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Technical Due Diligence



I ____ We create the basis for your real estate decisions

The value of real estate is determined not only by market criteria such as location, infrastructure, access to transportation and economic environment: the overall technical and structural condition of the building is of decisive importance.

In addition to legal, fiscal and financial analyses, ALBA takes care of the Technical Due Diligence. Our analysts base this on the requirements profile of the client and on the relevant real estate constraints and conditions.

As a result of the increasing complexity of properties and the growing demand for variability, a number of key criteria have to be factored in, including state of the building, structural engineering, building services, functionality, flexibility, operating costs, safety and security requirements.



An expert assessment of the structural condition of the building is of paramount importance, especially in the case of older properties. In this connection, careful attention has to be paid to such factors as hazardous substances, preservation orders, and compliance with fire protection and other safety directives as well as with the requirements contained in workplace safety guidelines and the most recent DIN regulations.

Accordingly, owners, investors, buyers, sellers, prospective tenants and the financial institutions require information on the following:

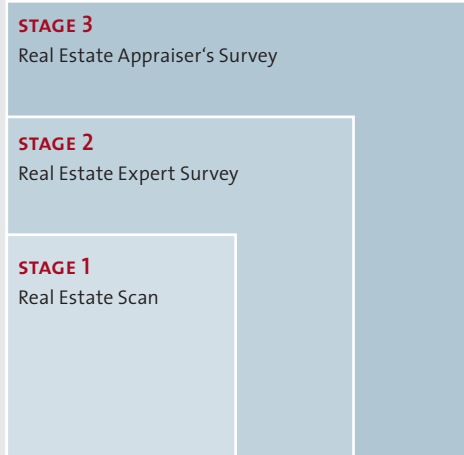
- Condition of the real estate
- Maintenance and repair
- Operating costs and possible reconstruction
- Risks and obstacles
- Space efficiency and ways of improving it
- Conservation of value and ways of enhancing value

Painstaking analysis

In connection with the Technical Due Diligence, ALBA offers a range of services, each of which has a different focus:

- The ALBA **Real Estate Scan** provides a speedy initial assessment of your property, on the basis of which you can decide your next course of action.
- The ALBA **Real Estate Expert Survey** supplies information on the condition of your complete property, including the technical systems and facilities, and assesses the measures required to rectify any defects which have been identified.
- The ALBA **Real Estate Appraiser's Survey** additionally provides information on detailed questions, analysis of special aspects, benchmarking, and calculations of investment requirements and operating costs. On request, ALBA will also draw up long-term concepts for the improvement or development of the property in question.

The three stages in the Technical Due Diligence can be ordered either individually or as "building blocks".



| Our standard services

Working closely together with the client, ALBA defines a scope of tailor-made services for the technical due diligence on the basis of the various components of the service portfolio which is described in the following. Alternatively, ALBA will of course be pleased to proceed on the basis of the clients own service requirements.

Stage 1 – Real Estate Scan

- Inspection of documentation about the property
- Inspection of the main areas of the property
- Description of the building; structural assessment; photographic documentation
- Presentation and appraisal of the location factors
- Assessment of the property's potential
- Pointing out evident risks
- Pointing out identifiable and probable renovation requirements
- Final report

Stage 2 – Real Estate Expert Survey

- Verifying and evaluating the relevant planning (and other) documentation
- Verifying the building law requirements
- Analysis of the location
- Inspection of the entire property
- Structural assessment of the building
- Assessment of the condition of the technical systems and facilities
- Pointing out significant defects and indicating how these can be remedied
- Description of the fire protection facilities
- Estimating the costs of rectifying defects
- Assessing the structure of the property (room heights/lengths, entrance widths, center-to-center grids, etc.)
- Analysis of the space efficiency

- Initial estimate of operating costs
- Information on the need for an assessment of possible site contamination
- Detailed final report (with photographic documentation)
- Evaluation of traffic intensity (optional)

Stage 3 – Real Estate Appraiser's Survey

- Compilation of missing property documentation (if necessary)
- Analysis of the location / clarification of individual questions
- Detailed description and analysis of the property
- Close inspection of selected critical areas
- Detailed stocktaking of the technical systems and facilities
- Determining the investment history and lifetime of the property
- Investigating possible investment delay
- Investment plan / recommended measures for maintaining the value of the property
- Expert opinion on fire protection (if necessary)
- Indicating project development options
- Recommendations for improving the property structure
- Calculating areas and volumes of building in compliance with DIN 277
- Calculation of floorspace for rental in compliance with GIF
- Analysis of operating costs
- Assessment of the facility management
- Benchmarking (operating costs and facility management, lifecycle management)
- Assessment of possible site contamination (if necessary)
- Detailed final report (with photographic documentation)
- Recommendation on further course of action
- Evaluation of traffic intensity (optional)
- Energy performance certificate

Our experience

Since 1979 ALBA has successfully handled projects with a total volume of more than Euro 10 billion. Since 2010 ALBA is a part of the Strauss Group, Vienna.

The expertise which ALBA has acquired in the course of more than 600 projects of different sizes and complexity over more than 30 years forms the basis for the outstanding project management services it provides to clients in both public and private sectors.

The success of these projects is a result of the skills, qualifications, dependability, and motivation of ALBA's employees. Personal commitment and experience ensure that all the risks and unforeseeable circumstances which occur in the course during any project are kept to an absolute minimum.

With experienced engineers ALBA is represented in all major centers of business and industry in Germany and offers the complete scope of construction and real estate expertise.

ALBA's reference list includes construction, renovation and refurbishment projects as well as work on listed buildings:

- Office buildings
- Housing projects
- Hotels / theaters
- Old people's homes / hospitals
- Schools
- Sports facilities
- Shopping centers
- Embassies
- Airports
- Logistics centers

ALBA services

Project Management

- Projekt Development
- Project Controlling
- Project Monitoring

Real Estate Services

- Consulting, Structures, Concepts
- Technical Due Diligence
- Warranty Management
- Real Estate Asset Management
- Green Building Consulting
Energy Consulting

Project Development

ALBA facilitates the acquisition of building rights by arranging for land-use and building plans to be produced, draws up structural concepts for urban development and assesses usage and redevelopment concepts. ALBA examines the feasibility of projects by way of investment cost, profitability and ROI calculations. It oversees architectural competitions and planning approval procedures from the call for bids through to the final decision-making.

Project Controlling

With these services, ALBA supports clients and investors in taking over their specific functions and pursue their interests in connection with the implementation of the project. The primary focus during planning, tender, awarding of the contracts, and realisation lays on the controlling of organisation/coordination, costs, deadlines, and qualities.

Project Monitoring

The project monitoring performed by ALBA supports creditors and tenants from the planning phase to the completion of the project. By intervening instantly in case of unwanted developments, ALBA ensures compliance with the budgets, deadlines, and quality standards that have been set.

Consulting, Structures, Concepts

ALBA advises clients, financial institutions, corporations, local authorities and tenants on all matters relating to real estate. In public-private partnerships (PPPs), ALBA takes care of the suitability test for PPP models.

ALBA also designs and allocates facility management services and sets up structures of organisation and realisation for developers (e.g. design and construction management models, general contracting).

Technical Due Diligence

In addition to legal, fiscal and financial property assessments, ALBA also carries out the technical due diligence. ALBA experts conduct a thorough real estate analysis which is based on the client's requirements profile. Three levels of detail are offered: the real estate scan, the real estate expert survey, and the real estate appraiser's survey.

Warranty Management

ALBA warranty management ensures that the client's contractual requirements are met in full once the project has been completed. ALBA takes care of the entire management process, beginning with identifying the defects – ensuring that the notices of defects are accurately formulated – to accepting and confirming the rectification of the defects. If necessary, ALBA arranges for "third party substitution" measures to be carried out.

Real Estate Asset Management

ALBA asset management comprises all the functions involved in the successful development of real estate – across the entire property value chain: evaluation of the location, market and building analyses during the purchasing phase, assessments of cost effectiveness, monitoring of property management and reporting during the facility management phase, as well as consulting and preparation during the sale's process.

Green Building Consulting Energy Consulting / Energy Performance Certificate

At this ALBA provides services concerning all issues of sustainability. ALBA supports clients and investors on their way to a sustainable building and supervises the implementation of economical, ecological and social-cultural qualities during the design and construction phase. ALBA assesses existing as well as new buildings according to their compliance with the requirements of sustainability and manages the certification process. Of course ALBA issues an energy performance certificate for your building.

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