

Property Condition Assessment **Services**

Ownership of commercial property requires a continually evolving plan with regard to maintenance, repairs, and long-term capital planning. VERTEX has extensive experience with the evaluation of commercial property, and we understand how real property condition impacts the business of our Clients.

VERTEX utilizes the latest iteration of ASTM’s Baseline Property Condition Assessment (PCA) Process (E2018) as a basis for our evaluations. PCAs completed under ASTM standards provide estimates of probable costs for changes or repairs that require immediate attention. The PCA also provides opinions concerning probable costs to remedy physical deficiencies that need to be made in the near future, usually within the first year or two. Our estimated renovation costs are based on current market rates, enabling stakeholders to project reasonable budget figures when considering property values.

VERTEX’s PCA reports exceed the requirements outlined by ASTM, and take the cost estimating and long-range budget forecasting a step further by including an additional Capital Needs estimate for longer term evaluations.

• **During a typical PCA, VERTEX performs the following services:**

- Conducts interviews with current ownership, site personnel and maintenance contractors.
- Reviews construction plans, records of capital expenditures and historical repairs, budgets for improvements and other relevant documents.
- Contacts municipal authorities to determine if any open violations or unresolved safety issues are on file at the building, zoning or fire departments.
- Performs order-of-magnitude cost estimating for identified deficiencies and long-term capital projections.
- Authors a concise, easy to understand report detailing the issues most relevant to the property transaction

• **A typical assessment will include a visual review of the following features:**

- Site improvements, landscaping, pavements, drainage
- Exterior walls, windows, doors
- Structural components, connections, support materials
- Roof coverings, flashing, drainage, skylights
- Utility service, sewer, water, gas, electric
- HVAC, heating, cooling, ventilation, controls
- Electrical, transformers, switchgear, distribution, lighting
- Plumbing, drainage, wastewater and domestic water
- Fire protection sprinklers, standpipes, alarms
- Elevators, escalators and lift equipment



SERVICE AREA
ENVIRONMENTAL





What makes VERTEX different

National Presence VERTEX offers PCA services to our diverse client base through our network of national offices staffed with engineers, architects, and senior construction professionals. Our staff members have areas of specialized expertise, coupled with a broad-based and general knowledge of how buildings work, how materials age and how various system components need to be maintained.

Understanding Your Business Our Professionals have been involved with purchase, disposition, lease evaluation and development of prioritized expenditures for all types of property in all kinds of locations. Working closely with real estate professionals has allowed VERTEX to understand the pitfalls of building management and assist owners in reducing liability and expense by identifying and prioritizing repairs, replacements and capital expenditures. Our Senior Account managers understand the businesses that our clients are in. In fact, many VERTEX senior personnel have worked in commercial real estate, lending or other related professions at one point in their careers. We understand the need for clear, concise reports delivered in a timely manner.

Cross-Training We also have a network of professionals cross-trained for evaluation of both physical condition of a property and its environmental liabilities. Leveraging this employee base, we can respond quickly, efficiently and consistently to large groups of properties and can provide significant economy to our clients by performing Phase I ESA and PCA site visits with the same assessor. This leads to more consistent reporting, less coordination with building managers, and less disruption to tenants.

Construction & Estimating

VERTEX has in-house teams with extensive construction management and estimating experience. We have a nationwide staff of experts versed in the determination of causation and forensic analysis for all types of building-related issues. As a result, our teams not only provide real solutions to various issues but also provide owner's representation services to ensure that repairs and renovations are performed correctly, on-time and on-budget.



Enhanced and Optional Services | We understand that no one assessment protocol fits every Client's needs; therefore, we also offer optional services that can be added to most of our PCA scope of services.

ADA Compliance Reviews VERTEX professionals can conduct various levels of review to evaluate building compliance with Americans with Disabilities Act (ADA) and Fair Housing Act (FHA) requirements. Surveys are tailored to Client needs and range from visual reviews to detailed compliance audits. Our assessors conduct field visits, take measurements, and determine compliance for areas of general accessibility, including:

- Parking/signage
- Exterior routes
- Interior path of travel
- Elevators/lifts
- Restrooms
- Hospitality guestrooms

Energy Audits and Conservation Assessments In conjunction with the PCA field visit, VERTEX often performs an enhanced walkthrough of the facility to visually observe materials, systems and building components for potential energy saving opportunities. Observed items include lighting, motors, major pumps, energy management systems and hot water equipment. We also evaluate building envelope and roofing systems for potential energy saving opportunities.

We consider the site potential for sustainable energy enhancements such as solar installations, geo-thermal systems, wind turbines or combined heat and power.

We couple gathered information with past utility usage data to determine appropriate energy conservation measures and format them into an easy to understand report of "next steps." Research of available incentives and sponsored rebate programs is performed for each recommended measure. Our diverse in-house professional network allows us to provide turn-key solutions to many of the conservation measures we discover during a site-specific audit.

ENERGY STAR Certifications VERTEX energy efficiency experts have extensive experience benchmarking and certifying buildings of all types within the ENERGY STAR program. VERTEX's competitively priced service includes a visit to the building to observe general building operations and systems, development of a building profile within ENERGY STAR Portfolio Manager, utility consumption data review and entry, and filing for certification for buildings with a score of 75 or higher. VERTEX also has in-house staff with the knowledge to identify low and no cost energy conservation measures for building improvement to accelerate achieving certification and realizing real utility cost savings.

Building Measurements VERTEX performs building measurements in accordance with the Building Owners and Managers Association (BOMA) guidelines. By comparing calculated area measurements to reported values, we offer the ability to confirm that rental space areas and overall square footage, so that area-based charges (utilities, rent, CAM) are accurately reflected. This service is commonly performed during our PCA site visit, providing an efficient way to obtain additional information from a single mobilization.

Probable Maximum Loss (PML) Studies Where appropriate, a Probable Maximum Loss (PML) evaluation can also be conducted that provides an estimate of loss due to an earthquake expressed as a percent of the replacement cost of the building. A PML study will identify building elements that contribute to a building's potential risk. It will also show how modifying, mitigating or removing such elements can reduce that risk. Information included in PML investigation reports is becoming increasingly important for building owners, developers, lending agencies and insurance companies in light of today's heightened awareness of earthquake-related damage and loss. VERTEX performs PML investigations with experienced, in-house structural engineers.

Scope of PCA Services

VERTEX understands the budgetary constraints relating to various property transactions, as well as aggressive evaluation schedules/ deadlines.

Our scope of PCA services can be provided with varying levels of effort and expertise, and we can help to design an evaluation program to meet specific Client needs and concerns. We have developed tiered levels of service to better define our efforts at the proposal stage, rather than at the time of the report. These levels of service include the following:

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Level I PCA: An individual engineer or other qualified professional with general experience in the evaluation of all building components typically conducts the field effort in a visual assessment that exceeds the requirements of ASTM E2018.
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Level II PCA: This assessment includes the Level I PCA with specific items of concern investigated in more detail by one or more specialist in the respective fields (mechanical engineer, roofing consultant, etc.).
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Level III PCA: This assessment includes the Level I PCA with specific items of concern investigated in more detail by a team of specialists, including specialty subcontractors where warranted, and including operation and testing of individual systems or components where warranted and approved. These more detailed assessments may include evaluation and test data, sampling or operation of equipment.
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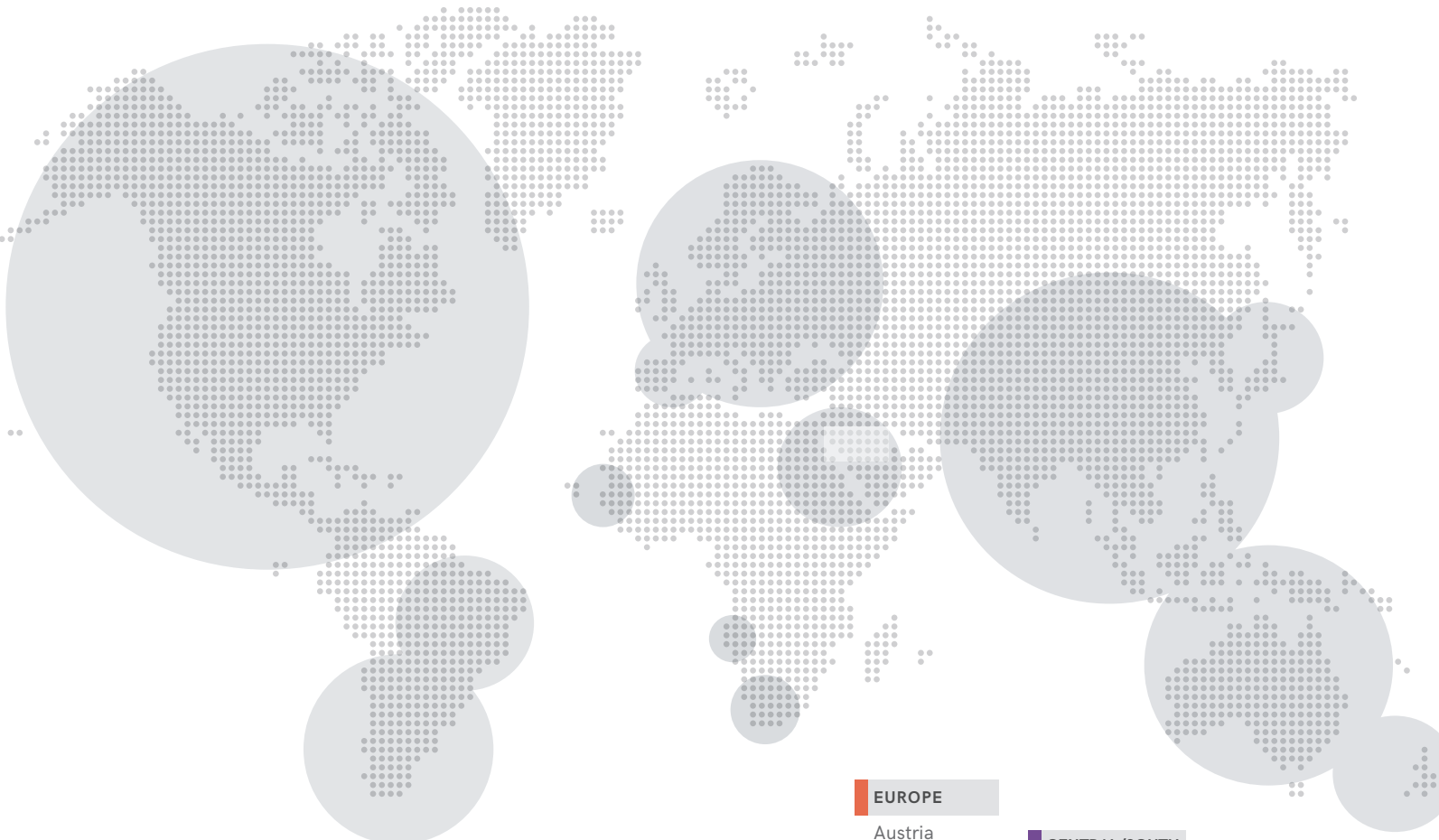
VERTEX Experience

VERTEX has performed PCA services on thousands of buildings over the past several years. The following list represents only a sampling of our recent experience:

- 75-Site Portfolio Acquisition, United States
- 54-Site Restaurant Portfolio Acquisition, United States
- 3-Site Industrial Building Acquisition, Charlotte, NC
- 12-Site Industrial Portfolio Acquisition, Tampa, FL
- 4-Site Mid-Rise Office Acquisition - Dallas, TX



Our international network of resources enables us to provide our multi-national clients with the most qualified local professionals who understand the culture, language, and regulatory system. Across the globe, VERTEX maintains the high quality service that our customers expect.



NETWORK & OFFICE LOCATIONS WORLDWIDE

* Office Locations

NORTH AMERICA

UNITED STATES

Arizona*
California*
Colorado*
Connecticut*
Florida*
Georgia*
Hawaii*
Illinois*
Kansas*
Massachusetts*
Michigan*
Missouri*
New Jersey*
New York*
North Carolina*
Pennsylvania*
Texas*
Washington*
Washington, D.C.*

CANADA

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Alberta
Saskatchewan
Manitoba
Ontario*
Quebec
New Brunswick
Nova Scotia
PEI

MEXICO

Juárez*
Mexico City*
Monterrey*

CARIBBEAN

All Islands

EUROPE

Austria
Belgium
Bulgaria
Czech and Slovak Republics
Denmark
Estonia
Finland
France
Germany
Greece
Hungary
Ireland
Italy
Latvia
Lithuania
Netherlands
Norway
Poland
Portugal
Romania
Russia
Spain
Switzerland
Turkey
UK

CENTRAL/SOUTH AMERICA

Argentina
Brazil
Chile
Costa Rica
Equador
Guatemala
Panama
Peru

MIDDLE EAST

Bahrain
Israel
Kuwait
Oman
Qatar
Saudi Arabia
United Arab Emirates

ASIA PACIFIC

Australia
China
India
Japan
New Zealand
Philippines
Singapore
Taiwan
Thailand
South Korea
Vietnam
Laos

AFRICA

Egypt
South Africa



The Vertex Companies, Inc., 400 Libbey Parkway, Weymouth, MA 02189 | For All Inquiries call (888) 298-5162 | vertexeng.com

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