

Due Diligence Review Services

What we do

The Greatwood Management Company reviews Environmental Site Assessments, Property Condition Assessments and other Due Diligence Reports for a low fixed fee. We provide critical risk management for loans in process and for existing loans at a risk of foreclosure. Each loan is reviewed for the following:

- Compliance with relevant standards for innocent lender/owner/purchaser protection.
- Risk mitigation and reduction
- Overall lender protection.
- Follow up on all issues identified

Greatwood Management Company, LLC

- Reviewing thousands of due diligence reports since 1996 for compliance with ASTM standards.
- Professional Engineer reviews all reports.
- Experience in multi-sector markets
- National coverage- we have worked from coast to coast.

We provide

- Simple to read, well organized checklist and letter report for easy review by user.
- Extensive guidance provided regarding risk and possible carve outs.
- Review performed for a low fixed fee per loan.

Who Uses Our Services

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| <ul style="list-style-type: none">• Banks• Insurance Companies• Developers | <ul style="list-style-type: none">• Mortgage Companies• Purchasers• Owners/Operators |
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Review of Environmental Site Assessments

But Why?

- Compliance with Standards required for Innocent Lender Protection
- All aspects of the ASTM Standards must be met by the Assessment.
- Approximately 80% of the reports reviewed by Greatwood Management in 2007 did not comply with the Standards.

Common Errors

- Recognized Environmental Conditions overlooked
- Issues falsely identified resulting in an exaggerated perception of risk and inappropriate actions being undertaken
- Non-qualified data gaps which significantly impact the report's conclusions
- Inaccurate or missing findings, opinions, and/or conclusions

Why place your transaction at risk?

A comparison of the 1993 and 2005 versions of the ESA Standards shows more than a 25% increase in required elements and almost a 50% increase in "suggested" elements.

| Have Your Review Practices Kept Pace with the Requirements? | | | |
|---|------|------|----------------------|
| Terms | 1993 | 2005 | % increase 1993-2005 |
| "Shall" | 113 | 142 | 26% |
| "Should" | 47 | 69 | 47% |

Due to the increased rigidity of the ESA Standard a reliable and comprehensive review process is necessary. The viability of the Assessment is integral to sound financial decisions.

It is crucial for the financial institution to have a clear understanding of the information contained in assessment, the data gaps identified, as well as the reassurance that the conclusions and recommendations are appropriate.

Who Uses Our Services

- Banks
- Insurance Companies
- Developers
- Mortgage Companies
- Purchasers
- Owners/Operators

Review of Property Condition Assessment Services

But Why?

- A comprehensive review of a Property Condition Assessment is crucial to ensure the information is complete, unbiased and comprehensive.
- Financial collateral decisions based on incomplete, inaccurate assessments place the loan at risk.
- Missed or inaccurately reported issues could result in significantly greater financial risk over the term of the loan.
- All Property Condition Assessments should meet the ASTM International standard that defines “good commercial and customary practice”.

Common Errors

- Incomplete and inaccurate reserve estimates for immediate and future repairs.
- “Hidden” repair costs contributed to “Tenant Required” maintenance items.
- ADA and Life Safety Issues inadequately addressed.
- Real Estate with poor maintenance history can lead to occupancy issues.
- Improper identification of physical deficiencies which can adversely impact the present and future value of the property.

Review Services

- Comprehensive review of report to ensure compliance with recognized international standards.
- Outstanding issues reviewed with preparing consultant and addressed.
- Recommendations made in terms of financial reserves to cover immediate and future maintenance items.
- Results of review provided in a simple, easy to ready table format with summary cover letter.

Who Uses Our Services

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