

PROPERTY CONDITION REPORT



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4444 HWY 900, Anywhere, TX 75467
Inspection Prepared For: John Q Investor

Date of Inspection: 6/3/2019 - Time: 10:00 AM
Year Built: 2012 - Size: 98 Rooms
Weather: Sunny - 70 to 80 degrees

INTRODUCTION



Ultimate Property Inspections is pleased to provide the results of the Property Condition Assessment performed on the aforementioned property. This assessment was performed in general conformance with the scope and limitations as set forth by ASTM E2018-15 “Standard Guide for Property Condition Assessments: Baseline Property Condition Assessment Process”.

Listed below are some helpful features designed to help you understand the information contained in this report.

VIDEOS IN REPORT - We may have included videos of issues within the report. If you are opening the PDF Version of the report, make sure you are viewing the PDF in the free Adobe Reader PDF program. If you are viewing the report as a web page, the videos will play in any browser. Click on any video within the report to start playing.

GLOSSARY FEATURE - Our report contains a unique pop-up glossary feature. When you see words **highlighted in yellow**, hover your cursor over the term. The definition or a tip about the item will appear. The complete glossary is located at the end of this report.

ICONS AND COLORED PRINT - Throughout the report we utilize icons and colored print to make things easier to find and read. Use the legend below to understand each rating icon and print color.



Acceptable – Denotes a visible/accessible system or component that appears to be performing and is in satisfactory condition for it’s age and use. Routine maintenance is required.



Repair/Replace – Denotes a system or component which needs corrective action to assure proper and reliable function. Items with this rating should be examined by a professional and be repaired or replaced.



Major Concern or Safety Issue – Denotes a system or component that is considered significantly deficient or unsafe. Repair or Replacement is required.



Monitor – Denotes a system or component needing further investigation and/or monitoring in order to determine if repairs are necessary. This includes “As-Built” or “Grandfathered” conditions that do not meet current installation requirements or building standards.



Denotes notes, notices, or building codes.

PROPERTY CONDITION REPORT

Prepared For: John Q Investor

Concerning: 4444 HWY 900, Anywhere, TX 75467

By: Stephen Monroe, TREC License #21413

Date: 6/3/2019

PURPOSE OF INSPECTION

The purpose of this report is to assist John Q Investor, (the "Client"), in evaluation of the physical aspects of the Property and how its condition may affect the soundness of their financial decisions over time. This report is intended to be utilized by the Client for the purpose of evaluating the general overall physical condition of the property and identifying physical deficiencies. The purpose of this Property Condition Assessment was to observe and document readily-visible materials and building system defects that might significantly affect the value of the property, and determine if conditions exist which may have a significant impact on the continued operation of the facility.

SCOPE OF INSPECTION

Ultimate Property Inspections has prepared one comprehensive Property Condition Report that includes pertinent information from building(s) present on the subject property. The inspection was performed in general conformance with the scope and limitations as set forth by ASTM E2018-15 "Standard Guide for Property Condition Assessments: Baseline Property Condition Assessment Process". We have provided the standard Report Findings Summary normally utilized in Ultimate Property Inspections Property Condition Reports. We have provided suggestions for repairs and upgrades of selected maintenance items that are not considered "deferred maintenance." These suggestions have been provided to assist the user in identifying certain maintenance issues that may prolong the life of the respective systems. Suggestions for repairs and upgrades have been provided for selected conditions and should not be considered all-inclusive. No comment is offered on potential microbial growth, environmental conditions or asbestos containing materials.

These standards of practice define the minimum levels of inspection required for substantially completed building improvements to real property. A property condition assessment is a non-technically exhaustive, limited visual survey and basic performance evaluation of the systems and components of a building using normal controls and does not require the use of specialized equipment or procedures. The purpose of the inspection is to provide the client with information regarding the general condition of the real property at the time of inspection. The inspector may provide a higher level of inspection performance than required by these ASTM standards and may inspect components and systems in addition to those described by the ASTM standards.

We have prepared an Opinions of Probable Costs based on appropriate remedies to deficiencies noted in this report. These opinions are for components exhibiting significant deferred maintenance, and existing deficiencies requiring major repairs or replacement. Repairs or improvements that could be classified as cosmetic, decorative, routine or normal preventative maintenance, or that were considered the responsibility of the tenant are not included. Opinions presented in this report are derived from Ultimate's past experience on construction projects. Replacement and repair costs are based on approximate quantities and should be construed as preliminary. Actual costs most probably will vary from the opinions of probable costs due to a variety of factors including design, quality of materials, contractor selected, market conditions, and competitive solicitations.

Americans with Disabilities Act - Compliance with the Americans with Disabilities Act (ADA) is accomplished through a Tier I Visual Accessibility Survey. This limited-scope visual survey does not include the taking of measurements or counts. Included with a Tier I Visual Accessibility Survey are observations regarding path of travel, parking, public restrooms, ADA compliant guest rooms, and elevators.

Elevators - Elevator assessments are limited to providing relevant information regarding age, type, capacity, and recent inspections. It is recommended to have elevators evaluated by the current service provider, who is most likely to have the most recent and comprehensive knowledge of their condition and maintenance.

Recreational Equipment - With the exception of swimming pools, the condition of recreational equipment such as playground equipment and fitness equipment will be limited to a visual survey. It is recommended to have this type of equipment evaluated by a specialist in that field.

GENERAL LIMITATIONS

The inspector is not required to:

(A) inspect:

- (i) items other than those listed within these standards of practice;
- (ii) elevators;
- (iii) detached buildings, decks, docks, fences, or waterfront structures or equipment;
- (iv) anything buried, hidden, latent, or concealed;
- (v) sub-surface drainage systems;
- (vi) automated or programmable control systems, automatic shut-off, photoelectric sensors, timers, clocks, metering devices, signal lights, lightning arrestor system, remote controls, security or data distribution systems, solar panels, refrigerators (built-in or free standing), wine coolers, ice makers or smart home automation components; or
- (vii) concrete flatwork such as; driveways, sidewalks, walkways, paving stones or patios;

(B) report:

- (i) past repairs that appear to be effective and workmanlike except as specifically required by these standards;
- (ii) cosmetic or aesthetic conditions; or
- (iii) wear and tear from ordinary use;

(C) determine:

- (i) insurability, warrantability, suitability, adequacy, compatibility, capacity, reliability, marketability, operating costs, recalls, counterfeit products, product lawsuits, life expectancy, age, energy efficiency, vapor barriers, thermostatic performance, compliance with any code, listing, testing or protocol authority, utility sources, or manufacturer or regulatory requirements except as specifically required by these standards;
- (ii) the presence or absence of pests, termites, or other wood-destroying insects or organisms;
- (iii) the presence, absence, or risk of asbestos, lead-based paint, MOLD, mildew, corrosive or contaminated drywall "Chinese Drywall" or any other environmental hazard, environmental pathogen, carcinogen, toxin, mycotoxin, pollutant, fungal presence or activity, or poison;
- (iv) types of wood or preservative treatment and fastener compatibility; or
- (v) the cause or source of a conditions;

(D) anticipate future events or conditions, including but not limited to:

- (i) decay, deterioration, or damage that may occur after the inspection;
 - (ii) deficiencies from abuse, misuse or lack of use;
 - (iii) changes in performance of any component or system due to changes in use or occupancy;
 - (iv) the consequences of the inspection or its effects on current or future buyers and sellers;
 - (v) the presence of water penetrations; or
 - (vi) future performance of any item;
- (E) operate shut-off, safety, stop, pressure or pressure-regulating valves or items requiring the use of codes, keys, combinations, or similar devices;
- (F) designate conditions as safe;
- (G) recommend or provide engineering, architectural, appraisal, mitigation, physical surveying, realty, or other specialist services;
- (H) review historical records, installation instructions, repair plans, cost estimates, disclosure documents, or other

reports;

- (I) verify sizing, efficiency, or adequacy of the ground surface drainage system;
- (J) verify sizing, efficiency, or adequacy of the gutter and downspout system;
- (K) operate recirculation or sump pumps;
- (L) remedy conditions preventing inspection of any item;
- (M) apply open flame or light a pilot to operate any appliance;
- (N) turn on decommissioned equipment, systems or utility services; or

This inspection report is made for the sole purpose of assisting the purchaser to determine his and/or her own opinion of feasibility of purchasing the inspected property and does not warrant or guarantee all defects to be found. If you have any questions or are unclear regarding our findings, please call our office prior to the expiration of any time limitations such as option periods.

This report contains technical information. If you were not present during this inspection, please call the office to arrange for a consultation with your inspector. If you choose not to consult with the inspector, this inspection company cannot be held liable for your understanding or misunderstanding of the reports content.

This report is not intended to be used for determining insurability or warrantability of the structure and may not conform to the Texas Department of Insurance guidelines for property insurability. This report is not to be used by or for any property warranty company.

The digital pictures within this report are a representative sample of inaccessible areas, deficiencies or damages in place and should not be considered to show all of the inaccessible areas, deficiencies or damages observed. There will be inaccessible areas, deficiencies or damages not represented with digital imaging.

INSPECTOR/CLIENT RESPONSIBILITIES

This property condition assessment may include an inspection agreement (contract), addenda, and other information related to property conditions. If any item or comment is unclear, you should ask the inspector to clarify the findings. It is important that you carefully read ALL of this information.

An Inspection addresses only those components and conditions that are present, visible, and accessible at the time of the inspection. While there may be other parts, components or systems present, only those items specifically noted as being inspected were inspected. The inspector is not required to move furnishings or stored items. The inspection report may address issues that are code-based or may refer to a particular code, however, this is **NOT** a code compliance inspection and does **NOT** verify compliance with manufacturer's installation instructions. **The inspection does NOT imply insurability or warrantability of the structure or its components.** Although some safety issues may be addressed in this report, this inspection is **NOT** a safety/code inspection, and the inspector is **NOT** required to identify all potential hazards.

This property condition assessment is not an exhaustive inspection of the structure, systems, or components. **The inspection may not reveal all deficiencies. A real estate inspection helps to reduce some of the risk involved in purchasing a structure, but it cannot eliminate these risks, nor can the inspection anticipate future events or changes in performance due to changes in use or occupancy.** It is recommended that you obtain as much information as is available about this property, including any seller's disclosures, previous inspection reports, engineering reports, building/remodeling permits, and reports performed for or by relocation companies, municipal inspection departments, lenders, insurers, and appraisers. You should also attempt to determine whether repairs, renovation, remodeling, additions, or other such activities have taken place at this property. It is not the inspector's responsibility to confirm that information obtained from these sources is complete or accurate or that this inspection is consistent with the opinions expressed in previous or future reports.

ITEMS IDENTIFIED IN THE REPORT DO NOT OBLIGATE ANY PARTY TO MAKE REPAIRS OR TAKE OTHER ACTIONS, NOR IS THE PURCHASER REQUIRED TO REQUEST THAT THE SELLER TAKE ANY ACTION. When a deficiency is reported, it is the client's responsibility to obtain further evaluations and/or cost estimates from qualified service professionals. Any such follow-up should take place prior to the expiration of any time limitations, such as option periods. Evaluations by qualified tradesmen may lead to the discovery of additional deficiencies which may involve additional repair costs. Failure to address deficiencies or components noted in this





report may lead to further damage of the structure or systems and add to the original repair costs. The inspector is not required to provide follow-up services to verify that proper repairs have been made.

Property conditions change with time and use. For example, mechanical devices can fail at any time, plumbing gaskets and seals may crack if the appliance or plumbing fixture is not used often, roof leaks can occur at any time regardless of the apparent condition of the roof, and the performance of the structure and the systems may change due to changes in use or occupancy, effects of weather, etc. These changes or repairs made to the structure after the inspection may render information contained herein obsolete or invalid. This report is provided for the specific benefit of the client named above and is based on observations at the time of the inspection. If you do not hire the inspector yourself, reliance on this report may provide incomplete or outdated information. Repairs, professional opinions or additional inspection reports may affect the meaning of the information in this report. It is recommended that you hire a licensed inspector to perform an inspection to meet your specific needs and to provide you with current information concerning this property.


This report is paid and prepared for the exclusive use by John Q Investor. This copyrighted report is not valid without the accepted inspection agreement. This report is not transferable from the client named above.

THE CLIENT, BY ACCEPTING THIS PROPERTY INSPECTION REPORT OR RELYING UPON IT IN ANY WAY, EXPRESSLY AGREES TO THE SCOPE OF INSPECTION, INSPECTOR/CLIENT RESPONSIBILITIES, GENERAL LIMITATIONS AND INSPECTION AGREEMENT INCLUDED IN THIS INSPECTION REPORT.



REPORT FINDINGS SUMMARY

SITE			
	Page 12 Item: C	Paving & Curbing	<p>CURBING</p> <p>The following deficiencies were noted.</p> <p>Concrete curbing was observed to be damaged adjacent to the front entry to the building. Condition should be further evaluated and corrected as necessary.</p>
	Page 12 Item: D	Parking	<p>The following deficiencies were noted.</p> <p>Parking lot striping was observed to be fading or flaking at the time of this inspection. Striping should be painted in the near future.</p> <p>There were not enough handicap accessible parking spaces in place in relation to the amount of regular parking spaces provided. (See Chart Below)</p>
	Page 13 Item: G	Site Lighting	<p>The following deficiencies were noted.</p> <p>The sono-tube (concrete form) has not been removed from the base of one of the area light poles.</p>
	Page 15 Item: J	Swimming Pool	<p>The following deficiencies were noted.</p> <p>There are some visible deficiencies observed in the pool finished surface at this time. Some resurfacing may be necessary within the next 5 years.</p>

STRUCTURAL FRAME & BUILDING ENVELOPE

	Page 19 Item: E	Roofing	<p>DRAINAGE</p> <p>The following deficiencies were noted.</p> <p>The flat roof area has standing water and stains caused by standing water. Flat roof structures should not hold water more than 24-hours. This condition should be closely monitored and improved as necessary.</p> <p>ROOF HATCH</p> <p>The following deficiencies were noted.</p> <p>The roof hatch did not properly seal at the time of the inspection. (See Picture) Condition should be further investigated and corrected as necessary.</p>
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INTERIOR ELEMENTS

	Page 20 Item: A	Common Areas	<p>FLOORS</p> <p>The following deficiencies were noted.</p> <p>Carpeting is starting to show signs of wear. Recommend replacement within the next 5 years.</p> <p>WALLS</p> <p>The following deficiencies were noted.</p> <p>Walls should need re-painting within the next five years.</p>
HVAC SYSTEM			
	Page 22 Item: A	Heating & Cooling Systems(s)	<p>The following deficiencies were noted.</p> <p>The condensate lines to the RTU's were observed to be broken/detached in several locations on the roof. Condition should be further evaluated and corrected as necessary.</p>

I. EXECUTIVE SUMMARY

A. General Description

The **Subject Property** is a Hotel building built circa 2012. The **Subject Building** contains 6 stories and has 98 rentable rooms, each containing separate electrical and **HVAC** equipment and a bathroom. The Subject Property is located on the west side of Highway 900. The property has 110 regular parking spots and 4 handicap parking spots for a total of 114. Parking is provided by concrete pavement. Access to the site is from two entrances from Hwy 900. The balance of the site consists primarily of drive lanes, pedestrian walkways and landscaping.

B. General Physical Condition

Property appears to be in Good condition.

Recent capital improvements, as reported by property management consist of - None Reported

Recent planned capital improvements, as reported by property management consist of - none reported

The detailed observations of reviewed systems are detailed in the following sections of this report.

C. Opinions of Probable Costs

IMMEDIATE REPAIR ITEMS

In accordance with **ASTM** E2018-15 "Standard Guide for Property Condition Assessments: Baseline Property Condition Assessment Process" Ultimate Property Inspections has prepared opinions of probable costs for items or conditions that require immediate action as a result of the following: Material existing or potential unsafe conditions, material building code or fire code violations, or conditions, that if left uncorrected, have the potential to result in, or contribute to, critical element or system failure within one year or may result in a significant increase in remedial cost.

The following deferred maintenance items and/or physical deficiencies that are considered significant and require immediate repair at this time were identified:

- * Curbing Repair
- * Remove Concrete Form on Light Pole
- * Roof Drainage & Roof Hatch
- * HVAC Maintenance & Repair

CAPITAL RESERVE ITEMS

Ultimate Property Inspections has provided opinions of cost for the following capital reserve items that are anticipated to occur during the term of this report.

- * Parking Striping
- * Re-finish Swimming Pool
- * Interior Carpet & Paint

An opinion of cost to address these items is included in the Capital Reserve Costs. All other building systems and appurtenances are expected to exceed the evaluation period or are a tenant responsibility to maintain and replace. Additional remedial work is limited in extent and may be characterized as that typically associated with general maintenance and repair when undertaken on a routine periodic basis, including pest control, landscaping maintenance, and removing trash from the walks, drives and parking areas.

Ultimate Property Inspections can make no comment on the marketability of the useful life of the Property. Any qualifications and limitations in place for the property condition assessment as provided by Ultimate is applicable to the summary comments mentioned above.

Definitions of the terms used in the Cost Summary Table to describe average or overall conditions include the following: Good –no remedial work is recommended; Fair – system is aging and/or minor remedial work is recommended; and Poor – replacement or major remedial work is recommended. The table displays estimated repair and/or replacement costs. The estimated costs are preliminary and are based upon Ultimate's experience in conducting similar projects. The actual cost will be affected by factors such as duration of time to correction, site access, market conditions, and other contingencies applied by the owner.

The below mentioned maintenance and repair items are based on a 5 year evaluation period.

The costs presented below are preliminary and are based upon Ultimate's experience in conducting similar projects. The actual cost will be affected by factors such as project duration, site access, market conditions, and other contingencies applied by the owner. This Opinion of Probable Costs is not to be used alone. The following report is intended to be read in its entirety.

OPINION OF PROBABLE COST SUMMARY TABLE

Action: NM = Normal Maintenance, IR = Immediate Repair/Replacement,
RR = Replacement Reserves, NA = Not Applicable

	Good	Fair	Poor	Action	# Of Units	Unit Cost	Immediate Needs	Capital Reserves
SITE								
Storm Water Drainage	X			NM				
Access & Egress	X			NM				
Paving & Curbing (Sealing & Curb Repair)			X	IR			\$ 1,200.00	
Parking (Striping)		X		RR				\$ 1,500.00
Flatwork	X			NM				
Landscaping & Appurtenances	X			NM				
Retaining Walls	X			NM				
Site Lighting		X		IR			\$ 150.00	
Waste Storage Area	X			NM				
Recreational Facilities (Swimming Pool Refinish)		X		RR				\$ 20,000.00
Site & Building Signage	X			NM				
STRUCTURAL FRAME & BUILDING ENVELOPE								
Foundation	X			NM				
Building Framework	X			NM				
Exterior Wall, Patch & Paint	X			NM				
Windows & Frames	X			NM				
Exterior Doors & Frames	X			NM				
Stairs (Interior & Exterior)	X			NA				
Parapets, Balconies & Elevated Walkways	X			NM				
Roof Coverings (Repair Roof Hatch)		X		IR			\$ 400.00	
Roof Drainage			X	IR			\$ 5,000.00	
MECHANICAL, ELECTRICAL & PLUMBING SYSTEMS								
HVAC		X		IR			\$ 1,000.00	
Electrical	X			NM				
Plumbing	X			NM				
Water Heaters	X			NM				
Wast Drains & Vents	X			NM				
Kitchen Equipment	X			NM				
VERTICAL TRANSPORTATION SYSTEMS								
Elevators/Escalators				NM				
LIFE SAFETY/FIRE PROTECTION								
Sprinklers & Standpipes	X			NM				
Alarm Systems	X			NM				
Fire Extinguishers	X			NM				
INTERIOR ELEMENTS								
Common Area Finishes		X		RR				\$ 44,500.00
Interior Walls		X		RR	98	250.00		\$ 24,500.00
Interior Floors		X		RR	98	600.00		\$ 64,680.00
Interior Doors & Frames	X			NM				
ADA ACCESSIBILITY								
Parking, Signage & Ramps	X			NM				
Common Area Accessibility	X			NM				
TOTALS							\$ 7,750.00	\$ 155,180.00

II. SITE

A. Storm Water Drainage

- ✓ Storm water is removed primarily by sheet flow action across the landscaped areas and paved surfaces towards storm water drains located in the landscaped areas and paved surfaces. Site storm water from the roofs of the subject building(s) is directed to an underground drainage system.

Observations/Comments:

Sloping and grade elevations of the Property appear to be adequate for proper drainage and connections to the storm sewer drains.

No observed or reported deficiencies were noted.

B. Access & Egress

- ✓ Vehicular access and egress is provided by two two-way driveways from Hwy 999. The driveway is constructed of concrete with 6" Concrete curb.

Observations/Comments:

Access to the Property appears to be adequate.

No observed or reported deficiencies were noted.



MAIN APPROACH

C. Paving & Curbing

- ⓘ Paving is concrete
Curbing is 6" Concrete curb

Observations/Comments:

PAVING

The paved areas of the Property appeared to be in good structural condition. There are no significant signs of cracks or surface deterioration. Minor cracks should be sealed as part of routine maintenance.

No observed or reported deficiencies were noted.

CURBING

The following deficiencies were noted.

Concrete curbing was observed to be damaged adjacent to the front entry to the building. Condition should be further evaluated and corrected as necessary.



TYPICAL PAVING



TYPICAL PAVING



DAMAGED CURBING

D. Parking

There were 110 marked regular vehicle parking spaces on the day of this inspection.



There were 4 marked handicap parking spaces on the day of the inspection.

Handicap curb cuts/ramps in place at the time of this inspection.

Proper handicap parking signage was in place at the time of this inspection.

Observations/Comments:

The following deficiencies were noted.

Parking lot striping was observed to be fading or flaking at the time of this inspection. Striping should be painted in the near future.

There were not enough handicap accessible parking spaces in place in relation to the amount of regular parking spaces provided. (See Chart Below)



HANDICAP PARKING

ADA PARKING SPACE NUMBER REQUIREMENTS CHART	
Total number of parking spaces	Number of accessible parking spaces needed
1 to 25	1
26 to 50	2
51 to 75	3
76 to 100	4
101 to 150	5
151 to 200	6
201 to 300	7
301 to 400	8
401 to 500	9
501 to 1,000	2% of total number of parking spaces
over 1,000	20 plus 1 for each 100 over 1,000

ADA PARKING SPACE NUMBER REQUIREMENTS CHART

E. Flatwork



Building entrance flatwork and pedestrian walkways consists of poured-in-place concrete construction.

Observations/Comments:

The pedestrian concrete walkways appear to be in Good overall condition.

No observed or reported deficiencies were noted.

F. Landscaping & Appurtenances

Landscaping:



Landscaped areas, consisting of grass-covered lawns, trees and shrubs are provided along the perimeters of the subject building and Property.

Irrigation System:

An irrigation system was in place at the time of this inspection

Observations/Comments:

The landscaping appears to be performing its intended function, achieving an operation, function or configuration relative to accepted industry standard practices with consideration of age and normal wear and tear from ordinary use at the time of the inspection

No observed or reported deficiencies were noted.



LANDSCAPING

G. Site Lighting



Site lighting is provided by pole-mounted lighting fixtures located along the property drive aisles and in island landscaped areas. The fixtures are equipped with high-intensity discharge lamps. Timers and **photocells** control exterior lighting.

Observations/Comments:

Note: The property condition assessment was conducted during daylight hours and lighting operation could not be verified. Based on the number of lights provided and the spacing, the lighting appears to be adequate and was reported to be sufficient for the property.

The light fixtures were observed and reported to be in good overall condition. Ultimate Property Inspections anticipates that the light fixtures will require minimal repairs and replacements that can be addressed as part of routine maintenance.

The following deficiencies were noted.

The sono-tube (concrete form) has not been removed from the base of one of the area light poles.



POLE MOUNTED FIXTURES



AREA POLE LITE NEEDS SONO-TUBE REMOVED

H. Waste Storage Area

Waste Storage Area is a Wood Frame structure.



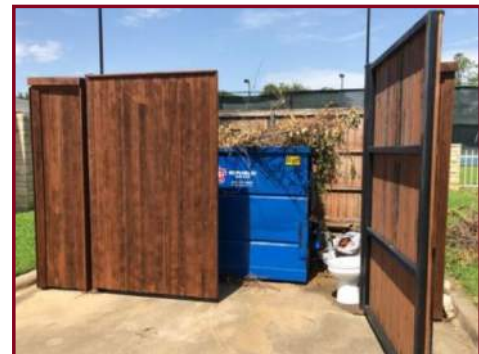
Observations/Comments:

The waste storage area appears to be performing its intended function, achieving an operation, function or configuration relative to accepted industry standard practices with consideration of age and normal wear and tear from ordinary use at the time of the inspection

No observed or reported deficiencies were noted.



WASTE STORAGE AREA



WASTE STORAGE AREA

I. Recreational Facilities

Observations/Comments:




The recreational facilities appear to be performing their intended function, achieving an operation, function or configuration relative to accepted industry standard practices with consideration of age and normal wear and tear from ordinary use at the time of the inspection

No observed or reported deficiencies were noted.



FITNESS

J. Swimming Pool

 Type of Construction: In-Ground
Type of Filter: Diatomaceous Earth - DE
Filter Gauge Pressure Reading: 15 to 20 psi

Observations/Comments:

Note: See an addendum to this report regarding a specialist evaluation of the pool.

The swimming pool appears to be performing its intended function, achieving an operation, function or configuration relative to accepted industry standard practices with consideration of age and normal wear and tear from ordinary use at the time of the inspection


The following deficiencies were noted.

There are some visible deficiencies observed in the pool finished surface at this time. Some resurfacing may be necessary within the next 5 years.



SWIMMING POOL

K. Site & Building Signage

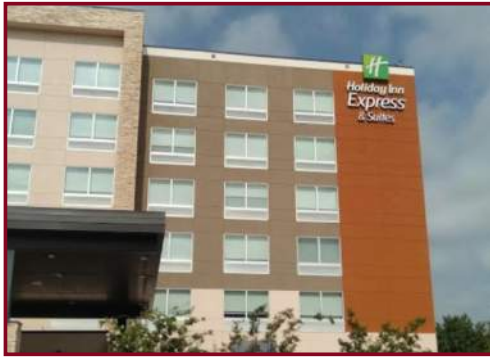
 Building signage is provided by metal fabricated signage positioned at the Subject Building North and East Sides.

Site signage is provided by steel structure with signage positioned at the Subject Property main driveway.

Observations/Comments:

The property signage was observed to be sufficient and in good condition.

No observed or reported deficiencies were noted.



BUILDING SIGNAGE



SITE SIGNAGE

L. Utilities

UTILITY	PROVIDER
Electric	Oncor
Gas	TNG
Water	City of Anywhere
Sanitary Sewer	City of Anywhere
Storm Sewer	City of Anywhere

III. STRUCTURAL FRAME & BUILDING ENVELOPE

A. Foundation

Foundation is Unbonded Prestressed Post-Tensioned Monolithic Foundation



Observations/Comments:

Foundation Is Performing Adequately.

In my opinion, the foundation appears to be providing adequate support for the structure at the time of this inspection. I did not observe any apparent evidence that would indicate the presence of adverse performance or significant deficiencies in the foundation. The interior and exterior stress indicators showed little affects of adverse performance and I perceived the foundation to contain no significant settlement.

No observed or reported deficiencies were noted.

B. Building Framework

The subject building is constructed of concrete block walls with pre-fabricated concrete slab ceilings between floors.



Observations/Comments:

The building framework appears to be performing its intended function, achieving an operation, function or configuration relative to accepted industry standard practices with consideration of age and normal wear and tear from ordinary use at the time of the inspection

No observed or reported deficiencies were noted.

C. Facades or Curtainwall

Sidewall:



Building **facades** are finished with Stone Masonry and Hard Coat **Stucco** Veneer.

Fenestration:

Building **fenestration** includes fixed, insulated windows with grade level entry doors. Windows and door framing are anodized extruded aluminum.

Observations/Comments:

SIDEWALL SYSTEM

The buiding sidewall system appears to be performing its intended function, achieving an operation, function or configuration relative to accepted industry standard practices with consideration of age and normal wear and tear from ordinary use at the time of the inspection

No observed or reported deficiencies were noted.

FENESTRATION

The building fenestration appears to be performing its intended function, achieving an operation, function or configuration relative to accepted industry standard practices with consideration of age and normal wear and tear from ordinary use at the time of the inspection

No observed or reported deficiencies were noted.



MAIN ENTRANCE



MAIN ENTRANCE VESTIBULE

D. Parapets, Balconies, Elevated Walkways, & Exterior Stairs

Parapets and/or Balconies:



A ten foot high **parapet wall** surrounds the flat roof area housing the HVAC units.

Observations/Comments:

The item is performing its intended function, achieving an operation, function or configuration relative to accepted industry standard practices with consideration of age and normal wear and tear from ordinary use at the time of the inspection

No observed or reported deficiencies were noted.



PARAPETS

E. Roofing

Roofing Material:



PVC Roofing

Roof Drainage:

The roof has a slope allowing rainwater to flow to roof drains, down drainpipes/**downspouts** to sidewalks and landscaped areas.

Observations/Comments:

ROOFING

No observed or reported deficiencies were noted.

DRAINAGE

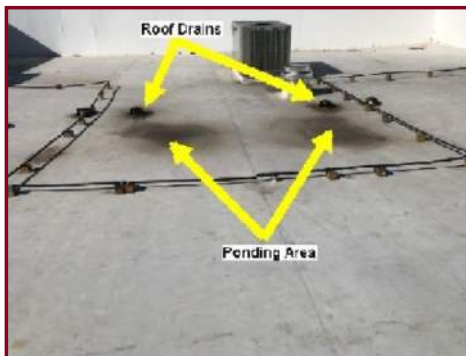
The following deficiencies were noted.

The flat roof area has standing water and stains caused by standing water. Flat roof structures should not hold water more than 24-hours. This condition should be closely monitored and improved as necessary.

ROOF HATCH

The following deficiencies were noted.

The roof hatch did not properly seal at the time of the inspection. (See Picture) Condition should be further investigated and corrected as necessary.



STANDING WATER ON ROOF




ROOF HATCH



ROOF HATCH DOES NOT SEAL

IV. INTERIOR ELEMENTS

A. Common Areas

 **Common areas** consist of main entry vestibule, reception area, manager's office, restrooms, laundry room, kitchen, fitness room, and swimming pool. Interior finishes include 9' acoustical tile ceilings, painted drywall walls and ceramic tile and carpeted floors.

Observations/Comments:

FLOORS

The following deficiencies were noted.

Carpeting is starting to show signs of wear. Recommend replacement within the next 5 years.

WALLS

The following deficiencies were noted.

Walls should need re-painting within the next five years.

V. PLUMBING

A. Plumbing Supply, Distribution, & Fixtures

- ✓ The building has multiple restrooms, sinks, kitchen equipment, mop sinks, etc, that all require plumbing.

Observations/Comments:

Note: See an addendum to this report for a specialist evaluation of the plumbing systems.

The building's common plumbing systems were reported to be in Good overall condition. Normal routine maintenance is anticipated.

No observed or reported deficiencies were noted.

B. Wastes, Drains, & Vents

- ✓ Wastes, Drains, & Vents consist of **PVC**

✓ *Observations/Comments:*

The waste, drains, and vents appear to be performing their intended function, achieving an operation, function or configuration relative to accepted industry standard practices with consideration of age and normal wear and tear from ordinary use at the time of the inspection

No observed or reported deficiencies were noted.

C. Water Heating Equipment

✓ WATER HEATING SUPPLIED BY MULTIPLE UNITS

- ✓ Energy Source: Gas
Location: Mechanical Room
Approximate Capacity: Tankless
Approximate Age: 2012
Brand Name: Rinnai

Observations/Comments:

The water heater(s) appear to be performing their intended function, achieving an operation, function or configuration relative to accepted industry standard practices with consideration of age and normal wear and tear from ordinary use at the time of the inspection

No observed or reported deficiencies were noted.



WATER HEATING EQUIPMENT

VI. HVAC SYSTEM

A. Heating & Cooling Systems(s)



Packaged Room Air Conditioners

Brand Name: Gree

Rooftop Package Unit #1

Brand Name: Trane

Approximate System Age: 2016, 2011

Approximate System Size: 8.5 Tons

Approximate System **Seer**: 15

Rooftop Package Unit #2

Brand Name: Trane

Approximate System Age: 2011

Approximate System Size: 5.0 Tons

Approximate System Seer: 15

Rooftop Package Unit #3

Brand Name: Trane

Approximate System Age: 2011

Approximate System Size: 5.0 Tons

Approximate System Seer: 15

Rooftop Package Unit #4

Brand Name: Trane

Approximate System Age: 2011

Approximate System Size: 7.5 Tons

Approximate System Seer: 15

Rooftop Package Unit #5

Brand Name: Trane

Approximate System Age: 2011

Approximate System Size: 7.5 Tons

Approximate System Seer: 15

Observations/Comments:

Note: See an addendum to this report for a specialist evaluation of the HVAC system

The HVAC system appears to be performing its intended function, achieving an operation, function or configuration relative to accepted industry standard practices with consideration of age and normal wear and tear from ordinary use at the time of the inspection

The following deficiencies were noted.

The **condensate lines** to the **RTU**'s were observed to be broken/detached in several locations on the roof. Condition should be further evaluated and corrected as necessary.



TYPICAL PACKAGED ROOM HVAC UNIT



RTU #1



RTU #2



RTU #3



RTU #4



RTU #5



DAMAGED/SEPARATED CONDENSATE DRAIN

VII. ELECTRICAL SYSTEM

A. Service Entrance & Panels



Electrical service is delivered to a pad-mounted, utility-owned transformer located on the east side of the property in the landscaping area. Main electrical service to the building is provided by one 2,800 ampere, 208Y/120 volt, **three-phase**, four wire main distribution panel and twelve 250 amp ampere **breaker panels** for lighting and power controls located in Electric Room. The interior lighting is a combination of recessed LED and fluorescent fixtures.

DESCRIPTION OF ELECTRICAL SYSTEM

Service Drop: Underground • Condition: Good
 Size of Electrical Service: 2,800 ampere, 208Y/120 volt, three-phase, four wire
 Service Entrance Conductors: Visible • Condition: Serviceable
 Service Equipment & Main Panel & **Disconnects** • Breakers • Condition: Serviceable
 Service Grounding: Copper • Condition: Good
 Service Panel & Electrical Components Compatible: Yes
 Switches & **Receptacles**: • Copper • Condition: Serviceable
 Ground Fault Circuit Interrupters: • Restrooms • Break Room • Condition: Serviceable
 Arc Fault Circuit Interrupters: Yes • Condition: Serviceable

Observations/Comments:

Note: See an addendum to this report for a specialist evaluation of the electrical system.

The Electrical Service Entrance and Panels appears to be performing its intended function, achieving an operation, function or configuration relative to accepted industry standard practices with consideration of age and normal wear and tear from ordinary use at the time of the inspection

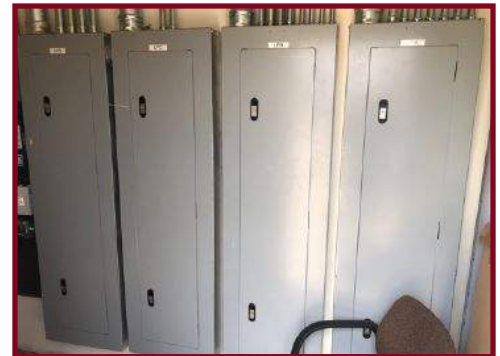
No observed or reported deficiencies were noted.



TRANSFORMER



MAIN DISTRIBUTION PANEL



BREAKER PANELS



BREAKER PANELS

B. Branch Circuits, Connected Devices, & Fixtures*Description of Wire:*

Copper

Observations/Comments:

The brach circuits, connected devices, and fixtures appear to be performing their intended function, achieving an operation, function or configuration relative to accepted industry standard practices with consideration of age and normal wear and tear from ordinary use at the time of the inspection

No observed or reported deficiencies were noted.

VIII. VERTICAL TRANSPORTATION

A. Elevators



The building is equipped with two (2) 2500 lb hydraulic passenger elevators manufactured by Otis. The elevator controllers and pumps are located in a first floor utility closet. The passenger cabs are finished with carpeting, plastic laminate wall panels, stainless steel control panels and typical eggcrate ceilings. Full **ADA** compliance is provided with Braille, cab arrival and floor by-pass chimes and handsfree communication devices.

Observations/Comments:

Note: See an addendum to this report for a specialist evaluation of the elevator.

The elevator appears to be performing intended function, achieving an operation, function or configuration relative to accepted industry standard practices with consideration of age and normal wear and tear from ordinary use at the time of the inspection

No observed or reported deficiencies were noted.



ELEVATORS



ELEVATOR CONTROLS



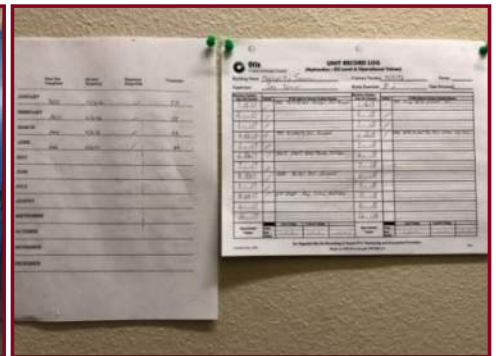
ELEVATOR INTERIOR



ELEVATOR CEILING



ELEVATOR PUMP CONTROL ROOM



INSPECTION LOGS

IX. LIFE SAFETY/FIRE PROTECTION

A. Sprinklers & Standpipes

- ✓
The Subject building is 100% served by city pressurized automatic wet-pipe sprinkler system. The fire sprinkler main is 6" in diameter and fitted with flow detectors and electronic tamper switches.

Sprinkler System inspection tags show the last inspection date was in June of 2019.

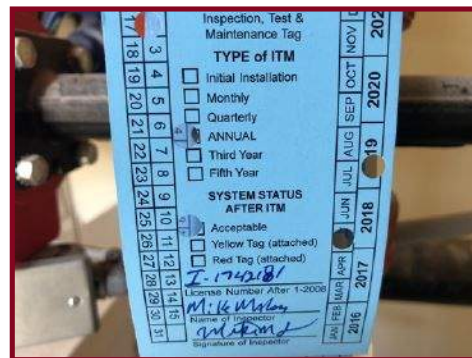
Observations/Comments:

The fire sprinkler system appears to be performing its intended function, achieving an operation, function or configuration relative to accepted industry standard practices with consideration of age and normal wear and tear from ordinary use at the time of the inspection.

No observed or reported deficiencies were noted.



WET PIPE SPRINKLER SYSTEM



SPRINKLER SYSTEM INSPECTION TAGS

B. Alarm Systems

- ✓
Life safety equipment includes hardwired smoke detectors, heat detectors, pull stations, illuminated exit signs, alarm horn/strobes and portable fire extinguishers throughout the hotel. Emergency lighting is typically provided by battery-backup circuits in some of the light fixtures with some areas being illuminated by wall and ceiling-mounted battery-operated fixtures. The smoke detectors, pull stations, flow switches and alarms in the sprinkler systems are monitored by a central fire alarm control panel manufactured by Bosch. The systems are fully addressable and are monitored continuously.

Observations/Comments:

The alarm system appears to be performing its intended function, achieving an operation, function or configuration relative to accepted industry standard practices with consideration of age and normal wear and tear from ordinary use at the time of the inspection

No observed or reported deficiencies were noted.



ALARM CONTROL BOX



ALARM KEY PAD



TYPICAL PULL STATION

C. Fire Extinguishers

Fire Extinguisher inspection tags show the last inspection date was in June of 2019.



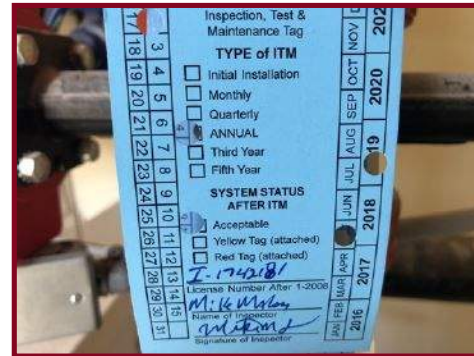
Observations/Comments:

The fire extinguishers appear to be performing their intended function, achieving an operation, function or configuration relative to accepted industry standard practices with consideration of age and normal wear and tear from ordinary use at the time of the inspection.

No observed or reported deficiencies were noted.



TYPICAL FIRE EXTINGUISHER



FIRE EXTINGUISHER INSPECTION TAG

X. ADA

A. ADA Compliance



The scope of this report is limited to a general overview of the subject improvements common public areas (of improvements considered to be "Public Accommodations") based upon the requirements of Title III of the Americans with Disability Act (ADA). Per Title III, disabled persons are to be provided accommodations and access equal to, or similar to, that available to the general public and requires that architectural and communication barriers in existing public accommodations be removed if they are "readily achievable" and are not an "undue burden". Most states and local municipalities have adopted accessibility requirements that, in some cases, may be more stringent than the ADA. The review of the subject property for compliance with state and local accessibility requirements is beyond the scope of this report. The purpose of this section is to identify certain obvious items that do not appear to be in general conformance with the Title III requirements; without inferring that correction of the reported items will bring the property into total compliance with the ADA. While opinions of cost to correct or remove noted barriers are provided herein, they do not constitute an opinion that elimination of the barriers is "readily achievable" and not an "undue burden" as defined by the ADA. The owner must determine this issue. The ADA is not intended to affect the contractual responsibilities existing in lease agreements between owners and tenants. Typically, the tenant is responsible for reviewing and making readily achievable accommodations in the tenants own lease/work space while the owner is responsible for the common areas of the improvements. Our survey of the Subject did not constitute an American with Disabilities Act (ADA) compliance audit; however, the property appears generally handicapped accessible. Handicap-designated parking spaces and curb cuts are provided, as well as exterior doors with adequate dimensions. Based on our cursory observations no obvious items of non-conformance were observed.

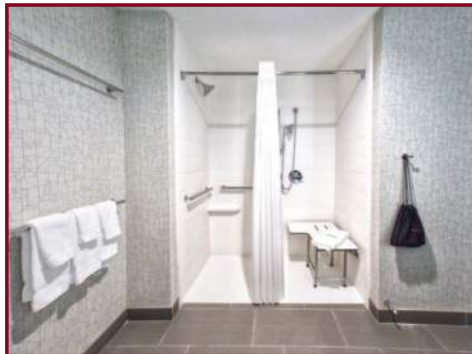
Observations/Comments:

Note: Deficiencies involving handicap parking violations are listed under Section III (SITE), sub-heading D (Parking).

No observed or reported deficiencies were noted.



HANDICAP CRANE AT POOL



HANDICAP SHOWER



PUBLIC ADA TOILET



PUBLIC ADA SINKS

B. ADA Exclusions

Ultimate Property Inspections completed a visual survey as part of this assessment. The survey is intended to identify those items that can be determined to be noncompliant with the ADA Accessibility Guidelines by visual observation. The nature of many accessibility improvements may require services that are beyond the scope of the ASTM guidelines and this PCA such as the preparation of design studies, exploratory probing and discovery, detailed measurements, and space planning or alteration studies to determine the feasibility, efficacy, and appropriate cost to implement such improvements.

Because of the complexities of the ADA, it is understood that, Ultimate Property Inspections and their affiliates, will not be held liable for any complaints or actions brought against the building(s), nor can it be held responsible for determining whether deficiency corrections are “readily achievable”.

XI. DOCUMENT REVIEW AND INTERVIEWS

A. Interviews

The following people or organizations were interviewed by Ultimate staff during the site visit or report preparation:

* Mr. John Doe, Hotel Maintenance Manager

Glossary

Term	Definition
ADA	(Americans with Disabilities Act): Federal U.S. legislation enacted in 1990 to provide for, among other rights, physical access for disabled persons to public accommodations and commercial facilities, mandated in new construction and requiring retrofitting for existing buildings.
ASTM	Acronym for American Society for Testing and Materials International. An international standards organization that develops and publishes voluntary consensus technical standards for a wide range of materials, products, systems, and services.
Breaker Panel	The electrical box that distributes electric power entering the building to each branch circuit (each plug and switch) and composed of circuit breakers.
Capital Reserve	A capital reserve is a type of account that is reserved for long-term capital investment projects or other large and anticipated expenses that will be incurred in the future.
Common Areas	Areas that are available for common use by all tenants, (or) groups of tenants and their invitees.
Condensate Line	The condensate drain plays an important role in removing condensation produced by the air conditioner's evaporator coil. If the line isn't properly cleaned, algae and mold can grow inside and clog the drain, causing elevated humidity, musty odors and water damage.
Disconnect	Any device that can disconnect the conductors of a circuit from their source of supply. The disconnect is usually not intended for normal control of the circuit, but only for safety isolation. Typically either fuses, circuit breakers or a switch type device will be used.
Downspout	In roofing, a pipe for conveying rainwater from the roof gutter or roof drain to the storm drain or ground surface; also called a leader, conductor or downpipe.
Egress	To exit or a means of exiting.
Facade	The face of a building, especially the principal front that looks onto a street or open space
Fenestration	The arrangement of windows and doors on the elevations of a building.
Flatwork	Common term describing concrete floors, driveways, basements and sidewalks.
HVAC	Acronym for heating, ventilation and air conditioning; refers to the system, work, and type of contractor.
PVC	Acronym for Polyvinyl Chloride, which is used in the manufacture of white plastic pipe typically used for water drain lines.
PVC Roofing	PVC roofing or polyvinyl chloride is one kind of single ply roofing, which means it consists of one layer manufactured in a factory. A PVC roofing membrane is made of thick, flexible UV-resistant thermoplastic material; it may also contain polyester or fiberglass, resins, pigments, plasticizers and other chemicals. The thickness of the roofing membrane varies by manufacturer.

Parapet Wall	A low wall around the perimeter of a roof deck.
Photocell	A device that detects light. Used for photographic light meters, automatic on-at-dusk lights and other light-sensitive applications, a photocell varies its resistance between its two terminals based on the amount of photons (light) it receives. Also called a "photodetector," "photoresistor" and "light dependent resistor" (LDR).
RTU	Acronym for Roof Top Unit - A roof-mounted commercial air handling unit that heats and cools air.
Receptacle	An electrical outlet. A typical building has several 120-volt receptacles for plugging in lamps and appliances, and 240-volt receptacles for the range, clothes dryer, air conditioners, etc.
SEER	Seasonal Energy-Efficiency Ratio: A measure of the energy efficiency of equipment over the cooling season, representing the total cooling of a central air conditioner or heat pump (in BTUs) during the normal cooling season, as compared to the total electrical energy input (in watt-hours) consumed during the same period. SEER is based on tests performed in accordance with AHRI 210/240 (AHRI 2003).
Service Drop	In electrical contracting, the overhead service conductors from the last pole or other aerial support to and including the splices, if any, connecting to the service-entrance conductors at the building.
Stucco	A type of exterior finish plaster made with Portland cement as its base.
Subject Building	Part of the subject property, which refers to the primary building or buildings on the subject property, and that are included in the scope of the inspection.
Subject Property	The commercial real estate consisting of the site and primary real estate improvements that are the subject of the inspection and related activities as established within this Standard.
Three-phase	In electrical work, a wiring system consisting of four wires and used in industrial and commercial applications. This system is suitable for installations requiring large motors. It consists of three hot wires and one ground wire. The voltage in each hot wire is out of phase with the others by one-third of a cycle, as if produced by three different generators.