



Case Study: Risk Prevention During a Retrofit

What can go wrong?

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A retrofit may involve tearing, replacing, or improving some part of your existing apartment building infrastructure. It often shows as a significant capital expenditure on your balance sheet. Your need for a retrofit project may be due to new legislation, building code compliance, natural wear and tear and obsolescence, or the changing needs of your tenant population.

As a significant financial investment and infrastructural change is often necessary in a retrofitting scenario, it is reasonable to expect that any project will present an increased risk to an organization, in areas such as:

Financial risk - will you actually see value in what you're paying for?

Physical risk - what could physically go wrong as a result of your undertaking, which may directly or indirectly result in injury or damage to persons or property?

Let's work with a hypothetical example to illustrate the risks we may encounter, and how we intend to manage those risks to protect our organization from loss.

Let's say that we own and manage a 120-unit apartment building that was built in 1967, that is now in need of new balcony railings due to deterioration caused by age and weathering.

