

Construction Oversight

Construction oversight is a critical element of a successful real estate project. Regardless of whether a investor is having a building constructed from the ground up, is remodeling an existing building or is requiring tenant finish improvements, there is a need for on-site owner representation and contractor quality assurance oversight to varying degrees in all construction projects.

Firms providing Construction oversight services provide a communication link between the project owner, the engineer/architect, the contractor and the financing agency. Through the on-site review provided by construction oversight firms project owners are assured of their projects compliance with design, permit conditions and funding agency requirements. From idea conception to grand opening, construction oversight helps bring a project to completion on time and on budget.

Construction oversight actually has two very distinct parts, pre-construction analysis and construction observation.

Pre-construction analysis evaluates the proposed budget, improvements and arrangements for construction. This includes document review for completeness, constructability, appropriateness, and adequacy of the construction control program. Also review is conducted of available design documents,

plans and specifications to assess whether they are sufficiently complete to construction the project.

Construction observation monitors the quality, cost, and rate of completion for the project as it is constructed. This includes a construction quality review through both on-site visits and the review of essential documentation to confirm that the general contractor is building the project in accordance with the construction documents, both as to completeness and to the quality of work and materials. Further, a construction budget review is performed on a monthly basis to assess that funds required are in line with percentages of work completed and that there are sufficient funds remaining in the budget to complete the project. Additionally, there is a monthly pay request review consisting of the recommendation or approval of the disbursement of funds. The following is a checklist of items to be performed on a monthly basis:

- Observe status of the project and provide written and photographic documentation;
- Review pay requests and retainage amounts;
- Assess the percentage of completion and calculate sufficiency of remaining budget;
- Assess that the percentage completed in the draw schedule is accurate;

- Recommend payment.

Lastly a project closeout is conducted when construction is completed to include a final punch-list and assembly of pertinent documents including warranties and instruction materials.

Construction oversight firms act as an agent for the owner, managing the owners interests and acting as an extension of the owner's staff. This frees the owner to focus on other business dynamics while the construction oversight firm orchestrates the details.

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Katchen Company has been "*Building Vale in Real Estate*" by providing Construction Oversight services to a select group of clients in the Greater Denver Metropolitan area for nearly 50 years.

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- Remodel

Construction Oversight

- New Construction
- Remodel

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