

SERVICES

- Expanded Equity-Level Property Condition Assessment and Report
- Seller Disclosure Property Condition Assessment and Report
- Structural Condition Assessment and Report
- Seismic Risk Assessment and Report
- ADA Compliance Audits
- Parking Garage Assessment and Report
- Forensic Analysis and Remedial Design
- Roof Replacement Design
- Facade Advising, Design and Construction Oversight
- BOMA Area Measurements

Service Overview

When performing due diligence prior to acquisition, Nova is aware that buyers' risk tolerance may vary. Its Equity Markets Group provides expanded due diligence services beyond that provided by the ASTM's baseline standard. Within the Equity Markets Group, clients will have access to experienced architects, engineers, certified roof and building envelope professionals, and construction specialists who can provide expanded assessments of building structure, enclosure systems, internal operating, and life safety systems. Nova can assemble an assessment team to meet client expectations and to provide property information sufficient to better understand acquisition risk. Nova reports are well documented with photographs and include Opinions of Probable Costs to remedy the physical deficiencies observed and to aid in assignment of capital allocations during ownership.

Experience

The experienced professionals within Nova's Equity Markets Group operate with the mindset that meeting client expectations first requires an understanding of the expanded assessments that are most appropriate. Please contact the Equity Markets Group to tailor the most appropriate due diligence plan that will help you better assess your risk in pursuit of real equity assets.

CONTACT US



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CASE STUDY

Summary

Nova's Capital Markets Group was commissioned to provide PCAs on a portfolio of high-rise office and multifamily properties for a major life insurance company. Included within the mix of assets was the McGuire Apartments, a \$32MM, 25-story, mixed-use development constructed in 2001, within the Belltown neighborhood of downtown Seattle.

Highlights

Preliminary research conducted by Nova called for multiple investigations into alleged construction defects, including premature corrosion of slab tendons, spalled concrete floor slabs, and irregularities with the placement of steel within the floor slabs. Nova immediately advised the client of these past construction issues.

The lender, upon review of Nova's findings, delayed funding the loan application until a scope and cost for the mitigation of defects could be determined. In March 2010, the borrower's engineer determined that the cost to mitigate (as high as \$80MM) exceeded the cost of construction. Residents and tenants were asked to move from the building, and in April of 2011, the McGuire Apartments building was demolished, just ten years after construction.

By commissioning a Property Condition Assessment from Nova, the lender avoided funding a large loan secured by a high-rise asset that was demolished within two years of the proposed closing.

