



## PROPERTY CONDITION ASSESSMENTS AT MARX|OKUBO

# What is different and better about our approach?

At Marx|Okubo, we perform to a higher standard. Clients often want to understand how Marx|Okubo differs from firms that perform property condition assessments (PCAs) per baseline ASTM standards. Since there is not usually an apples-to-apples comparison, it's important for clients to be informed about what we will deliver—uniquely.



Provide more thorough evaluations using a team of Marx|Okubo employees.



Meet a higher standard and expectation.



Uncover more, go deeper.



Customize our evaluations to fit client needs.



Understand local/regional nuances and integrate for accuracy and efficiency.

Here is a summary of what differentiates Marx|Okubo's PCA work from other firms'. We:



## Provide more thorough evaluations using a team of Marx|Okubo employees.

One of our biggest distinctions is—we typically send an in-house team of experts to evaluate a property. Marx|Okubo's PCA teams typically include multiple full-time employees with education, training, and credentials in architecture and engineering who have years of experience working with each other. An experienced in-house team can more thoroughly evaluate a property—there are not only more eyes, but also our team members have diverse experience, more specialized expertise, time to focus on specific aspects of a property, and the capacity to provide a more comprehensive assessment of each system and the property as a whole.

***To compare:*** Other firms conducting PCAs may send one individual who may not be a licensed architect or engineer, could be a 1099 consultant with little to no familiarity with other members (if any) of the assessment team, and may be burdened with simultaneously conducting both a PCA and environmental assessment. This type of single generalist can neither be an expert in all components of a property nor have the time to evaluate all of them thoroughly in one site visit.

### ■ HOW DO WE KNOW WHEN IT'S BEST TO SEND A TEAM VS. ONE PERSON?

First, we talk with our clients about their needs and right-size the condition assessment approach accordingly. And yes, sometimes an evaluation can call for one person. We send more people only when the size and complexity of the project calls for additional expertise and a collaborative approach. In those cases, more skilled eyes lead to more insightful and meaningful findings which help our clients mitigate risks and maximize opportunities.



## Meet a higher standard and expectation.

Our more detailed PCA scopes are tailored to clients who have a vested interest in the long-term performance of an asset, and therefore their due diligence needs and expectations are higher. Our team of experts allows for a wider sampling of the property's components. As PCA work relies on representative sampling to help clients mitigate risks and maximize opportunities, the more that is sampled, the more accurate the assessment is likely to be.

***To compare:*** A baseline ASTM PCA is intended to meet a minimum standard (such as for lenders who do not have as significant of a stake in the property). We go to the extra effort to count and measure things when necessary to develop more accurate assessments, recommendations, and resulting costs. As an example, we typically review every major piece of HVAC equipment at a property, whereas a PCA performed to baseline ASTM standards may review a smaller sampling of equipment and then extrapolate the findings and recommendations based on the limited sample size.

### ■ HOW ELSE MIGHT THIS TRANSLATE?

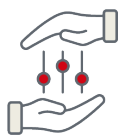
We include more. For example, when we prepare our cost tables, we typically include indirect/soft costs when making recommendations associated with more significant/major needs at the property, so our client can understand the total cost of these types of projects; a baseline ASTM PCA scope specifically excludes these costs.



## Uncover more, go deeper.

We don't take things at face value. We will move furniture or panels during a site visit and make extra effort to see and inquire about what is necessary to more fully evaluate a property whereas a baseline ASTM standard PCA specifically excludes moving or removing anything to get a better understanding. For example, when it's safe and appropriate for the scope, it is common practice for our MEP engineer to remove covers from major pieces of equipment to look at the internal components. Sometimes, it's not possible to fully evaluate these types of systems based solely on their exterior appearance. This is particularly true and critical for larger or complex building types and systems.

*To compare:* With our more diverse and experienced staff, we take the time to investigate and ask more questions to truly understand the conditions at the property in comparison to a single consultant performing a baseline ASTM standard PCA who is rushing to review everything they need to evaluate. If needed, we will spend more than one day at a property, conduct follow-up interviews, review documentation, and reach out to industry partners to truly understand the conditions and identify the risks for our client.



## Customize our evaluations to fit client needs.

We fine-tune our PCA scopes to meet our clients' needs. Baseline ASTM standard PCAs are often completed using standardized reporting templates and not tailored to a client's specific needs or timing. For example, if a client's goals are to purchase and redevelop a property, we will customize our evaluation and recommendations for that specific purpose and deliver the key information on a timeline that meets their sometimes-accelerated needs. We will identify costs for improvements/renovation of the property if requested by the client—whereas a more standard PCA specifically excludes any upgrades or enhancements to a property and only provides costs to maintain a property "as is."

*To compare:* Time is of the essence in a building transaction. With our collaborative, multidisciplinary approach, we can identify issues quickly vs. other PCA consultants who may need to recommend further study due to their more limited initial assessment of the property (which can cause delays and other issues in a property transaction). Due to the breadth of our experience and knowledge of a wide range of property types, we can provide opinions of cost sooner since we need to recommend further study less often—this keeps a property transaction moving. When needed, we also work with our clients to customize our reporting to meet their requirements and timelines, instead of delivering the same report to every client regardless of their situation.



## Understand local/regional nuances and integrate for accuracy and efficiency.

With experts in regional offices across the country, we have a more thorough understanding of local/regional variations in how things are built, how they perform, how they need to be maintained, and more. Because of this local insight, we can provide more detailed assessments because we know what we can anticipate in various climates and regions.

*To compare:* While Marx|Okubo has these local experts available across the country, firms that perform baseline ASTM standard PCAs may send a PCA site assessor all over the country, and that assessor will not have the local knowledge/expertise to more thoroughly evaluate the property.