

# DUE DILIGENCE

## OVERVIEW

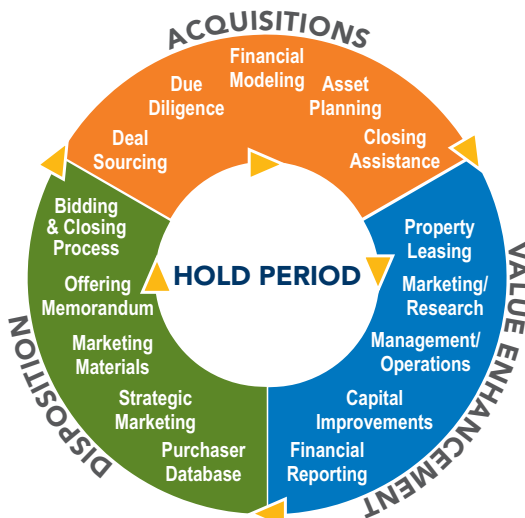
Asset due diligence identifies key areas of operations in which our clients can seek to add quantifiable value to a property. Our seasoned due diligence team and solid track record of accurately assessing a project's operational condition and financial and market positions are the reasons why our clients rarely consider acquiring a project without our insight. Using the highest industry standards and market-leading tools, we evaluate the property's performance while the client remains focused on closing the transaction and investigating other investment opportunities.

- Our senior Property Management and Engineering leadership have more than 145 combined years of due diligence service and expertise.
- Over the last three years, Transwestern professionals performed due diligence surveys for approximately 70 buildings valued at more than \$2.5 billion.

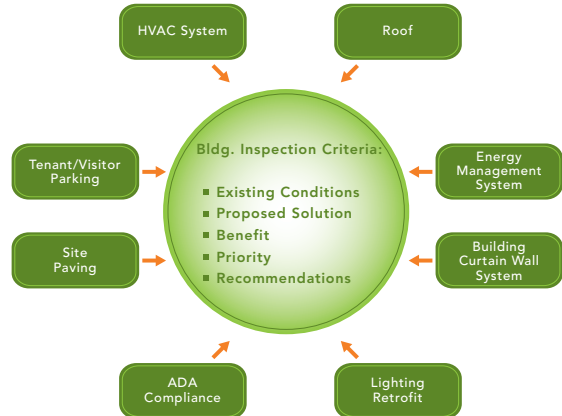
## CAPABILITIES

- Engineering audits
- Energy audits
- LEED® audits
- Property condition assessments
- Five- and Ten-year capital projections
- Financial modeling

## ASSET OWNERSHIP CYCLE



## PROPERTY CONDITION ASSESSMENT



Property Condition Assessments (PCAs) offer a detailed technical assessment of a project, including structural, mechanical, electrical and building operating efficiencies. PCAs are designed to identify potential problems, estimate the cost of repair or replacement, detail the anticipated remaining life of major components and investigate the potential for reducing operating costs through energy conservation and effective maintenance management. Transwestern's senior engineering and property management teams perform in-depth, hands-on property inspections to produce the PCA that can include the following:

- Conduct property walk-throughs, noting condition of mechanical systems, roofs, grounds, parking facilities, the building envelope and surrounding areas
- Review code and zoning compliance inquiries
- Review preventive-maintenance and property-maintenance operations
- Survey parking for accurate space count
- Walk through all vacancies and provide an estimate of required tenant improvement dollars
- Interview major tenants regarding opinion of building and intentions
- Interview on-site personnel and provide staffing recommendations
- Review warranties, permits and easements





## CONSULTANT COORDINATION

Transwestern maintains an extensive database of third-party inspectors, including architectural, environmental (for phase 1 and 2, if required), ADA, MEP, civil and structural engineers. Our experience and relationships allow us to quickly assemble the best team for each asset. In addition to managing and overseeing consultants, Transwestern will solicit, negotiate contracts (on behalf of buyer) and coordinate all disciplines. We review all third-party billing prior to payment and can provide capital budget information addressing the issues identified by the consultants. Consultation Coordination is one more way Transwestern simplifies the acquisition process for our clients.

## WHAT OUR CLIENTS ARE SAYING

“Transwestern made our recent acquisition process very easy. They brought in experts from multiple service lines, creating an interdisciplinary team that seamlessly interfaced with Equastone’s professionals. Their due diligence team left no stone unturned, addressing all aspects of the acquisition. This resulted in one of the smoothest transitions we’ve been through.”

Clint Harrington  
*Formerly Executive Vice President*  
EQUASTONE

“Transwestern’s responsiveness and proactive due diligence approach have allowed us to remove physical contingencies on many offers and thereby gain an advantage in acquiring quality real estate for our investors.”

Dan Dubrowski  
*Partner*  
THE LIONSTONE GROUP

“Transwestern and their team of due diligence experts audit every asset we explore bringing into our portfolio. Their thorough investigation and ceaseless commitment to detail make them an instrumental part of our team.”

Ronald Miles  
*Managing Director*  
TRANSWESTERN INVESTMENT COMPANY

## THE TRANSWESTERN DIFFERENCE

Transwestern leverages a national network of architects and engineers to provide accurate and comprehensive evaluations of the specific property and components under study.

Our track record, combined with our research arm, Delta Associates, and a staff populated by CPAs, attorneys, CCIMs, RPAs, PEs, FMAs, CPMs and other professionals, allows Transwestern to provide the expertise needed for the various aspects of due diligence.

Our unique leadership and select consultant teaming approach result in the delivery of compelling information, which allows our clients to maximize asset value and advance their position in the capital markets.

