ARCHERS
Valuation & Advisory

Regulated by RICS

Independent Technical Due Diligence: A Risk-Based Approach for Investors, Banks, Lawyers and Asset Managers

FRC 2026 Briefing Paper 02

Exclusive Conference Edition

June 2026

NETWORKING PARTNER

4TH ANNUAL FINANCIAL RESTRUCTURING MENA CONFERENCE

www.archersmena.com

Table of Contents

01 Introduction

02 What is Independent Technical Due Diligence?

03 When is Technical Due Diligence Commonly Required?

04 Why Technical Due Diligence Matters in UAE Transactions and Restructuring Scenarios

05 What Does a TDD Review Typically Include?
Information Gaps and Documentation Risk

06 Regulatory and Compliance Considerations in Dubai and Abu Dhabi

07 Bill of Quantities Review and Cost Commentary

08 Why Independence Matters

09 How Archers Supports Technical Due Diligence as Part of Wider Risk Management

ARCHERS
Valuation & Advisory

Introduction

In complex real estate transactions, restructuring scenarios, operational takeovers and long-term lease commitments, commercial risk frequently extends beyond legal documentation and headline pricing.

Deferred maintenance, undocumented alterations, incomplete technical records, ageing MEP systems, latent defects and inherited fit-outs can all materially affect operational continuity, capital expenditure exposure and negotiation strategy.

Across Dubai and Abu Dhabi, investors, banks, private credit providers, lawyers, occupiers and asset managers are increasingly commissioning independent Technical Due Diligence ("TDD") reviews to better understand the physical condition, operational readiness and documentation status of real estate assets before committing capital or contractual obligations.

In the UAE market, where assets may have changed ownership multiple times, undergone phased fit-outs, experienced partial occupation or remained dormant for extended periods, technical due diligence has evolved into a broader risk management and decision-support exercise. This is no longer simply a building inspection. Properly structured TDD can help stakeholders identify information gaps, understand future liabilities, assess operational risks and make more informed commercial decisions.

Archers Valuation & Advisory has recently undertaken a number of similar independent due diligence engagements across Dubai and Abu Dhabi, including pre-acquisition due diligence, pre-lease technical reviews, asset transfer assessments and Bill of Quantities review assignments incorporating cost commentary and wider consultant coordination.



Kamraan Khan

Kamraan Khan (MRICS, FCMI, BSc Building Surveying)
Partner & Built Environment Lead
Archers Valuation & Advisory



What is Independent Technical Due Diligence?

Independent Technical Due Diligence is a structured review of a property's physical condition, principal building systems, technical documentation and operational considerations. The purpose is to provide stakeholders with an independent overview of asset-related risks and technical matters that may influence commercial decision-making.

Unlike detailed design verification, statutory certification or contractor-led inspections, TDD is generally focused on identifying matters with operational, financial or commercial relevance. This may include observable defects, deferred maintenance, incomplete documentation, apparent inconsistencies between drawings and site conditions, reinstatement exposure, recommissioning requirements or broader asset management considerations.

The scope of a Technical Due Diligence engagement will vary depending on the asset type, transaction structure and client objectives. In many cases, TDD forms part of a wider due diligence process alongside legal, financial, environmental and operational reviews.

For banks, lenders and restructuring professionals, independent technical due diligence can provide additional visibility over asset quality, future capital expenditure exposure and operational readiness. For occupiers and lessees, it can help identify inherited liabilities and support lease negotiations, reinstatement discussions and mobilisation planning.

When is Technical Due Diligence Commonly Required?

Technical Due Diligence is commonly commissioned in a range of acquisition, operational and restructuring scenarios.

This may include lessees entering into medium or long-term lease commitments where responsibility for maintenance, reinstatement or repair obligations is being assumed. It is also frequently relevant where occupiers are taking over vacant, mothballed or previously stalled properties where systems may have remained unused or partially commissioned for extended periods.



In Dubai and Abu Dhabi, TDD assignments are often commissioned where parties inherit existing fit-outs, plant, specialist infrastructure or operational systems that were not originally delivered to their own specification. In these circumstances, technical visibility and documentation quality can materially affect operational readiness and future cost exposure.

Technical Due Diligence may also be commissioned in restructuring, workout, refinancing and asset transfer scenarios where stakeholders require an independent understanding of the underlying physical condition of an asset. Distressed or partially occupied assets may present additional uncertainty relating to maintenance history, lifecycle condition, compliance status or incomplete technical records.

Investors and asset managers may also commission TDD prior to acquisition or occupation to better understand deferred maintenance exposure, future capital expenditure requirements and operational constraints affecting the property.

Why Technical Due Diligence Matters in UAE Transactions and Restructuring Scenarios

The UAE real estate market presents a number of characteristics that make independent technical review particularly relevant.

Rapid development cycles, phased construction, shell and core transitions, inherited tenant modifications and mixed contractor involvement can sometimes result in fragmented technical records or inconsistencies between drawings and actual site conditions. Older assets or previously stalled developments may also present recommissioning challenges or deferred maintenance exposure.

In restructuring and distressed asset scenarios, stakeholders are often required to make decisions within compressed timeframes while managing uncertainty around operational continuity, lifecycle condition and future liabilities. Financial and legal due diligence may therefore be supplemented by independent technical review to provide additional visibility over the physical asset itself.

Technical Due Diligence can also support negotiations and risk allocation discussions by helping parties better understand:

- Deferred maintenance exposure
- Observable condition issues
- Remaining operational life of key systems
- Apparent compliance considerations
- Missing technical information or records
- Potential reinstatement or mobilisation costs
- Inherited fit-out or infrastructure risks
- Operational readiness constraints

In certain cases, TDD findings may influence pricing discussions, lease negotiations, reserve strategies, future capex planning or transaction structuring considerations.



What Does a TDD Review Typically Include?

The precise scope of a TDD engagement will depend on the client's objectives, asset type and available information. However, most technical due diligence reviews typically begin with a document and information review.

Document review may include:

- *Drawings and approved floorplans*
- *O&M manuals and asset registers*
- *Warranties and guarantees*
- *Testing & commissioning records*
- *Fire & life safety documentation*
- *Previous consultant and maintenance reports*

A site inspection is then commonly undertaken to review accessible areas and principal systems. This is typically undertaken on a visual, non-intrusive basis, subject to safe access, agreed scope and relevant professional guidance, including RICS Surveying Safely.

Where required, the scope can be expanded to include specialist investigations such as MEP testing, core sampling, opening-up works or other targeted technical reviews in line with client requirements.



Inspection may include assessment of:

- *Building fabric, finishes and defects*
- *Water ingress or moisture-related issues*
- *MEP, HVAC, drainage and electrical systems*
- *Fire & life safety infrastructure*
- *Accessibility and maintenance considerations*
- *Occupation and future works constraints*

Information Gaps and Documentation Risk

One of the most common findings during TDD assignments relates not necessarily to physical defects, but to incomplete, outdated or inconsistent technical information.

In our experience, fully complete technical document sets are relatively rare.

Drawings, approvals, asset registers, O&M manuals, warranties and commissioning records are often incomplete, fragmented, lost or inconsistent with actual site conditions.

These information gaps can materially affect future maintenance planning, asset optimisation and operational decision-making.

Regulatory and Compliance Considerations in Dubai and Abu Dhabi

Technical Due Diligence does not replace statutory approvals, authority inspections or specialist compliance certification. However, regulatory and compliance considerations frequently form part of broader asset risk assessment.



Depending on the asset type and scope of engagement, TDD may involve consideration of matters relating to:

- Dubai Municipality and Abu Dhabi Municipality requirements
- Municipality-approved drawings and floor areas
- Building codes and local planning requirements
- UAE Fire and Life Safety Code provisions
- Civil Defence approvals and documentation
- Health and safety considerations
- Accessibility and means of escape
- HVAC operation and indoor environmental considerations
- ASHRAE guidance and industry standards
- Apparent compliance observations relating to installed systems

For certain assets, review of Building Condition Assessments ("BCAs"), authority records or wider compliance-related documentation may also assist in understanding lifecycle condition and operational risk.

In Abu Dhabi, regulatory oversight and technical governance frameworks administered through bodies such as ADREC and wider municipality systems may also be relevant depending on the nature of the asset and transaction.

Importantly, Technical Due Diligence should not be interpreted as formal statutory sign-off or certification unless expressly stated within the agreed scope of services. Where specialist compliance verification is required, this would typically involve the appropriate licensed specialist consultants or authorities.

Bill of Quantities Review and Cost Commentary



In some transactions and asset transfer scenarios, stakeholders may require additional visibility over reinstatement exposure, incomplete works, contractor pricing or future remedial expenditure.

Independent Technical Due Diligence can therefore be supplemented by targeted Bill of Quantities review and cost commentary exercises. This may involve high-level review of contractor submissions, pricing structures, provisional allowances, omissions, specification alignment or apparent inconsistencies within tender or cost documentation.

Such reviews can be particularly relevant in refurbishment, recommissioning or partially completed asset scenarios where stakeholders require additional clarity around future capital expenditure or mobilisation requirements.

These reviews can help support more informed commercial decision-making and risk allocation discussions.



Why Independence Matters



One of the key considerations in Technical Due Diligence is the independence of the reviewing party.

Contractor-led reviews may naturally focus on remediation scopes or implementation solutions, whereas independent due diligence is generally intended to provide an objective overview of observable condition, documentation quality and commercial risk.

For lenders, legal advisors, investors and restructuring professionals, independence can be particularly important where findings may influence negotiation strategy, pricing discussions, lease negotiation, risk allocation or transaction structuring.

An independent TDD approach can also assist in reducing ambiguity by clearly distinguishing between observed conditions, available information, assumptions, limitations and areas requiring further specialist investigation.



How Archers Supports Technical Due Diligence as Part of Wider Risk Management

As UAE real estate transactions continue to evolve in complexity, Technical Due Diligence is increasingly being viewed as part of a wider asset risk management framework rather than a standalone inspection exercise.

Accordingly, independent TDD is increasingly being commissioned alongside legal, financial and environmental due diligence to support a more comprehensive understanding of asset-related risk.

For institutional stakeholders, understanding the operational and technical condition of an asset can be as important as understanding the legal structure or financial performance. In higher-value transactions, latent defects, incomplete infrastructure, documentation deficiencies or deferred maintenance exposure can materially affect future operational costs and commercial outcomes.



Archers provides independent Technical Due Diligence and built environment consultancy services across Dubai, Abu Dhabi and the wider UAE.

Our recent engagements have included pre-acquisition technical due diligence, pre-lease assessments, asset transfer reviews, recommissioning-focused inspections and targeted Bill of Quantities review exercises for occupiers, investors, advisors and institutional stakeholders.

Where appropriate, wider consultant studies and specialist technical reports prepared by third parties can also be reviewed and considered within the broader due diligence process to provide clients with a more consolidated understanding of operational and asset-related risk.

Our approach is intended to support informed commercial decision-making through independent review, practical technical insight and clear reporting aligned with the objectives and limitations of each specific instruction.

ARCHERS

Valuation & Advisory

Regulated by RICS

With over five decades of professional expertise dedicated to the local market, Archers is a trusted authority in real estate advisory services across the UAE and beyond.

Dubai | Abu Dhabi | **UAE**
+971 4 565 7754
info@archersmena.com
www.archersmena.com

All content produced for Archers MENA. Not for reproduction without permission.

Scan to access digital copies of:

- Company profile
- FRC briefing papers
- Archers insights
- Contact details

مركز أبوظبي العقاري
Abu Dhabi Real Estate Centre

دائرة الأراضي والأملاك
Land Department

Information Security Management System ISO 27001 Certified

RICS TECH PARTNER