

PROPERTY CONDITION REPORT- PCR



|          |                            |        |              |
|----------|----------------------------|--------|--------------|
| Address: | <b>123 Business Street</b> |        |              |
| City:    | <b>Arlington</b>           | State: | <b>TX</b>    |
|          |                            | Zip:   | <b>76011</b> |
| Client:  | xxxx                       | Phone: | 1234567890   |

|            |                                       |                  |                 |
|------------|---------------------------------------|------------------|-----------------|
| Inspector: | Bruce W. Carr                         | Inspection Date: | 07/23/2010      |
|            | 214-770-6954; Bruce@SelectInspect.com | Report Date:     | 07/23 & 24/2010 |

|                   |                 |
|-------------------|-----------------|
| Property Contact: | Jon Vanderploeg |
|-------------------|-----------------|



**Select Inspect**  
**Property Consultants, LLC**  
 2001 Reston; McKinney, TX 75070  
 214-770-6954  
[www.SelectInspect.com](http://www.SelectInspect.com)

This report is the exclusive property of the Inspection Company and the client whose name appears herewith, and its use by any unauthorized persons is prohibited. This Inspection has been produced in accordance with our signed contract and is subject to the terms and conditions agreed upon therein. All printed comments and the opinions expressed herein are those of the Inspection Company.

By acceptance of and or reliance upon information in this report, the client agrees that any damages resulting from breach of this contract or report are limited to the fee charged to the client by Select Inspect for this inspection service. By acceptance of and or reliance upon information in the report, the client agrees to the conditions of the contract, even if the client fails to sign the contract.

**IMPORTANT:** This cursory inspection pertains to major, significant items only. This inspection is not fully comprehensive. Some "non-major" items and conditions may be included where the inspector observed and noted other obvious repair needed or general deficiency conditions. Many "less significant" or "less expensive" conditions are not included with this report. If the property is inspected more comprehensively in the future, there likely will be conditions noted in that report, that may have been present at the time of this inspection. That type of service is available for vacant buildings & may be arranged through Select Inspect at \$175 per hour; & would take place over several days; contact us if you are interested in that level of inspection.

**IMPORTANT:** A contract (Inspection Agreement) was provided and signed by you or your representative. The contract contains important information related to the scope of this inspection, limitations, and other comments. If you have not already, please read the contract in its entirety, and contact us if you have any questions; 214-770-6954. Your business is important to me, and I appreciate your choosing Select Inspect.

| Property Description: Light Industrial Warehouse Office |   |                       |    |   |                |       |
|---|---|-----------------------|----|---|----------------|-------|
| No. of Bldgs:   | 1 | No. of Units present: | 2+ | Additions discovered y <input checked="" type="checkbox"/> n <input type="checkbox"/> | Est. Yr Built: | 1980s |

### Site Description

Faces Primarily: North

Temperature: 90 - 100 Degrees (approximate at beginning of inspection)

Person(s) Present:  Client(s)  Selling Broker/Agent  Occupant / Seller

Listing Broker/Agent  Tenant(s)  Inspector

Visibility:  Dry  Rain  Stormy  Ice / Snow  Dark- morning / night

Clear  Partly to Mostly Cloudy  Overcast  Moderate Wind  High Wind

| EXTERIOR                            |               | STRUCTURE                           |              | ROOF TYPE                           |         | ROOF MATERIAL                       |          | FOUNDATION                          |                 |
|-------------------------------------|---------------|-------------------------------------|--------------|-------------------------------------|---------|-------------------------------------|----------|-------------------------------------|-----------------|
| <input type="checkbox"/>            | Brick / Stone | <input type="checkbox"/>            | Wood         | <input type="checkbox"/>            | Pitched | <input type="checkbox"/>            | Shingle  | <input checked="" type="checkbox"/> | Rein. Conc.     |
| <input type="checkbox"/>            | Wood          | <input checked="" type="checkbox"/> | Conc. Block. | <input checked="" type="checkbox"/> | Flat    | <input checked="" type="checkbox"/> | Gravel   | <input type="checkbox"/>            | Monolithic Slab |
| <input type="checkbox"/>            | Stucco        | <input type="checkbox"/>            | Steel        | <input type="checkbox"/>            | Mansard | <input type="checkbox"/>            | Tile     | <input type="checkbox"/>            | Pier/Beam       |
| <input checked="" type="checkbox"/> | Concrete      | <input checked="" type="checkbox"/> | CTU          | <input type="checkbox"/>            | Mixed   | <input checked="" type="checkbox"/> | Membrane | <input type="checkbox"/>            |                 |
| <input type="checkbox"/>            | Steel         | <input type="checkbox"/>            | Other        |                                     |         | <input type="checkbox"/>            | Other    | <input type="checkbox"/>            |                 |
| <input checked="" type="checkbox"/> | Glass         |                                     |              |                                     |         |                                     |          | <input type="checkbox"/>            |                 |

**Refer to your Thermal imaging report for images & information related to some of the conditions noted in this report**

### I. STRUCTURE

#### Foundation

- Significant issues were not discovered regarding this specific condition; monitor & maintain.
- Regularly monitor the property and its components and arrange for repair if / when needed. Repairs should be made by qualified specialists whenever possible.

#### Structure

##### SUB FLOOR:

Obvious/significant deficiencies were not discovered; monitor and maintain

Crawl space between levels was steel web & wood subfloor in accessible locations; structural issues were not discovered, though much of the area is obstructed by HVAC component(s), electrical & plumbing.

Warehouse ceiling structure was primarily concrete beams with steel reinforcement. Structural issues not discovered.

##### INTERIOR WALL & CEILING STRUCTURE:

Central north dock bay doorway had a moderate section of concrete chipped/broken; steel reinforcement was exposed. The area should be patched & sealed to reduce risk of corrosion & degradation of the steel.

Insulation was deficient at various locations seen above ceiling drop tiles above the office & between levels. Moisture staining & corrosion was noted at drop ceiling grid in the gallery; active leakage was not discovered, though the air duct above has a small hole; suspected condensate leakage history. This air system was not currently being used, & the condensate leakage could return if the system is used again in the future.

EXTERIOR WALL STRUCTURE: often including, but not limited to conditions of foundation stress and or roof/attic structure stress.

- Tiltwall cracks noted at the east & south southwest
- Cracks were noted above & adjacent the east (unused) dock areas. The east-northeast dock component(s) were corroded & the concrete stained. Recommend rust inhibitive coatings at the steel & sealant at adjacent concrete to reduce continued degradation
- Crack repairs exist at the south-southwest Refer to the seller for a time frame of when painting was last done, and you will have some baseline for how recent the cracking has occurred.
- Upper northeast (seen from the north, near the rear fence) tiltwall has cracked at the corner. Recommend this be examined & patched appropriately.
- The south including the shop & conditioned warehouse area appeared to be an addition to the original structure. Differential/unusual movement of the structures was not evident; Monitor; provide routine service, and maintain.

Additional Information:

This report, including the foundation & structural opinion, represents one inspector's opinion of visible evidence present and accessible on the day of the inspection. Future performance of the foundation and structure is not warranted. Regular maintenance is needed to keep the foundation from unusual movement or failure. Information concerning moisture maintenance and foundation control measures is at the end of this report.

The inspector's opinion, based on observations of physical evidence, does not represent fact; factual information regarding the foundation and structure can be obtained through consultations with a professional engineer of your choosing. In the limited time the inspector is at the home, it is difficult to determine whether observed conditions are ongoing, have recently occurred, or at what time in the past they were active. We recommend you monitor the structure periodically in all cases. If issues are discovered, you should contact a specialist to examine the situation, so they may prescribe options for permanent repair. Opinions of performance and methods of maintenance, repair, or monitoring vary person to person.

**Site Drainage/Grading**

- Significant issues were not discovered regarding this specific condition; monitor & maintain.

**Guttering/Roof Drainage:**

- Gutter at the north (above the main loading dock) had sags & did not properly slope for adequate drainage of rain \*& air conditioning condensate

**Roofing**

- Overall, the roof was workmanlike/in good order. There were areas that did not slope adequately toward scuppers or gutters for proper drainage of rain \*& air conditioning condensate
- Thermal imaging at the interior indicated cooler areas of concrete/ceiling component(s) that were in proximity & below areas of air conditioning condensate drainage/pooling. With evidence discovered, I suspect some degree of moisture intrusion from the roof; refer to photos in this report & in your thermal imaging report.
- Warehouse & office roofs were a roll out modified bitumen style; shop & conditioned warehouse roofs were built-up tar & gravel style. The tar & gravel roofing requires frequent monitoring & maintenance & is less energy efficient than the mod-bit.
- \*Air conditioning primary condensate drains terminate at the roof & or gutters; this is generally acceptable, as long as the roof/gutter is adequately sloped to allow the condensate to drain off, rather than accumulate on the roof or in the gutters.

**Attic**

**Access:**

- Limited between levels; viewed but not accessed.

**Ventilation:**

- Vent provisions were present; most were serviceable, though some covered & unused (according to the seller to reduce dust accumulation). Significant issues were not discovered regarding this specific condition; monitor & maintain.

**Interior (walls, ceilings, floors)**

**Wall:**

- Upstairs office closet adjacent the warehouse has “hinged walls” for access to install & remove large equipment/furniture upstairs; the hinged wall (door at the back of the closet) is unsteady & could pose a fall/injury risk for unassuming personnel.

**Cabinetry/Countertop:**

- Not inspected

**Ceiling:**

- Drop tiles; various were stained but dry during the inspection; Significant issues were not discovered regarding this specific condition; monitor & maintain.

**Floor:**

- Significant issues were not discovered regarding this specific condition; monitor & maintain.

**Exterior Walls & other Structure**

- West facing overhead door areas had inadequately secured header eave/trim.
- Various gutters & exterior metal component(s) could use rust inhibitive coatings to prevent extended corrosion.

**Doors**

**Interior:**

- Significant issues were not discovered regarding this specific condition; monitor & maintain.

**Exterior:**

- Significant issues were not discovered regarding this specific condition; monitor & maintain.

**Garage / Overhead:**

- Antiquated garage door operators; some operable, some disassembled or otherwise inoperable.

**Windows**

- Glass was broken at the upper office west-northwest & gallery west.
- NOTE: Some windows were partially inspected or had limited access, due to furnishings, lighting conditions, window treatments, etc. Some conditions may remain undetermined.

**Stairways**

- Significant issues were not discovered regarding this specific condition; monitor & maintain; spacing between rails would not meet current code. Stairways otherwise were suitable for normal use.

**II. ELECTRICAL**

- Refer to the electrical report from M J Korpala.

**III. HEAT & AIR CONDITIONING**

- Refer to the HVAC report from Air Mechanix

**IV. PLUMBING**

**Plumbing; Supply / Fixtures**

**Supply:**

- Auxiliary shut-off-valve not discovered; suspected to be adjacent the building near the north-northwest.

**Sink:**

- Bar sink was inoperable.

**Toilet:**

- Office ladies room; left toilet was inadequately secured at the floor.

**Exterior faucet:**

- Water pressure was approximately 70 during the inspection. 40-80 is acceptable range. Obvious/significant deficiencies were not discovered; monitor and maintain

**Other Plumbing:**

- Common with this type building, there were stains & evidence of past leaks; Significant issues were not discovered regarding this specific condition; monitor & maintain.

**Drain, Waste, Vent**

- Floor drain at the bar had excess corrosion; if this is to be used, you should have a plumber clean or change out the piping.
- Recommend a plumber arrange a pressure test if you have concerns with subgrade plumbing components

**Water Heater(s)**

- The temperature-pressure-relief was not tested. The water heater(s) is over three years old- per manufacturer label. It is recommended to have the temperature-pressure-relief tested annually, and have the temperature-pressure-relief removed and visually inspected every three years or sooner. Most manufacturers also recommend draining / flushing the water heater at least once annually. The unit was producing hot water and appeared generally operable at the time of inspection, though it does not appear to have a documented service history. Recommend having the unit(s) examined and serviced by a plumber, or at the very least, you should realize that it does not likely meet manufacturer's guidelines for routine maintenance. Average life of a water heater is 10-12 years; Serial plate codes on the water heater imply the unit(s) were built in 1996; 40 gallon; fueled electrically
- Significant issues were not discovered regarding this specific condition; monitor & maintain

**V. APPLIANCE & OTHER**

- Breakroom appliance(s) not inspected

**Irrigation (sprinkler system)**

- Not discovered; not present

**Other**

- **GAS COMPONENT(s):**  
Movement at the gas meter was not evident when tested. Leakage between the meter and interior pilots / valves was not found. This portion of the system appears satisfactory. Monitor this item periodically and repair if / when needed.
- **FIRE SUPPRESSION:**  
Most recent inspection tag discovered was from Jan. 2009; system is located in the machine shop  
Testing of fire suppression systems is beyond the scope of this inspection. It would be prudent to have a qualified specialist examine/test the system at least annually.

**Photo images and or other important information is continued on the following pages**

Photographs within this document are of random components and or conditions that may have been noted as “deficient”. These are included to be used as a partial visual aid in assistance for a better understanding regarding some of the components / conditions that were discovered at the property. All deficiencies discovered are not pictured here; some of these images may include more than one condition. For information regarding details of the components or conditions in the following images, refer to a specialist of that particular component(s) / system.



↑ cracked wall at the northeast



↑ close view of image at left



↑ structural addition implied by variant tone of brick & roofline & driveway control-joint



↑ stress cracks at the east



↑ close view of image at left





↑ stress cracks & deteriorating concrete & steel



↑ close view of image at left



↑ deficient weatherstrip at east dock door



↑ stress cracks at southwest; sealed; Monitor; provide routine service, and maintain



↑ stress cracks at southwest



↑ stress cracks at southwest; sealed; Monitor; provide routine service, and maintain



↑ inadequate slope & drainage of gutters at north



↑ air conditioning condensate should drain off, rather than be allowed to pool on the roof.





↑ office roof; workmanlike/in good order



↑ warehouse roof; generally good condition, with some areas of inadequate slope



↑ shop roof; workmanlike/in good order; Monitor; provide routine service, and maintain.



↑ shop roof front; workmanlike/in good order; Monitor; provide routine service, and maintain.



↑ inadequate slope at junction of warehouse & conditioned warehouse roofs



↑ water runs to the east & does not immediately run off; consider adding a scupper at this location.



↑ rear (east) warehouse scupper is not at obvious low point to receive rain water for disposal



↑ insulation between levels was amiss; example





↑ chipped concrete wall & exposed reinforcement steel



↑ close view of image at left



↑ upstairs office closet has hinged wall; caution



↑ unsteady/hinged wall viewed from below



↑ cracked windows discovered at the gallery



↑ cracked window discovered at the office



↑ exposed steel/metal at exterior should be cleaned of loose paint & rust then painted to resist corrosion; example at the west shop doorway



↑ excess corrosion within the upstairs bar floor drain.

## 1. Scope

**1.1 Purpose**—The purpose of this guide is to define good commercial and customary practice in the United States of America for conducting a baseline *property condition assessment* (PCA) of the improvements located on a parcel of commercial real estate by performing a walk-through survey and conducting research as outlined within this guide.

**1.1.1 Physical Deficiencies**—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.

**1.1.2 Walk-Through Survey**—This guide outlines procedures for conducting a walk-through survey to identify the subject property's material physical deficiencies, and recommends various systems, components, and equipment that should be observed by the field observer and reported in the *property condition report* (PCR).

**1.1.3 Document Reviews and Interviews**—The scope of this guide includes document reviews, research, and interviews to augment the walk-through survey so as to assist the consultant's understanding of the subject property and identification of physical deficiencies.

**1.1.4 Property Condition Report**—The work product resulting from completing a PCA in accordance with this guide is a PCR. The PCR incorporates the information obtained during the Walk-Through Survey, the Document Review and Interviews sections of this guide, and includes opinions of probable costs for suggested remedies of the physical deficiencies identified.

**1.2 Objectives**—Objectives in the development of this guide are: (1) define good commercial and customary practice for the PCA of primary commercial real estate improvements; (2) facilitate consistent and pertinent content in PCRs; (3) develop practical and reasonable recommendations and expectations for site observations, document reviews and research associated with conducting PCAs and preparing PCRs; (4) establish reasonable expectations for PCRs; (5) assist in developing an industry baseline standard of care for appropriate observations and research; and (6) recommend protocols for consultants for communicating observations, opinions, and recommendations in a manner meaningful to the user.

**1.3 Considerations Beyond Scope**—The use of this guide is strictly limited to the scope set forth in this section. Section and of this guide identify, for informational purposes, certain physical conditions that may exist on the subject property, and certain activities or procedures (not an all inclusive list) that are beyond the scope of this guide but may warrant consideration by parties to a commercial real estate transaction.

**1.4 Organization of This Guide**—This guide consists of several sections, an Annex and two Appendixes. Section 1 is the Scope. Section 2 on Terminology contains definitions of terms both unique to this guide and not unique to this guide, and acronyms. Section 3 sets out the Significance and Use of this guide, and Section 4 describes the User's Responsibilities. Sections 5 through 10 provide guidelines for the main body of the PCA, including the scope of the Walk-Through Survey, preparation of the Opinions of Probable Costs to Remedy Physical Deficiencies, and preparation of the PCR. Section 11 provides additional information regarding out of scope considerations (see 1.3). Annex A1 provides requirements relating to specific asset types, and where applicable, such requirements are to be considered as if integral to this guide. Appendix X1 provides the user with additional PCA scope considerations, whereby a user may increase this guide's baseline scope of due diligence to be exercised by the consultant. Appendix X2 outlines the ADA Accessibility Survey.

**1.5 Multiple Buildings**—Should the subject property consist of multiple buildings, it is the intent of this guide that only a single PCR be produced by the consultant to report on all of the buildings on the subject property.

**1.6 Safety Concerns**—This guide does not purport to address all of the safety concerns, if any, associated with the walk-through survey. It is the responsibility of the consultant using this guide to establish appropriate safety and health practices when conducting a PCA.

## Limitations, Exclusions, & Legal

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

### Termite & Pest Assessment

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

Select Inspect is licensed by the Texas Structural Pest Control Board (CA#43624T) for inspection of wood destroying insects. Let us know if you require a Wood destroying insect report with your PCA/PCR

### Code Compliance Assessment

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

### Seismic Vulnerability Assessment

Prior to 1970, there were no published seismic codes for commercial buildings. Consequently, many buildings remain susceptible to seismic damage.

We can elaborate on this issue, however the Federal Emergency Management Association, or FEMA, has

published information detailing building types and their components that are seismically vulnerable, which are available on the web at [www.fema.org](http://www.fema.org) but you may also wish to have a structural engineer evaluate, either for purposes of information or with a view to having the building retrofitted.

### Hurricane Vulnerability Assessment

Many building components are susceptible to hurricane forces, particularly those with large glazed openings. The Federal Emergency Management Association, or FEMA, has published information describing the features of building that are most vulnerable to hurricane forces, which you can review

on the web at [www.fema.org](http://www.fema.org) but you may also wish to have a structural engineer evaluate, either for purposes of information or with a view to having the building retrofitted.

#### **Environmental Assessment**

There are different types or levels of environmental inspections. Phase One Site Inspections are the most common, and are typically mandated by banks and other lending institutions. However, such inspections rarely cover the testing of indoor air quality, which can be adversely affected by multiple contaminants that have been described by the Environmental Protection Agency. You can learn more about these on the web at [www.epa.gov](http://www.epa.gov). This Inspection has been produced in accordance with our signed contract and is subject to the terms and conditions agreed upon therein. All printed comments and the opinions expressed herein are those of the Inspection Company.

#### **Americans with Disabilities Act Assessment**

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

#### **Fire Suppression Assessment**

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

#### **Tele-communications Assessment**

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

#### **Elevator Assessment**

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

#### **Recreational Equipment Assessment**

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

Select Inspect makes no representation except what is specifically contained within the documents prepared by Select Inspect and the Select Inspect Contract. The report and Contract are the sole and only agreement between Select Inspect and the client, and supersedes any prior written, verbal, or implied agreements between the client and Select Inspect regarding content within the Select Inspect Report, and Inspection Contract. By accepting and relying on the information within these documents, the client expressly agrees to all agreements and limitations herein. The inspection is cursory and limited. The findings represent observed conditions at the property on the day and time of the inspection. The service attempts to reduce risk, but cannot and will not eliminate all risk of purchasing any property. Select Inspect does not warrant or guarantee that all conditions will be discovered or reported. Protection regarding errors and omissions are not stated nor implied. The inspector does not offer opinions regarding value or whether the property should be purchased. It is strongly recommended to obtain receipts, reports, and warranty information for prior repairs, and receipts, reports, and warranty information for history of repair and similar activity at this property.

Notice of Claim: If Client has issues regarding this inspection arising out of an alleged intentional act or omission by Select Inspect, Client must notify Select Inspect in writing within 10 business days of discovery and allow us and any subcontracted specialist or authorized representative from that specialist's company to reinspect the property and or components of concern prior to any changes being made to the components or condition of concern otherwise, all claims for damage arising out of such complaints are waived by Client.

Client agrees that any failure to timely notify Select Inspect and allow adequate time to investigate, prior to any modification of condition(s) after the time of inspection, shall result in Client's waiving of any and all rights Client may have against Select Inspect related to the alleged act or omission. If Select Inspect fails to perform the services as agreed or is careless and/or negligent in any performance of the services, our liability for any and all claims related thereto is limited to the fee paid for the services and there will be no recovery for consequential damages.

Mediation and Arbitration: If claim cannot be settled between direct correspondence with SI and Client, both parties agree to attempt to settle claim through mediation in accordance with the rules of the American Arbitration Association under the Construction Industry Mediation Rules. If a settlement cannot be reached through mediation, the controversy or claim shall be settled through arbitration using an appointed arbitrator who shall be a citizen of the United States, and the place of arbitration shall be in Collin County, Texas.

Limitations Period: Any legal action arising from this Agreement must be commenced within one year from the date of services. Since conditions change and component operation and efficiency decrease through time, failure to bring such an action within this time period shall be a complete bar to any such action and a full and complete waiver of any rights or claims based thereon, unless such limitation is otherwise regulated by Texas State law or regulation.

Thank you for your business. The greatest compliment I can receive is a referral from you to a family member, associate, or friend. When you meet someone buying a property in North Texas, please remember to mention Select Inspect. Please call our office anytime if we may be of further service. 214-770-6954

#### **Limitations & Scope of Inspection Statement**

Your contract contains important information; if you have not yet read the contract in its entirety, please do so.



If a concern arises, regarding this report, you must notify Select Inspect prior to purchasing the property, and allow us to reinspect the property and or components of concern prior to any changes being made to the components or condition of concern. Otherwise, all claims for damages or costs incurred from those complaints and related improvements, modification or repair are waived by the client.

Select Inspect makes no representation except what is specifically contained within this document and the Select Inspect Inspection Contract. This report and the Select Inspect Inspection Contract are the sole and only agreement between Select Inspect and the client, and supersedes any prior written, verbal, or implied agreements between the client and Select Inspect regarding content within the Select Inspect Property Report, and Inspection Contract.

By acceptance of and or reliance upon information in this report, the client agrees that any potential controversy or claim between the client and Select Inspect shall in good faith be brought to mediation by a third party, having no interest in this case, before filing suit for any amount of damages. By acceptance of and or reliance upon information in this report, the client agrees that any damages resulting from breach of this contract or report are limited to the fee charged to the client by Select Inspect for this inspection service.

By accepting and relying on the information within these documents, the client expressly agrees to all agreements and limitations herein.

The inspection is cursory and limited. The findings represent observed conditions at the property on the day and time of the inspection. This is not a fully comprehensive inspection, and there may be items or conditions that are not discovered. Though reference to current standards or the word "code" may be noted in portions of this document, Select Inspect does not inspect the property for compliance to prior, current, or future "code" regulations. The service attempts to reduce risk, but cannot eliminate all risk of purchasing any property. Select Inspect does not warrant or guarantee that all conditions will be discovered. Protection regarding errors and omissions are not stated nor implied. Comprehensive inspections of components and areas of the property can be arranged for through specialists in each given field. The inspector does not offer opinions regarding value or whether the property should be purchased. It is strongly recommended to obtain any available municipal inspection reports, and builder warranty information.

It is recommended that you obtain as much history as is available concerning this property. This historical information may include copies of any previous inspection or engineering reports, municipal inspection departments, lenders, insurers, and appraisers.

Property conditions change with time and use. Since this report is provided for the specific benefit of the client(s), secondary reader of this information should hire a licensed inspector to perform an inspection to meet your specific needs and to obtain current information concerning this property.

Select Inspect does not make or imply any guarantees, warranties, nor does Select Inspect insure or warrant the future performance of any component, whether it is listed or not listed within this report. Warranties are available from home warranty firms, and should be purchased from one of your choosing, if desired.

We do not compare components and conditions to "code" or determine if components and conditions are compliant to current code requirements, as there are variations and amendments to code in basically every Texas city. We cannot possibly keep up with different regulations in every municipality. We do not determine insurability of any part of the property. We do not guarantee to identify recalled components or systems. The Consumer Product Safety Commission (CPSC) website has a detailed listing of recalled products that you should examine if you are concerned.

This report does not prioritize the inspector's findings. Whenever possible, it is recommended that all repairs be made. As a minimum, Select Inspect strongly recommends that any and all safety and health issues including but not limited to: fire safety, electrical, HVAC, moisture intrusion / leakage, fungal, and structural failure concerns be examined by a licensed or occupationally certified specialist in the respective field. Repairs should then be made without delay.

Select Inspect is committed to providing the best possible services to the client, in an efficient, professional manner, and to report discoveries to the client in an understandable format. Select Inspect inspectors will represent Select Inspect in a professional and courteous manner, and we will be respectful to our clients, to all parties involved, and to the properties at which our business is performed. The client, their personal information, this report, and information about the home are not offered or distributed to other persons or affiliations, unless specifically requested by the client.

It is important to understand that this inspection is a first step towards gaining a partial understanding of the property condition. The inspector uses a systematic and limited method of inspection that attempts to identify and report issues of concern however the inspection is time limited, general in nature and subject to human error. The inspectors opinion can vary from the opinion

of other persons. The inspection is very good at reducing risk but it does not eliminate risk. If these limitations or this service does not meet your needs call our office about comprehensive inspection services.

This inspection does not inspect for the presence or conditions conducive to mold and microbiologicals. If the inspector sees a suspect condition (fungus) it may be reported as a supplemental and incomplete comment, but it does not mean the inspector saw and reported all mold conditions. Unless stated, the inspection does not determine prior wetting / flooding and / or insurance histories and any comment regarding such would be incomplete. The inspector does not use special tools to detect moisture in inaccessible areas.

**End of Written Report**

Thank you for choosing Select Inspect. Contact our office with any questions. 214-770-6954