RISK Assessment® Report

Anaheim, CA 92806

Inspector - Charles Simington
Confidential and Proprietary

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RISK ASSESSMENT®

Commercial Real Estate Inspectors

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This is an assessment of the five major systems - Plumbing, Electrical, Heating and Air Conditioning, Structure and Roofing along with an assessment of any other current deferred maintenance issues for the site.

This assessment will cover three aspects of these systems per industry standards, namely:

1. **Expected useful life left in each system.**
2. **Maintenance/Repairs that are needed immediately for each system.**
3. **Total costs that are expected over the next five years for each system.**

Note: The cost estimates are industry standards per the *R.S. Means - 2007 Building Construction Cost Data 20th Annual Western Edition* along with review and consultation with local contractors.

Although care and thought have gone into this assessment there are many variables that can cause the actual prices to differ greatly, such as: local building ordinances, requirements, specifications and details, local demand for labor, materials, etc.

No implied warrantee is given.

No cosmetic concerns have been addressed in these estimates.

No Routine Maintenance concerns have been addressed in these estimates below $1000.

ADDRESS:

CLIENT:	

PLUMBING:

1. The expected useful life left in the Plumbing System: The expected useful life left appears to be approx. 30 - 50+ years - If properly maintained. 2. What Maintenance/Repairs are needed immediately for the Plumbing System: A. The system appeared to be in serviceable condition at the time of the inspection and other than routine maintenance no immediate significant deficiencies or repairs were observed to be needed. B. Installing or locating an approved pressure regulator for the supply line system is advised for health and safety. C. It is noted that a sewer line camera inspection was performed. Please fully review the report before the contingency period is over. D. It is advised to have an approved Earth Quake Shut off valve installed on the gas system for safety. E. Hot water is a typical requirement for all restroom sinks for hygienic reasons. It is advised to provide hot water to all required locations such as the restrooms. Note: this is typically a tenants responsibility and mentioned as a courtesy. 3. What costs are expected over the next five years for the Plumbing System: The above repairs appear to be approx. $1,000 or less. This is considered routine maintenance.	TOTAL: Routine Maintenance

ELECTRICAL:

1. What is the expected useful life left in the Electrical System: The expected useful life left of the electrical system is approximately - 30 - 50+ years 2. What Maintenance/Repairs are needed immediately for the Electrical System: It appears that Routine Maintenance is all that will be needed. Some Repairs of the electrical system are advised at this time for health and safety, such as ensuring all knockouts at the panels are properly covered; proper clearance in front of all electrical panels is a requirement that should be addressed	

at this time. 3. What costs are expected over the next five years for the Electrical System: Beyond routine maintenance no significant costs are anticipated for the Electrical System over the next five years.	TOTAL: Routine Maintenance

HEATING AND COOLING:

1. What is the expected useful life left in the Heating and Air Conditioning System: The units are at or near the end of their expected useful service life. 2. What Maintenance/Repairs are needed immediately for the Heating and Air Conditioning system: It is advised to have each unit fully cleaned and serviced at this time. Typical cost is approx. $100 - $150 per individual unit. 3. What costs are expected over the next five years for the Heating and Air Conditioning System: Within the next five years significant maintenance, repairs and/or replacements will most likely be needed to the units per industry standards due to age. Anticipated replacement cost for the units on this site is approx. $45,000 - $60,000 at current costs.	TOTAL: $45,000 - $60,000

ROOF:

1. What is the expected useful life left in the Roofing System: The roofing system is at the end of its expected useful life. It exhibits weathering and deterioration to the point it is no longer a reliable moisture barrier in it's present condition.	

2. What Maintenance/Repairs are needed immediately for the Roofing System: Due to the overall condition of the roofing system replacement is advised now. Full review is advised by a qualified licensed roofer. 3. What costs are expected over the next five years for the Roofing System: The cost for the above listed repairs/upgrades is approx. $25,000 - $35,000.	TOTAL: $25,000 - $35,000

STRUCTURE:

1. What is the expected useful life left in the Structural System: It appears that the expected useful life is from roughly 30 - 50+ years if properly maintained. 2. What Maintenance/Repairs are needed immediately for the Structural System: No significant repairs at this time other than routine maintenance. 3. What costs are expected over the next five years for the Structural System: No significant costs are anticipated in the next five years to the Structure.	TOTAL: Routine Maintenance

GENERAL MAINTENANCE & REPAIRS:

1. What is the expected useful life left in the Site: The expected useful life left in the site is approx. 30 - 40 years with routine maintenance. 2. What Maintenance/Repairs are needed immediately currently for the Site: A. It appears that for the most part only Typical and Routine Maintenance is needed at this time. B. Testing of the spray texture ceilings is advised to determine if any asbestos type materials are present. This is advised for health and safety.	

C. It is advised to have a Phase 1 Environmental inspection done on the site. This is to help ensure health and safety. This inspection is typically between $1,500 - $2,000. D. Due to modifications to the site since the original construction that would typically require Building Department permits it is advised to have all paperwork reviewed by a qualified general contractor with the local Department of Building and Safety to ensure all proper procedures were taken and approved. 3. What costs are expected over the next five years for the Site: No significant costs are anticipated for the next five years for the site and grounds other than routine maintenance.	TOTAL: Routine Maintenance

TOTAL COMBINED ESTIMATED EXPENSES: It is noted that in this Report a number of Specialty Inspections have been deemed necessary and are recommended. Costs associated with the findings of Specialist Inspections can add significantly to these Total Combined Estimated Expenses. ***Upgrades and renovations to interiors are not included in these costings.*** Further review by qualified specialists is advised at this time to determine the full scope of work. **These estimates should be used as guidelines only.**	**TOTAL:** **$70,000 - $95,000**

INSPECTION CONDITIONS

CLIENT & SITE INFORMATION:

DATE OF INSPECTION:

TIME OF INSPECTION:
10:00 AM

CLIENT NAME:

ADDRESS:

Anaheim, CA 92806

INSPECTOR:
Charles Simington

CLIMATIC CONDITIONS:

WEATHER:
Overcast

TEMPERATURE:
50's

BUILDING CHARACTERISTICS:

BUILDING TYPE:
Retail

STORIES:
Single

UTILITY SERVICES:

UTILITIES STATUS:
The utilities were on

OTHER INFORMATION:

OCCUPIED:
Yes

APPROX. DATE OF CONSTRUCTION
2000's Per Disclosure at the time of the inspection.

CLIENT PRESENT:

Yes

GENERAL OVERVIEW:

Overall the building and its systems are Serviceable with the exception of the HVAC and Roofing systems. Due to age and condition of this system, repairs or upgrades are expected now or in the near future.

Due to alterations and modifications observed to the building a full review at the local department of Building and Safety is strongly advised to determine if all proper procedures have been addressed. This is advised by a qualified general contractor at this time.

Equipment, furniture and personal items are not moved during the inspection. Due to the amount of items in portions of the building the views are limited. Limited views can obscure deficiencies.

NOTE: In the Report, building orientation is established by "front, back, left and right" indications, with "Front" of the building determined by the wall containing the building's main entry door.

DEFINITIONS AND STANDARDS

TERMS OF THE INSPECTION:

SERVICEABLE:

It is the inspectors opinion that this item is doing the job for which it was intended and exhibits normal wear and tear for it's age.

NEEDS ATTENTION:

It is the inspectors opinion that this item is in need of further investigation and/or repairs or appears to be at the end of its expected useful life. The inspector has made the client aware of this situation by calling it "needs attention" in the report. It is then the clients responsibility to take appropriate action concerning the situation with the appropriate professional in a timely manner.

NOT ACCEPTABLE:

It is the inspectors opinion that this item is either in need of immediate repairs or is a safety hazard due to adverse conditions. Also the item may be in such a state of disrepair that significant repairs or replacement is strongly advised.

The inspector has made the client aware of this situation by calling it "not acceptable" and it is then the clients responsibility to take appropriate action concerning the situation with the appropriate professional in a timely manner.

STANDARDS:

A. The report conforms to the Commercial Standards of Practice of the California Real Estate Inspection Association and the Business and Professions Code which defines a commercial real estate inspection as: The inspection to be performed consists of non-intrusive visual observations to survey the readily accessible, easily visible material components, systems and equipment of the building. The inspection is designed to identify material physical deficiencies in the buildings components, systems and equipment, as they exist at the time of the inspection. Unless otherwise agreed between the inspector and client, the specific systems, structures and components of a building to be examined are listed in these Commercial Standards of Practice.
B. A commercial real estate inspection report provides written documentation of material physical deficiencies discovered in the inspected building's systems and components which, in the opinion of the Inspector, are safety hazards, are not functioning properly or appear to be at the end of their expected useful life. The report may include the Inspector's recommendations for correction or further evaluation.

The term **material physical deficiencies** means the presence of conspicuous patent defects or material deferred maintenance of the buildings material systems, components or building equipment as observed during the inspection. **This definition specifically excludes deficiencies that may be remedied by routine maintenance.**

C. Inspections performed in accordance with these Standards of Practice are not technically exhaustive and shall apply to the primary building and its associated primary parking structure.

PLUMBING SYSTEM

While some plumbing observation may be code related, this inspection does not determine if the system complies with code. Supply and waste lines are inspected only where they are accessible and while operating accessible fixtures and drains. Performance of the water flow can vary during different times of the day and performance of the drain during actual usage is undetermined. Drain blockage is common in vacant property. It is advised to have any underground drain lines examined by a specialist with a camera to determine their actual condition. The following are not included: inaccessible supply or waste lines; leaks in inaccessible areas such as walls, underground or the crawl space; the interior of pipes for mineral or corrosive clogging, water hammering, solar equipment or water temperature, and the condition of shower pans or if a shower will leak when used. No water testing of any type is performed. The type of copper is not part of this inspection and will not be determined. The gas system is not tested for leaks and any underground or hidden gas lines are specifically excluded from this report. Determining the operation of sewer ejection systems is excluded from this inspection and it should be examined by a specialist. The shutoff valves under sinks and other plumbing valves, such as the main shut off valve, are not turned or tested.

MAIN WATER SUPPLY LINE:

MAIN WATER SHUT OFF LOCATION:

On the right side of the building.

MAIN WATER LINE MATERIAL:

The visible portion of the water main is composed of copper. This is the water supply piping that runs between the city water meter and the building.

CONDITION:

Serviceable overall.

PRESSURE REGULATOR CONDITION:

Needs Attention:

No pressure regulator was observed at the main line where it enters the structure. They are sometimes installed in other locations that are not readily discoverable.

COMMENTS:

It appears each unit has a separate meter installed to monitor water usage.

INTERIOR WATER SUPPLY LINES:

WATER SUPPLY PIPING MATERIAL:

The interior piping that supplies the water throughout the building is made of copper where viewed.

CONDITION:

Serviceable where viewed.

WATER VOLUME AT FIXTURES:

Serviceable

WASTE LINES:

WASTE LINE MATERIAL:

The piping that takes the waste water to the sewer system is made of cast iron where viewed.

CONDITION:

The visible waste lines appear to be serviceable, however the view is very limited due to the majority of the piping being either in the wall or under the building.

MAIN SEWER CLEANOUT:

A main waste line cleanout was located in the front of the building.

WASTE LINE COMMENTS:

The interior of the waste lines are not visible. A detailed investigation can only be performed by the use of an internal camera by a specialty contractor. Such an inspection is recommended at this time as only by this kind of inspection can the actual condition of the waste lines be determined.

GAS SYSTEM:

GAS METER LOCATION:

The meter is located on the right side of the building.

GAS SYSTEM CONDITION:

Serviceable.

It appears that some of the gas meters have been removed and some areas of the building may not currently have gas service.

SEISMIC GAS SHUT OFF VALVE:

There is no visible automatic seismic gas shut-off valve(s) on the main gas line(s). This may not be required in this municipality, though it is advised to have this installed for health and safety purposes.

WATER HEATER OVERVIEW:

OVERALL:

In a retail setting typically each tenant is responsible for their own hot water system along with all tenant improvements. See individual units for details regarding water heaters.

EXTERIOR PLUMBING:

SPRINKLER SYSTEM:

Exterior sprinklers and plumbing lines are beyond the scope of a general visual inspection.

PLUMBING COMMENTS AND RECOMMENDATIONS:

WASTE LINE RECOMMENDATIONS:

No repairs are recommended other than regular routine maintenance of the system as needed.

The interior of the waste lines are not visible. A detailed investigation can only be performed by the use of an internal camera by a specialty contractor. Such an inspection is recommended at this time.

WATER SUPPLY LINES RECOMMENDATIONS:

No repairs are recommended other than regular routine maintenance of the system as needed.

Hot water is a typical requirement for all restroom sinks for hygienic reasons. It is advised to provide hot water to all required locations such as the restrooms.

GENERAL COMMENTS:

The majority of the water supply pipes, waste lines and gas lines are underground, in walls or installed in concealed parts of the structure and thus are not visible. Their condition cannot be determined and no representation is made as to their status. During the inspection a Representative Sampling of the plumbing is viewed. This is to include any limited view areas such as in a crawl space, attic, etc. This is not a detailed specialty inspection.

The adequacy or efficiency of any hot water heater cannot be determined in a limited time visual inspection. It is not known how hot water will get or how long it will last and this is many times a matter of personal preference.

ELECTRICAL SYSTEM

Electrical features are operated with normal controls. The general wiring, switches, outlets and fixtures are randomly checked in accessible areas. While some observations may be code related, this inspection does not determine if the system complies with code. The inspection does not determine electrical capacity, determining over current capacity for any item including appliances, comparing circuit breaker capacity to installed appliance listings; interior or exterior low voltage wiring or fixtures; telephone, security, intercom, stereo, cable or satellite TV, remote controls or timers. The exterior lighting, landscape lighting or any lighting outside the footprint of the building is not inspected. Light bulbs are not removed or changed during an inspection. This inspection does not certify or warrant the system to be free of risk of fire, electrocution or personal injury or death.

ELECTRICAL OVERVIEW

Overall the entire electrical system appears to be serviceable. No significant defects were observed and it appears that typical and routine maintenance is all that will be needed for the next five years.

MAIN ELECTRICAL SUPPLY:

PATH OF ELECTRICAL SUPPLY:

The electricity is supplied by an underground line to the building.

ELECTRICAL SUPPLY CONDITION:

Serviceable.

MAIN SUPPLY PANEL :

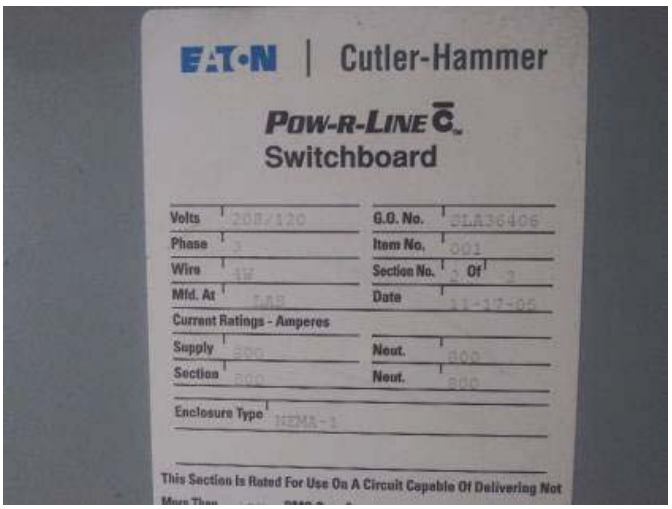
PANEL LOCATION:

The main panel is in an electrical room accessed from outside the building.

MAIN PANEL SPEC'S:

120/208 volts.

Service Amperage rating - 800 amp stand up panel.



MAIN PANEL PROTECTION DEVICE:

The main panel disconnect is a lever.

BREAKER SYSTEM:

Serviceable.

GROUNDING SYSTEM:

The connection of the grounding wires to the grounding system is not fully visible. It should be connected to a grounding rod and/or the cold water piping system but in many cases a full view of these connections are not observable and are covered over within the building.

It is noted that the outlets of the building did test as grounded.

MAIN PANEL CONDITION:

The main electrical panel for the site is overall Serviceable.

ELECTRICAL SUBPANELS:

SUBPANEL LOCATION:


There is an electrical subpanel in each unit.

SUBPANEL CONDITION:

Needs Attention:

There are sub panels on the site that do not have the recommended 36" of clearance for safety such ad in the smoke shop.

INTERIOR ELECTRICAL WIRING:

TYPE OF WIRING:

The wiring in the unit consists of plastic coated wires.

TYPE OF WIRING CONDUIT:

The conduit that carries the wiring is a combination of different types where observed.

WIRING CONDITION:

Serviceable however the view is very limited

OUTLETS:

CONDITION:

A representative sampling of outlets were tested and those that were checked were found to be in working order.

OUTLET COMMENTS:

Ground Fault Circuit Interrupter outlets appear to be located in the proper places, such as kitchens, restrooms and the exterior.

SWITCHES:

CONDITION:

A representative sampling of switches were checked and those that were tested were found to be in working order.

FIXTURES:

CONDITION:

The fixtures observed of the property appeared to be serviceable overall.

FIRE SUPPRESSION & SAFETY SYSTEMS:

FIRE SAFETY SYSTEMS:

This type of building site is required to have certain fire safety items, such as exit signs and/or fire extinguishers. It is advised to check with the local Fire Marshal to determine if this building meets current fire safety regulations.

EXTERIOR ELECTRICAL:

CONDITION:

Inspection of the exterior lighting outside the building and on the grounds is typically not part of the inspection.

ELECTRICAL COMMENTS AND RECOMMENDATIONS:

ELECTRICAL SYSTEM RECOMMENDATION:

No repairs are recommended other than regular routine maintenance of the system as needed.

Low voltage lighting and wiring is excluded from a standard property inspection including outdoor lights, phone lines, security systems and speaker systems. Regular voltage exterior lighting is also excluded.

The wiring is enclosed within the walls and ceilings and other parts of the structure. It is not visible and its condition cannot be fully determined. No representation is made as to its status.

HEATING AND COOLING SYSTEM

While some observations may be code related, this inspection does not determine if the system complies with building codes. Weather permitting a representative sampling of the systems are operated with normal controls. In order not to damage the system, the air conditioners are not activated if the outdoor temperature is below 65 degrees. Gas furnaces are not checked for carbon monoxide leakage or fire risks. There are carbon monoxide and fire detection devices which can be purchased and installed, which we recommend. Air ducts and registers are randomly checked for air flow. Heat exchangers are specifically excluded from the inspection, due to being visually obstructed by the design of the system and a complete inspection requires special tools and disassembly, which is beyond the scope of the inspection. The following are additional items that are beyond the scope of the inspection: balance of the air flow, capacity or velocity of the air flow, humidifiers, air duct cleanliness, the ability of the system to heat or cool evenly, the presence of toxic or hazardous material or asbestos, system refrigerant levels, cooling or heating capacity to determine if its sufficient for the building, electronic air filters, solar equipment and programmable thermostats. Units that are shut down with not be tested or operated. Determining the remaining life of the system is based on industry standards. Window A/C's are not built in units and therefore not usually inspected.

HVAC OVERVIEW:

Due to age replacement should be expected in the near future per industry standards due to age.

SYSTEM

LOCATION:


The heating and cooling units are located on the roof.

SYSTEM TYPE:

The systems are a heat pump type system. This is an all electric system that has a condenser that pumps the refrigerant in one direction to cool the building and then reverses it to heat.

SYSTEM AGE:

The systems are approx. 15 years old.

Per industry standards the expected useful life of a unit such as this is approx. 15 - 20 years depending on the frequency and quality of maintenance. Quarterly maintenance is recommended for optimum operation and longest lasting life.

CONDENSATE LINE:

Needs Attention:

Several of the condensate lines are not connected to an approved drain and are draining onto the roof.

THERMOSTAT:

Serviceable overall.

DUCTING:

Most of the ducts are in the ceiling and not accessible or fully visible.

ELECTRICAL DISCONNECT:

Serviceable.

The units do have an electrical disconnect within line of sight of a servicing technician.

HVAC SYSTEM CONDITION:

Needs Attention:

The heating and cooling system is aged and worn. While the system may still be functional and working, it is noted that this type of system has a life expectancy of approx. 15 - 20 years. Depending on the quality of maintenance, the system is at or near this age.

SYSTEM

LOCATION:

HVAC SYSTEM CONDITION:

HEATING AND COOLING COMMENTS:

RECOMMENDATIONS:

It is advised to have each unit serviced and cleaned at this time to ensure safe and proper function along with any needed repairs done. It is beyond the scope of this general visual inspection to inspect the inner workings of any system. This servicing should be done by a licensed Heating and Cooling specialist at this time.

Due to the overall condition, replacement should be anticipated at this time or in the near future.

As units get older more maintenance and repairs should be expected and replacement should be factored in. Note: the quality of the maintenance can prolong the life of HVAC equipment significantly.

GENERAL COMMENTS:

It is advised to keep all units properly serviced and maintained. Proper service and timely repairs can significantly increase the normal expected, industry standard service life.

Per the California Energy Commission, "Beginning October 1, 2005, Title 24 of the Building Energy Efficiency Standards requires that ducts be tested for leaks when a central air conditioner or furnace is installed or replaced. Ducts that leak 15% or more must be repaired"

A property inspection will not be able to determine if this air loss exceeds the maximum allowed of 15%. This test can only be done by a qualified technician and is beyond he scope of this inspection. It is advised to consult with a qualified specialist on this matter as the examination may determine that repairs or replacement of the ducting system is required.

ROOF SYSTEM

The report is not intended to be conclusive regarding the life span of the roofing system, if it is leak free or how long it will remain leak free in the future. The inspection and report are based on visible and apparent condition at the time of the inspection. The inspection does not address manufacturing defects, fastener appropriateness, if the roof was installed per code, if flashing is present in all locations or the numbers of layers present. Unless a rain has fallen just prior to the inspection, it is not possible to determine if active leakage is occurring. Not all attic areas are readily accessible for inspection. Tile roofs and steeply pitched roofs are not safe to walk on and access is limited on them. Conclusions made by the inspector do not constitute a warranty, guaranty, or policy of insurance. All roofs require periodic maintenance to achieve typical life spans and should be inspected annually. Expect to make minor repairs to any roof.

While it is possible some prior repairs and leaks may be reported, it is not the intention of the inspection to identify and report all prior repairs and conditions. It is recommended to refer to the seller and sellers disclosure about the presence of any roof leaks or prior repairs. Also it should be noted that all gutters have rust and have a limited life span before they need to be replaced.

ACCESS TO ROOF:

ACCESS TO ROOF:

Access to the roof is via a ladder that is accessed inside the building.

ACCESS CONDITION:

Needs Attention:

The hatch lid is damaged and does not operate properly.

HOW ROOF ACCESSED:

The roofing was walked on to inspect it.

ROOF:

ROOF STYLE:


The roofing system has a Low Slope to it. This means that the slope of the roof appears to be no more than 2" of rise for every 12" of horizontal measurement.

TYPE OF ROOFING MATERIAL:

The roofing material on the low sloped roof is multi-layered roofing materials.

ROOF COVERING STATUS:

Needs Attention:

The roofing has areas of excessive wear and is not longer a reliable moisture barrier.

Needs Attention:

It is noted there are areas of the roof that have had patching and or repairs done to them. This is usually an indication that there have been leaks and past issues. It is advised to have full disclosure by the seller as to the history of any roof leaks.


Needs Attention:

There is a grease trap on the roof that does not appear to be well maintained with grease spilled onto the roofing.

EXPOSED FLASHINGS:

CONDITION:


Needs Attention:

The flashing does not appear standard in all areas and may not be a reliable moisture barrier. Review and any needed repairs are advised by a qualified roofing specialist.

ROOF DRAINAGE:

ROOF DRAINS:

Needs Attention:

The roof need cleaning around the drains. Moisture is not able to easily flow off the roof.

ROOF DRAINAGE COMMENTS:

This drainage system has the drains in the roof surface and the drain piping is internal and not visible for the most part. The inspection of this type of system is very limited. It is advised to obtain the history of the performance of this system from the current tenant. Repairs for this type of system require internal wall damage. Yearly maintenance is strongly advised.

ROOF FRAMING:

TYPE OF ROOF FRAMING:

The attic has conventional framing in it.

ROOF FRAMING CONDITION:

The roof framing condition appears serviceable overall. However the views are very limited.

ROOF COMMENTS AND RECOMMENDATIONS:

RECOMMENDATIONS:

Due to the overall condition of the roofing system replacement is advised now. A licensed roofing contractor should examine the roofing system now and make all needed repairs (or replacements) to ensure a long lasting leak free condition. The roofing contractor may find more problems with the roof. It is for this reason it is being referred to a specialist, as he can determine all the problems and give an accurate estimate of the costs involved.

COMMENTS:

It is advised to obtain the roofing Maintenance History for the site. This is to help determine the quality of maintenance along with this can be a very strong indicator as to how well the site performs during rains. The quality of maintenance can allow a roofing system to perform well past industry standards regarding typical useful life. Industry wisdom is to have all roofing systems inspected every year and for any maintenance or repairs to be done by a qualified professional to help maintain a leak free condition.

California usually has seasonal rains which typically occur near the end and the beginning of each calendar year. Occasionally, the rainfall is exceptionally high. In recent years Southern California has been going through a drought. During drought periods many conditions visible following rains do not appear. The duty of a building inspector is to disclose *visible* conditions present at the time of the inspection. If a condition is not visible, it cannot be reported. All roofing systems require regular routine maintenance. It is advised to ensure that the roofing system receives regular routine maintenance.

STRUCTURAL SUPPORT SYSTEM

Structural comments are of the conditions observed at the time of the inspection and are the opinion of the inspector and not fact. If further information or facts are needed, they can be obtained through a structural engineer or foundation expert. The inspection does not determine the potential of the structure to experience future problems, geological conditions or the potential of the underlying soils to experience movement or water flow or whether the soil is stable. If any form of prior structural movement is reported you should expect future movements and possible repairs.

The inspection does not calculate crawl space ventilation capacities, deck and balcony capacity, retaining wall conditions, construction material type, quality or capacity. It does not address the existence of prior repairs, the potential of future repairs, failure analysis, documentation of all possible movement or cracks in floor slabs covered by floor furnishings. It is typical for concrete floor slabs to have some hairline cracks as a result of the normal drying process of the concrete plus the stress occurring by settlement and seismic activity. Crawl spaces are observed in a cursory fashion and wood probing is not done and wood damage, dryrot and termites are not part of this inspection but part of the structural pest control operators report.

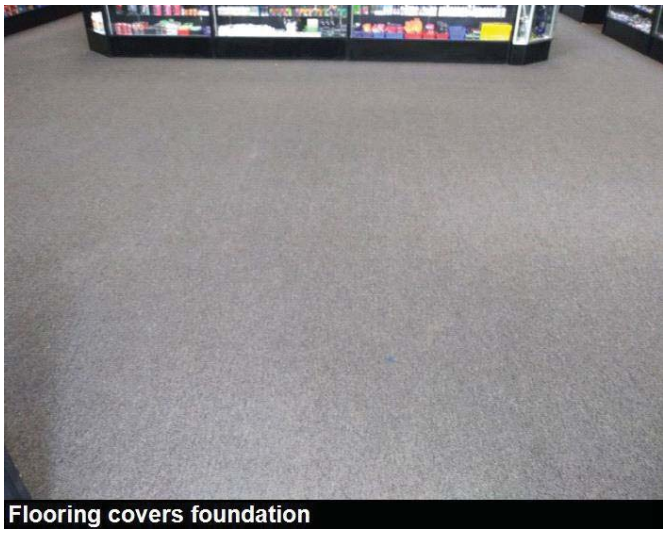
STRUCTURAL OVERVIEW:

Overall the structure appears generally serviceable exhibiting typical wear.

STRUCTURAL FOUNDATION SYSTEM:

DESCRIPTION:

The building is supported by a slab foundation system.



Flooring covers foundation

SLAB FOUNDATION:

SLAB ON GRADE:

This building is on a monolithic slab of concrete.

There were no observable signs of significant settlement or deflection in the slab from observing the finish flooring. It appears to be performing its function of supporting the structure; however, the actual slab itself was not seen and it may appear different once the finish flooring is removed.

By the nature of slab construction the structure would typically be anchored to this concrete slab.

SLAB ON GRADE
COMMENTS:

The concrete slab is not visible due to floor coverings, thus any cracks cannot be seen; however, all concrete has some typical cracking and it is expected that this would have such typical cracking if it were fully exposed to view.

STRUCTURAL WALL SYSTEM:

This appears to be a Wood Frame building with Stucco covering.

EXTERIOR WALLS
CONDITION:

Serviceable overall.

INTERIOR WALL
CONDITION:

Serviceable overall.

FRAMING CONDITION:

Serviceable overall.

STRUCTURAL COMMENTS AND RECOMMENDATIONS:

RECOMMENDATIONS:

No repairs are recommended other than regular routine maintenance of the system as needed.

EXTERIOR

The exterior is viewed in a cursory fashion. Areas of the exterior that are hidden from view by vegetation or stored items cannot be judged and are not a part of this inspection. Minor cracks are typical in many exterior wall coverings and most do not represent a structural problem. Peeling and cracking exterior paint on windows, doors and trim allow water to enter and cause damage and deterioration. It is important to keep these exterior surfaces properly painted and/or sealed. Many times chimneys have hidden undisclosed cracks that cannot be seen. A chimney specialist inspector should be employed to determine the true condition of the structure of any chimney as it is beyond the scope of this inspection to determine damage to chimneys. All exterior grades should allow for surface and roof water to flow away from the foundation and exterior walls.

EXTERIOR COVERING OF THE BUILDING:

MATERIAL:

The exterior building covering is stucco.

CONDITION:


Serviceable.

There is some wear and repairs noted from what appears to be old signage anchors.

EXTERIOR WINDOW SURFACES:

MATERIAL:

The exterior window surfaces are metal.

CONDITION:

Serviceable overall.

EXTERIOR DOOR SURFACES:

MATERIAL:

The exterior door surfaces are metal.

CONDITION:

Serviceable overall, with typical wear noted.

EXTERIOR COMMENTS AND RECOMMENDATIONS:

EXTERIOR
RECOMMENDATIONS:

It appears only typical and routine maintenance will be needed.

COMMENTS:

This inspection is not a structural pest control inspection, otherwise known as a termite inspection. The "termite" inspection also covers such things as dry rot and wood damage and deterioration as well as wood destroying organisms. Any and all of these items need to be examined and any repairs completed by the "termite" company in a timely manner and they usually have a guarantee on their work. Please refer to the structural pest control report for any information concerning them

This is not a mold or fungus inspection, it is therefore advised to have a mold specialist examine the property and structure and do a complete inspection to determine the presence or not of any mold that may affect the health or safety of the occupants.

GROUNDS

This inspection is not intended to address or include any geological conditions or site stability information. For information concerning these conditions, a geo-technical engineer should be consulted. Proper grading is important to keep water away from the foundation. If it is not raining during the inspection the course of water flowing toward the structure or off the site cannot be observed. The soil should slope away from the structure to prevent problems caused by excess water not flowing away properly. Gutter discharge should be directed away from the foundation for the same reason. Out buildings, such as storage sheds, on the property are excluded from the inspection. Fire pits, a B.B.Q. and other similar items are not inspected nor is the gas to them tested or lit.

This inspection is visual in nature and does not attempt to determine drainage performance of the site or the condition of any underground piping, including municipal water and sewer service piping or septic systems. Landscape lighting, sprinklers and their timers are not part of a general property inspection. The inspection report does not include the identification of the property boundaries.

WALKWAYS:

CONDITION:


Serviceable.

PARKING AREA:

PARKING LOT:


Serviceable overall.

LANDSCAPING:

CONDITION:

Serviceable. The grounds on the property have generally been maintained.

DRAINAGE:

SITE:

Relatively flat site.

DRAINAGE CONDITION:

There were no significant observable defects in the grading and drainage within six feet of the building.

The site is a relatively flat site, it is expected that there will be some areas where water will pool during rainy periods.

COMMENTS:

Determining the adequacy of the grounds to shed water and prevent moisture intrusion into the structure is beyond the scope of the inspection. It is advised to obtain the history of any drainage problems and monitor the site regarding water run-off and drainage in general.

This inspection does not address drainage issues further than 6 feet from the building. Additionally drainage systems that are not visible such as underground systems are not evaluated or inspected. If more information is required it is advised to consult with a qualified general contractor who specializes in drainage systems.

GROUNDS COMMENTS:

GROUNDS RECOMMENDATIONS:

Overall the maintenance of the site and grounds appears to be serviceable.

GENERAL COMMENTS:

Low-voltage systems such as phone, cable, internet or grounds lighting on the site are not part of the real estate inspection.

This report does not include identification of property boundaries. If this information is desired, it is advised to consult with a qualified professional.

California usually has seasonal rains which typically occur near the end and the beginning of each calendar year. Occasionally, the rainfall is exceptionally high. In recent years Southern California has been going through a drought. During drought periods many conditions visible following rains do not appear. The duty of a building inspector is to disclose *visible* conditions present at the time of the inspection. If a condition is not visible, it cannot be reported.

Units

INTERIORS OVERVIEW

OVERALL:

The interior were found to be generally serviceable with typical wear.

NOTE: The Interiors Section generally reports on the condition of interior components such as floor coverings, finishes, surfaces, kitchens and restrooms.

For detailed information on the Systems components, such as Electrical and Heating and Air Conditioning, see under the preceding Sections for each major system.

It is noted that due to the amount of personal items full inspection of the site was limited in some areas.

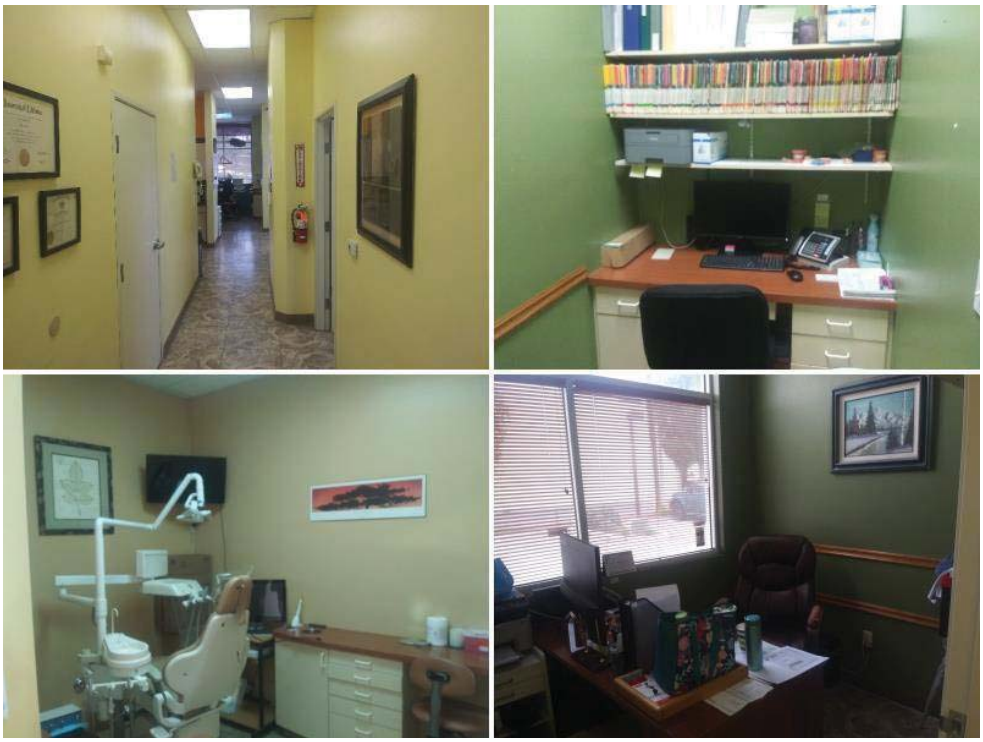
UNIT:

UNIT 420

UTILITY STATUS:

The utilities were on at the time of inspection with the exception of the gas.

INTERIOR AREAS:



The overall interior was found to be serviceable.

Needs Attention: There are areas of moisture stains and/or damage on the ceiling.

RESTROOM FIXTURES:

Not Acceptable: There is no hot water provided to the sink, which is required for sanitary purposes.

UNIT:

UNIT 430

INTERIOR AREAS:

The overall interior was found to be serviceable.

Needs Attention: There are areas of moisture stains and/or damage on the ceiling.

RESTROOM FIXTURES:

Needs Attention: The restroom was generally serviceable however there are areas with noticeable age and wear.

UNIT:

UNIT 450

INTERIOR AREAS:



The interior areas are aged and worn, but remain serviceable overall.


Needs Attention: There are areas of damage to the walls.

Needs Attention: There are areas of moisture stains and/or damage on the ceiling.

KITCHEN:

Serviceable.

This is a commercial restaurant kitchen currently in use. Appliances and components such as commercial ovens, stoves, ventilation and exhaust fans, refrigerators and freezers, sinks, waste systems and other kitchen specialty equipment fall outside the scope of a general building inspection.

Needs Attention: There is a fire suppression system present in the kitchen. Inspection of the fire suppression system is beyond the scope of this general visual inspection however it is noted that the inspection tag was either missing or appears older. A detailed review is advised for health and safety.

RESTROOM FIXTURES:

The restroom was generally serviceable however there are areas with noticeable age and wear.

WATER HEATER

CONDITION - **Needs Attention: The water heater is old and at or near the end of it's expected life span.**
FUEL - This is a gas water heater.
SIZE - 75 gallon
AGE - 13 years old, Water heaters have an expected life of 8 - 12 years.
COMBUSTION AIR - Serviceable.
TRAPPING AND SUPPORT - Serviceable, The water heater appears to be properly secured to prevent movement in the case of seismic activity.
TEMPERATURE / PRESSURE RELIEF VALVE - Serviceable.

ELECTRICAL

SUB PANEL CONDITION

Needs Attention: There are knock-outs missing at the panel leaving exposed electrical items as a result. This is inexpensive to correct but should be repaired to make the panel safer

INTERIOR COMMENTS AND RECOMMENDATIONS:

GENERAL COMMENTS:

This is a general visual inspection, there was no destructive or intrusion testing performed. The intention of this report is to inform the client of the overall condition of the property.

It is typical when a building is remodeled or repairs are undertaken that additional problems surface that were not noted on the inspection report. This is to be expected as walls, floors and ceilings are opened up during the work to reveal areas that were not accessible during the inspection. Any remodeling work undertaken on a property should be expected to reveal some of these problems and it is recommended that additional sums be set aside for this purpose.

RECOMMENDATIONS:

There are several signs of moisture intrusion in the building. This is viewed as a concern and should be pursued so that all active sources of moisture entry are corrected.

Due to observed alterations of the interior that do not appear to be original or what appear to be obviously done after the original construction it is advised to have a qualified general contractor review all building permits with the local department of building and safety to ensure all proper procedures have been observed.

INSPECTION LIMITATIONS

SPECIFIC EXCLUSIONS AND LIMITATIONS:

OUR GOAL:

Our Goal is to enlighten you as to the condition of the property by identifying material defects that would significantly affect the property and therefore your decisions concerning it. We strive to add significantly to your knowledge of the building. **Thus the goal is not to identify every defect concerning the property but focus upon the material defects and thereby put you in a much better position to make an informed decision.**

GENERALIST VS. SPECIALIST

A property inspector is a generalist and the inspection is conducted along generalist guidelines as listed above. The generalist job is to note material defects in the property he is inspecting. When he observes and finds one or more problems in a system of the property that affects its performance he may then refer the entire system over to a specialist in that field for a further detailed investigation. The specialist is expected to conduct a more detailed examination on that system from his specialist sphere of knowledge and training to determine all the problems with the system and the related costs of repairs. The specialist is inspecting from a depth of knowledge and experience that the generalist does not have.

REPRESENTATIVE SAMPLING:

The building has many identical components such as windows, electrical outlets, etc. We inspect a representative sampling of these only. We do not move any furniture or personal belongings. This means that some deficiencies which were there may go unnoted or there may be items which are impossible to anticipate. We suggest that you plan for unforeseen repairs. This is part of property ownership as all buildings will have some of these repairs as well as normally occurring maintenance.

USE OF THE REPORT:

The inspection report does not constitute a warranty, insurance policy or guarantee of any kind. It is confidential and is given solely for the use and benefit of the client and is not intended to be used for the benefit of or be relied upon by any other buyer or other third party.

PRE-INSPECTION AGREEMENT:

Terms and conditions crucial to interpretation of the report are contained in a separate pre-inspection agreement. Do not use this report without consulting the pre-inspection agreement as use of this report constitutes the acceptance of all the terms, conditions and limitations in that agreement.

MOLD, MILDEW AND FUNGI:

Mold, mildew and fungus are specifically excluded from the inspection and the report. The inspector is not qualified to note the presence or absence of mold. Mold can be a serious problem and should not be overlooked. The structure should be inspected for mold during the inspection contingency period by a specialist in this field to ensure that this hazard does not exist.

WOOD DESTROYING ORGANISMS:

Termites, dry rot, wood rot and wood destroying organisms are covered by a structural pest control operator's report. These are not part of the inspection and the inspector will not be inspecting for them. The Business and Professions Code prohibits anyone but licensed structural pest control operators from commenting on this subject.

BUILDING CODES:

This is not a building code or code compliance inspection. That is a different type of inspection performed by the local municipality, usually during construction. It is advised to obtain all available documentation such as building permits and certificates of occupancy during the inspection contingency period.

HAZARDOUS SUBSTANCES:

Identifying hazardous substances is not part of this inspection. Items such as formaldehyde, lead based paint, asbestos, toxic or flammable chemicals and environmental hazards are not tested for and are not within the scope of the inspection.

INSPECTION LIMITATIONS:

This is a limited time visual inspection. It excludes any items we cannot directly observe such as chimney interiors, furnace heat exchangers, underground piping, etc. These are specialty inspections and those inspections can be arranged using specialized equipment.

Additionally we do not inspect to see if components are installed properly. We do not have the specialized training, instruction sheets or manuals to determine if they meet manufacturer's or building code requirements for installation, which can be quite varied. This is part of the specialist's inspection and any questions concerning installation would best be answered by the specialist