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STUDY REPORT

No. 112 (2002)

New Zealand Small Commercial Property Condition Survey (Pilot)

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Preface

This report details the results of on-site inspections of the physical condition of five small commercial properties in the Bay of Plenty area. It also includes the results of an interview with the property owners to determine maintenance information. The report follows on from BRANZ SR 91 *New Zealand House Condition Survey* (Clark, Page, Bennett & Bishop, 2000), which found that New Zealand homeowners need to spend a total of over \$5.5 billion on major outstanding maintenance. This pilot condition survey of small commercial properties provides a starting point for comparing how this category of buildings is maintained.

Acknowledgments

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This work was funded by the Foundation for Research, Science and Technology from the Research for Industry Fund.

Note

This report is intended for building industry researchers (government and private sector), economists, commercial property owners and maintenance persons.

NEW ZEALAND SMALL COMMERCIAL PROPERTY CONDITION SURVEY (PILOT)

BRANZ Study Report SR 112 (2002) Rachel Hargreaves

REFERENCE

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EXECUTIVE SUMMARY

In 1994 and again in 1999, a representative survey was carried out by BRANZ of the condition of New Zealand domestic houses. It was found that New Zealand homeowners need to spend a total of over \$5.5 billion on major outstanding maintenance on a residential stock valued at more than \$147 billion. Figures for the New Zealand commercial property stock stand at approximately 67,000 units with a cumulative capital value total of \$42.6 billion. What can be said in terms of the condition of our commercial buildings? The aim of this pilot study was to provide a glimpse of the condition of small commercial properties in New Zealand, how they are maintained, and provide a starting point for discussions on what this means for commercial property management, financially, socially and environmentally.

The main conclusions and recommendations from the pilot study were as follows:

- Commercial properties are complex building systems, with multiple componentry and other differences due to the nature of the tenancy or use of the building. Future studies need to carefully assess the content and structure of the survey forms to capture this complexity in a useful manner.
- The condition of the commercial properties assessed in this survey ranged from poor to excellent. It was difficult to determine accurate trends as to the overall state of New Zealand's commercial property stock or whether it is a better or worse condition than New Zealand's domestic property stock. While houses appear to be in a marginally better condition overall, the incidence of serious and poor components in houses is higher.
- For the commercial properties surveyed, the building component in the worst condition was exterior doors, with the most common building component defects being topcoat deterioration of roofs and missing drain grates.
- The relationship between the actual condition of the property and the maintenance undertaken, and between the actual condition and the accuracy and currency of the building's WOF are two potential correlations that are worthy of investigation in future studies.

- Commercial property is a significant investment on the economy. The cost to raise the condition of the properties surveyed to 'as new' was averaged at \$18,000. If extrapolated (and the extrapolation is tenuous) to New Zealand's entire commercial property stock, there is an outstanding maintenance bill of \$1.2 billion. Although the small sample size attaches a high degree of uncertainty to these values, combined with the maintenance bill for New Zealand's domestic stock, the cost to the economy is around \$6.7 billion. This result raises some concerns not only for the short-term future of these buildings, but also in terms of their suitability as long-term investments.
- The survey revealed how little is known about the inter-relationships in the commercial property sector and how this impacts on the maintenance and hence lifetime of commercial buildings. The relationship between tenants and owners, i.e. the nature of tenancy arrangements, the number of commercial properties that are owner-occupied versus those that are tenanted, plus the differences in building condition in relation to these parameters needs to be further explored.
- The research strategy, based on the methodology of the *House Condition Survey*, has met the objectives of this report. It has raised the understanding of commercial property management in New Zealand (even if it raises more questions), it has developed a strategy for assessment, has recommended changes for the future, and determined that it does have potential as a future research topic. This is not only desirable but essential as the study has demonstrated the absence of factual research data in this field.
- It is recommended that this pilot study be extended to a full-scale study.

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1 INTRODUCTION

1.1 Commercial Property in New Zealand

The term 'commercial property' covers a wide range of building types and uses. It includes buildings such as warehouses, universities, schools, office buildings, churches, prisons and retail premises. Apartment complexes may also be included depending on their size and the systems incorporated into the building (Pringle, 1999).

In New Zealand there has been relatively little commercial property development over the past decade. In terms of building consent data for 1999 non-residential building trends (including institutional, commercial and industrial sectors) were fairly modest, with strongest activity in the health and education sectors (Page, 2000). This is in contrast to the building boom of the late 1980's in which office construction made up almost 60 % of the growth in the total real value of commercial construction (Gawaith, 1999; cited in Saville-Smith, 2000). The growth experienced in the 1980's combined with relatively low development through the 1990's has created a surplus capacity. Predictions for 2000 were that there was unlikely to be any large office development projects undertaken (Page, 2000).

Currently, figures for the New Zealand commercial property stock stand at approximately 67,000 units with a cumulative capital value total of \$42.6 billion (Quotable Value, 2000). As many of these units were born of the commercial property boom of the 1980's or before, it can be said that New Zealand's commercial property stock is aging. It is important to understand what the condition of this commercial property stock means in environmental, social and economic terms, as concepts such as 'environmental life cycle analysis' and 'sustainable architecture, building and culture' are emerging as key determinants for the construction industry.

To achieve this, an assessment of how long a building is 'in use' (determined in part by material performance, financial considerations and other social factors) needs to be conducted to determine the building's overall impact throughout its life. While progress is being made in this area, there is a lack of publicly available research data or other specific information on the current condition and ongoing maintenance of commercial buildings in New Zealand.

With New Zealand's commercial property (all categories) having a cumulative capital value total of \$42.6 billion, commercial buildings are a significant investment in the economy. Therefore, knowing about the condition of our commercial property has important economic implications. Domestically, results from the *New Zealand House Condition Survey* (Clark et al, 2000) found that New Zealand homeowners need to spend a total of over \$5.5 billion on major outstanding maintenance. What can be said in terms of commercial buildings?

This pilot study provides a glimpse of the condition of small commercial properties in New Zealand and how they are maintained. It provides:

- Vital information to the Building Industry Authority (BIA), so that they can consider changes to the Building Code and Acceptable Solutions for consistently occurring building defects;
- The Government with specific data to assist with regulating energy and natural resources;
 and
- Data of commercial value to the building industry because it will identify opportunities for new and improved products and practices (Alexander, 2002).

In addition, it provides a backdrop for discussions on the implications that property condition has on commercial property management financially, socially and environmentally, and highlights the key issues to be considered in a wider survey.

1.2 Terms of Reference

The intent of this research project was to carry out a pilot survey of a sample of the New Zealand commercial building stock in order to answer the following questions:

- What is the condition of the commercial property stock in New Zealand?
- What is the building industry's current knowledge about the life cycle of commercial properties?
- What keeps small commercial properties 'alive', i.e. what are the drivers behind commercial property maintenance?
- How do these drivers differ in relation to the nature of occupancy of the building, i.e. owner-occupied versus tenanted?
- Are small commercial properties maintained differently to domestic properties?

1.3 Objectives

The objectives of this report are as follows:

- To develop a preliminary strategy for assessing the condition of small commercial properties;
- To begin to develop an understanding of small commercial property management in New Zealand;
- To evaluate the preliminary strategy based on this understanding; and
- To determine whether a future full-scale study is warranted.

1.4 Method

The preliminary strategy for assessing the condition of the participating properties was a survey designed in two parts:

- A physical inspection of each property; and
- A one-on-one interview with the property owners.

The interview involved questions relating to the maintenance of the property. The physical inspection involved checking the condition of various components, such as the roof, walls, foundations, floor, interior walls, the roof space, etc. As a result, two survey forms were developed, the details of which are discussed sections 1.4.1 and 1.4.2.

The assistance of the Bay of Plenty Branch of the New Zealand Property Council was elicited to select five owners of small commercial properties in Tauranga to participate in the survey. The sample selection, sample size and sample profile is discussed in more detail in sections 1.4.3 to 1.4.5.

Two articles were written for BUILD magazine while the survey was underway, with further articles anticipated at the conclusion of this study report.

As a pilot study, this largely iterative process formed the basis of the research strategy, and is assessed in sections 2.6 and 3.4 (under 'Usefulness of results') to ascertain its appropriateness for future research in this area.

1.4.1 Physical inspection survey

The physical inspection survey form used in the *House Condition Survey* (Clark et al, 2000) was used as a template for the physical inspections in this study. It was adjusted to reflect the different categories that are more likely to be present in a commercial property compared to domestic homes – restrooms instead of bathrooms, and catering facilities instead of kitchens, for example. In addition, new categories were added to reflect the more complex nature and different uses of a commercial property in recognition that a commercial property comprises of both the building and its surrounds (property 'footprint'). These included new sections on wastewater and site drainage, external areas (such as gardens and car parking), and a 'space use' category to document how floor area in the property is utilised. The order of categories was further adjusted so that related questions were grouped together on the forms, e.g. all questions relating to everything in the sub floor space. This made the survey easier to complete by eliminating the need to return to an area several times.

After this preliminary review was completed, each question was evaluated to ensure that all likely building materials were included and all relevant defects identified. This was achieved by utilising the reference 'Protecting Your Investment: A Guide to Maintaining Commercial Buildings' (Pringle, 1999), and in consultation with BRANZ staff. After much iteration a draft survey was ready for testing. The test of the draft survey was carried out on a cars sales building complex on the 20th December 2000. This commercial property site was chosen as it had three different buildings on it each of different ages, construction and design. This was ideal, as it meant that many building materials and related defects that had been omitted from the survey form were identified. Minor changes in formatting for ease of use were also identified. The finalised draft copy of the survey form was then sent to the BRANZ building inspector assigned for the pilot study for use. For a sample of the survey form see Appendix 1.

1.4.2 Interview survey

The interview survey to determine maintenance drivers originally developed by the Centre for Research, Evaluation and Social Assessment (CRESA) for use in the House Condition Survey (Clark et al, 2000) was utilised as a template for this section of the study. This survey was altered to reflect the emphasis on the drivers behind commercial property maintenance and included new sections on building safety and the cost and amount of utilities. It also included questions about the maintenance of the commercial property owner's house (if applicable) to enable comparisons to be made between the drivers behind the maintenance of commercial properties and houses. Kay Saville-Smith (CRESA) reviewed these initial alterations, and further changes were made to the wording of the questions to more accurately capture the decision-making processes involved in the management of property maintenance. The interview survey was then tested alongside the physical condition survey at the car sales complex. As a result of this testing process, minor alterations in the question order were made. The trialled and edited version of the survey was then sent again to Kay Saville-Smith for a final review. From this, more changes were made to minimise ambiguity and increase the likelihood of interpretable results. The survey was then completed and prepared for use. For a sample of the survey form see Appendix 2.

1.4.3 Sample selection

It is important to note at this stage of the study, that with a sample size of five the results cannot be considered representative of the New Zealand small commercial property sector. In addition, the choice of location is relevant as different geographical areas can have quite different investment dynamics, in turn impacting on the level of maintenance and subsequent condition of the property.

To assist the logistical process for the purposes of this pilot study, the five properties were selected with the help of the Bay of Plenty Branch of the New Zealand Property Council and were required to be:

- Less than approximately 5000 m² (and so less likely to be externally managed);
- Defined as a commercial property (see below);
- Preferably 'stand alone' properties, i.e. not part of a mall etc;
- The owner must manage the property; and
- The property must be able to be inspected during the week 26th Feb-2nd March 2001.

It is also noted that by only interviewing the owner of the property, a partial view of the building's use and maintenance was obtained. In further studies, it is recommended that both the owner and tenants of the property are interviewed.

The Commercial Property Category Code (Quotable Value, 2000) defines a commercial property as shown in Table 1. These categories were used to define a commercial property for this study.

Urb	an Category Definitions – Code C: Commercial
A	Commercial accommodation such as motels and hotels
C	Commercial cinema, theatre and public hall type complexes
Е	Homes for the elderly
L	Liquor outlets including taverns etc.
M	Commercial motor vehicle sales, service etc.
0	Commercial office type use
P	Commercial parking
R	Retailing use
S	Service stations, petrol stations etc.
T	Commercial tourism type attractions
V	Vacant land which when developed will have a commercial use
X	Numerous commercial uses on one site or where the use is not in any of the above categories

Table 1: Commercial property category code

Note: As a result of using Quotable Value's definition, industrial buildings were not included (this is a separate property code). If, however, alternative definitions of commercial property are used in any future studies e.g. town planning definitions, industrial properties may also be included.

1.4.4 Sample size

Of the eleven original respondents, five properties were selected for the survey. The selection of these was based on the criteria above, i.e. size, commercial property status, location, owner/manager status, and availability. All owners were also assured confidentiality in that no identifying information would be included in any published material.

1.4.5 Sample profile

The five commercial properties surveyed were labelled from A to E and comprised the following profiles:

Property A: 2 tenancies (1 retail / 1 office). Owner-occupied. ~760m²

Property B: 1 tenancy (retail). Tenanted (but vacant at the time of the survey). ~1000m²

Property C: 4 tenancies (2 retail / 2 office). Tenanted. ~780m²

Property D: 6 tenancies (5 retail, 1 office). Tenanted. ~880m²

Property E: 5 tenancies (2 retail / 3 office). Tenanted. ~930m²

1.5 Assumptions and Limitations

1.5.1 Assumptions

The use of inspectors for the physical condition assessment introduces a degree of subjectivity and inconsistency across the results. In this study only one inspector was used, which reduced this inconsistency somewhat. It was assumed therefore, that the results of the physical inspections accurately represented the condition of the properties surveyed. It was also assumed that the respondents were truthful when interviewed.

The survey forms were modified to reflect the nature of commercial properties. As they were based on templates used in the *House Condition Survey* (Clark et al, 2000) any assumptions (and limitations) from these have unwittingly been brought forward.

1.5.2 Limitations

The main limitation of this pilot study is the small number of respondents from one location, introducing sample bias and producing statistically insignificant results. Only general trends and observations could be postulated as a result. Additionally, commercial properties are complex building systems. This complexity, combined with broad study objectives and limited expertise of the author, is a limitation specifically in the design of the surveys and in the analysis of results. The defects identified by the inspector were limited to those that could be physically inspected. Therefore non-visual faults and the implications of these are excluded from the results.

2 PHYSICAL INSPECTION RESULTS

2.1 Survey Format

Overall information about each property, including an assessment of the condition of specific components making up the building, was collected by the BRANZ inspector using the survey form. Photographs of each property were taken, and any particular defect of unusual severity was also photographed where possible.

2.2 Rating Scales

The inspector identified the materials for a number of building components and assessed the overall condition of the component on a scale ranging from serious to excellent. Defects in the component were identified in terms of their presence and frequency (indicated as a percentage; 0-10%, 10-25%, 25-50%, and 50-100%). Equal weighting was given to each component, even though all components do not contribute equally to the overall physical condition of the property. This is consistent with the methodology in the *House Condition Survey* (Clark et al, 2000). The scales used are shown in Table 2.

Condition	Description	Rating
Serious	Health and safety implications, needs immediate attention	1
Poor	Needs attention shortly – within next three months	2
Moderate	Will need attention within the next two years	3
Good	Very few defects – near new condition	4
Excellent	No defects – as new condition	5
Frequency	of defect: 0-10%, 10-25 %, 25-50%, and 50-100%	

Table 2: Rating scales

As well as this component assessment, other building characteristics were assessed or recorded e.g. space use category, dampness, shade, wind exposure, surrounding area, moisture readings, roof slope, insulation levels etc. These provide valuable background information about each property as a whole. The inspector also made an overall judgement on how well the property was being maintained using one of three subjective assessments: well maintained, reasonably maintained, or poorly maintained.

2.3 Results

The following sections detail the results from the physical inspections carried out by the BRANZ inspector. For the building components assessed the type of building materials used, the defects, and the condition rating for each is described. A summary of the results can be found in section 2.4.

2.3.1 General

Questions in this section relate to the general nature of the properties surveyed, e.g. commercial property layout, use of space, dampness, shade, wind exposure, air tightness, the surrounding area and general condition.

Commercial property layout

Each property was sketched indicating its overall dimensions, the percentage glazing to each elevation, the number of tenanted spaces and internal layout, and the number of storeys. The inspector also indicated the compass direction each property faced. While providing an excellent overview of each property, this was a very complex job and the survey forms would warrant graph paper or similar for future studies.

The floor areas of the commercial properties surveyed ranged between approximately 760-1000m² and were a maximum of two storeys, easily meeting the selection criterion of being 5000m² or less. In general the percentage of glazing was high for the frontage of the properties (70-85%), while low at the rear (15% or less), and because most of the properties were attached to adjoining properties, there was little to no glazing on the side walls. Each property was assessed as one building regardless of the number of tenancies because the tenancies associated with one property owner were physically attached to one another, either horizontally or vertically.

Space use category

Knowing how space is utilised within properties can give an indication of, amongst other things, the likely types of building materials used, the likely types of defects found, and to some extent enables predictions to be made about how easy it would be to change its use. Assumptions based on these can change a building's life cycle assessment (LCA). For example, if a commercial building has a lot of 'generic' (i.e. non-specialised) space, it follows that the building has the potential to have many uses over its lifetime with minimal changes in building componentry. With a more specialised building, one would expect the converse of this. The degree of adaptability of a building can affect its impact on the environment over its life.

Table 3 illustrates the approximate floor area (m²) used for a particular function in each of the properties surveyed. This is also represented as a percentage of the total area. What can be seen is that the most widespread area used for a particular purpose was 'display areas'. This was not surprising as all of the properties had at least one tenancy classed as 'retailing' in which goods were being displayed for sale.

Space Use category	Prope	erty A	Prope	rty B	Prope	erty C	Prope	erty D	Prope	rty E
	m ²	%	m ²	%	m ²	%	m ²	%	m ²	%
Reception	72	11	7	0.6	13	1.7				
areas										
Waiting rooms	9	1.4			6	0.8	12	1.5		
Offices	241	37	186	13	127	17	15	1.9	21	4.7
Catering	23	3.5	23	1.6	17	2.3	51	6.4	3	0.6
facilities										
Restrooms	17	2.6	21	1.5	26	3.5	21	2.6	4	0.8
Resource					15	2.1				
rooms										
Storage areas			100	7	84	11.3	53	6.6	146	33.2
Meeting rooms										
Workshops							55	6.8		
Display areas	163	25	1090	76	292	39	586	73	219	49.8
Other	125	19.5	4	0.3	166	22.3	10	1.2	48	10.9
TOTAL	650	100	1431	100	746	100	803	100	441	100

Table 3: Space use category

The discrepancy, either above or below, between the total floor areas of the properties indicated in section 1.4.5 and the total space use areas in Table 2 could be attributed to a number of possible causes. These include a possible 'double counting' of spaces that are used communally, or areas that haven't been included, such as walkways, stairs, and 'dead spaces' (e.g. the area under stairs). The areas calculated were based on sketches of the properties (not to scale) with

varying floor area arrangements, such as mezzanines and ceiling or attic space use. As a result the areas recorded are, at best, estimates but provide a rough guide for how each property has been utilised for purpose.

To overcome these difficulties for future studies the following grading system could be used instead (Alexander, 2002):

Category 1: Building very open plan, few structural features interrupting interior space, construction allows relatively easy change of use at low cost.

Category 2: Building could adapt to many uses but inefficient design had introduced moderate costs to change.

Category 3: Building built for specific commercial use but could be changed with moderate cost.

Category 4: Building built for specific commercial use, structure provides many limitations to alteration. Building use can be changed but cost would be high.

Category 5: Building structure provides many limitations to use and cannot be changed without substantial demolition.

This system would markedly reduce the time taken to undertake such an assessment, and increase the usefulness of the results.

Subjective dampness feel

Dampness implies problems with building weather tightness. Properties A, C, D and E 'felt dry', mainly due to the presence of air conditioning systems. Property B was recorded as feeling 'slightly damp'. True dampness was difficult to assess in this subjective rating. To get a more accurate result for future studies (both commercial or domestic) the moisture content in the timber from the tops of doors could be measured if required.

Shade & wind exposure

The degree of shading¹ impacts upon building overheating or cooling and the extent of wind exposure impacts upon material durability. None of the properties surveyed were deemed to be shaded. In this study, shading was applicable to the front and rear of the properties only as the sidewalls were, for the most part, attached to the adjoining tenancy or building. Indeed, no shading is to be expected as the surrounding buildings were small (i.e. low rise) and well separated by streets, pedestrian malls etc. and were located in a flat area. All of the properties surveyed were described as sheltered from the wind, due to the built up nature of the surrounding area.

Subjective 'air tightness' feel

The degree of air tightness of a building is a combination of natural ventilation and daught resistance of joinery etc. This in turn impacts upon the performance of building heating and cooling systems and thus energy use. Properties B, D and E were assessed as being 'leaky' predominately associated with the presence of timber joinery and buvre windows (see section 2.3.5). Property C was classed as 'average' and Property A as 'airtight'. Similar to the dampness rating determining air tightness subjectively is largely intuitive, and for commercial properties even more difficult due to the presence of air-conditioning systems.

For more accurate results a 'blower door' test could be undertaken, although these tests are expensive to do for commercial properties with complex mechanical systems (Bassett, 2001). Alternatively a grading system could be adopted to increase objectiveness. One suggested rating system is provided as follows (Alexander, 2002):

¹ 'Shading' in this context means whether the property is shaded by other buildings or other separate physical features, such as hills, vegetation etc. It does include attached features such as verandas, sunshades, the presence of firewalls etc.

Category 1: Very airtight construction, no air conditioning, ventilation by windows and doors only.

Category 2: As 1 but with some extract fans.

Category 3: As 1 but air conditioned.

Category 4: Moderate airtight construction, no air conditioning, ventilation by windows and doors only.

Category 5: As 4 but with some extract fans.

Category 6: As 4 but air conditioned.

Category 7: Very air leaky construction, ventilation by louvres, windows, doors plus poor fitting windows and doors.

Category 8: As 7 but also with extract fans or permanently open vents.

Category 9: As 7 but also air conditioned.

Properties in the surrounding area

The predominant land use in the location of the properties surveyed was classed as commercial. This is to be expected as building areas are usually zoned and thus the same types of properties are grouped together. The external condition, based on the front of the buildings of the properties in the area, was assessed as being either moderate or good. The property age in the area was predominantly a mix of properties between 5-15 years and over 25 years. This is because the properties are located in an old area of Tauranga and some redevelopment has taken place.

General condition

The general condition of the commercial properties surveyed was assessed. It was observed that the front of the properties were in a better condition that the rear of the properties. However, two of the properties were considered to be well maintained (Properties A and C), two as reasonably maintained (Properties D and E), and one property as poorly maintained (Property B). Thus, the majority of the properties surveyed were either well or reasonably maintained. The poorly maintained property is waiting (at the time of the survey) for a tenant before upgrading. The proposed refurbishment plans for this property are displayed in the shop front window, and show significant improvements will be made.

2.3.2 Subfloor and floor

The components that were assessed in this section included the foundations and subfloor, fasteners, joists/bearers, vents, and floor. Issues for the subfloor included whether there was access to it or not, the presence of ground covering, floor insulation, and sub floor moisture.

Foundations and subfloor

Property D had concrete pile foundations with a continuous concrete perimeter wall. The remaining properties had concrete slab foundations. Table 4 lists the defects found and shows that most property's foundations were rated as either excellent or good.

Foundations	A	В	С	D	E
Type	Concrete	Concrete	Concrete	Continuous	Concrete slab.
	slab.	slab.	slab.	concrete perimeter	
				walls with concrete	
				piles.	
DEFECTS	None.	Rising damp.	None.	Inadequate bracing. Rising damp.	Cladding deteriorating near ground. Water ponding. Non-structural cracks.
CONDITION	Excellent	Good	Excellent	Good	Moderate
(rating)	(5)	(4)	(5)	(4)	(3)

Table 4: Foundations

Due to the nature of its foundations, Property D did have a sub floor, but in this case there was no access (i.e. no adequate crawl space) to it. However, the inspector managed to ascertain that there was no ground covering, no sub floor insulation and high sub floor moisture content (17-19%). This was consistent with evidence of water staining (see Table 5).

Sub Floor Fasteners

Only Property D, consistent with the presence of a sub floor and foundations, had fasteners. These were identified as being made of no.8 wire and staples in a good condition. White rust and some corrosion were present.

Joists/bearers

In terms of joists and bearers, Property D consisted of native timber and was rated 'good'. No defects were recorded. This question was not applicable for the other four properties.

Subfloor vents

For the properties with no sub floor there is no requirement for sub floor ventilation. Property D had a number of vents situated in the pavement at the front of the building. However, due to the high sub floor moisture content it is clear that the sub floor is not well ventilated and moisture is being trapped underneath (as indicated above). The vents were made of cast steel, with 980mm² clear area. No vegetation blocked the vents.

Floor

Table 5 shows that the majority of the properties surveyed had floors in a 'good' condition, with one property identified as having a floor in 'excellent' condition, and one property with a floor (upper level) in 'poor' condition. Common building materials included concrete and T&G, with floor squeaks as a common defect in the second storey. Property D, consistent with findings in the preceding subsections, showed water staining around nails in the floor.

Floor	A	В	C	D	E
Type	Concrete.	Lower level:	Concrete.	T&G.	Lower level:
		concrete.			concrete.
		Upper level:			Upper level:
		particleboard.			T&G.
DEFECTS	None.	Floor squeaks.	Cracking.	Water staining	Floor squeaks.
				around nails.	
CONDITION	Excellent	Good	Good	Good	Poor (upper
(rating)	(5)	(4)	(4)	(4)	level) (2)

Table 5: Floor

2.3.3 Water

The results from this section include plumbing wastes, water reticulation, drains (sewer and stormwater), spouting and drainpipes. It was observed that, in general, wastewater services were mostly concealed, either by the building itself i.e. internally located, or by the surrounding buildings i.e. blocked access, and in some cases the type of service was unable to be determined.

Plumbing wastes

Table 6 shows the common defects for the plumbing wastes of the properties surveyed were leaking pipes and inadequate slinging/support, giving rise to either a good or moderate condition rating. Common materials included copper and PVC.

Plumbing wastes	A	В	C	D	E
Type	PVC.	Copper.	Copper.	Copper.	PVC.
	Copper.	Cast iron.	PVC.	PVC.	
				Lead.	
				Cast iron.	
DEFECTS	None	Leaking pipes.	Inadequate	Leaking pipes.	None
	recorded.	Inadequate	slinging/support.	Inadequate	recorded.
		slinging/support.		slinging/support.	
CONDITION	Good	Moderate	Good	Moderate to Good	Good
(rating)	(4)	(3)	(4)	(3-4)	(4)

Table 6: Plumbing wastes

Water reticulation

The common defect for the water reticulation systems of the properties surveyed was inadequate slinging, achieving the same ratings as for the plumbing wastes i.e. good to moderate. Copper was the most common material used. The details can be seen in Table 7.

Water reticulation	A	В	C	D	E
Type	Copper.	Copper.	Copper.	Copper.	Copper.
	Polybutylene.			Galv steel.	Polybutylene.
DEFECTS	Inadequate	Inadequate	None	Inadequate	None
	slinging/support.	slinging/support.	recorded.	slinging/	recorded.
				support.	
CONDITION	Good	Moderate	Good	Moderate to	Good
(rating)	(4)	(3)	(4)	Good (3-4)	(4)

Table 7: Water reticulation

Drains

Of the four properties for which the sewers could be inspected, they comprised a mix of PVC, earthenware and cast iron. The common defects for these properties were missing grates and leaking gully traps. The majority condition rating of the sewers was moderate. Only three of the properties enabled inspection of the stormwater drains. The common type of drain was earthenware. Common defects included cracking, blockage and corrosion; overall the drains were assigned a moderate to good condition rating. See Table 8 for more details. For future studies it may be useful to also assess drainage areas and grease traps, and whether there is access to these for maintenance.

Drains (sewer)	A	В	C	D	E
Type	Unable to	PVC.	Earthenware.	PVC.	PVC.
	determine.	Earthenware.		Cast iron.	Earthenware.
		Cast Iron.		Earthenware.	
DEFECTS	-	Missing grates.	Missing grates.	Missing grates.	Broken gully traps.
		Leaking gully traps.		Overgrown.	Leaking gully
		Cracks.			traps.
CONDITION	-	Moderate	Good	Moderate	Moderate
(rating)		(3)	(4)	(3)	(3)
Drains (stormwater)	A	В	С	D	E
	A Unable to	B Earthenware.	C Unable to	D PVC.	E Earthenware.
(stormwater)		_			_
(stormwater)	Unable to	_	Unable to	PVC.	Earthenware.
(stormwater) Type	Unable to	Earthenware.	Unable to	PVC.	Earthenware. Cast iron.
(stormwater) Type	Unable to	Earthenware. Blocked or	Unable to	PVC.	Earthenware. Cast iron. Cracks in drain.
(stormwater) Type	Unable to	Earthenware. Blocked or overflowing	Unable to	PVC.	Earthenware. Cast iron. Cracks in drain.
(stormwater) Type	Unable to	Earthenware. Blocked or overflowing drains.	Unable to	PVC.	Earthenware. Cast iron. Cracks in drain.

Table 8: Drains (stormwater & sewer)

Spouting and drainpipes

Table 9 shows the common spouting and drainpipe materials found in the properties surveyed were PVC and galvanised steel. The common defect was an uneven fall. The condition rating achieved was from poor to good. For future studies, an assessment of internal gutters should be included in this section.

Spouting & drainpipes	A	В	C	D	E
Type	PVC.	PVC.	Unable to	Galv steel.	PVC.
	Copper.	Galv steel.	determine.	PVC.	Galv steel.
DEFECTS	Partially blocked.	None recorded.	-	Uneven fall.	Uneven fall. Missing supports. Corrosion of metal. Leaks.
CONDITION	Moderate	Good	-	Good	Poor
(rating)	(3)	(4)		(4)	(2)

Table 9: Spouting & drainpipes

2.3.4 Exterior

The exterior features that were included in the survey were paths, paving and car parking areas, external steps and ramps, and retaining walls, planting, fences and/or gates.

Paths, paving and car parking

Table 10 shows that the condition of the exterior areas of the property, comprising of car parking, paths and paving, were largely divided between the extremes of excellent and poor. The areas that were fully tarsealed were excellent, compared to those that comprised a mixture of tarseal, dirt, gravel and grass. Common defects with these included uneven surfaces and potholes. Whether these defects were due to the composition of the tarseal or just lack of adequate maintenance was unable to be determined – a detail that may be of use in future studies.

Paths, paving & car parking	A	В	С	D	E
Туре	Tarseal.	Mix of tarseal, dirt and gravel.	Tarseal.	Mix of tarseal, dirt, grass and gravel.	Tarseal.
DEFECTS	None.	Uneven surfaces. Pot holes.	None.	Uneven surfaces. Car parking line poorly visible. Pot holes. Subsidence. Overgrown.	None recorded.
CONDITION	Excellent	Poor	Excellent	Poor	Good
(rating)	(5)	(2)	(5)	(2)	(4)

Table 10: Paths, paving & car parking

External steps / ramps

Only Properties A and B had external steps or ramps. Property A consisted of concrete steps and a metal handrail with no defects, receiving an 'excellent' rating. Property B comprised of wood but was considered in a dangerous condition by the inspector thus receiving a 'poor' rating. For future studies an evaluation of internal steps and ramps may also be appropriate. In addition, consideration of stairs/ladders to services or roofs or for emergency egress for example, is warranted.

Retaining walls, planting, fences or gates

The same two properties had retaining walls – Property A's were in an excellent condition, Property B's in a good condition. No defects were recorded. None of the properties surveyed had any planting, fences or gates. It was observed that other buildings were part of the exterior (such as transformer rooms) but were not included on the survey forms. An assessment of the condition of these, or at least their existence, should be noted and would be useful for future studies.

2.3.5 External cladding/doors/windows

The components assessed in this section included wall cladding, exterior doors, windows, and the roof.

Wall cladding

As can be seen in Table 11 the condition of the wall claddings of the properties surveyed included ratings of poor to moderate, good and excellent. The condition of the wall mounted items (where present) ranged from poor to excellent. Assessment of the wall cladding created some confusion in terms of delineating between the exterior wall surface and the whole building component fabric, for example, how to categorise curtain walling (cladding or windows?) or structural glazing.

The wall cladding at the front of the building was in a much better condition than that at the rear of the property. Common defects included cracks, staining, topcoat deterioration, paint deterioration and mould. The types of claddings used included a mix of materials such as concrete (including reinforced block and precast slab), brick (solid, cavity, or veneer), asbestos cement sheet, and roughcast (including stucco). For future work this table should differentiate the difference between the front, back and side walls.

Wall cladding	A	В	C	D	E
Туре	Concrete. Roughcast. Asbestos cement sheet.	Concrete. Roughcast. Asbestos cement sheet. Galv. Steel.	Concrete. Brick. Asbestos cement sheet.	Roughcast. Concrete. Reinforced concrete post & beam.	Brick. Concrete. Asbestos cement sheet. Galv. Steel.
DEFECTS	None.	Topcoat deterioration. Mould. Leaking at joints. Staining.	None.	Cracks. Spalling. Paint deterioration. Mould. Topcoat deterioration.	Insecure cladding. Cracks. Impact damage. Corrosion of reinforcing. Paint deterioration. Topcoat deterioration. Mould. Staining.
CONDITION (rating)	Excellent (5)	Moderate (3)	Excellent (5)	Front – good (4); Rear – poor to moderate (2-3)	Poor to moderate (2-3)
Wall mounted	items (condition				
	Air- conditioning units (good). Sign (good).	Plumbing (moderate). Electrical wires (poor).	Signs (excellent). Sunblind (excellent).	None.	Plumbing (moderate). Air-conditioning units (good).

Table 11: Wall cladding

Exterior doors

The exterior doors of the properties surveyed included a wide range of materials such as glass, timber, aluminium and steel in a variety of forms e.g. sliding, solid, part glass, and French styles. Common defects included topcoat deterioration, poor hardware, paint deterioration, missing/inoperative hardware and door sticking. The condition ratings ranged from poor to good. More details about the exterior doors can be seen in Table 12.

Exterior doors	A	В	С	D	E
Туре	Aluminium. Solid timber. Sliding aluminium.	Glass. Sliding aluminium. Aluminium.	Solid timber. Timber/part glass.	Timber/part glass. French. Solid timber. Sliding aluminium.	Solid timber. Aluminium. Glass. Sliding galv. steel.
DEFECTS	Topcoat deterioration.	Loose rubbers.	Poor hardware. Paint deterioration. Topcoat deterioration.	Topcoat deterioration. Sticking. Poor hardware. Paint deterioration. Missing or inoperative hardware.	Missing or inoperative hardware. Poor hardware. Paint deterioration. Topcoat deterioration. Sticking door. Guide track damage.
CONDITION (rating)	Good (4)	Moderate to good (3-4)	Moderate (3)	Front – moderate to good (3-4); Rear – poor to moderate (2-3)	Timber and sliding door – poor (2); aluminium – moderate (3); glass – good (4).

Table 12: Exterior doors

Windows

The windows of the properties surveyed also comprised of a range of materials including timber, steel, aluminium and louvres, with condition ratings ranging from excellent to poor. Timber and louvre style windows were the most common. Window defects included lack of cleanliness, air leakage, paint deterioration, stressed joints, putty cracks, checking in timber and metal corrosion. These results can be seen in Table 13. As the majority of the glazing was at the front of the properties it may be prudent to separate the shop front as a separate building element, including features such as the percentage of fixed glazing, presence of safety glass etc, for future work.

Windows	A	В	С	D	E
Type	Aluminium.	Timber.	Timber.	Timber.	Timber.
	Steel.	Louvres.	Aluminium.	Steel.	Aluminium.
	Timber.		Steel.	Louvres.	Louvres.
			Louvres.		
DEFECTS	Scratched	Broken/cracked panes.	None	Lack of	Metal
	glass.	Dislodged/missing	recorded.	cleanliness.	corrosion.
	Minor	putty.		Air leakage.	Paint
	coating	Stressed joints.		Nail rust staining.	deterioration.
	failures.	Paint deterioration.		Paint	Checking in
		Glazing mouldings in		deterioration.	timber.
		poor condition.		Metal corrosion.	Putty cracks.
		Putty cracks.		Checking in	Stressed joints.
		Lack of cleanliness.		timber.	Joint cracks.
		Air leakage.			
CONDITION	Good	Moderate	Excellent/	Front – good (4)	Poor to good
(rating)	(4)	(3)	Good (4-5)	Rear – poor (2)	(2-4)

Table 13: Windows

Roof

As shown in Table 14, the common roof materials for the properties surveyed included profiled metal tile and galvanised steel, with the majority having a condition rating of 'moderate'. Common defects of the commercial properties included rust and corrosion of base metal, internal gutter leaks, moss growth, nail lifting, dirt and debris build up, areas of ponding, chalking of applied finishes and deterioration of fixings and of the topcoat. All of the roof-mounted items received a 'good' condition rating.

Roof	A	В	С	D	E
Type	Profiled metal	Galv. steel.	Galv. steel.	Profiled	Galv. steel.
	tile.	Profiled		metal tile.	
	Bitumen	translucent		Galv. steel.	
	membrane.	sheet.			
		Plastic panels.			
DEFECTS	Corrosion of	Corrosion of	Rust.	Buckling.	Rust.
	base metal.	base metal.	Paint flaking/		Internal gutters
	Buckling.	Nail lifting.	blisters or		leaking.
	Rust.	Deterioration	bubbles.		Nail lifting.
	Moss growth.	of fixings.	Areas of		Leaks.
	Dirt & debris	Topcoat	ponding.		Dirt & debris build
	build up.	deterioration.	Internal gutters		up.
	Areas of		leaking.		Areas of ponding.
	ponding.		Moss growth.		Deterioration of
	Chalking of		Sagging.		fixings.
	applied		Chalking of		Holes/cracks/dents.
	finishes.		applied finishes.		Corrosion of base
	Topcoat		Topcoat		metal.
	deterioration.		deterioration.		Paint flaking/
					blisters or bubbles.
CONDITION	Moderate	Moderate	Moderate	Excellent	Poor
(rating)	(3)	(3)	(3)	(5)	(2)
Roof mounted	items (condition)				
	TV aerial.	TV aerial.	Air-	Vents	Skylights.
	Skylights.	Skylights.	conditioning	(good)	Vents.
	Plastic vents.	(good)	units		Pipes.
	(good to mod)		(good)		(good)

Table 14: Roof

It is recommended that future studies include parapets and verandas as part of the roof assessment, as well as providing for other roof features such as mechanical plant, vents etc.

2.3.6 Roof space

The componentry assessed in this section includes the roof space and the rafters, purlins, ceiling joists and trusses, where appropriate. In terms of the roof space, whether there was access, types of sarking or truss, skillion roof percentage, degree of roof slope, type of wiring, presence of insulation or roof space moisture, were all documented.

Table 15 shows that the majority of properties had roof slopes of 0.15 degrees, and all had tough plastic sheath wiring present. Only two of the five properties had ceiling insulation, and only one of these to any great degree. The roof space moisture of the properties was 12% or less. One property had a skillion roof, and two properties had roof space trusses.

Roof Space	A	В	C	D	E
Roof slope	0-15°	0-15°	0-15°	0-15°	0-30°
				16-30° at	
				clerestory	
				windows.	
Wiring Type	Tough plastic	Tough	Tough	Tough plastic	Tough
	sheath.	plastic	plastic	sheath.	plastic
		sheath.	sheath.		sheath.
Ceiling insulation	100% fibreglass	None.	Foil under	None.	None.
	50 mm thick.		battens.		
Roof space	10%	12%	11%	=12%	11%
moisture (timber)					
Skillion roof %		90%			
Truss, roof		Steel truss.		Timber truss.	
sarking, ceiling					
sarking					

Table 15: Roof space

Rafters, Purlins, Ceiling Joists and Trusses

The majority of the rafters, purlins, ceiling joists and trusses were made of treated radiata and metal. Table 16 shows that very few defects were recorded, with an overall condition rating of 'good' achieved.

Rafters, Purlins, Ceiling Joists & Trusses	A	В	C	D	E
Type	Treated	Treated	Treated	Native.	Treated
	radiata.	radiata.	radiata.	Douglas	radiata.
	Steel.		Metal.	Fir.	Metal.
	Concrete.		Douglas fir.		
DEFECTS	None	None	None.	None	Timber decay.
	recorded.	recorded.		recorded.	
CONDITION (rating)	Good	Good	Excellent	Good	Moderate to
	(4)	(4)	(5)	(4)	good (3-4)

Table 16: Rafters, purlins, ceiling joists & trusses

2.3.7 Interior features

The interior features of the properties assessed included the restrooms, catering facilities, interior linings, internal doors, hardware and furnishings where present. Due to the inconsistency of these features across the tenancies, a range of componentry was identified, as were a range of defects. The results can be seen in the following tables.

Restrooms

The restrooms received the greatest divergence of ratings of all the component ratings – ranging from serious to excellent. All of the internal features (restrooms, catering facilities, interior linings etc.) of the properties showed the greatest variability, as they had multiple numbers of each feature with often different characteristics. Common defects found in the restrooms were staining of surfaces, water stains and chipped or peeling paint. All had toilets and hand basins, but only two were recorded as having some form of hand-drying facilities. None of the property's restrooms had any mould. There was a mix of linings used, with plasterboard being most common for the walls, and vinyl as the majority for floor coverings. See Table 17 for more details.

Restrooms	A	В	С	D	E
Number	3	4	2	7	4
No. with	2	2	Nil	Nil	Nil
disabled					
access					
When last	In the past	10-25 years.	Not recorded by	More than 25	In the past
refurbished	5 years.		inspector.	years.	5 years.
Linings	Ceiling:	Ceiling/walls	Ceiling:	Ceiling:	Ceiling:
	Mineral fibre	Hardboard.	Concrete.	Softboard.	Plasterboard.
	tile.	Plasterboard or	Walls:	Plasterboard.	Particleboard.
	Walls:	none.	Plasterboard.	Walls:	Walls:
	Plasterboard.	Floor:	Melamine faced	Plasterboard.	Plasterboard.
	Floor:	Carpet.	hardboard.	Concrete block.	Floor:
	Vinyl.	Vinyl.	Floor:	Hardboard.	Vinyl.
			Vinyl.	Floor:	None.
				None.	
				Vinyl.	
Fittings	Toilets.	Toilets.	Toilets.	Toilets.	Toilets.
	Hand basins.	Hand basins.	Hand basins.	Hand basins.	Hand basins.
	Cloth towel /				Cloth towels.
	paper towels.				
Mechanical	To outside.	None.	To outside.	Some none.	None.
ventilation				Some to	
				outside.	
DEFECTS	None.	Staining of	Vinyl cracked at	Staining of	Water stains.
		surfaces.	joints.	surfaces.	Chipped
		Leaking		Water stains.	paint.
		outlets.		Chipped/	
		Water stains.		peeling paint.	
		Cisterns		Poor aesthetics.	
		suffering UV			
		degradation.			
Mould level	None.	None.	None.	None.	None.
CONDITION	Excellent	Serious to poor	Good	Moderate to	Moderate to
(rating)	(5)	(1-2)	(4)	good (3-4)	good (3-4)

Table 17: Restrooms

Access for maintenance, the supply of hot water, source of hot water, age of cylinder, plus the overall condition of the hot water facility, were features that were omitted in the inspection, as were heating and cooling plant. It is recommended that these are included in any future studies, for both the restrooms and catering facilities.

Catering facilities

Of the catering facilities for the properties surveyed, the most common linings for the ceiling were softboard and plasterboard, plasterboard for the walls, and vinyl or carpet for the floors. The joinery/bench was either formica or stainless steel, and the majority of properties had electric appliances e.g. jugs, toasters, stove tops. In properties with multiple facilities, the method of ventilation was not necessarily consistent across them. Common defects included holes in the linings and the floor, worn joinery edges, rough surfaces, water stains, discoloured or chipped/peeling paint/paper, and dirtiness. The condition ratings varied from poor to

excellent, although the tendency was for 'moderate to good' overall. See Table 18 for more details.

Catering facilities	A	В	C	D	E
Last refurbished	In the past 5 years.	10-25 years.	In the past 5 years.	5-25+ years.	5-10 years.
Linings	Ceiling: Mineral fibre tile. Plasterboard. Walls: Plasterboard. Floor: Vinyl.	Ceiling: Softboard. Walls: Softboard. Solid plaster. Floor: Carpet.	Ceiling: Softboard. Concrete. Walls: Plasterboard. Concrete block. Floor: Vinyl. Concrete.	Ceiling: Softboard. Plasterboard. Walls: Plasterboard. Concrete block. Hardboard. Floor: Timber strip. Carpet. Vinyl.	Ceiling: Plasterboard. Walls: Plasterboard. Floor: Vinyl. None.
Joinery/bench	Formica.	Formica.	Formica.	Formica. Stainless Steel.	Formica. Stainless steel.
Appliances	Electric.	None.	Electric.	Electric.	Electric.
Ventilation	Some to another room. Some to outside.	To outside.	Some had none. Some to another room.	Some had none. Some to outside. And some to another room.	Some to outside. Some had none.
DEFECTS	Rough surfaces.	Discoloured paint/paper. Holes in linings. Holes in floor. Unsafe floor cover Chipped/peeling paint/paper. Dented bench surfaces. Worn joinery edges. Cracks. Water stains. Fire risk.	Worn formica. Holes in linings. Worn joinery edges. Cracks Rough surfaces. Dirty.	Damaged wiring/outlet/switches. Poor seals at bench top. Unsafe floor cover. Tap deterioration. Holes in linings. Holes in floor. Paint deterioration to bare timber. Chipped/peeling paint/paper. Worn joinery edges. Water stains. Discoloured paper/paint. Rough surfaces. Dented bench surfaces.	Worn joinery edges. Water stains. Discoloured paint. Dirty.
Mould	None	None	None	None	None
CONDITION	Excellent	Poor	Moderate to	Poor to good	Moderate to
(rating)	(5)	(2)	good (3-4)	(2-4)	good (3-4)

Table 18: Catering facilities

Interior linings

Table 19 shows the interior linings consisted of mainly plasterboard and softboard for the ceilings, plasterboard and concrete block for the walls, and carpet for the floors. None of the properties had wall insulation, and where applicable the common surface treatment was

painting. Only one property had MDF reveals and they were in a poor condition. No mould was present on the interior linings of any of the properties. Common defects included holes in linings, impact damage, minor blemishes, water stains, cracks, worn timber edges and unsafe floor coverings. Each property had a different condition rating for this component ranging from poor to excellent. Commercial finishes need to be added to the survey forms, plus provision for suspended ceilings, in future studies.

Interior	A	В	С	D	E
linings					
Linings	Ceiling: Mineral tile. Plasterboard. Walls: Plasterboard. Floor: Carpet.	Ceiling: Softboard. Walls: Softboard. Floor: (Not recorded by inspector)	Ceiling: Softboard. Concrete. Walls: Plasterboard. Concrete block. Floor: Carpet.	Ceiling: Softboard. Plasterboard. Fibrous plaster. Walls: Plasterboard. Concrete block. Hardboard. Floor: Timber strip. Vinyl. Carpet.	Ceiling: Plasterboard. Walls: Plasterboard. Concrete. Floor: Carpet.
Wall insulation	None.	None.	None.	None.	None.
Surface	Painted.	Painted.	Painted.	Painted.	Painted.
treatment	N	N	N	NI	G 11 /G 1'
MDF reveals DEFECTS	None.	None.	None.	None.	Swollen/Split. Carpet needs
DEI DE 16		Impact damage. Holes in linings. Holes in floor. Damaged wiring/outlet/ switches. Minor coating/lining blemishes. Water stains. Cracks. Worn timber edges. Unsafe floor covering. Cracking in wall and ceiling lining. Ceiling damage.	Impact damage. Holes in linings. Minor coating/lining blemishes.	Impact damage. Discoloured or peeling paint/paper. Coating/lining blemishes. Water stains. Cracks. Areas of dirt accumulation. Worn timber edges. Unsafe floor covering. Peaking.	stitching. Minor coating/lining blemishes. Water stains. Cracks. Areas of dirt accumulation. Worn timber edges.
Mould	None	None	None	None	None
CONDITION	Excellent	Poor	Good	Moderate to	Poor to good
(rating)	(5)	(2)	(4)	good (3-4)	(2-4)

Table 19: Interior linings

Internal doors

Table 20 shows that all properties had a combination of hollowcore and timber/part glass (glazed timber) internal doors. Common defects included minor cracks/wear, and worn hardware, with an average rating of moderate to good. Provision for smoke and fire protection and the 'condition of' the doors for such purposes, could be an issue to consider in the future.

Internal	A	В	С	D	E
doors					
Type	Hollowcore.	Hollowcore.	Hollowcore.	Hollowcore.	Hollowcore.
	Timber/glass.	Timber/glass.	Timber/glass.	Timber/glass.	Timber/glass.
DEFECTS	None.	Impact damage.	Minor cracks/	Worn	None
		Missing or	wear.	hardware.	recorded.
		broken	Worn		
		hardware.	hardware.		
		Minor cracks/			
		wear.			
		Worn hardware.			
CONDITION	Excellent	Poor	Good	Moderate to	Moderate to
(rating)	(5)	(2)	(4)	good (3-4)	good (3-4)

Table 20: Internal doors

Furnishings

Furnishings included blinds, sun filters and curtains. Of the properties that contained furnishings (A, B, and E), their condition ranged from poor to good, moderate to good, to excellent. The only defects recorded were fading, tears and rips. These details can be seen in Table 21.

Furnishings	A	В	C	D	E
Type	Blinds.	Sun filters.	Nil	Nil	Curtains.
		Curtains.			Blinds.
		Blinds.			
DEFECTS	None.	Fading.	N/a	N/a	None recorded.
		Tears or rips.			
CONDITION (rating)	Excellent (5)	Poor to good (2-4)	N/a	N/a	Moderate to good (3-4)

Table 21: Furnishings

2.3.8 General comments (by Inspector)

Property A

This property had a major upgrade four years ago. It is in good/excellent condition except where roof water needs clearing from the rain head and the roof needs painting.

Property B:

This building has seen no significant maintenance for many years. The owner is advertising for a tenant and major upgrading will be carried out thereafter. In the meantime it must be considered to be in a poor state of repair for a commercial building in a main commercial area.

Property C:

This building is in good condition on the whole, and is well maintained.

Property D:

There is a marked difference between the tenancies of this property. As an overview some are quite good, others only moderate. This building is typical of construction techniques in the early

1950's. The high volume of roof space is not utilised. The sub floor ventilation is keeping the sub floor timber just below danger level for fungus; the use of heart rimu and matai lift the threshold to some extent over materials now in common usage.

Property E:

This building has had a number of industrialised uses before the transformation to retail. Both shops are in a good condition aesthetically and convenience wise. The quality of the upper level tenancy is bordering on poor due to its low ceiling height and lack of ventilation, although there is a main extraction unit for the area. The presence of water staining also suggests the roof is leaking (the condition of the roof leaves little doubt). The storage areas are solely ground floor level, rough and no frills and the doors in the rear wall are poor. It seems that the building is now at its best before (if or when) the site is re-developed. A new roof will be needed before then.

2.4 Results Summary

2.4.1 Physical inspection results

- The properties floor areas ranged from approximately 760m² to 1000m², and were no more than 2 storeys high. Percentage glazing was generally high for the front of the properties, low at the rear and very low, or non-existent on the sidewalls. The majority of space was utilised for display purposes;
- Most properties felt dry, all were never shaded (by surrounding landscape or other buildings), all were sheltered, but three felt leaky. The surrounding area of the properties surveyed was classified as commercial in a moderate to good external condition, ranging from 5 to 25+ years old;
- Two of the surveyed properties were rated well maintained, two reasonably maintained, and one poorly maintained;
- The sub floor, foundations, fasteners, joists/bearers, vents (where applicable) and floors of the properties surveyed were generally in a good to excellent condition;
- The plumbing wastes and water reticulation systems were in a moderate to good condition, with the sewers and stormwater drains generally in a moderate condition. The spouting and drainpipes were in a poor to good condition. Overall, maintenance access for water reticulation and drainage systems needs more consideration;
- The external areas comprising the car parking, paths, paving, and external steps and ramps were split between the extremes of excellent and poor. The retaining walls (where present) reached a rating of good to excellent. Moderate attention was given to maintaining the areas of the property not covered by the building, e.g. back entrances, rubbish and weed control;
- The external building materials, such as the cladding, doors and windows, comprised of a wide range of materials and styles. Similarly, there was a range of condition ratings for these components, from poor through to excellent. In general, the condition of the front of the properties was better than the rear of the properties. The roofs of the properties surveyed were in a moderate condition overall;
- The roof spaces of the properties were generally in a good condition, although poorly insulated. None of the walls were insulated;
- The number, style and condition of staff facilities such as restrooms and catering facilities varied widely. Many were generally in a poor to moderate condition. The interior linings, internal doors and furnishings were mostly in a moderate to good condition; and
- There was no interior mould present in any of the properties surveyed.

2.4.2 Component rating summary

The scale used to assess component condition was shown in Table 2. These ratings have been averaged for each component and each property, the results for which are shown in Table 22.

Component	Prop. A	Prop. B	Prop. C	Prop. D	Prop. E	Average Rating	
Foundations	5	4	5	4	3	4.2	
Fasteners	N/a	N/a	N/a	4	N/a	-	
Joists/bearers	N/a	N/a	N/a	4	N/a	-	
Floor	5	4	4	4	2	3.4	
Plumbing	4	3	4	3-4	4	3.6-3.8	
wastes							
Water	4	3	4	3-4	4	3.6-3.8	
reticulation							
Drains (sewer)	?	3	4	3	3	3.3	
Drains (storm)	?	3	?	4	3	3.3	
Spouting	3	4	?	4	2	3.3	
&drainpipes							
Paths, paving &	5	2	5	2	4	3.6	
car parking							
Steps and ramps	5	2	N/a	N/a	N/a	3.5	
Retaining walls	5	4	N/a	N/a	N/a	4.5	
Wall cladding	5	3	5	2-4	2-3	3.4-4	
Exterior doors	4	3-4	3	2-4	2-4	2.8-3.8	
Windows	4	3	4-5	2-4	2-4	3-4	
Roof	3	3	3	5	2	3.2	
Rafters, purlins,	4	4	5	4	3-4	4-4.2	
ceiling joists &							
trusses							
EXTERIOR	56/65	42-43/75	46-47/55	50-58/75	36-42/65	-	
CONDITION							
EXTERIOR	4.3	2.8-2.9	4.2-4.3	3.3-3.9	2.8-3.2	3.5-3.7	
RATING	Good	Poor-	Good	Moderate-Good	Moderate	Moderate	
		Moderate					
Restrooms	5	1-2	4	3-4	3-4	3.2-3.8	
Catering	5	2	3-4	2-4	3-4	3-3.8	
facilities							
Interior linings	5	2	4	3-4	2-4	3.2-3.8	
Internal doors	5	2	4	3-4	3-4	3.4-3.8	
Furnishings	5	2-4	N/a	N/a	3-4	3.3-4.3	
INTERIOR	25/25	9-12/25	15-16/20	11-16/20	14-20/25	-	
CONDITION							
INTERIOR	5	1.8-2.4	3.8-4	2.75-4	2.8-4	3.2-3.9	
RATING	Excellent	Serious -	Moderate -	Poor/Moderate -	Poor/Moderate -	Moderate -	
		Poor	Good	Good	Good	Good	
OVERALL	81/90	51-55/100	61-63/75	61-74/95	50-62/90	-	
CONDITION							
OVERALL	4.5	2.6-2.8	4-4.2	3.2-3.9	2.8-3.4	3.4-3.7	
RATING	Good-	Poor	Good	Moderate-Good	Poor-Moderate	Moderate	
	Excellent						

Table 22: Component rating summary

In section 2.3.1, the inspector rated properties A and C as being well maintained, properties D and E as being reasonably maintained and property B as being poorly maintained. These subjective ratings correspond reasonably well with the final component condition ratings for each respective property, with the exception of property E which fared relatively badly in the component ratings but received a 'reasonably maintained' rating by the inspector.

This corresponds with the findings of the *House Condition Survey* in that the overall assessment by the inspector did not necessarily equate with the resultant component condition ratings. The comparison is useful though as it indicates the opinion of an experienced assessor based on the <u>perceived importance</u> of areas in a poor condition over others, i.e. a property with a roof in poor condition may be rated lower than a property with the furnishings in a poor condition, all other things considered equal, based on the perception that having a roof in good condition is more important than the furnishings.

In general, the results show that the interiors (overall) of the commercial properties surveyed were in a marginally better condition than the exterior. However, due to the averaging process and the multiplicity of components, the 'true' nature of some of the components has perhaps not been accurately represented in the summary tables. It may be more beneficial for future surveys to treat each tenancy as a separate building, although problems will still be encountered with the presence of multiple facilities having differing components and conditions. With careful planning of the survey the inspector will be able to use the rating system provided with accuracy, e.g. not rate something 3 to 4; it is either 3 or 4, not both.

Note: As explained earlier, all components are given equal weighting in these calculations and this should also be taken into account when comparing results.

2.4.3 Defects summary

Table 23 lists the problem areas i.e. components with defects, in order of decreasing severity, combined with the number of times, and at what frequency (across all properties) that defect had been recorded. The component rating for each building element is listed. For comparative purposes, the ratings recorded in the *House Condition Survey* (HCS) for the relevant components have also been included.

The defect categories on the survey forms for the restrooms, catering facilities, interior linings, internal doors/hardware and furnishings (i.e. all interior components) did not allow the frequency to be indicated. In other words, only the <u>presence</u> of a defect could be noted. This list of defects has been shown or indicated in section 2.3.7.

DEFECT Shown in order of	0-10%	10-25%	25-50%	50-100%	Condition	Rating
decreasing severity					Rating	HCS
Exterior doors:					2.8-3.8	3.7
Topcoat deterioration	1		1	2	2.0 3.0	3.7
Loose rubbers		1	1	-		
Poor hardware	2	1	1			
Paint deterioration	1		1	1		
Sticking	1	1	1	1		
Missing/inoperative hardware	1	1				
Guide track damage	1	1				
Roof:	1		<u> </u>		3.2	3.7
Corrosion of base metal	2	1			3.2	3.7
	1	1				
Buckling		1				
Rust	$\frac{1}{2}$	1				
Moss growth	2					
Dirt and debris build up	$\begin{bmatrix} 2 \\ 2 \end{bmatrix}$	1				
Areas of ponding	2	1				
Chalking of applied finishes				$\begin{bmatrix} 2 \\ 3 \end{bmatrix}$		
Topcoat deterioration				3		
Nail lifting	2					
Deterioration of fixings		2				
Paint flaking/blisters/or bubbles		1	1			
Internal gutters leaking	2					
Sagging	1					
Leaks	1					
Holes/cracks/dents		1				
Spouting and drainpipes:					3.3	3.6
Partially blocked				1		
Uneven fall	2					
Missing supports	1					
Corrosion of metal	1					
Leaks	1					
<u>Drains (storm):</u>					3.3	N/a
Blocked or overflowing	1					
Cracks	1					
Corrosion	1					
Drains (sewer):					3.3	N/a
Missing grates				3		
Leaking gully traps				2		
Cracks				1		
Overgrown				1		
Broken gully traps				1		
Floor:					3.4	-
Floor squeaks	1		1			
Cracking	1					
Water staining				1		
Windows:					3.0-4.0	3.5
Scratched glass				1		
Minor coating failures				1		
Broken/cracked panes	1					
Dislodged/missing putty	1					
Stressed joints	1	1				
Paint deterioration	2			1		
00001101011011	<u>. – </u>	I	1			1

Claring moulding in moon		I 1				
Glazing moulding in poor condition		1	1			
		1	1	1 2		
Putty cracks				$\begin{bmatrix} 2 \\ 2 \end{bmatrix}$		
Lack of cleanliness	1			2		
Air leakage	1					
Nail rust staining	2					
Metal corrosion	2					
Checking in timber		1				
Joint cracks						
Wall cladding:					3.4-4.0	3.7
Topcoat deterioration	2	1				
Mould	3					
Leaking at joints	1					
Staining	2					
Cracks	1		1			
Spalling	1					
Paint deterioration	2					
Insecure cladding	1					
Impact damage	1					
Corrosion of reinforcing	1					
External steps / ramps:					3.5	3.7
Dangerous				1		
Paths, paving and car parking:					3.6	[Carports
Uneven surfaces	1		1		3.0	3.5]
Pot holes	1	1	1			3.3]
Car parking line poorly visible	1	1		1		
Subsidence	1			1		
Overgrown	1					
Water reticulation:	1				3.6-3.8	N/a
Inadequate slinging	3				3.0-3.0	IN/a
	3				3.6-3.8	NI/o
Plumbing wastes:	2				3.0-3.8	N/a
Leaking pipes	2					
Inadequate slinging	3				4042	2.0
Rafters, purlins, ceiling joists &					4.0-4.2	2.8
trusses:	1					
Timber decay						
Foundations:					4.2	3.9
Rising damp				2		
Inadequate bracing				1		
Cladding deterioration near ground	1					
Water ponding	1					
Non-structural cracks		1				
Fasteners:					-	3.6
White rust				1		
Some corrosion				1		
		•	•	•		

Table 23: Defects summary

The table shows that the exterior doors, roofs, spouting and drainpipes and external ramps were in a worse condition for commercial properties than for houses, with the remainder of the exterior features (where applicable) in a better condition. Larger sample sizes are required before any further reliable comparisons to be made.

By looking at the defects that occurred in three or more properties, topcoat deterioration of roofs, missing grates over drains, mould on exterior wall claddings and inadequate

slinging/support of plumbing wastes were most prevalent. Arguably, a defect that is present for a particular component at a frequency of 50-100% is more serious than one that occurs between 0-10%. So, by taking the most common defects and looking for a frequency of 50-100%, it can be seen that missing grates and roof topcoat deterioration are the most common and serious across the properties surveyed. Being able to identify certain common defects in this way can provide useful information to building industry professionals to potentially change the Building Code or Acceptable Solutions to bring about a certain remedy (Alexander, 2002).

2.5 Costs

A convenient measure of the condition of a property is the estimated cost of putting it into good order. As mentioned previously, the components were weighted equally when rated, whereas defects in some components cost a great deal more to fix than others. To accommodate this, the costs to bring the commercial buildings in poor to moderate condition to a near new condition (with average quality finishes and facilities) have been calculated as:

- Exterior surfaces (walls and roof): \$12/sqm of surface area assuming painted surfaces, otherwise about \$5/sqm;
- Interior surfaces (walls and ceilings): \$7/sqm of surface area; and
- Washrooms and kitchens (allows for some fittings replacement): \$80/sqm floor area.

This gives a rough approximation of costs across the properties surveyed. Components that had a 4 or 5 rating in the survey were allocated no costs. For ease of calculation, floor to ceiling clearance was assumed to be 2.6m, and the ceiling area was taken to be the same as the roof area (i.e. all roofs taken as flat). The results of the calculations are shown in Table 24.

Component	A		В		C		D		E	
	Area	Cost	Area	Cost	Area	Cost	Area	Cost	Area	Cost
Wall cladding	131m²	0	188m²	\$2,256	149m²	0	115m ²	\$1,380	238m²	\$2,856
Roof	381m²	\$4,572	977m²	\$4,885	782m²	\$9,384	874m²	0	465m ²	\$5,556
Interior walls	431m²	0	441m²	\$3,087	451m²	0	466m²	\$3,262	306m²	\$2,142
Ceilings	762m²	0	977m²	\$6,839	391m²	0	1748m²	\$12,236	927m²	\$6,489
Kitchens and catering facilities	37m²	0	115m²	\$9,200	78m²	\$6,240	80m²	\$6,400	50m²	\$4,000
TOTAL	\$4,572		\$26,26	7	\$15,624	4	\$23,278		\$21,043	3
Total \$/total floor area m ²	\$6/m ²		\$26/m ²		\$20/m ²		\$26/m ²		\$23/m ²	

Table 24: Outstanding maintenance costs

From these results, the commercial properties surveyed require an average amount of \$18,000 to bring them to an 'as new' condition. By adjusting for total floor area, the average amount that would need to be spent is \$20/m².

Bearing in mind that the above cost calculation is not covering all items requiring maintenance, the result is in contrast to the *House Condition Survey* which showed that the average house required approximately \$6,900, or about \$50/m², to bring to 'as new' condition². While the figures for the commercial properties are statistically insignificant³, if the average found here (using the former total) was applied across all 66,960 commercial properties in New Zealand

³ The sample is not large enough to draw statistically significant conclusions

² Based on average house sizes at the time of the *Survey* of 138m²

there would be an outstanding maintenance bill of \$1.2 billion. If combined with the maintenance bill for New Zealand houses of \$5.5 billion (Clark et al, 2000), it can be seen that New Zealand's built environment⁴ potentially has a large maintenance problem.

For more accurate comparisons it is recommended in any future surveys a more diverse range of maintenance items are accounted for, e.g. the price to unblock a drain or clear overgrown vegetation. These seemingly small items can add up to a very large sum, adding to the cost of bringing just the major components to an as new condition.

2.6 Discussion and Conclusions (inspections)

The following discussion points and conclusions have been raised from this section of the study.

2.6.1 Survey design

While the forms were modified from the *House Condition Survey* to more accurately represent commercial buildings, a number of issues arose as the inspections were conducted. As indicated throughout this study report, some of these include:

- Review the method for recording 'space use', including confirming a common set of measuring practices to produce consistency;
- The componentry selection needs to be more commercially oriented;
- Recording of WOF inspections;
- Adequacy of access and egress or fire separation, e.g. firewalls, between tenancies;
- Determine whether services, especially wastewater, are accessible for maintenance;
- Assess internal drainage systems;
- Inclusion of air conditioning and other general ventilation issues to replace the 'subjective air tightness' assessment;
- Inclusion of hot water systems;
- Issues of placement, layout and passive solar design;
- Shop front versus the rest of the building;
- More detail required about building fabric, especially window and wall systems;
- Include verandas, internal stairs, lifts/elevators, accessory buildings, grease traps etc;
- Floor coverings in the foyer / entrance need separate consideration;
- Estimate the degree of 'movability' of each tenancy;
- Formatting changes, e.g. include graph paper to draw the building dimensions, use of a table to record percentage glazing, separate forms for each tenancy; and
- Identify more clearly certain common defects, in conjunction with inspector training to obtain consistent results.

This survey has highlighted that commercial properties are highly complex. Building material use is not consistent across a whole property, or even across components, and this is difficult to capture on the survey forms as written. Attention needs to be paid to both the structure and content of the survey forms for future studies. It is recommended that a small knowledgeable

⁴ It is recognised that the New Zealand's built environment comprises of more than residential and commercial property stock; adding in figures (if they were available) for the remaining property category codes would increase this figure even more.

team design and manage the survey, combined with a full briefing session with the inspectors to get a consistent approach.

2.6.2 Comparisons with the *House Condition Survey*

The condition of houses in the *House Condition Survey* ranged from averaged ratings of 3.2-4.5, with an average condition of 3.6 (of the 465 houses surveyed). The results from this study show the average condition of the five commercial properties surveyed to be 3.5 with a range of 2.6-4.5. From this it would appear that the overall condition of New Zealand houses is very slightly better than for the commercial buildings surveyed. Whether or not this trend would be sustained with comparable survey sizes is unable to be determined at this stage.

Arguably, a more important aspect than the overall condition is the incidence of defect by component. Problem areas for houses, defined as component ratings of less than 3 ('poor' or 'serious' condition), included inadequate subfloor ventilation, inadequate clearance from the ground level to wall cladding, and hot water cylinders inadequately restrained. Only one building component was considered a problem area, i.e. with a rating of less than 3, for the commercial properties surveyed. This was 'exterior doors' which obtained an average rating that ranged from 2.8-3.8 (so only just crosses the threshold into 'poor'). Therefore, in terms of the prevalence of poor building componentry in this study, the commercial properties surveyed fared better than for houses.

However, as shown in Table 23, the exterior doors, roofs, spouting and drainpipes and external ramps were in a worse condition for these commercial properties than for houses, with the remainder of the exterior features in a better condition. Again, due to the incomparable survey sizes, and the fact that the problem areas for houses were not applicable for the majority of commercial properties, no direct comparisons or basic trends can be accurately determined.

The costs of bringing the surveyed commercial properties to an 'as new' condition was averaged at \$18,000, with the owners intending to spend \$11,200 on average over the next 12 months. In comparison, the *House Condition Survey* showed the estimated cost of <u>repairs</u> for 'poor' and 'serious' defects (not to bring to 'as new') was about \$4000, with homeowners in the *Survey* reportedly only spending about \$1500 on these problems. These figures lend weight to assertions that New Zealand's housing and commercial property stock is not being adequately maintained.

2.6.3 Usefulness of results

The results have described the general nature of the properties surveyed, the type of building materials used, the type of defects occurring, the overall condition of each component and the rating for each property surveyed. In terms of usefulness, how do these things help us understand a building's impact over its life? How much longer could these buildings last? Are they being maintained to maximise their physical or financial lives? How can these results be manipulated to answer these questions?

It could be argued that a physical inspection alone cannot determine these things; a building assessed as 'poor' today may go to 'live' longer than a building rated 'good'. It depends on other variables such as social and economic factors, some of which are assessed in section 3 of this report. What these results do confirm is that more thought needs to go into the precise purpose of such a study and the analytical means required to produce the answers sought. In other words, what exactly are we trying to find out by assessing the physical condition of commercial properties using the methodology utilised in this report?

For future studies, the researchers need to decide whether it is maintenance needs, building component market sizes, energy and water use, building life cycle etc. to ensure that the appropriate and relevant aspects of a building are assessed. For example, how easy is it to adapt

a building to an alternate use and hence prolong its time to demolition? A potential research topic could be to develop a measure to record this (Page, 2001).

3 INTERVIEW RESULTS

3.1 Survey Forms

General information about each commercial property (e.g. age) and their owners (e.g. length of ownership) was collected. In addition, information about the motivational factors and drivers behind commercial property maintenance, including information about the owners' knowledge about safety features and utility use, were recorded on the forms provided. The results from these questions, detailed below, provide a starting point for social research into commercial property management.

3.2 Interview Results

The following sections detail the results for each question on the interview survey form for each of the properties surveyed. As with the physical inspection results, each property has been labelled from A to E where appropriate. A summary of the results can be found in section 3.3.

3.2.1 General

Questions in this section relate to the age of the properties, owner status, current and prior use, and owner perception of the property's condition.

Property Built	Age of property (years)	Number of years as owner	Number of previous owners
A - 1966	35	1-4 years	One
B - 1960	41	7+ years	Two
C - 1968	33	7+ years	None
D - 1950	51	1-4 years	Four
E - 1961	40	7+ years	Two

Table 25: General property characteristics

As can be seen in Table 25, four out of the five commercial properties surveyed were built in the 1960's, giving an average age for the properties of approximately 40 years. While this is comparable to the *House Condition Survey* in which the majority of homes surveyed were built in the 1960s, it does not reflect the commercial property building boom of the late 1980s.

The owners of Properties A and D had owned their properties for 1-4 years, with the owners of the remaining properties having owned their properties for more than 7 years. In other words there was a roughly even split of relatively new owners to relatively old owners. Two of the latter were part of well-established family trusts, hence the extended length of ownership. Comparatively, the *House Condition Survey* showed that the majority (60%) of the homes surveyed had been owned for more than 7 years.

Does the number of previous owners bear any relationship to the life of the commercial property, building adaptability, maintenance level etc? It would appear from the results of this pilot study that the number of previous owners is irrelevant to the life cycle of the building. It would seem that the number of previous tenants/tenant turnover is more likely to affect the length of the building's life.

Table 26 shows that of all the commercial property categories (Quotable Value, 2000), the five commercial properties surveyed were categorised as either of commercial office type or retailing use, and had a total of 18 tenancies (ranging from one to six tenancies per owner). For a large-scale study it would be interesting to include properties from all of the categories to determine trends between and across types of building use.

Category of use	Tenancy number (Property)
Commercial accommodation such as motels and hotels	None
Commercial cinema, theatre and public hall type complexes	None
Homes for the elderly	None
Liquor outlets including taverns etc	None
Commercial motor vehicle sales, service etc	None
Commercial office type use	7 (A, C, D, E)
Commercial parking	None
Retailing use	11 (A, B, C, D, E)
Service stations, petrol stations etc	None
Commercial tourism type attractions	None

Table 26: Commercial property's current use

Of the commercial properties that had undergone a change of use (see Table 27), the responses showed that none had undergone a radically different change, like for example, had changed from a service station into a home for the elderly. The majority of changes stated reflect relatively minor variations within the office and retailing categories. There is probably only likely to be a major change of use with a change of owner (tenant demand is highly unlikely).

Property	Current Use	Prior Use	Intention to sell
A	Retail / office	Bank	No
В	Retail	Car showroom / auction rooms	No
С	Retail / office	Dentist / restaurant	Maybe
D	Retail / dentist	(Unsure)	No
Е	Retail / storage / office	Warehouse	No

Table 27: Building change of use & intention to sell

In terms of owners intending to sell their property in the next 12 months four of the five owners stated that they would not, with the remaining property owner being unsure. Reasons for not selling included the fact that the property was part of a family trust, and that the return on investment was favourable.

Property	Acquired condition	Current condition	Assessed condition
	(owner perception)	(owner perception)	(inspector)
A	Very poor	Excellent	Good/Excellent
В	Average	Good	Poor
С	Excellent	Good	Good
D	Average	Good	Moderate/Good
Е	Good	Average	Poor/Moderate

Table 28: Assessment of condition (owner versus inspector)

Table 28 shows that four out of the five owners thought their property was in an average condition or above when purchased. This corresponds with the *House Condition Survey* in that most people thought their house was in an average, good, or excellent condition when first

acquired. Only one commercial property owner thought their property was in a poor condition when bought.

The responses also show that since purchase, the condition of the commercial properties has perceived to have improved. The *House Condition Survey* showed similar results in that the percentage of homeowners perceiving their property as having risen from 'average' to 'good' had increased, but this was not necessarily in line with the inspection results. However, from the commercial property condition ratings (section 2.4.2) it can be seen that the owners' perceptions of their property's current condition is quite close to the assessed condition.

3.2.2 Maintenance

All of the property owners stated that the responsibility for maintenance decisions lay with them, not any external management agency. All owners stated that they had undertaken some maintenance on their commercial property in the last 12 months. This contrasts with the *House Condition Survey* in which only approximately half of the respondents had undertaken maintenance over the same time period. The table below shows the type of maintenance undertaken (painting, repairing, replacing or remodelling) and the number of properties it was carried out on.

Component	Paint	Repair	Replacements	Remodelling
Roof		2		
External walls	2			
Windows		1		
Guttering/downpipes		2	2	
External doors	1			
Drains			2	
Paths, paving, car parking, fencing			1	
Interior walls, floors or ceilings	2	1		
Restrooms	1		1	
Appliances/plant		2		

Table 29: Maintenance undertaken in last 12 months

As can be seen in Table 29, maintenance work was carried out on the roof, external walls, windows, guttering and downpipes, external doors, drains, car parking, interior walls, restrooms, appliances and plant. Clearly, the majority of work was done on the exterior features (13) compared to the interior features (7). From this it comes as no surprise that the owners stated that they are predominately responsible for the exterior of the property; the tenants are generally responsible for the interior. But as indicated by some of the individual component ratings (section 2.4.2), it would appear that while the tenants may be responsible of the maintenance of the interior they have little responsibility or incentive to improve the condition it is in.

The main type of maintenance carried out was 'repairs' followed by 'painting' and 'replacements'. No remodelling was undertaken. All of the maintenance work was carried out by paid tradespeople and the average amount spent per building was \$5,100 (ranging from \$500 to \$13,000).

The reasons given by the owners for the maintenance included:

- To upgrade appearance at tenants request;
- Leaks:
- Damage;
- Failed equipment;
- Pooling of water;

- Dangerous (wobbly toilet / cracked floor); and
- Pitted asphalt.

In comparison, the results from the *House Condition Survey* showed that when maintenance was undertaken the common areas included the roof, walls, windows, bathrooms and bedrooms. The main type of maintenance was painting, followed by replacement then repairs. The maintenance work was evenly split between DIY and paid tradespeople, and most homeowners spent between \$1-650 and over \$2,600 (in other words spent only a little bit, or a lot – nothing in between).

In terms of deferred maintenance, the interview results revealed that two of the five respondents had deferred maintenance on their commercial property in the last 12 months (Properties C and D). The items for which maintenance was deferred and the reasons for deferral included:

- Replacing the cladding under veranda. Deferred for 6 months. Waiting for a particular builder to do it when he can schedule it in; and
- Remove and replace tiles, painting and plastering to do. Deferred for 1 year. Not perceived as critical at this time.

Just under half of the respondents from the *House Condition Survey* stated that they had deferred maintenance on their homes; the main reason for deferral was expense.

All owners stated that they intended to do some maintenance over the <u>next</u> 12 months. The intended maintenance and the reasons for the maintenance (in brackets) included the following:

- Replace cladding under veranda (to upgrade the exterior). Check downpipes (leaking). Paint roof (time to repaint);
- Replace roof flashing (leaking);
- Major frontage upgrade (to modernise). Possible instalment of air-conditioning unit, goods lift, and subject to tenancy, remove the mezzanine floor and put in a suspended ceiling (due to tenant demand);
- Seal car parking at rear of building (adding value to the property charge for parking space); and
- Improve mezzanine and veranda area. Exterior painting (tenant demand).

Once again, these responses show that the majority of the intended work over the next 12 months is to the exterior of the commercial property in line with earlier responses of owner versus tenant responsibilities. The average intended expenditure was \$11,200 and ranged from \$3,000 to \$30,000. In comparison, the majority of homeowners in the *House Condition Survey* stated that their intended expenditure in the next 12 months would be between \$1 and \$650. This could be interpreted in two ways – it may mean that commercial property componentry is generally more expensive than domestic materials, or because of the greater surface/floor areas involved, or a combination of the two.

3.2.3 Other building issues

The questions asked in this section of the survey included details about security, fire safety, general safety features, and the cost and amount of utilities.

Where known, the most common security feature was a burglar alarm followed by security lights (to all entry points), safety catches on the windows, and other measures (see Table 30). The property owners stated that the presence or absence (as well the maintenance thereof) of any security features was the responsibility of the tenant; hence the lack of knowledge if a particular feature was even present from some owners. This was despite the fact that to install any feature required permission from the owner first. The high proportion of louvre windows

(easy to remove and thus largely insecure) within the properties surveyed, combined with a relatively low use of security features, would tend to indicate a poor level of security for most tenancies. A recommendation for future studies would be to get the inspector to verify the presence of the stated security features.

Security features	Number of respondents
Burglar alarm	3
Security lights to all entry points	2
Security lights to most entry points	1
Safety catches on all vulnerable windows	2
Uses a security firm service	1
Swipe card/pin pad access	1
Other (e.g. bars across windows)	2

Table 30: Security features

In comparison, the *House Condition Survey* showed a high use of at least some special measures to increase security, in particular, burglar alarms and security lights to most doors. This shows an increasing trend towards concern with both personal and property protection by homeowners (Clark et al, 2000).

Where known, the most common fire safety features were fire extinguishers, hose reels, and fire alarms (see Table 31). The lack of smoke alarms, sprinkler systems, and fire escapes in the properties surveyed gives some cause for concern. Some owners stated that the maintenance of these features is the responsibility of the tenants, so they didn't know if any maintenance records were kept. However, these features are part of the building WOF and should be known. It is recommended that a check of WOF certificates be included in future studies.

Fire safety features	Number of respondents
Smoke alarms	1
Fire extinguishers	3
Hose reels	3
Fire blankets	
Automatic sprinkler system	
Automatic fire doors	
Smoke control doors	2
Automatic or manual fire alarms	3
Fire Service riser mains	
Exit signs	1
Fire escapes	1
Other	

Table 31: Fire safety features

Once more, there was a low level of owner knowledge about the general safety features of the commercial properties surveyed. What was present is shown in Table 32. The owners stated that the presence and maintenance of these features were the responsibility of the tenant.

General safety features	Number of respondents
First aid kits	1
Emergency showers	
Emergency phone / communication systems	2
Emergency lighting systems	
Safety barriers	1
Other	

Table 32: General safety features

From the above points it is clear that future studies need to assess not only security, fire safety and general safety features more closely, but also check the building WOF for additional features, such as access for people with disabilities, backflow preventers, escalators, lifts, mechanical ventilation and signs, etc (as required by Section 44 of the NZ Building Act 1991). It would be interesting to relate the condition of the property with the accuracy and currency of the building's WOF. It is also noted, however, that not all buildings have WOF requirements and so any future surveys should separate those buildings needing a compliance schedule and those that do not.

All of the properties surveyed used electricity as their energy source. Only one owner knew how much electricity was used and at what cost (Property A). The owners who did not know the answer to this question stated that this information was available only from the tenants, as it was their cost. There is therefore no direct incentive for the owners to install energy saving measures in their properties.

None of the owners knew how much (i.e. quantity of) water was used per year for their property. Four respondents stated that water is free for them at present (although covered to some extent as part of their general rates). One respondent (Property A) did state a cost for water use as \$945 per year. This lack of knowledge is understandable as only some commercial properties in Tauranga are metered for water, depending on their location. According to the local council, all properties will be metered over time (Tauranga District Council, 2001). There is no incentive for owners or tenants with unmetered properties to practice water conservation.

3.2.4 Tenancy arrangements

As indicated in the sample profile, the five commercial properties surveyed had a total of 18 tenancies. Sixteen of these were tenanted at the time of the survey. Only Property A was occupied by its owner. As a result, the owner of Property A was able to answer the questions relating to energy and water use (as indicated above), and this property was in the best condition both overall and for the majority of building componentry. This would indicate that tenants have little control over the condition of the properties they rent, and raises a whole range of questions about the relationship between owner or tenant occupancy and building condition.

Despite this, all of the owners surveyed said that their tenants did have maintenance responsibilities. While the tenants were not surveyed in this pilot study, it would appear that while the owners think it is the responsibility of the tenant to keep the interior of the properties in good condition (see below), the tenants have no incentive to do this of their own volition.

According to the owners, the tenant's responsibilities are:

- To repaint interior at conclusion of tenancy;
- To take care of internal maintenance;
- To undertake any retrofits;
- To pay for utility use;
- To provide and maintain any safety features;
- To replace carpets and other interior furnishings where necessary; and
- To care for the security, fire safety and general safety features of the building.

Clearly it would be interesting to gain tenants views of these responsibilities in future work.

3.2.5 Comparisons with home maintenance

All of the commercial property owners surveyed also owned their own homes. Four of the five (Properties A, C, D and E) stated that they didn't maintain their homes any differently from their commercial properties. The reasons given included:

- Money restraints restrict maintenance on both their home and commercial property. But the owner would probably first spend money on the commercial property to keep the tenants happy; and
- Both the home and commercial property are maintained on the same 'ad hoc' basis. However, the owner was more concerned with external painting of the commercial property and more concerned with the gardens at home.

Owner of Property B stated that their house was maintained differently for the following reason:

• The commercial property is perceived to be more urgent than their domestic property, and undertakes maintenance on demand. Also, less maintenance is undertaken at home as it is already in a good condition.

3.3 Results Summary (interviews)

- The average age of the properties surveyed was 40 years;
- In terms of the respondents, there were a mix of relatively recent owners (1-4 years) and owners who have owned the property for more than 7 years, with the number of previous owners varying between none and four. Three of the properties surveyed had changed use within the lifetime of the building. These changes were relatively minor, i.e. changed from office to retail or vice versa;
- Of the 18 tenancies surveyed within the five properties, the commercial property categories were spilt between retail (7) and office (11) use. Of these tenancies, two were owner-occupied;
- Four of the owners surveyed had no intention to sell their property in the next 12 months;
- When the properties were first acquired, their overall condition rating was perceived as 'average'. Presently, the overall condition was perceived by the respondents to have improved to a 'good' rating;
- All respondents stated that any major maintenance decisions were the responsibility of the owners (not the tenants);
- All had undertaken maintenance in the last 12 months, with maintenance to the exterior features of the property predominating. Paid tradespeople were employed to undertake this maintenance, and the average amount spent was \$5,100;
- Two owners stated that they had deferred maintenance in the last 12 months. Reasons included lack of availability of a particular tradesperson, and a perception that the maintenance required was not critical;
- All respondents stated that they have maintenance scheduled for the next 12 months. The majority of this work is to be carried out on the exterior features of the property with the intended expenditure averaging \$11,200;
- For security, fire safety and general safety features, there was a general lack of knowledge about what features were present in the property and whether or not maintenance records were kept. The owners generally felt that these features were the responsibility of the tenant;
- Similarly for the energy and water usage, only one owner (sole owner-occupier) knew how much water and energy was used and the cost of these utilities. Knowledge of and payment for energy and water use is the responsibility of the tenant;
- All owners stated that the tenants have minor maintenance responsibilities in regard to the
 interior of the property and for other internal items (i.e. safety and utilities) related to the
 running of their business; and

All respondents also owned their own homes. Only one owner stated that they maintained
their home any differently from their commercial property. In this case, the commercial
property was given precedence over their home as the maintenance was perceived to be
more urgent.

3.4 Discussion & Conclusions (interviews)

The following discussion points and conclusions have been raised for this section of the study.

3.4.1 Nature of occupancy and maintenance drivers

Commercial property management is much more complex than for houses. Throughout the course of this survey it has become clear that little is known about the proportion of owner-occupiers to tenants that exist within the commercial property market. In addition to the differences between these two groups, many perturbations probably exist within tenanted properties alone, as tenancy lease agreements are highly variable.

As a result, for future studies it would be useful to further explore the drivers for maintenance of owner-occupied properties and how they differ from tenanted properties. For example:

- Is maintenance more likely to be undertaken to comply with legal issues in one group over the other?
- Are there aesthetic concerns, e.g. image, flexibility and adaptability of space, and do they differ according to tenure?
- Are owner-occupied properties in a worse condition overall compared with tenanted properties (or vice versa)?
- Are tenanted properties more likely to be concerned about energy usage?
- How do lease arrangements impact upon maintenance responsibilities overall?

Another issue is the amount of money the owners said they were prepared to pay for future maintenance. How this would vary with a larger sample size, differing commercial property category, regional variations etc, would be of interest for future work. Also of interest could be a comparison of how much they would be willing to spend on their homes versus their commercial property in the next 12 months, and the reasons for that. This may better indicate where owner's maintenance priorities lie and why.

3.4.2 Usefulness of results

An interesting point to note is that there is a general lack of knowledge by the owners about security and safety features required of commercial buildings and the maintenance thereof. There was also a lack of owner knowledge about the energy and water use of their property. These issues raise concerns about building safety in general and identify gaps in the knowledge of commercial property utility use, as well as highlighting management priorities.

Also of interest is that all property owners stated their intention to undertake maintenance in the next 12 months, but it is not clear from the results whether the use of maintenance contractors is ad hoc or scheduled, or whether the use of other service people is pro-active or reactive. In addition, it was not clear what impact the dynamics between owners and tenants had in this process.

In total, the results have been useful because they have highlighted (amongst other things) that little is really known about the intricacies of management of small commercial properties, and that maintenance decisions appear to be largely dependent on tenure or lease arrangements and

the distribution of 'power' between owners and tenants in terms of decision making processes. For future studies it would be interesting to gain the tenants views on maintenance. This would be particularly useful to compare owners versus tenants perception of condition and the maintenance carried out (Bennett, 2001).

4 CONCLUSIONS

The purpose of this pilot study was to ascertain preliminary thoughts and ideas about commercial property condition and maintenance in New Zealand in comparison to domestic dwellings, and to see whether a full-scale project is warranted for the future. While it is acknowledged that this is difficult to determine with a sample size of five, the primary conclusions of this report are as follows.

- Commercial properties are complex building systems, with multiple componentry and other
 differences due to the nature of the tenancy or use of the building. Future studies need to
 carefully assess the content and structure of the survey forms to capture this complexity in a
 useful manner.
- The condition of the commercial properties assessed in this survey ranged from poor to excellent. It is difficult to determine accurate trends as to the overall state of New Zealand's commercial property stock or whether it is a better or worse condition than New Zealand's domestic property stock. While houses appear to be in a marginally better condition overall, the incidence of serious and poor components in houses is higher.
- For the commercial properties surveyed, the building component in the worst condition was exterior doors, with the most common building component defects being topcoat deterioration of roofs and missing drain grates.
- The relationship between the actual condition of the property and the maintenance undertaken, in terms of the accuracy and currency of the building's WOF, are two potential correlations that are worthy of investigation in future studies.
- Commercial property is a significant investment to the economy. The cost to raise the condition of the properties surveyed to 'as new' was averaged at \$18,000 (per property). If extrapolated to New Zealand's entire commercial property stock, there is an outstanding maintenance bill of \$1.2 billion. Although the small sample size attaches a high degree of uncertainty to these values, combined with the maintenance bill for New Zealand's domestic stock, the cost to the economy is around \$6.7 billion. This result raises some concerns not only for the short-term future of these buildings, but also in terms of their suitability as long-term investments.
- The survey has revealed how little is known about inter-relationships in the commercial property sector, and how this impacts on the maintenance and hence lifetime of commercial buildings. The relationship between tenants and owners, i.e. the nature of tenancy arrangements, the number of commercial properties that are owner-occupied versus those that are tenanted, plus the differences in building condition in relation to these parameters needs to be further explored.
- The research strategy, based on the methodology of the *House Condition Survey*, has met the objectives of this report. It has raised the understanding of commercial property management in New Zealand (even if it raises more questions), it has developed a strategy for assessment, has recommended changes for the future and determined that it does have potential as a future research topic. This is not only desirable but essential as the study has demonstrated the absence of factual research data in this field.

5 RECOMMENDATION

• It is recommended that this pilot study be extended to a full-scale study.

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7 APPENDICES

7.1 Appendix 1: Physical inspection survey form

BRANZ © 2001

Property ID:	********		UR 0326
Surveyor:		_	
Date:	Start time:	Finish time:	
SECTION A: GENERAL	L.		
1. Commercial	property layout		
indicate indicate	erty e overall dimensions percentage glazing to e location of tenanted spo number of storeys		
Photos taken:			

			057.5007
2. Space Use Category			and the same of the same
Reception Areas	No.#	Area (approx)	
Waiting Rooms			
Offices/Partitioned Spaces			
Catering Facilities, e.g., tearoom/kitche	nette/bar		
Restrooms			
Resource Rooms / Spaces			
Storage Areas Meeting Rooms			
Workshops			
Display Areas (of merchandise)			
Others			
	_		
3. Subjective 'dampness' feel			
s. oabjective dampness leer			The state of the s
Feels very damp, smells musty Feels slightly damp Feels dry			
4. Shade			
Property always in shade Property in shade throughout w Property loses sun in: late aftern Property never shaded	inter ioon / early morning	g (delete one)	
5. Wind exposure	-		
Circle the wind exposure class of the Wind Exposure Classes	e commercial prop	erty:	2
	dustrial urban in valley	Low buildings	Few obstructions or top of hill
	█▗▜▗	A • • • •	· A
Sheltered	Medium sheltered	Medium exposed	Exposed

6. Subjective 'air tightness' feel

0	airtight
	average
	leaky
	draughty

Property ID:		UR0326
7. Surrounding area		
Predominant land use in area	residential non residential e.g., hotels, hospitals, educational factories and industrial commercial rural	
External condition of properties in area	serious external condition poor external condition moderate external condition good external condition excellent external condition	
Predominant property age in area	less than 5 years between 5 and 15 years between 15 and 25 years greater than 25 years	
8. Generally the commercial p	property was	
Well maintained Reasonably maintained Poorly maintained Under construction SECTION B: SUBFLOOR AND FLOOR		
9. Subfloor	the same of the ball of the same of the sa	
No subfloor No access to subfloor Ground covering plastic other		
% covered Floor insulation none foil other % insulated		
Sub floor moisture readings on 2 joists (5m apart) 2 readings from floor (5m apart)		_

Property ID:				UR0326
10. Foundation	S	* 100	SHEET ROOM TO THE SHEET	
Corner cor Concrete p Concrete b Brick Treated tim Untreated Jack stud	underslab ins no insi s concrete perimeter acrete perimeter wall: pile plock aber piles timber piles	yes / no	Ground clearance Min. clearance to cladding Min. clearance to bearers:	
non vertice missing pile unsafe exe timber dec two tooth i common b structural o non structu	Frequency eding under property al piles e(s) covation coy corer corer cracks ural cracks ling or holes	10% 25% 50% 100%	missing mortar rising damp dpm missing insufficient footing d inadequate bracing missing/rotten baset exterior plaster spalli missing/insecure ties nail plates/fasteners poor fixing minor blemishes other	poards ng to bearers
Overall condition	n rating - Founda	rtions (circle) Moderate	Good	Excellent
No. 8 Wire Wire dogs Galv nall p Galv boits Galv strip Non galv r None Other	& Staples lates od Frequency >50% corroded thru	0-10% 10-25% 25-50% 50-100%		requency 0.10 % % 001 - 03 % % 001 - 03
	n rating - Fastene	ers (circle)	Seri Nor	
Serious	Poor	Moderate	Good	Excellent

Property ID:				UR0326
12. Joists/Beare	ers			
Treated rad		Native Other		
Same Shall to the Wall O	Frequency cay ed borer corer joists/bearers			equency 0 %01.02 %
Serious	n rating - Joists / I Poor	Moderate	Good	Excellent
No subfloo Type Baseboard Concrete Pressed me Wire Other	r ventilation	Continuous 20 mm v Number of vents: Clear area of a typic Floor area of proper	cal vent:	
Spacing vents are revents are re	not on all sides not within 0.75m of co greater than 1.8m spo	rner	Vegetation vegetation is blocking vegetation is blocking no vegetation is block	some vents
14. Floor				
T&G Particle bo Concrete Other		_		
timber dec two toothe common b cupped b	Frequency cay ed borer porer pards	ect boxes, indicate frequences & \$8.001		
Overall condition	n rating - Floor ((ircle) Moderate	Good	Excellent
			The Control of the Co	

Property	ID:	UR0326

SECTION C: WASTEW	VATER			
15. Plumbing W	/astes			
copper			lead galvanised pipe	
some corredisconnect leaking pip	Frequency osion ted pipes oes	ect boxes, Indicate freque रूप प्रस्ति हैं विकास स्वास्थ्य करें प्रस्ति हैं प्रस्ति हैं प्	Free Inadequate slinging rust Impact damage	equency 8 22 - 01 9 8 92 - 08 92 - 08 92 - 08
Serious	Poor	Moderate	Good	Excellent
16. Water Retic	ulation			A PROPERTY OF STREET
copper polybutyle		ect boxes, indicate frequ	galvanised steel pvc ency of each defect	
some corro disconnec leaking pip	ted pipes	0 - 10 % 10 - 25 % 25 - 50 % 50 - 100 %	inadequate slinging rust impact damage	equency 0.10% 8.01.00% 8.01.00% 8.01.00%
17. Drains (Sew	rer)			
pvc earthenwa	are tick appropriate defe	ect boxes	concrete cast iron	
broken gul broken dro missing gro	ain ates	E Colorado (Colorado)	leaking gully traps leaking drain other	
Serious	n rating - Drains (Moderate	Good	Excellent
18. Drains (stor			concrete cast iron	
Defects	tick appropriate dete	ect boxes, indicate frequ		equency 0.10%
cracks in a blocked or	Irain r overflowing drains		broken pipes other	
	n rating - Drains (stormwater) (circle))	
Serious	Poor	Moderate	Good	Excellent

Property	ID:				UR03
19. Spout	ing and downpipes				
PVC Galv Copp Othe	Steel	s)			
Defects	tick appropriate defect b	oxes, indicate frequency o	f each defe	ct	
unev	Frequency ng spouting/downpipes ven fall ng supports ding	0 · 10 % 10 · 25 % 25 · 50 % 50 · 100 %	corrosion o ponding leaks other	Frequency f metal	0-10% 10-25% 25-50% 50-100%
		ting and downpipes (_		
Serious	Poor	Moderate	Good	EXC	ellent
	parking	concrete / clay asphalt / tarseal / conc exces, indicate frequency o			Circle Circle
unev pot t	Frequency ven surfaces noles parking line poorly visible	10% 25% 50% 100%	kerbing da tree root bi missing pav other	Frequency mage ulging	0-10% 10-25% 25-50% 50-100%
Overall co	ondition rating - Paths	s, paving and car park	ing (circle	9)	
Serious	Poor	Moderate	Good		ellent
21. Steps	/Ramps	THE STATE OF STREET			
none steps ramp	Surface (and structure timber concrete	Handrail	timbei meta	
missir rottin unev	tick appropriate defect b ng treads ng timber ren risers aged surfaces	metal_ ooxes	unsafe surf unsafe stru broken har other	cture	_
Overall co	ondition rating - Steps	and Ramps (circle) Moderate	Cond	Free	lloot
Sellonz	P001	Moderate	Good	EXC	ellent

Property ID: UR0326 22. Retaining walls None Tilt up slab Timber interlocking Concrete block Embedded poles and stretchers Natural stone Driven railway iron and stretchers Stacked manufactured stone In situ concrete Concrete interlocking Defects tick appropriate defect boxes, indicate frequency of each defect 25.% 25 % 50 % Frequency o o o o 0 0 9 Frequency cracks in wall reinforcing spalling leaning poor drainage bulging other Overall condition rating - Retaining walls (circle) Serious Poor Moderate Good Excellent 23. Planting no planting Defects tick appropriate defect boxes, indicate frequency of each defect 25.8% Frequency o Frequency vegetation affecting property overgrown damage to planting other rubbish Overall condition rating - Planting (circle) Moderate Poor

		moderate	0000	EAG	Olic	2111		_
24. Fences /	Gates			e e e la co				
fences (gates (ti	(timber / brick / metal / o mber / metal / other) circ	ther) circle cle Number						
Defects	tick appropriate defe	ct boxes, indicate frequ	ency of each defect					
	Frequency	0-10% 10-25% 25-50% 50-100%	_	Frequency	0-10%	10-25%	25-50%	500-100%
gates do	fficult to operate image		fence damage other					

Good

Overall condition rating - Fences / Gates (circle)

Poor

Serious

Excellent

5. Wall Cladding		PART IN ELLEY		
Wood - in all forms Brick - solid / cavit Concrete - reinfor Stone Roughcast, includ Fibrolite - asbestos Malthoid Plastic	y / veneer ced block / pre ing stucco i / durock siding	s / perlite	Iron - steel / corrugate / decrama: Aluminium Glass Tiles - concrete / clay / Mixture of materials Other uency of each defect	stic tiles
		75 % 25 % 50 % 100 %		quency -0.08 8
missing cladding dislodged boards broken blocks/she missing bricks missing plaster missing mortar efflorescence insecure cladding cracks decay graffiti spalling impact damage verall condition ratin		dding (circle) Moderate	corrosion of reinforcing drummy reinforcing corrosion of metal con loose fibres paint deterioration top coat deterioration mould/fungi growth plant growth leaking at joints two toothed borer common borer staining settlement	nponents
t wall mounted items:		endition rating (s	erious, poor, moderate,	good, excellent):
. Exterior Doors				
mber of; Solid timber Timber/Part glass French Sliding aluminium Aluminium		painted anodised powder-coated polyeurethane/stannone		

Serious	Poor			M	oderate	Good Exc	elle	ent		
Overall cond	dition rating - Exterior I	Do	ors	(circle)					
poor h	Frequency g/inoperative hardware nardware deterioration at deterioration at damage / holes	-	10-2	28-5	1-08	cracks sticking door missing glass cracked / broken glass guide track damage	-	10 - 25	25-55	1-09
		%0	25 %	50%	8		80	8	80	8
Defects	tick appropriate defe	cti	-		indicate treq	uency of each defect		10001		

27		W	T	т,	٠.	a	_		**
~1	۰	×	Ľ	ш	в	u	U	Ш	ъ

%	
	Timber
	Anodised aluminium
	Powder coated aluminium
	Stainless steel
	PVC
	Other

Percentage of thermally broken windows?
What percentage are double glazed windows?

Which directions do the double glazed windows face?

(ie. N, NE, E, SE, S, SW, W, NW)

Defects

tick appropriate defect boxes, indicate frequency of each defect

	0.10%	10.25%	88	2000
Frequency	ò	0	8	-
decay				Г
leaking flashing				T
no flashings				r
significant pitting				Γ
broken hinges				r
broken/cracked panes				r
glazing mouldings in poor cond				Γ
loose rubber				T
missing rubber				t
lack of cleanliness				T
air leakage around window				T
glass corrosion/scratching				r
putty cracks				Γ
dislodged /missing putty				r
metal corrosion				Γ
nall rust staining				Ī
stressed joints				
joint cracks				
paint deterioration to bare timber				Γ
minor coating/anodising failures				Ī
drain holes plugged up				
checking in timber				Γ
fogging on insulating glass unit				Г
staining of glass				I
other				Γ

Overall condition rating - Windows (circle)

		The second secon		
Serious	Poor	Moderate	Cood	Eventlent
Jellous	FOOI	Modelale	Good	Excellent

Property ID:		UR0326
28. Roof		
Inspect 2 sides of roof where possible from Id Profiled Metal tile Painted Galvanised Steel Coil Coated Steel Concrete Tile Clay Tiles Profiled translucent sheet Asbestos cement Membrane Glass Timber - all forms	Roof Type Gable Hip Dutch Gable Flat Mansard Lean to Other	
	boxes, indicate frequency of each defect	
Frequency missing sheets/tiles cracked/dislodged tiles corrosion of base metal holes/cracks/dents/buckling rust in internal gutters internal gutters leaking chip coat missing nail lifting leaks metal flashing damage chalking of applied finishes dislodged pointing deterioration of fixings missing/loose fixings lnsufficient fixings top coat deterioration paint flaking, blisters or bubbles moss growth dirt and debris build up areas of ponding surface staining/discolouration sagging		

Serious	Poor	Moderate	Good	Excellent
List roof mounted items:		Condition rating	(serious, poor, moderate	good, excellent).

Property ID:	UR0326
--------------	--------

SECTION F: ROOF SPACE

29. Roof space	
No access to roof space	Ceiling Insulation
	% cover %
Skillion roof (percentage)	Fibreglass
Truss	Macerated paper
Roof Sarking	Rocwool Other (State)
Ceiling Sarking	None
	Thickness tick
oof Slope	50 mm
0-15 degrees	75
16 - 30 degrees	100
> 30 degrees	150
iring	Poof space mainture
Tough Plastic Sheath	Roof space moisture reading from one celling joist
Tough Rubber Sheath	TOTAL STRUCTURE COME STORE
Vulcanised Indian Rubber	
D. Rafters, Purlins, Ceiling joists &	k Trusses
Treated radiata	
Untreated radiata	
Native	
Metal	
Other	<u></u>
efects tick appropriate defe	ect boxes, Indicate frequency of each defect
Frequency fimber decay	réguency é នំ នំ
Insufficient joists	common borer
insufficient purlins	corrosion
minor splitting	other
andition rating Dafface Budine on	od Colling Joiete (circle)
ondition rating - Rafters, Purlins an Serious Poor	Moderate Good Excellent
I. Header Tank/Ties/Underlay	
none	
internal header tank	
external header tank	
efects tick appropriate defe	ect boxes
header tank unrestrained	no underlay
no tray	underlay deterioration
leaking	exposed roofing
no lid	hazards in tank
insufficient ties to concrete tiles	other
Condition rating (entering	poor moderate good excellents
Header tank	poor, moderate, good, excellent):
Roofing ties	
Hooming nos	

SECTION G: INTERIOR FEATURES

32. Res	strooms				transfer to a particular
	of restrooms with disabled acce	Male ss Male			Unisex Unisex
When w	ere the restrooms la	st refurbished:	be	the last 5 years tween 5 - 10 years tween 10 - 25 year ore than 25 year	ears ago
		Mai	n Secondar	,	
	Plasterboard Hardboard Softboard Particleboard Seratone/Riotone Hardiglaze Carpet Ceramic tiles Concrete block Vinyl None	Ceiling	Floor cover		
Fittings	E. Carlos	Main Se	condary	Mechanical	ventilation
	Toilets Shower Hand basins Soap dispensers Hand dryers Paper towels Cloth towel		to	none to outside to roof space another room	
Defects	tick appro	priate defect boxe	95		
	cracked/chipped encrotten shower linings staining of surfaces shower tray pitted decay chipped/peeling pair			broken seat/s of leaking outlets two tooth bore common borer water stains reveals/sills crai	1
Manager		Main Se			
Mould	ievei		extensively blacker extensive mould large patches of m very little mould visi no mould	ould	aged linings
	condition rating -		The state of the s		
Main Seconda	Serious Serious	Poor	Moderate Moderate	Good Good	Excellent Excellent
			mountain	0000	LAGOROTT

poor seals at bench top

worn joinery edges

damaged appliances

33. Catering Facilities, e.g., Tearoom/s, Kitchenette/s, Bar/s When were these facilities last refurbished: in the last 5 years between 5 - 10 years ago between 10 - 25 years ago more than 25 years Linings Main Secondary Plasterboard Hardboard Softboard **Particleboard** Timber strip Formica Vinyl Ceramic tiles Carpet Concrete block Cork files None Other Joinery/Bench Stainless Steel Formica Timber Other **Appliances** Electric Gas Coal/Wood Ventilation None. venting to outside venting to roof space venting to another room Defects tick appropriate defect boxes holes in linings holes in floor fat build up in rangehood/fans unsafe floor cover decay paint deterioration to bare timber water stains chipped/peeling of paint/paper discoloured paint/paper damaged wiring/outlet/switches leaking outlets dented bench surfaces taps deterioration

fire risk

other

rough surfaces

Property ID:

3. Cater	ring Facilities, e.g., Te	earoom/s.	Kitchenette/s Ba	r/s - Continue	d
lould lev	5060	odio o i i i j	Michelielle/s, bu	73 Commide	<u> </u>
iouid iev	· ei				
	Main		Se	econdary	
	extensively blackened o	reas, damag			areas, damaged lining
	extensive mould	143		nsive mould	
_	large patches of mould			patches of mould	i
-	very little mould visible			ittle mould visible	
	no mould		no m	ould	
verall co	ondition rating - Cateri	ina Facilitie	(circle)		
ain	Serious	Poor	Moderate	Good	Excellent
condary	Serious	Poor	Moderate	Good	Excellent
11/20					
. Interio	or Linings (excluding	restrooms	and catering fac	ilities)	
			cover		
		Ceiling	n č		
nings		=	Walls Wall	Insulation	
9-	Plasterboard			breglass	
	Hardboard			acerated Paper	
	Particleboard			ocWool	
	Fibrous plaster			ocyvooi oil	
	Softboard			one	
	Timber strip			one	
	Formica				
	Vinyi				
	Ceramic tiles				
	Carpet				
	Carper Cork tiles				
	Concrete block				
	Other	H			
riaco t	reatment		MDED		ADDR-0921-090-1
mace ii			MDF Re		yes / no
	Painted/Stained	-	Conditio	n rating:	
	Papered				
	Polyeurethane	-			
	None				
efects	tlak anarond	ata dafaat h			
,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	flck appropri impact damage / holes			om timber edges	
-	impact damage / holes				~
+	damaged wiring/outlet/			nsafe floor covering veals/sills cracked	
	discoloured/peeling paint				
	minor coating / lining ble				all and ceiling lining
-	water stains	311131103		ail popping	
	borer in sills/mouldings			eaking	
-	cracks			eiling tile damage her	
	areas of dirt accumulation	on	0		
		week and the second			
ould lev	rel		extensively blackened a	age damaged list	nos
ould lev	rel		extensively blackened a	eas, damaged lini	ngs
ould lev	rel	•	extensive mould	eas, damaged lini	ngs
ould lev	el			eas, damaged lini	ngs

Overall condition rating - Interior Linings (circle)

Serious Poor Moderate Good

Excellent

Property ID:	****			UR0326
35. Internal doors	/ Hardware			
Hollowcore Solid timber		Timber & glass Metal	Vents	
impact damo missing/broke minor cracks/ damaged ve	n hardware wear nts		borer wom hardware broken / cracked glas	55
Overall condition (Serious	Poor Poor	Moderate ((circle)	Excellent
36. Furnishings			curtains	
sunfilters Defects tid	k appropriate defe	ect boxes	other	
stains fading fabric deterio	ration		difficult operation tears or rips other	
Overall condition I	rating - Furnishii Poor	ngs (circle) Moderate	Good	Excellent

COMMENTS AND RECOMMENDATIONS

7.2 Appendix 2: Interview survey form

BRANZ ©2001

Property ID				UR03
Surveyor:				
Date:		Start time:	Finish time:	
SECTION A:	INTRODU	ICTION		
		s the property built?	2	
			d manager of this property?	
		an one year		
	1-4 yea			
	5-7 yea			
		nan 7 years	h2	
		ous owners have there erty's current use/s?	been?	
	A CONTRACTOR OF THE PARTY OF TH	ther uses prior to its co	urrent one?	
2	Yes No	(please state)	ADDITION TO STREET	
	B Don't k			
			in the next twelve months?	
110	Yes	Why?		
	No No	Why?		
	Unsure			
7. When yo	ou first b	ought this property, he	ow would describe its overall condit	ion, both inside and out?
			and maintenance needed	
		minor maintenance nee		
		e - some repair and mai		
		immediate repair and ma		
	Very po	oor - Extensive and imm	ediate repair and maintenance needed	
		ribe the current condit		
			and maintenance needed	
		minor maintenance nee		
		e - some repair and mai		
		immediate repair and ma		
5	Very po	oor - Extensive and imme	ediate repair and maintenance needed	
SECTION I	3: MAIN	TENANCE		
0 Wha is a		N		2.200
9. Who is i	esponsi	ble for making decision	ns in regard to the maintenance of t	his property?
20				
10 During	the last	12 months has any m	aintenance, e.g., painting, repairs, re	
				epiacements, or remodelling
	Yes	any parts of your prop	berty r	
	No	Go to question 14		
	140	GO TO QUESTION 14		
11. To which	ch parts	of the property was th	is carried out?	
Starting wit			Type of maintenance	Reason for maintenance
а	Root	ornal parts	Type of mannenance	neason for maintenance
b	Externa	al walls		
c	Window	V-11		-
d	1000	ng / downpipes		-1
e		al doors	-	_
f	Founda			_
99	Drains	ino 10		_
g h		ng walle	-	
		ng walls		_
		Ramps	-	_
1		paving, carparking, fenci	ng	
k	Other (specify)		

the int	emal parts?	Type of maintenance	Reason for maintenance
1	Interior walls, floors or ceilings		
m	Restrooms		
n	Catering facilities		
0	Interior doors		-
p	Furnishings		
q	Appliances / plant		
r	Safety equipment		
S	Other (specify)		
Who di	d the maintenance on your pro	perty as mentioned above?	
	Yourself		
	Other staff members		
	Paid tradespeople		
	Other paid people		(specify)
3	Other unpaid people		(specify)
=			ang GST)?
na you	Yes	aintenance in the last 12 months?	
2	No Go to question 16		
or wh	at items have you delayed or de	dered maintenance?	
	nomo nave you delayed of de	How long for?	Reason?
_		9000 AD 4755 - 4755 - 4555	
_		-	
_			
_			
et years the con-		and the same of th	
o you	plan for future maintenance, i.e	, have a maintenance schedule?	
1	Yes		
2	No		
o vou	intend to carry out any mainten	ance in the post 12 months 2	
		lance in the next 12 months?	
1	Yes		
	Item	Type of Maintenance	Reason
_			ANALYSINE COX
_			
_			
_			
-			
_			
_			7
	Me		
	No White		
	Why?		
_			
_			
-			
Gio ti	o question 19		
ow mu	on ac you intend to spend on the	his maintenance (i.e., in the <u>next</u> 12	! months)?
aing a	or excluding GST?)		
_			
_			

19. Do you keep continuous records of past maintenance (i.e., or	a year by year basis)?	
1 Yes		
2 No		
SECTION C: GENERAL BUILDING ISSUES		
20. What security features does the commercial property have?		
그러워 하다 아이들이 들어 있다. 그리고 그렇게 하면 하나 아이들이 아니라 아이를 하는데 아이들이 아이들이 아이들이 아이들이 아이들이 아이들이 살아 먹었다.	ance records kept for these for	eatures? (circle)
1 Burglar alarm	Yes / No	
2 Security lights to all entry points	Yes / No	
3 Security lights to most entry points	Yes / No	
4 Safety catches on all vulnerable windows	Yes / No	
5 Uses a security firm service	Yes / No	
6 Swipe card / pin pad access	Yes / No	
7 Other (please specify)	Yes / No	
21. What fire safety features does the commercial property have	?	
	ance records kept for these f	eatures? (circle)
f Smoke alarms	Yes / No	
2 Fire extinguishers	Yes / No	
3 Hose reels	Yes / No	
4 Fire blankets	Yes / No	
5 Automatic sprinkler system	Yes / No	
6 Automatic fire doors	Yes / No	
7 Smoke control doors	Yes / No Yes / No	
8 Automatic or manual fire alarms	Yes / No	
9 Fire Service riser mains	Yes / No	
10 Exit signs	Yes / No	
11 Fire escapes	Yes / No	
12 Other (please specify)	- 1687140	
22. What general safety features does the building have?		
	nance records kept for these f	eatures? (circle)
f First aid kits	Yes / No	
2 Emergency showers	Yes / No	
3 Emergency phone / communication systems	Yes / No	
4 Emergency lighting systems	Yes / No	
5 Safety barriers	Yes / No	
6 Other (please specify)	Yes / No	
23. What kind of energy does the commercial property use?		
And, if available, how much is used at what cost per annum?	Amount used (kWh/yr)	Cost (\$/yr) (Inc.GST?
1 Electric	randon dada (mmaya)	
2 Mains gas		
3 Portable gas		-
4 Solid fuel		
5 Liquid fuel		
6 Geothermal		
7 Other (please specify)		
24. Where does the water the commercial property uses come f	rom?	
And , if available, how much is used and at what cost per annur		
	Amount used (m3/yr)	Cost (\$/yr) (Inc.GST?
1 Mains		service and the state of the service
2 Bore		
3 Tank		
4 Other (please specify)		

SECTION D: TENANCY ARRANGEMENTS
25. Is the commercial property tenanted?
1 Yes
2 No (go to Section E)
26. How many tenants do you currently have?
27. Does the tenant have any property maintenance responsibilities?
1 Yes 2 No (go to question 29)
2 No (go to question 29)
28. What are the tenant's maintenance responsibilites?
SECTION E: COMPARISONS WITH HOME MAINTENANCE
29. Do you own your own home?
1 Yes
2 No FINISH
30. Do you maintain your house differently to your commercial property?
1 Yes
2 No
If yes, in what way and why?
If no, why not?
FINISH
THANK YOU

7.3 Appendix 3: Photos of defects

The following photos illustrate some of defects found in the properties surveyed. For a full list of defects, refer to .. in the main body of this report.



Figure 1

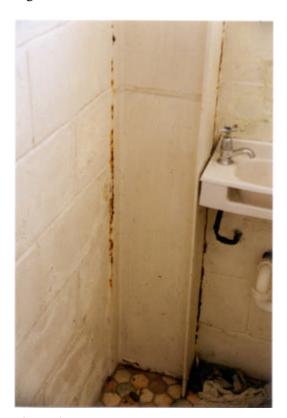


Figure 2



Figure 3

<u>Figures 1, 2 and 3: Coating/lining blemishes</u>

Moisture ingress has caused rusting of the steel work and formation of efflorescence behind the interior paint work.



Figure 4



Figure 5

Figure 4: Water Stains

Water leakage has caused damage to the column paint carpet.

Figure 5: Water Stains

This photo shows the extent of carpet damage caused by the leak as shown in Figure 4.



Figure 6

Figures 6 and 7: Fixing deterioration

This property had inadequate subfloor ventilation. The subfloor timbers were wet causing deterioration in the fixings.



Figure 7



Figure 8



Figure 9

<u>Figure 8: Inadequate closure and missing grates</u>

The grease trap lid was not sealed and was emitting odour. Also, there was no protective grate over the fully trap.

Figure 9: Corrosion of metal

This down pipe shows significant corrosion.



Figure 10



Figure 11

Figures 10 and 11: Missing drain

Stormwater discharge to car parking area; although there is a channel, there is no water outfall.



Figure 12: Missing cladding

Penetrations through claddings must be sealed off.

Figure 12



Figure 13

Figure 13: Leaks

Drains need to be maintained to avoid water discharge adjacent to foundations.



Figure 14

Figure 14: Rubbish accumulation A common maintenance problem is rubbish and vegetation accumulation

in drainage areas.



Figure 15

Figure 15: Internal gutter overflow

Although this rain head has an overflow it must be inspected regularly there are ensure no obstructions. This rain head overflows on a regular basis, as indicated by the water staining.

NB: It could be due to inadequate design.



Figure 16

Figure 16: Corrosion and mould growth

Intermittent spouting overflow causes deterioration in timber, fixings and paint.



This transformer room is below ground level and is at risk of flooding.



Figure 17



Figure 18

Figure 18: Insecure cabling

Exterior services need durable fixings and regular inspection.



Figure 19

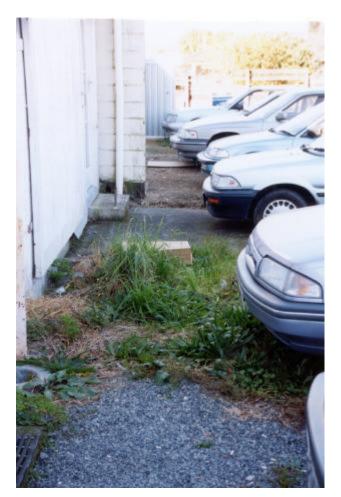


Figure 20

Figures 19 and 20: Uneven surfaces

These photos show neglected surfaces in parking areas.



Figure 21

Figure 22



Figure 23

Figure 21: Damaged exterior cladding

Damaged door flashing.

Figure 22: Damaged exterior

Damaged cover boards have exposed the ends of cladding to storm water penetration.

Figure 23: Cladding deterioration

Early signs of membrane deterioration.



Figure 24



Figure 25



Figure 26

Figures 24, 25 and 26: Mould

Lichen and moss developing on external surfaces. It needs to be removed periodically to minimise the risk of damage to the host material.



Figure 27



Figure 28



Figure 29

Figure 27: Window damage

Peeling paint, corroding flashings and corroding louvres.

<u>Figures 28 and 29: Inadequate</u> <u>subfloor ventilation</u>

These photos show an attempt to provide subfloor ventilation by an unacceptable and ineffective method of ducting.