

Site Inspector: **DELETE IF NO SUB**
 Report By: Project Manager Name
 Address: Project Address
 Prepared for: Clients, Including Reliant Clients
 Project: Insert Project Number

Pay Application: 1
 Received: Insert Date Received
 Executed: Latest Signature Date
 Period To: Insert Period to on App
 Site Visit: Insert Site Visit Date

Revised Report: Yes / No

PROJECT NAME

CITY, STATE



SITE OBSERVATION REPORT 1: February 18, 2026

Insert Client Company Name and Address from Cover Letter in PCR

Please see the enclosed for our Site Observation Report for this Property. We appreciate the opportunity to provide these construction risk management services.

If you have any questions or require any additional information, please contact this office.

Sincerely,
 Hillmann Consulting LLC

(ADD SIGNATURE AND DELETE)

Project Manager Name
 Title
 email
 phone

Distributed to: Insert All Contacts to receive the report

Name, Company, Email address

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EXECUTIVE SUMMARY

1. Project Description:

Copy and Paste Project Description Information from Plan and Cost Review. Typically, Exec summary rows: Description, Construction and Units. Use your discretion but include all relevant project information.

2. Contract Type: Stipulated Sum / Cost Plus GMP / Cost Plus Fee with no GMP **SELECT ONE AND DELETE THE REST** **REVIEW BACK-UP DOCUMENTATION TO BE RECEIVED WITH STIP SUM VS GMP CONTRACT. SEE SOR FOLDER IN V-DRIVE FOR SOR RFI**

3. Current Work in progress: **XX%** Complete

Describe all current work in progress. Use Application for Payment and Construction Summary to check that we address all items.

4. Current Request Represents Percentage of Work in Place: **YES / NO** Select Yes unless an open item suggests otherwise

5. Tariff Impact Summary:

- Information provided by: (Borrower, Contractor, Suppliers, etc.)
- Overview of Tariff-Related Issues: (List specific materials impacted by tariffs, e.g., steel, aluminum, lumber, electrical components, including country of origin if applicable, specific associated tariff, etc.)
- Impact on Project: (Detail Budget and Schedule implications, COs, PCOs, etc.)
- Contractor/Supplier Feedback: (Detail any remedies or future changes including additional price increases or material substitutions, etc.)

[Note – Back-up documentation should always be requested and comparison pricing between original scheduled values and new scheduled values should be included and any/all PCOs and COs associated with price increases]

6. Change Orders (See the Budget Summary below for further details on Contingency and Change Orders):

- New Change Orders: Change Orders X, Y and Z have been provided with the current Application in the total amount of \$XX.XX. Use N/A if none
- Potential Change Orders: X Potential Change Orders exist in the total amount of \$XX.XX. The total value of Pending/Potential Change Orders does not currently exceed the Hard Cost Contingency Balance. Use N/A if none

7. Schedule:

- Days Ahead/Behind of Original Schedule: **XX-Days**
- Contractor Scheduled Completion Date: **Insert Date**
- Date Latest Schedule Receive: **Insert Date**
- Hillmann's Estimated Completion Date: **Insert Date**
- Utilities: **Include status on utility connections here including, but not limited to, material on site, deposits paid for equipment, and status of permanent power.**
- Insert Specific Schedule Comments

8. Stored Materials:

- On-site: **describe new this period if being stored long term. See Joe's email regarding Bank of America requirements. Use N/A if none**
- Off-site: **describe new this period and back-up provided. Use N/A if none**

9. Open Items and Specific Comments:

- a. Open items from the Plan and Cost Review: **DELETE IF NONE**
 - i. Paste important open items here from PCR, with a concentration of potential financial risks from items that were not address prior to financial closing. Examples (Environmental/Soil Concerns, Demolition, Agency Requirements, Contingency, Plan Set not 100% CDs).
- b. We have received a Notice to Proceed, dated **Insert Date**, noting a commencement date of **Insert Date**.
- c. **Address any other open items**

10. **In our opinion**, the current Application for Payment validly represents the value of work completed to date and stored materials (see Appendix). The current Application for Payment requests funds in the amount of **\$XX.XX**. We recommend disbursement of the same, if the Lender agrees with our comments in this Report.

PROJECT DIRECTORY **Insert from PCR – Delete after**

Borrower	BRP DTH Development, LLC 767 Third Avenue, 33 rd Floor New York, NY 10017
Contractor	BRP Construction, LLC 767 Third Avenue, 33 rd Floor New York, NY 10017
Architect	SLM Architecture P.C. 825 East Gate Boulevard, Suite 1068 Garden City, NY 11530
Structural Engineer	Cityscape Engineering, PLLC 8 Haven Avenue, Suite 219 Garden, NY 11530
MEP Engineer	Rodkin Cardinale, PC 224 West 29 th Street New York, NY 10001

BUDGET SUMMARY

- The current Application for Payment is attached in the Appendix.

Application for Payment		Contractor's Application	Consultant's Recommendation
2a	Original Contract Sum	Insert from Pay App	Check with AppCalc
5	Change Orders		
	Contract Sum to Date		
2b	Total Completed to Date		
2g	Value of Stored Materials This Period		
	Total Completed and Stored to Date		
2c	Retainage to Date		
	Total Completed to Date Less Retainage		
2d	Previous Certificates		
2b	Current Payment Due		
2e	Balance to Complete Including Retainage		
% Contract to Date			

- Payment Application Comments:**

- The Original Contract Sum is consistent with the Construction Agreement. Double Check Final agreement
- Our observations are consistent with work completed to date as reflected by the current Application for Payment, subject to our comments in the Open Items of this Report. The Architect has signed our copy of the current Application for Payment and certified the Current Payment Due. Double Check
- Insert Retainage Terms from Plan and Cost Review. Double check that Retainage matches.

Note any line items that have been excluded.

Hillmann finds the current retainage to be in line with the Terms stated within the GC Agreement.

- The Previous Certificates amount was obtained from the current Application for Payment. The amount is consistent with our records but should be verified by the Lender prior to funding.
- The Balance to Complete appears adequate for project completion at this time.

3. Deposits and Stored Materials

- a. Deposits have been requested as per the table below:

Deposit Summary				
Material	Pay App	Invoice Provided	Material Delivered	Amount
Material Name	1	Yes/No	Yes/No	\$100,000
Total Deposits to Date on Undelivered Materials				\$100,000

- b. Stored materials have been requested as per the table below:

Stored Material Summary					
Material	Location	Opening Inventory	Additions to Inventory	Usage of Inventory	Closing Inventory
Resilient Flooring	MLC Flooring 900 Commerce Circle Trafford, PA 15085	\$156,000	\$176,945	\$0.00	\$332,945
Windows	123 High Street New Town, PA 12345	\$200,000	\$100,000	\$50,000.00	\$250,000
Total		\$356,000	\$276,945	\$50,000	\$582,945

Unless noted otherwise, the following documentation has been received for all off-site Stored Material Requests noted above:

- a. Bill of Sale from Subcontractor/Supplier;
- b. Photographs of material with labeling;
- c. Insurance Certificate with client named as an additionally insured party.

4. Lien Waivers:

- a. The General Contractor/Construction Manager (pick one) submitted an Acknowledgment of Payment, Unconditional Release and Agreement as to Settlement Due. **Describe the actual name and type of lien waivers being utilized.**
- b. Subcontractor Partial Conditional Lien Waivers have been provided and are included in the Appendix of this Report. Based on a cursory review, Hillmann has no comments regarding subcontractor lien waivers. **Delete if Stip Sum Contract**
- c. Lien Waiver Requirements are at the Lenders' discretion. Copies are provided in the Appendix of this Report. Current Lien Waiver Summary:

General Contractor	Pay App	Through Date	Conditional	Unconditional
GC Name	1	12/31/2024	\$100,000.00	\$100,000.00
GC Name	2	1/31/2025	\$200,000.00	\$200,000.00 / \$300,000.00
GC Name	3	2/28/2025	\$300,000.00	Pending

[Delete] *Note, we do not list sub waivers unless specifically asked and only for GMP projects. If tracking sub lien waivers, copy the format above in a duplicate table.

[Delete] *Instructions – Lines will remain until both conditional and unconditional lien waivers are received for the particular draw/pay app. The month after both are received, the line may be deleted. Unconditional values should be those listed on the waiver (either partial or full) and comment “a” should specify which is received.

5. Contingency:

Hard Cost Contingency	
Original Hard Cost Contingency	Insert from PCR
Contingency Expenditure to Date (Change Orders)	Insert from Pay App
Adjustments to Contingency (By Owner)	Review Development Budget
Remaining Construction Contingency / % of Total	Calculate
Pending / Potential Change Orders	Insert from PCO Log
Potential Remaining Construction Contingency / % of Total	Calculate

- a. The Hard Cost Contingency Value noted in this Report (\$XX.XX Insert from PCR) was provided pre-closing and should be verified with Bank Records. Contingency is being tracked each month via change order approvals and verified within the development budget, as applicable.

VERIFY CONTINGENCY AMOUNT WITH CLIENT OR DEVELOPER PRIOR TO ISSUANCE OF SOR 1 – KICKOFF CALL RECOMMENDED. DO NOT HAVE THIS CONVO IN FRONT OF GC – DELETE

6. Change Orders:

- a. No Change Orders have been submitted with the current Application for Payment.
- b. Change Orders will be/have been reviewed for reasonableness in pricing, validity, and possible reduction in quality. Hillmann takes no exceptions at this time except as noted below.
- c. Change Order Log:

CO	Date	SOR #	Description / Report	Days	Amount
-	10/10/2020		-	-	-
Total:				-	-

Pending / Potential Change Orders:

- a. Pending / Potential Change Orders have been requested to be submitted with every monthly report. A Potential Change Order Log has/not been provided with the Current Application for Payment.
- b. Potential Change Order Log:

PCO	Date	Description	Days	Amount
-	-	-	-	-
Estimated Total:			-	-

CONSTRUCTION SUMMARY

Trade	Status	New Work This Period
Surveying Existing Conditions	Not Started	
Selective Demolition	Not Started	
Abatement	Not Started	
Masonry	Not Started	
Misc. Metals	Not Started	
Rough Carpentry	Not Started	
Thermal Insulation	Not Started	
Roofing	Not Started	
Wall Panels	Not Started	
Frames, Doors, Hardware	Not Started	
Windows	Not Started	
Metal Framing	Not Started	
Flooring	Not Started	
Painting	Not Started	
Bathroom Accessories	Not Started	
Postal Specialties	Not Started	
Residential Appliances	Not Started	
Window Treatments	Not Started	
Cabinets/Tops	Not Started	
Plumbing	Not Started	
HVAC	Not Started	
Electrical	Not Started	
Site Concrete	Not Started	
Site Improvements	Not Started	
Tree Removal	Not Started	
Trash Enclosures	Not Started	
Landscaping	Not Started	

Storm Water	Not Started	
Punchlist/Closeout	Not Started	
General Conditions	Not Started	<p>General Conditions are being requested each month in amounts equal to the overall project completion percentage.</p> <p>General Conditions are being request each month in amounts equal to the percentage of time utilized to date.</p> <p>General Conditions are being requested each month in actual amounts incurred. Back-up has been provided.</p> <p style="background-color: yellow;">Ask during the first meeting and Select One</p>
Overhead	Not Started	Overhead is being requested each month in amounts equal to the overall project completion percentage.
Profit	Not Started	Fee/Profit is being requested each month in amounts equal to the overall project completion percentage.
General Liability Insurance	Not Started	GL Insurance was requested at 100% payment made with Pay App #1.
Bond	Not Started	The Bond was requested at 100% payment made with Pay App #1.

CONSTRUCTION STATUS

1. Permits and Approvals:

- a. The NYC DOB Website indicates active permits at 847 St. Nicholas Avenue, summarized as follows: **DELETE BULLET IF NOT NYC**
- b. Provided Applicable Permits are summarized below: **DELETE BULLET IF NYC**
[DELETE] USE FIRST TABLE FOR NYC, USE 2ND TABLE FOR ALL OTHER LOCATIONS

Permit	Number	Job Type	Issued Date	Exp. Date	Renewed Date
Insert From Permit					

Permit	Number	Issued Date	Exp. Date
Insert From Permit	Insert From Permit	Insert From Permit	Insert From Permit

2. Violations:

- a. The NYC DOB Website indicates Open DOB and ECB Violations, as follows: **DELETE BULLET IF NOT NYC**
- b. Reported Violations are described below: **DELETE BULLET IF NYC**

Type	Number	Status	Date	Description
-	-	-	-	-

Notes:

3. Inspection / Testing Reports:

- a. It was requested that all Inspection / Testing Reports be submitted for review.

4. Remediation: **DELETE CHART IF NO ENVIRONMENTAL WORK IS INCLUDED IN THE SOW**

Type	Complete	Completion Back-up Provided
Asbestos	Yes / No / In Progress	
Lead	Yes / No / In Progress	
Mold	Yes / No / In Progress	

5. Certificate of Occupancy:

- a. A new Certificate of Occupancy will be obtained as part of this project. **DELETE BULLET IF REHAB**
- b. The Property will utilize the Current Certificate of Occupancy throughout construction and no new Certificate of Occupancy will be obtained. Upon project completion, it is expected that final inspections, permit sign-off and applicable close-out documentation will be completed and provided. **DELETE BULLET IF NEW CONSTRUCTION**

6. Turnover Status:

Building / Floor	# of Units	Original Turnover Date	Actual Turnover Date
Building 600	12	9/21/2023	TBD
Building 500	12	10/5/2023	TBD
Building 400	12	11/6/2023	TBD
Building 300	12	9/8/2023	TBD
Building 200	12	9/1/2023	TBD
Building 100	12	8/29/2023	TBD
Clubhouse	0	8/18/2023	TBD

DELETE - Complete the above table for ALL projects. If the project is a single building, ask the client if they would like a floor-by-floor tracking of completion and then fill out the table with floor #'s ILO Buildings

7. Reported Delays:

Cause of Delay	# of Days	Details
Weather	2	The project experienced 2 days of poor weather in the month of March.
Permit Approval	25	Permits require that demolition is complete and inspected which has been delayed due to the discovery of asbestos in the existing building
Unforeseen Conditions	45	The contractor encountered rock while excavating for utilities and has commenced rock removal per the direction of Ownership
Submittal Approvals	12	Reportedly, due to the delay in submittal approvals, the lead time for delivery of tile has increased leading to an overall delay
Stop Work Order	2	According to the Contractor, a Stop Work Order was issued by the City; however, the issue has since been rectified with a total of 2 days lost.
Material Delays	35	According to the Contractor, the supplier's lead time for manufacturing has increased leading to an overall delay in the critical path material.

DELETE - Complete the above table for ALL projects. If a delay is memorialized via change order, add that information into the details. ie "see change order 1". If a delay has been mitigated via overtime or Saturday work, adjust the amount of delays and include the original delay and new delay within the details column.

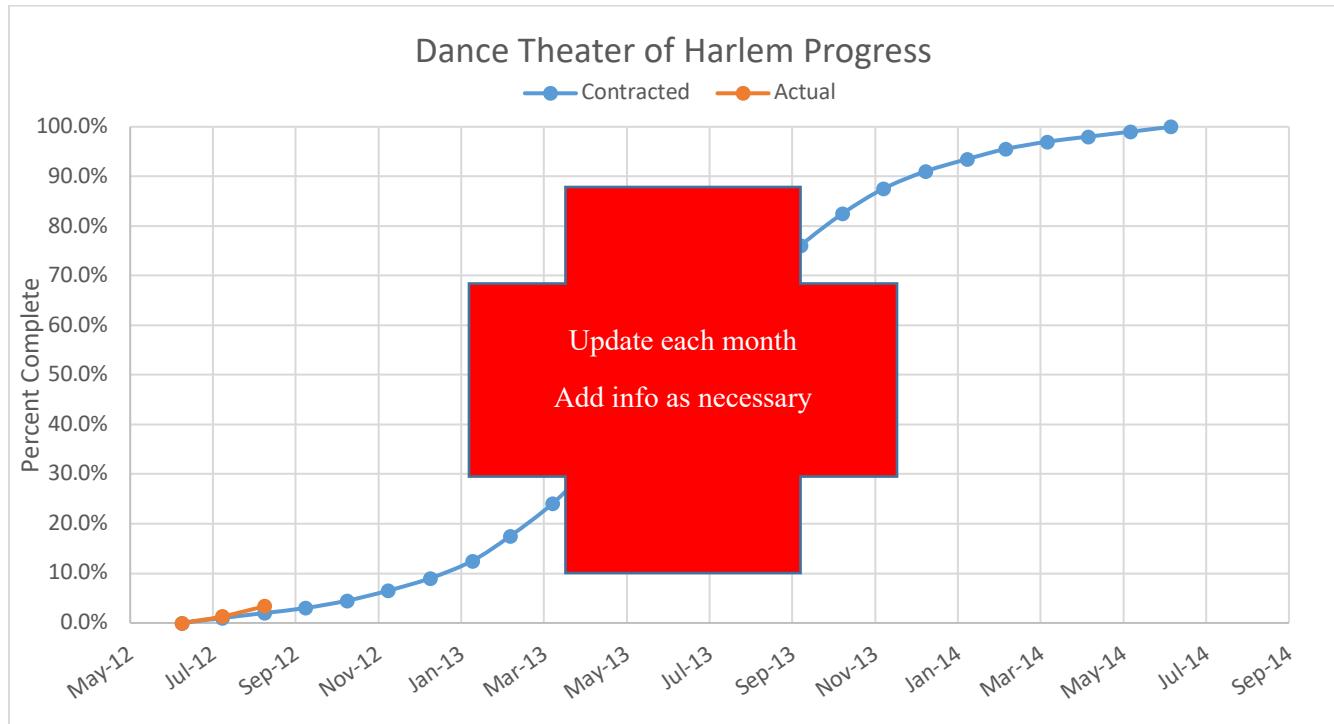
SCHEDULE SUMMARY

Contract Date	
Commencement (NtP)	Insert Start Date from NTP
Completion	Insert Completion date from NTP or Calculate based on Contract Duration
Approved Extension	-
Revised Completion	-
Targeted Dates	
Original Scheduled Completion	Completion Date from First Schedule from NTP Issuance
Current Scheduled Completion	-
Multi-Building Scheduled Completion Dates <small>DELETE ROW IF SINGLE BUILDING</small>	Building 1 – Building 2 – Building 3 –
Schedule Status	
Current Percent Complete	Insert Percent Complete from Pay App
% Construction Time Used	Delete if not Raymond James
Projected Required Percent Complete	Insert Percent from Progress Chart
Hillmann Estimated Completion	Insert our Estimated Completion Date

Comments:

- a. As per Notice to Proceed, the date of commencement shall be Insert Date of Commencement
- b. Per the Contract, construction must be completed within XXX-days of the date of commencement. Based on this stipulation, the Contract completion date is Insert Date.
- c. Days Ahead/Behind Schedule: XX-Days
- d. Date Latest Schedule Receive: Insert Date
- e. Insert Specific Schedule Comments
- f. Insert Specific Schedule Comments here which compare actual work in place to dates contained within the current schedule.
- g. Labor force appeared adequate at the time of the visit.
- h. Weather was warm and sunny.

PROGRESS CHART



CONSULTANT CERTIFICATION

The involvement of Hillmann Consulting, LLC with this project is limited to a review of the documents, but not necessarily all documents, listed in the Appendix of this Report and associated site visits concerning the project status. The Report does not constitute a warranty by us or any of our agents, representatives or designees as to the technical sufficiency, adequacy or safety of the structure or any of their component parts, including, without limitation, fixtures, roofing, equipment or furnishings, nor shall such reports or site observations constitute such a warranty as to the sub-soil conditions involved in the project or any other physical condition or feature pertaining to the project. It should be clearly understood that Hillmann Consulting, LLC is not a project manager, project architect, or project supervisor.

All acts, including any failure to act, relating to this project by any of our agents, representatives or designees are performed solely for the benefit of the lending institution to aid in their disbursement of funds from the construction loan and not for the benefit of any other person, including without limitation, owner, contractor, purchasers, tenants or any other parties. The certifications, endorsements and comments contained in this, past and future reports concerning this project should be used with the above understanding and in no way guarantee that the project has been built in accordance with contract documents. Quality control and adherence to contract documents is the responsibility of the project team. It should be understood that Hillmann Consulting, LLC is not part of the project team.

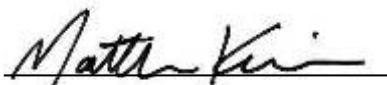
Hillmann recommends disbursement based upon work progress. Commentary associated with material substitutions, change order dollar amounts, test results, quality of materials and workmanship for the project, contractor means and methods, etc., contained in this Report are for informational purposes only. Hillmann, to the best of our knowledge and belief, will report on but shall have no responsibility for job safety, architecture or engineering, code compliance, structural design or integrity of the improvements.

In taking action on the Application for Payment, Hillmann Consulting, LLC has relied upon the accuracy and completeness of the information furnished by the project team. We have made an arithmetic verification of the documentation submitted. We have not made exhaustive continuous onsite inspections.

This report is addressed to **Insert All Client Names**, only. This report has no other purpose and may not be relied upon by any other person or entity without the written consent of Hillmann.

[DELETE – CHECK ENGAGEMENT FOR CLIENT SPECIFIC RELIANCE LANGUAGE]

Hillmann Consulting, LLC



Matthew I. Kamin, P.E.

Principal

Insert Manager's Signature

Manager's Name

Manager's Title

APPENDIX

LOCATION MAP & SATELLITE VIEW

PHOTOGRAPHS

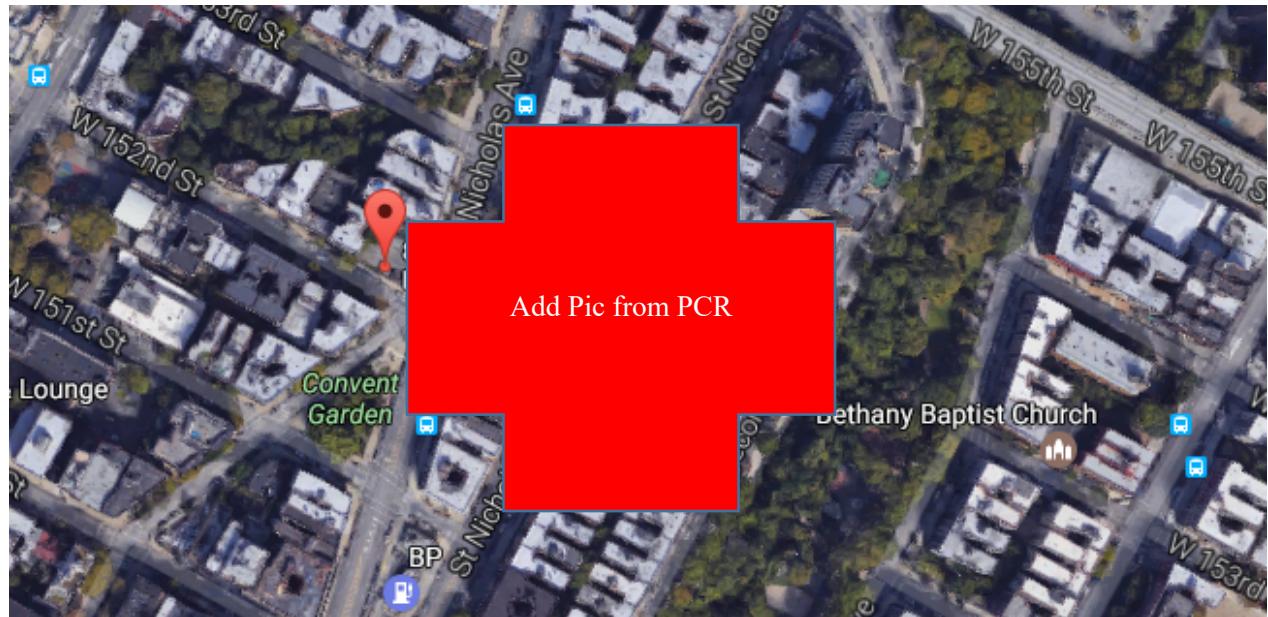
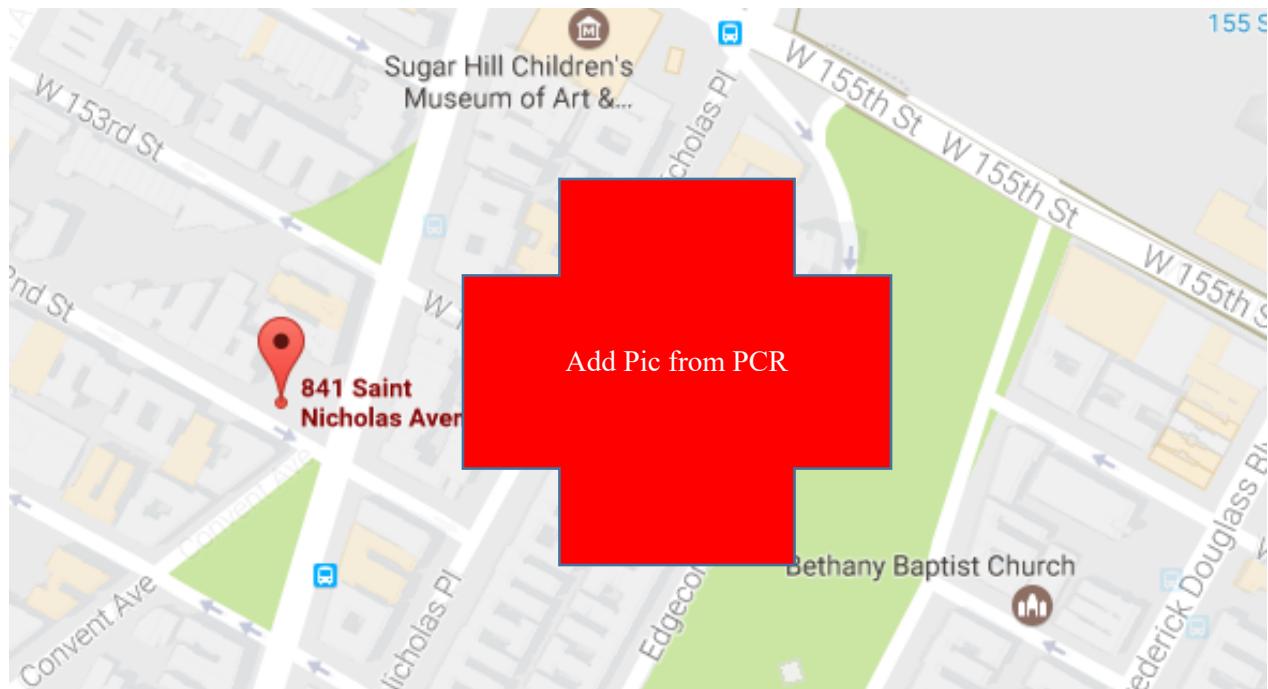
CURRENT APPLICATION FOR PAYMENT

WAIVERS OF LIEN

CURRENT SCHEDULE

LIST ALL OTHER BACK-UP PROVIDED AND TO BE INCLUDED

LOCATION MAP & SATELLITE VIEW



**841 SAINT NICHOLAS AVENUE
NEW YORK, NY**