Property Condition Report

Sample – Commercial Building Inspection Report

Inspection Date:

Prepared For:
Sample Review

Prepared By:
Structure & Site Inspection Services LLC

www.structureandsite.com

Report Number:

Inspector:

Phone:
248.645.5522

© 2010 S & S
## Table of Contents

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>REPORT OVERVIEW</td>
<td>3</td>
</tr>
<tr>
<td>STRUCTURE</td>
<td>6</td>
</tr>
<tr>
<td>ROOFING</td>
<td>7</td>
</tr>
<tr>
<td>EXTERIOR</td>
<td>11</td>
</tr>
<tr>
<td>ELECTRICAL</td>
<td>14</td>
</tr>
<tr>
<td>HEATING</td>
<td>16</td>
</tr>
<tr>
<td>COOLING / HEAT PUMPS</td>
<td>19</td>
</tr>
<tr>
<td>INSULATION / VENTILATION</td>
<td>22</td>
</tr>
<tr>
<td>PLUMBING</td>
<td>23</td>
</tr>
<tr>
<td>INTERIOR</td>
<td>25</td>
</tr>
<tr>
<td>MOLD INSPECTION</td>
<td>28</td>
</tr>
<tr>
<td>FIRE PROTECTION</td>
<td>29</td>
</tr>
<tr>
<td>LIMITED ADA REVIEW</td>
<td>30</td>
</tr>
<tr>
<td>SITE MAP</td>
<td>32</td>
</tr>
</tbody>
</table>
# THE BUILDING IN PERSPECTIVE

This project summary is not to be used alone. The attached report is intended to be read in its entirety. Definitions of the terms used in the Report Overview to describe average or overall conditions include the following: **Excellent** – In “like new” condition and/or high quality materials used. **Good** – no remedial work is recommended; **Fair** – system is aging and/or minor remedial work is recommended; and **Poor** – replacement or major remedial work is recommended. Where it seemed more appropriate, Structure & Site assigned combination assessments such as “fair to good” in evaluating various construction components. The table displays estimated repair and/or replacement costs. The estimated costs are preliminary and are based upon Structure & Site’s experience in conducting similar projects. The actual cost will be affected by factors such as duration of time to correction, site access, market conditions, and other contingencies applied by the owner. Immediate costs are highlighted in **Green** and short term costs (1 – 3 Years) is highlighted in **Yellow**.

<table>
<thead>
<tr>
<th>Item</th>
<th>Excellent</th>
<th>Good</th>
<th>Fair</th>
<th>Poor</th>
<th>Action*</th>
<th>Immediate Needs**</th>
<th>Capital Reserves**</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>SITE IMPROVEMENTS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Storm Drain System</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td>NM</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Parking Pavement, Curbs &amp; Gutters</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td>RR</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sidewalks</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td>NM</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Utilities</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td>NM</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Landscaping</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td>NM</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Site Lighting</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td>NM</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Site &amp; Building Signage</td>
<td>NA</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>STRUCTURAL SYSTEMS AND BUILDING ENVELOPE</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Foundations</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td>NM</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Structural System Including Floors</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td>NM</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Exterior Walls, Patch &amp; Paint</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td>RR</td>
<td></td>
<td>$4,000</td>
</tr>
<tr>
<td>Windows &amp; Frames</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td>NM</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Exterior Doors &amp; Frames</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td>NM</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Stairs (Interior &amp; Exterior)</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td>IR</td>
<td>$500</td>
<td></td>
</tr>
<tr>
<td>Balconies &amp; Upper Floor Walkways</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td>NM</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Roof Coverings</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td>IR/RR</td>
<td>$2,000</td>
<td>$70,000</td>
</tr>
<tr>
<td>Roof Drainage</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td>NM</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>MECHANICAL, ELECTRICAL &amp; PLUMBING SYSTEMS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>HVAC</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td>IR/RR</td>
<td>$1,000</td>
<td>$15,000</td>
</tr>
<tr>
<td>Electrical</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td>NM</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Emergency Generator</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td>NA</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hot &amp; Cold Water Distribution System</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td>NA</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Water Heaters</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td>RR</td>
<td>$600</td>
<td></td>
</tr>
<tr>
<td>Gas Distribution System</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td>NM</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>VERTICAL TRANSPORTATION CONVEYING SYSTEMS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Elevators/ Escalators</td>
<td>NA</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>FIRE/ LIFE SAFETY</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fire Suppression Systems</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td>IR</td>
<td>$500</td>
<td></td>
</tr>
<tr>
<td>Security Alarm Systems</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td>NA</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>INTERIOR ELEMENTS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Common Area Finishes</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td>NM</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Warehouse Area Finishes (Walls, Floors, Ceilings, Etc.)</td>
<td>X</td>
<td>NM</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interior Doors &amp; Frames</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td>NM</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>“BARRIER FREE” ACCESSIBILITY (ADA)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Parking, Signage &amp; Ramps</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td>IR</td>
<td>$750</td>
<td></td>
</tr>
<tr>
<td>Common Area Accessibility Including Restrooms</td>
<td>X</td>
<td>IR</td>
<td>$2,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Action: NM = Normal Maintenance, IR = Immediate Repair/Replacement, RR = Replacement Reserves, NA = Not Applicable, NA=Not Applicable, **All costs are estimated and reported as Un-inflated Values
CONVENTIONS USED IN THIS REPORT

For your convenience, the following conventions have been used in this report.

**Major Concern:** a system or component which is considered significantly deficient or is unsafe. Significant deficiencies need to be corrected and, except for some safety items, are likely to involve significant expense.

**Safety Issue:** denotes a condition that is unsafe and in need of prompt attention.

**Repair:** denotes a system or component which is missing or which needs corrective action to assure proper and reliable function.

**Improve:** denotes improvements which are recommended but not required.

**Monitor:** denotes a system or component needing further investigation and/or monitoring in order to determine if repairs are necessary.

**Deferred Cost:** denotes items that have reached or are reaching their normal life expectancy or show indications that they may require repair or replacement anytime during the next five (5) years.

Please note that those observations listed under “Discretionary Improvements” are not essential repairs, but represent logical long term improvements.

THE SCOPE OF THE INSPECTION

It is the goal of the inspection to put a building buyer in a better position to make a buying decision. Not all improvements will be identified during this inspection. Unexpected repairs should still be anticipated. The inspection should not be considered a guarantee or warranty of any kind. The Limitations section of each component of the report should be thoroughly examined as many issues arise within the course of the inspection which limits the visual inspection.

**Purpose**

The purpose of this study was to provide an observation and report on the physical condition and maintenance of the property and its improvements. This report addresses items that we believe are significant for the continued operation of this facility in its current usage and occupancy, consistent with comparable properties of similar age.

**Scope**

Structure & Site’s scope of services for this assessment included a visit to the property with observations of the property and its improvements, reviews of available construction and maintenance documents, and interviews with various persons. The purpose of these observations was to assess the general physical condition and maintenance status of the property and to recommend repair and operation and/or to be restored to a good condition consistent with comparable properties of similar age. The assessment was performed in general accordance with ASTM E 2018-99, Standard Guide for Property Condition Assessments: Baseline Property Condition Assessment Process.

Opinions of cost for recommended repairs have been prepared and divided into two categories: Immediate repair needs and Short term needs. Immediate Repair Needs are those repairs that are beyond the scope of regular maintenance that should be performed within one year of the date of the report. Short-term needs are those items needing repair or replacement to remedy physical deficiencies, such as deferred maintenance, that are beyond the scope of regular maintenance that should be undertaken on a priority basis within one to two years.

Structure & Site has prepared one comprehensive Property Condition Report that includes pertinent information from building (s) present on the subject property. Structure & Site has provided the standard Property Summary Table normally utilized in Structure & Site Property Condition Reports. Structure & Site has provided suggestions for repairs and upgrades of selected maintenance items that are not considered “deferred maintenance.” These suggestions have been provided to assist the user in identifying certain maintenance issues that may prolong the life of the respective systems. Suggestions for repairs and upgrades have been provided for selected conditions and should not be considered all-inclusive. Structure & Site has provided general information pertaining to out of scope issues including ADA Compliance and potential microbial growth or potential growth issues. No comment is offered on environmental conditions or asbestos containing materials.
Overall General Description
The subject property, developed in approximately 1976 for use as a general office and light industrial facility. The two story complex is approximately 14,000 in size and is improved with an asphalt driveway.

Structure & Site representative Martin Pasquinelli conducted the subject property inspection on July 16, 2010 from 9:00 a.m. until 11:00 a.m. No owner representative was on-site.

Ingress and Egress
Two asphalt-paved drives provide vehicular access into the subject property from Street.

Interviews of Associated Persons in the Course of the Inspection
• None

Utilities Provided
- Electrical service – DTE Energy
- Natural gas service – Consumers Energy
- City water and sewer service – Municipal supply from Detroit Water

Please refer to the pre-inspection contract for a full explanation of the scope of the inspection.
DESCRIPTION OF STRUCTURE

Foundation: • Poured Concrete • Masonry Block • Slab on Grade
Columns: • Steel
Floor Structure: • Concrete
Wall Structure: • Masonry
Roof Structure: • Open-Web Roof Joists • Metal Decking

STRUCTURE OBSERVATIONS

General Comments
The construction of the building is good quality. The materials and workmanship, where visible, are good. The inspection did not discover evidence of substantial structural movement.

RECOMMENDATIONS / OBSERVATIONS

Foundation
• Monitor: Common minor settlement cracks were observed in the foundation walls. This implies that some structural movement of the building has occurred. Cracks of this type should be watched for any sign of additional movement. In the absence of any sign of ongoing movement, repair should not be necessary.

LIMITATIONS OF STRUCTURE INSPECTION

As we have discussed and as described in your inspection contract, this is a visual inspection limited in scope by (but not restricted to) the following conditions:
• Structural components concealed behind finished surfaces could not be inspected.
• Only a representative sampling of visible structural components were inspected.
• Furniture and/or storage restricted access to some structural components.
• Engineering or architectural services such as calculation of structural capacities, adequacy, or integrity are not part of a building inspection.

Please also refer to the pre-inspection contract for a detailed explanation of the scope of this inspection.
DESCRIPTION OF ROOFING

Roof Covering:  • Asphalt  • Estimated Age 20+ Years
Roof Flashings:  • Metal
Chimneys:  • Metal
Roof Drainage System:  • Metal  • Downspouts discharge above grade
Method of Inspection:  • Viewed by walking on roof

ROOFING OBSERVATIONS

General Comments
This quality of roof material has a typical lifespan of 20 years. Many factors influence the longevity of roofs including; weather, quality of shingle and installation method, proximity of tree limbs, degree of slope and amount of rooftop ventilation. Roofs with multiple layers of cover typically have a shorter life span and require additional costs for removal when re-roofing becomes necessary. Properly sloped roofs usually last longer than flat roofs.

RECOMMENDATIONS / OBSERVATIONS

Flat Roofing
• Monitor: The roofing is in fair condition. We did not see evidence of active leaks nor need for immediate major repair.
• Repair: Repairs to the roofing are needed. Damaged or missing roofing material should be repaired. All roof penetrations should be examined and sealed as necessary.
• Monitor: Prior repairs to the roofing are evident. This would suggest that problems have been experienced in the past. This area should be monitored.

Flashings
• Repair: The flashing is loose and should be re-secured to avoid leaks.

Chimneys
• Repair: The metal chimney is rusting. It should be painted with an appropriate paint or replaced.

Gutters & Downspouts
• Repair: The downspout(s) should discharge water at least five (5) feet from the building. Storm water should be encouraged to flow away from the building at the point of discharge.
Areas of patched material.

Areas of missing gravel.

Loose support bands and coping observed at multiple areas.
Loose material at parapet wall.  Missing coping on parapet wall.

Roof well vented.  Surface corrosion on chimneys.

Roof drains need to be cleared of debris.  Skylight flashing needs caulk.

<table>
<thead>
<tr>
<th>Description of Repair – Roof</th>
<th>Overall Condition</th>
<th>Short Term/Immediate Repair Cost</th>
<th>Time Frame</th>
</tr>
</thead>
<tbody>
<tr>
<td>Short term repairs</td>
<td>Fair – Poor</td>
<td>Flashing repairs, material repairs, coping repairs, etc. = $2,000</td>
<td>Immediate Need</td>
</tr>
<tr>
<td>Roof replacement</td>
<td>Fair – Poor</td>
<td>Approximately 14,000 square feet of material replacement @ $5 per square foot = $70,000</td>
<td>5 years</td>
</tr>
</tbody>
</table>
LIMITATIONS OF ROOFING INSPECTION

As we have discussed and as described in your inspection contract, this is a visual inspection limited in scope by (but not restricted to) the following conditions:

- Not all of the underside of the roof sheathing is inspected for evidence of leaks.
- Evidence of prior leaks may be disguised by interior finishes.
- Estimates of remaining roof life are approximations only and do not preclude the possibility of leakage. Leakage can develop at any time and may depend on rain intensity, wind direction, ice build up, and other factors.
- Antennae, chimney/flue interiors which are not readily accessible are not inspected and could require repair.
- Roof inspection may be limited by access, condition, weather, or other safety concerns.

Please also refer to the pre-inspection contract for a detailed explanation of the scope of this inspection.
DESCRIPTION OF EXTERIOR

Wall Covering: • Brick • Metal
Eaves, Soffits, and Fascias: • Metal
Exterior Doors: • Metal
Window/Door Frames and Trim: • Metal-Covered
Entry Driveways: • Asphalt • Concrete
Entry Walkways: • Concrete
Overhead Garage Doors: • Steel
Surface Drainage: • Level Grade
Retaining Walls: • Concrete

EXTERIOR OBSERVATIONS

General Comments
The exterior of the building is generally in good condition.

RECOMMENDATIONS / OBSERVATIONS

Exterior Walls
• Repair: Localized pointing of deteriorated mortar between the bricks of the exterior walls is advisable to prevent further deterioration.
• Repair: The block should be painted to preserve the material.

Windows
• Repair: The windows require caulking.

Driveway
• Repair: The driveway surface is in a semi-deteriorated condition. Resurfacing is necessary to correct this condition.

Retaining Wall
• Monitor: The retaining wall shows evidence of movement. This condition should be monitored. It is impossible to determine the rate of movement during a one time visit to the building.

General condition of block exterior wall.
General condition of driveway asphalt.

General condition of concrete serving the truck well.

View of truck well.  Vegetation and debris needs to be cleared from truck well drain.
Block and cap damage at retaining wall for truck well.

<table>
<thead>
<tr>
<th>Description of Repair – Exterior</th>
<th>Overall Condition</th>
<th>Short Term/Immediate Repair Cost</th>
<th>Time Frame</th>
</tr>
</thead>
<tbody>
<tr>
<td>Re-surface asphalt driveway</td>
<td>Poor</td>
<td>Costs based on capping approximately 15,000 square feet of asphalt surface @ $0.60 per square foot = $8,000</td>
<td>2 – 5 Years</td>
</tr>
<tr>
<td>Paint masonry block</td>
<td>Good</td>
<td>$4,000+</td>
<td>1 – 2 Years</td>
</tr>
</tbody>
</table>

LIMITATIONS OF EXTERIOR INSPECTION

As we have discussed and as described in your inspection contract, this is a visual inspection limited in scope by (but not restricted to) the following conditions:

- A representative sample of exterior components was inspected rather than every occurrence of components.
- The inspection does not include an assessment of geological, geotechnical, or hydrological conditions, or environmental hazards.
- Screening, shutters, awnings, or similar seasonal accessories, fences, recreational facilities, outbuildings, seawalls, breakwalls, docks, erosion control and earth stabilization measures are not inspected unless specifically agreed-upon and documented in this report.

Please also refer to the pre-inspection contract for a detailed explanation of the scope of this inspection.
DESCRIPTION OF ELECTRICAL

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Size of Electrical Service:</td>
<td>• 120/240 Volt Main Service - Service Size: 400 Amps</td>
</tr>
<tr>
<td>Service Drop:</td>
<td>• Overhead</td>
</tr>
<tr>
<td>Service Entrance Conductors:</td>
<td>• Not Observed</td>
</tr>
<tr>
<td>Service Equipment &amp; Main</td>
<td>• Main Service Rating 400 Amps • Breakers</td>
</tr>
<tr>
<td>Disconnects:</td>
<td>• Ground Rod Connection • Water Pipe Connection</td>
</tr>
<tr>
<td>Service Grounding:</td>
<td>• Present (insufficient)</td>
</tr>
<tr>
<td>Ground Fault Circuit Interrupters:</td>
<td>• Present (insufficient)</td>
</tr>
</tbody>
</table>

ELECTRICAL OBSERVATIONS

General Comments
Generally speaking, the electrical system is in good order. Dedicated 220 volt circuits have been provided for all 220 volt appliances within the building. The size of the electrical service appears to be sufficient for the current usage of building. If usage of building changes from its current application, it is recommended that a professional electrician evaluate the service to determine capacity for changing usage of the building’s infrastructure. It is possible that significant costs can occur in order to upgrade or otherwise modify the buildings electrical capacity. This is an issue to be further investigated if modifications to the building or additional process equipment are installed.

RECOMMENDATIONS / OBSERVATIONS
• Important Safety Notice: All electrical repairs listed in this report should be considered as important safety items as they present risk of fire or shock. These items should receive high priority for action.

Outlets
• Repair: The installation of ground fault circuit interrupters (GFCI) is recommended at all outlets that are within four feet of a water source. GFCI offers increased protection from shock or electrocution.
• Repair: Missing outlet cover plates should be replaced to avoid a shock hazard.

Input lines for both sections of the building.
LIMITATIONS OF ELECTRICAL INSPECTION

As we have discussed and as described in your inspection contract, this is a visual inspection limited in scope by (but not restricted to) the following conditions:

- Electrical components concealed behind finished surfaces are not inspected.
- Only a representative sampling of outlets and light fixtures were tested.
- Furniture and/or storage restricted access to some electrical components which may not be inspected.
- The inspection does not include remote control devices, alarm systems and components, low voltage wiring, systems, and components, ancillary wiring, systems, and other components which are not part of the primary electrical power distribution system.

Please also refer to the pre-inspection contract for a detailed explanation of the scope of this inspection.
DESCRIPTION OF HEATING

Energy Source:  •Gas
Heating System Type:  •Forced Air Furnace  •Unitary (Individual Area Units)
Vents, Flues, Chimneys:  •Metal-Single Wall
Heat Distribution Methods:  •Ductwork  •Radiant

HEATING OBSERVATIONS

General Comments
It appears that the heating system has not been well maintained.

RECOMMENDATIONS / OBSERVATIONS

- **Improve:** The heating systems require immediate service. Not all systems functional at time of inspection. Furnace systems have a typical life span of 20 years if properly maintained. Units over 5 years old risk cracked heat exchangers and should be routinely checked by a professional heating technician. A heat exchanger is mostly concealed, requires partial disassembly of furnace components for full viewing and is beyond the scope of a building inspection. Annual maintenance is recommended to assure safe, reliable heat.

- **Monitor: Deferred Cost:** Given the age of the furnace, it may be near the end of its useful life. You should reserve funds to be ready to purchase a new furnace.

Representative views of furnace systems.
Unitary heating system partially dismantled.

Representative view of radiant gas heater in the warehouse area.

Newer furnace unit.

Evidence of roof leakage at chimney protrusion.
Combustion / Exhaust

- **Repair, Safety Issue:** Poor exhaust flue connections should be improved immediately. Poor connections risk flue gas and carbon monoxide leakage or other unsafe conditions.

Representative view of warehouse units. Note the corrosion on the vent stack – probable flashing leak at roof.

**LIMITATIONS OF HEATING INSPECTION**

As we have discussed and as described in your inspection contract, this is a visual inspection limited in scope by (but not restricted to) the following conditions:

- The adequacy of heat supply or distribution balance is not inspected.
- The interior of flues or chimneys which are not readily accessible are not inspected.
- The furnace heat exchanger, humidifier, or dehumidifier, and electronic air filters are not inspected.
- Solar space heating equipment/systems are not inspected.

Please also refer to the pre-inspection contract for a detailed explanation of the scope of this inspection.
DESCRIPTION OF COOLING / HEAT PUMPS

Energy Source:
• Electricity
Central System Type:
• Air Cooled Central Air Conditioning

COOLING / HEAT PUMPS OBSERVATIONS

General Comments
It appears that the system has not been well maintained. Air conditioning systems have a typical life span of 15 - 20 years if properly maintained. As the systems are old, they will require repairs or replacement soon.

RECOMMENDATIONS / OBSERVATIONS

Central Air Conditioning
• Repair: Three of the air conditioning systems are relatively old. Not all systems functional at time of inspection. They will require a higher level of maintenance, and may be more prone to major component breakdown. Predicting the frequency or time frame for repairs on any mechanical device is virtually impossible. If the compressor fails, or if breakdowns become chronic, replacing the entire system may be more cost-effective than continuing to undertake repairs.

<table>
<thead>
<tr>
<th>HVAC INVENTORY</th>
<th>Year Built</th>
<th>Cooling Capacity # of Tons</th>
<th>Heating Capacity BTUs [output]</th>
<th>Operational</th>
<th>Manufacturer</th>
<th>Area Serviced</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>East Side – 2 Units</td>
<td>1987</td>
<td>4 Ton</td>
<td>82,000</td>
<td>Yes</td>
<td>Luxaire</td>
<td>1st &amp; 2nd floor office space</td>
<td>Two forced air furnace and A/C systems. Old equipment.</td>
</tr>
<tr>
<td>West Side – 2 Units</td>
<td>1987 &amp; 2003</td>
<td>4 Ton</td>
<td>76,000</td>
<td>Yes</td>
<td>Carrier &amp; Luxaire</td>
<td>1st &amp; 2nd floor office spaces</td>
<td>Two forced air furnace and A/C systems. One of the systems is old equipment.</td>
</tr>
<tr>
<td>Overhead Radiant Heaters – 4 Units</td>
<td>15 - 20 years</td>
<td>Not applicable</td>
<td>Assume 125,000+</td>
<td>Yes</td>
<td>Reznor</td>
<td>Warehouse areas</td>
<td>4 overhead units exist throughout the two warehouse bays. All units were observed operational.</td>
</tr>
<tr>
<td>Overhead Radiant – 1 Unit</td>
<td>Less than 10 years</td>
<td>Not applicable</td>
<td>150,000</td>
<td>Yes</td>
<td>Space-Ray</td>
<td>South warehouse area – east side</td>
<td>Newer unit – in good working order.</td>
</tr>
</tbody>
</table>
Two condenser units serving east side. These units are 20+ years old.

Newer condenser unit serving west side.

Older condenser unit serving west side.
<table>
<thead>
<tr>
<th>Description of Repair – Heating/Cooling</th>
<th>Overall Condition</th>
<th>Short Term/Immediate Repair Cost</th>
<th>Useful Life Remaining</th>
</tr>
</thead>
<tbody>
<tr>
<td>Immediate maintenance</td>
<td>Fair – Poor</td>
<td>Professional review of all systems to engage functionality = $1,000++</td>
<td>Immediate Need</td>
</tr>
<tr>
<td>System replacement</td>
<td>Fair – Poor</td>
<td>Replace 3 complete heating and cooling systems @ $5,000 per system = $15,000</td>
<td>1 – 5 Years</td>
</tr>
</tbody>
</table>

**LIMITATIONS OF COOLING / HEAT PUMPS INSPECTION**

As we have discussed and as described in your inspection contract, this is a visual inspection limited in scope by (but not restricted to) the following conditions:

- Window mounted air conditioning units are not inspected.
- The cooling supply adequacy or distribution balances are not inspected.

Please also refer to the pre-inspection contract for a detailed explanation of the scope of this inspection.
DESCRIPTION OF INSULATION / VENTILATION

<table>
<thead>
<tr>
<th>Roof Insulation:</th>
<th>• Assume Fiberboard</th>
</tr>
</thead>
<tbody>
<tr>
<td>Roof Ventilation:</td>
<td>• Roof Stack Vents</td>
</tr>
</tbody>
</table>

INSULATION / VENTILATION OBSERVATIONS

General Comments
Insulation levels are typical for a building of this age and construction. Caulking and weather-stripping around doors, windows and other exterior wall openings will help to maintain weather tightness and reduce energy costs.

RECOMMENDATIONS / ENERGY SAVING SUGGESTIONS
• None

LIMITATIONS OF INSULATION / VENTILATION INSPECTION

As we have discussed and as described in your inspection contract, this is a visual inspection limited in scope by (but not restricted to) the following conditions:

• Insulation/ventilation type and levels in concealed areas are not inspected. Insulation and vapor barriers are not disturbed and no destructive tests (such as cutting openings in walls to look for insulation) are performed.
• Potentially hazardous materials such as Asbestos and Urea Formaldehyde Foam Insulation (UFFI) cannot be positively identified without a detailed inspection and laboratory analysis. This is beyond the scope of the inspection.
• An analysis of indoor air quality is not part of our inspection unless explicitly contracted-for and discussed in this or a separate report.
• Any estimates of insulation R values or depths are rough average values.

Please also refer to the pre-inspection contract for a detailed explanation of the scope of this inspection.
DESCRIPTION OF PLUMBING

Water Supply Source: • Public Water Supply
Service Pipe to Building: • Copper
Main Water Valve Location: • Basement
Interior Supply Piping: • Copper
Waste System: • Public Sewer System
Water Heater: • Gas • Electric • Estimated Age 12 & 14 Years

PLUMBING OBSERVATIONS

General Comments
The water pressure supplied to the fixtures is average. Only a slight drop in flow was experienced when two fixtures were operated simultaneously.

RECOMMENDATIONS / OBSERVATIONS

Water Heater
• Monitor: The water heater tanks are older units that may be approaching the end of its useful lives. It would be wise to budget for new units. One cannot predict with certainty when replacement will become necessary.
• Deferred Cost: Hot water tanks inoperative at time of inspection. Budget at least $600 for replacement.

Representative hot water tank.  Out of order urinal.

Water main.  Representative view of bathroom fixtures.
LIMITATIONS OF PLUMBING INSPECTION

As we have discussed and as described in your inspection contract, this is a visual inspection limited in scope by (but not restricted to) the following conditions:

• Portions of the plumbing system concealed by finishes and/or storage (below sinks, etc.), below the structure, or beneath the ground surface are not inspected.
• Water quantity and water quality are not tested unless explicitly contracted-for and discussed in this or a separate report.
• Clothes washing machine connections are not inspected.
• Interiors of flues or chimneys which are not readily accessible are not inspected.
• Water conditioning systems, solar water heaters, fire and lawn sprinkler systems, and private waste disposal systems are not inspected unless explicitly contracted-for and discussed in this or a separate report.

Please also refer to the pre-inspection contract for a detailed explanation of the scope of this inspection.
DESCRIPTION OF INTERIOR

Wall and Ceiling Materials:
- Drywall
- Tile
- Suspended Tile

Floor Surfaces:
- Carpet
- Tile
- Concrete

Window Type(s) & Glazing:
- Fixed Pane
- Double Pane

Doors:
- Wood-Solid Core
- Metal

INTERIOR OBSERVATIONS

General Condition of Interior Finishes
On the whole, the interior finishes of the building are in average condition. Typical flaws were observed in some areas.

General Condition of Windows and Doors
Average quality doors and windows

General Condition of Floors
The floors of the building are relatively level and walls are relatively plumb.

RECOMMENDATIONS / OBSERVATIONS

Walls/Ceilings
- **Monitor:** Water staining was noted in various ceiling tiles on the 2nd floor and within the warehouse walls indicating roof leakage.

Windows
- **Repair:** The windows are in mild disrepair. This is a common condition that does not necessitate immediate major repair. Trimming and adjustment, hardware improvements and glazing repairs would be logical long term improvements. In practice, improvements are usually made on an as needed basis only. The most important factor is that the window exteriors are well-maintained to avoid rot or water infiltration.

Stairways
- **Repair:** The railing for the stairway is loose and does not offer proper protection due to the width of the railing.
- **Repair, Safety Issue:** The height of the stairway railing may not be sufficient to prevent a person from toppling over the railing. It is recommended that this condition be altered for improved safety.

Environmental Issues
- **Monitor:** There is the potential for lead content in the drinking water within the building. Lead in water may have two sources; the piping system of the utility delivering water to the building and/or the solder used on copper pipes prior to 1988. This can only be confirmed by laboratory analysis. An evaluation of lead in water is beyond the scope of this inspection. For more information, consult the Environmental Protection Agency (E.P.A.) for further guidance and a list of testing labs in your area.
- **Monitor:** Lead based paint was in use until approximately 1978. According to the Federal Department of Housing and Urban Development, a lead hazard can be present in a building of this age. This can only be confirmed by laboratory analysis. An evaluation of lead in paint is beyond the scope of this inspection. For more information, consult the Environmental Protection Agency (E.P.A.) for further guidance and a list of testing labs in your area.
- **Monitor:** Radon gas is a naturally occurring gas that is invisible, odorless and tasteless. A danger exists when the gas percolates through the ground and enters a tightly enclosed structure (such as a building). Long term exposure to high levels of radon gas can cause cancer. The Environmental Protection Agency (E.P.A.) states that a radon reading of more than 4.0 picocuries per liter of air represents a health hazard. A radon evaluation is beyond the scope of this inspection (unless specifically requested). For more information, consult the Environmental Protection Agency (E.P.A.) for further guidance and a list of testing labs in your area.
- **Monitor:** Carbon monoxide is a colorless, odorless gas that can result from a faulty fuel burning furnace, range, water heater, space heater or wood stove. Proper maintenance of these appliances is the best way to reduce the risk of carbon monoxide poisoning. For more information, consult the Consumer Product Safety Commission at 1-800-638-2772 (C.P.S.C.) for further guidance. It would be wise to install of carbon monoxide detectors within the building.
Multiple areas of ceiling tile water staining observed on 2nd floor.

The railing construction for the warehouse staircase is improper and presents a safety risk.

View of interior office space.  View of warehouse space.
LIMITATIONS OF INTERIOR INSPECTION

As we have discussed and as described in your inspection contract, this is a visual inspection limited in scope by (but not restricted to) the following conditions:

- Furniture, storage, appliances and/or wall hangings are not moved to permit inspection and may block defects.
- Carpeting, window treatments, central vacuum systems, building appliances, recreational facilities, paint, wallpaper, and other finish treatments are not inspected.

Please also refer to the pre-inspection contract for a detailed explanation of the scope of this inspection.
MOLD INSPECTION OBSERVATIONS

A visual mold inspection was conducted within office and warehouse space.

RECOMMENDATIONS / OBSERVATIONS

No physical mold was observed.

LIMITATIONS OF MOLD INSPECTION

As we have discussed and as described in your inspection contract, this is a visual inspection limited in scope by (but not restricted to) the following conditions:

- Materials concealed behind finished surfaces could not be inspected.

Please also refer to the pre-inspection contract for a detailed explanation of the scope of this inspection.
DESCRIPTION OF FIRE PROTECTION EQUIPMENT

Installed Components:

- Illuminated EXIT signs
- Emergency lighting with battery backup
- Fire extinguishers

FIRE PROTECTION OBSERVATIONS

RECOMMENDATIONS / OBSERVATIONS

- **Repair:** Not all equipment observed functional. All equipment must be tested and certified.

Representative view of installed fire protection equipment.

LIMITATIONS OF FIRE PROTECTION INSPECTION

As we have discussed and as described in your inspection contract, this is a visual inspection limited in scope by (but not restricted to) the following conditions:

- No equipment operated or tested.

Please also refer to the pre-inspection contract for a detailed explanation of the scope of this inspection.
# DESCRIPTION OF ADA REVIEW

## DESCRIPTION/REQUIREMENTS:

<table>
<thead>
<tr>
<th>Parking Spaces:</th>
<th>OBSERVATIONS/COMMENTS:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>The subject property is a light manufacturing and office building which contains office and warehouse space. The public accommodation would be the entrance located at the front of the office building. A van accessible ADA parking space is not present by the office building.</td>
</tr>
<tr>
<td></td>
<td>The property does not have sufficient ADA accessible parking spaces.</td>
</tr>
<tr>
<td></td>
<td>The property does have striped or designated parking spaces. The number of ADA accessible and van accessible parking spaces does not meet the ADA guidelines.</td>
</tr>
<tr>
<td>Total</td>
<td>1</td>
</tr>
<tr>
<td>1-25</td>
<td>1</td>
</tr>
<tr>
<td>26-50</td>
<td>2</td>
</tr>
<tr>
<td>32 Actual</td>
<td>1 Actual</td>
</tr>
<tr>
<td>51-75</td>
<td>3</td>
</tr>
<tr>
<td>76-100</td>
<td>4</td>
</tr>
<tr>
<td>101-150</td>
<td>5</td>
</tr>
<tr>
<td>151-200</td>
<td>6</td>
</tr>
<tr>
<td>201-300</td>
<td>7</td>
</tr>
<tr>
<td>301-400</td>
<td>8</td>
</tr>
<tr>
<td>401-500</td>
<td>9</td>
</tr>
<tr>
<td>501-1000</td>
<td>2% of total</td>
</tr>
<tr>
<td>&gt; 1000</td>
<td>20, plus 1 for each 100, or fraction thereof, over 1000</td>
</tr>
</tbody>
</table>

The term “parking facility” is used instead of the term “parking lot” in the ADA guidelines so that it is clear that both parking lots and parking structures are required to comply with these requirements. The number of parking spaces required to be accessible is to be calculated separately for each parking facility; the required number is not to be based on the total number of parking spaces provided in all of the parking facilities provided on the site.

## Path-of-Travel:

Identify material physical barriers to the disabled from accessible parking, public transportation stops, accessible passenger loading zones, and public streets or sidewalks, to the accessible building entrance they serve. Path-of-travel should be construed to be a path from on-site designated disabled parking spaces (if any) to the leasing office and any facility available for use by the general public. The path-of-travel should have compliant ramps and railings, stair or step barriers and adequate or compliant main entrance doors and thresholds. Missing or noncompliant curb ramps, lack of or noncompliant ramps or railings, stair or step barriers, and inadequate or noncompliant main entrance doors and thresholds should be noted.

The property does not contain sufficient curb cuts and ramps as well as walkways that meet the ADA accessibility guidelines. There are insufficient ADA accessible entrances at the subject property. The entrance hallway does not permit suitable wheelchair access.

## Public Restrooms:

The public toilet restroom facilities should accommodate the disabled with respect to: the existence of toilet stalls that appear to be designed for accessibility, whether lavatories or the designated sink for the disabled are at apparent lower heights with adequate clearance underneath, and determine whether compliant emergency fire alarms and strobes are present within the toilet room facilities.

The public restrooms inspected at the subject property were in general compliance with the ADA guidelines.

## Elevators:

Elevators:
DESCRIPTION/REQUIREMENTS:

| Elevators should have hall call buttons with visual signals to indicate when a call is registered and answered; interior control buttons designated by Braille and by raised standard alphabet characters for letters and Arabic symbols for numerals; emergency controls grouped at the bottom of the control panel; interior panel floor buttons with visual signals which light when each call is registered and extinguish when each call is answered; visual and audible signaling provided at each floor stop; doors with a reopening device that will stop and reopen a car door if the door becomes obstructed; and an emergency two-way communication system, which does not require voice communication. |
| OBSERVATIONS/COMMENTS: |
| No elevators are present on the property. |

Recommendations: See below

ADA REVIEW OBSERVATIONS

RECOMMENDATIONS / OBSERVATIONS

- **Repair:** Recommend re-stripping parking lot to satisfy ADA requirements.
- **Repair:** Recommend installing proper curb cuts and entrance configuration at front office to accommodate wheelchair access to the building.

<table>
<thead>
<tr>
<th>Description of Repair – ADA</th>
<th>Overall Condition</th>
<th>Short Term/Immediate Repair Cost</th>
<th>Time Frame</th>
</tr>
</thead>
<tbody>
<tr>
<td>Re-stripe parking lot</td>
<td>Poor</td>
<td>$750</td>
<td>Immediate Need</td>
</tr>
<tr>
<td>Modify front entrance</td>
<td>Poor</td>
<td>$2,000</td>
<td>Immediate Need</td>
</tr>
</tbody>
</table>

LIMITATIONS OF ADA REVIEW

As prescribed in the pre-inspection contract, this is a visual inspection only. The inspection was limited by (but not restricted to) the following conditions:

- Limited review does not consist of a full American with Disabilities Act inspection.

Please also refer to the pre-inspection contract for a detailed explanation of the scope of this inspection.
Aerial view of subject property.

Approximate dimensions of subject property

Vehicular entrance

Pedestrian entrance

Loading dock