

Project Profile

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Project Background – Fire Damage Mitigation, Restoration & Reconstruction

Client(s): Sherman Residential Property Management

Month/Year, Project Type, Environment, Location & Proj. Mgr.: February 2011 – Fire & Water Damage – Multifamily Environment in Duluth, GA - Shawn Delgado, Senior Estimator & Senior Project Mgr., FCR

Client or Location Profile: Sherman Residential, a division of Benj. E. Sherman & Sons, Inc. (founded in 1922), is a third generation, family-owned, Chicago-based real estate firm focused on apartment ownership & management around the USA. Since 1990 Sherman Residential has acquired over 16,000 apartment units in 50 communities nationwide.

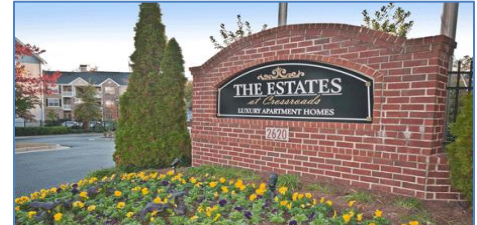
General Scope: Fire damage mitigation, emergency board-up, roof tarping, structural drying, dehumidification & contents management.

Total Project Cost: Total Reconstruction Pricing Unknown – Full Circle was utilized for Fire damage mitigation, structural drying, & dehumidification. Architectural & design, reconstruction & restoration services were not included in our scope. They were billed directly under a pre-existing national contract & therefore, we do not have this information. Since Sherman had a prior relationship for (re)construction services, FCR provided only those selective demolition services deemed as necessary.

FCR's Fees: \$84,248

FCR's Role: Emergency Mitigation, Selective Demolition, Smoke & Odor Removal, Dehumidification, Structural Drying, & Tenants' Contents Management.

Description & Origin: Mitigate immediate risks & hazards to the facility including water, smoke & fire damage, mitigate microbial growth, avoid costly & unnecessary code upgrades & restoration delays to the entire structure including undamaged units, maintain tenant occupancy, eliminate risk to tenants' contents & reduce business interruption & the pending Business Interruption insurance claim. Extraction & structural drying to reduce risk of microbial growth, employed fire watch/security & fencing to deter looting of tenants' content & the complex's appliances & eliminate attractive nuisance/ personal injury liability.



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Equipment/Protocol: Security Fencing, Security & Fire-watch personnel, Trailer-Mounted Generator, Truck-mount & portable extractor, DHs, Air filtration & movement.

Challenges/Obstacles: No client mgmt. with authority on-site for 2-weeks made communication & decision making difficult.

Results: The property did not lose any tenants. The property was left in a safe, dry, smoke-free soot-free condition for occupied spaces. The emergency lighting, generator power, & selective demolition enabled Sherman's assigned insurance adjuster(s) & FCR's plumbers, fire sprinkler, fire alarm, & electrical contractors to easily & safely access the building and more properly scope the systems needs and structural damage due to fire, water & smoke/soot.

True Value / Additional Value:

- **Significant Savings:** Avoided time consuming code enforcement and costly code upgrades – averted at 4:35pm Friday afternoon by our team chasing down 3-fire inspectors & interfacing with & gaining approval from the Fire Chief, City, & County building inspectors. This incredibly intricate process and the very tight deadline was met by FCR, who brought cost savings greater than \$125,000 & potentially \$280,000 minimum by providing solutions to keep power meters in place.
- Rapid response and expertise reduced tenant inconvenience & systems downtime while immediate protection against risks & hazards to tenants & their contents was ensured - FCR gained access to building shortly after 9:00AM. FCR reestablished systems functionality by 2:00PM for Fire Suppression & Fire Alarm, Electric, Water, & HVAC for 14 (of the original 28) tenant families who didn't require a move.
- Enabled relocation of the remaining 14 affected tenant families to vacant units in neighboring buildings in the complex to avoid loss of tenants to local competitive complexes.
- Avoided need for industrial hygienist and expensive clearance testing related expenses.
- Tarp roof to avoid further damage due to continuing heavy rains.



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| Saved Sherman Residential/Travelers approximately \$500,000 to \$900,000 in exposure: | |
| \$ 50,000 - \$ 84,000 | Relocation of Tenants - Lost rental income: \$10k - \$14k/mo. |
| \$125,000 - \$280,000 | Required code upgrades - power meters pulled: \$5k-\$10k/unit |
| \$280,000 - \$500,000 | Mold remediation due to moisture extent: \$20k-30k/unit |
| \$ 45,000 - \$ 60,000 | Hygienist/Lab (mold growth over 10+ 70°-days): \$3k-\$5k/unit |
| \$ Unknown | Theft & Attractive Nuisance Liability |
| \$500,000 - \$924,000 | Unrealized Risk / Aggregate Savings |



Key Contact:

Property Manager or Chief Engineer, Sherman Residential Property Mgmt., (404) 441-9193