



**MAKE GOOD
ASSESSMENTS
FOR COMMERCIAL
PROPERTY**

AssetWize



Make Good Assessments – What are they?

A make good assessment relates to the process of a tenant reverting a premises back to the landlord in a particular condition upon lease expiry. The obligations of the tenant are determined based on the condition of the premises and interpretation of relevant lease clauses that are expected to be breached at lease end.

A typical make good assessment involves a desktop review of all relevant lease documentation, premises plans, alteration information etc and discussions with relevant parties prior to a site inspection. A Scott schedule is then prepared detailing all anticipated breaches of the lease, including reference to the respective lease clauses, description and quantification of the required remedial works and their associated costings.

As part of the wider report, a statement of claim is provided which summarises the total cost of the make good claim, including associate costs to do the works (preliminaries, overheads profit & PM fees), any supplementary fees involved in preparing the assessment, relevant building authority fees and losses on rent and outgoings etc.

Why are independent assessments of make good obligations important?

When preparing make good assessments, ambiguity in terms of the interpretation of relevant clauses and covenants can lead to contentious issues at the end of the lease term. An independent assessment of these obligations provides clarity around responsibility and associated costs for both the Landlord and the Tenant.



Why are independent assessments of make good obligations important?

Lease documentation, premises plans, alteration plans and, often missing but very important, Schedule of Condition are reviewed to form the assessment.

A Schedule of Condition gives a clear understanding of the condition of the premises at the commencement of the lease and often provides the most useful information is this assessment. Lack of information around the lease-start conditions often results in a conflict around the expectations of both parties, a Schedule of Condition should mitigate this for all involved.

Why engage AssetWize?

AssetWize have a number of experienced building consultants who regularly undertake Make Good Assessments for a variety of clients. We adhere to the practices set-out within

the Royal Institution of Chartered Surveyors (RICS) guidance notes when undertaking these assignments.

We appreciate the frustration that can occur when parties disagree on certain elements of the make good claim. We believe our appreciation of lease covenants, previous case law, fair and justifiable costs to undertake the work required linked to a deep understanding of how the space has been constructed, altered and how it operates ensures that our assessments are relevant and accepted.

The experience-based assessments we provide generally result in the speedy resolution of financial settlements in-lieu of the make good works being undertaken.

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