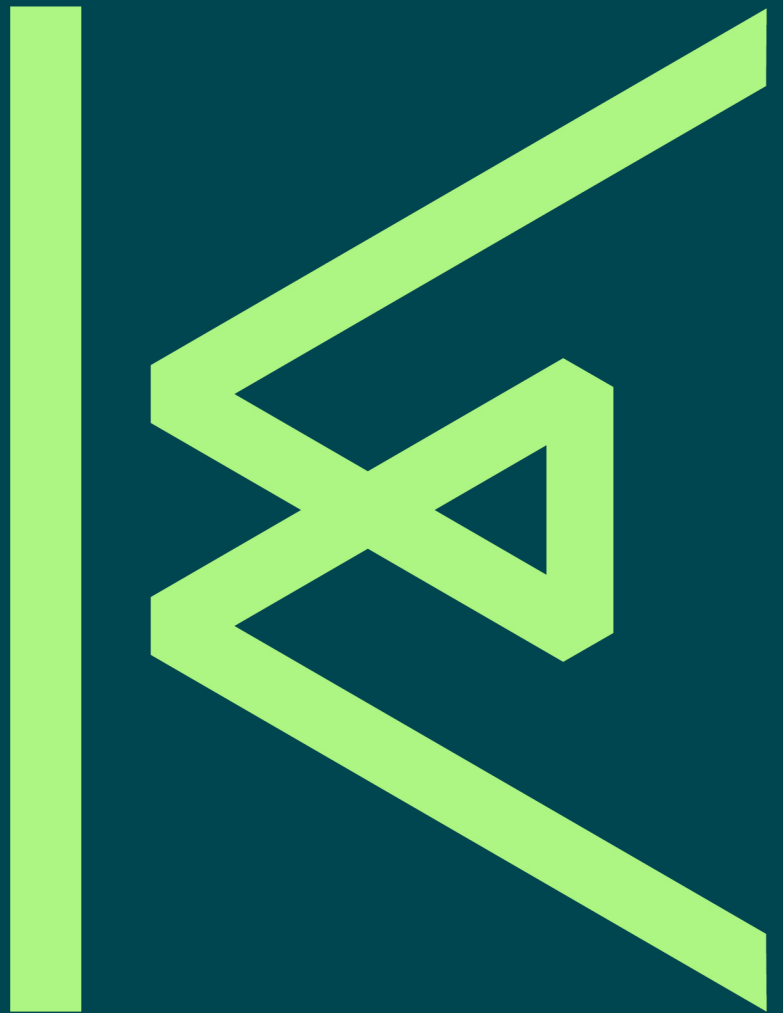




From TDD to BSR: The New Technical Standards for Residential Investment

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1 Introduction

The landscape for residential transactions has shifted. The introduction of the Building Safety Regulator (BSR) has redefined what “technically ready” means when taking a PRS, BTR or PBSA asset, or an entire portfolio, to market for sale or refinance. Yet across the sector there remains uncertainty: what exactly should be available in the data room, what lenders now expect, and how far BSR-related documentation and accountability structures need to go.

Having supported vendors, purchasers and lenders across multiple residential transactions over the past year, we’ve seen how uneven technical preparation can be. Some vendor packs are now exemplary, combining robust TDD and EDD with clear BSA (Building Safety Act 2022) alignment, while others still reflect a pre-BSR mindset, missing key documents or governance.

We set out below what “technical readiness” really looks like for residential investment in 2025. It draws on experience from live transactions and lender reviews to outline the information that should now be available as standard, particularly for Higher-Risk Buildings (HRBs) under the Building Safety Act. From TDD and EDD through to Safety Case Reports, PAS 9980 assessments (the UK standard for evaluating external wall fire risk on residential buildings) and evidence of Accountable Persons, we highlight the documents that de-risk a deal and those that, if missing, can stall or even derail it. Importantly, it also explores a growing gap: while many lenders expect full BSR compliance evidence, others still rely on the equity investor’s review creating inconsistency and uncertainty across the market.

2 Technical Readiness redefined

In the residential investment market, “technical readiness” has traditionally meant having a clean data room, up-to-date TDD and EDD reports, and a clear CAPEX plan. Under the Building Safety Act (BSA), that bar has been raised.

Transactions now hinge on demonstrating not just compliance but clear evidence that the building’s safety, maintenance, and governance are being actively managed. For many investors, the technical standard of an asset now influences value as much as physical condition or location.

Well-prepared vendors are already recognising this shift. In competitive sale processes, the most attractive assets are those where documentation is complete, consistent, and verified giving lenders and buyers immediate confidence in compliance and residual risk management.



3 The Building Safety Regime and HRBs

At the heart of this change lies the BSA and the establishment of the BSR. For PRS, BTR and PBSA assets, the key trigger is building height. Those exceeding 18 metres or seven storeys are classed as HRBs and must meet enhanced regulatory obligations.

For these buildings, the legal duties are significant. Every HRB must be:

- Registered with the BSR
- Assigned one or more Accountable Persons (APs) and a Principal Accountable Person (PAP)
- Supported by a live Safety Case Report demonstrating that building safety risks are managed “so far as reasonably practicable”
- Governed by a resident engagement strategy and mandatory occurrence reporting process
- Underpinned by a Golden Thread of information a maintained, digital record of safety-critical information throughout the building’s life

The final piece is the Building Assessment Certificate (BAC). Once called upon by the BSR, the PAP must apply for a BAC and provide evidence that the building is compliant.

However, confusion persists. We have worked on a project where the sponsors assumed that a Safety Case Report only needs to be produced when requested by the BSR. In reality, the PAP is legally required to prepare, maintain and update it as soon as “reasonably practicable” after occupation or registration. In practice, this means every existing occupied HRB should already have one in place.

4 What Lenders now look for

Lenders’ expectations have evolved rapidly since October 2023, when mandatory registration for HRBs came into force. The most proactive institutions now expect to see clear evidence of BSA compliance as part of their technical due diligence, even when the asset was built prior to the Gateway regime.

Typical lender requirements include:

- Evidence of registration with the BSR
- Details of each Accountable Person and the Principal Accountable Person (PAP)
- A copy of the current Safety Case Report
- The resident engagement strategy and mandatory occurrence reporting framework
- Evidence that the sponsor maintains the Golden Thread of information



- Proof that the application for a Building Assessment Certificate (if requested by the BSR) has been submitted, along with any correspondence with the Regulator
- A copy of the Building Assessment Certificate, if issued

For fire and life safety assurance, lenders are also seeking:

- A PAS 9980 assessment of the external wall
- A current EWS1 form
- The latest Fire Risk Assessment (Type 3 or 4)
- Any Fire Door and Compartmentation surveys
- The Fire Strategy, ideally verified as “as-built”

These items collectively provide confidence that the building’s fire and structural safety risks are being managed properly. But not all lenders are yet aligned. Some undertake independent reviews of the technical documentation, while others rely on the equity’s diligence. This inconsistency creates avoidable uncertainty and underlines why a vendor-led approach to technical readiness remains best practice.

5 Technical Due Diligence in the New Era

Technical Due Diligence (TDD) remains central to every transaction, but its scope has expanded. A TDD report that focuses purely on building condition and CAPEX forecasts is no longer sufficient.

Today, a robust TDD must demonstrate alignment with the Building Safety Act, show how the building’s fire and structural risks are managed, and verify that key compliance documentation is available, current, and coherent.

The FRAEW (Fire Risk Appraisal of External Walls) under PAS 9980 is now referenced alongside the TDD, with recommendations cross-linked to CAPEX and risk registers.

The strongest TDD reports now include a summary of BSR readiness commenting on whether the asset is compliant, partially compliant, or non-compliant, and identifying next steps. This not only helps lenders but gives sponsors a clear roadmap for future assurance.

6 What should be in the Data Room

A technically complete data room for a residential transaction now needs to go far beyond O&M manuals and compliance certificates. The key components should include:



Category	Core Documents
Fire Safety	Fire Risk Assessment (Type 3–4), Fire Strategy (as-built), Fire Door and Compartmentation Surveys
External Wall Systems	EWS1 Form, PAS 9980/FRAEW Report, related correspondence or remediation plans
Building Safety Act (HRBs)	Safety Case Report, Registration Confirmation, AP/PAP Details, Golden Thread Summary, Resident Engagement Strategy, BAC application or certificate
Structural & Maintenance	Structural Risk Assessment, Maintenance and Testing Records, Risk Register, Change Control Logs
Environmental	Phase I/II EDD, Asbestos Records, Legionella Management Plan
Governance & Assurance	Roles and Responsibilities Matrix, Insurance Certificates, Third-Party Audit Reports

For HRBs, this level of documentation isn't just good practice it's a regulatory baseline. For mid-rise and low-rise assets, adopting similar documentation standards can still pay dividends by improving lender and investor confidence.

7 Common pitfalls and market observations

Across recent transactions, several recurring issues have emerged:

- Safety Case Reports missing or incomplete often described as “in preparation,” but without an adopted version in place.
- FRAEWs not undertaken to PAS 9980 methodology, leaving uncertainty about cladding risk and proportionality of remediation.
- Outdated FRAs often non-intrusive Type 1 reports that do not reflect real risk exposure.
- Fire Strategies not as-built discrepancies between design intent and the actual construction.
- Unclear accountability structures with sponsors unable to confirm who the Principal Accountable Person actually is.
- Fragmented data rooms with critical BSR documentation stored separately or under review by different consultants.

In some cases, lenders have paused or conditioned their funding approvals pending receipt of the Safety Case or confirmation of registration. In others, the equity investor's

diligence has filled the gap but this variability creates friction and uncertainty that could easily be avoided through better preparation.

8 The opportunity for Vendors and Sponsors

The BSR framework undoubtedly increases the administrative burden on residential investors, but it also offers a clear opportunity: those who demonstrate readiness early will stand out.

Vendors that provide complete, coherent technical information not only de-risk the transaction but also build confidence with buyers and lenders. Equally, sponsors who establish clear internal governance defining the Accountable Person role, maintaining a live Golden Thread, and integrating Safety Case reporting into asset management position themselves for smoother refinances and disposals.

In a competitive capital environment, *technical transparency has become a differentiator*. It is no longer enough to simply be compliant; investors want evidence of proactive, professional risk management.

9 Closing note

The technical lens on residential investment has never been sharper. Whether buying, selling or refinancing, demonstrating control, compliance and competence under the Building Safety regime is now integral to value.

From TDD to BSR, the new standard for residential investment is not just about knowing the risks it's about proving that they are understood, managed and documented. Those who embed that principle into their transaction strategy will move faster, achieve cleaner exits, and earn the confidence of lenders and buyers alike.

More information can be found on our website and our "Fire & Building Safety Readiness Guide for Acquisitions".

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