

Elite Inspectors, LLC

The Best Real Estate Inspectors in Jacksonville

9951 Atlantic Blvd., Suite 122, Jacksonville, FL, 32225

Mobile: 904-509-6280, Fax: 904-724-7200

PROPERTY CONDITION REPORT

Prepared For:

JOHN DOE

INSPECTION ADDRESS

Main St., Jacksonville, FL, 12345

INSPECTION DATE

12/1/2011 from 9:00 AM to 7:13 PM

REPRESENTED BY

Joseph Realtor

Properties Inc.



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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.

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Inspection Address: Main St., Jacksonville, FL, 12345
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General Information

Property Photo:



Inspection Address: Main St.
Jacksonville, FL 12345

Inspection Date: 12/1/2011 from 9:00 AM to 7:13 PM

Present at Inspection: Buyer's Agent

Client Information: John Doe
1234 E. Main St.
Jacksonville, FL 12345
555-5555 - Home

Represented By: Joseph Realtor
Properties Inc.

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Executive Summary

1. General physical condition of the buildings

This building is in good physical condition. The walls are constructed with concrete masonry units (CMU's) and steel beams and trusses show minimal settlement or differential movement cracks. The CMU's are parged and painted and do show some cosmetic issues such as stains and worn or peeling paint to decorative wood trim that will need to be serviced. The main building roof structure is steel beams, rafters with metal deck pans supporting a rolled membrane cladding that has been recently installed. The canopy at the drive through appears to be structurally sound but there are some issues with the roof and ceiling coverings that are noted within the report.

2. Opinions of Probable Costs

Our service does not include an estimate for repairs, nor does our company perform repairs, so any opinions of probable costs should not substitute for obtaining bids or estimates from licensed repair contractors. Replacement of the roof cladding on the main building is suggested not because of wear or deterioration but because of obvious signs or leakage and of previous deficiencies indicated by the patching to many areas. The cladding on the drive through canopy is in good condition however prior leakage has resulted in damage to underlying wood framing components and surfaces. Repairs should be performed according to proper engineering specifications for truss systems. Damaged wood roof decking should also be removed and replaced. There are a few ceiling tiles that are damaged and/or missing and would need to be replaced within the interior areas. Other costs would be associated with re surfacing and striping the parking areas as necessary, general landscaping improvements, and general cosmetics to exterior and interior surfaces (painting, wood repairs etc).

3. Deviations from the Guide

NONE.

4. Recommendations

Installation of the roof cladding on both structures is recommended.

Scope of the PCA

As indicated in our proposal, the property condition assessment, or PCA, conforms to ASTM standards. These standards have clearly defined limitations with which you should be aware. However, the assessment is essentially visual and non-destructive and relies on random sampling techniques, as opposed to comprehensive analysis, and is not technically exhaustive. The PCA is intended to identify defects or deficiencies, or alert you to the need for further evaluation by specialists, and to recommend necessary improvements that could affect your evaluation of the property. Nevertheless, the following specialized assessments are beyond the scope of our service, but can be undertaken for a revised fee.

Termite & Pest Assessment

Termite and pest assessments are usually mandated by lending institutions, and are generally the sellers' responsibility.

Code Compliance Assessment

Commercial buildings commonly meet the code requirements for the year in which they were constructed, but may not have been retrofitted to meet current codes. Therefore, you may wish to have a specialist conduct a comprehensive assessment to determine compliance with current codes.

Seismic Vulnerability Assessment

Prior to 1970, there were no published seismic codes for commercial buildings. Consequently, many buildings remain susceptible to seismic damage. We can elaborate on this issue, however the Federal Emergency Management Association, or FEMA, has published information detailing building types and their components that are seismically vulnerable, which are available on the web at www.fema.org, but you may also wish to have a structural engineer evaluate, either for purposes of information or with a view to having the building retrofitted.

Hurricane Vulnerability Assessment

Many building components are susceptible to hurricane forces, particularly those with large glazed openings. The Federal Emergency Management Association, or FEMA, has published information describing the features of building that are most vulnerable to hurricane forces, which you can review on the web at www.fema.org, but you may also wish to have a structural engineer evaluate, either for purposes of information or with a view to having the building retrofitted.

Environmental Assessment

There are different types or levels of environmental inspections. Phase One Site Inspections are the commonest, and are typically mandated by banks and other lending institutions. However, such inspections rarely cover the testing of indoor air quality, which can be adversely affected by multiple contaminants that have been described by

the Environmental Protection Agency. You can learn more about these on the web at [insert the web address].

Americans with Disabilities Act Assessment

The Americans with Disabilities Act, or ADA, was passed in 1999 to set federal building accessibility standards for the accommodation of disabled persons. There are three levels of assessment that are available: the first level is the least expensive, and is comprised of a purely visual survey of accessibility; the second level is similar to the first but more specific and includes generalized measurements; the third level entails a complete assessment for ADA compliance. Please be aware that state and local municipalities may have incorporated all or part of these standards into their by-laws, and may have even stipulated more stringent ones.

Fire Suppression Assessment

Depending on the use, or intended use of a building, insurance companies will commonly require an evaluation of fire suppression systems and their components, and particularly as it relates to the safety of the public.

Tele-communications Assessment

Telecommunications and data systems are constantly evolving and require an evaluation by specialists.

Elevator Assessment

Whereas we attempt to provide relevant information regarding the age, type, and capacity of elevators, we recommend that they be evaluated by the current service contractor, who is likely to have the most recent and comprehensive knowledge of their condition and maintenance.

Recreational Equipment Assessment

We will describe the overall condition of recreational equipment. However, we do not have the knowledge of a specialist and cannot apprise you as to its relative value, etc.

Inspection Address: Main St., Jacksonville, FL, 12345
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Bank Building: General Information

Inspectors: Stephen Franco

Building Address: 9802 Baymeadows Rd.
Jacksonville, FL 32256

Structural Details: Floors 1
Style Commercial Building
Approx. Year Built 1980's
Approx. Area 3,000 sq. ft.

Bank Building: Main Structure

Site

Environmental Issues

Indoor Air Quality

General Comments

Other

- 1.1.1 We do not test indoor air quality, which the Consumer product safety Commission lists fifth among potential contaminants. However, inasmuch as health is personal responsibility, we recommend having the air quality tested by a specialist, and the components through which air moves cleaned, as a prudent investment in environmental hygiene.

Mold Contamination

General Comments

Informational

- 1.1.2 Mold is a microorganism comprised of tiny seeds, or spores, that are spread on the air, come to rest, and feed on organic matter. Mold has been in existence throughout human history and takes different forms, many of which are benign, like mildew. Some that are characterized as allergens are relatively benign but can provoke allergic reactions among sensitive people, and others that are characterized as pathogens can have adverse health effects on large segments of the population, such as the very young, the elderly, and people with suppressed immune systems. However, there are less common molds that are called toxigens that represent a serious health threat. All molds flourish in the presence of moisture, and we make a concerted effort to look for any evidence of it wherever there could be a water source, including that from condensation. Nevertheless, mold can appear as though spontaneously at any time, so it is essential to monitor all building surfaces. Naturally, it is equally important to maintain clean air-supply ducts and to change filters as soon as they become soiled, because contaminated ducts are a common breeding ground for dust mites, rust, and other contaminants. Regardless, although some mold-like substances may be visually identified, the specific identification of molds can only be determined by specialists and laboratory analysis, and is absolutely beyond the scope of our inspection. Nonetheless, we categorically recommend having buildings tested as a prudent investment in environmental hygiene.

General Topography

Drainage

Drainage Mode

Informational

- 1.1.3 Drainage on this site is facilitated by hard surfaces, area drains, and full or partial gutters, and we did not observe any evidence of moisture threatening the interior space. However, the area drains must be kept clean or moisture intrusion could result.

Drains & Swales

Informational

- 1.1.4 The site is served by public storm/ area drains that appear to be in acceptable condition. .

Parking Facilities

Ground Level

Parking Spaces

Informational

- 1.1.5 Based on occupancy status, the current parking space should be adequate (there are 15 parking spaces which includes one handicap marked space in the front, and 8 employee parking spaces at the rear of the building).

Surface Condition

Informational

- 1.1.6 The parking surfaces have been evaluated and found to be in serviceable condition.

ADA Compliant

Informational

- 1.1.7 Based on current occupancy status, the handicapped parking should be adequate but may not conform to modern ADA standards.

Lights

Needs Service

- 1.1.8 A public street light located at the rear of the drive through is missing and you may wish to contact the public utility to have it replaced.



Figure 1A - Public street lamp missing

Landscape

Vegetation

General Comments

Informational

- 1.1.9 Landscaping is an important feature of a commercial building, and the cost of maintenance and improvements should be included in the operating budget.

Landscaping Comments

Maintenance

- 1.1.10 Vegetation is encroaching on the buildings, and should be kept a minimum of twelve inches away for the general welfare of the structure (tree branches touch the roof at the front and left side).

Trees

Maintenance

- 1.1.11 The trees need to be pruned, or otherwise serviced.

Shrubs

Maintenance

- 1.1.12 The shrubs need to be pruned, or otherwise serviced.

Lawns

Maintenance

- 1.1.13 The lawns are in poor condition, or have not been seasonally or well maintained, and should be serviced.

Irrigation

Automatic Sprinklers

Needs Service

- 1.1.14 The property is served by automatic sprinklers. The coverage appears to be adequate, however, one head at the rear is over spraying on to the rear column causing wood rot damage, and should be serviced.



Figure 2A - damaged trim and siding on rear post due to sprinkler overspray

- 1.1.15 The property is served by 3 zones of automatic, sprinklers. The coverage appears to be adequate and, apart from some marginal over spray, they are functional. As with all sprinkler systems, the heads will need to be cleaned and adjusted from time to time. However, there are broken heads or risers in the left side and front at public sidewalk that should be repaired.

Hose Bibs

Informational

- 1.1.16 The hose bibs are functional, but we may not have located and tested every one on the property.

Hardscape

Concrete Paving

Driveways

Informational

- 1.1.17 There are predictable cracks in the driveway that would not necessarily need to be serviced (drive through aprons).

Walkways

Informational

- 1.1.18 The walkways are in acceptable condition.

Asphalt Paving

Driveways

Maintenance

- 1.1.19 Asphalt surfaces are not as durable as concrete ones, and typically develop cracks and holes. They are expected to last approximately fifteen to twenty years, and typically need maintenance service.

Structural

Foundation Type

Slab On-Grade

General Comments

Informational

- 1.1.20 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, which is that of a generalist and not a specialist. 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.

Method of Evaluation

Informational

- 1.1.21 We evaluated the only visible portions of the slab on the exterior, which are the short stem walls.

Specific Comments

Informational

- 1.1.22 The building has a bolted, slab foundation with no visible or significant abnormalities.

Superstructure

Wall Type

Reinforced Concrete

Informational

- 1.1.23 The building walls are comprised of CMU's, or concrete masonry units with a cementitious parged coating and areas of stone veneer.

Roof Type

Metal Framed

Informational

- 1.1.24 The roof is framed with metal rafters, purlins, etc.



Figure 3A - View of steel truss supporting metal roof deck

Building Envelope

Cladding

Concrete Masonry Unit

General Comments

Informational

- 1.1.25 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.

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Specific Comments

Informational

- 1.1.26 The building walls consist of concrete masonry units, or CMU's, that are in acceptable condition.

Siding

Wood Siding

Needs Service

- 1.1.27 The siding is dry rot damaged in places and should be repaired. Areas of wood rot damage were marked with colored dots and include trim and siding on the front, right, and left walls and on a rear column.



Figure 4A - damaged siding to right of front entry



Figure 4B - damaged trim and siding on right side wall-2



Figure 4C - damaged trim and siding on right side wall at front right corner

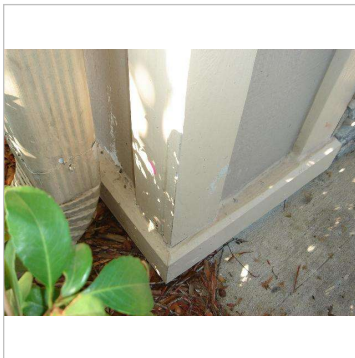


Figure 4D - damaged trim at front left corner of the building



Figure 4E - damaged trim on front right corner



Figure 4F - damaged trim on left side wall



Figure 4G - damaged trim and siding on rear post



Figure 4H - damaged trim on front wall left of front entry



Figure 4I - damaged trim on right side wall at left of electrical room



Figure 4J - damaged window trim at right of front entry



Figure 4K - damaged window trim at left of front entry

Openings

Ingress & Egress

General Comments

Informational

- 1.1.28 The use and occupancy of a building dictates ingress and egress requirements, and particularly as they relate to safety. However, provisions for the handicapped must also be taken into account under the standards outlined in the ADA, or Americans with Disabilities Act of 1999. As indicated in our proposal, we do not evaluate safety systems, such as fire suppression and compliance with ADA standards, a service that can be provided at an additional cost.

Emergency Signs

Informational

- 1.1.29 Emergency signs, including escape routes, are posted throughout the building (at exits).

Doors

Informational

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

Windows

Informational

- 1.1.31 The windows are in acceptable condition. However, in accordance with ASTM standards, we do not test every window in the house, and particularly if the house is furnished. We do test every unobstructed window in every bedroom to ensure that at least one facilitates an emergency exit (fixed type windows).

Insulation

Roofs

Type & Thermal Value

Informational

- 1.1.32 The roof insulation is covered, and neither it nor its potential thermal value can be identified (insulated above the roof deck and below the cladding).

Roofing

Specific Roof Type

Flat or Built-Up

General Comments

Informational

- 1.1.33 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, and you ask them about its history, and then schedule a regular maintenance service.
- 1.1.34 The main roof is a flat roof clad with a rolled mineral roofing material with torched down seams and butted joints. This material is similar to an asphalt composition shingle but comes in rolls. This type of roof is not as durable as one of the many membrane types available and the life expectancy of this material is from 12 to 16 years.

Method of Evaluation

Informational

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

Estimated Age

Informational

- 1.1.36 The roof appears to be approximately eight to ten years old, but this is just an estimate and you should request the installation permit from the sellers, which will reveal its exact age and any warranty guarantee that might be applicable. It will need to be kept clean and inspected annually. However, our service does not include any guarantee against leaks. For such a guarantee, you would need to hire a local roofing company to perform a water-test and issue a roof certification.

Specific Comments

Needs Service

- 1.1.37 There are apparent deficiencies with the roofing material such as moisture stains within the structure that we will identify. However, active leakage can be difficult to trace and confirm when it is not raining, and you should ask the sellers about this, or have the roof water-tested before the close of escrow. The roofing material has been patched at the seams, drainage scuppers, and on parapet walls with mastic roof cement and urethane type caulking. Stains and water damaged tiles were noted under the roof at the west side and standing water was noted at one of the scuppers on the west side of the roof. Some corrosion and minor damage to metal roof components was also noted in this area. Ongoing maintenance including patching should be expected in the future.



Figure 5A - Ponding water and repairs to seam at west side scupper



Figure 5B - patched seam at overlap

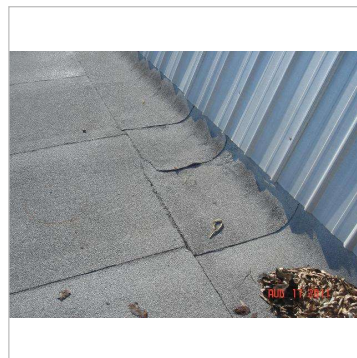


Figure 5C - seam lifting at south side

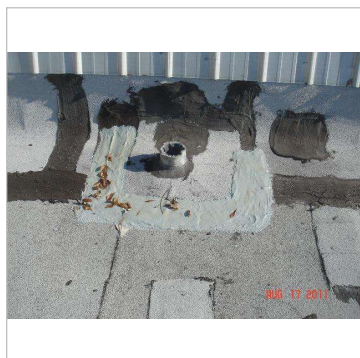


Figure 5D - recent urethane patch at plumbing vent stack



Figure 5E - mastic patch on seams up parapet wall and roof surface



Figure 5F - Underlying roof deck-note corrosion and minor damage

Metal Flashings

Informational

- 1.1.38 The flashings appear to be in acceptable condition.

Parapet Walls

Informational

- 1.1.39 The parapet walls are in acceptable condition.

Needs Service

- 1.1.40 The seams of the metal caps on the parapet walls need to be re-capped at a rear valley.



Figure 6A - caps missing on standing seam in rear valley

Scuppers & Drains

Informational

- 1.1.41 The scuppers roof drains and the drainage channels are in acceptable condition. However, without water it is difficult to judge whether they are correctly pitched to direct water into the drains, but they should function as they were intended (except where noted as an area of concern).

Needs Service

- 1.1.42 It would be prudent to add leader at the bottom of the downspouts to promote positive drainage.

Metal Tile or Panels

General Comments

Informational

- 1.1.43 There are different types of metal roofs, but the most common ones consist of ribbed, interlocking panels, or tiles that have been coated with a mineral compound that are warranted for as long as fifty years. They tend to be maintenance-free, and many can be walked on, but some can be damaged by careless foot-traffic, and it is essential for service personnel to wear soft shoes and to tread directly in the pan and not across the tile. As with other pitched roofs, many metal roofs are dependant on the waterproof membrane that is concealed beneath them and cannot be examined, and this is why our 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 should request the installation permit, which could include a warranty or guarantee.



Figure 7A - metal standing seam overhang and fascade

Method of Evaluation

Informational

- 1.1.44 We evaluated the metal roof overhang or facade and its components by walking its surface.

Estimated Age

Informational

- 1.1.45 The roof appears to be approximately eight to ten years old, but this is just an estimate and you should request the installation permit from the sellers, which will reveal its exact age and any warranty guarantee that might be applicable.

Specific Comments

Informational

- 1.1.46 The metal roof is in acceptable condition, but this is not a guarantee against leaks. For a guarantee, you would need to have a roofing company perform a water-test and issue a roof certification.

Gutters & Drainage

Informational

- 1.1.47 The roof does not have a complete system of gutters and downspouts, which are recommended to carry water away from the perimeter of the building.

Primary Attic

Attic Space

General Comments

Informational

- 1.1.48 We evaluated the attic space above the suspended ceiling tiles by direct access from a ladder at various locations.

Framing

Truss System

Informational

- 1.1.49 The visible portions of the framing appear to be in acceptable condition (metal truss system, some corrosion noted at west side wall but it is not significant and active leakage was not determined at this time).



Figure 8A - minor corrosion to truss end and metal roof deck noted

Vents & Ventilation

Passive Ventilation

Informational

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

Electrical

Specific Observations

Needs Service

- 1.1.51 There are open electrical junction boxes, which should be sealed to contain any arcing or sparking that might occur.



Figure 9A - Open junction box

Electrical

Three Phase Power

Main Service Panels

General Comments

Informational

- 1.1.52 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, but if a building is furnished we will obviously not be able to test each one.

Service Entrance

Informational

- 1.1.53 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

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

Size & Location

Informational

- 1.1.55 The building is served by three-phase power, and an 800 amp, 220-240 volt panel, located in the utility room.

Type of Wiring

Informational

- 1.1.56 The building is wired within rigid extruded metal tubing.

Main Panel

Informational

- 1.1.57 The main panel and its components have no visible deficiencies.
- 1.1.58 The main electrical panel was manufactured by Federal Pacific Electric Company and employs Stablok breakers and other components that have been alleged to be defective. However, the panel is old and the company is now out of business, and although field reports of defects and dangers were never apparently substantiated by laboratory tests they have been numerous and serious enough for us to recommend either upgrading the panel or seeking a second opinion.

Cover Panels

Informational

- 1.1.59 The interior cover is in acceptable condition.

Circuit Breakers

Informational

- 1.1.60 The circuit breakers have no visible deficiencies. The building may have been designed or served as a restaurant and there are breakers that are redundant or not in use as labeled.

Grounding

Informational

- 1.1.61 The panel is grounded to a driven rod.

Sub Panels

General Comments

Informational

- 1.1.62 Sub-panels are commonly located inside buildings but they should not be located inside clothes closets, where they would not be obvious or readily accessible. However, when they are located outside, they are required to be weatherproof, unobstructed, and easily accessible, and their circuits should be clearly labeled.

Specific Comments

Informational

- 1.1.63 We have evaluated the sub panels in accordance with ASTM standards, and found them to be in acceptable condition.

Type of Wiring

Informational

- 1.1.64 The sub panel includes three-wire non-metallic cable commonly known as Romex.
- 1.1.65 The sub panel includes wiring within rigid extruded metal tubing.

Size & Location

Informational

- 1.1.66 The system includes a 60 amp and a 175 amp, 240 volt sub panels, adjacent to the main panel.

Sub Panel

Informational

- 1.1.67 The electrical sub panel has no visible deficiencies.
- 1.1.68 The 175 amp sub panel was manufactured by Federal Pacific Electric Company and employs Stablok circuit breakers and other components that have been alleged to be defective. However, the panel is old and the company is now out of business, and although field reports of defects and dangers were never apparently substantiated by laboratory tests they have been numerous and serious enough for us to recommend that you seek a second opinion from a licensed electrician.



Figure 10A - Federal Pacific type sub panel

Circuit Breakers

Informational

- 1.1.69 The Federal Pacific panel employs Stablok circuit breakers that have been alleged to be defective, and should be evaluated by an electrician.

Grounding

Informational

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

Exterior Electrical

Lights

Informational

- 1.1.71 The lights were tested and found to be functional.
- 1.1.72 [The exterior lights on the roof at the front were not tested because they are activated by a solar cell or similar type sensing device which we were not able to bypass.](#)

Plumbing

Water Distribution System

Copper Pipes

General Comments

Informational

- 1.1.73 Plumbing systems have common components, but they are not uniform. In addition to fixtures, these components include gas pipes, potable water pipes, drain and vent pipes, shut-off valves, which we do not test if they are not in daily use, pressure regulators, pressure relief valves, and water-heating devices. The best and most dependable water pipes are copper, because they are not subject to the build-up of minerals that bond within galvanized pipes, and gradually restrict their inner diameter and reduce water volume. Water softeners can remove most of these minerals, but not once they are bonded within the pipes, for which there would be no remedy other than a re-pipe. The water pressure within pipes is commonly confused with water volume, but whereas high water volume is good high water pressure is not. In fact, whenever the street pressure exceeds eighty pounds per square inch a regulator is recommended, which typically comes factory preset between forty-five and sixty-five pounds per square inch. However, regardless of the pressure, leaks will occur in any system, and particularly in one with older galvanized pipes, or one in which the regulator fails and high pressure begins to stress the washers and diaphragms within the various components.

Waste and drainpipes pipes are equally varied, and range from modern acrylonitrile butadiene styrene [ABS] ones to older ones made of cast-iron, galvanized steel, clay, and even a cardboard-like material that is coated with tar. The condition of these pipes is usually directly related to their age. Older ones are subject to damage through decay and root movement, whereas the more modern ABS ones are virtually impervious to damage, although some rare batches have been alleged to be defective. However, inasmuch as significant portions of drainpipes are concealed, we can only infer their condition by observing the draw at drains. Nonetheless, blockages will occur in the life of any system, but blockages in drainpipes, and particularly in main drainpipes, which we recommend having video-scanned.

Main Shut-off Location

Informational

- 1.1.74 The main shut-off valve is located at the front of the building.

Potable Water Pipes

Informational

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

Water Heating System

Single Water Heater

Age Capacity & Location

Informational

1.1.76 Hot water is provided by an 8 year old, 6 gallon, electrically-fueled water heater.

Electrical Connections

Informational

1.1.77 The electrical connection is functional.

Drain Pan & Discharge

Informational

1.1.78 The water heater is equipped with a drip-pan, which is designed to minimize water damage from a leak, but does not have a visible drain pipe to the exterior. Therefore, it should be monitored periodically for signs of a leak.

Drain Valve

Informational

1.1.79 A drain valve is in place and assumed to be functional.

Waste Disposal System

Public

Type of Material

Informational

1.1.80 The drainpipes are a combination of older cast iron type and a modern PVC.

Main Sewer Pipe

Needs Service

1.1.81 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

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

Mechanical

Heat & A-C

FAU Split Systems

General Comments

Informational

- 1.1.83 The components of forced-air units, or FAU's, have a design-life ranging from ten to twenty years, but 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, which is why we attempt to apprise you of their age. We test and evaluate them 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, because 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

- 1.1.84 The computer room is served by a Sanyo 9000BTU forced-air split-system, located on the roof. It is approximately 16 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.



Figure 11A - Sanyo 9000 btu split system

Specific Comments

Informational

- 1.1.85 The components of the system are beyond design-life, but appear to have been well maintained. However, regular maintenance should be scheduled.

Refrigerant Lines

Informational

- 1.1.86 The refrigerant lines are in acceptable condition.

Temperature Differentials

Needs Service

- 1.1.87 The Sanyo air-conditioning responded, but only achieved a low differential temperature split between the air entering the system and that coming out. This could indicate that the system is low on refrigerant, and should be serviced. The remote control battery is also dead.

FAU Package Systems

General Comments

Informational

- 1.1.88 The components of package system, or dual-packs, have a design-life ranging from ten to twenty years, but 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, which is why we attempt to apprise you of their age. We test and evaluate them 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, because 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

- 1.1.89 The building is served by a Carrier central forced-air package system, located on the roof. It is approximately 8 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.



Figure 12A - Carrier roof top packaged system



Figure 12B - Data tag on roof top unit

Specific Comments

Informational

- 1.1.90 It would be prudent to request service records so that you can be apprised of the system's maintenance.

Return-air Compartment

Informational

- 1.1.91 The return-air compartment is in acceptable condition.



Figure 13A - Filters located under a panel in the roof top unit

Evaporator Coil

Informational

- 1.1.92 The evaporator coil is functional and clean.



Figure 14A - Evaporator coil

Condensing Coil

Informational

- 1.1.93 The condensing coil responded to the thermostat and is functional.

Service Disconnect

Informational

- 1.1.94 The service disconnect at the condensing coil is functional

Temperature Differentials

Informational

- 1.1.95 The air-conditioning responded and achieved an acceptable differential temperature split between the air entering the system and that coming out, of eighteen degrees or more (20 degrees recorded at the supply and return trunk lines).

Ducts

Informational

- 1.1.96 The ducts are a modern fiberboard type trunk lines with flexible type takeoffs that are in working order. They are comprised of an inner and outer sleeve that encompasses fiberglass insulation.



Figure 15A - Fiberboard trunk with flex duct to register

Commercial Interior

Common Areas

Entry & Lobby

Representative Sampling

Informational

- 1.1.97 We evaluated the common areas using a representative sampling and found them to be in serviceable condition.

Doors

Informational

- 1.1.98 The front door is in acceptable condition.

Walls & Ceilings

Informational

- 1.1.99 The walls and ceiling are in acceptable condition.

Lights

Informational

- 1.1.100 A representative number of lights were tested, and found to be functional.

Outlets

Informational

- 1.1.101 We have tested the unobstructed outlets and found them to be functional.

Corridors & Hallways

No Recommended Service

Informational

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

Walls & Ceilings

Needs Service

- 1.1.103 There are moisture stains and damaged tiles on the ceiling in the hallway.



Figure 16A - stains and missing ceiling tiles in hallway to the break room and bathrooms

Lights

Informational

- 1.1.104 A representative number of lights were tested, and found to be functional.

Break room

Cabinets

Needs Service

- 1.1.105 The cabinets will need typical service to work well, such as replacing or adjusting drawer glides, pull latches, hinges, catches, etc.

Valves and Connectors

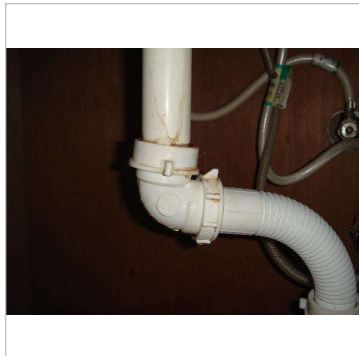
Informational

- 1.1.106 The valves and connectors below the sink are functional. However, they are not in daily use and will inevitably become stiff or frozen.

Trap and Drain

Needs Service

- 1.1.107 There is a leak at the drain trap below the sink, which should be repaired.



**Figure 17A - break room sink
drain line leak at this connection**

Faucet

Informational

- 1.1.108 The sink faucet is functional.

Lights

Informational

- 1.1.109 The lights are functional.

Outlets

Informational

- 1.1.110 We have tested the countertop outlets, which are functional and include ground fault protection.

Offices

General Offices

No Recommended Service

Informational

- 1.1.111 We have evaluated the general office area at the southeast location, and found it to be in acceptable condition.

Flooring

Informational

- 1.1.112 The floor is worn or cosmetically damaged, which you should view for yourself (in networking room).

Walls & Ceiling

Informational

- 1.1.113 The ceiling tiles are damaged or missing in the networking room.

Tellers' office

No Recommended Service

Informational

- 1.1.114 We have evaluated the office and its components, and found it to be in acceptable condition. Testing of banking equipment such as drive through push out doors, drawers and Diebold systems were not inspected or tested.

Manager's Offices

Flooring

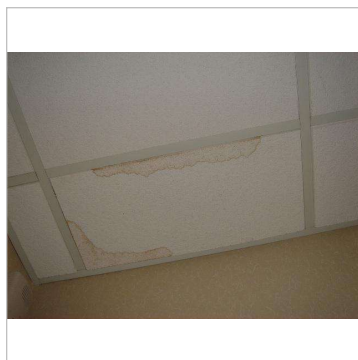
Informational

- 1.1.115 The floor has no significant defects.

Walls & Ceiling

Informational

- 1.1.116 The ceiling tiles are stained in the manager's office #1 at the north side.



**Figure 18A - stains on ceiling tile
in manager office**

Storage Rooms

Representative Sampling

Walls and ceiling

Informational

- 1.1.117 There is a moisture stain on the ceiling in the storage closet.

Outlets

Needs Service

- 1.1.118 There are dead outlets in the storage room that should be serviced.

Bathrooms

Employee's bathroom

No Recommended service

Informational

- 1.1.119 We have evaluated the Employee's bathroom, and found it to be in acceptable condition.

Sink Faucet Valves & Drain

Informational

1.1.120 The sink and its components are functional.

Toilet

Informational

1.1.121 The toilet is functional.

Lights

Informational

1.1.122 The lights are functional.

Outlets

Informational

1.1.123 We have tested the unobstructed wall outlets and found them to be functional.

Public Bathroom

No Recommended Service

Informational

1.1.124 We have evaluated the bathroom, and found it to be in acceptable condition.

Sink Faucet Valves & Drain

Functional

1.1.125 The sink and its components are functional.

Toilet

Functional

1.1.126 The toilet is functional.

Lights

Functional

1.1.127 The lights are functional.

Outlets

Informational

1.1.128 We have tested the unobstructed wall outlets and found them to be functional.

Bank Building: Drive through structure

Roofing

Specific Roof Type

Flat or Built-Up

General Comments

Informational

- 1.2.1 The drive through canopy roof is a flat roof clad with a rolled mineral roofing material with torched down seams and butted joints.

Method of Evaluation

Informational

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

Estimated Age

Informational

- 1.2.3 The roof appears to be approximately eight to ten years old, but this is just an estimate and you should request the installation permit from the sellers, which will reveal its exact age and any warranty guarantee that might be applicable.

Specific Comments

Informational

- 1.2.4 The roof cladding is in acceptable condition, but this is not a guarantee against leaks. For a guarantee, you would need to have a roofing company perform a water-test and issue a roof certification.

Needs Service

- 1.2.5 There are moisture stains and damaged to framing components within the canopy structure that need to be repaired. The damage was due to leakage at the roof drainage scupper, which has been repaired, however the roof decking plywood is moisture damaged and the underlying trusses are also damaged. Repairs to trusses should comply to engineered plans for truss repair.



Figure 19A - damaged roof framing above drive thru



Figure 19B - repair at scupper drain



Figure 19C - damaged roof deck and underlying wood trusses

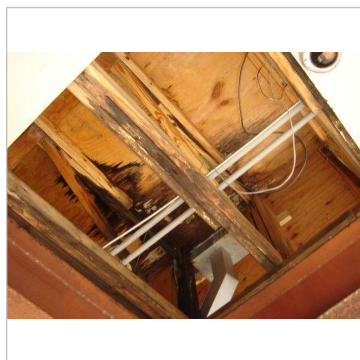


Figure 19D - damaged roof sheathing above drive thru

Metal Flashings

Informational

- 1.2.6 The flashings appear to be in acceptable condition.

Parapet Walls

Informational

- 1.2.7 The parapet walls are in acceptable condition.

Scuppers & Drains

Informational

- 1.2.8 The scuppers roof drains and the drainage channels are in acceptable condition. However, without water it is difficult to judge whether they are correctly pitched to direct water into the drains, but they should function as they were intended (repaired, see photo)

Metal Tile or Panels

Method of Evaluation

Informational

1.2.9 We evaluated the metal roof and its components by walking its surface.

Estimated Age

Informational

1.2.10 The metal roof appears to be approximately eight to ten years old, but this is just an estimate and you should request the installation permit from the sellers, which will reveal its exact age and any warranty guarantee that might be applicable.

Inspection Address: Main St., Jacksonville, FL, 12345
Inspection Date/Time: 12/1/2011 from 9:00 AM to 7:13 PM

Bank Building: Cost Estimates

No estimates reported for this building

Conclusion

Congratulations on the purchase of this commercial building. Inasmuch as we never know who will be using or visiting a property, we ask you to consider following these general safety recommendations: install smoke and carbon monoxide detectors; identify all escape and rescue ports; upgrade older electrical systems by at least adding ground-fault outlets; never service any electrical equipment without first disconnecting its power source; safety-film all non-tempered glass; ensure that every elevated window and the railings of stairs, landings, balconies, and decks are safe, meaning that barriers are in place or that the distance between the rails is not wider than three inches; regulate the temperature of water heaters to prevent scalding; make sure that goods that contain caustic or poisonous compounds, such as bleach, drain cleaners, and solvents be stored in a safe, ventilated area; ensure that all garage or bay doors are well balanced and have a safety device, particularly if they are the heavy wooden type.

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 we are not specialists or 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 property 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 a warranty protection 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 manufacturer'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.