.08	Replace render to south-west and north-west structures.	B		£10,500	
3.00	**Internally**				
3.01	Costs associated with renewal of internal finishes have been excluded as per the brief.				
3.02	Investigate water ingress within basement and allowance to remediate.	B	£3,000	£5,000	
3.03	Engage timber specialist to determine condition of structural timbers (no allowance for any remedial works that will potentially be required).	B	£2,000		
	Sub-total		*£5,000*	*£575,250*	*£0*
4.00	**M&E Services**				
4.01	Costs associated with replacement or repairs of mechanical and electrical equipment have been excluded as per the brief.				
	Sub-total		*£0*	*£0*	*£0*
5.00	**Cost Summary**				
3.01	Building Structure & Fabric		£5,000	£575,250	£0
3.02	Building Services Installations		£0	£0	£0
	Summary Cost by Priority	**Priority Code**	**Immediate Works Required Year 1**	**Medium Term Works Years 1 - 2**	**Longer Term Works Years 3 - 5**
	Health & Safety, Essential Repairs / Defect Rectification	**A**	**£0**	**£0**	**£0**
	Programmable Repairs and Maintenance	**B**	**£5,000**	**£575,250**	**£0**
	Major Capital Expenditure	**C**	**£0**	**£0**	**£0**
	Total Exc.VAT rounded to the nearest £1,000 **Please note the exclusions which apply to the budget costs stated**		**£5,000**	**£575,000**	**£0**
	Total Ex. VAT Year 1-5		**£580,000**		

Budget Cost for Repairs

BASIS OF COSTINGS AND EXCLUSIONS

- The budget figures are based on estimated prices prevailing as at March 2016.
- It is taken that the works will be undertaken as a single contract. If undertaken on a piecemeal basis, the costs are likely to be higher.
- No allowance has been made for the following:
  i. Future inflation of building materials and labour prices.
  ii. Statutory fees including Planning and Building Regulations applications that may be necessary.
  iii. Building insurance.
  iv. Interest on expenditure.
  v. Any professional fees (e.g. Legal, project management etc. except where and to the extent stated).
  vi. Contingencies.
  vii. Preliminary Costs
  viii. VAT
- It is assumed that the works will be undertaken during normal working hours.
- Guide prices have been derived from a visual inspection and are of an indicative nature only. They are not based on any detailed measurement or specification.
- Where costs relate to an item requiring further investigation, the costs provided relate to the cost of the investigation only and not, unless specifically stated and allowed for otherwise, for works that may be recommended following investigation.

Holloway Jennings Consulting Engineers' Report

HOLLOWAY
JENNINGS

MH/tj/3395

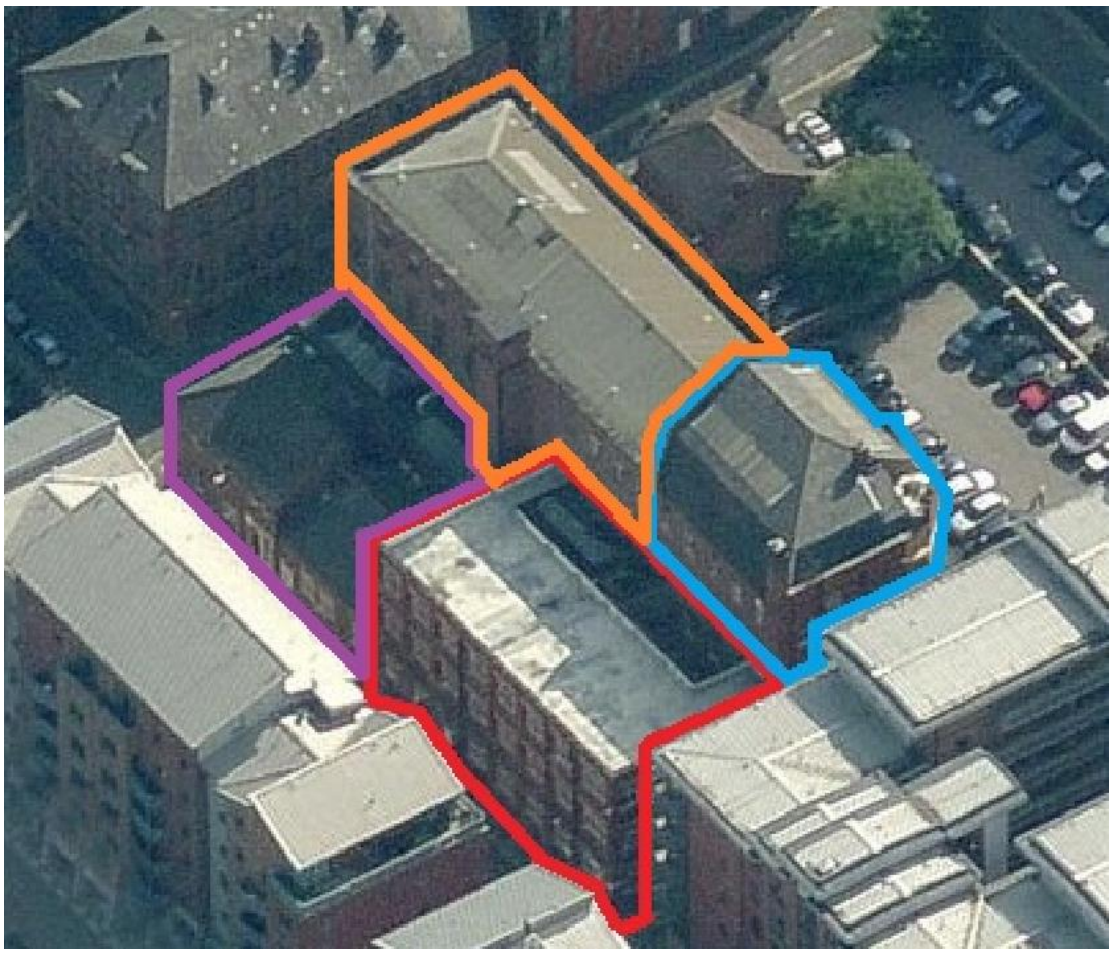
16/03/2016

Stuart McBride
CBRE Ltd
Leeds
By Email

Dear Stuart,

23 NEW MOUNT STREET - MANCHESTER

Brief:
Carry out a visual appraisal of the properties shown in the below image to aid with the potential future development of the site and to consider the possibility of increasing the heights of the structures. For this report the following references are used in line with the main Building Survey Report by CBRE.
Orange – SW warehouse structure
Blue – SW warehouse structure
Red – NW extension
Purple – NE 'cottage' structures



HJ Consulting Engineers Ltd
Connaught House
Park View
Lofthouse
Wakefield, WF3 3HA

T:01924 280061
F:0871 900 4243
admin@hjce.co.uk

Registered in England and Wales No. 06689016

Site notes:
The SW and SE structures are industrial or warehouse buildings. The SW portion is an Edwardian Baroque style, external walls are red brick with yellow terracotta dressings. The SE portion is brown brick with stone and red brick dressings around windows. Both have load-bearing masonry perimeter walls and stair cores. Internal floors are supported on perimeter walls and then on cast-iron beams and columns internally. Other load-bearing walls are likely to be present. The original load -bearing capacity of the floors is likely to be considerably higher than the current office use, (at least 4.0kN/m^2 as opposed to 2.5kN/m^2 at present, although we haven't undertaken an actual load assessment). The majority of floors in this section are suspended timber floors with the exception of the lower ground floor which is concrete.

The NW structure appears to be a framed structure with either reinforced concrete columns or concrete encased steel columns. Floors are a mix of in-situ concrete, suspended timber and what appeared to be filler joists floors. Again the load bearing capacity of the original floors is likely to be slightly higher than the current use.

We couldn't gain access to the NE structure.

All the structures have maintenance problems due to a lack of long term maintenance. Where structure was exposed it was generally adequate but in one or two locations there was a suggestion that some significant remedial work would be required such as corroding filler joist floors. It is also likely that given the age and historic water ingress into the units that some timber work is likely.

Potential to extend vertically:
The SW and SE structures are substantial and given that historic loading would have been greater than existing (or potential future as light offices or residential) we would expect to be able to put an extra two storey's over these units. Any addition would need to be lightweight such as a timber solution. Some additional strengthening works may be required to the existing cast iron columns in the upper floors but given the modular nature of residential or office space this could be accommodated.

The NW structure is similar in summary to the SW and SE structures. We expect that the previous floor loadings would have been higher than the current or future and therefore the structure could accommodate a further two storeys of lightweight construction depending on the layout.

The NE structure is likely to be unsuitable for any significant vertical increase. We would expect the foundations would be unsuitable to take the extra load.

The above recommendations are based on all four areas being extended upwards at the same time so that lateral support could be spread across the four elements, (wind loading and notional loads).

The ground conditions are expected to be Clay over Sand and Gravels. The potential foundation solution costs will be average for the type of building.

The buildings are in Flood Zone 1 and as the area of the site is approx 0.15hectares it is unlikely that any development would need a Flood Risk Assessment.

The building was given grade II listed status in 1994 so any works will need to be done with prior approval from the listed building officer.

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Lofthouse
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Recommendations:
If vertical development of the site is to be progressed, we recommend that proposed Architectural plans are produced. Once the proposals are known, a suitable plan of opening up works can be prepared to enable us to carry out a detailed investigation of the existing structure to confirm the above.

If you have any further queries please do not hesitate to contact us.

Yours sincerely



Mark Holloway
H J Consulting Engineers Limited

HJ Consulting Engineers Ltd
Connaught House
Park View
Lofthouse
Wakefield, WF3 3HA

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Report Qualifications

REPORT QUALIFICATIONS

1. This report has been prepared in consideration of the Royal Institution of Chartered Surveyors Practice Standards, UK for Building Surveys and Technical Due Diligence of Commercial Property 4th Edition (GN63/2010).
2. This report is based upon a visual inspection of the property and describes its basic construction and state of repair, highlighting any principal defects or significant shortcomings that have been found. We have not prepared an exhaustive list of those minor defects or imperfections thought not to have a material bearing upon the proposed interest.
3. We have not inspected those parts of the building or its services which are built in, covered up or otherwise made inaccessible in the normal course of construction or occupation and we are, therefore, unable to state that such parts are free from rot, beetle, pseudomonas, corrosion or any other defect whatsoever. We have inspected the areas of the building which were safely accessible at the time of inspection and to the extent noted in the report.
4. We have not, except to the extent mentioned in this report, carried out any tests, intrusive examination, or made any enquiries concerning particular materials nor have we calculated any floor areas or reappraised original design criteria.
5. We have not therefore undertaken any inspection of the below ground drainage services and cannot comment on the condition thereof.
6. Except to the extent noted in this report, we have not made enquiries of any statutory authorities concerning the present arrangements within the building or the likely effect of any proposed occupation. We should advise that the complexity of the Building Regulations and other statutory enactments can have a material effect on the way in which building may be planned and used and upon the cost on consequential work. It is assumed that professional advice will be sought at the appropriate stage to determine any works which may be necessary due to any planned occupation.
7. In cases where contractors or consultants are instructed to carry out tests or prepare reports, you will appreciate that, whilst we will take every care in instructing these contractors or consultants, we cannot accept responsibility for their report and shall not be liable for error or omission therein. In appointing such contractors or consultants we act only as an agent on behalf of the client, and the contractual rights and obligations lie directly between the client and the relevant contractors or consultants.
8. The Equality Act 2010 provides legislation to prevent discrimination against disabled people and also provides rights for people not to be discriminated against because they have an association with Disabled People. Where we have made comments in the report on access matters, this is to be considered as an overview. Unless specifically stated to the contrary, we have not undertaken an audit of access issues. It should be noted that the requirements under the Act and associated legislation, are based on the principal of reasonableness, the meaning of "reasonable adjustment" may be open to interpretation by the Courts and our advice and comments represent our interpretation of the Act as it presently stands.
9. We have not undertaken a specific Asbestos survey of the property and do not give advice on asbestos related matters, but we have included recommendations within the text of this report with regard to the need for specialist inspections and testing as appropriate.

10. Within this report, unless otherwise stated, we have commented on the condition of the property at the time of our inspection only, and we cannot guarantee that future changes in groundwater levels will not have an adverse effect on the property.
11. Within the text of this report we provide comment on the likelihood of the presence of composite panels, and provide recommendations for intrusive/destructive testing to ascertain the exact nature of the panel construction where necessary. We cannot, however, provide any comments or indication as to how individual insurance companies may treat properties which incorporate composite cladding panels. Where such have been identified, it is extremely important that you seek the advice of your building insurers before proceeding with any property transaction to clarify whether insurance can be obtained, and if so, at what cost. There have been instances where insurers have refused insurance even where the cladding has been approved by the Loss Prevention Council (LPC).
12. CBRE Limited cannot be held responsible for property insurance issues or property blight where we have highlighted the presence of composite cladding panels within our survey report.
13. There are several materials which institutional investors currently consider to be 'deleterious'; these are described in British Council for Offices 'Good Practice in the Selection of Construction Materials 2011'. During the course of a visual inspection it is extremely difficult, if not impossible, to identify and confirm the inherent properties of these materials, and we cannot therefore confirm their presence or otherwise.
14. This report (the "Report") has been prepared by CBRE Limited ("CBRE") exclusively for Langland Estates Limited (the "Client") in accordance with the terms of the instruction email dated 20th January 2016 ("the Instruction"). The Report is confidential and must not be disclosed to any person other than the Client without CBRE's prior written consent. CBRE has provided this report on the understanding that it will only be seen and used by the Client and no other person is entitled to rely upon it, unless CBRE has expressly agreed in writing. Where CBRE has expressly agreed that a person other than the Client can rely upon the report then CBRE shall have no greater liability to any party relying on this report than it would have had if such party had been named as a joint client under the Instruction.
15. CBRE's maximum aggregate liability to all parties, howsoever arising under, in connection with or pursuant to the Report, and whether in contract, tort, negligence or otherwise shall not exceed £5,000,000.0 and
16. CBRE shall not be liable for any indirect, special or consequential loss or damage howsoever caused, whether in contract, tort, negligence or otherwise, arising from or in connection with this Report. Nothing in this Report shall exclude liability which cannot be excluded by law.