



Choose certainty.  
Add value.

## Due diligence services

Make asset investments more predictable and reliable.

### Your challenges

Whether you are an investor, a financial institution or an owner of an asset, unidentified defects or risks in buildings and plants are a serious concern. Defects or damage can contribute to loss of rent and increased operating costs. Developers might not be familiar with standards and regulations concerning environmental protection, construction waste disposal, and occupational health and safety, all of which can influence the value of property. In the future, restrictive environmental laws, increasing energy costs and sustainability aspects may also affect the value of your asset investments.

### What is due diligence?

Due diligence is the process of evaluating the current state of a target company's assets prior to acquisition or an investment decision, for example in a buy-side or vendor due diligence. It is the standard and precautionary care that should be taken in order to make informed decisions before entering into a transaction or signing a contract.

### How can due diligence benefit your business?

Due diligence reviews will reduce the level of risk inherent in investments, planning and future use of real estate and industrial assets. Beyond enhancing your legal certainty and liability protection, carrying out due diligence is essential for achieving your business objectives and financial targets.

### How can we support you?

TÜV SÜD provides due diligence services that are beneficial in the areas of mergers and acquisitions, initial public offerings (IPOs), re-organisation and re-structuring, management buy-outs (MBOs), insolvencies as well as sale and leaseback transactions. Our worldwide reputation as an independent and impartial technical service provider ensures reliable and in-depth reports on which you can base your decisions. We provide integrated due diligence services that combine technical, environmental, sustainability and commercial due diligence. Our holistic approach can have a materially beneficial effect on the operation and value of your assets.



## Our due diligence service packages

### ■ **Technical due diligence (TDD)**

For TDD of real estate assets, our experts analyse the building structure, materials and technical systems to identify structural, technical, environmental and financial risks and opportunities. For TDD of industrial assets (plants and equipment), we determine the value and future viability of technical installations and equipment, and review the efficiency and competitiveness of plant technology and production processes. We use a holistic approach to check the plausibility of capital expenditure and operational expenditure assumptions, and identify possible needs for future investments and the development of operational costs. This provides a technical perspective for evaluating whether the business and financial targets of a transaction are realistic.

### ■ **Environmental due diligence (EDD)**

With our expertise in local and international environmental legislation, we perform integrated analysis of existing contaminations in soil or building materials, indoor pollutants, waste management and other environmental factors. We narrow down environmentally sensitive areas and estimate the potential financial risk.

### ■ **Sustainability due diligence (SDD)**

TÜV SÜD's experts look at the current state and potential risks of your assets to evaluate long-term sustainability value. SDD serves as an initial assessment in line with the guidelines in common sustainability rating systems (BREEAM, LEED). We investigate a building's potential sustainability score, advise on the most suitable system and recommend ways to improve its rating.

### ■ **Commercial due diligence (CDD)**

We cover commercial analyses and the assessment of location and market factors, taking into account legal requirements, and general and special lease agreements. CDD determines the competitive

landscape, right valuation, growth opportunities, potential risks and investments.

## Your business benefits

- **Ensure secure investments** – with realistic risk/benefit assessment for maximum predictability for investments, planning and use.
- **Achieve legal and planning certainty** – with TÜV SÜD's in-depth knowledge of legal regulations and early identification of weaknesses, which minimises risk of liabilities and expensive rework.
- **Benefit from integrated solutions** – with holistic and integrated valuations that consider technical, structural and environmental risks.
- **Strengthen your position in negotiations** – with objective, in-depth and unfiltered data.
- **Enjoy global and regional support** – with TÜV SÜD's high level of knowledge in most markets, backed up by professionals who can be contacted locally.

## Why choose TÜV SÜD?

A third-party technical service provider, TÜV SÜD has a strong reputation for independence and engineering excellence. Our specialists have interdisciplinary expertise in business, real estate and technical subjects, as well as familiarity with national and international standards and regulations. This ensures reliable reports for making informed investment decisions. Our long-standing involvement in the development of technical directives and standards ensures we are well acquainted with the latest measuring instruments, tools and techniques.

## Choose certainty. Add value.

TÜV SÜD is a premium quality, safety and sustainability solutions provider that specialises in testing, inspection, auditing, certification, training and knowledge services. Represented in over 800 locations worldwide, we hold accreditations in Europe, the Americas, the Middle East and Asia. By delivering objective solutions to our customers, we add tangible value to businesses, consumers and the environment.

### Related services

TÜV SÜD provides the following related services:

- Property valuation and advisory services
- Third-party inspections and mediation services
- Green building services