

DECISION INTELLIGENCE

Construction Contract Reviews for Multi-Family Apartment Complexes

PROJECT DETAILS

EMG provided site evaluation, construction monitoring, and technical construction contract review services for the duration of our client's project for renovations and deferred capital maintenance items to bring 14 apartment complexes up to rentable standards.



Site Evaluation

EMG completed this task by evaluating the borrower-supplied budgets and either agreed with each line item value or made recommendations for changes to the line item values after viewing each apartment complex. EMG made recommendations for budget increases to complete deferred maintenance. EMG submitted our report to the client and then the borrower's total budget and/or scope of work was adjusted for each site, as required, for all parties to reach agreement.

Construction Monitoring Services

After completion of the program and budget review service, the client further retained EMG to provide construction monitoring services for the 14 apartment complexes. EMG saved the borrower substantial money in fees by completing the monthly report in house, utilizing our Technical Relationship Managers (TRM). When funding or site issues were in question, EMG provided on-site observation reports, including photographs from the borrower when possible, to the TRM for review. The TRM then combined all information into one monthly comprehensive report making funding recommendations to the client.

Technical Construction Contract Review

The client maintained the relationship with EMG to provide technical assistance during the construction process as the borrower issued separate construction contracts to installation contractors for all work. The client required EMG to review and approve all construction contracts to be issued by the borrower. EMG was required to complete the contract reviews within five business days of submittal as mandated by the client's contract with the borrower.

EMG's site evaluations confirmed the borrower's scope of work and an adequate budget was established for each apartment complex. Over a 13-month construction period, EMG's Construction monitoring reports provided the client with all the necessary information they required to fund draw requests. The borrower was so impressed with EMG's unique approach and cost saving measures for construction monitoring services that they recommended EMG to another lender for two other projects that they were borrowing funds for capital improvements.

MARKET SEGMENT
Affordable Housing

SERVICES PROVIDED
Site Evaluation
Construction Monitoring Services
Technical Construction Contract Review

BUILDING TYPE
Multifamily Housing
Apartment Complexes

DURATION
13 Months

PROJECT ELEMENTS
EMG Role: Prime
Renovation Cost: \$13,480,110.00
of buildings: 14
of units: 5,479