



Your Complete Guide to Commercial Property in East Yorkshire & North Lincolnshire

BARKER
PROPERTY CONSULTANTS

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Part 1: Selling commercial property

1. Appoint a solicitor & have them on standby to proceed

Believe it or not, there are times when solicitors are appointed at the very last minute once a sale is agreed.

Whilst this may not be seen as too drastic, having a solicitor on board early can ensure things are ready to go once you've finally agreed a sale.

Appointing a solicitor at the beginning can enable advice to be provided on any issues affecting the title which may cause problems during the conveyancing process later on however these issues can possibly be addressed straight away which could **save you further costs** and time later along the process.

2. Have valid and in date certificates & property documents to hand

It is a legal requirement in the UK to have a valid in-date **Energy Performance Certificate (EPC)** when selling or leasing commercial property, however, some properties will be exempt from needing one.

With other documents associated with your property such as electrical safety certificates, guarantees, and warranties, having these ready to present to any interested buyer upon request will prevent any slowdown.

This is especially true during the conveyancing stage when the buyer's solicitor will request certain documents from you and your solicitor.

3. Inform your lender & other key stakeholders of your intention to sell

Notifying your mortgage lender that you are intending to sell your interest will enable them to prepare any documentation required to discharge you from the mortgage you hold.

Whilst it is not essential to notify straight away, this can give you plenty of **time to prepare**, especially if you find a buyer who will move quickly.

If your property is currently let to a tenant, informing them you intend to sell will ensure they fully understand and can cooperate in terms of allowing buyers to view the property, especially if you intend to sell as an investment opportunity with the tenant remaining in situ at point of sale.

4. Ensure any remedial works are completed as soon as possible

A situation may arise prior to marketing that could impact on selling your property at the desired price and within the desired timeframe.

It is important to address these issues and conduct repairs if required before marketing details are prepared and buyers are shown around. Your agent will provide guidance and advice if he/she feels it will negatively impact a potential sale or see a reduction in price.

Ultimately keeping on top of any defects early can **save any delays** later on in the sales process or worse case the buyer pulling out of the deal altogether.

5. Be open to offers even if they may at first be considered offensive

When selling a commercial property, it is important to **have an open mind** when it comes to aspirations on price versus what you may realistically receive in the current marketplace.

Commercial property unlike residential has more criteria to meet especially if the buyer is intending to use the property for their own business and therefore lower offers can often be the case.

Some buyers will be taking a chance assuming you are desperate to sell however those who are wanting your property will be prepared to negotiate so **don't simply rule out an offer** because it is too low and may have been considered an insult.

Ready to sell?

Whilst the above tips are not the deciding factor whether your commercial property sells or not, it's good to keep on top of things and more importantly being prepared so that you are ready to move quickly once a buyer is found and an offer is accepted.

At **Barker Property Consultants** we offer our clients extensive guidance and advice throughout the entire process when it comes to selling their property.

If you would like to find out more about how we can help you, please [contact our team](#) for a free consultation.

Part 2: Buying commercial property

Buying a commercial property can be relatively straightforward once you have agreed on a figure with the seller. When it comes to owning commercial property, you are typically either a **property investor** or a **business owner**.

Property investors

An investor is someone who is buying possibly their first opportunity or adding to an existing portfolio with the sole purpose to **generate an income** flow and/or **increase capital value** upon the asset.

Business owners

A business owner is buying for the purpose of **relocating or expanding their business operation** and is owning the asset rather than leasing from a landlord.

Whichever of the above categories you are currently in, it's important to have a thorough understanding of the commercial property you intend to buy before making that all-important offer to the seller.

In this guide, you will find some of the most important points to consider from the perspectives of both a property investor and a business owner.

As a property investor...

Return on investment is arguably the most important aspect for any investor before making a purchase. However, the property itself and its location can equally be of importance and sometimes these can be overlooked by a keen investor when the yield appears very attractive and too good to miss out on!

When viewing a property for the first time, make sure to take time to look at the overall condition of the property by first viewing it from the outside as any defects noticed internally, can often trace its source from a defect externally.

If the general condition of the property requires attention, this could mean either the current landlord, tenant, or possibly both are not adhering to their current **repairing liabilities** as per the lease.

This could mean you are **inheriting future problems** yet to surface either from a management perspective to ensure the tenant is looking after your asset or having to deal with your own contractors to fix issues that you are obligated to do under the lease.

Your solicitor and/or agent can advise you further on the lease obligations upon both landlord and tenant should any concerns arise upon inspecting a property.

Property investors continued...

Researching the local area to which the property is situated is often a very important factor for any investor because you can develop a sense of how the local area is in comparison.

You can get a feel for how busy and vibrant the area is or whether there is a lot of vacant commercial properties in the locality and ultimately how this can impact the current or possible future tenant.

As an investor, doing initial research before placing an offer is vital to determine the **overall investment opportunity** and capital growth of the property you are interested in.



As a business owner...

Business owners understandably have different criteria compared to property investors and ultimately a decision is made upon whether the property **functions for their business** operations or not.

The size and condition of the property are key factors in the decision-making as well, but business owners need to also **forward plan** when it comes to buying a commercial asset.

Their business may change or adapt in say three, five, or even ten years' time, and therefore will the property they intend to buy be still fit for purpose? If not what plan or options are in place when these changes occur?

There's no clear certainty what will or won't happen in the future but it's important for business owners to take into consideration how the property will **serve their business** for the years ahead and what plans are to be put in place for when the property has served its purpose.

As with property investors, **researching the property's location** needs to be a key factor before purchasing both from a brand and positioning element of your business but also from a logistical perspective and how your customers will reach you.

If the location is ideal then as with many commercial properties, these can be modified and enhanced to suit your needs however be mindful some changes and alterations may **require planning permission**.

A planner, architect, or surveyor can provide further guidance on proposed works and whether planning permission will be required.

Ready to buy?

Whether you are buying a commercial property as an investor or business owner, it is important to forward plan and to know how the asset is to serve you in the years ahead either from an operational or income perspective.

Here at **Barker Property Consultants**, we can provide buyers with extensive advice and professional representation to ensure not only they are buying the right property for their requirements, but at the right price as well.

If you would like to find out more about how we can help you, please [contact our team](#) for a free consultation.

Part 3: Renting commercial property

When it comes to renting a property for your business, you can be faced with many challenges even before you get the keys and start trading.

Locating your business is one of the fundamental decisions but once you've found the right place to establish your business what happens next?

Your landlord will provide terms to you prior to entering a lease and conduct necessary checks upon you and your business before a decision is made.

This guide offers some essential advice to use as a guide before you finally sign on the dotted line...



1. Have all documentation ready in advance

Once you have viewed the property and you have expressed an interest in taking it, the landlord and their agent will need **proof of your current address and ID** as part of their anti-money laundering practices which is a legal requirement for estate agents to undertake.

They will also need assurances that you can comfortably afford to enter into a lease and therefore you may need to provide **proof of funds**.

If you intend to have a personal guarantor, he/she will need to provide documentation to confirm who they are and to confirm they can pay on your behalf should you or your business be unable to at a later stage.

2. Thoroughly read the Heads of Terms (HOTs) document

Believe it or not the number of tenants who do not **read the proposed terms** before entering a lease or even the lease itself before signing is staggeringly high!

HOTs provide the main details of the lease prior to the document being drafted by the landlord's solicitor.

Usually, HOTs contain both parties' details, length of lease, annual rent, and who is responsible for repairs and maintenance plus other details and any incentives agreed by both parties.

If you are unsure of anything contained in the HOTs document, make sure to ask your landlord or their agent to clarify however it is always recommended to appoint your own solicitor as you are entering into a legal contract after all.

You can **appoint your own agent** during the process who can advise on the lease terms to ensure they are fair and reasonable and more importantly not to catch you out at a later stage which could have significant financial implications upon you and your business.

3. Ensure certificates and other documents associated with the property are presented

Your landlord should provide you with valid in-date certificates such as electrical safety, gas, and/or boiler certificates and a copy of the building's insurance policy as you may be required to contribute to the landlord's building insurance.

Once you have signed and are given the keys, be sure to provide the landlord with meter reads for electric, gas, and water and **inform the utility providers** on the day you took occupation.

Businesses should have **public liability insurance** cover in place, however, it is wise to have contents insured as well because these are not covered on the landlord's building insurance policy although many tenants do believe this to be the case which is sadly untrue.

Make sure to also be provided with a fully signed **original copy of the lease** document and keep this safe should you ever need to refer to it during the lease term.

As a commercial tenant, **receiving the right advice** and guidance prior to entering a lease can ensure you do everything correctly and more importantly save you from financial headaches and disputes with your landlord during the lease term.

Ready to rent?

At **Barker Property Consultants**, we can provide tenants full representation throughout the process from sourcing the right property and accompanying tenants on viewings through to signing and completing the lease.

Our services do not stop there for our clients, we are with them throughout their business journey and throughout the lease term however long that may be.

We offer advice if tenants simply wish for us to review heads of terms or the lease itself prior to agreeing and signing with their landlords as simply put, nothing is completed until both parties have signed the lease documentation.

If you would like to find out more about how we can help you, please [contact our team](#) for a free consultation.

Part 4: Appointing an agent

When it comes to selling a commercial property, it's about establishing a solid relationship between yourself and your appointed agent.

Having **trust and confidence** is of course a key factor but it's equally important for your agent to fully know and understand your goals and motivations.

Disillusioned?

In some cases, you can become **frustrated or disillusioned** with their agent... perhaps they have promised a quick purchase or may have overvalued a sale property in order to get your property on their books.

Some are led to believe their agent simply does little or no work at all and are just sitting back until the phone rings! In these circumstances, the relationship breaks down and the trust you once had is lost.

There's a better way

It's not all doom and gloom of course as the right agent can achieve you a positive outcome that can be **beyond your initial expectations**.

This guide has hopefully shed light on some of the most important things you can do to ensure your commercial property dealings run as smoothly as possible without issues occurring along the way.

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We are a multi-discipline practice providing commercial property sales and lettings throughout Hull, East Yorkshire, and North East Lincolnshire.

Our services include property management on all asset types including residential and we offer strategic lease advisory services including rent reviews and lease renewals.

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