

TCRC *Property Update*

Our TCRC *Property Updates* are intended to bring important property issues and current training programs, seminars and events to your attention.

If you wish to submit content for an article or be removed from the distribution, please feel free to contact me.

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Licensed Estate Agent



Condition Reports are an invaluable tool for Lessors and Property Managers

Condition Reports and Dilapidation Reports have many applications in the commercial property field including

- to qualify Lessor and Lessee fittings for the purpose of make-good/reinstatement at lease end
- to determine fixtures and fittings included under the terms of a contract of sale
- to qualify Lessor and Lessee fittings for market review and rent determination purposes
- to outline Lessor and Lessee fittings for depreciation schedules
- can be carried out for use in legal proceedings (where a report was not carried out prior or a more recent report is required)

Condition Reports represent the physical facts which serve as an invaluable tool when negotiating make-good obligations at lease end. Lessors and Lessees may have different recollections of the original state of a property and disputes over "make-good obligations" are difficult to mediate without evidence. These disputes tend to usually result in escalating Lessor and Lessee legal costs.

You may require a condition report prior to Tenant works being undertaken at the property to ensure both parties have a perfect understanding of their make-good obligations.

Condition Reports also provide a clear description of a sale property and will ensure all fixtures and fittings included in the purchase price are provided when taking possession of the property at settlement. This is especially pertinent when purchasing a vacant property or a property with a lease-back provision. Conditions of debate can include loss of fire equipment, broken windows and graffiti or the remainder of a worthless fit-out.

The Condition Report Company provides highly professional reports. Please feel free to contact us to discuss your requirements.



Building Code of Australia 2006 will effect commercial building refurbishments and alterations

From 1 May 2006, energy-efficiency measures for commercial and public buildings will be introduced into the Building Code of Australia (BCA) 2006. The changes intend to provide benefits to the environment through reduced greenhouse gas emissions and will reduce energy costs for building owners and/or occupiers.

Why do we need energy-efficient commercial buildings?

The Australian Greenhouse Office projects that greenhouse gas emissions from the operation of commercial buildings will increase by a staggering 94 per cent during the period 1990-2010. The new energy-efficiency measures, expected to be included in the BCA 2006, form a key feature of the federal and state governments' commitment to reducing greenhouse gas emissions in Australia.

Which building will the measures apply to?

The requirements will apply to all classes of commercial and public buildings. It is important to note that the energy measures apply to buildings being **refurbished**, **altered** or **extended** as well as **new** buildings.

Commercial building classes include:

- Class 5 - Commercial office building
- Class 6 - Shop or other retail building
- Class 7 - Car park or wholesale goods facility
- Class 8 - Laboratory or industrial building
- Class 9 - Public building: health care facility, school, assembly building.

Information source: Building Commission Victoria

For further information visit www.buildingcommission.com.au



Upcoming Training, Seminars & Events

Retail Leases Seminars

The REIV and Small Business Victoria are holding further seminars on the changes to the Retail Leases Act.

2 February 2006	Geelong Conference Centre, Geelong
2 February 2006	Bell Tower Inn, Ballarat
14 February 2006	Century Inn, Traralgon
6 March 2006	REIV, Camberwell
16 March 2006	Lakeside Motor Inn, Bendigo
17 March 2006	Wodonga Conference Centre, Wodonga



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