Building Inspection & Analysis

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PROPERTY CONDITION REPORT

Client(s): Mr. Sample Buyer

Property: 310 - 344 Sutton Place,
Santa Rosa, CA 95407

Realtor: Not Applicable

Date: Tuesday, September 30, 2014

Inspector: Rick DeBoard - Certification #1051

Report #: PCA7169

This report is prepared for the sole and exclusive use of the Client named above. The acceptance and use of this report by any person other than the Client named above shall be deemed to be a retention of this firm for the purpose of providing an evaluation of this property at a fee equal to the original fee.

Although a thorough inspection of the property was made, we wish to CAUTION you that conditions may change and equipment may become defective. The Report should not be construed as a guarantee or warranty of the premises or equipment, or future uses thereof. Our SERVICE AGREEMENT/CONTRACT provides additional details. PLEASE READ IT CAREFULLY.

The inspection, by definition, deals with an existing structure which may have older types of plumbing or wiring. It is very probable that these systems would not meet present standards, although the system(s) did meet requirements at the time they were installed.

Table of Contents

EXECUTIVE SUMMARY

INTRODUCTION

At your request, we have performed a limited visual survey of specific construction components of the property located at 310 - 344 Sutton Place, Santa Rosa, CA.

This report is an opinion work, reflecting the visual conditions of the property at the time of the assessment. Hidden or concealed defects cannot be included in this report.
In this Executive Summary, we have summarized what we believe to be the most important conditions concerning the subject property as it pertains to our scope of work. However, please read the ENTIRE report, as all property conditions are NOT included in this EXECUTIVE SUMMARY.

GENERAL INFORMATION

General Description
The subject property consists of three single story, slab-on-grade structures approximately 25 - 30 years of age. The property is situated in an industrial area of Santa Rosa, CA.
All buildings are of the same design and built at the same time, therefore the comments in this report will pertain to all structures unless otherwise indicated by the street number, as in 310, 330, 340, 342 or 344.

A pest inspection and a Phase I Environmental Site Assessment were performed on this property by 3rd party specialists, and their reports are attached as appendices to the end of this PCA. No immediate repairs, projected expenses, or further review is recommended in either of these reports.
Only the SUMMARY of the Phase I report is included in the appendix, as the report is very lengthy. The full report is available for download at the following link:
http://www.partneresi.com/reports/14-126389.1_ESA_310-344_Sutton_Place,_Santa_Rosa,_CA__Final.pdf

Wall Construction
Wall construction consists of pre-engineered metal girts and metal columns. The building is clad on the exterior with high-rib metal panels and a baked-on enamel finish.

Roof Construction
Roof framing consists of metal purlins spanning between pre-engineered metal frames. Roofing materials are high-rib metal panels which have a galvanized coating.

The subject property has had average maintenance over the years, and all major systems appear to be functioning within typical guidelines considering the age of the structure(s) except for the negative conditions represented in this report. Of those negative conditions, we consider these in this EXECUTIVE SUMMARY to be the most important.

IMMEDIATE REPAIR EXPENSES

Immediate repairs are described as those repairs which are due to system deficiencies or deferred maintenance and are deemed to be necessary at this time or within the next year. Repairs are deemed to be immediate repairs if one or more of the following conditions exist: (1) existing or potential unsafe conditions, (2) obvious building or fire code violations, (3) conditions which if left unremedied, have the potential to result in or contribute to critical element or system failure within one year or will most probably result in a significant escalation of its remedial cost.
Estimated costs are formulated using the same type and quality components as the existing ones, unless the existing components are considered to be inappropriate according to industry standards.
Repairs are included in this category only if the estimated cost-to-cure is $1,000 or more for that specific repair or replacement.
Conditions noted in this report which can (in the opinion of the Field Observer) be corrected for less than that amount are considered to be a minor cost item.
See the Section below, titled "RECOMMENDATIONS for FURTHER EVALUATION", for those conditions which need further evaluation before a Cost-to-Cure can be established.

The number to the left of the items below refer to the section of the report where you may find a more detailed description of the condition.

4.4 Paving, Curbing and Parking
Corrections Recommended-
Asphalt surface has many large cracks and is showing signs of deterioration, and is due for an asphalt overlay at this time. There are also a few areas where asphalt replacement may be necessary. Cost-to-Cure =$50,000 to 60,000.

4.11 Gas Service
Safety Concern-
No adequate protection is installed to prevent vehicle collision at three of the gas meters (there are bollards, however they are placed too far apart for protection against compact vehicles). We recommend pipe bollards be installed closer together to prevent vehicles from colliding into gas pipes and/or meters. Cost-to-Cure =$1,500.

8.4 Plumbing Fixtures
Corrections Recommended-
Several small leaks were noted at the various plumbing fixtures, see pest report.
The toilets are loose at the connection to the floor in some restrooms, see pest report for locations. We recommend replacement of the wax ring seal and tightening of the floor bolts at these toilets to prevent leakage and damage to flooring and/or framing components.
The toilet is cracked/broken/damaged at the women's restroom of building 342, we recommend replacement.
No water comes from the faucet at the sink in the men's restroom of building 310.
Cost-to-Cure for all of the above =$2,500.

9.1 HVAC System Description
Corrections Recommended-
Approximately seven of the units have not been recently serviced. This shortens the life of HVAC components, therefore we recommend regular servicing be performed by properly qualified technicians.
Refrigerant line insulation is missing or deteriorated at two of the cooling systems. This can result in a

loss of cooling and a higher consumption of energy.
One of the furnaces makes unusual noises during operation (possibly a fan motor).
One of the furnaces did not respond to normal operating controls, we suspect that it is due for replacement.
The condensate drain line empties out onto the roof of all the A/C units, these should be routed to a gutter.
Cost-to-Cure for all of the above =$8,000.

IMMEDIATE REPAIR COST-TO-CURE TOTAL = $62,000 to $72,000

MAJOR PROJECTED EXPENSES

Major Projected Expenses are those which are likely to be needed within the next 5 years and for which replacements or repairs are likely to exceed $3,000.

7.2 Roofing Materials
Corrections Recommended-
There are approximately 80% of the fasteners which have been driven too tightly into the purlins. This happens when the tension setting on the screw gun is not adjusted properly, and results in the neoprene washer being compressed to the point of damage. Since the neoprene washer is the barrier against leakage through the screw hole, this condition eventually results in leakage. We recommend that all screws which have displaced washers be replaced.
Cost-to-Cure =$20,000.

8.1 Supply Piping System
Corrections Recommended-
Polyvinyl chloride, (PVC), piping was noted at building 330, running up the interior north wall and all the way to the south wall (hanging under the roof framing). PVC is not allowed in commercial applications, we recommend replacing with copper.
Cost-to-Cure =$5,000.

9.1 HVAC System Description
Nine of the units are older and are likely to need replacement with-in the next fives years.
Projected Expense = $50,000.

MAJOR PROJECTED EXPENSE TOTAL = $75,000

ESTIMATED COSTS ARE PRELIMINARY
The estimated costs in this report have been determined by the use of cost estimating manuals, third party contractors, our company manuals and/or personal construction experience. Opinions of probable costs should only

be construed as preliminary budgets. Actual costs most probably will vary from the consultant's opinions of probable costs depending on such matters as type and design of suggested remedy, quality of materials and installation, manufacturer and type of equipment or system selected, field conditions, whether a physical deficiency is repaired or replaced in whole, phasing of the work (if applicable), quality of contractor, quality of project management exercised, market conditions, and whether competitive pricing is solicited, etc.

RECOMMENDATIONS FOR FURTHER EVALUATION

4.2 Storm Water Drainage
Further Evaluation-
Water appears to pond adjacent to the structure(s) at all of the loading dock parking areas. This is probably more of a nuisance than anything elsa as it does not appear to get more than 1/2" to 1" deep in any one area. We recommend monitoring this condition under heavy rainfall to see if additional drainage systems are needed.

10.4 Overall Condition of Electrical Panels
Further Evaluation-
The panels at the interior wood shop of building 340 are not rated for the dusty conditions generated in this area. We recommend further evaluation by a properly qualified commercial electrician.

10.41 Transformer #5
Located near the walk-in freezer of building 310.
Safety Concern-
Further Evaluation-
The clearance from the transformer enclosure to the adjacent wall was less than what the label calls for, this can cause overheating of the transformer. We recommend further evaluation by a properly qualified commercial electrician.

10.42 Transformer #6
Located at the wood shop of building 340.
Safety Concern-
Further Evaluation-
The clearance from the transformer enclosure to the adjacent wall was less than what the label calls for, this can cause overheating of the transformer.
This transformer does not appear to be approved for dust environments.
We recommend further evaluation by a properly qualified commercial electrician.

10.49 Lighting Fixtures
Further Evaluation-
Florescent light fixtures at all buildings except 310 have no safety lens to prevent the bulbs from dropping out of the fixture. Safety covers or some type of restraint are typically required for

commercial installations. We recommend that you inquire with the local building authority to see if safety lens are required.

11.1 Sprinklers and Standpipes

Further Evaluation-

The inspection tag reveals that the it has been over 5 years since the last sprinkler system inspection for building 340, 342 and 344. This is in violation of current standards, and may result in severely increased fire insurance rates by your insurance carrier. The reason for this is that without a recent inspection tag present, the Insurance Service Office (the nationwide rating bureau used by all insurance carriers), can reclassify this structure as having no legally recognized fire sprinkler system installed. We recommend that you contract with a fire sprinkler maintenance firm to perform inspections per current requirements.

GENERAL INFORMATION

IMPORTANT INFORMATION

1.1 Building Orientation

Location descriptions (such as **north, south, east and west**), will be used to identify where the room is located, or where the condition was found. For purposes of this assessment, north will be as shown on the maps/diagrams in the "MAPS & DIAGRAMS" Section of this report.

1.2 Color Code Definitions

Throughout the body of this report we will use the following colored text to direct your attention:

Safety Concern:
The paragraph immediately below "Safety Concern" describe conditions that may pose a safety concern of some kind and warrant corrections by a properly qualified specialist in the appropriate trade.

Further Evaluation:
The paragraph immediately below "Further Evaluation" describe conditions that warrant further evaluation by a properly qualified specialist in the appropriate trade before any conclusion can be made regarding their proper function.

Corrections Recommended:
The paragraph immediately below "Corrections Recommended" indicate conditions where repair or replacement would improve the integrity and/or functionality of the component. We recommend that all corrections be made by properly qualified specialists in the appropriate trade.

Recommended Upgrades:
The paragraph immediately below "Recommended Upgrades" describe systems and/or components where upgrades would significantly improve safety or function, but which may not have been available at the time the building was constructed.

DEVIATIONS from the ASTM E-2018 GUIDE

1.3 Documentation and Other Information:

None of the documents listed below were reviewed in the process of this PCA:

Appraisals, either current or previously prepared.

Certificates of Occupancy.

Safety inspection records.

Warranty information (roofs, boilers, chillers, cooling towers, etc.)

Records indicating the age of material building systems such as roofing, paving, plumbing, heating, air

conditioning, electrical, etc.

Historical cost records, such as those costs incurred for repairs, improvements, recurring replacements, etc.

Pending proposals or executed contracts for material repairs or improvements, or descriptions of future work planned.

Outstanding citations for building, fire and zoning code violations.

Previously prepared ADA surveys or status of any improvements implemented to effect physical compliance.

Previously prepared property condition reports by other firms or studies pertaining to any aspect of the subject property's physical condition.

Records indicating building occupancy percentages.

Records indicating building turnover percentages.

Building rent rolls.

Leasing literature, listing for sale, marketing/promotional literature such as photographs, descriptive information, reduced floor plans, etc.

Drawings or specifications (as-built or construction).

1.4 Excluded Components

The following components are excluded from this PCA:

Any and all life safety components or equipment.

Any and all fire protection systems or equipment with the following exception:
If you have specifically contracted for us to provide an inspection of the commercial kitchen equipment then we will be assessing the condition of the Fire Suppression Systems which are installed in those kitchens, (Ansul Systems or equivalent). We are not allowed to activate these systems, but will comment on anything that we feel is pertinent to their effectiveness.

NOTE: Even though fire sprinkler systems are beyond the area of our expertise, we will make comments in the report as to their presence and also may indicate in the report when we see conditions that are suspect.

Any and all comments or evaluations regarding the American with Disabilities Act.

PURPOSE and SCOPE

PURPOSE

2.1 Visual Survey

To perform a limited, visual survey of specific components on the subject property and list our observations of items and conditions which indicate the need for immediate repair.

2.2 Opinions of Probable Costs

If agreed upon in our contract with the user, to provide opinions of probable costs for the repair or replacement of those components which are found to be in need of immediate repair. The opinions of probable costs are intended solely as an indication of the approximate nature and scope of repair and cannot be relied upon as indicating actual nature and scope. Further investigation and solicitation of firm bids by appropriate service companies and contractors is required.

2.3 Projected Major Expenses

If agreed upon in our contract with the user, to ascertain which of the major components are likely to reach the end of their expected lifespan within the next 5 years, and list those components, along with opinions of probable costs for the replacement of those components.

2.4 Intent

Our intent is to appraise you of the general condition of the subject property and to provide information to you which will be helpful in your prepurchase considerations as it relates to the condition of the property.

SCOPE

2.5 Standards of Practice

The Standards of Practice used for this Property Condition Assessment (PCA) are those of *ASTM E 2018, Standard Guide for Property Condition Assessments: Baseline Property Condition Assessment Process,* which has been prepared by the *American Society for Testing and Materials. The ASTM E 2018 is upgraded every few years to reflect changes in the industry. To determine which version of the ASTM E 2018 was being used for this PCA, please see your Contract for Services.*

Adherence to the *ASTM E 2018 Guide* is entirely voluntary. We have chosen to incorporate these standards as an integral part of our property assessment process to promote uniformity with regards to commercial real estate transactions.

Every commercial property is different, and every client has different needs, expectations and budgets. Our approach to these varying requirements is to custom tailor each of our property assessments individually according to those differences and needs. As a result, some of the *ASTM E 2018* guidelines are not appropriate. Any deviations from the *ASTM Guide* are listed in the EXECUTIVE SUMMARY of the report.

2.6 Inclusions

The scope of our assessment was limited to the following specific visually accessible components: Foundations of the building(s), structural framing (load carrying members only), interior and exterior claddings, roof structure and load carrying members of the roof framing, mechanical systems, electrical systems, and plumbing systems.

2.7 Report is Confidential

Our assessment and this report are intended to be confidential to you, our client, for your exclusive use. They cannot be relied upon by a third party. We make no representation as to the condition of this property other than stated specifically in writing in the text of this narrative report.
Further investigation including acquisition of bids by contractors and service companies in respect to any recommendations within this report are recommended and required.

MAPS and DIAGRAMS

The following maps and diagrams are not to scale and do not include details. Smaller rooms and/or closets may have been left out for clarity. Maps and diagrams are merely for your use in understanding the comments in this report with respect to component systems and locations.

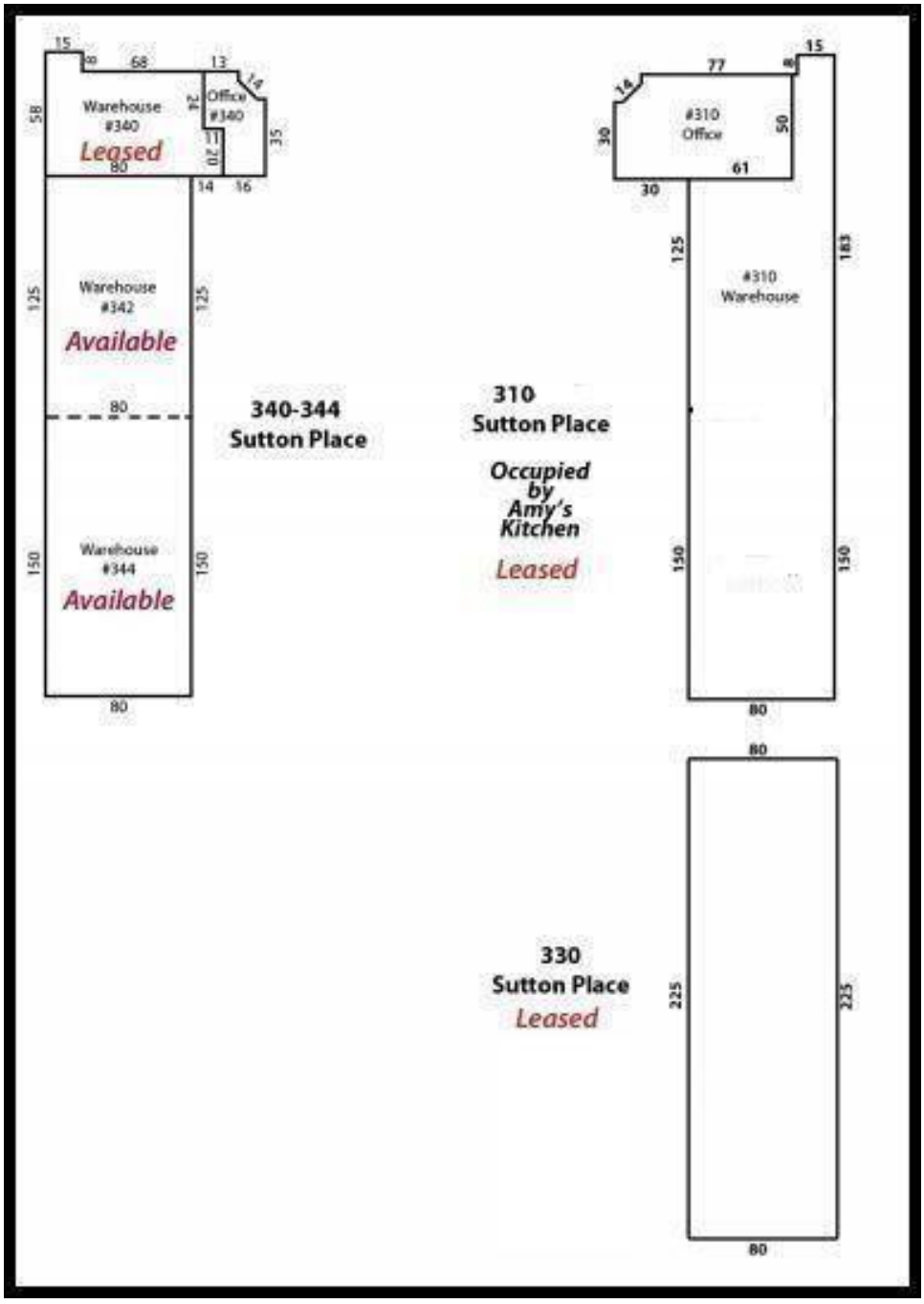
The top of each page is approximate NORTH, unless otherwise noted.

SATELITTE VIEW

3.1

SITE MAP

3.2


Warehouse #340
Leased
Office #340
Warehouse #342
Available
Warehouse #344
Available
340-344 Sutton Place
310 Sutton Place
Occupied by Amy's Kitchen
Leased
#310 Office
#310 Warehouse
330 Sutton Place
Leased

SITE IMPROVEMENTS

SITEWORK

4.1 Topography

The site where the structure is built is gently sloped, with the slope of the land in the vicinity of the subject parcel sloping slightly downhill toward the South.

4.2 Storm Water Drainage

Water appears to pond adjacent to the structure(s) at all of the loading dock parking areas. This is probably more of a nuisance than anything elsa as it does not appear to get more than 1/2" to 1" deep in any one area. We recommend monitoring this condition under heavy rainfall to see if additional drainage systems are needed.

4.3 Access and Egress

Access and egress to the subject property are via Sutton Place. Access and egress both appear adequate and no concerns are noted.

4.4 Paving, Curbing and Parking

All parking surfaces on the lot are paved with asphalt.

Corrections Recommended-

Asphalt surface has many large cracks and is showing signs of deterioration, and is due for an asphalt overlay at this time. There are also a few areas where asphalt replacement might be necessary. Cost-to-Cure =$50,000 to 60,000.

Corrections Recommended-

Curbs and bumpers are of concrete, and all appear to be in satisfactory condition, with the exception of several which are not fastened in place and have shifted. This is a minor cost item.

There are approximately 111 marked parking spaces for the subject property, 2 of which are marked for handicap only.
Space marking of the parking stalls appears to be adequately visible.

4.5 Flatwork

All walkways on the site are paved with concrete. Good condition.

4.6 Landscaping

Landscaping appears to have been adequately maintained.

4.7 Landscape Sprinklering

Automatic sprinkler system was noted, however, since sprinkler timers are complicated and time consuming to inspect, and since sprinkler heads are often hidden in areas of dense foliage, these components are NOT A PART OF THIS ASSESSMENT. We recommend that you have the sellers demonstrate this system to you on the final walk-through before the close of escrow.

Corrections Recommended-

It was noted that there are sprinkler heads which are spraying water against the windows at the north side of building 340. As a precautionary measure against potential window etching, we recommend adjusting the sprinkler heads so that they do not spray against any part of the building. This is a minor cost item.

4.8 Fencing

Good condition, Fencing on the property is constructed of chain link or cyclone type components. Unable to fully inspect due to shrubbery.

UTILITIES

4.9 Water Service

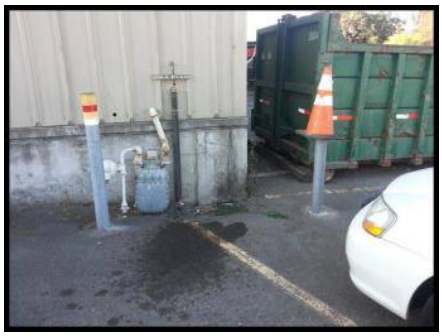
Potable water is provided by some form of a public water agency. The incoming water supply line to the structure(s) appears to be galvanized pipe. The piping appears to be 2" in size where it comes out of the ground at the service entrance.

The water shutoff and meter is located in an underground vault on the north side of the property.

4.10 Electrical Service

Electrical service enters the property via an underground conduit. Meters are located at each building (see ELECTRICAL SECTION for locations.

4.11 Gas Service



Natural Gas is supplied to the property from a public utility company. The size of the incoming supply line from the utility company appears to be 3/4". Gas meters and shutoffs are located at the south exterior wall of building 310, the north exterior wall of 330, the south exterior wall of 340, and the south exterior wall of 344 (this meter has been removed).

Safety Concern-

No adequate protection is installed to prevent vehicle collision at three of these meters (there are bollards, however they are placed too far apart for protection against compact vehicles). We recommend pipe bollards be installed closer together to prevent vehicles from colliding into gas pipes and/or meters. Cost-to-Cure =$1,500.

4.12 Sanitary Sewer

The subject property appears to be serviced by the public sewer system, however, these components ARE NOT A PART OF THIS ASSESSMENT.

4.13 Storm Drain System

The subject property appears to be serviced by the public storm drain system, however, these components ARE NOT A PART OF THIS ASSESSMENT.

STRUCTURAL FRAME

FOUNDATION & LOAD BEARING WALLS

5.1 Foundation

This structure is constructed slab-on-grade, there are no raised foundations or underfloor crawlspaces. No readily visible challenges are noted, however, slab is not visible for evaluation where there are floor coverings installed.

5.2 Load Bearing Walls

Framing of the load bearing walls is constructed of pre-engineered metal components. The typical construction of pre-engineered wall systems consists of load bearing steel columns located 20' to 30' on center, with either steel girts or wood/metal studs between these columns to support exterior siding and interior finishes.

No visible evidence of stress or excessive movement were noted at the load bearing walls.

FLOOR & ROOF FRAMING SYSTEMS

5.3 Roof Framing

Framing of the roof structure is of pre-engineered metal frames and metal purlins. The typical construction of pre-engineered roof systems consists of structural steel frames which bear directly onto load bearing columns, and at the same spacing as the columns. Purlins span the distance between the frames for the purpose of attaching the roof sheathing and the roofing membrane.

All areas which were visible for examination appear to be in good structural condition.

BUILDING SHELL

BUILDING ENVELOPE

6.1 Sidewall Systems

Sidewall system(s) consists of preformed high-rib metal panels which have a baked-on enamel paint finish. Cladding is in serviceable condition with no abnormalities noted.
Typical denting of metal panels was noted at many areas, but this is normal and does NOT affect the structure.

6.2 Fenestration Systems - Walk Doors

The exterior walk doors are storefront and steel clad type. All appear to be in adequate condition.

6.3 Fenestration Systems - Overhead Service Doors

Overhead service doors are roll-up type. All accessible doors were tested for proper operation, and all appear to be in adequate condition.

6.4 Fenestration Systems - Windows

Windows in this structure are aluminum framed.
Windows are of the storefront type. All appear to be in good condition.

6.5 Weatherproofing (Paint/Stain)

Weatherproofing appears to be in adequate condition at all areas which were visible.

6.6 Insulation

Walls:
Vinyl clad type, see notes below. Good condition

Attic/Ceilings:
Insulation at the underside of the metal roof consists of vinyl clad fiberglass. We are unable to determine the R rating if this insulation, as it would entail destructive/invasive investigation. Vinyl clad insulation does not offer a great deal in the way of insulating the structure, but it does offer an excellent barrier to the condensation that often drips from the underside of metal roofs. Good condition.

ROOFING SYSTEMS

Roof

7.1 View of Roof

7.2 Roofing Materials

The roofing surface installed is high-rib metal panels, attached with self-tapping screws which are sealed with neoprene washers. These roofs rarely need maintenance if installed according to manufacturer's recommendations, and typically have an expected lifespan of 40 to 50 years. No concerns are noted at this time, with the exception of the following;

Corrections Recommended-

A few rust spots were noted. We recommend wire brushing and then painting. This is a minor cost item.

Corrections Recommended-

There are approximately 80% of the fasteners which have been driven too tightly into the purlins. This happens when the tension setting on the screw gun is not adjusted properly, and results in the neoprene washer being compressed to the point of damage. Since the neoprene washer is the barrier against leakage through the screw hole, this condition eventually results in leakage. We recommend that all screws which have displaced washers be replaced.
Cost-to-Cure =$20,000.

7.3 Pitch of Roof

The approximate roof pitch is 1:12 . This is considered adequate and acceptable for the type of roof covering which is installed.

7.4 Estimated Remaining Life

Remaining life is approximately 20 - 25 Years with regular maintenance, assuming repairs are performed on the negative conditions which are noted in this report.

7.5 Roof Flashings

Roof flashings appear to be adequately installed and maintained.

7.6 Roof Drainage

Roof drainage is accomplished by means of galvanized metal gutters installed at the low end of the sloped roofs. All gutters and drains appear to be in acceptable condition.

Corrections Recommended-

Drain scuppers have no screens or grates installed, which allows them to be clogged with debris. We recommend that all drains be equipped with grates or screens.

Loose/misplaced/disconnected downspouts were noted at the west side of building 330. These are minor cost items.

PLUMBING SYSTEMS

PIPING & DISTRIBUTION

8.1 Supply Piping System

The majority of the visible supply line piping is copper. Adequate flow was noted, and no deficiencies were encountered, with the exception of the following;

Corrections Recommended-

A few small leaks were noted at the bathroom fixtures, (see pest report for details), These are minor cost items.

Corrections Recommended-

Polyvinyl chloride, (PVC), piping was noted at building 330, running up the interior north wall and all the way to the south wall (hanging under the roof framing). PVC is not allowed in commercial applications, we recommend replacing with copper).

Cost-to-Cure =$5,000.

8.2 Waste Piping System

The majority of the visible waste line plumbing pipe is ABS plastic. Functional flow was noted at all fixtures which we were able to examine. No deficiencies were noted, with the exception of the following:

Corrections Recommended-

Plumbing vents are terminated improperly at the underside of the eaves at the east side of building 310. We recommend extending up above the roof line. This is a minor cost item.

8.3 Natural Gas/LPG System

The majority of gas piping at visible areas consist of black iron. Fuel type is natural gas. The gas system for this/these structure(s) appear to be in serviceable condition at all areas which were visible.

8.4 Plumbing Fixtures

An examination of the observable plumbing fixtures was performed, and no deficiencies were noted. with the exception of the following;

Corrections Recommended-

Several small leaks were noted at the various plumbing fixtures, see pest report.

The toilets are loose at the connection to the floor in some restrooms, see pest report for locations. We recommend replacement of the wax ring seal and tightening of the floor bolts at these toilets to prevent leakage and damage to flooring and/or framing components.

The toilet is cracked/broken/damaged at the women's restroom of building 342, we recommend replacement.

No water comes from the faucet at the sink in the men's restroom of building 310.

Cost-to-Cure for all of the above =$2,500.

HOT WATER PRODUCTION

8.5 Water Heating Component Identification Photos

The units below are typical of the water heaters at this property.



Table of Water Heating Components

8.6

The Comment Codes in the right column are explained directly below the Table.

#	Location	Storage Capacity (gallons)	Fuel Type	Year	Manufacturer	Comment Codes (see code descriptions below table)
1	Above North Restroom Bldg. 310.	10.	Elect.	2006.	Rheem.	

Comment Codes:
OLD.

2	Above South Restrooms Bldg. 310.	10.	Elect.	2006.	Rheem.	OLD.
3	Gluten-free kitchen of Bldg. 310.	40.	Elect.	2014.	American.	No Comments.
4	Gluten-free Kitchen Bldg. 310.	30.	Elect.	2014.	American.	No Comments.
5	Above Restroom Bldg. 330.	Less than 10.	Elect.	1992.	State.	RP.
6	Above Restroom Bldg. 340.	40.	Elect.	2009.	State.	No Comments.

7	Above Restroom Bldg. 342.	Less than 10.	Elect.	1986.	State.	OLD.
8	Above Restroom Bldg. 344.	Less than 10.	Elect.	1986.	Ruud.	RP.

8.15 Comment Codes for the Table of Water Heating Components

The COMMENTS CODES below are the descriptive text regarding a variety of anomalies which can be found regarding water heating components. If you have any 2 or 3 letter abbreviations in the "Comments" column at the far right hand side of the Table above, then this is where you will find the definition for that abbreviation.

OLD = This appliance is near/past the end of it's expected useful life, you should anticipate replacement within the next five years.

RP = This appliance appears to at the end of it's useful life, we recommend replacement.

8.16 Summary of Water Heating Components

You should anticipate the need for replacement of approximately four of these water heaters within the next five years. Average water heater life in the United States is 8-10 years, although they can exceed this life expectancy by many years if they are drained annually. However, we have not listed this item in the Projected Maintenance Expenses section of this report, as these are small inexpensive units and we believe the expense is likely to be less than $3,000.

Corrections Recommended-

Two of these units are not functioning and in need of replacement. These are minor cost items.

HEATING, VENTILATION and AIR CONDITIONING - (HVAC)

HEATING & COOLING SYSTEMS

9.1 HVAC System Description

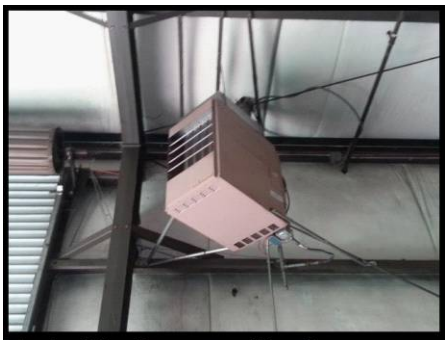
For specific notes and comments regarding the heating units, refer to the Table of Heating and Cooling Components below.
Summary of information contained in the HVAC table regarding the heating components are as follows:

Corrections Recommended-

Approximately seven of the units have not been recently serviced. This shortens the life of HVAC components, therefore we recommend regular servicing be performed by properly qualified technicians.
Refrigerant line insulation is missing or deteriorated at two of the cooling systems. This can result in a loss of cooling and a higher consumption of energy.
One of the furnaces makes unusual noises during operation (possibly a fan motor).
One of the furnaces did not respond to normal operating controls, we suspect that it is due for replacement.
The condensate drain line empties out onto the roof of all the A/C units, these should be routed to a gutter.
Cost-to-Cure for all of the above =$8,000.

Nine of the units are older and are likely to need replacement with-in the next fives years.
Projected Expense = $50,000.

9.2 HVAC Identification Photos



Typical for Reznor ceiling hung furnaces

Typical for older Payne combination units

Mitsubishi Mini-Split A/C units


Typical Adobe Air Evaporative Coolers


Typical Phoenix Evaporative Cooler


Typical Goodman A/C units


Day & Night gas furnace


Mitsubishi Mini-Split Heat Pump

Table of Heating and Cooling Components

9.3

The Comment Codes are explained directly below the Table.

#	Location of Unit	Brand Name	Type	Year Built	BTU or Tons	Comment Codes (see code descriptions below table)
			. [Narrative +1]			
1	Roof Above Offices Bldg. 310.	Payne.	Both Natural Gas/LPG & Electric. Combination Heating/Cooling.	1985.	Unknown.	OLD, CM.
2	Roof Above Offices Bldg. 310.	Payne.	Natural Gas or LPG. Combination Heating/Cooling.	1985.	Unknown.	OLD, CM.

3	Roof Above Offices Bldg. 310.	Payne.	Natural Gas or LPG Combination Heating/Cooling.	1986.	Unknown.	OLD, CM.
4	Roof Above Offices Bldg. 310.	Mitsubishi.	Heat Pump A/C (Mini-split). Electric.	2000.	Unknown.	CM, DI.
5	Roof Above Offices Bldg. 310.	Mitsubishi.	Heat Pump A/C (Mini-Split). Electric.	2000.	Unknown.	CM, DI.
6	Bldg. 310 Dairy Lab.	Mitsubishi.	Mini-Split Heat Pump. Electric.	2000.	Unknown.	No Comments.
7	Bldg. 310 Server Room.	Mitsubishi.	Mini-Split Heat Pump. Electric.	2000.	Unknown.	No Comments.
8	Roof Above Bldg. 310 kitchen.	Adobe Air.	Evaporative Cooler. Electric.	2006.	Unknown.	NS.
9	Roof Above Bldg. 310 kitchen.	Adobe Air.	Evaporative Cooler. Electric.	2006.	Unknown.	NS.
10.	Roof Above Bldg. 310 kitchen.	Adobe Air.	Evaporative Cooler. Electric.	2006.	Unknown.	NS.
11.	Roof Above Bldg. 310 kitchen.	Adobe Air.	Evaporative Cooler. Electric.	2006.	Unknown.	NS.
12.	Roof Above Bldg. 310 warehouse.	Adobe Air.	Evaporative Cooler. Electric.	2006.	Unknown.	NS.
13.	Roof Above Bldg. 310 warehouse.	Adobe Air.	Evaporative Cooler. Electric.	2006.	Unknown.	NS.
14.	Roof Above Bldg. 310 warehouse.	Phoenix.	Evaporative Cooler. Electric.	2012.	Unknown.	No Comments.

15.	Roof Above Bldg. 310 warehouse.	Phoenix.	Evaporative Cooler. Electric.	2012.	Unknown.	No Comments.
16.	Roof Above Bldg. 310 warehouse.	Phoenix.	Evaporative Cooler. Electric.	2012.	Unknown.	No Comments.
17.	Roof Above Bldg. 310 warehouse.	Goodman.	Central A/C. Electric.	2006.	Unknown.	No Comments.
18.	Roof Above Bldg. 310 warehouse.	Goodman.	Central A/C. Electric.	2006.	Unknown.	No Comments.
19.	Bldg. 330 warehouse.	Reznor.	Ceiling Hung Furnace. Natural Gas or LPG.	1986.	100,000.	UN, OLD.
20.	Bldg. 340 shop.	Day & Night.	Forced Air Furnace. Natural Gas or LPG.	1985.	60,000.	OLD.
21.	Roof Above Bldg. 340 Offices.	Unknown.	Central A/C. Electric.	1985.	60,000.	OLD.
22.	Bldg. 310 shop.	Reznor.	Ceiling Hung Furnace. Natural Gas or LPG.	1994.	40,000.	NF.
23.	Bldg. 342 warehouse.	Reznor.	Ceiling Hung Furnace Natural Gas or LPG.	1986.	100,000.	OLD.
24.	Bldg. 344 warehouse.	Reznor.	Ceiling Hung Furnace Natural Gas or LPG.	1986.	140,000.	OLD.
25.	Bldg. 344 Above restroom.	Reznor.	Ceiling Hung Furnace Natural Gas or LPG.	1985.	100,000.	OLD.

9.30 Comment Codes for the Table of Heating & Cooling Components

The COMMENTS CODES below are the descriptive text regarding a variety of anomalies which can be found regarding heating and cooling systems. If you have any 2 or 3 letter abbreviations in the "Comments" column at the far right hand side of the Table above, then this is where you will find the definition for that abbreviation.

CM = There are anomalies concerning the primary or secondary condensate drain lines or drain pans.

DI = The insulation wrap is missing or deteriorated at some sections of the refrigerant line. The larger of the two refrigerant lines which run from the air compressor to the furnace are meant to be fully insulated to prevent loss of cooling efficiency.

NF = This unit did not respond to normal operating controls.

NS = There are indications that this system has NOT been serviced within the last year. We recommend servicing of all HVAC components at least once a year for the purposes of improved performance and longevity.

OLD = This component is past (or near) the end of its expected useful life. You may wish to budget funds for replacement at some time within the next five years.

UN = This components makes unusual noises during operation.

HEAT & AIR DISTRIBUTION

9.31 Distribution Systems

Air is distributed to the various interior rooms by means of flexible insulated ducts. All visible components of this system are in adequate condition.

9.32 Heat & Air Control Systems

Multiple thermostats are employed. Thermostat are damaged or defective at furnace #24.

VENTILATION

9.33 Bathroom/Restroom Ventilation

Good condition.

9.34 Workspace Ventilation

Workspace ventilation is accomplished by means of make-up air ducts installed as a feature of the furnace ducting system. This system is designed to exchange the indoor air a certain number of times every hour. We have no way of evaluating this feature without disassembling the air ducting system.

ELECTRICAL SYSTEMS

A random testing was performed on the various outlets and switches, but NOT all were tested. During a typical inspection there are many that are not accessible due to furniture, storage, etc. Light switches which do not appear to function are deemed to have a burned out bulb, unless other anomalies are noticed. We examined all service panels and subpanels which were found on the property, however, other panels and subpanels may exist which we did not find during our visit to the property as they are sometimes hidden in closets or behind wall hangings and/or furniture. We recommend that all electrical hazards be corrected by a licensed electrical contractor. If we have recommended that a licensed electrical contractor examine this entire system, it is because; 1) there was aluminum wiring noted at the minor circuits of the structure, or 2) there were a significant number of electrical hazards found to indicate that someone other than a competent electrician has been working on the system. In either event, there are likely to be additional hazards found by the electrician which this limited inspection did not locate.

INCOMING SERVICE

10.1 Service Conductors

Electrical service to the property is via an underground conduit from the utility company. Unable to determine whether entrance cables are copper or aluminum, as these components are not available for viewing.

10.2 Service Disconnect

The main disconnects are located at the interiors of each structure, see table below for exact locations.

Safety Concern-

There is a notification sign required at all primary disconnects to notify emergency personnel that there is an additional electrical shut-off on the property, no such sign was found, this can be a potential hazard in the event of an emergency. This is a minor cost item.

PANELS & SWITCHBOARDS

10.3 Panel Types

Overload protection inside service panels is provided by breakers.

10.4 Overall Condition of Electrical Panels

For specific notes and comments regarding the switchboards and subpanels, see the "Table of Electrical Panels and Switchboards" later in this section.
For your convenience, we have summarized the conditions found in the Table of Electrical Panels and Switchboards immediately below:

Corrections Recommended-

The breakers/fuses at some of the panels are incorrectly or inadequately labeled.

Safety Concern-

We found the following safety concerns regarding the panels:
Unused openings in two panels are missing covers. (These covers can be either plastic or metal and are called knock-outs, they are available at most hardware stores for less than a dollar. They simply clip into

place without the use of any tools). However, they are important because without them one could stick their fingers into the panel and come into direct contact with high voltage.
The ground clamp is loose or disconnected at one panel.
These are minor cost items.

Further Evaluation-
The panels at the interior wood shop of building 340 are not rated for the dusty conditions generated in this area. We recommend further evaluation by a properly qualified commercial electrician.

10.5 Electrical Panel Identification Photos

Only the main panels and panels which we have safety concerns are shown below.

TABLE of ELECTRICAL PANELS and SUBPANELS

10.6

Explanation of the Comment Codes appear directly below the Table.

#	Location of Panel	Volts	Brand Name	AMPS	Phases / Wires	Room for Expansion	Comment Codes (see code descriptions below table)
1	East Interior Wall of Building # 310 at north end.	240.	Challenger.	400.	3/4.	Yes.	This is a Main Disconnect Panel for building 310.
2	North Interior Wall of Building #330.	240.	Challenger.	400.	3/4.	Yes.	This is a main disconnect panel for building 330.
3	West Interior Wall of Building #344.	600.	Challenger.	600.	3/4.	Yes.	This is a main disconnect panel for building 340, 342 & 344.
4	East Exterior Wall of Building #310.	480/277.	General Electric.	600.	3/4.	Yes.	No Comments. Panel is labeled HV4.
5	East Interior Wall of Building # 310 at north end.	208/120.	General Electric.	125.	3/4.	Yes.	No Comments. This panel is labeled LV6.
6	East Interior Wall of Building # 310 at north end.	208/120.	General Electric.	225.	3/4.	Yes.	No Comments. This panel is labeled LV5.
7	East Interior Wall of Building # 310 at north end.	120/240.	Cutler Hammer.	150.	3/4.	Yes.	No Comments. This panel is labeled SBA3.
8	East Interior Wall of Building # 310 at north end.	208/120.	Square D.	225.	3/4.	No.	No Comments. This panel is labeled SBA2.
9	East Interior Wall of Building # 310 at north end.	208/120.	General Electric.	225.	3/4.	Yes.	No Comments. This panel is labeled LV4.

10.	Old electrical room of Building #310.	208/120.	General Electric.	225.	3/4.	Yes.	KO. This panel is labeled LV2.
11.	South Interior Wall of Building #310.	480/277.	General Electric.	225.	3/4.	No.	No Comments.
12.	South Interior Wall of Building #310.	480/277.	General Electric.	400.	3/4.	No.	No Comments. This panel is labeled HV1.
13.	South Interior Wall of Building #310.	480/277.	General Electric.	400.	3/4.	Yes.	No Comments. This panel is labeled HV2.
14.	South Interior Wall of Building #310.	208/120.	General Electric.	225.	3/4.	No.	No Comments. This panel is labeled LV1.
15.	South Interior Wall of Building #310.	208/120.	General Electric.	225.	3/4.	No.	No Comments. This panel is labeled LV3.
16.	West Interior Wall of Building #310.	480/277.	General Electric.	400.	3/4.	Yes.	No Comments. This panel is labeled HV3.
17.	Interior of Building #310 near walk-in freezer.	120/240.	General Electric.	?	3/4.	Yes.	No Comments. This panel is labeled CRP1.
18.	North Interior Wall of Building #310 production room.	480/277.	General Electric.	400.	3/4.	Yes.	No Comments. This panel is labeled HV6.
19.	Bldg #310 smock room.	120/240.	Grouse Hinds.	200.	3/4.	No.	No Comments. This panel is labeled SBA3.
20.	South Exterior Wall of Building #330.	120/240.	Cutler Hammer.	100.	1/3.	No.	No Comments.
21.	North Interior Wall of Building #330.	120/240.	Challenger.	125.	1/3.	Yes.	No Comments.
22.	South Interior Wall of Building #340.	480/277.	General Electric.	?	?	Yes.	DE.
23.	South Interior Wall of Building #340.	208/120.	Eaton.	200.	3/4.	Yes.	DE.
24.	West Interior Wall of Building #340.	120/240.	Westinghouse.	200.	3/4.	Yes.	DE.
25.	North Interior Wall of Building #342.	208/120.	Bryant.	200.	3/4.	Yes.	LM, LGC.
26.	West Interior Wall of Building #344.	208/120.	Bryant.	200.	3/4.	Yes.	LM. This panel is labeled L1.
27.	West Interior Wall of Building #344.	208/120.	Bryant.	200.	3/4.	Yes.	No Comments. This panel is labeled L2.

28.	West Interior Wall of Building #344.	120/240 208/120.	Murray.	125.	3/4.	Yes.	No Comments. This panel is labeled L1A.
29.	West Interior Wall of Building #344.	208/120.	Cutler Hammer.	225.	3/4.	Yes.	KO, LM. Appears to be abandoned.

10.36 Comment Codes For the Table of Electrical Panels & Switchboards

The COMMENTS CODES below are the descriptive text regarding a variety of anomalies which can be found at electrical panels. If you have any 2 or 3 letter abbreviations in the "Comments" column at the far right hand side of the Table above, then this is where you will find the definition for that abbreviation.

DE = This panel is not rated for installation in a dusty environment.

KO = Some of the unused openings in the panel are missing covers. These covers can be either plastic or metal and are called knock-outs, they are available at most hardware stores for less than a dollar. They simply clip into place without the use of any tools). However, they are important because without them one could stick their fingers into the panel and come into direct contact with high voltage, this is a potential hazard!

LGC = Loose clamp at water line or ground rod, this is a potential hazard!

LM = Labeling of breakers is incomplete, inaccurate or not legible.

TRANSFORMERS

10.37 Transformer #1

Located at the east interior wall of building 310. KVA (kilovolt-ampere) rating is 75. Primary Voltage is 480, secondary voltage is 208/120. 3 Phase. Manufactured by Hammond.

10.38 Transformer #2

Located at the old electrical room of building 310. KVA (kilovolt-ampere) rating is 75. Primary Voltage is 480, secondary voltage is 208/120. 3 Phase. Manufactured by Hammond.

10.39 Transformer #3

Located at the south interior wall of building 310. KVA (kilovolt-ampere) rating is 112.5. Primary Voltage is 600/480, secondary voltage is 208/240/400. 3 Phase. Manufactured by Hammond.

10.40 Transformer #4

Located at the south interior wall of building 310. KVA (kilovolt-ampere) rating is unknown. Primary Voltage is 480, secondary voltage is 208/120. 3 Phase. Manufactured by Square D.

10.41 Transformer #5

Located near the walk-in freezer of building 310. KVA (kilovolt-ampere) rating is 30. Primary Voltage is 480, secondary voltage is 208/120. 3 Phase. Manufactured by Hammond.

Safety Concern-

Further Evaluation-

The clearance from the transformer enclosure to the adjacent wall was less than what the label calls for, this can cause overheating of the transformer. We recommend further evaluation by a properly qualified commercial electrician.

10.42 Transformer #6

Located at the wood shop of building 340. KVA (kilovolt-ampere) rating is 75. Primary Voltage is 480, secondary voltage is 208/120. 3 Phase. Manufactured by Challenger.

Safety Concern-

Further Evaluation-

The clearance from the transformer enclosure to the adjacent wall was less than what the label calls for, this can cause overheating of the transformer.

This transformer does not appear to be approved for dust environments.

We recommend further evaluation by a properly qualified commercial electrician.

10.43 Transformer #7

Located at the wood shop of building 340. KVA (kilovolt-ampere) rating is 125. Primary Voltage is 480, secondary voltage is 277. 3 Phase. Manufactured by Jefferson.

Safety Concern-

Further Evaluation-

This transformer does not appear to be approved for dust environments.

We recommend further evaluation by a properly qualified commercial electrician.

10.44 Transformer #8

Located at the west interior wall of building 344. KVA (kilovolt-ampere) rating is 15. Primary Voltage is 480, secondary voltage is 208. 3 Phase. Manufactured by General Electric.

10.45 Transformer #9

Located at the west interior wall of building 344. KVA (kilovolt-ampere) rating is 15. Primary Voltage is 480, secondary voltage is 208. 3 Phase. Manufactured by General Electric.

10.46 Transformer #10

Located at the south interior wall of building 344. KVA (kilovolt-ampere) rating is 75. Primary Voltage is 480, secondary voltage is 240. 3 Phase. Manufactured by MGM.

DISTRIBUTIONS SYSTEMS

10.47 Distribution Conductors

The type of wiring used is a three conductor, grounded system (or two conductors with metal conduit acting as the equipment grounding conductor). The type of sheathing used is electrical metallic tubing (EMT) . and, flexible metallic cable (FMC) or (BX). Branch conductors are copper where visible.

Safety Concern-

The following potential safety concerns were found that involve the conductors:

Connections were terminated without the use of junction boxes at the south interior wall of building 330. This can be a potential fire hazard, because without junction boxes the sparks which are created by loose connections or electricians tape can easily ignite nearby flammable substances. This is a minor cost item.

10.48 Switches and Outlets

A random testing was performed on the various outlets and switches, but NOT all were tested. During a typical inspection there are many that are not accessible due to tenant's furnishings, storage, etc. Light switches which do not appear to function are deemed to have a burned out bulb, unless other anomalies are noticed. Ground Fault Circuit Interrupters (GFCI's) have been provided at appropriate areas for the era in which this building was constructed/remodeled.

No apparent safety concerns were noted at the outlets/switches.

10.49 Lighting Fixtures

Further Evaluation-

Florescent light fixtures at all buildings except 310 have no safety lens to prevent the bulbs from dropping out of the fixture. Safety covers or some type of restraint are typically required for commercial installations. We recommend that you inquire with the local building authority to see if safety lens are required.

Recommended Upgrades-

All buildings except 310 have mostly fluorescence light bulbs of the older T-12 variety. These bulbs and their ballasts are being phased out of production and will no longer be available in the near future, which will mean that the fixtures, along with ballasts and bulbs, will need to be replaced with the newer and more energy efficient T-8 or T-5 variety. For more information go to http://www.connexiones.com/t12-phase-out This may amount to considerable expense, not withstanding any rebates you may get from the government or your public utility company.

OTHER SYSTEMS & COMPONENTS

FIRE PROTECTION

11.1 Sprinklers and Standpipes

A fire sprinkler system is installed for each of these structures, but inspection of these components is beyond the scope of this assessment. The main risers for the sprinkler system are located at the east interior wall of building 310, the west interior wall of building 330 and the east interior wall of building 342. Records on site state that periodic inspections by a fire sprinkler company have been made at the required intervals except for the following;

Further Evaluation-

The inspection tag reveals that the it has been over 5 years since the last sprinkler system inspection for building 340, 342 and 344. This is in violation of current standards, and may result in severely increased fire insurance rates by your insurance carrier. The reason for this is that without a recent inspection tag present, the Insurance Service Office (the nationwide rating bureau used by all insurance carriers), can reclassify this structure as having no legally recognized fire sprinkler system installed. We recommend that you contract with a fire sprinkler maintenance firm to perform inspections per current requirements.

Typical of all three main risers

11.2 Fire Extinguishers

There appear to be an adequate number of fire extinguishers installed for this facility, and the inspection tags reveal they have been recharged within the last year (as typically required).

11.3 Fire Hydrants

Fire hydrants were noted at the north landscape area and at the south parking lot of the subject property.

OUT of SCOPE CONSIDERATIONS

ACTIVITY EXCLUSIONS

12.1

The activities listed below generally are excluded from or otherwise represent limitations to the scope of a PCA prepared in accordance with the *ASTM E 2018-08 Guide.* These should not be construed as all-inclusive or imply that any exclusion not specifically identified is a PCA requirement under the *ASTM Guide:*

Identifying capital improvements, enhancements, or upgrades to building components, systems, or finishes. The consultant must be aware of the distinction between repair and replacement activities that maintain the property in its intended design condition, versus actions that improve or reposition the property.

Removing, relocating, or repositioning of materials, ceiling, wall, or equipment panels, furniture, storage containers, personal effects, debris material or finishes; conducting exploratory probing or testing; dismantling or operating of equipment or appliances; or disturbing personal items or property, that obstructs access or visibility.

12.2 .

Preparing engineering calculations (civil, structural, mechanical, electrical, etc.) to determine any systems, components, or equipments adequacy or compliance with any specific or commonly accepted design requirements or building codes, or preparing designs or specifications to remedy any physical deficiency.

12.3

Taking measurements or quantities to establish or confirm any information or representations provided by the owner or user, such as size and dimensions of the subject property or subject building; any legal encumbrances, such as easements; dwelling unit count and mix; building property line setbacks or elevations; number and size of parking spaces; etc.

Reporting on the presence or absence of pests such as wood damaging organisms, rodents, or insects unless evidence of such presence is readily apparent and material during the course of the field observers walk-through survey or such information is provided to the consultant by the owner, user, property manager, etc. The consultant is not required to provide a suggested remedy for treatment or remediation, determine the extent of infestation, nor provide opinions of probable costs for treatment or remediation of any deterioration that may have resulted. This exclusion does not apply if we have agreed to provide a pest & dry-rot inspection report as a part of our written contract, is such is the case then their report will be attached to the end of this report as an appendix.

Reporting on the condition of subterranean conditions, such as soil types and conditions, underground utilities, separate sewage disposal systems, wells; systems that are either considered process-related or peculiar to a specific tenancy or use; or items or systems that are not permanently installed.

Entering or accessing any area of the premises deemed to potentially pose a threat of dangerous or adverse conditions with respect to the field observers health or safety, or to perform any procedure, that may damage or impair the physical integrity of the property, any system, or component.

Providing an opinion on the condition of any system or component, that is shutdown. However, consultant is to provide an opinion of its physical condition to the extent reasonably possible considering its age, obvious condition, manufacturer, etc.

Evaluating acoustical or insulating characteristics of systems or components.

Providing an opinion on matters regarding security of the subject property and protection of its occupants or users from unauthorized access.

Operating or witnessing the operation of lighting, lawn irrigation, or other systems typically controlled by time clocks or that are normally operated by the buildings operation staff or service companies.

Providing an environmental assessment or opinion on the presence of any environmental issues such as potable water quality, asbestos, hazardous wastes, toxic materials, the location or presence of designated wetlands, mold, fungus, IAQ, etc.

WARRANTY, GUARANTEE, and CODE COMPLIANCE EXCLUSIONS

12.4

By conducting a PCA and preparing a PCR, the consultant merely is providing an opinion and does not warrant or guarantee the present or future condition of the subject property, nor may the PCA be construed as either a warranty or guarantee of any of the following:

Any systems or components physical condition or use, nor is a PCA to be construed as substituting for any systems or equipments warranty transfer inspection;

Compliance with any federal, state, or local statute, ordinance, rule or regulation including, but not limited to, fire and building codes, life safety codes, environmental regulations, health codes, zoning ordinances, compliance with trade/ design standards, or standards developed by the insurance industry. However, should there be any conspicuous material present violations observed or reported based upon actual knowledge of the field observer or the PCR reviewer, they should be identified in the PCR;

Compliance of any material, equipment, or system with any certification or actuation rate program, vendors or manufacturers warranty provisions, or provisions established by any standards that are related to insurance industry acceptance/approval, such as FM, State Board of Fire Underwriters, etc.

ADDITIONAL/GENERAL CONSIDERATIONS

12.5

There may be physical condition issues or certain physical improvements at the subject property that the parties may wish to assess in connection with a
commercial real estate transaction that are outside the scope of this guide. Such issues are referred to as non-scope considerations, and if included in the PCR, are identified in the "ADDITIONAL CONSIDERATIONS" Section of this report.
Whether or not the client has elected to contract with us regarding non-scope considerations in connection with the *ASTM Guide was* a decision which was made by the client. No assessment of such non-scope considerations is required for a PCA to be conducted in compliance with the ASTM Guide.

QUALIFICATIONS

PCA FIELD OBSERVER

13.1 Definition

The PCA Field Observer is the individual designated by Pre-Spect Building Inspection & Analysis who conducts the walk-through survey at the subject property.

13.2 Identification

The field observer for this property condition assessment was Mr. Rick DeBoard, whose qualifications are as follows:

Employment History;

1968 to 1972 - Employed as a framing crew foreman in the construction of industrial and farm structures.
1972 to 1979 - Employed as a working jobsite superintendent in the construction of industrial buildings.
1979 to 1990 - Owner and manager of construction firm specializing in commercial, industrial buildings, new construction and residential remodeling.
1990 to Present- Self-employed Inspector, performing residential prepurchase inspections, commercial due diligence property assessments and insurance inspections.

Credentials;

Licensed California General Contractor Since 1979, License # B-374548
Certified Member of the *American Institute of Inspectors, (A.I.I.),* Certification # 1051
Member of the *California Coalition of Home Inspectors*
Member of the National Association of Real Estate Professionals
Certified Indoor Air Quality Consultant, by the Environment Solutions Association
International Association of Certified Indoor Air Consultants. (IAC2)
1994, 1995 President of *A.I.I.* Sacramento Valley Chapter
1999, 2000, 2001, 2006 Member of the Board of Directors of *A.I.I.* National
2008 through 2009 Chairman of the Board for *A.I.I.* National

Continuing Education;

Home Inspection Certification Training through *A.I.I.* in 1990
Phase 1 Environmental Assessment Training through *A.I.I.* in 1993
Commercial Inspection Training through *Inspection Training Associates* in 2000
Certified Indoor Air Quality Training through Environmental Solutions Association in 2008

PCR REVIEWER

13.3 Definition

The PCR Reviewer is the individual who is designated by Pre-Spect Building Inspection & Analysis to exercise reasonable control over the field observer and to review the report.

13.4 Identification

The PCR Reviewer for this assessment was also Mr. Rick DeBoard.

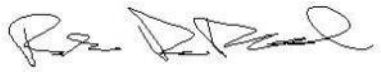
CLOSING COMMENTS

14.1

We have attempted to be very thorough in our assessment of this property, and have strived to convey the findings to you in a way that is useful and easy to understand. We wish to thank you for your trust in regards to this very important part of your decision making process.

In addition to the summary and main body of this report, please be sure to review the supporting documentation, (if any), and photographs.
Please feel free to call us if you have questions.

Sincerely,



Rick DeBoard, Principal.

APPENDIX A

Following this page is the
Phase 1 Environmental Site Assessment Report
from the independent specialty consultants,
Partner Engineering.
If you have questions concerning their report,
contact them directly at 310-615-4500 .

PARTNER
Engineering and Science, Inc.®

PHASE I ENVIRONMENTAL SITE ASSESSMENT REPORT

310-344 Sutton Place
Santa Rosa, California 95407

September 26, 2014
Partner Project No. 14-126389.1

Prepared for:

Mike Babbini
Stapleton Management

PARTNER
Engineering and Science, Inc.

September 26, 2014

Mr. Mike Babbini
Stapleton Management

Subject: Phase I Environmental Site Assessment
310-344 Sutton Place
Santa Rosa, California 95407
Partner Project No. 14-126389.1

Dear Mr. Babbini:

Partner Engineering and Science, Inc. (Partner) is pleased to provide the results of the *Phase I Environmental Site Assessment* (Phase I ESA) report of the abovementioned address (the "subject property"). This assessment was performed in general conformance with the scope and limitations as detailed in the ASTM Practice E1527-13 Standard Practice for Environmental Site Assessments: Phase I Environmental Site Assessment Process.

This assessment included a site reconnaissance as well as research and interviews with representatives of the public, property ownership, site manager, and regulatory agencies. An assessment was made, conclusions stated, and recommendations outlined.

We appreciate the opportunity to provide environmental services to you. If you have any questions concerning this report, or if we can assist you in any other matter, please contact me at (559) 917-9700 or ctaylor@partneresi.com.

Sincerely,

Cody Taylor
Principal

EXECUTIVE SUMMARY

Partner Engineering and Science, Inc. (Partner) has performed a Phase I Environmental Site Assessment (ESA) in general accordance with the scope of work and limitations of ASTM Standard Practice E1527-13, the Environmental Protection Agency Standards and Practices for All Appropriate Inquiries (AAI) (40 CFR Part 312) and set forth by Stapleton Management for the property located at 310-344 Sutton Place, Santa Rosa, Sonoma County, California (the "subject property"). The Phase I Environmental Site Assessment is designed to provide Stapleton Management with an assessment concerning environmental conditions (limited to those issues identified in the report) as they exist at the subject property.

Property Description

The subject property is located on the south side of Sutton Place within a mixed commercial, industrial and residential area of Sonoma County. Please refer to the table below for further description of the subject property:

Subject Property Data	
Addresses:	310, 320, 330, 340, 342 and 344 Sutton Place, Santa Rosa, California
Property Use:	Industrial
Land Acreage (Ac):	5.0 Ac
Number of Buildings:	Three
Number of Floors:	One
Gross Building Area (SF):	75,000 SF
Date of Construction:	1984
Assessor's Parcel Number (APN):	134-102-012
Type of Construction:	Pre-engineered steel
Current Tenants:	Amy's Foods, Phoenix Barrels, Modern Railway Systems
Site Assessment Performed By:	David Gerhardstein of Partner
Site Assessment Conducted On:	September 22, 2014

The subject property is currently occupied by Amy's Foods, Phoenix Barrels, and Modern Railway Systems for industrial and warehouse use. Onsite operations consist of frozen foods preparation and packaging, barrel production and refurbishment and warehousing. In addition to the current structures, the subject property is improved with a steam generator for the Amy's Foods operations, chain link fencing, asphalt-paved parking areas, and associated landscaping.

According to available historical sources, the subject property was formerly undeveloped as early as 1916 until the current structures were developed in 1984. Tenants on the subject property have included Amy's Foods, Phoenix Barrels, Modern Rail Systems, Cotati Web Printing, USF Reddaway, USF Roadway, USF Holland, and Yellow Transportation.

The immediately surrounding properties consist of commercial and industrial properties to the north across Sutton Place; a residence to the south; a commercial and industrial property to the east; and industrial properties to the west.

According to groundwater data obtained from a subsurface investigation at a nearby property (365 Todd Road, Global ID #T0609700270), groundwater in the vicinity of the subject property is inferred to be approximately 1 to 13 feet below ground surface (bgs) and flow toward the south-southwest.

Findings

A *recognized environmental condition (REC)* refers to the presence or likely presence of any hazardous substances or petroleum products in, on, or at a property: due to release to the environment; under conditions indicative of a release to the environment; or under conditions that pose a material threat of a future release to the environment. The following was identified during the course of this assessment:

- Partner did not identify evidence of recognized environmental conditions during the course of this assessment.

A *controlled recognized environmental condition (CREC)* refers to a REC resulting from a past release of hazardous substances or petroleum products that has been addressed to the satisfaction of the applicable regulatory authority, with hazardous substances or petroleum products allowed to remain in place subject to the implementation of required controls. The following was identified during the course of this assessment:

- Partner did not identify evidence of controlled recognized environmental conditions during the course of this assessment.

A *historical recognized environmental condition (HREC)* refers to a past release of any hazardous substances or petroleum products that has occurred in connection with the property and has been addressed to the satisfaction of the applicable regulatory authority or meeting unrestricted use criteria established by a regulatory authority, without subjecting the property to any required controls. The following was identified during the course of this assessment:

- Partner did not identify evidence of historical recognized environmental conditions during the course of this assessment.

An *environmental issue* refers to environmental concerns identified by Partner, which do not qualify as RECs; however, warrant further discussion. The following was identified during the course of this assessment:

- During Partner's September 22, 2014 site reconnaissance, a 55-gallon drum of boiler water treatment and five 55-gallon drums of food contact cleaning solutions were observed within the Amy's Foods facility and near the steam generator. The materials were found to be properly labeled and stored at the time of the assessment with no signs of leaks, stains, or spills. Secondary containment is provided in connection with the drums of cleaning solutions. Based on the nature of use, absence of staining or releases observed during the sit reconnaissance, and the absence of violations on-file with the local agencies, the storage and use of these materials on the subject property is not expected to represent a significant environmental concern.

- According to the regulatory database report, the subject property was identified on the Facility and Manifest Data (HAZNET), Resource Conservation and Recovery Act (RCRA), Certified Unified Program Agency (CUPA), California Hazardous Materials Incident Reporting System (CHMIRS), Hazardous Materials Incident Reporting System (HMIRS), and Facility Index System/Facility Registry System (FINDS) databases. The database listings are primarily related to hazardous substances storage and hazardous waste generation at the subject property. Five separate hazardous substances incidents have been reported in connection with the subject property. Cotati Web Printing at 344 Sutton Place reported a release of one-gallon of non-hazardous ink on a trailer on January 25, 2012. The Santa Rosa Fire Department responded to the incident and the release was reportedly contained. No further action was required by the Fire Department. Additionally, USF Reddaway, USF Holland, and Yellow Freight System, Inc. at 330 Sutton Place reported four separate incidences involving the release of small quantities of paint, isopropyl alcohol, toxic organic liquid, and corrosive liquids on February 13, 2004, April 3, 2009, June 29, 2009, and October 3, 2009. The releases occurred as a result of leaking packages or punctured containers. In all four cases the releases were reported to the appropriate responding agencies. The releases were reported to be properly managed and the materials were placed in salvage drums with chemical liners to be properly removed from the subject property. Based on the overall small quantities and the proper cleanup and handling of the waste, these incidents are not expected to represent a significant environmental concern and no further investigation is recommended at this time.

Conclusions, Opinions and Recommendations

Partner has performed a Phase I Environmental Site Assessment in conformance with the scope and limitations of ASTM Practice E1527-13 of 310-344 Sutton Place, Santa Rosa, Sonoma County, California (the "subject property"). Any exceptions to, or deletions from, this practice are described in Section 1.5 of this report.

This assessment has revealed no evidence of recognized environmental conditions in connection with the subject property. Based on the conclusions of this assessment, Partner recommends no further investigation of the subject property at this time.

This concludes the summary of findings, the full report is available for download at:
http://www.partneresi.com/reports/14-126389.1_ESA_310-344_Sutton_Place,_Santa_Rosa,_CA__Final.pdf

APPENDIX B

Following this page is the Report from the independent specialty consultants,
A-! Exterminators, regarding the wood destroying organisms.
If you have questions concerning their report,
contact them directly at 209-333-3311.

WOOD DESTROYING PESTS AND ORGANISMS INSPECTION REPORT

BUILDING NO.	STREET, CITY, STATE, ZIP	Date of Inspection	No. of Pages
310/40	Sutton Place & 344, Santa Rosa CA 95407	9/23/2014	7

A-1 EXTERMINATORS, INC.

20 S. Cluff, Lodi, CA 95240
Ph: (209) 333-3311 (209) 333-7432 Fax

Firm Registration No. BR 2471	Report No. 18118	Escrow No.
Ordered By: Pre-Spect 21 Greenstone Terrace Sutter Creek, CA 95685 Attn: Rick DeBoard 295-0110 231-3694	Property Owner/Party of Interest C/O-Pre-Spect 21 Greenstone Terrace Sutter Creek, CA 95685 Attn: Rick DeBoard 295-0110 231-3694	Report Sent To: Pre-Spect 21 Greenstone Terrace Sutter Creek, CA 95685 Attn: Rick DeBoard 295-0110 231-3694

COMPLETE REPORT [X] LIMITED REPORT [ ] SUPPLEMENTAL REPORT [ ] REINSPECTION REPORT [ ]

General Description:
(3) One story commercial buildings.

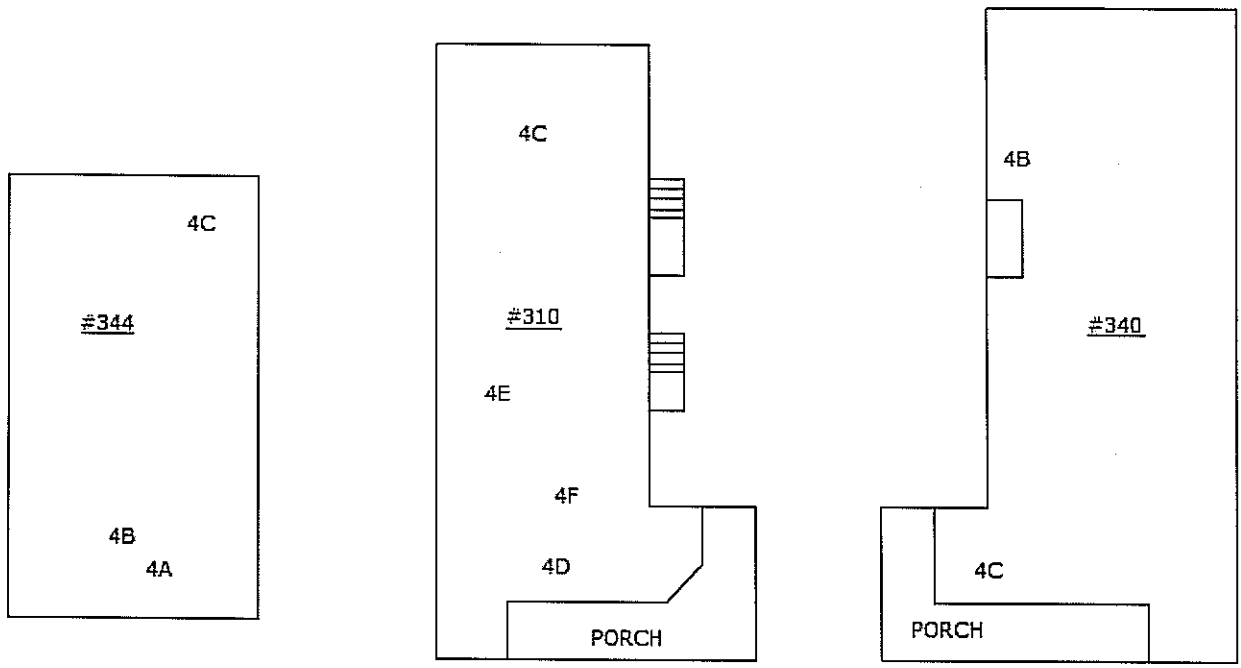
Inspection Tag Posted:
Utility room

Other Tags Posted:

An inspection has been made to the structure(s) shown on the diagram in accordance with the Structural Pest Control Act. Detached porches, detached steps, detached decks and any other structures not on the diagram were not inspected.

Subterranean Termites [ ] Drywood Termites [ ] Fungus/Dryrot [ ] Other Findings [X] Further Inspection [ ]
If any of above boxes are checked, it indicates that there were visible problems in accessible areas. Read the report for details on checked items.

DIAGRAM NOT TO SCALE/SYMBOLS IN APPROXIMATE LOCATIONS



Inspected by Glenn Reich II State License No. OPR 6415 Signature

You are entitled to obtain copies of all reports and completion notices on this property reported to the Structural Pest Control Board during the preceeding two years. To obtain copies contact: Structural Pest Control Board, 2005 Evergreen Street, Suite 1500, Sacramento, California 95815.

NOTE: Questions or problems concerning the above report should be directed to the manager of the company. Unresolved questions or problems with services performed may be directed to the Structural Pest Control board at (916) 561-8708, or (800) 737-8188 or www.pestboard.ca.gov.

43M-41 (Rev. 10/01)

310/40	Sutton Place & 344, Santa Rosa CA 95407	9/23/2014	18118
BUILDING NO.	STREET, CITY, STATE, ZIP	INSPECTION DATE	REPORT NO.

A. Certain areas are recognized by the industry as inaccessible and/or for other reasons not inspected. These include but are not limited to: inaccesible and/or insulated attics or portions thereof, attics with less than 18" clear crawl space, the interior of hollow walls; spaces between a floor or porch deck and the ceiling below; area where there is no access without defacing or tearing out lumber, masonry or finished work; areas behind stoves, refigerators or beneath floor coverings, furnishings; areas where encumberances and storage, conditions or locks make inspection impractical, portions of the subarea concealed or made inaccessible by ducting or insulation, area beneath wood floors over concrete, and areas concealed by heavy vegetation. Areas or timbers around eaves were visually inspected from ground level only. Although we make visual examinations, we do not deface or probe window/door frames or decorative trims. Unless otherwise specified in this report, we do not inspect fences, sheds, dog houses, detached patios, detached wood decks, wood retaining walls or wood walkways. We assume no responsibility for work done by anyone else, for damage to structure or contents during our inspection, or for infestation, infection, adverse conditions or damage undetected due to inaccessibility or non-disclosure by owner/agent/tenant.

B. Slab floor construction has become more prevalent in recent years. Floor covering may conceal cracks in the slab that will allow infestation to enter. Infestations in the walls may be concealed by plaster so that a diligent inspection may not disclose the true condition. These areas are not practical to inspect because of health hazards, damage to the structure; or inconvenience. They were not inspected unless described in this report. We recommend further inspection if there is any question about the above noted areas. Ref: Structural Pest Control Act, Article 6, Section 8516(b), paragraph 1990(i). Amended effective March 1, 1974. Inspection is limited to disclosure of wood destroying pests or organisms as set forth in the Structural Pest Control Act, Article 6, Section 8516(b), Paragraph 1990-1991.

C. A re-inspection will be performed, if requested within four (4) months from date of original inspection, on any corrective work that we are regularly in the business of performing. If CERTIFICATION is required, then any work performed by others must be CERTIFIED by them. There is a re-inspection fee.

D. This company is not responsible for work completed by others, recommended or not, including by Owner. Contractor bills should be submitted to Escrow as certification of work completed by others.

E. This report includes findings related to the presence/non-presence of wood destroying organisms and/or visible signs of leaks in the accessible portions of the roof. The inspector did not go onto the roof surface due to possible physical damage to the roof, or personal injury. No opinion is rendered nor guarantee implied concerning the water-tight integrity of the roof or the condition of the roof and roofing materials. If interested parties desire further information on the condition of the roof, we recommend that they engage the services of a licensed roofing contractor.

F. Second story stall showers are inspected but not water tested unless there is evidence of leaks in ceiling below. Ref: Structural Pest Control Rules and Regulations, Sec. 8516G. Sunken or below grade showers or tubs are not water tested due to their construction.

G. During the course of/or after opening walls or any previously concealed areas, should any further damage or infestation be found, a supplementary report will be issued. Any work completed in these areas would be at Owner's direction and additional expense.

H. During the process of treatment or replacement it may be necessary to drill holes through ceramic tiles or other floor coverings; These holes will then be sealed with concrete. We will exercise due care but assume no responsibility for cracks, chipping or other damage to floor coverings. We do not re-lay carpeting.

I. We assume no responsibility for damage to any Plumbing, Gas or Electrical lines, etc., in the process of pressure treatment of concrete slabs or replacement of concrete or structural timbers.

J. When a fumigation is recommended we will exercise all due care but assume no responsibility for damage to Shrubbery, Trees, Plants, TV Antennas or Roofs. A FUMIGATION NOTICE will be left with, or mailed to the Owner of this property, or his designated Agent. Occupant must comply with instructions contained in Fumigation Notice. During fumigation and aeration, the possibility of burglary exists as it does any time you leave your home. Therefore, we recommend that you take any steps that you feel necessary to prevent any damage to your property. We also recommend that you contact your insurance agent and verify that you have insurance coverage to protect against any loss, damage or vandalism to your property. The company

does not provide any onsite security except as required by state or local ordinance and does not assume any responsibility for care and custody of the property in case of vandalism, breaking or entering.

K. Your termite report and clearance will cover EXISTING infestation or infection which is outlined in this report. If Owner of property desires coverage of any new infestation it would be advisable to obtain a Control Service Policy which would cover any new infestation for the coming year.

L. If you should have any questions regarding this report, please call or come by our office any weekday between 8:00 a.m. and 5:00 p.m. We also provide information about additional services for the control of Household Pests such as Ants and Fleas, etc.

M. I agree to pay reasonable attorney's fees if suit is required by this COMPANY to enforce any terms of this contract, together with the costs of such action, whether or not suit proceeds to judgement.

N. The total amount of this contract is due and payable upon completion of work unless otherwise specified. A finance charge computed at a Monthly rate of 1.5% of the unpaid balance (annual percentage rate of 18%) will be added to all acoounts past due.

O. If this report is used for escrow purposes then it is agreed that this inspection report and Completion, if any, is part of the ESCROW TRANSACTION. However, if you received written or verbal instructions from any interested parties involved in this escrow (agents, principals, etc.) to not pay our invoice at close of escrow, you are instructed by us not to use these documents to satisfy any conditions or terms of your escrow for purposes of closing the escrow. Further, you are instructed to return all of our documents and the most current mailing address you have on file for the property owner.

P. Owner/agent/tenant acknowledges and agrees that inspection of the premises will not include any type of inspection for the presence or non-presence of asbestos and that this report will not include any findings or opinions regarding the presence or non-presence of asbestos in, upon or about the premises, we recommend that you contact a contractor specifically licensed to engage in asbestos related work. Further, should we discover the presence of asbestos during our inspection of the premises or should our inspection of the premises cause a release of asbestos dust or particles, owner/agent/tenant shall be solely responsible for the cleanup, removal and disposal of the asbestos and the cost thereof. Owner/agent/tenant hereby agrees to waive any and all claims against this Company which are in any way related to the presence of asbestos on the premises and further agrees to indemnify and hold this company harmless from any and all claims of any nature asserted by a ny third party, including this Company's employees, which is in any way related to the presence of asbestos on the premises.

THIS IS A "STRUCTURAL PEST CONTROL" INSPECTION REPORT: NOT A BUILDING INSPECTION REPORT. IF THE INTERESTED PARTIES WANT A STRUCTURAL BUILDING INSPECTION, THEY SHOULD CONTACT THE APPROPRIATE LICENSED CONTRACTOR, AS A-I EXTERMINATORS ASSUMES NO REPONSIBILITY FOR ANY STRUCTURAL FAULTS TO THE BUILDING. NO OPINION IS BEING RENDERED REGARDING THE STRUCTURAL INTEGRITY OF THE BUILDING.

THE FOLLOWING AREAS WERE NOT INSPECTED, AS INDICATED IN SECTION #1990, PARAGRAPH (j) OF THE STRUCTURAL PEST CONRTOL ACT AND RULES AND REGULATIONS: FURNISHED INTERIORS, INACCESSIBLE ATTICS, INSULATED ATTICS, AND PORTIONS THEREOF: THE INTERIOR OF HOLLOW WALLS: SPACES BETWEEN A FLOOR OR PORCH DECK AND THE CEILING OR SOFFIT BELOW: STALL SHOWERS OVER FINISHED BUTTRESSES AND SIMILAR AREAS TO WHICH THERE IS NO ACCESS WITHOUT DEFACING OR TEARING OUT LUMBER, MASONRY AND FINISHED WORK, BUILT-IN CABINET WORK: FLOOR BENEATH COVERINGS, AREAS WHERE STORAGE CONDITIONS OR LOCKS MAKES INSPECTION IMPRACTICAL.

What is a Wood Destroying Pest and Organism Report?
A Wood Destroying Pest and Organism Report contains findings as to the presence or absence of evidence of wood destroying pests and organisms in the visible and accessible areas and contains recommendations for the correcting of any infestations or infections found. The content of this inspection report is regulated by the Structural Pest Control Act of Rules and Regulations.

Some structures do not comply with the local building code requirements or may have structural problems like plumbing, electrical, heating,air conditioning, foundation cracks, stucco cracks or other defects that do not pertain to the Wood Destroying Pest and Organism Report. This report does not contain that information, if any, which is not within the scope of the license of either the Inspector or the Company issuing the report.

The Structural Pest Control Act requires an inspection of only those areas which are visible and accessible at the time of the inspection.

ROOF NOTE: THE EXTERIOR SURFACE OF THE ROOF WILL NOT BE INSPECTED. IF YOU WANT THE WATER TIGHTNESS OF THE ROOF DETERMINED, YOU SHOULD CONTACT A ROOFING CONTRACTOR WHO IS LICENSED BY THE CONTRACTORS STATE LICENSE BOARD.

NOTE: IF A REINSPECTION OF THIS PROPERTY IS REQUESTED BY THE PERSON ORDERING THE ORIGINAL INSPECTION REPORT WITHIN FOUR (4) MONTHS, THIS COMPANY WILL MAKE THIS REINSPECTION AND MAY MAKE SAID REINSPECTION AT AN ADDITIONAL CHARGE NOT TO EXCEED THE ORIGINAL INSPECTION FEE.

NOTE: THIS COMPANY STRONGLY ADVISES THAT ALL INTERESTED PERSONS INVOLVED IN THIS STRUCTURE READ THIS REPORT CAREFULLY. IF THERE ARE ANY QUESTIONS CONCERNING ANY ONE OR MORE ITEMS IN THIS REPORT, PLEASE CONTACT THIS COMPANY OR THE INSPECTOR FOR ADDITIONAL INFORMATION.

"NOTICE: Reports on this structure prepared by various registered companies should list the same findings (i.e. termite infestations, termite damage, fungus damage, etc.). However, recommendations to correct these findings may vary from company to company. You have a right to seek a second opinion from another company."

THIS INSPECTION IS ONLY ON THE STRUCTURE OR STRUCTURES INDICATED ON THIS DIAGRAM. THIS REPORT IS A STATEMENT OF CONDITIONS THAT WERE FOUND ON THE DATE OF THIS INSPECTION ONLY. THIS COMPANY WILL NOT BE HELD LIABLE FOR ANY CONDITIONS THAT MAY DEVELOP AFTER THE DATE OF THIS INSPECTION. THIS IS A VISIBLE INSPECTION ONLY.

NOTE: NO PROBING AND/OR DEFACING OF THE PROPERTY WAS DONE UNLESS STATED IN THIS REPORT.

"NOTICE: The charge for service that this company subcontracts to another registered company may include the companys charges for arranging and administering such services that are in addition to the direct costs associated with paying the subcontractor. You may accept A-I Exterminators bid or you may contract directly with another registered company licensed to perform the work.

If you choose to contract directly with another registered company, A-I Exterminators will not be responsible for any act or omission in the performance of work that you directly contract with another to perform.

MECHANICS LIEN LAW: (Section 7018 of Calif. Contractors License Law). Provides under the Mechanics Lein Law any contractor, subcontractor, laborer, supplier or other person who helps to improve your property but is not paid for his work or supplies has a right to enforce a claim against your property. This means that after a court hearing, your property could be sold by a court officer and the proceeds of the sale used to satisfy the indebtedness. This can happen even if you have paid your own contractor in full, if the subcontractor, laborer, or supplier remains unpaid.

NOTICE: "This Wood Destroying Pests & Organisms Report DOES NOT INCLUDE MOLD OR ANY MOLD-LIKE CONDITIONS. No reference will be made to mold or mold-like condition. Mold is not a Wood Destroying Organism, and is outside the scope of this report, as defined by the Structural Pest Control Act. If you wish your property to be inspected for mold or mold like conditions, please contact the appropriate mold professional."

310/40	Sutton Place & 344, Santa Rosa CA 95407	9/23/2014	18118
BUILDING NO.	STREET, CITY, STATE, ZIP	INSPECTION DATE	REPORT NO.

NOTE A certification is a statement by a licensed pest control company attesting to the presence of infestations or infections in the visible and accessible areas. A certification does not mean that the structure is free of pest problems but the results of a careful inspection. It is the opinion of this company that SECTION I and SECTION II items be completed before the structure is free of pest problems. SECTION II items are items usually deemed likely to lead to infections or infestations such as leaking roof areas, condensation, earth contacts, faulty grade conditions, buckled floors and inaccessible areas. These conditions are categorized in SECTION II. If there is no visible infections or infestations on the accessible surface areas, all persons interested in this structure should be aware that infections or infestations may be present in the inaccessible areas, where further inspection is recommended, and that if these conditions in SECTION II of this report are not corrected they are usually deemed likely to lead to infections or infestations.

IF A SEPARATED REPORT HAS BEEN REQUESTED, IT IS DEFINED AS SECTION I & SECTION II CONDITIONS EVIDENT ON THE DATE OF INSPECTION. SECTION I CONTAINS ITEMS WHERE THERE IS EVIDENCE OF ACTIVE INFESTATION, INFECTION OR CONDITIONS THAT HAVE RESULTED IN OR FROM INFESTATION OR INFECTION. SECTION II SECTION II ITEMS ARE CONDITIONS DEEMED LIKELY TO LEAD TO INFESTATION OR INFECTION, BUT WHERE NO VISIBLE EVIDENCE OF SUCH WAS FOUND. FURTHER INSPECTION FURTHER INSPECTION ITEMS ARE DEFINED AS RECOMMENDATIONS TO INSPECT AREAS WHICH DURING THE ORIGINAL INSPECTION, DID NOT ALLOW THE INSPECTOR ACCESS TO COMPLETE THE INSPECTION AND CANNOT BE DEFINED AS SECTION I OR SECTION II.

Other Findings:

ITEM 4A The 3/4" water line is leaking in unit 344.

RECOMMENDATION: Repair leak as necessary.
****** This is a Section 2 Item ******

ITEM 4B The stool in the rear mens room of unit 340 is loose.

RECOMMENDATION: Tighten stool as necessary.

NOTE: IF DAMAGE IS FOUND TO THE SUBFLOOR OR IF REPAIRS NEED TO BE MADE TO THE HERCUL RING, A SUPPLEMENTAL REPORT WILL BE ISSUED WITH FINDINGS AND RECOMMENDATION.
****** This is a Section 2 Item ******

ITEM 4C Water stains were noted on the ceilings in all units.

RECOMMENDATION: Owner is to engage a licensed roofing contractor to inspect and repair roof, as necessary.

NOTE Upon completion of the roofing contractors inspection and repairs, if any, A-I Exterminators must have a copy of the contractors statement indicating work completed before we can issue a clearance.
****** This is a Section 2 Item ******

310/40	Sutton Place & 344, Santa Rosa CA 95407	9/23/2014	18118
BUILDING NO.	STREET, CITY, STATE, ZIP	INSPECTION DATE	REPORT NO.

Other Findings:

ITEM 4D The lunch room faucet is leaking and the shelf is starting to deteriorate in unit 310.

RECOMMENDATION: Repair/replace faucet. Paint shelf to seal.
****** This is a Section 2 Item ******

ITEM 4E A 3/4" valve is dripping in unit 310 adjacent to the freezer.

RECOMMENDATION: Replace valve as necessary.
****** This is a Section 2 Item ******

ITEM 4F The stool is loose in the overflow bathroom of unit 310.

RECOMMENDATION: Tighten stool as necessary.

NOTE: IF DAMAGE IS FOUND TO THE SUBFLOOR OR IF REPAIRS NEED TO BE MADE TO THE HERCUL RING, A SUPPLEMENTAL REPORT WILL BE ISSUED WITH FINDINGS AND RECOMMENDATION.
****** This is a Section 2 Item ******

NOTE The appliances were not moved during the course of this inspection. No adverse conditions were noted around the visible areas inspected. Should any adverse conditions be found when the appliances are moved, a supplemental report will be issued, stating additional repairs and charges, as these areas are not included in this report.

NOTE The plumbing was inspected, at the time of this inspection, and only the leaks outlined in our report were found at this time. We assume no responsibility for any leaks that may occur after the date of this inspection.

NOTE Unless noted elsewhere, in this report, the caulking and/or grouting is an owner maintenance item only and should be maintained as often as necessary. A-I Exterminators does not give any guarantee or implied warranty, on these items, from the date of this inspection.

ROOF NOTE AS A-I EXTERMINATORS ARE NOT LICENSED AS ROOFING CONTRACTORS, WE OFFER NO OPINION NOR GUARANTEE REGARDING THE ROOF STRUCTURE OR LEAKAGE. WE SUGGEST THAT PARTIES OF INTEREST SHOULD HAVE ALL ROOFS INSPECTED BY A LICENSED ROOFING CONTRACTOR PRIOR TO EXCHANGE OF OWNERSHIP.

WHEN WORK IS RECOMMENDED A REINSPECTION WILL BE MADE IF REQUESTED WITHIN FOUR (4) MONTHS OF THE ORIGINAL REPORT, FOR AN ADDITIONAL FEE. WE CANNOT GUARANTEE WORK DONE BY OTHERS OR THEIR AGENTS. THIS COMPANY MUST BE CONTACTED PRIOR TO COMMENCING ANY WORK. **THE REINSPECTION FEE WILL BE SEVENTY FIVE DOLLARS ($75.00).** A BUILDING PERMIT MAY BE REQUIRED TO PERFORM WORK RECOMMENDED IN THIS REPORT. THE AGENT AND/OR OWNER IS REQUIRED TO DISCLOSE A SIGNED-OFF BUILDING PERMIT FOR THE CONSTRUCTION WORK RECOMMENDED IN THIS REPORT (WHEN APPLICABLE). ANY PERSON WHO VIOLATES THIS REGULATION IS SUBJECT TO THE ACTUAL DAMAGES SUFFERED BY A TRANSFEREE, INCLUDING ATTORNEY FEES (CIVIL CODE #1134.5).

310/40	Sutton Place & 344, Santa Rosa CA 95407	9/23/2014	18118
BUILDING NO.	STREET, CITY, STATE, ZIP	INSPECTION DATE	REPORT NO.

THE WORK COMPLETED BY THIS COMPANY IS GUARANTEED FOR A PERIOD OF ONE (1) YEAR FROM THE DATE OF COMPLETION WITH EXCEPTIONS TO PLUMBING, GROUTING, CAULKING, SEALING, ANY TYPE OF GRADING OF SOIL, RESETTING OF TOILETS, GLASS ENCLOSURES AND FLOOR COVERINGS. THESE ITEMS ARE GUARANTEED FOR A PERIOD OF THIRTY (30) DAYS AS THEY ARE OWNER MAINTENANCE AREAS AND WE HAVE NO CONTROL OVER ANY ADVERSE CONDITIONS THAT MAY DEVELOP. NOTE OWNERS MUST MAINTAIN ALL SHOWERS AND TUB SPLASHES SUCH AS GROUTING, CLEANING AND RESEALING WHEN NEEDED. IF NOT PROPERLY MAINTAINED, ALL WARRANTIES WILL BE VOID. A-I EXTERMINATORS DOES NOT DO ANY PRIMERING AND/OR PAINTING.

NOTE If any work is done by anyone other than A-I Exterminators, a reinspection must be made before any replacement of material. Inaccessible areas, to be open for further inspection and/or repairs, must be viewed by A-I Exterminators before being reclosed. Otherwise, we may not issue a clearance. Please refer to the reinspection note.

GLOSSARY

OF

TERMS

ADA	The Americans with Disabilities Act.
A.I.I.	American Institute of Inspectors, a national association of building inspectors. Phone 800-877-4770, Website: http://www.inspection.org.
Accessible	See "Readily Accessible"
Addition	Any construction which adds to the building or original structure.
Air Conditioning	The process of treating air so as to control simultaneously its temperature, humidity, cleanliness, and distribution to meet the comfort requirements of the occupants of the conditioned space. The system may be designed for summer air conditioning or for winter air conditioning or for both.
Aldehydes	Odor, like the inside of a new structure, that is created with incomplete natural gas combustion. An indicator for the building inspector of the need for a licensed technician to evaluate the heating device.
Alligatoring	A defect consisting of intersecting cracks and ridges in the surface.
Angle of Repose	The maximum angle of slope at which any loose earth will stand without sliding.
ASHI	The American Society of Home Inspectors, Inc. A national association of home/building inspectors. Phone number 1-800-743-ASHI (2744), or on the web at http://ashi.com.
ASTM	American Society for Testing and Materials. Website: www.astm.org.E
ASTM Guide	The Standards of Practice used for a PCA. Specifically ASTM E 2018-XX , Standard Guide for Property Condition Assessments: Baseline Property Condition Assessment Process, (where "xx" equals the year that the Guide was enacted).
Attic	Accessible space between top of uppermost ceiling and underside of roof. Inaccessible spaces are considered "structural cavities."
Automatic (System) Safety Controls.	Devices designed and installed to protect systems and components from excessively high or low pressures and temperatures, excessive electrical current, loss of water, loss of ignition, fuel leaks, fire, freezing, or other unsafe conditions.

Backfill	Loose earth placed outside foundation walls for filling and grading.
Baluster	An upright support for a handrail.
Balustrade	A protective or decorating railing consisting of a row of balusters topped by a rail.
Barometric Damper	A damper on the exhaust vent of an oil fired heater that acts as a draft regulator (or atmospheric damper). As a chimney flue heats up, a weighted damper opens to allow cool air from the living space to enter. Without a barometric damper to cool the hot exhaust gases, an overheated chimney flue can cause too much draft, adversely affecting the burner's efficiency by changing the fuel/air ratio. (Some old oil burners, and some new "positive-pressure" burners that rely upon a fan instead of a natural draft, cannot accommodate barometric dampers, but these types are rare).
Base Building	The core (common areas) and shell of the building and its systems that typically are not subject to improvements to suit tenant requirements.
Basement	A space of full story height below finish grade below the first floor, or a story partially underground.
Bearing Wall	A wall which supports any vertical load in addition to its own weight.
Bearing	That portion of a beam, truss, or other structural member that rests on the supports.
Bldg.	Building.
Bonding	Joining of metallic parts to form a conductive path that has the ability to safely conduct electrical loads.
Bridging	A system of bracing between floor joists or ceiling joists to distribute the floor load or keep the joists from twisting.
BTU or btu	British thermal unit.
Building Department Records	Records maintained by or in possession of the local government authority with jurisdiction over the construction, alteration, use, or demolition of improvements on the subject property, and that are readily available for use by the consultant within the time frame required for production of the PCR and are practically reviewable by exercising appropriate inquiry. Building department records also may include building code violation notices. Often, building department records are located in the building department of a municipality or county.

Building Envelope	The enclosure of the building that protects the building's interior from outside elements, namely the exterior walls, roof and soffit areas.
Bullnose	A stair step with rounded end used as a starting step.
BX	Armored Flexible cable.
Cantilever	A projecting beam or member supported at only one end.
Carport	A roofed space having at least one side open to the weather, primarily designed for motor vehicles.
Casement Windows	Window sash which opens on hinges secured to the side of the window opening.
Cavitation	A phenomenon in the flow of water consisting in the formation and the collapse of cavities in water. Pump sound varies as it alternates between pumping air and water.
Central Air Conditioning	A system which uses ducts to distribute cooled and/or dehumidified air to more than one room at a time and which is not plugged into an electrical convenience outlet.
Clearance to Combustibles	The distance between a heat producing appliance, chimney, chimney connector, vent, vent connector, or plenum and other surfaces. Also, in garages, the distance between the floor and an installed source of ignition.
Cold Joint	A joint formed when a concrete surface hardens before the next batch of concrete is placed against it.
Component	A fully functional portion of a building system, piece of equipment, or building element.
Conductors	Electrical: A wire or cable offering low resistance to the flow of electric current.
Consultant	The entity or individual that prepares the PCR and that is responsible for the observance of and reporting on the physical condition of commercial real estate in accordance with the ASTM guide. The consultant generally is an independent contractor; however, the consultant may be an employee of the user. The consultant may be an individual that is both the field observer and PCR reviewer.
Cost-to-Cure	The estimated cost to perform the required repairs necessary to restore proper function to the system or component.

Counter-flashing	A strip of sheet metal in the form of an inverted L built into a wall to overlap the flashing and make the roof water-tight.
CPVC	Chlorinated polyvinyl chloride.
Crawlspace	An unfinished accessible space below the first floor in a building with no cellar, a shallow space between the first tier of beams and the ground.
CREIA	California Real Estate Inspectors Association. An association of professional building inspectors. Phone: 800-848-7342. Website: www.creia.com.
Cricket	A small false roof to throw off or shed water from behind an obstacle, (often a gabled roof behind a chimney).
Cross Connections	Any physical connection or arrangement between potable water and any source of contamination.
Cut and Fill	The process of cutting into a hillside and using the material removed to fill a downslope portion of the site. Structures constructed across the "cut and fill" line are often cracked or distorted at that location.
Dangerous or Adverse Situations	Situations which pose a threat of injury to the inspector, and those situations with require use of special protective clothing or safety equipment.
Deferred Maintenance	Physical deficiencies that cannot be remedied with routine maintenance, normal operating maintenance, etc., excluding de minimus conditions that generally do not present a material physical deficiency to the subject property.
Differential Settlement	Settling of a dwelling or surface that causes one or more components to settle unevenly.
Dismantle	To take apart or remove any component, device or piece of equipment that is bolted, screwed, or (fastened by other means), that would not be removed by a layperson in the course of normal maintenance.
Dormer Window	An extension from a sloped roof with a vertical window.
Double Hung Window	A window consisting of two sashes which slide vertically in adjoining grooves.
Drip Edge	A projecting horizontal band or course sloped outward to throw water away from the building.

Drywell	A covered pit with open-jointed lining or a covered pit filled with coarse aggregate through with drainage from roofs, basement floors, foundation drain tile, or areaways may seep or leach into the surrounding soil.
Due Diligence	The process of conducting a walk-through survey and appropriate inquiries into the physical condition of a commercial real estate's improvements, usually in connection with a commercial real estate transaction. The degree and type of such survey or other inquiry may vary for different properties and different purposes.
Dwelling	A building designed as living quarters for one or more families.
Easily Visible	Describes items, components and systems that are conspicuous, patent, and which may be observed visually during the walk-through survey without intrusion, removal of materials, exploratory probing, use of special protective clothing, or use of special equipment.
Efflorescence	A blemish on masonry walls consisting of a white surface crust formed from the crystallizing of soluble salts in the mortar.
EIFS	Exterior Insulation and Finish System.
EMF	Electro Magnetic Fields.
Engineering	Analysis or design work requiring extensive preparation and experience in the use of mathematics, chemistry, physics, and the engineering sciences.
Exotic Materials	Any building material that has only the manufacturer's claims or guarantees of its performance and no empirical evidence regarding life expectancy.
Expansion Joint	A joint between two adjoining concrete members arranged to permit expansion and contraction with changes in temperature.
Expansive Soil	Soil, that when wet or dry, expands or contracts.
Expected Useful Life (EUL)	The average amount of time in years that an item, component, or system is estimated to function when installed new and assuming routine maintenance is practiced.
Extrapolate	To infer or estimate by extending or projecting known information.
Fenestration	The arrangement and design of windows and doors in a building.

Field Observer	The individual that conducts the walk-through survey, in the process of performing a commercial property condition assessment.
Fire Department Records	Records maintained by or in the possession of the local fire department in the area in which the subject property is located. These records should be practically reviewable and readily accessible for use by the consultant by exercising an appropriate inquiry within the time frame required for production of the PCR.
Fire Rated Doors	Doors manufactured under supervision, designed to resist standard fire tests and labeled for identification.
Firebrick	Brick made to withstand high temperatures for lining chimneys, incinerators and similar structures.
Firewall	A wall with qualities of fire resistance and structural stability which subdivides a building into fire areas, and which resists the spread of fire.
Flashing	Sheet metal or other impervious material used in roof and wall construction to protect building from seepage of water.
Footing	A structural unit used to distribute loads to the bearing soil materials.
Footing and Stem Wall	A concrete footing poured into a trench excavated below the frost line on which a vertical stem wall is constructed of concrete or concrete block.
Foundation Wall	A wall, below or partly below grade, providing support for the exterior or other structural parts of a building.
Foundation	Construction, (below or partly below grade), which provides support for exterior walls or other structural parts of the building.
French Door	A wood door paneled with lights of glass.
Frost Line	The depth below finish grade where frost action on footings or foundations is improbable.
Functional Drainage	A drain is functional when it empties in a reasonable amount of time and does not overflow when another fixture is drained simultaneously.
Functional Flow	A reasonable flow at the highest fixture in a dwelling when another fixture is operated simultaneously.

Gambrel Roof	A roof having its slope broken by an obtuse angle.
Garage	A building or enclosure primarily designed or used for motor vehicles.
Grade Beam	A horizontal member (generally a reinforced concrete beam) between two supporting piers at or below ground supporting a wall or structure above. (See also pier and grade beam foundation).
Grade	Finish: The surface elevation of lawns, walls, drives or other improved surfaces after completion of construction or grading operations. Natural: The elevation of the original or undisturbed natural surface of the ground.
Ground	Intentional or accidental connection (bonding) between a circuit or equipment and the earth or other conducting member.
Grounded Conductor	Electrical wires which are intentionally grounded. Often called the "neutral wires". In residential wiring, usually white insulation.
Grounding Conductor	A wire used to connect electrical equipment to a grounding electrode. Often called the "ground wire". In residential wiring usually a bare wire or green insulation.
Ground Wire or Grounding Wire	Electrical: see "Conductors" = in residential wiring usually a bare wire or a wire with green insulation.
Habitable Room	A space used for living, sleeping, eating or cooking, (or combinations thereof), but not including bathrooms, toilet compartments, closets, halls, storage rooms, laundry and utility rooms, unfinished basement recreation rooms and similar spaces.
Hot Wire	Electrical: see "Conductors" = wires having black or red insulation, (usually).
HVAC	Heating, Ventilating and Air Conditioning.
Immediate Costs	Opinions of probable costs that require immediate action as a result of any of the following; (1) material existing or potential unsafe conditions, (2) material building or fire code violations, or (3) conditions that if left unremedied, have the potential to result in or contribute to critical element or system failure within one year or will result most probably in a significant escalation of its remedial cost.
Imminent Hazard	A hazard that requires immediate attention by a licensed technician.
Inspector	Any person who examines any component of a building, through visual means and through normal user controls, without the use of mathematical sciences.

Interviews	Discussions with those knowledgeable about the subject property.
Installed	Attached (connected) to the structural, mechanical, plumbing or electrical system of the building such that the item installed cannot be removed without the use of tools.
Lights	The individual panes of glass in a door or window.
Lintel	A horizontal steel member spanning an opening to support the load above, (as at the top of a firebox opening).
Live Load	All loads on structures other than dead loads; this includes the weight of the persons occupying the building and free standing material; snow and wind.
Loads	Design: Total load which a structure is designed to sustain safely. Dead: The weight of all permanent construction in a building.
Loamy Soil	Soil that contains organic matter.
Material	Having significant importance or great consequence to the subject property's intended use or physical condition.
Material Deterioration	Material that has been, (or is being), destroyed by rot, pests, age, or structural failure.
Mitered Joint	A joint consisting of two pieces matched and joined at an angle.
Mudsill	A flat timber placed on the ground or foundation to distribute the concentrated load of an upright member.
Muntin	A narrow bar separating window lights of a sash.
Neutral Wire	Electrical: see "Conductors" = in residential wiring usually white insulation.
Newel Post	A stairway post to which the handrail is secured.
Non-Bearing Wall	A wall which supports no vertical load other than its own weight.
Non-Combustible	Material or combination of materials which will not ignite or support combustion at a temperature of 1,200 degrees F. during a 5 minute exposure.
Normal Operating Controls	Owner/tenant operated devices such as a thermostat, wall switch or safety switch.

Observe	The act of making a visual examination.
Observation	The visual survey of items, systems, conditions, or components that are readily accessible and easily visible during a walk-through survey of the subject property.
Obvious	Plain, evident and readily accessible; a condition or fact not likely to be ignored or overlooked by a field observer when conducting a walk-through survey or that which is practically reviewable and would be understood easily by a person conducting the PCA.
Operate	To cause systems or equipment to function.
Opinions of Probable Costs	Determination of probable costs, a preliminary budget, for a suggested remedy.
Owner	The entity holding the title to the commercial real estate that is the subject of the PCA.
P-trap	A waste line water trap with a vertical inlet and a horizontal outlet, to prevent noxious fumes from entering the occupied space from the sewer/septic system.
Parging	Rough plastering with mortar coating the face of brick or concrete, such as at the smoke shelf of a fireplace.
PCA, Property Condition Assessment	The process by which a person or entity observes a property, interviews sources, and reviews available documentation for the purpose of developing an opinion and preparing a PCR of a commercial real estate's current physical condition. At the option of the user, a PCA may include a higher level of inquiry and due diligence than the baseline scope described within the ASTM guide or, at the user's option, it may include a lower level of inquiry or due diligence than the baseline scope described in the guide. Such deviations from the ASTM guide's scope should be disclosed in the PCR's executive summary.
PCR, Property Condition Report	A written report, prepared in accordance with the recommendations contained in the ASTM guide, that outlines the consultant's observations, opinions as to the subject property's condition, and opinions of probable cost to remedy any material physical deficiencies observed.
PCR Reviewer	The individual that both exercises responsible control over the field observer and who reviews the PCR prior to delivery to the user.

Physical Deficiency	Conspicuous defects or significant deferred maintenance of a subjects property's material systems, components, or equipment as observed during the field observer's walk-through survey. Included within this definition are material life-safety/building code violations and, material systems, components, or equipment that are approaching, have reached, or have exceeded their typical EUL or whose RUL should not be relied upon in view of actual or effective age, abuse, excessive wear and tear, exposure to the elements, lack of proper of routine maintenance, etc. This definition specifically excludes deficiencies that may be remedied with routine maintenance, miscellaneous minor repairs, normal operating maintenance, etc., and excludes de minimus conditions that generally do not constitute a material physical deficiency of the subject property.
Pier	A masonry or concrete column supporting foundations or the floor structure in basementless spaces. Pier may be free-standing or bonded at its sides to other masonry or concrete.
Pier and Grade Beam Foundation	A reinforced concrete beam supporting the exterior wall construction, in contact with the earth, but supported by piers most often, the piers are bored into the earth because the soil will not support a typical footing and stem wall.
Piles	Long, slender members of wood, steel or reinforced concrete driven into the ground to carry a vertical load.
Practically Reviewable	Describes information that is provided by the source in a manner and form that, upon review, yields information relevant to the subject property without the need for significant analysis or calculations. Records or information that feasibility cannot be retrieved by reference to the location of the subject property are not generally considered practically reviewable.
Precast Concrete	Concrete units (such as piles or vaults) cast off the construction site and set in place.
Prestressed Concrete	A system for utilizing fully the compressive strength of concrete by bonding it with highly stressed tensile steel.
Property	The site improvements, which are inclusive of both site work and buildings.
Publicly Available	The source of the information allows access to the information by anyone upon request.
Purlin	An intermediate supporting member at right angles to rafter or truss framing.
PVC	Polyvinyl chloride.

Rafters	A series of roof framing members, spaced not more than 30 inches o.c. in roofs having slopes over 3 in 12. Members supporting roofs having slopes 3 in 12 or less are defined as roof joists.
Random	See "Representative Number"
Readily Accessible	Components that are accessible without moving furniture or other items and without the use of tools or a ladder that exceeds 12'-0" in length or a 6'-0" step ladder. Also describes areas of the subject property that are promptly made available for observation by the field observer at the time of the walk-through survey and do not require the removal of materials or personal property, such as furniture, and that are safely accessible in the opinion of the field observer.
Readily Available	Describes information or records that are easily and promptly provided to the consultant upon making a request in compliance with an appropriate inquiry and without the need for the consultant to research archive files.
Readily Openable Access Panel	A panel provided for a layperson for inspection and maintenance which has removable or operable fasteners or latch devices in order to be lifted off, swung open, or otherwise removed by one person (without the use of tools) and its edges and fasteners are not painted in place. Limited to those panels within normal reach or from a 4-foot stepladder, and which are not blocked by stored items, furniture, or building components.
Reasonably Ascertainable	Describes information that is publicly available, as well as readily available, provided to the consultant's offices from wither its source or an information research/retrieval service within reasonable time, practically reviewable, and available at a nominal cost for either retrieval, reproduction or forwarding.
Rebar	Reinforcing steel bars with projections to promote the bond to the concrete.
Relief Valve	A safety device to permit the escape of steam or hot water subjected to excessive pressures or temperatures. See SRV.
Representative Number	For multiple identical components such as windows and electric outlets - one such component per room. For multiple identical exterior components - one such component on each side of the building.
Representative Observations	Observations of a reasonable number of samples of repetitive systems, components, areas, etc., which are conducted by the field observer during the walk-through survey. The concept of representative observations extends to all conditions, areas, equipment, components, systems, buildings, etc., to the extent that they are similar and representative of one another.

Riser	The upright member of a stair extending from tread to tread.
Romex	Brand name commonly in use for "nonmetallic electrical cable".
Roof Drainage Systems	Gutters, downspouts, leaders, splashblocks, and similar components used to carry water off a roof and away from a building.
RUL, Remaining Useful Life	A subjective estimate based upon observations, or average estimates of similar items, components, or systems, or a combination thereof, of the number of remaining years that an item, component, or system is estimated to be able to function in accordance with its intended purpose before warranting replacement. Such period of time is affected by the initial quality of an item, components, or system, the quality of the initial installation, the quality and amount of preventive maintenance exercised, climatic conditions, extent of use, etc.
Scupper	An opening in a parapet wall or gutter, for drainage of rain water.
Septic Tank	A covered watertight sewage settling tank intended to retain the solids in the sewage flowing through the tank long enough for satisfactory decomposition of settled solids by bacterial action to take place.
Short Cycling	Equipment that turns on and off in rapid succession instead of normal operating cycles.
Shut Down	A piece of equipment or system is shut down when it cannot be operated by the device or control which a layperson would use to normally operate the equipment or system. Also, equipment, components or systems that are not operating at the time of the field observer's walk-through survey. For instance, equipment, components, and systems that may be shutdown as a result of seasonal temperatures.
Siding	The first covering of boards or paneling nailed to the outside of the wood studs of a frame building.
Site Visit	The visit to the subject property during which observations are made pursuant to the walk-through survey section of the ASTM guide.
Slab-on-Grade	See Thickened Edge Slab.
Soffit	The underside of a stair, arch, cornice, or overhang.
Solid Fuel Heating Device	Any wood, coal, or other similar organic fuel burning device, including but not limited to fireplaces whether masonry or factory built, fireplace inserts and stoves, wood stoves (room heaters), central furnaces, and combinations of these devices.

Specialty Consultants	Individuals or entities either in the fields of engineering or in any particular building component, equipment, or system that have acquired detailed, specialized knowledge and experience in the design, evaluation, operation, repair, or installation of same.
SRV	A Safety Relief Valve installed on a hot water heating system or storage tank to limit temperature and pressure of the water.
Stanchion	An upright guard, usually as a part of a window or door. Sometimes used generically as any upright guard or protection.
Story	That part of a building between the level of one finished floor and the level of the next higher finished floor.
Structural Component	A building components, which supports interior or exterior finish materials or other building components.
Structural Frame	The components or building system that supports the building's nonvariable forces or weights (dead loads) and variable forces or weights (live loads).
Subject Building	Referring to the primary building or buildings on the subject property, and that are within the scope of PCA.
Subject Property	The commercial real estate consisting of the site and primary real estate improvements that are the subject of the PCA described by the ASTM guide.
Suggested Remedy	An opinion as to a course of action to remedy or repair a physical deficiency. Such an opinion may also be to conduct further research or testing for the purposes of discovery to gain a better understanding of the cause or extent of a physical deficiency (whether observed or highly probable) and the appropriate remedial or reparatory response. A suggested remedy may be preliminary and does not preclude alternate methods or schemes that might be more appropriate to remedy the physical deficiency or that may be more commensurate with the user's requirements.
Survey	Observations made by the field observer during a walk-through survey to obtain information concerning the subject property's readily accessible and easily visible components or systems.
Swale	A drainage channel formed by the convergence of intersection slopes.
System	A combination of interacting or interdependent components assembled to carry out one or more functions.

Technically Exhaustive	An inspection is technically exhaustive when it involves the extensive use of measurements, instruments, testing, calculations, and other means to develop scientific or engineering findings, conclusions, recommendations, or combination thereof.
Thickened Edge Slab or Turned Down Slab	A type of concrete floor slat foundation where the slab is constructed integrally with the foundation wall.
Timely Access	Entry provided to the consultant at the time of the site visit.
Truss	A structural framework composed of a series of members so arranged and fastened together that external loads applied at the joints will cause only direct stress in the members.
Under-floor Crawlspace	The area within the confines of the foundation and between the ground and the underside of the lowest floor structural component.
Underpinning	(1) The construction of supports introduced beneath a wall. (2) The material used in such additional supports.
Ungrounded Conductor	The energized wires in residential wiring, (two 110v legs comprise a 220 volt circuit). Often called the "hot wire". In residential wiring usually red or black insulation.
User	The party that retains the consultant for the preparation of a baseline PCA of the subject property in accordance with the ASTM guide. A user may include, without limitation, a purchaser, potential tenant, owner, existing or potential mortgagee, lender, or property manager of the subject property.
Vent Stack	Pipes supplying a drainage system with air to prevent siphonage of water from the traps.
Vermiculite	Lightweight inert material made of steam exploded mica used as an aggregate in plaster. Also used as ceiling insulation in some older structures.
Walk-through Survey	Conducted during the field observer's site visit of the subject property, that consists of nonintrusive visual observations, survey of readily accessible, easily visible components and systems of the subject property. Concealed physical deficiencies are excluded. Such a survey should not be considered technically exhaustive. It excludes the operation of equipment by the field observer and is to be conducted without the aid of special protective clothing, exploratory probing, removal of materials, testing, or the use of equipment, such as scaffolding, metering/testing equipment, or devices of any kind, etc. It is literally the field observer's visual observations while walking through the subject property.

Water Hammer	The concussion of water in enclosed pipes caused by a sudden stoppage of flow.
Waterproofing	A treatment of a surface or structure, which prevents the passage of water.
Weep Hole	A hole formed in a retaining wall or screed to release water from behind the wall.