



EBI Consulting

environmental | engineering | due diligence

Steps to a Smoother Commercial Real Estate Due Diligence Process

Advice from Darcey Hott, Operations Manager, Real Estate Services

About EBI Consulting

EBI Consulting provides environmental risk and compliance management, due diligence, energy use reduction and management, and engineering services to organizations seeking to improve operations, lower costs, manage risk and exceed stakeholder expectations. Combining broad technical expertise with deep industry knowledge and a business perspective based on more than 25 years of experience serving clients, EBI solves challenging problems with a focus on creating business value.

Our Real Estate Services

- Phase I Environmental Site Assessments
 - Phase II Site Investigation
 - Property Condition Assessments
 - Equity Services
 - HUD Services
 - Site Investigation & Remediation Services
 - Seismic Risk Analysis (PML)
 - Structural Engineering
 - Site Civil Engineering
 - Construction Consulting
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The Due Diligence Process

We understand that some of our commercial real estate clients view due diligence consulting services as unavoidable, a means to an end. To others, our services encompass a much needed, critical step in understanding risk related to a real estate transaction. Some of our clients work on rapid turnaround times, while others have more time to make their decisions. One thing that everyone can agree on, is that reducing delays and surprises in the due diligence process would be welcomed wholeheartedly.

Through our experience, we've learned that some of the obstacles we encounter have the potential to derail a deal. The good news is that many of these situations are avoidable and can be addressed up front in the process. To help make the next transaction a bit easier for you, we have collected a few quick industry tips to make your next due diligence experience a breeze.

Consider the following questions when issuing a request for proposal

Question	Answer
What is the nature of the transaction? Is this an acquisition, disposition, refinance, etc.?	<i>Knowing the nature of the transaction and the role you play in it will help ensure your team will receive an appropriate type and level of assessment capturing all relevant requirements.</i>
Do you or your lender require a scope of work beyond the ASTM, industry standard?	<i>This will help ensure that any relevant scope of work items, such as asbestos sampling or percentage of access requirements are followed. Identifying and planning for these nuances ahead of time will save time and money by preventing the need for a site revisit.</i>
Will anyone else need to rely on the reports? Do you have a short list of lenders or potential buyers?	<i>By having an understanding of the answers to these questions, it will help ensure appropriate contractual language is drawn.</i>
Do you have a basic property description including:	<p style="text-align: center;"> <i>Site Address, City, State Type of Property Size (square feet or # of units, beds, tenants, etc.) Number of buildings Year built Multiple parcels and are they adjacent Known concerns</i> </p>
How quickly do you need reports?	<i>Standard timing is 10-15 business days from contract execution. If you need it faster, let us know when you're ready to award the work and we'll work to accommodate your timing.</i>
Who will escort us during our site visit?	<i>Lack of proper point of contact information is the number one cause of timeline derailment. Ascertaining the appropriate site contact up front and providing us with their name, phone number, and email address makes for a far smoother process of confirming site access.</i>

By keeping these tips as a handy RFP checklist, new projects will result in fewer avoidable mishaps throughout the real estate due diligence lifecycle. If you have more questions or concerns about the Due Diligence process, please contact us at info@ebiconsulting.com or contact Darcey Hott, Operations Manager, Real Estate (RE) Services at dhott@ebiconsulting.com.

