



REINSTATEMENT COST ASSESSMENT

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SMALLFORD WORKS, SMALLFORD LANE,
ST ALBANS, HERTS, AL4 0SA

Stackbourne Limited

January 2015

KIRSOP

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1.0 Introduction

**Smallford Works
Smallford Lane
St.Albans
Herts
AL4 0SA**

- 1.1 In accordance with instructions received from Stackbourne Limited, we have undertaken a reinstatement cost assessment in respect of the above premises for the freeholder of the site, Stackbourne Limited.

The current site is divided into a number of individual units and occupied by differing Tenants.

- 1.2 This exercise has been undertaken in order to provide an assessment for buildings insurance purposes.
- 1.3 Our visit was made on the 22nd January 2015.
- 1.4 There are a number of issues arising from our inspection and advice which should be discussed with your insurance advisors.
- 1.5 Floor areas utilised for this cost reinstatement assessment have been derived from record drawings.
- 1.6 This assessment has been prepared having regard to advice given by the Royal Institution of Chartered Surveyors and insurance companies for buildings insurance purposes and it is not appropriate for any other purpose other than insurance.

2.0 The Premises

- 2.1 The premises comprise an out of town site which is occupied by 16 No. differing tenants. The units are a mixture of commercial and light industrial uses. A number of permanent buildings exist on varying of the individual units.
- 2.2 We would estimate that the property was constructed in circa 1960's.
- 2.3 The premises are not of listed status.
- 2.4 A new access road is under construction, which split the unit formerly known as Unit 1A. It should be noted that for the purpose of this assessment, we have allowed for the road completed for Phase 1 only.
- 2.5 The current Tenants are as listed below:-

UNIT	TENANT
Unit 1A	Versatile Utilities Ltd
Unit 1B	Unknown
Unit 1C	Vacant
Unit 1D	Power Plant Ltd
Unit 2A	Shaca Construction
Unit 2B	ILP
Unit 2E	Versatile Utilities Ltd
Unit 3	Vacant
Unit 3A	Vacant
Unit 4	R & F Pallets Ltd
Unit 5, 7A, 7B	Smallford Supplies Limited
Unit 6	Glyn Hopkin Ltd
Unit 7C, 7D & 14	Screw Fast Foundations
Unit 9	Rahilly Plant Services Ltd
Unit 10B	Darfen Durafencing (CRH Fencing)
Unit 11	HDD Plant Hire
Unit 12	Boras Construction Limited
Unit 15	R.O.L Construction

- 2.6 The buildings where present are single storey comprising steel / concrete framed construction with brick/blockwork and asbestos cement sheet enclosing walls with sheet cladding roof coverings.

The floors to the ground floors are of solid ground bearing / suspended timber construction.

Windows throughout the property are of aluminium / uPVC.

External elevations are generally faced in painted brickwork / asbestos cement sheet

Roof areas are generally formed pitched and finished with profiled metal roof sheets; some are asbestos cement roof sheets.

The properties are all accessed via the main access roadway and pedestrian walkways.

All units have a mixture of security fencing and chain link with individual gates to each Unit.

The Premises

- 2.7 An Ordnance Survey Extract outlines the extent of the building which forms the basis of this re-instatement cost assessment see Appendix B.
- 2.8 Photographs of the premises follow see Appendix D.

3.0 Reinstatement Cost Assessment

- 3.1 We recommend that for the forthcoming year, that the premises be insured for the total sum of £3,502,952.00 (Three Million Five Hundred and Two Thousand Pounds Nine Hundred and Fifty Two Pounds).

This figure is an assessment of the cost of reconstructing the site at the date of the assessment and has taken into consideration demolition, debris removal, temporary shoring and professional fees likely to be incurred in the reconstruction.

Individual Unit assessments are available on page 6.

- 3.2 The figure is calculated on the basis of building costs and may not in all circumstances reflect the lowest tender price available, which on the basis of current tender price evidence, may in some cases be lower than the figures stated. However, our assessment is considered to represent an appropriate sum for which the site should be insured within the constraints of the present market conditions affecting the building industry.

- 3.3 In estimating the cost of reinstatement it has been assumed that the buildings, site and its use will be similar to those existing and that the rebuilding will be to the original design in modern materials and using modern techniques to a standard equal to the existing property and will comply in all aspects with current legislation and statutory requirements. A total loss has been assumed. The building to be reinstated to a shell order ready for fit-out by the tenant.

We have also made allowance in our assessment for the reinstatement of external paving's, services and the like which may be damaged as a result of a fire or similar loss. None of these items should be excluded from the policy.

We have not included within the assessment, allowances for tenant's fit out works, fixtures, fittings, contents or furnishings. In assessing the extent of the building structure, services and fittings, we have made assumptions in respect of the inclusion of items which may have been installed by tenants but which, by nature of their degree of permanence, an annexation to the structure, have inured to the benefit of the owner.

We have made no provision and do not provide any advice in respect of process plant and machinery, fitting out works and the like, in respect of which your insurer's advice should be taken.

- 3.4 We have made no investigation or allowance of any remediation works which might be required by the Local Authority under legislation relating to contaminated land which might arise in the event of rebuilding being necessary, since the extent and costs of such cannot be reasonably be determined without detailed and costly investigation which is beyond the extent of this instruction. This should be drawn to insurer's attention.

- 3.5 No allowance has been made for loss of rent or for inflation. We consider that it would be prudent to allow the period of 18months for redesign and reconstruction of the building and accordingly recommend that loss of rent and service charge cover for this period, or such greater period which might be required under the terms of any lease, which if appropriate, could be dealt with under a consequential loss policy.

This assessment does not include any allowance in respect of the effects of inflation during the insurance period. A "Day 1" policy has cover built in by the insurers for this, the amount reflecting the reconstruction period. You should ensure that the uplift on the base sum insured apply to cover this if adequate. The policy must be reviewed annually in conjunction with any adjustment to the base sum insured.

3.0 Reinstatement Cost Assessment

The above advice is given in respect of the building insurance or material loss policy only.

- 3.6 VAT has been excluded from this assessment and if you are unable to recover this, or can recover part only, you should advise your insurers and increase the base sum insured appropriately.
- 3.7 We advise that all the usual specified perils and extensions to the insurance contract be arranged and that none be deleted. We draw your attention particularly to the need to ensure that the policy includes the Local Authority and Tenants (non-validation) clauses.

We recommend that subsidence cover be included in the policy.

- 3.8 There are a number of issues arising from our inspection and advice which should be discussed by you with our insurance advisor. We comment on these as follows:

You should ensure that all other usual building insurances (including cover in respect of Plant and machinery) within the buildings, occupiers fitting out works, contents, plate glass, cover for BMS systems and third party and public liability matters) are held where appropriate.

- 3.9 This assessment does not provide advice in respect of terrorist damage cover and you should take your insurer's advice in respect of this.
- 3.10 Should the property or any part thereof be a security in respect of a mortgage, loan or similar, your insurer's advice should be sought and you should ensure that the mortgagor's interest is endorsed on the policy to ensure that your position is protected, in so far as possible, in the event of an incident giving rise to a claim.

You should ensure that your insurers are notified of the names of the Tenants/Lessees/Occupiers and if necessary their names can be endorsed on the policy to ensure that the position of all parties is protected, in so far as possible, in the event of an incident giving rise to same.

- 3.11 You should seek specialist advice in relation to potential tax implications relevant to the loss of the premises and its reinstatement.
- 3.12 This assessment has been prepared having regard to the advice given by the Royal Institution of Chartered Surveyors and Insurance Companies for building insurance purposes and is not appropriate for any purpose other than insurance.



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Date of Assessment: January 2015

Appendix A – Reinstatement Cost Assessment Survey Sheet

File No: 11372	Address: Smallford Works Smallford Lane St.Albans Herts, AL4 0SA	
Client: Stackbourne Limited		
Date of Inspection: 22 nd Jan 2015	Tenants/Access Arrangements: Stackbourne Limited	Floor Area Calculated by: Measured on site / Record Drawings
Surveyor: P Bagnall		
Occupant: Multi-Tenanted (See Schedule)		
Current Use: Multi-Tenanted Light Industrial		
Schedule of Accommodation: Ground Floor - Office / Storage / Workshop		
Type/Quality of Buildings: The buildings where present are single storey comprising steel / concrete framed construction with brick/blockwork and asbestos cement sheet enclosing walls with sheet cladding roof coverings. The floors to the ground floors are of solid ground bearing / suspended timber construction. Windows throughout the property are of aluminium / uPVC. External elevations are generally faced in painted brickwork / asbestos cement sheet Roof areas are generally formed pitched and finished with profiled metal roof sheets; some are asbestos cement roof sheets.		Estimated Date of Construction: 1960
Special Architectural and Planning Features (is it Listed or in Conservation area) None		
Extent of Landlord's/Permanent Fixtures, Fittings and Services: Main primary services		
Extent of Tenants Fittings (Not assessed) Tenants have installed a number of pre-fabricated buildings within their site demise which are not included within this assessment.		Gross Site Area(s) 32,760m²
Redevelopment Period: 18 months	Redevelopment Comments: Rebuild in current form + upgrade in compliance with Building Regulations Part L1 and DDA.	
Reinstatement Costs:	See Table overleaf.	

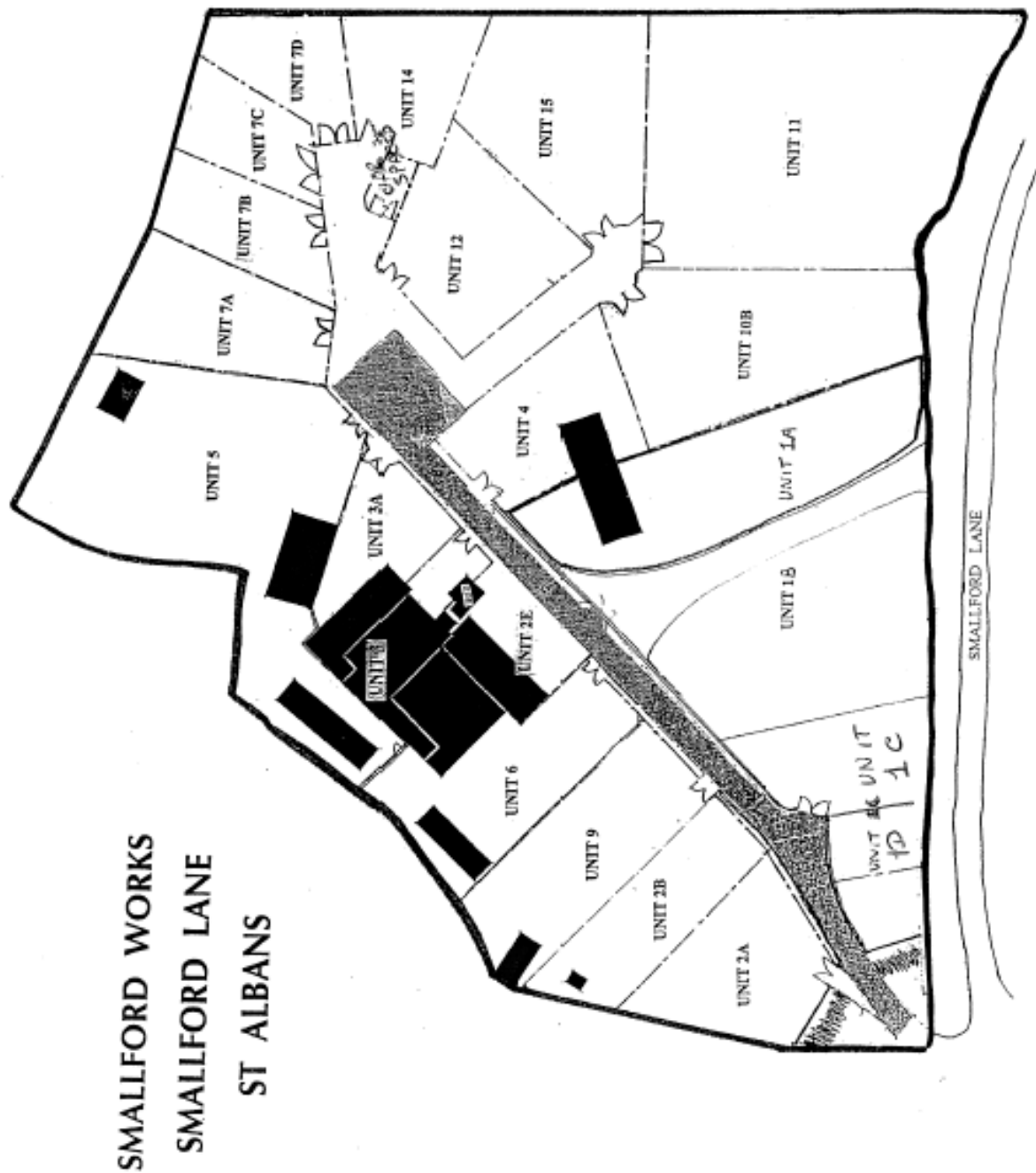
Appendix A – Reinstatement Cost Assessment Survey Sheet

UNIT	REINSTATEMENT VALUE (£)
1A	303,396
1B	60,114
1C	22,613
1D	17,446
2A	33,760
2B	38,596
2E	259,213
3	559,672
3A	278,273
4	165,231
5 ,7A & 7B	471,283
6	141,664
7C, 7D & 14	145,663
9	70,849
10B	64,031
11	222,202
12	35,897
15	53,561
Sub Total	2,973,227

COMMON PARTS	REINSTATEMENT VALUE (£)
Access roads + toilet block etc.	529,726

Overall	£3,502,952
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Appendix B – Site Plan



Appendix C – Aerial Photographs (Extract from Google Earth)



Appendix D – Photographs



Photograph 1 – Main Entrance into Site



Photograph 2 – Building to 1A



Photograph 3 – Site 1A



Photograph 4 – Entrance into Site 1A



Photograph 5 Site 1B



Photograph 6 – Access to Unit 1C

Appendix D – Photographs



Photograph 7 – Site 1D



Photograph 8 – Access to Site 2A



Photograph 9 – Site 2B



Photograph 10 – Unit 2E



Photograph 11 – Unit 3



Photograph 12 – Unit 3 Interior

Appendix D – Photographs



Photograph 13 – Unit 3A



Photograph 14 – Unit 3A Interior.



Photograph 15 – Unit 4 Access



Photograph 16 – Unit 4 Building



Photograph 17 – Unit 5 Main Building



Photograph 18 – Unit 5 Building

Appendix D – Photographs



Photograph 19 – Unit 5 General Area



Photograph 20 – Unit 5 Site



Photograph 21 – Unit 5 Structure



Photograph 22 – Unit 6 Access



Photograph 23 – Unit 9 Access



Photograph 24 – Unit 11 Building

Appendix D – Photographs



Photograph 25 – Unit 11 Building



Photograph 26 – Unit 10B Building



Photograph 27 – Unit 15



Photograph 28 – Access Road



Photograph 29 – Access Road



Photograph 30 – Access Road

Appendix D – Photographs



Photograph 31 – Access Road