

Inspection Report

Professional Investor

Property Address:



Safe@Home Inspections, LLC

Paul Duffau, WA Lic#215 MT #HI0454 308 2nd Street Asotin, WA 99402 208-596-1489

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Date: 1/1/2024	Time: 09:00 AM	Report ID:
Property:	Customer: Professional Investor	

Executive Summary

This is a Limited Property Condition Report "PCR" using the ASTM E2018 as a standard guideline to describe the condition of building or buildings for the property inspected. This process involves observation of the property by a person or entity. Specifically excluded are interviews of sources, and reviews of available documentation for the purpose of developing an opinion and preparing a PCR of a commercial real estate's current physical condition. No Opinion of Probable Cost will be generated. Executive Summaries will not be generated. At the option of the user, a PCA may include a higher level of inquiry and due diligence than the baseline scope described within this guide or, at the user's option, it may include a lower level of inquiry or due diligence than the baseline scope described in this guide. If there are such deviations from this guide's scope it should be disclosed here on this page. A PCR is a written report, prepared in accordance with the recommendations contained in this guide within the constraints of the above limitations, that outlines the consultant's observations and opinions as to the subject property's condition.

In defining good commercial and customary practice for conducting a baseline PCA, the goal is to identify and communicate physical deficiencies to a user. The term physical deficiencies means the presence of conspicuous defects or material deferred maintenance of a subject property's material systems, components, or equipment as observed during the field observer's walk-through survey. This definition specifically excludes deficiencies that may be remedied with routine maintenance, miscellaneous minor repairs, normal operating maintenance, etc., and excludes de minimis conditions that generally do not present material physical deficiencies of the subject property. A 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. It is the intent of this guide that 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 observer's visual observations while walking through the subject property.

The purpose of the PCA is to observe and report, to the extent feasible pursuant to the processes prescribed herein, on the physical condition of the subject property.

Deviations from the Guide: Specifically excluded are interviews of sources, and reviews of available documentation for the purpose of developing an opinion and preparing a PCR of a commercial real estate's current physical condition. No Opinion of Probable Cost will be generated.

<u>Recommendations</u>: It is recommended that the user of this report review both summaries and the entire report. The complete report may include additional information of concern.

This property and subsequent building (s) has been inspected by Safe@Home Inspections, LLC. Here is a summary of my qualifications: WA Licensed Home Inspector #215; Certified Mold Inspector; Former Code Certified Inspector (Six Certifications); Thermographer.

Building Use:	Construction Type:	Number of floors/stories:
Retail	Frame and Masonry	1- Story
Approximate building size: 3000+ square feet	Age Of building: Over 25 Years	Apparent occupancy status: Vacant
Client Is Present:	Weather:	Rain in last 3 days:
Yes	Light Rain	Yes
Recent Snow:	Temperature:	

40-49 degrees

No

1. Lot and Grounds

Items

A. Physical Parameters

Comments: Information

The lot is roughly rectangular in shape. The slope is from front to back. The structure faces southeast toward Merman Drive.

B. Storm Water Drainage

Comments: Poor

The area around the storm drain is damaged the water does not properly drain. The roof drains on the rear of the building are damaged and leaking at the rear foundation. Recommend repair of both items.



B. Item 1 (Picture)

C. Access and Egress

Comments: Serviceable

Access to the property can be made from the neighboring property and an access point on Merman Drive.

D. Paving, Curbing and Parking

Comments: Poor

(1) Parking lot appears to be an asphalt system installed over compact gravel base.





D. Item 1 (Picture)

D. Item 2 (Picture)

(2) The parking lot has suffered severe deterioration. It is likely that the substructure soils have been compromised. Extensive cracking of the surface, missing asphalt, and areas of pumping noted. Recommend evaluation by a paving contractor. The parking lot likely requires total replacement.

(3) There is an area of soil collapse above the parking lot along the street. This suggests a significant water issue - a leaking water main to the building, a leaking water main to the fire hydrant, run-off from the street - that may be adversely affecting the parking lot and the structure. Recommend consultation with municipal officials regarding the issue.

E. Retaining Walls

Comments: Not Present

- F. Flatwork (sidewalks, plazas, patios) Comments: Serviceable
- G. Landscaping and Appurtenances Comments: Serviceable
- H. Site Safety Features Comments: Not Present

Items

A. Type of Construction

Comments: Information

The construction rating is a Type V-B. This classification is used for unprotected combustible materials. These carry the lowest fire rating.

B. Foundation

Comments: Serviceable

(1) Foundation construction was (or included) a slab-on-grade concrete construction. Because the property condition assessment is a visual inspection, inspection of the slab-on-grade foundation is limited by the fact that typically, most of the foundation and slab is hidden underground or by interior floor coverings. Where possible, I inspect that portion of the foundation visible at the building exterior between grade and the bottom of the exterior wall covering.

(2) The slab-on-grade appears to be a floating slab. Please see Building Frame.

C. Building Frame

Comments: Poor

(1) The building frame has sustained significant movement. The source of this movement is suspected to be water below the slab. This is proposed as the exterior blockwork does not have extensive cracking and movement to match the interior. Additionally, the tile floor covering is release in several areas.

The observed movement is occurring along the rear wall. Gaps have appeared at the base of the wall and the floating slab. Wall separations are noted from the exterior wall to the interior walls.

Recommend evaluation by a structural engineer. Locally, Evan Laubach of Reliant Engineering has been very effective in resolving engineering concerns in structures.



C. Item 1 (Picture)



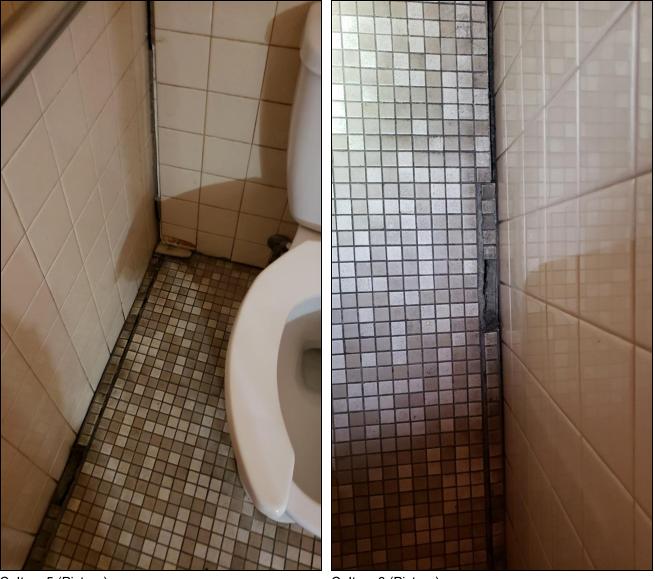
C. Item 2 (Picture)



C. Item 3 (Picture)



C. Item 4 (Picture)



C. Item 5 (Picture)

C. Item 6 (Picture)



C. Item 7 (Picture)



C. Item 8 (Picture)







C. Item 11 (Picture)

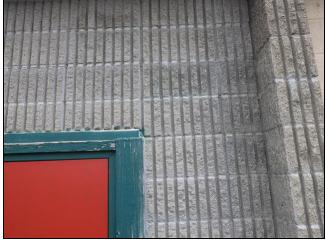
(2) The exterior of the building is a masonry system.

(3) There does not appear to be lintels above the doors to support the masonry. Cracks are evident in the masonry that are consistent with this concern. Recommend repair by a licensed and qualified masonry contractor.



C. Item 13 (Picture)

C. Item 12 (Picture)



C. Item 14 (Picture)

Facades or Curtain Wall

Comments: Poor

(1) The facades were wood shakes. These are in poor condition due to lack of paint and water intrusion and should be replaced.



D. Item 1 (Picture)

D. Item 2 (Picture)

(2) The rear soffits have extensive water damage. Recommend replacement.





D. Item 3 (Picture)

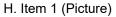
D. Item 4 (Picture)

- E. Decks/Balconies Comments: Not Present
- F. Fenestration System (i.e. windows, openings, doors etc.) Comments: Fair
- G. Parapets (protective wall barriers at balcony, roof etc.) Comments: Serviceable, Fair
- H. Roofing

Comments: Serviceable

The roof covering was a PVC product that appeared in satisfactory condition. No recommendation.









H. Item 2 (Picture)



H. Item 3 (Picture)

H. Item 4 (Picture)

I. Attic

Comments: Information Not Available

The attic space was not accessible.

J. Insulation

Comments: Serviceable

Insulation was verified as present by use of an infrared camera. The level of insulation is not determinable with this equipment.

Out of Scope Issues:

Entering of Crawlspace or confined areas (however, the field observer should observe conditions to the extent easily visible from the point of access to the crawl or confined space areas), determination of previous substructure flooding or water penetration unless easily visible or if such information is provided.

Roof: Walking on pitched roofs, or any roof areas that appear to be unsafe, or roofs with no built-in access, or determining any roofing design criteria.

3. Utilities

Items

A. Water

Comments: Serviceable

Domestic potable water is supplied by the City of Pullman.

B. Electricity

Comments: Serviceable

The source for electricity is Avista Utilities.

C. Natural gas

Comments: Serviceable

D. Sanitary Sewer

Comments: Serviceable

Sanitary waste appears to connect to the municipal sewer at the street. The waste system is managed by the City of Pullman.

- E. Special Utility Systems Comments: Not Present
- F. Oil Storage Tank Comments: Not Present

Out of Scope Issues:

Utilities: Operating conditions of any systems or accessing manholes or utility pits.

4. Electrical System - Service Entrance

Styles & Materials

Electrical Service: UNDERGROUND RISER

Meter Location: RIGHT SIDE Grounding Electrode: UNABLE TO LOCATE

Permit/Inspection Sticker:

YES

Items

A. Utility Service Components

Comments: Serviceable

(1) The electrical service was an underground feeder and connected to the subject property via a riser located on the north side of the structure. No readily observable deficiencies were noted.



A. Item 1 (Picture)

(2) The electric meter appeared to be in serviceable condition at the time of the inspection. Electric meters are installed by utility companies to measure home electrical consumption.

B. Bonding and Grounding Systems

Comments: Serviceable

No grounding electrode or grounding electrode conductor was visible. Safe@Home Inspections was unable to confirm proper grounding of the electrical service and recommends further evaluation of the grounding system be performed by a licensed and qualified electrical contractor.

C. Permit/Inpsection Sticker Present

Comments: Serviceable

5. Electrical System - Main Panel

Styles & Materials

Main Panel Location: KITCHEN	Electric Panel Manufacturer: CUTLER HAMMER	Panel Capacity: 225 AMP
Electrical Panel Condition: SERVICEABLE	Service Conductor Material: 4/0 COPPER	Branch Circuit Wiring Materials: COPPER, SOLID CONDUCTOR, 120V COPPER, SOLID CONDUCTOR, 240V COPPER, STRANDED CONDUCTOR, 240V UNKNOWN
Main Breaker Type: SINGLE THROW 225 AMPS		

Items

A. Main Distribution Panel

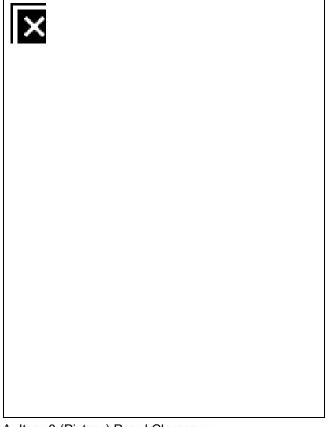
Comments: Serviceable

(1) Inadequate access/clearance exists at the main service panel. A panel must be easily accessible. The panel should have: an open area 30- 36" exists in front of the panel; the panel is at a convenient, eye level, height; at least 6'3" of headroom; the wall below the panel is clear to the floor, not used for heavy storage of belongings.



A. Item 1 (Picture)

A. Item 2 (Picture)



A. Item 3 (Picture) Panel Clearance

(2) The panel cover was removed. Observation of the interior of the panel confirmed that the service main and main breaker were correctly sized to each other, the breakers were well-secured to the buss, and that wires and breakers sizes aligned correctly.

B. Panel Breakers

Comments: Serviceable

(1) The panel cover was removed. Observation of the interior of the panel confirmed that the service main and main breaker were correctly sized to each other, the breakers were well-secured to the buss, and that wires and breakers sizes aligned correctly.



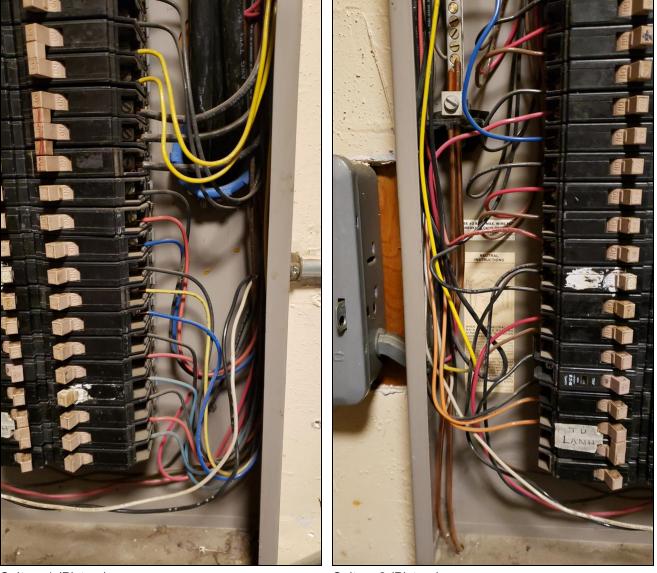
B. Item 1 (Picture)

(2) The breakers were clearly identified. I do not confirm that the markings are accurate to each circuit.

C. Panel Wiring

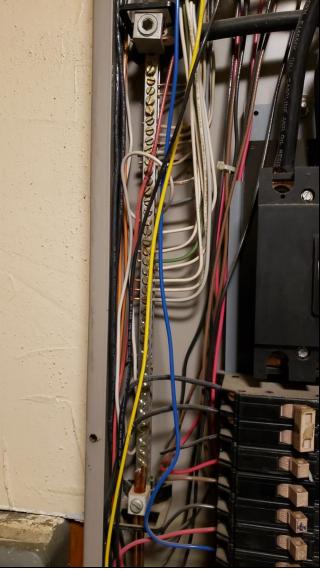
Comments: Serviceable

(1) The panel cover was removed. Observation of the interior of the panel confirmed that the service main and main breaker were correctly sized to each other, the breakers were well-secured to the buss, and that wires and breakers sizes aligned correctly.



C. Item 1 (Picture)

C. Item 2 (Picture)



C. Item 3 (Picture)

(2) Observation of the panel wiring confirmed that wiring was generally acceptable to the standards at the time of initial wiring.

D. Panel Bond

Comments: Serviceable

The panel bond was present.

6. Electrical System - Branch Circuits

Styles & Materials

Wiring Methods:

NON-METALLIC SHEATHED CABLE (ROMEX) ARMORED CABLE METALLIC CONDUIT

Items

A. Branch Circuits Comments: Serviceable

- B. Visible Junction Boxes/Wiring Condition Comments: Serviceable
- C. Exterior Wiring Comments: Serviceable
- D. Exterior Electical Receptacles/Switches Comments: Serviceable
- E. Receptacles (Outlets) Comments: Serviceable

A representative number of receptacles were tested. No readily observable deficiencies were noted.

- F. Switches Comments: Serviceable
- G. Exterior Lighting Comments: Serviceable
- H. Lights and Fans Comments: Serviceable
- I. Ground Fault Circuit Interrupters

Comments: Serviceable

GFCI receptacles are present the home. Typically, they are required at: kitchens; bathrooms; garages; exterior receptacles; unfinished basements; within 6' of a water source. Ground Fault Circuit Interrupters act to protect occupants from electrical shock.

J. ARC Fault Circuit Interrupters (AFCI)

Comments: Not Present

Ground Fault Circuit Interrupters: PRESENT

Styles & Materials

Water Source:	Plumbing Main (Municipal):	Plumbing Main (Interior):
PUBLIC	FRONT SIDEWALK	BEHIND THE WATER HEATER
Static Water Pressure:	Pressure Reducing Valve:	Plumbing Water Supply (into building):
NOT MEASURED	NO	NOT VISIBLE
Plumbing Water Distribution (inside Building): COPPER	Type of Waste Drainage: SEWER	Plumbing Waste: CAST IRON GALVANIZED
Cleanout Location: BATHROOM		

ltems

A. Main Water Shut-off Device

Comments: Serviceable

(1) Although the main water supply shut-off valve was not operated at the time of the inspection it was visually inspected and appeared to be in serviceable condition.



A. Item 1 (Picture)

(2) Although the main water supply shut-off valve was not operated at the time of the inspection it was visually inspected and appeared to be in serviceable condition.



A. Item 2 (Picture)

B. Supply Plumbing

Comments: Fair

(1) The visible water distribution pipes appeared to be in serviceable condition at the time of the inspection. The water supply piping appeared to be copper. One or more deficiencies were noted, of varying degrees. Please see below for details.

(2) Water hammer noted. Water hammer is a pressure change caused when a fluid is forced to stop suddenly. This pressure wave can cause damage to the piping. Recommend further evaluation of the water hammer along with all necessary repairs be completed by a licensed and qualified plumbing contractor.



- B. Item 1 (Video)
- C. Functional Flow Comments: Serviceable

D. Plumbing Drain Lines (Where Visible)

Comments: Serviceable

Based on the inspection industry's definition of a recommended water test for 'functional drainage' in a plumbing system, the plumbing drainpipes and drain lines appear operational at this time. However, only a video-scan of the interior of the drainpipes and drain lines can fully confirm their actual condition. When the house is vacant, the plumbing system is older, there are prior know drain problems (please check the seller's disclosure), or there are large tress on the property, it would be prudent to have the drain lines 'video-scanned' prior to closing. Two companies that provide this service are Clearwater Rooter and Roto-Rooter

E. Cleanout

Comments: Serviceable

The cleanout appeared in generally acceptable condition.

F. Plumbing Vents

Comments: Serviceable

8. Plumbing Fixtures

The restaurant had two bathrooms. The women's bathroom had three sinks and two toilets. The men's bathroom had one sink, one urinal, and one bathroom.

Items

- A. Water faucets (hose bibs) Comments: Serviceable
- B. Kitchen Sinks and Faucets Comments: Fair

The faucet kitchen prep sink leaks. Recommend repair by a licensed and qualified plumbing contractor.

- C. Kitchen Sink Drainage Comments: Serviceable
- D. Bathroom Sinks and Faucets Comments: Serviceable
- E. Bathroom Sink Drainage Comments: Fair
- F. Toilets Comments: Serviceable
- G. Floor Drains Comments: Serviceable

9. Plumbing System - Fuel Oil and Gas

Styles & Materials

Type of Fuel:

NATURAL GAS

Items

A. Gas Meter

Comments: Serviceable

The gas meter, located on the north, appeared in functional condition. No readily observable deficiencies were noted.

Gas Piping Materials:

BLACK IRON

Gas Meter Location:

RIGHT SIDE



A. Item 1 (Picture)

- B. Gas Piping Comments: Serviceable
- C. Appliance Gas Shut-offs Comments: Serviceable
- D. Sediment Traps Comments: Serviceable

A sediment trap was noted on the gas line prior to the flexible appliance connector(s) for the furnace and/or water heater.

E. Underground Fuel Storages Tank

Comments: Poor

No indications of a tank were observed.

Styles & Materials

Number of Water Heaters: ONE

Water Heater Power Source: ELECTRIC

Water Temperature:

HIGHER THAN 140 DEGREES

Items

A. Water Heating Description

Comments: Poor

(1) The water heater is electric and uses elements to heat the water. There are typically two elements, one at the top of the heater and one at the base.

A. Item 1 (Picture)

(2) The water heater is more than 20 years old and well beyond the end of a normal service life. Recommend replacement.

(3) The water heater is missing the insulative pad under the tank. All electric water heaters in unheated spaces or on concrete floors shall be placed on an imcompressible, insulated surface with a minimum thermal resistance of R-10. Recommend installing.

B. Water Heater Operation

Comments: Fair

This water heater was generating water considerably hotter than the generally accepted safe water temperature is 120 degrees Fahrenheit. This poses a scald or burn hazard, especially to the elderly and infants. Scald time for adults is approximately 1.5 seconds at 150 degrees and .5 seconds at 160 degrees. Young children and the elderly scald faster. Recommend turning the water temperature down to the recommended level.

C. Combustion System & Flue Comments: Not Present Water Heater Age (Years): 20 OR MORE Water Heater Manufacturer: BRADFORD-WHITE

Water Heater Capacity: 40 Gallon



15 (Tr

D. Temperature Pressure Relief

Comments: Serviceable

The water heater was equipped with a Temperature-Pressure Relief (TPR) valve with an appropriate extension.

E. Siesmic Strapping

Comments: Not Present

F. Expansion Tank

Comments: Not Present

The water heater had no expansion tank installed to allow for thermal expansion of water in the plumbing pipes. At the time of this installation, it was not a required item. Consider consulting with a qualified plumbing contractor about the need for the installation of an expansion tank on this system.

G. Water Heater Drain Pan

Comments: Not Present

11. Unitary Heating and Cooling

Styles & Materials

Number of Unitary Systems:	Type Heating System Present:	Manufacturer:
ONE	GAS-FIRED FURNACE	LENNOX
Location:	Age of Equipment:	Heating Capacity (BTU):
ROOF	16 OR MORE YEARS OLD	UNKNOWN
Cooling Capacity (in Tons):	Thermostat Location:	Disconnect Present:
UNKNOWN	WALL	YES
Line Sets:	Condensate Drainage:	Test Mode:
SERVICEABLE	TO THE EXTERIOR	HEATING
Temperature Differential: NOT MEASURED - OUT OF SEASON		

Items

A. Equipment Description

Comments: Poor

(1) The installed system was a unitary heating and cooling plant that was roof-mounted. This unit was manufactured by Lennox. The data tag was not legible.

(2) The unitary system is approximately 25 years old which is substantially beyond a normal service life (15-20 years per the NAHB). As such, it's reliability over the next five years is questionable. More frequent maintenance calls should be anticipated. Also, aging furnaces are not as efficient as newer systems which will raise your utility costs. Recommend replacement of this furnace when feasible.

B. Equipment Cabinet/Enclosure

Comments: Serviceable

C. Condenser Unit

Comments: Fair

Condensing coil fins had damage visible at the time of the inspection, which may limit their ability to dissipate heat. Recommend evaluation and repair by a licensed and qualified HVAC contractor.

D. Service Disconnect

Comments: Serviceable

E. Refrigeration Lines Comments: Serviceable

F. Equipment Operation Comments: Serviceable

- G. Thermostat Comments: Serviceable
- H. Condensate System Comments: Serviceable

I. System Maintenance

Comments: Poor

The equipment does not appear to have been recently serviced (no service sticker was observed/not current). Safe@Home recommends that equipment cleaning, service, and certification be performed by a qualified contractor, with measurements according to the data plate and manufacturer's instructions. If the current owner has had the unit serviced but the servicing company did not put on a sticker, he/she should have records and receipts that could be accepted in lieu of the new service.

12. Refrigeration Equipment

Items

A. Walk-in Coolers

Comments: Fair

There was one Hobart walk-in cooler. This is likely original to the structure and is likely due for replacement.



A. Item 1 (Picture)

B. Ice Makers

Comments: Not Present

13. Ventilation

Items

- A. Bathroom Ventilation Comments: Serviceable
- B. Kitchen Ventilation Comments: Serviceable
- C. Laundry Room Ventilation Comments: Not Present
- D. Dryer Vent Comments: Not Present

14. Interior Surfaces

Items

A. Obstacles to Inspection

Comments: Not Present

B. Ceilings

Comments: Serviceable

Unless otherwise noted, the ceilings show all of the cosmetic concerns typical of a home of its age and type of construction. No further recommendation---- repair/replace/maintain as desired. If notable defects or stains are present, they will be evaluated in a separate comment.

C. Skylights, Interior

Comments: Not Present

D. Walls

Comments: Fair

The men's bathroom wall had wood rot in the sill plate with buckling tile. This may be related to the other building frame issues identified. Recommend repair of all wood rot. It is likely that trim will need to be removed and replaced to allow for probing of the sills to ensure their integrity.





D. Item 2 (Picture)

D. Item 1 (Picture)



D. Item 3 (Picture)

E. Floors

Comments: Fair

Multiple areas of poorly adhered tile was present. Floor flatness was not present as there was considerable elevation changes.

F. Interior Doors (representative number)

Comments: Serviceable

Styles & Materials

Number of Chimneys:

ONE

Chimney Use: FIREPLACE Chimney Chase Materials: BLOCK ROCK

Fireplace Type #1:

WOOD-BURNING MASONRY

Items

A. Chimney Chases

Comments: Fair

Recommend installing a protective covering or housing for the top of a chimney to prevent the entry of rain, snow, animals, and birds.

B. Chimney Cap (Crown)

Comments: Fair

General age related deterioration of the chimney cap was observed that included cracks and surface deterioration. Recommend having the cap repaired by re-cementing or utilizing an appropriate and approved sealant to correct this issue.

C. Chimney Flashing

Comments: Serviceable

D. Fireplace - Exterior

Comments: Serviceable

E. Fireplace - Firebox

Comments: Serviceable

Styles & Materials

Name of Fire Department:

City of Pullman FD

Distance from Responding Station:

Less Than 1 Mile

Items

A. Fire Stations

Comments: Serviceable

The nearest reporting fire station is less than one mile away.

B. Fire Hydrant

Comments: Serviceable

Located at the front of the property.

C. Sprinklers and Standpipes Comments: Not Present

D. Alarm Systems Comments: Not Present

E. Other Systems Comments: Not Present

F. Fire Extinguishers

Comments: Fair

(1) Present but out-of-code. Recommend service.

(2) The kitchen was equipped with a fire suppression hood over the kitchen cooking appliances. Recommend service.

G. Emergency Lighting

Comments: Fair

There was limited emergency lighting and minimal signage that does not meet current standards. Recommend installation to meet OSHA regulations. This includes an exit route adequately lighted so that an employee with normal vision can see along the exit route. Each exit must be clearly visible and marked by a sign reading "Exit." Additionally, the line-of-sight to an exit sign must clearly be visible at all times. Each doorway or passage along an exit access that could be mistaken for an exit must be marked "Not an Exit" or similar designation, or be identified by a sign indicating its actual use (e.g., closet). Each exit sign must be illuminated to a surface value of at least five foot-candles (54 lux) by a reliable light source and be distinctive in color.

H. Fire Escape

Comments: Not Present

Out of Scope Issues

Determining NFPA hazard classifications, classifying, or testing fire rating of assemblies.

17. Additional Considerations

Additional Considerations:

There may be additional or conditions at a property that users may wish to assess in connection with commercial real estate that are outside the scope of this guide (Out of Scope considerations). Outside Standard Practices. Whether or not a user elects to inquire into non-scope considerations in connection with this guide or any other PCA is not required for compliance by this guide. Other standards or protocols for assessment of conditions associated with non-scope conditions may have been developed by governmental entities, professional organizations, or other private entities.

Additional Issues:

Following are several non-scope considerations that users may want to assess in connection with E 2018 commercial real estate. No implication is intended as to the relative importance of inquiry into such non-scope considerations, and this list of non-scope considerations is not intended to be all-inclusive: Seismic Considerations, Design Consideration for Natural Disasters (Hurricanes, Tornadoes, High Winds, Floods, Snow, etc.), Insect/Rodent Infestation, Environmental Considerations, ADA Requirements, FFHA Requirements, Indoor Air Quality, and Property Security Systems.

Items

A. Out of Scope Considerations

Comments: Information

Activity Exclusions—The activities listed below generally are excluded from or otherwise represent limitations to the scope of a PCA prepared in accordance with this guide. These should not be construed as all-inclusive or imply that any exclusion not specifically identified is a PCA requirement under this guide. Removing or relocating materials, furniture, storage containers, personal effects, debris material or finishes; conducting exploratory probing or testing; dismantling or operation. This should include material life-safety/building code violations. ing of equipment or appliances; or disturbing personal items or property, that obstructs access or visibility. Preparing engineering calculations (civil, structural, mechanical, electrical, etc.) to determine any system's, component's, or equipment's adequacy or compliance with any specific or commonly accepted design requirements or building codes, or preparing designs or specifications to remedy any physical deficiency. 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 during the course of the field observer's 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. Reporting on the condition of subterranean conditions, such as underground utilities, separate sewage disposal systems, wells; systems that are either considered process related or peculiar to a specific tenancy or use; wastewater treatment plants; or items or systems that are not permanently installed. Entering or accessing any area of the premises deemed to pose a threat of dangerous or adverse conditions with respect to the field observer 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, or whose operation by the field observer may increase significantly the registered electrical demand-load; however, the 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 or other systems typically controlled by time clocks or that are normally operated by the building's operation staff or service companies. Providing an environmental assessment or opinion on the presence of any environmental issues such as asbestos, hazardous wastes, toxic materials, the location and presence of designated wetlands, IAQ, etc.

Warranty, Guarantee, and Code Compliance Exclusions: 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 system's or component's physical condition or use, nor is a PCA to be construed as substituting for any system's or equipment's warranty transfer inspection; Compliance with any federal, state, or local statute, ordinance, rule or regulation including, but not limited to, building codes, safety codes, environmental regulations, health codes or zoning ordinances or compliance with trade/design standards or the 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, vendor's or manufacturer's 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: Further Inquiry: 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, should be identified.

<u>Out of Scope Considerations</u>: Whether or not a user elects to inquire into non-scope considerations in connection with this guide is a decision to be made by the user. No assessment of such non-scope considerations is required for a PCA to be conducted in compliance with this guide.

<u>Other Standards</u>: There may be standards or protocols for the discovery or assessment of physical deficiencies associated with non-scope considerations developed by government entities, professional organizations, or private entities, or a combination thereof.

<u>Additional Issues:</u> No implication is intended as to the relative importance of inquiry into such non-scope considerations, and this list of non-scope considerations is not intended to be all-inclusive: Seismic Considerations, Design Consideration for Natural Disasters (Hurricanes, Tornadoes, High Winds, Floods, Snow, etc.), Insect/Rodent Infestation, Environmental Considerations, ADA Requirements, FFHA Requirements, Indoor Air Quality, and Property Security Systems.

<u>Uncertainty Not Eliminated</u>—No PCA can wholly eliminate the uncertainty regarding the presence of physical deficiencies and the performance of a subject property's building systems. Preparation of a PCR in accordance with this guide is *intended to reduce, but not eliminate,* the uncertainty regarding the potential for component or system failure and to reduce the potential that such component or system may not be initially observed. This guide also recognizes the inherent subjective nature of a consultant's opinions as to such issues as workmanship, quality of original installation, and estimating the RUL of any given component or system. The guide recognizes a consultant's suggested remedy may be determined under time constraints, formed without the aid of engineering calculations, testing, exploratory probing, the removal of materials, or design. Furthermore, there may be other alternate or more appropriate schemes or methods to remedy the physical deficiency. The consultant's opinions generally are formed without detailed knowledge from those familiar with the component's or system's performance.

<u>Not Technically Exhaustive</u>—Appropriate due diligence according to this guide is not to be construed as technically exhaustive. There is a point at which the cost of information obtained or the time required to conduct the PCA and prepare the PCR may outweigh the usefulness of the information and, in fact, may be a material detriment to the orderly and timely completion of a commercial real estate transaction. It is the intent of this guide to attempt to identify a balance between limiting the costs and time demands inherent in performing a PCA and reducing the uncertainty about unknown physical deficiencies resulting from completing additional inquiry.

Immediate Costs Summary



COMMERCIAL INSPECTIONS

Safe@Home Inspections, LLC

308 2nd Street Asotin, WA 99402 208-596-1489

Customer Professional Investor

Address

Scope: Opinions of probable costs should be provided for material physical deficiencies and not for repairs or improvements that could be classified as: (1) cosmetic or decorative; (2) part or parcel of a building renovation program or tenant improvements/finishes; (3) enhancements to reposition the subject property in the marketplace; (4) for warranty transfer purposes; or (5) routine or normal preventive maintenance, or a combination thereof.

<u>Threshold Amount for Opinions of Probable Costs.</u> It is the intent of this guide that the material physical deficiencies observed and the corresponding opinions of probable costs (1) be commensurate with the complexity of the subject property; (2) not be minor or insignificant; and (3) serve the purpose of the user in accordance with the user's risk tolerance level. Opinions of probable costs that are either individually or in the aggregate less than a threshold amount of \$3,000 for like items are to be omitted from the PCR. If there are more than four separate items that are below this threshold requirement, but collectively total over \$10,000, such items should be included. The user may adjust this cost threshold amount provided that this is disclosed within the PCR's Executive Summary under the heading Deviations from the Guide. Actual Costs May Vary. 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

Estimating of Quantities: It is not the intent of this guide that the consultant is to prepare or provide exact quantities or identify the exact locations of items or systems as a basis for preparing the opinions of probable costs.

Basis of Costs. The source of cost information utilized by the consultant may be from one or more of the following resources: (1) user provided unit costs; (2) owner's historical experience costs; (3) consultant's cost database or cost files; (4) commercially available cost information such as published commercial data; (5) third party cost information from contractors, vendors, or suppliers; or (6) other qualified sources that the consultant determines appropriate. Opinions of probable costs should be provided with approximate quantities, units, and unit costs by line item. If in the reasonable opinion of the consultant, a physical deficiency is too complex or difficult to develop an opinion of probable cost using the quantity and unit cost method, the consultant may apply a lump sum opinion of probable costs for that particular line item. Opinions of probable costs should be limited to construction related costs; those types of costs that commonly are provided by contractors who perform the work. *Business related, design, management fees, and other indirect costs should be excluded*.

<u>Costs for Additional Study</u>. For some physical deficiencies, determining the appropriate suggested remedy or scope may warrant further study/research or design, testing, exploratory probing, and exploration of various repair schemes, or a combination thereof, all of which are outside the scope of this guide. In these instances, the opinions of probable costs for additional study should be provided.

Opinions of Probable Costs Contingent on Further Discovery—The consultant is not required to provide opinions of probable costs to remedy physical deficiencies, which may require the opinions of specialty consultants or the results of testing, exploratory probing, or further research to determine the cause of the physical deficiency and the appropriate remedy, scope, and scheme for repair or replacement unless user and consultant have agreed to such an expansion of the scope of work.

1. Lot and Grounds

B. Storm Water Drainage

Poor

The area around the storm drain is damaged the water does not properly drain. The roof drains on the rear of the building are damaged and leaking at the rear foundation. Recommend repair of both items.



B. Item 1 (Picture)

D. Paving, Curbing and Parking

Poor

(3) There is an area of soil collapse above the parking lot along the street. This suggests a significant water issue - a leaking water main to the building, a leaking water main to the fire hydrant, run-off from the street - that may be adversely affecting the parking lot and the structure. Recommend consultation with municipal officials regarding the issue.

2. Structural Frame and Building Envelope

C. Building Frame

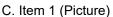
Poor

(1) The building frame has sustained significant movement. The source of this movement is suspected to be water below the slab. This is proposed as the exterior blockwork does not have extensive cracking and movement to match the interior. Additionally, the tile floor covering is release in several areas.

The observed movement is occurring along the rear wall. Gaps have appeared at the base of the wall and the floating slab. Wall separations are noted from the exterior wall to the interior walls.

Recommend evaluation by a structural engineer. Locally, Evan Laubach of Reliant Engineering has been very effective in resolving engineering concerns in structures.







C. Item 2 (Picture)



C. Item 3 (Picture)



C. Item 4 (Picture)



C. Item 5 (Picture)

C. Item 6 (Picture)



C. Item 7 (Picture)



C. Item 8 (Picture)



C. Item 9 (Picture)

C. Item 10 (Picture)



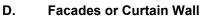
C. Item 11 (Picture)

C. Item 12 (Picture)

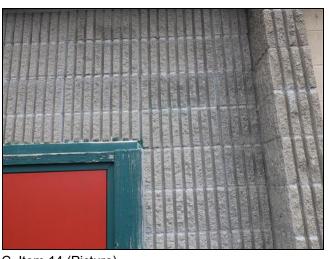
(3) There does not appear to be lintels above the doors to support the masonry. Cracks are evident in the masonry that are consistent with this concern. Recommend repair by a licensed and qualified masonry contractor.



C. Item 13 (Picture)



Poor



C. Item 14 (Picture)



D. Item 3 (Picture)

D. Item 4 (Picture)

7. Plumbing System - Water

B. Supply Plumbing

Fair

(2) Water hammer noted. Water hammer is a pressure change caused when a fluid is forced to stop suddenly. This pressure wave can cause damage to the piping. Recommend further evaluation of the water hammer along with all necessary repairs be completed by a licensed and qualified plumbing contractor.



B. Item 1 (Video)

10. Domestic Water Heating

B. Water Heater Operation

Fair

This water heater was generating water considerably hotter than the generally accepted safe water temperature is 120 degrees Fahrenheit. This poses a scald or burn hazard, especially to the elderly and infants. Scald time for adults is approximately 1.5 seconds at 150 degrees and .5 seconds at 160 degrees. Young children and the elderly scald faster. Recommend turning the water temperature down to the recommended level.



B. Item 1 (Picture)

11. Unitary Heating and Cooling

A. Equipment Description

Poor

(2) The unitary system is approximately 25 years old which is substantially beyond a normal service life (15-20 years per the NAHB). As such, it's reliability over the next five years is questionable. More frequent maintenance calls should be anticipated. Also, aging furnaces are not as efficient as newer systems which will raise your utility costs. Recommend replacement of this furnace when feasible.

I. System Maintenance

Poor

The equipment does not appear to have been recently serviced (no service sticker was observed/not current). Safe@Home recommends that equipment cleaning, service, and certification be performed by a qualified contractor, with measurements according to the data plate and manufacturer's instructions. If the current owner has had the unit serviced but the servicing company did not put on a sticker, he/she should have records and receipts that could be accepted in lieu of the new service.

14. Interior Surfaces

D. Walls

Fair

The men's bathroom wall had wood rot in the sill plate with buckling tile. This may be related to the other building frame issues identified. Recommend repair of all wood rot. It is likely that trim will need to be removed and replaced to allow for probing of the sills to ensure their integrity.





D. Item 2 (Picture)

D. Item 1 (Picture)



D. Item 3 (Picture)

16. Fire Protection

G. Emergency Lighting

Fair

There was limited emergency lighting and minimal signage that does not meet current standards. Recommend installation to meet OSHA regulations. This includes an exit route adequately lighted so that an employee with

normal vision can see along the exit route. Each exit must be clearly visible and marked by a sign reading "Exit." Additionally, the line-of-sight to an exit sign must clearly be visible at all times. Each doorway or passage along an exit access that could be mistaken for an exit must be marked "Not an Exit" or similar designation, or be identified by a sign indicating its actual use (e.g., closet). Each exit sign must be illuminated to a surface value of at least five foot-candles (54 lux) by a reliable light source and be distinctive in color.

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Short Term Summary 1-5 Years



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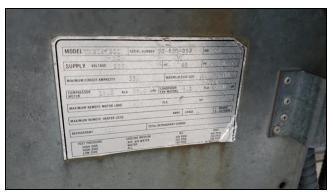
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12. Refrigeration Equipment

A. Walk-in Coolers

Fair

There was one Hobart walk-in cooler. This is likely original to the structure and is likely due for replacement.



A. Item 1 (Picture)

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