

CBRE BUILDING CONSULTANCY

FIVE FOCUS AREAS TO HELP LANDLORDS AND INVESTORS MEET SHORT-TERM CHALLENGES

Covid-19 is a massive challenge for all of us. Across the whole business community, the focus is rightly on public and personal safety, but that doesn't mean business has to stop altogether. Many of the assumptions that underpin your business plans may now have shifted, some dramatically so. It's time to reassess them. Here are some practical steps designed to help you manage today's risks and prepare for tomorrow.

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Things have changed

- Your dilapidations position will be materially different than four months ago
- You could have a stronger hand, especially if your tenants can't move out, but Section 18 valuations in a stalled market could reduce what you can recover
- Time to reassess what you expect to receive



Although fire safety work remains a priority

- The Government says remediation of ACM and non-ACM clad buildings should continue, but only if it's possible to do so safely
- You need to decide if there is a risk of life, property damage or material deterioration if the work is stopped
- If you do continue, bear in mind supply chains will be impacted by Covid-19 too.
- If it's not possible safely, temporary measures like fire watching may be needed



Buildings still need to be managed

- Don't just turn everything off, reduce services where you can. It will cost less in the long run
- Assess occupier needs and system priorities; save energy and minimise non-essential work. Otherwise disruptive work should be considered
- Prioritise statutory and mandatory compliance. Plan with resumption in mind, so buildings will be ready quickly when the time comes
- There will be labour shortages. Priority will go to those with a plan who have already engaged with their FM contractors



As well as insured

- Building insurance premiums are expected to increase significantly, construction costs will be affected too
- Time to recalculate the declared value of your properties
- Do it electronically, using floor plans, asset registers and any other property information available. Come and ask us how



But, it won't last forever

- If you're buying or selling, do your technical due diligence (TDD) and environmental risk screening now so that you're ready to move quickly when the market returns
- Calls on resources will be significant, slowing TDD down. Completing desktop work puts you ahead of the competition and reserves the resource you need for site inspections when that's possible

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As ever, we are here to help you achieve your plans. Get in touch with us to find out the many ways we can.

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