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PROPERTY CONDITION ASSESSMENT



Date: xx/xx/2007

Client: Sample Report

Inspection Address: 1234 51st ST Ct, Mill Creek, WA 98012

Inspector: Michael Linde

This report is the exclusive property of Northwest Building Inspections, Inc and the client whose name appears herewith, and its use by any unauthorized persons is prohibited.

This report has been produced in accordance with our signed contract and is subject to the terms and conditions agreed upon therein. All printed comments and the opinions expressed herein are those of the inspection company.

GENERAL INFORMATION

General Property Photos



Front View



Rear View



East View



West View

Structural Details:

Number of Floors:	3
Style:	Hotel
Orientation:	North
Construction Type:	Wood Frame
Approx. Year Built	1996

People Present at Inspection: Property Manager & Property Maintenance Person

Weather Conditions: Overcast and in the 30's

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EXECUTIVE SUMMARY

The property was found to be in satisfactory condition for the most part, with the exception of the siding and a section of the roof. Overall, there was wear and tear typical of a 10-year old hotel building.

The landscaping, grounds and parking areas were found to be in acceptable condition.

The structure (foundation, walls, floors and roof trusses) are in acceptable condition.

The siding requires extensive repair, as noted in greater detail in the body of the report.

The roof was generally in serviceable condition, except the section above the pool and lobby, which was poorly installed. That section of roof and associated components require repair as detailed in the body of the report.

The electrical system was generally found to be in good repair. The defective GFCI electrical outlets in rooms 122, 300, 306, 330 and 334 need to be repaired immediately for safety reasons.

The plumbing system was generally found to be in satisfactory condition. There is one 100gallon water heater in the laundry room that is leaking and should be replaced.

The air-conditioning and heating system were functional but require cleaning and servicing. The through-wall heating/air-condition units in the guest rooms have dirty filters. The inside of the units should be cleaned and the filters changed. The pool and spa heater exhaust flue pipes above the flat roof are rusted through and should be replaced. The air-conditioning condensing coil at the front of the building is filled with dryer lint and should be cleaned.

The interior of the building was found to be in satisfactory condition, for the most part. However, the majority of the window screens in the guest rooms are damaged in some way. You may wish to have them repaired or replaced. There is a water stain/mold on the bathroom ceiling in room #209. Recommend repairing the bathtub leak in the unit above this bathroom and then replace the damaged ceiling materials in room #209.

The elevator appears to be in satisfactory condition, for the most part. However, the automatic reverse sensors on the elevator door do not appear to be functioning.

Please note: The executive summary provides a preview of the components or conditions that need service or a second opinion, but it is not definitive. Therefore, it is essential that you read the full report. Where recommended, service is essential because a specialty contractor could identify further defects or recommend some upgrades that could affect your evaluation of the property. **ALL WORK MUST BE PERFORMED BY QUALIFIED LICENSED CONTRACTORS AND A RECEIPT OF WORK PERFORMED SHOULD BE PROVIDED.**

Scope of the PCA

As per the request of Sample Client, a visual inspection was performed of the property. Our inspection was limited to identifying the existing conditions of the following readily visible building components:

Structure	Electrical System
Heating System	Air-Conditioning System
Plumbing System	Roofing System
Ventilation System	Exterior Components
Interior Components	Insulation
Roofing System	

This assessment meets or exceeds the ASTM standards for Property Condition Assessments. This report provides recommendations and priorities for:

- remedying major deficiencies,
- updating aging major components, and
- undertaking further detailed investigations.

The recommendations are for remedial actions that are considered to be beyond the normal maintenance of the building.

This report is intended for the exclusive use of our client. Use of the information contained within the report by any other party is not intended and, therefore, we accept no responsibility for such use.

INSPECTION AUTHORIZATION AND SCOPE

This report is a professional opinion, based on the accessible features of the building. We evaluated the current physical condition; we did not perform a design analysis. We visually reviewed the performance, looking for evidence of distress. It should be understood that there are limitations to such an inspection. Throughout any inspection, conclusions are often drawn which cannot be confirmed by direct observation. Therefore, it should be understood that we can reduce the number of unforeseen repairs; however, we cannot eliminate them. Consequently, no guarantee or warranty can be offered or implied. Only the items specifically addressed in this report were examined. No comment is offered on fire protection equipment or on fire regulation, building code and building bylaw compliance, or environmental concerns.

BUILDING DESCRIPTION

The subject property consists of a single three-story building being operated as a hotel. The building has 76 guest rooms, one indoor swimming pool and one elevator. The building was constructed approximately in 1996.

1.0 Site & Grounds

General Topography & Grading

Informational

- 1.1. The building is situated on a flat level pad, which would typically not require a geological evaluation.

Exterior Elevation

Needs Service

- 1.2. In several areas, the soil to siding clearance is below the minimum requirement. This is a conducive condition to wood destroying organisms. Soil to siding clearance should be a min. of 6 inches.



Soil is too close to the siding

Parking Facilities

Informational

- 1.3. Based on occupancy status, the current parking space should be adequate for this size building.
- 1.4. The parking surfaces have been evaluated and found to be in acceptable condition. The maintenance manager has stated that the parking surface was re-sealed in 2004.

Exterior Lights

Informational

- 1.5. The exterior lights are functional and in acceptable condition.

Landscaping and Vegetation

Informational

- 1.6. Landscaping is an important feature of a commercial building, and the cost of

maintenance and improvements should be included in the operating budget.

Automatic Sprinkler Irrigation

Informational

- 1.7. We did not evaluate the automatic sprinkler systems, because the system has been winterized and most of the components are buried or sealed, and because testing them could entail altering or overriding an existing program. Therefore, you should ask the sellers to demonstrate them and to indicate any seasonal changes that they may make in the program.

Concrete Walkways

Informational

- 1.8. The walkways and patio are in acceptable condition.

2.0 Structural

Foundation Type

Slab on-grade

Informational

- 2.1. This building has a slab foundation. Such foundations vary considerably, from older ones that have no moisture barrier under them and no reinforcing steel within them to newer ones that have both. Our inspection of slab foundations conforms to ASTM standards. We check the visible portion of the stem walls on the outside for any significant cracks or structural deformation, but we do not move furniture or lift carpeting and padding to look for cracks or moisture penetration, and we do not use any of the specialized devices that are used to establish relative elevations and confirm differential movement. Significantly, many slabs are built or move out of level, but the average person may not become aware of this until there is a difference of more than one inch in twenty feet, which most authorities regard as being tolerable.

Many slabs are found to contain cracks when the carpet and padding are removed, including some that contour the edge and can be quite wide. They typically result from shrinkage and usually have little structural significance. However, there is no absolute standard for evaluating cracks, and those that are less than 1/4" and which exhibit no significant vertical or horizontal displacement are generally not regarded as being significant. Although they typically do result from common shrinkage, they can also be caused by a deficient mixture of concrete, deterioration through time, seismic activity, adverse soil conditions, and poor drainage, and if they are not sealed they can allow moisture to enter a residence, and particularly if the residence is surcharged by a hill or even a slope, or if downspouts discharge adjacent to the slab. However, in the absence of any major defects, we may not recommend that you consult with a foundation contractor, a structural engineer, or a geologist, but this should not deter you from seeking the opinion of any such expert, and we would be happy to refer one.

General Condition

Informational

- 2.2. We evaluated the exterior of the slab foundation by examining the stem walls that project above the footing at the base of the structure walls and found the concrete slab foundation has no visible or significant abnormalities.

3.0 Building Envelope

Exterior Cladding

General Comments

Informational

3.1. It is important to maintain a building, including painting or sealing the building walls, which provides the only barrier against deterioration. Unsealed cracks around windows, doors, and thresholds can permit moisture intrusion, which is the principle cause of the deterioration of any surface. Unfortunately, the evidence of such intrusion may only be obvious when it is raining. We have discovered leaking windows and doors while it was raining that may not have been apparent otherwise, and too often damage progresses to a point at which a window or door must be replaced. Such occurrences are not uncommon, and demonstrate why the cost of renovating a neglected property will always exceed that of having maintained it.

Composite Siding

Needs Service

3.2. The original installation of the exterior siding was substandard. There are many deficiencies with the exterior siding, which are all repairable. The issues with the siding are as follows:

- 3.2.1 Due to improper fastening, many pieces of siding are buckling and pulling away from the building.
- 3.2.2 Most of the nails that were used to fasten the siding were driven too deep, which breaks the surface of the siding and allows water to contact the unprotected interior of the siding, which causes decay.
- 3.2.3 There are several pieces of trim boards that are swollen, which indicates water has saturated the trim and is causing the material to deteriorate.
- 3.2.4 There are several areas where the siding was cut too short to reach the corner boards. The resulting large gaps were filled with caulking.
- 3.2.5 The siding and trim boards on the parapet walls above the flat roof are decayed and requires replacement.
- 3.2.6 There are large gaps between the siding and brick walls that should be sealed to prevent water damage to the wall materials.
- 3.2.7 There is no metal flashing installed above any of the windows or wall heater penetrations and the caulking in these areas is cracking. This has left gaps around the windows for water to penetrate the wall materials.

Recommend re-securing or replacing the buckled pieces of siding, installing metal flashing above the windows and wall heaters, replacing the siding that are too short to reach the corner boards, replacing the siding on the parapet walls, and replacing all swollen corner

boards. In addition, all the nailheads that penetrate the siding and all gaps around the windows and where the brick meets the siding should be caulked. After these repairs are completed, the exterior of the building should be re-painted.

Note: I believe the siding is Truwood Cottage lap siding, which can still be purchased to replace the damaged siding. You can view the website for this product at www.collinswood.com



Decayed siding



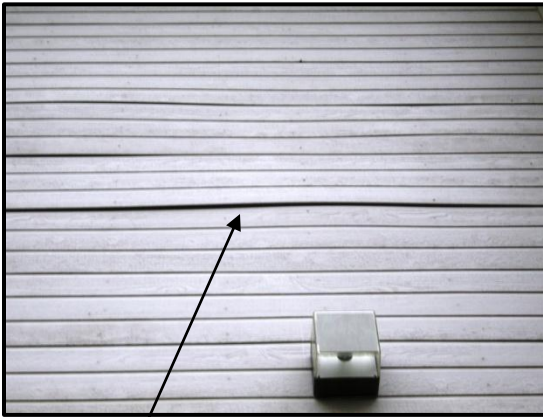
Siding on the parapet walls needs to be replaced



No flashing above the windows



Siding was cut too short (poor installation)



Buckled Siding



Buckled Siding

Ingress & Egress

Doors

Informational

3.3 The main building doors were examined, and found to be in acceptable condition.

Windows

Informational

3.4 The majority of the windows are in acceptable condition. However, in accordance with ASTM standards, we do not test every window in the building. We do test every window in every guest room to ensure that at least one facilitates an emergency exit.

Needs Service

3.5 There are four windows in the pool room with broken hermetic seals, which should be replaced.

Screens

Needs Service

3.6 Many of the window screens are damaged, and you may wish to have them repaired.

Stairwells

Informational

3.7 We have evaluated the stairwells, and found them to be in acceptable condition.

4.0 Roofing

Sloped Roof

Composite Shingles

Informational

- 4.1 There are a wide variety of composition shingle roofs, which are comprised of asphalt or fiberglass materials impregnated with mineral granules that are designed to deflect the deteriorating ultra-violet rays of the sun. The commonest of these roofs are warranted by manufacturers to last from twenty to twenty-five years, and are typically guaranteed against leaks by the installer for three to five years. The actual life of the roof will vary, depending on a number of interrelated factors besides the quality of the material and the method of installation. Poor maintenance is the most common cause of roof failure, but a southern exposure can cause a roof to deteriorate prematurely, as will the practice of layering over another roof. However, the first indication of significant wear occurs when the granules begin to separate and leave pockmarks or dark spots. This is referred to as primary decomposition, which means that the roof is in decline, and therefore susceptible to leakage. This typically begins with the hip and ridge shingles and to the field shingles on the south facing side. This does not mean that the roof is ready to be replaced, but that it should be serviced or monitored. Regular maintenance will certainly extend the life of any roof, and will usually avert most leaks that only become evident after they have caused other damage. This is important, because in accordance with ASTM standards our inspection service does not include a guarantee against leaks. For such a guarantee, you would need to have a roofing company perform a water test and issue a roof certification. However, the sellers or the occupants of the building will generally have the most intimate knowledge of the roof, and you ask them about its history and then schedule a regular maintenance service.

Method of Evaluation

Informational

- 4.2 We evaluated the roof and its components by walking its surface.

Estimated Age

Informational

- 4.3 The roof appears to be the same age as the building, or 10 years old. It should be kept clean and inspected annually.

Specific Comments

Informational

- 4.4 The roof is in acceptable condition.

Metal Flashings

Informational

- 4.5 The flashings appear to be in acceptable condition.

Gutters & Drainage

Informational

- 4.6 The gutters and drainage system are in acceptable condition. However, without water in them, it is difficult to judge whether they are correctly pitched to direct water into the downspouts. With that said, they should function as they were intended.

Flat Roof Section

Informational

- 4.7 The roof above the swimming pool is a flat roof. Flat roofs are designed to be waterproof, not just water resistant, and to last approximately fifteen years. They are rarely flat, and generally slope toward drains, in or near surrounding parapet walls. However, water ponds on many of these roofs that will only be dispersed by evaporation. For this and related reasons, flat roofs have always been problematic and must be maintained. They are comprised of several layers of rolled roofing materials, which are either hot-mopped or torched-down, that expand and contract in the daily and sometimes radical temperature extremes, and eventually buckle, split, separate, and finally deteriorate. When this happens, the roof is susceptible to leaks. However, although gradual decomposition of the roofing materials is inevitable, most leaks result from poor maintenance. Therefore, regardless of the age of a flat roof, it should be inspected seasonally, kept clean, and serviced frequently. Although less expensive than other roofs, they can end up costing more if they are not maintained. This is important, because our inspection service does not include a guarantee against leaks. For such a guarantee, you would need to have a roofing company perform a water test and issue a roof certification. However, the sellers or the occupants will generally have the most intimate knowledge of the roof. You should ask them about its history, and then schedule a regular maintenance service.

Method of Evaluation

Informational

- 4.8 We evaluated the flat roof section and its components by walking its surface.

Estimated Age

Informational

- 4.9 The flat roof is the same age as the building, or 10 years old.

Specific Comments

Needs Service

- 4.10 The flat roof section was poorly installed at the time of the original construction. This is indicated by the large ripples in the roofing material. A thermal image scan was performed on the main lobby ceiling and the swimming pool room ceiling, which are both directly below the above-mentioned flat-roof section.

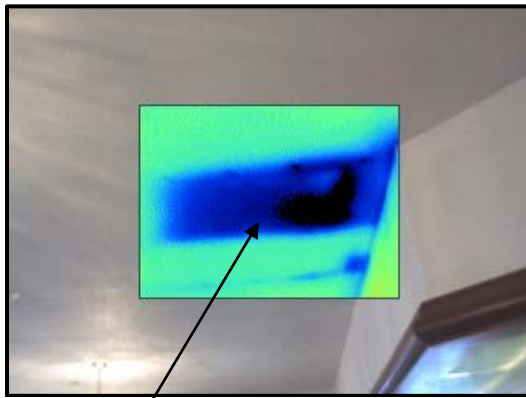
Although there were no visual signs of moisture damage to the ceiling materials in either of these rooms, the thermal scan detected a temperature difference in the ceiling material above the front desk area and in several locations in the pool room ceiling. This indicates that either there is missing insulation in these areas or the ceiling insulation is wet. Due to the locations of these temperature differentials, all being directly below the above-mentioned poorly installed flat roof section, there is a good possibility this indicates wet insulation. Recommend having a licensed roofing contractor evaluate the flat roof section and make all necessary repairs.



Rippled roofing material (poorly installed)



Thermal Scan of pool ceiling (blue areas were verified as wet)

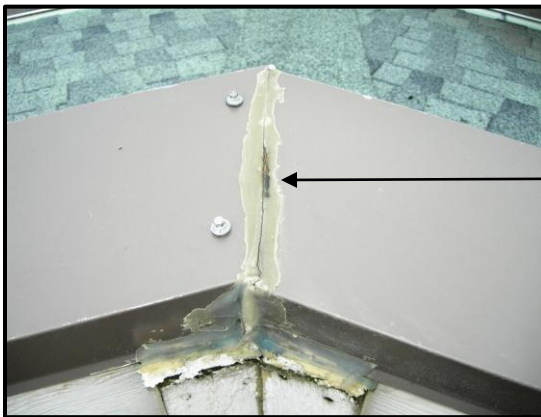


Thermal Scan of lobby ceiling (blue areas were verified as wet)

Parapet Wall Flashing

Needs service

4.11 The seams of the metal caps on the parapet walls should be resealed.



Re-seal the parapet wall flashings

Scuppers & Drains

Informational

- 4.12 The flat roof drains are in acceptable condition. However, without water it is difficult to judge whether the roof is correctly pitched to direct water into the drains. With that said, they should function as they were intended.

Skylights

Needs Service

- 4.13 The skylights over the swimming pool are not fastened down. Recommend securing the skylights.

Attic Space

Informational

- 4.14 We evaluated the attic by direct access to the attic.

Needs Service

- 4.15 The attic access hatch is damaged and should be repaired to prevent any rodents or animals from entering the interior of the hotel from the attic.

Roof Framing

Informational

- 4.16 The roof framing consists of a factory- built truss system, comprised of components called chords, webs, and struts that are connected by wood or metal gussets nailed or glued in place. Each component of the truss is designed for a specific purpose, and cannot be removed or modified without compromising the integrity of the entire strut. The lowest component, which is called the chord and to which the ceiling is attached, can move by thermal expansion and contraction and cause creaking sounds, which are more pronounced in the mornings and evenings along with temperature changes. Such movement has no structural significance, but can result in small cracks or divots in the drywall or plaster.

Insulation

Informational

- 4.17 The attic is adequately insulated with 12-inches of a blown-in cellulose material.

Attic Ventilation

Informational

- 4.18 Ventilation in the attic is standard and should be adequate.

Plumbing Vents

Informational

- 4.19 The plumbing vents are in acceptable condition.

Exhaust Ducts

Informational

- 4.20 The visible portions of the exhaust ducts are functional.

Attic Electrical

Informational

- 4.21 The electrical components that are visible within the attic appear to be in acceptable condition.

5.0 Electrical

Three Phase Power

Main Electrical Service

General Comments

Informational

- 5.1. There are a wide variety of electrical systems with an even greater variety of components, and any one particular system may not conform to current standards or provide the same degree of service and safety. What is most significant about electrical systems however is that the national electrical code [NEC] is not retroactive, and therefore many commercial systems do not comply with the latest safety standards. Common national safety standards require electrical panels to be weatherproof, readily accessible, and have a minimum of thirty-six inches of clear space in front of them for service. Also, they should have a main disconnect, and each circuit within the panel should be clearly labeled. ASTM standards only require us to test a representative number of accessible switches, receptacles, and light fixtures. However, if the building is reasonably small, we attempt to test every one that is unobstructed. If a building is furnished, we may not be able to test each one.

Needs Service

- 5.2. The electrical room is currently being used for storage. This presents a hazard for people working on the electrical equipment and is a fire hazard if flammable materials are stored in this room. Recommend removing the stored items from this room.



Remove all storage items from electrical room



Remove all storage items from electrical room

Service Entrance

Informational

- 5.3. The main conductor lines are underground, or part of a lateral service entrance. This is characteristic of modern electrical services but, inasmuch as the service lines are underground and cannot be seen, they are not evaluated as part of our service.

Specific Comments

Informational

- 5.4. We have evaluated the main panel in accordance with ASTM standards and found it to be in acceptable condition.

Size & Location

Informational

- 5.5. The building is served by a three-phase 1600-amp, 208/120 volt panel, located in the electrical room.

Type of Wiring

Informational

- 5.6. The building is wired with copper wires that are within flexible metal conduit.
- 5.7. The main panel and its components have no visible deficiencies.

Main Panels

Panel Covers

Informational

- 5.8. The interior panel covers on the main panels are in acceptable condition.

Circuit Breakers

Informational

- 5.9. The circuit breakers have no visible deficiencies.

Panel Wiring

Informational

- 5.10. The wiring within the main electrical panels is in acceptable condition.

Electrical Sub-Panels

General Comments

Informational

- 5.11. We have evaluated the electrical sub-panels in accordance with ASTM standards and found it to be in acceptable condition.

Size & Location

Informational

- 5.12. The main electrical system is split into six sub-panels. There are four 200-amp sub-panels in the electrical room and one 400-amp sub-panel in the hallway on the 2nd floor and another in the 3rd floor hallway.

Panel Covers

Needs Service

- 5.13. There are voids or open knockouts in the interior cover panel on sub-panel B-3, located in the 2nd floor hallway. These voids should be sealed.

Circuit Breakers*Informational*

5.14. The circuit breakers have no visible deficiencies.

Panel Grounding*Informational*

5.15. The grounding system in the sub-panels is correct.

6.0 Plumbing

Fuel Supply Type – Natural Gas

Shut-Off Location

Informational

- 6.1. The gas main shut-off is located in the side yard of the building.

Gas Pipe Comments

Informational

- 6.2. The visible portions of the gas pipes appear to be in acceptable condition.

Water Distribution System

Copper Supply Pipes

Informational

- 6.3. The building is plumbed with copper water pipes, which appear to be in acceptable condition.

Water Heating System

Multiple Water Heaters

Informational

- 6.4. There are a variety of commercial water heating systems, ranging from boilers to electrical and gas-fired water heaters. The latter are the most common, and can range in capacity from fifteen to one hundred gallons. They are expected to last at least as long as their warranty, or from five to eight years, but they will generally last longer. However, few of them last longer than fifteen or twenty years and many eventually leak. So it is always wise to have them installed over a drain pan, and preferably one plumbed to the exterior. The water temperature should be set at a minimum of 130 degrees fahrenheit to kill microbes and a maximum of 140 degrees to prevent scalding. Also, water heaters can be dangerous if they are not equipped with either a pressure/temperature relief valve and discharge pipe plumbed to the exterior, or a Watts 210 gas shut-off valve, and in some parts of the country they should be seismically secured.

Age, Capacity and Location

Informational

- 6.5. Hot water is provided by multiple gas-fired water heaters. They are as follows:

Year	Size	Location	Condition
2005	100 gallon	Laundry Room	Acceptable
1996	100 gallon	Laundry Room	Acceptable (mid-span in useful life)
1996	100 gallon	Laundry room	Leaking and needs to be replaced
1996	75 gallon	Laundry room	Acceptable (mid-span in useful life)



General view of the water heaters



Water heater #3 is leaking

Waste Disposal System – Public Sewer

Type of Material

Informational

- 6.6. The visible portions of the drainpipes are a modern acrylonitrile butadiene styrene type, or ABS.

Main Sewer Pipe

Further Evaluation

- 6.7. We recommend having the main sewer pipe video-scanned to determine its condition, without which its condition can only be inferred, and replacement and repairs can be costly.

Waste Pipes

Informational

- 6.8. We have evaluated the waste pipes by flushing water at various fixtures and observing the draw, and have not noted any deficiencies.

7.0 Mechanical

Roof Mounted HVAC Package Systems

General Comments

Informational

7.1 The components of package system, or dual-packs, have a design-life ranging from ten to twenty years. In humid climates where the cooling cycle runs more or less continuously, they should only be expected to last for a maximum of ten years, and that's with optimum maintenance. We test and evaluate these systems in accordance with ASTM standards, which means that we do not dismantle any concealed components. Therefore, in accordance with the terms of our contract, it is essential that any recommendation that we make for service or a second opinion be scheduled before the close of escrow. A specialist could reveal additional defects or recommend further upgrades that could affect your evaluation of the property, and our service does not include any form of warranty or guarantee.

Age & Location

Informational

7.2 The pool room is heated and cooled by a forced-air package system, located on the roof. It is approximately 10 years old, and its components should last for twenty years if the system is well-maintained and inspected as part of a regularly scheduled maintenance program.

Specific Comments

Needs Service

7.3 The components of the system are within design-life and appear to be in acceptable condition, but regular maintenance should be scheduled.

Furnace

Informational

7.4 The furnace is functional and in acceptable condition.

Gas Valve & Connector

Informational

7.5 The gas valve and connector are in acceptable condition.

Evaporator Coil

Informational

7.6 The evaporator coil is functional and in acceptable condition.

Refrigerant Lines

Informational

7.7 The refrigerant lines are in acceptable condition.

Service Disconnect

Informational

7.8 The service disconnect at the condensing coil is functional.

- 7.9 The condensing coil unit at the front of the building is contaminated by laundry lint, and should be cleaned. Recommend re-locating the condensing coil or relocating the dryer vent to prevent the dryer lint from discharging directly into the fins of the condensing coil.



Clean the condensing unit

Window or Wall Unit Systems

General Comments

- 7.10 Thru-wall heating and cooling systems are factory-charged and designed to run off dedicated circuits. Their components are concealed, are not particularly energy efficient, and should not be expected to last longer than ten years, and even less in humid climates where they may run more or less continuously. However, as with other cooling systems, they need to be kept clean and have their filters changed regularly. Regardless, in accordance with the terms of our contract, it is essential that any recommendation that we make for service or a second opinion be scheduled before the close of escrow, because a specialist could reveal additional defects or recommend further upgrades that could affect your evaluation of the property. Our service does not include any form of warranty or guarantee.

Specific Comments

Needs Service

- 7.11 The thru-wall heating and air-conditioning units are functional, but the filters and the inside of the units are very dirty. Recommend having all the heating/cooling equipment cleaned and serviced. The thru-wall heating and cooling units are all 10 years old, which is nearing the end of their design life. Recommend budgeting for increased maintenance and replacement cost.

Elevator

General Comments

Informational

- 7.12 The most important thing for any elevator is maintenance. The quality of elevator equipment and its service is not uniform. Modern motors, pulleys, cables, and hydraulic cylinders are far superior to older ones, but everything mechanical will wear out and eventually fail, and when this happens the parts of old elevators are not always easy to come by. Therefore, in addition to on-going maintenance, it is essential that you budget for major replacement costs.

Manufacturer & Date

Informational

- 7.13 The elevator was manufactured by Dover, and installed in 1996, and the service provider is AECO (509) 448-4109.

Communication Devices

Informational

- 7.14 The elevator is equipped with a hand-held telephone for emergency use.

Protective Devices

Needs Service

- 7.15 The elevator doors do reverse on impact. However, infra-red beams do not appear to be functioning.

Capacity

Informational

- 7.16 The elevator is designed with a maximum capacity of 2500 pounds.

Hydraulics

Informational

- 7.17 The hydraulic cylinder pump is in acceptable condition.

Fire Suppression

Fire sprinklers

- 7.18 The fire suppression system appears to be in acceptable condition. Our evaluation of the sprinkler heads was limited to a random visual examination of the heads, which should not be construed as a specialist evaluation or endorsement. That being said, the fire department inspects the fire suppression system twice a year.

Smoke Detectors (Hardwired)

Informational

- 7.19 The building is equipped with hardwired smoke detectors that are monitored. The responsibility and cost of the monitoring should be established and confirmed to be continuing.

8.0 Commercial Interior

Common Areas

Entry & Lobby

Informational

- 8.1 We have evaluated the lobby in compliance with ASTM standards, and found it to be in acceptable condition.

Corridors & Hallways

Informational

- 8.2 We have evaluated the corridors or hallways in compliance with ASTM standards, and found it to be in acceptable condition.

Conference Rooms

Informational

- 8.3 We have evaluated the conference room in compliance with ASTM standards, and found it to be in acceptable condition.

Office

Informational

- 8.4 We have evaluated the office, and found it to be in acceptable condition.

Guest Rooms

Doors

Needs Service

- 8.5 The majority of the interior doors are functional, but the key sensors on the entry door into rooms 221 and 302 are not functioning. As a result, these two rooms could not be inspected. Recommend repairing or replacing the door sensors.

Floors

Needs Service

- 8.6 The majority of the floors have no significant defects. However there is damage to the subfloor in the hallway between rooms 319 and 321. Recommend repairing the damaged subfloor.

Walls & Ceilings

Informational

- 8.7 The walls and ceiling are in acceptable condition.

Needs Service

- 8.8 There is a moisture stain/mold on the bathroom ceiling in room #209. This is most likely the result of a leak in the bathroom above this room. Recommend repairing the leak and replacing all damaged ceiling materials.

Needs Service

- 8.9 There is minor paint peeling on the wall above the shower in room #208.

Needs Service

8.10 In several rooms, minor moisture damage was found around the window sill area. This may be caused by condensation in the rooms and also from cracked caulking around the exterior of the windows.

Double-Paned Windows

Needs Service

8.11 The windows are functional, but the window frame is cracked on the window in rooms 109, 213, 214 and 217.

Needs Service

8.12 The windows in rooms 306 and 308 need to be adjusted so that they function properly.

Lights

Informational

8.13 The lights are functional.

Electrical

Needs Service

8.14 The GFCI outlet next to the sink in rooms 122, 300, 306, 334 and 330 are defective, and should be serviced.

Restroom's

Informational

8.15 We have evaluated the Men's bathroom, and found it to be in acceptable condition.

Informational

8.16 We have evaluated the Women's bathroom, and found it to be in acceptable condition.

9.0 Pool & Spa

General Comments

Informational

- 9.1 The interior finish of pools and spas rarely remains perfect, and particularly those on pools and spas with colored plasters, and certainly if the proper chemical balance of the water is not maintained. Also, calcium and other minerals have a tendency to leech through the material and mar the finish. This is equally true of pool tiles, on which mineral scaling is not only common but difficult to remove. Even the harshest abrasives will not remove some scaling, which sometimes has to be removed by bead-blasting, which in turn reduces the luster of the tiles. However, such imperfections have only a cosmetic significance. Similarly, the decks around pools and spas tend to develop small cracks that have only a cosmetic significance. The commonest are relatively small, and are often described as being curing cracks. Some cracks are often found to contour the outline of the pool, or the point at which the bond beam, or structural wall of the pool, meets the surrounding soil. These too have little structural significance.

Specific Comments

Informational

- 9.2 We performed a visual inspection of the pool and spa and found them to be functional and in acceptable condition. However, we are not pool and spa specialist. Therefore, we recommend that the pool and spa equipment be evaluated by a licensed pool and spa contractor.

Interior Finish

Informational

- 9.3 The interior finish of the pool and spa are in acceptable condition. The maintenance manager has stated that the pool and spa were re-coated in 2004.

Pool Heaters

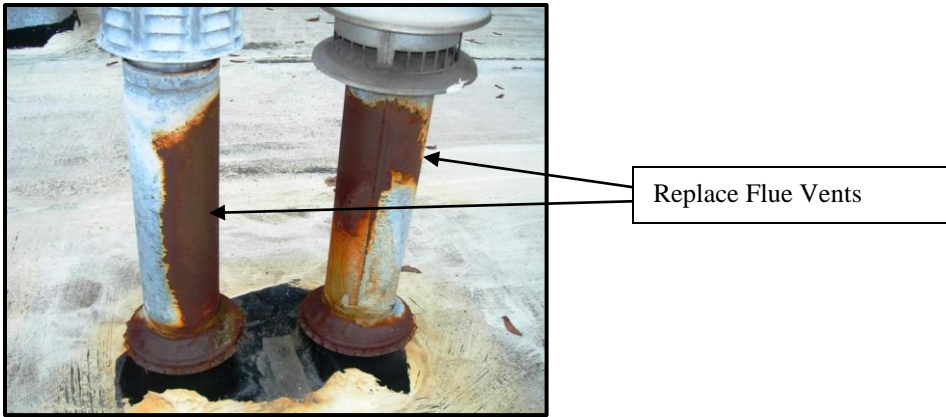
Needs Service

- 9.4 The pool and spa heaters are functional, but they are dirty and should be cleaned and serviced by a specialist. The pool equipment room is dirty and disorganized. Recommend thoroughly cleaning the pool equipment room and re-installing the covers on the pool and spa heaters.

Heater Flue Vents

Needs Service

- 9.5 The metal flue pipes for the pool and spa heaters, located on the flat roof section, are rusted through and should be replaced.



Sauna

Informational

9.6 We have evaluated the sauna in compliance with ASTM standards, and found it to be in acceptable condition.

Report Conclusion

We are proud of our service, and trust that you will be happy with the quality of our report. We have made every effort to provide you with an accurate assessment of the condition of the property and its components and to alert you to any significant defects or adverse conditions. However, we may not have tested every outlet, and opened every window and door, or identified every minor defect. Also, because our inspection is essentially visual, latent defects could exist. Therefore, you should not regard our inspection as conferring a guarantee or warranty. It does not. It is simply a report on the general condition of a particular property at a given point in time. Furthermore, as a building owner, you should expect problems to occur. Roofs will leak, drain lines will become blocked, and components and systems will fail without warning. For these reasons, you should take into consideration the age of the building and its components and keep a comprehensive insurance policy current. If you have been provided with an insurance policy, read it carefully. Such policies usually only cover insignificant costs, such as that of roofer service, and the representatives of some insurance companies can be expected to deny coverage on the grounds that a given condition was preexisting or not covered because of what they claim to be a code violation or a manufacture's defect. Therefore, you should read such policies very carefully, and depend upon our company for any consultation that you may need.

Thank you for taking the time to read this report, and call us if you have any questions or observations whatsoever. We are always attempting to improve the quality of our service and our report, and we will continue to adhere to the highest standards of the real estate industry and to treat everyone with kindness, courtesy, and respect.