



123 Elite Drive Omaha, NE

Inspection Date: February 26, 2018 @ 11am

Weather Conditions at Inspection: Temps were between 48-52 degrees with sunny skies

Clients:

Inspected By: Aaron Whaley – Owner Elite Inspection Services, LLC

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General Information

Thank you for choosing Elite Inspection Services, LLC for your property inspection. We value your business and are available should you have any follow-up questions regarding your report.

This report represents our professional opinion regarding conditions of the property as they existed on the day of our inspection. We will perform the inspection in accordance with the current Standards of Practice (SOP) of the International Association of Certified Commercial Inspectors ("InterNACHI"), posted at <u>www.nachi.org/sop</u>.

Your inspection report will include Property Information, Key Findings, and additional photo addendums. Each section will include pertinent photos or a reference to photos identified in the phot o addendum for you to fully understand the property and its general conditions.

Scope

This inspection is a non-invasive examination of readily accessible systems and components. Our reports are subject to the Definitions, Scope, Limitations, Exceptions, and Exclusions as outlined in the Standards of Practice and as set forth in the "Commercial Inspection Agreement" that you signed prior to the performance of this inspection.

In general, the inspections include a visual examination of readily accessible systems and components to help identify material defects – as they exist at the time of the inspection. This is not a technically exhaustive inspection and will not necessarily list all minor maintenance or repair items. Latent, inaccessible, or concealed defects are excluded from this inspection. Inspectors do not move furniture, appliances, personal items, or other materials that may limit his/her inspection. We do not report on cosmetic or aesthetic issues. Unless otherwise stated, this is not a code inspection. We did not test for environmental hazards or the presence of any potentially harmful substance.

Use of Reports

If the inspection is performed in connection with the sale, exchange or transfer of the property, copies of the report may be provided to the principals in the transaction and their agents. However, the report is for your sole information and benefit. We do not intend for anyone but person(s) listed on this report to benefit, directly or indirectly, from this agreement and inspection report. <u>Our contractual relationship is only to the person(s)</u> <u>purchasing our report/service.</u>

Inspection Agreement

BY ACCEPTANCE OF OUR INSPECTION REPORT, YOU ARE AGREEING TO THE TERMS OF OUR INSPECTION AGREEMENT. A copy of this agreement was made available immediately after scheduling your inspection and prior to the beginning of your inspection.

REPORT DEFINITIONS

The following definitions of comment descriptions represent this inspection report.

Not Inspected: This item was not inspected (reason for non-inspection should be noted).

Not Present: This item was not found or is not present.

Action Item: This item is not functioning as intended or needs repair or further evaluation. Generally these items are highlighted red in the description and marked with a red arrow in the photo.

Example Arrow



Consideration Item: The item should be monitored and repair/replacement should be considered. (Includes definitions, helpful tips, recommended upgrades, conditions requiring repair due to normal wear, and conditions that have not significantly affected usability of function – but may if left unattended. Generally these items are highlighted blue in the description and marked with a blue arrow in the photo.

Example Arrow

Introduction

Opening Comments

This report is our professional opinion but not a guarantee or warranty. The inspection is
intended to add to your knowledge of the building and help you understand the risks of owning it.
The inspection is not intended to and cannot eliminate all the risks of purchase. We help you
assess these risks; we do not assume them for you. Warranty programs for appliance and
mechanical failure and building owners insurance for unforeseen disasters are the traditional
avenues available to manage the risk of property ownership.

The inspection is complete and thorough, but it is a general overview, not technically exhaustive. Specialists in each field could provide more detailed analysis of the building systems, but at considerably more cost. Our visual and limited operational inspection provides the broadest overview of the property at less cost.

This report is limited to deficiencies present at the time of the inspection. Roofs, mechanical equipment, plumbing and electrical systems often fail without warning. New deficiencies can develop in buildings between the inspection and closing. The pre-closing walk through is your final opportunity to confirm that all systems in the building remain operable; that no new problems have developed; and that any requested repairs have been completed to your satisfaction.

This report is a professional opinion, based on the accessible features of the building. We evaluated the current physical condition; we did not perform design analysis. We visually reviewed the performance, looking for evident distress. It should be understood that there are limitations to such an inspection. Throughout any inspection, inferences are often drawn which cannot be confirmed by direct observation. Therefore, it should be understood that we can reduce the number of unforeseen repairs; however, we cannot eliminate them. Consequently, no guarantee or warranty can be offered or implied.

Only the items specifically addressed in this report were examined. No comment is offered on fire protections equipment or on fire regulation, building code and building bylaw compliance, or environmental concerns.

Our best efforts were applied but this inspection will not reveal all defects. Items such as switches, junction boxes, distribution wiring, small sub panels, outlets, and other various items and details were not tested/ inspected. Additional testing and inspection might reveal defects that are not noted in this report.

 Per your request and in accordance with our proposal, a visual inspection was performed on the property. This report provides recommendations regarding this property. The recommendations are for remedial actions that are considered to be beyond the normal maintenance of the building. This report is intended for the exclusive use of our client.

- We do not inspect for building standard or occupancy compliance of any type. Compliance consists of multiple jurisdictions with overlapping authority and varying levels of enforcement. Some municipalities require an inspection at a change of ownership and some do not. Some ask for updates to changes in standards for safety requirements; others allow the older standards under a "grandfather" provision. Our inspectors have a general knowledge about building standards and can answer many related questions, but they have no legal authority to mandate compliance to the various standards. That task belongs to the appropriate municipal authorities. This report does not attempt to list all possible building standard or occupancy infractions.
- Inspector is not required to move furniture, appliances, storage, or other items to conduct this inspection or otherwise expose concealed or inaccessible conditions. The Inspector does not probe or lift up roofing material. Often hidden defects are discovered during building remodeling, therefore, Elite Inspection Services, LLC does NOT accept responsibility for any defects discovered during remodeling performed after our inspection. The intent of this inspection is to discover significant defects and it is not possible to discover every minor maintenance or repair item in the course of a normal inspection. Additionally, most buildings continue to be occupied after our inspections. Based on the preceding, we do not warrant that this inspection. The following are specifically excluded from our inspection: interior of flues or chimneys, heat exchangers, conformance with zoning and building codes, environmental hazards, concealed or underground electric or plumbing (Note: A definitive underground sewer lateral evaluation requires a sewer camera, which is not part of this inspection), private sewer and septic systems, prediction of future sewer backup and systems which are shut down or not accessible to the inspector.
- The inspector provides a professional opinion, which may vary among technical experts. Elite Inspection Services, LLC is not liable for items that are functioning at the time of the inspection but may not be installed according to specific technical guidelines, or defects that require specialized technical training or instruments to detect. Elite Inspection Services, LLC does not insure against defects, nor does it make a warranty, expressed or implied, as to the fitness and condition of the inspected property. This was not an inspection for building standards compliance (code issues). Also this was not an inspection for ADA, fire safety or other types of municipality occupancy requirements. Understand that municipality requirements are separate from this effort and some, if required could be expensive to correct/install. Reference the various municipality inspections for their requirements.
- The following are several non-scope considerations that you may want to assess in connection with this commercial real estate. This list is not intended to be all-inclusive and is not sorted by importance: Seismic Considerations, Design Considerations for Natural Disasters, Insect/Rodent

Infestation, Environmental Considerations, ADA (American Disability Act) Requirements, Indoor Air Quality, and Property Security Systems.

- The covers to the electric panels were not removed due to the difficulty of removing this type of panel cover and due to the possibility of shutting off power to the tenant spaces, I.E. shutting down computer or medical equipment. The conditions inside the panels are therefore not fully known. If the covers are removed you might discover defects that are not noted in this report; the extent of those defects cannot be predicted.
- None of the tenant owned equipment was inspected or tested in any way.
- Any fire alarm system(s) were not tested/inspected in any way. Have regular fire inspections per the municipality requirements.
- This was not an inspection for any environmental issues or concerns. We recommend you have an Environmental Site Assessment at this time (Phase 1) for disclosure of any concerning environmental conditions.
- Inquire about any municipality inspections that might be required because of this real estate transaction and update/correct conditions per their requirements.
- The operations or presence of smoke detectors or emergency lighting was not part of this
 inspection. It was noticed that Exit lights and signs were present and the emergency lighting
 responded normally at the areas where we randomly spot tested it. Confirm requirements for
 unit location and test and/or install new units as/if necessary or directed by the municipality. Test
 and check all emergency lighting and repair/replace as necessary.

Building Description

This is a single story flat roofed office strip center with a small block basement/storage/utility area on the South end of the building. It was determined that the building has approximately 4,900 usable square feet.

County records and building review indicate that the building was constructed in approximately 1978.

The building is currently vacant however all utilities were on and functioning (AC was not tested due to the outdoor air temperature) at the time of the inspection.

Structure

Our inspection of the structure included a visual examination of the exposed, readily accessible portions of the structure. These items were examined for visible defects, excessive wear, and general condition. Many structural components are inaccessible because they are buried below grade or are behind finished surfaces. Therefore, much of the inspection was performed by looking for visible symptoms of movement, damage and deterioration. Where there are no symptoms, conditions requiring further review or repair may go undetected and identification is not possible without destructive testing. We make no representations as to the internal conditions or stability of soils, concrete footings and foundations, except as exhibited by their performance. We cannot predict when or if foundations or roofs might leak in the future.

Areas above the suspended ceiling tiles were reviewed at randomly sampled areas. Any conditions that may exist that were not visible from these randomly selected areas were not inspected.

Foundation Type:	Floor Structure:	Wall Structure:
Poured in Place Concrete North 2/3	North 2/3 of building concrete slab	Frame and Masonry
of building. South 1/3 block wall	South 1/3 of building main office is	
basement foundation with slab floor	standard wood joists.	
	Basement floor concrete slab	
Roof Structure:		
Wood Trusses with Wood Roof Deck		

Foundation

The visible foundation is performing as intended. There are no visible cracks of any significance and no signs of significant differential movement. Forecasting future performance is impossible because heavy rainfall, drought and other unpredictable soil conditions can produce foundation movement. There were to visible holes that appeared to be manmade that should be filled to prevent future cracks or foundation movement. This should be addressed as an action item.



Floors

The concrete floors were in the North 2/3 of the building that didn't have the basement under it. The south 1/3 of the building had wooden subfloor that appeared to be in mostly acceptable condition. There was an office that appears to have had a floor vent moved and instead of filling the hole from the old vent with plywood it was just patched with a piece of flashing metal. This is not an acceptable way to fill a hole as it does not provide the proper support to the floor and could be a safety hazard. This should be addressed as an action item.



Walls

The walls are performing as intended without sign of significant damage or structural movement.

Roof

There roof structure was viewed at random however the entire perimeter of the building between the top of the brick wall and the roof deck was filled with spray foam. Because of the spray foam insulation we were not able to view all the way to the wall however there were locations with signs of current or previous moisture damage. There was also an air duct distribution box that did not have vent leads running from this or the outflow ends capped. This should be reviewed by a licensed HVAC expert as an action item.



Exterior

Our inspection of the building exterior included a visual examination. Items are examined for defects, excessive wear, and general state of repair. Exterior wood components are randomly probed. We do not probe everywhere. Varying degrees of exterior deterioration could exist in any component. Vegetation, including trees, is examined only to the extent that it is affecting the structure.

Wall Coverings:	Doors:	Windows:
Brick	Front Doors Glass Commercial Entry	Non opening Aluminum with wood
	1 rear steel fire door with combo	commercial windows (appear
	lock	original to building)
Eaves & Soffits & Fascia:	Drainage:	Parking:
Painted wood under steel overhang	Front to Back	Approx. 30 spaces with 1 designated
in front		Handicap space
Landscaping:	Walks:	
Typical for area	Standard Concrete	

Wall Coverings

The exterior was of white brick with a painted stone block in the rear of the building. The building has a covered overhang that was clad in steel. There was a hole noted in the overhang that could be a possible entry point for birds or rodents. The rear block wall next to the rear fire door had some visible cracking. This cracking was notice only in this section of the wall. It would be recommended to have a licensed professional investigate this area for potential structural issues. Signage areas were noted but not tested.



Doors

Commercial glass doors were noted at the front of the building. The southernmost front door was not usable as the space on the inside was framed for an office however the door and windows still show on the exterior. There was a rear door with an exterior combination lock located on the southern end of the building. The weather stripping and some of the jamb was loose and should be addressed as a consideration item.

Windows

The windows appeared to be in sound usable condition. The windows in this building were not operational.

Eaves, Soffits & Fascia

The front of this building has a steel faced overhang/walkway with painted plywood soffits/roof that has standard can lighting to illuminate the walkway. This all appeared to be in functional condition with the lights operating on a timer located in the basement of the building. The rear of the building between the block foundation walls and the flat roof was exposed or missing plywood that showed past water damage. Exposed plywood is always a concern. Given the proximity to the gutters on the building and the fact the buildings entire roof drains towards

this exposed plywood it is recommended that this entire area be flashed. There were also sections that were missing which provide direct access to the interior of the building from birds or rodents. This is an Action item and should be addressed by a licensed professional.



Drainage

The drainage on this building should be from the front of the building to the back of the building where the gutters are located. There is a black would be drain pipe coming out of the ground. The functionality of this pipe is not known and should be investigated. Downspouts are located on the North and South Ends of the buildings. Both downspouts need extensions. This is a consideration item.



Drives

This building has approximately 30 spaces in its parking lot. It also has 1 dedicated handicap space with a roll up ramp. The asphalt appears to be in generally good condition.

Landscaping

The exterior landscaping was generally along the South side of the building. There appeared to be recent underground work done as evident from new sidewalk slabs and disturbed soil. It is unclear what work was done however you may want to inquire with the seller regarding that work to confirm that further investigation from a licensed professional isn't needed. This is a consideration item.



Walks & Patios

All sidewalks appeared in serviceable condition. Some exterior lighting was not tested due to lack of bulbs or insect nests inside the fixture. Cleaning and adding appropriate lighting is a consideration item.

Roofing

Our inspection of the readily accessible roof system included a visual examination to determine damage or material deterioration. We walk on the only when it is safe to do so and is not likely to damage the roof materials. We look for evidence of roof system leaks and damage. We cannot predict when or if a roof might leak in the future.

Materials:	Drains:	
Main Roof is covered with white	Metal	
rubber membrane roofing. Age is		
reported to be less than 1 year.		

Material

The roof material appeared to be a new rubber membrane type roof with overlapped seams that roll to the drains. The roof appeared to have standing water in the Northwest and Southwest corners of the building. It appeared that the roof pitch in certain areas was pitched towards those locations instead of where the gutters were along the back of the building. Standing water is never ideal and always a concern especially in a corner location that has a large number of roof seams. This should be investigated by a licensed professional and is considered an action item. Video of this area will be attached to the report but cannot be inserted in the report directly.





Drains:

The drains on this roof appear to be new and are tied into the roof membrane system appropriately. Downspout pipe extensions should be added as mentioned earlier in the report.



Plumbing

Water Heater:	Hose Connections:	
One Water Heater	Standard	
50 Gallon	At Typical Locations	
Electric Power		
Age: Less than 1 year		

Water Piping

The water was functioning in the building. Water was tested at all existing bathrooms for hot and cold water as well as for functionality of toilets. There was also 1 kitchen sink tested. The sinks located on the North side of the building would work but the temperature readings were the same on both hot and cold. The sinks on the South half of the building were functioning properly hot and cold. Photos below are a sampling of the sinks. Remaining

photos will be included in the photo addendum at the end of this report. All faucets with similar hot and cold readings were run for approximately 3-5 minutes to ensure ample time for hot water to get to the faucet. This water issue should be reviewed by a licensed plumber and is considered an Action Item.







Waste Pipe

Vent pipes on roof were appropriate and flashed in a standard fashion.



Waste clean outs were present in the buildings.



There was 1 toilet drain that was filled with concrete however the plumbing supply lines were still in place if it was ever to be turned back into a toilet area that drain line would need to be checked by a licensed plumber. This is a Consideration Item



Exterior hose bibs were noted on the building but shut off for the winter.



Water heater appeared to be in excellent condition and was less than 1 year old



Electrical

Our inspection of the electrical system included a visual examination of readily accessible components including a random sampling of electrical devices to determine adverse conditions and improper wiring methods, grounding and overcurrent protection. Performing voltage tests, load calculations or determining the adequacy of the electrical system for future usage is outside the scope of this inspection. Telephone, video, audio, security system, landscape lighting, and other low voltage wiring was not included in this inspection unless specifically noted.

A Public Works Official approves an original electrical system and all additions at the time of the installation. This signed approval supersedes and, and all written electrical codes. It is relatively impossible to ascertain what portions of this system a Building Official, has approved, and it is beyond the scope of an electrical inspection to research these documents. This report is the result of a visual inspection that does not include identification or load testing of individual circuits. It is not a guarantee or warrantee toward the longevity of the life of this electrical system or equipment, not is it a guarantee the building and electrical system will pass an inspection by a Public Works Official.

Service Entrance:	Panel:	Grounding:
Underground	Multiple Panels throughout office	Appropriate Wire
Meters Outside Northeast corner	Utility area in basement	Attached to Grounding Rod
	Main Disconnect	
Wiring:	Receptacles & Switches:	GFCI's:
Copper with mixture of sizes and	Thee-Slot Design	Some Locations
styles	Toggle Style	

Service Entrance

Service components are securely attached to the building and otherwise in good repair.



Panel

The electrical panel covers were not removed because these are commercial style panels that require an experienced electrician to remove the covers. To have interior panel areas inspected, contact a licensed electrician. Additional electrical panel photos can be found in the photo addendum.



Grounding

The grounding connections were not visible to determine if they were securely fastened.

Wiring

The visible wiring appeared in acceptable condition

Receptacles & Switches

All Electrical outlets tested appeared to be in good operational condition. Outlets were tested randomly with not every outlet tested. There were 2 mystery switches found. The first was located in what appears to be a former bathroom now storage/server room. The other mystery switch is located in the office that had the metal flashing over a hole. Mystery switches are a consideration item that you may want to have reviewed by a licensed electrician.



GFCI's

The only GFCI's that were noted were in the kitchen area on either side of the sink. Both GFCI's were tested and functioning properly. A consideration item would be to install GFCI's in the bathroom or wet locations. It is recommended to test GFCI's regularly.

HEATING and COOLING

Our inspection of the heating and cooling system included a visual examination of the system's major components to determine defects, excessive wear, and general state of repair. Weather permitting; our inspection of a heating or cooling system includes activating it via thermostat and checking for appropriate temperature response. Our inspection does not include the disassembly of the furnace; therefore heat exchangers are not included in the scope of this inspection. Ceiling fans are not typically inspected as they are not within the scope of the inspection.

Number of Systems:	Warm Air Furnace:	Vent:
4 complete units	4 Electric self-contained roof units	Direct Vent to Exterior
1 split unit	1 Electric split unit	
Warm Air Distribution:		
Blower Fan		
Ductwork: Standard Galvanized		
Filter: Disposable		

Heating Equipment

Client has indicated that HVAC systems will be inspected by a licensed HVAC professional with their report submitted directly to client. Therefore HVAC systems were checked in a visual manor without covers being removed.

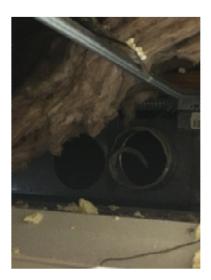
The building has 4 self-contained rooftop systems regularly found in commercial use and along with a newer electric system found in the basement with the cooling system placed on the roof. Additional photos can be found on the photo addendum.



The heat exchangers were not inspected as part of this inspection.

Heating – Warm Air Distribution

The distribution system looks in typical repair. Not every section of the ductwork was inspected. As previously noted above one distribution branch did not have ducts attached to it and the holes were not sealed.



Cooling – Central System

Due to the temperature at time of inspection the cooling units were not tested. Specifics regarding the cooling system are being handled by a licensed HVAC professional as instructed by client. His report will go direct to client.

Condensate drains were placed at each unit with condensate draining to the gutters.



Piping for the split unit on the south side of the building was run down using a vent collar and is a potential safety concern. This coolant filled pipe runs down a next to the corner of the basement steps and could potentially be hit or nicked causing a coolant leak. The fact that this set of pipes was run through a vent collar and then caulked to seal is not acceptable and subject to a leak. It is recommended that a licensed professional review how these pipes are transferred from the roof to the basement as well as cover or enclose this pipe inside the office to eliminate the chance of damage to the pipe or a person in the event of a leak. This is an Action item.





Attic/Ventilation/Crawl Space

Wall Insulation:	Attic Ventilation:	Fans:
Masonary	Soffit	Bath Fans

Ventilation – Fans

The existing baths had fans that were pulling air from the space and appeared to be in functional condition.

Interior

Our inspection of the interior included a visual examination for structural and safety deficiencies. Please note that only a representative sample of accessible components was inspected.

Any security systems and/or built in speaker systems were not tested/inspected.

Main areas

The entire office was without carpet. The areas of the office that used a subfloor were missing vent registers throughout. These were not visually present but may be in the office due to the flooring surfaces being removed. The walls were in reasonably good shape with only minor wear and tear marks.



Bathrooms

Our inspection of the bathroom included a visual examination to determine if there were any active leaks, water damage, deterioration to floors and walls, proper function of components, excessive or unusual wear and general state of repair. Bathroom fixtures are run simultaneously to check for adequate water pressure and volume. Unusual bath features like steam generators or saunas are not inspected unless specifically discussed in this report.

All restrooms inspected had vinyl flooring with a toilet and a sink. As noted in the plumbing section above a portion of the bathrooms hot water fixtures were not working appropriately. As noted above this is an Action item.



Additional photos are included in the Photo Addendum at the end of the report.

Summary

Closing Comments

RISK of OWNERSHIP – Information in this report is based on a limited visual examination and the inspector's professional experience and knowledge. It blends observations and facts with inferences and opinions. This information can help you understand the risks of owning this property, but it cannot eliminate those risks, nor can it specifically predict future performance. We help you assess these risks; we do not assume them for you.

PRE-CLOSING WALK THROUGH – This is only a report of deficiencies at the time of the inspection. It does not protect building components from future failure or repair. Mechanical equipment can fail at any time; buildings vacant between the inspection and closing occasionally develop plumbing problems. The pre closing Final Walk-Through is your opportunity to confirm that all systems in the building are operable, that no new problems have developed; and that any requested repairs have been completed to your satisfaction. Do not miss this important part of the purchase process. Since Client does not obtain occupancy of the inspected building until closing, Elite Inspection Services, LLC accepts no responsibility for any deficiencies that could have been observed by the client during their FINAL WALK-THROUGH.

IF YOU HAVE QUESTIONS – Opinions, even among experts, can vary and at some point, you may be given advice that disagrees with information in this report. If this happens, remember that contractors are not equally competent and, in some cases, are more interested in making a sale than in responsibly diagnosing a problem and providing an economical solution. If you have any questions please call. We remain, as always, your best source for impartial advice.



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