Property Condition Assessment

INDUSTRIAL

Inspection Date:

00/00/2022

Prepared For:

Report Number:

Prepared By:

Shamrock Building Inspection Consultants, LLC
300 Cottonwood Ave. Suite 3
Hartland, WI 53029
262-367-1536

Inspector:

Thomas Dempsey
License #1055-106

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1.0 Summary

This is a reasonably well-built building in which maintenance has been satisfactory, for the most part.

The priority items should be asphalt paving repairs.

Most systems were found to be in satisfactory condition.

No major structural deficiencies were noted.

The electrical system was generally found to be in satisfactory condition.

No major electrical deficiencies were noted.

The heating systems are in satisfactory condition.

The air conditioning system is in serviceable repair, for the most part and nearing the end of its life expectancy.

The plumbing system was generally found to be in satisfactory condition.

The sloped roofing system is in serviceable repair, for the most part.

Repairs are required to several flashing details.

The exterior walls, windows and doors were found to be in satisfactory condition, for the most part.

The asphalt paving is in fair condition.

Localized repairs at the north and east sides would be desirable.

Cosmetic improvements represent an area where a significant amount of work could be performed. While some cosmetic items are addressed in this report, they are not the intended focus.

DEVIATION FROM ASTM STANDARD

The assessment performed deviated from the ASTM Standard in the following respects:

- A review of the fire protection systems was not undertaken.
- An inquiry into outstanding building code and fire code violations, as well as whether an occupancy permit was issued for the building was not carried out.

SUMMARY OF REPAIRS

1.1 SUMMARY OF NECESSARY REPAIRS

The following table summarizes the recommendations made in this report that are of an immediate, necessary nature.

Recommendations	**Report Reference**	**Budget Cost** (2022 Dollars)
Repair damaged column at south side of main shop.	3.2.2	$1,000 - $2,000
Electrical distribution equipment repairs.	4.2.5	$1,000 - $2,000

Electrical distribution wiring repairs.	4.2.9	Minor
Service heating equipment.	5.2.16	$1,000 - $2,000
Service exhaust ventilation equipment.	7.2.4	$1,000 - $2,000
Water heater replacement.	8.2.6	$1,000 - $2,000
General roof repairs.	9.2.4	$3,000 - $4,000
Replace water damaged ceiling tiles.	10.2.5	Minor
Repair/replace damaged corrugated metal siding at the south side.	11.2.2	$3,000 - $4,000
Overhead door repairs.	11.2.5	$3,000 - $4,000
Asphalt paving repairs.	11.2.9	Over $10,000
Chain link fence repair.	11.2.10	$3,000 - $4,000

1.2 SUMMARY OF SHORT-TERM REPAIRS

The following table summarizes the recommendations made in this report that should be addressed within the next 2 years.

Recommendations	**Report Reference**	**Budget Cost** (2022 Dollars)
Replace older furnaces, as necessary.	5.2.12	$4,000 - $5,000
Replace older AC units.	6.2.6	Over $10,000
Water heater replacement.	8.2.6	$1,000 - $2,000

1.3 SUMMARY OF UNPREDICTABLE REPAIRS

The following table summarizes the recommendations made in this report that are unpredictable by nature, but may require addressing within the next few years.

Recommendations	**Report Reference**	**Budget Cost** (2022 Dollars)

* The timing for replacement of this component is unpredictable. Statistically, it has reached the end of its life expectancy at this time.

2.0 Introduction

As per the request and in the company of Erik Aukland representing Nordic Realty Partners LLC and in accordance with our proposal dated 4/5/21, a visual inspection was performed of the property. Our inspection was limited to identify the existing conditions of the following readily visible building components:

- Structure
- Heating System
- Plumbing System
- Ventilation System
- Insulation
- Electrical System
- Air-conditioning System
- Roofing System
- Exterior Components
- Interior Components

This assessment meets or exceeds the ASTM standard for Property Condition Assessments.

This report provides recommendations, preliminary cost estimates and priorities for:

- remedying major deficiencies,
- updating ageing major components, and
- undertaking further detailed investigations.

The recommendations are for remedial actions that are considered to be beyond the normal maintenance of the building. Costs are provided for recommendations expected to exceed $3,000. The costs are only intended to provide an order of magnitude. Contractors should be contacted for exact quotations.

This report is intended for the exclusive use of our client. Use of the information contained within the report by any other party is not intended and, therefore, we accept no responsibility for such use.

INSPECTION AUTHORIZATION AND SCOPE

This report is a professional opinion, based on the accessible features of the building. We evaluated the current physical condition; we did not perform a design analysis. We visually reviewed the performance, looking for evidence of 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 protection equipment or on fire regulation, building code and building bylaw compliance, or environmental concerns.

BUILDING DESCRIPTION

The subject property consists of two one-story industrial structures, each covering approximately 12,000 square feet per floor (very rough estimate).

The visible evidence suggests that the building was constructed in 2008.

For the purpose of this report, the front of the building is considered to be facing north.

PLANS

No plans or drawings were available at the time of this inspection.

No inquiries have been made to the local building or fire departments. It is the buyers due diligence to check for code violations.

3.0 Structure

3.1 DESCRIPTION

GENERAL

The building is of slab-on-grade construction.

FOUNDATIONS/WALLS

The east shop masonry foundations support wood frame exterior walls.

The main shop masonry foundations support the steel frame structure.

FLOORS

The floors are reinforced concrete slabs.

ROOF

The east shops wood roof deck is supported by open web wood trusses and exterior bearing walls.

The main buildings steel roof deck is supported by steel beams and columns.

BALCONIES

There is one wood balcony above the office.

The balconies are enclosed by wood railings.

3.2 OBSERVATIONS AND DISCUSSION

FOUNDATION/WALL

3.2.1 No major structural defects were noted.

COLUMN

3.2.2 The column at the south side of the main shop is damaged. This damage is consistent with drive-in damage.

3.3 RECOMMENDATIONS, COSTS, AND PRIORITIES

Recommendations		Costs	Time Frame
3.3.2	Repair damaged column.	$1,000 - $2,000	Immediate

3.4 LIMITATIONS

The examination of the structural components was visual only; a design review was not undertaken.

The evaluation of the building's structure was limited because of the exterior finishes.

The evaluation of the building's structure was limited because of the interior finishes.

4.0 Electrical

4.1 DESCRIPTION

SERVICE

The electrical service to the building is underground.

The building is equipped with an 800 amp, 480-volt, three-phase, four-wire electrical service.

This capacity was determined by the rating of the main disconnect switch.

There is a single meter for the building.

PANELS

The distribution panels employ circuit breakers.

WIRING

All wiring examined is copper.

4.2 OBSERVATIONS AND DISCUSSION

SERVICE ADEQUACY

4.2.1 While detailed load calculations were not performed, no problems are suspected with the service capacity.

4.2.2 The main service should be adequate for the present usage.

4.2.3 However, the current occupants indicated that no power interruptions have been encountered.

DISTRIBUTION EQUIPMENT

4.2.4 The distribution equipment is well arranged, for the most part.

4.2.5 Deficiencies noted at the distribution equipment are as follows:

- Storage should be kept at least one metre away from all electrical equipment.
- Several double-tap circuits were noted in the 2nd panel. Ideally, additional circuits or an auxiliary panel would be provided.

BRANCH WIRING

4.2.6 Representative samples of accessible wiring were examined and electrical switches were spot tested in the areas inspected.

4.2.7 All switches tested operated satisfactorily.

4.2.8 No major deficiencies were noted.

4.2.9 The general condition is considered to be satisfactory; however, improvements are recommended as follows:

- Missing cover plates in the east shop should be replaced.

GROUNDING

4.2.10 Because of interior finishes, it could not be verified that the electrical system is properly grounded.

CLOSING

4.2.11 For safety reasons, electrical improvements should be considered high priority.

4.3 RECOMMENDATIONS, COSTS, AND PRIORITIES

Recommendations		Costs	Time Frame
4.3.5	Electrical distribution equipment repairs.	$1,000 - $2,000	Immediate
4.3.9	Electrical distribution wiring repairs.	Minor	Immediate

4.4 LIMITATIONS

This was a visual review only. No load calculations or equipment testing was undertaken.

5.0 Heating

5.1 DESCRIPTION

HOT WATER SYSTEM

The east shop building is heated by a gas-fired hot water system with an output of 120,000 BTUs per hour.

The heat is distributed via hot water piping located in the floor assembly.

FORCED AIR SYSTEM

The main shop office building is heated by a gas-fired, mid-efficiency furnace with an output of 75,000 BTUs per hour.

The warehouse section is heated by 3 gas-fired, ceiling-mounted unit heaters.

There is a single gas meter for the building.

5.2 OBSERVATIONS AND DISCUSSION

CAPACITY

5.2.1 While detailed heat loss calculations were not performed, no problems are suspected with heating capacity.

LIFE EXPECTANCY

5.2.2 The boiler is approximately 10 years old.

5.2.3 While it is impossible to predict with certainty when any boiler will fail, hot water systems of this type typically last 20 to 25 years.

OPERATING STATUS

5.2.4 Since the system was shut down for the summer, the boiler was not observed in operation.

CHIMNEY/FLUE

5.2.5 Standard metal chimneys have been provided.

COMBUSTION AIR

5.2.6 An adequate supply of combustion air has been provided for the boiler room.

PUMPS

5.2.7 The circulating pump was functioning properly at the time of this inspection.

HEAT DISTRIBUTION

5.2.8 The heat distribution appears adequate.

CAPACITY

5.2.9 While the exact heating capacity was not determined, no problems are suspected.

LIFE EXPECTANCY

5.2.10 The office unit is approximately 14 years old.

5.2.11 The life expectancies for high-efficiency furnaces are not yet well defined. Problems relating to premature failure resulting from corrosion have been encountered with many makes 15 to 20 years is what you can expect.

5.2.12 Therefore, this unit is approaching the end of its useful life.

5.2.13 These warehouse units are approximately 15 years old.

5.2.14 While it is impossible to predict with certainty when a heat exchanger will fail, the average life for heating systems of this type is 20 to 25 years.

OPERATING STATUS

5.2.15 Since the heating systems had been shut down, they were not observed in operation.

5.2.16 The heating units require servicing.

GAS LINES

5.2.17 The gas lines on the exterior are corroded and require repainting.

CHIMNEY/FLUE

5.2.18 Standard metal chimneys have been provided.

5.2.19 These are in acceptable condition.

HEAT DISTRIBUTION

5.2.20 The heat distribution appears adequate in most areas.

5.2.21 The heating supply in the office areas is overhead. With this configuration, the installation of supplemental heat sources (such as electric baseboard heaters) may be desirable below windows.

5.3 RECOMMENDATIONS, COSTS, AND PRIORITIES

Recommendations		Costs	Time Frame
5.3.16	Service heating equipment.	$1,000 - $2,000	Immediate
5.3.12	Replace older furnaces, as necessary.	$4,000 - $5,000	Two Years

5.4 LIMITATIONS

This was a visual review only. No load calculations or equipment testing was undertaken.

6.0 Air Conditioning

6.1 DESCRIPTION

CENTRAL AIR CONDITIONING

The office section of the building is air conditioned by 2 air-cooled, split systems.

The total available cooling capacity for the building is 5.5 tons.

The air is distributed through the same air handling equipment previously mentioned in the Heating section.

REFRIGERANT

The refrigerant used in the air conditioning systems was identified as R-22.

6.2 OBSERVATIONS AND DISCUSSION

CAPACITY

6.2.1 While the exact cooling capacity was not determined, no problems are suspected.

LIFE EXPECTANCY

6.2.2 These units are approximately 14 years old.

6.2.3 The air conditioning compressor normally determines the life expectancy of this equipment.

6.2.4 Air conditioning compressors have an average life span of 20 years.

6.2.5 All compressors were found to be original.

6.2.6 The coolant used in these units is R-22 Freon. This product is no longer manufactured and will be illegal to recharge these systems after 1-1-20. So, replacing these units will be a high priority.

OPERATING STATUS

6.2.7 The air conditioning equipment was not operating.

6.2.8 Severe damage to the compressors can result from operating this equipment when the outside temperature is below 15ºC (60ºF). Please refer to Appendix A.

COILS

6.2.9 The refrigerant lines are missing insulation. This should be improved.

AIR DISTRIBUTION

6.2.10 The air distribution appears adequate.

6.3 RECOMMENDATIONS, COSTS, AND PRIORITIES

Recommendations		Costs	Time Frame
6.3.6	Replace older AC units.	Over $10,000	Two Years

6.4 LIMITATIONS

This was a visual review only. No load calculations or equipment testing was undertaken.
Since the heating components were operating at the time of this inspection, the rooftop units were not observed in the cooling mode.

7.0 Ventilation

7.1 DESCRIPTION

There are 2 exhaust fan cabinets on the roof.

These fans appear to service the 2 paint booths.

There are 2 direct, gas-fired fresh-air makeup units on the west side of the building. These units provide fresh air to the paint booths.

The washrooms are ventilated by individual exhaust fan units.

7.2 OBSERVATIONS AND DISCUSSION

ROOF-MOUNTING EXHAUST FANS

7.2.1 The roof-mounted exhaust fans are approximately 14 years old. This equipment has a typical life expectancy of 20 years.

7.2.2 The roof-mounted exhaust fans were observed in operation.

7.2.3 No major deficiencies were noted.

7.2.4 The roof-mounted exhaust fans need cleaning and servicing.

WASHROOM

7.2.5 The washroom exhaust fans operated properly at the time of the inspection. These fans are properly vented to the building exterior.

7.2.6 The gas fired makeup air units are 14 years old. These units typically last 20 years. Servicing is suggested.

7.3 RECOMMENDATIONS, COSTS, AND PRIORITIES

Recommendations		Costs	Time Frame
7.3.4	Service exhaust ventilation equipment.	$1,000 - $2,000	Immediate

7.4 LIMITATIONS

8.0 Plumbing

8.1 DESCRIPTION

SUPPLY

There is a combination water supply to the building. The branch off for the domestic water supply is a 3/4-inch-diameter copper pipe.

The main shut off valve is located in the west utility room.

There is a single water meter for the building.

The supply plumbing examined is a combination of copper and plastic.

WASTE

The visible waste piping is primarily PVC plastic.

DOMESTIC WATER HEATING

There is a 40-gallon, gas-fired domestic water heater in the west utility room.

Washrooms are located in the office area.

No sump pumps were observed in the building.

8.2 OBSERVATIONS AND DISCUSSION

SUPPLY

8.2.1 Adequate water pressure appears to be available.

8.2.2 No active leaks were noted in the supply plumbing pipes.

WASTE

8.2.3 No active leaks were noted in the waste piping system.

DOMESTIC WATER HEATING

8.2.4 The domestic water heater is approximately 14 years old.

8.2.5 While it is impossible to predict with certainty when a domestic water heater will fail, these units typically last 15 years.

8.2.6 Therefore, updating the water heater may be necessary within the next few years.

FIXTURES

8.2.7 The plumbing fixtures that were tested operated satisfactorily.

8.3 RECOMMENDATIONS, COSTS, AND PRIORITIES

Recommendations		Costs	Time Frame
8.3.6	Water heater replacement.	$1,000 - $2,000	Two Years

8.4 LIMITATIONS

The water quality was not tested. The local health unit should be contacted for advice in this regard.

9.0 Roofing

9.1 DESCRIPTION

SLOPED

The sloped portions of the roof are covered with metal panels.

ROOF DRAINAGE

The roof drainage is via galvanized steel gutters and downspouts.

CHIMNEYS

There are 4 metal chimneys above the roof. These chimneys are for the shop furnaces and boiler.

9.2 OBSERVATIONS AND DISCUSSION

STEEL PANEL ROOFING

9.2.1 The steel panel roofing is in serviceable condition.
9.2.2 The steel panel roofing is estimated to be 15 years old.
9.2.3 The normal life expectancy for this type of roof covering is approximately 50 years or more.
9.2.4 Minor repairs should be undertaken to ensure weather tightness.

- The steel panel roofing and screws are rusting and need paint.
- The roof is leaking around the poorly flashed exhaust fans.

DRAINAGE

9.2.5 The galvanized steel gutters and downspouts are in serviceable condition.
9.2.6 Downspouts should discharge water at least six feet from the building, where practical.

- Missing downspouts need repair.

METAL CHIMNEYS

9.2.7 The metal chimneys are in good condition.

9.3 RECOMMENDATIONS, COSTS, AND PRIORITIES

Recommendations		Costs	Time Frame
9.3.4	General roof repairs.	$3,000 - $4,000	Immediate

9.4 LIMITATIONS

10.0 Interior

10.1 DESCRIPTION

The office ceiling finishes consist of hanging tile.

The office wall finishes consist of sheetrock.

The office floor coverings consist of carpet and tile.

10.2 OBSERVATIONS AND DISCUSSION

10.2.1 Since interior components are subjective to some degree, our comments here will be general, except where functional concerns are noted.

10.2.2 Walls are relatively plumb, doorjambs are square and floors are reasonably level.

10.2.3 Some of the walls, ceilings, and floors show cosmetic imperfections.

10.2.4 It is not difficult to eliminate these flaws during decorating.

10.2.5 Water stains were noted in the west office.

10.2.6 All areas of staining were found to be dry at the time of the inspection.

10.2.7 On the whole, the interior finishes are in serviceable repair.

STAIRWELLS

10.2.8 The stairwell is generally in good condition.

10.3 RECOMMENDATIONS, COSTS, AND PRIORITIES

Recommendations		Costs	Time Frame
10.3.5	Replace water damaged ceiling tiles.	Minor	Immediate

10.4 LIMITATIONS

Moisture problems in basements can develop as a result of clogged or damaged perimeter foundation drainage tiles. There is, of course, no way to predict this during a visual examination.

11.0 Exterior

11.1 DESCRIPTION

WALLS

The exterior walls are clad with steel panel siding.

DOORS

The front entrance doors are aluminum-framed, double-glazed units.

The exit doors are steel units.

The overhead doors are metal sectional units.

There are 6 drive-in doors in the east façade of the main shop.

There are 2 drive-in doors in the west façade of the east shop.

WINDOWS

The windows are aluminum-framed, double-glazed units.

All windows are fixed glazing.

SIDEWALK

There is a poured-concrete sidewalk at the east side of the main building.

ASPHALT PAVING

There is asphalt paving on the north and east sides of the main building.

FENCE

There is a 6 foot, chain link fence along the side of the building of the property.

11.2 OBSERVATIONS AND DISCUSSION

WALLS

11.2.1 The corrugated metal cladding is in serviceable repair.

11.2.2 The corrugated metal cladding requires repair at the south side of the main building.

PERSONNEL DOORS

11.2.3 The entrance doors are in satisfactory condition.

11.2.4 All doors that were tested operated properly.

OVERHEAD DOORS

11.2.5 The overhead doors are in serviceable condition.

- Damaged metal panels on the overhead doors were noted. These doors should be repaired.
- The weather-stripping around the overhead doors is damaged and should be replaced.

WINDOWS

11.2.6 The windows are in good condition, for the most part.

GRADING

11.2.7 The grading is considered to be satisfactory in most areas.

SIDEWALK

11.2.8 The poured-concrete sidewalk at the east side is in satisfactory condition.

ASPHALT

11.2.9 The asphalt paving is in mild disrepair but considered serviceable.

- The depressions in the asphalt should be repaired.
- The large cracks in the asphalt should be sealed with an asphalt slurry.

FENCE

11.2.10 The chain link fence is in poor repair and will require major improvement or replacement on the south side.

11.3 RECOMMENDATIONS, COSTS, AND PRIORITIES

Recommendations		Costs	Time Frame
11.3.2	Repair/replace damaged corrugated metal siding at the south side.	$3,000 - $4,000	Immediate
11.3.5	Overhead door repairs.	$3,000 - $4,000	Immediate
11.3.9	Asphalt paving repairs.	Over $10,000	Immediate
11.3.10	Chain link fence repair.	$3,000 - $4,000	Immediate

11.4 LIMITATIONS

Storage against the south wall of the building limited the inspection in this area.

12.0 Insulation

12.1 DESCRIPTION

WALLS

The presence of insulation in the exterior walls could not be verified. It is quite possible that little or no insulation is present.

FLAT ROOF

The amount of insulation in the flat roof could not be ascertained.

12.2 OBSERVATIONS AND DISCUSSION

WALL

12.2.1 Modern buildings utilize R-12 to R-20 valued insulation in exterior walls.
12.2.2 There are several methods of retrofitting insulation into walls.
12.2.3 However, the cost-effectiveness of adding insulation is questionable.

FLAT ROOF

12.2.4 This can be checked when reroofing and upgraded, if necessary.

12.3 RECOMMENDATIONS, COSTS, AND PRIORITIES

Recommendations		Costs	Time Frame
	No repairs at this time.		

12.4 LIMITATIONS

The determination of the presence of urea formaldehyde foam insulation (UFFI) is beyond the scope of this assessment.

13.0 Closing Comments

This report provides you with an overview of the condition of the major components in the building. Should you have any questions, please do not hesitate to contact us.

Please find photographs documenting several conditions noted in Appendix A.

Appendix A: Photographs

North Building Elevation - Main Shop

North Building Elevation - East Shop

South Building Elevation - Main Shop

South Building Elevation - East Shop

East Building Elevation - Main Shop

East Building Elevation - East Shop

West Building Elevation - Main Shop

West Building Elevation - East Shop

General Roof Area - East Shop

General Roof Area - Main Shop

General Roof Area - Main Shop

General Roof Area - Improper flashing of exhaust fans they leak

General Roof Area - Roof leak at exhaust duct

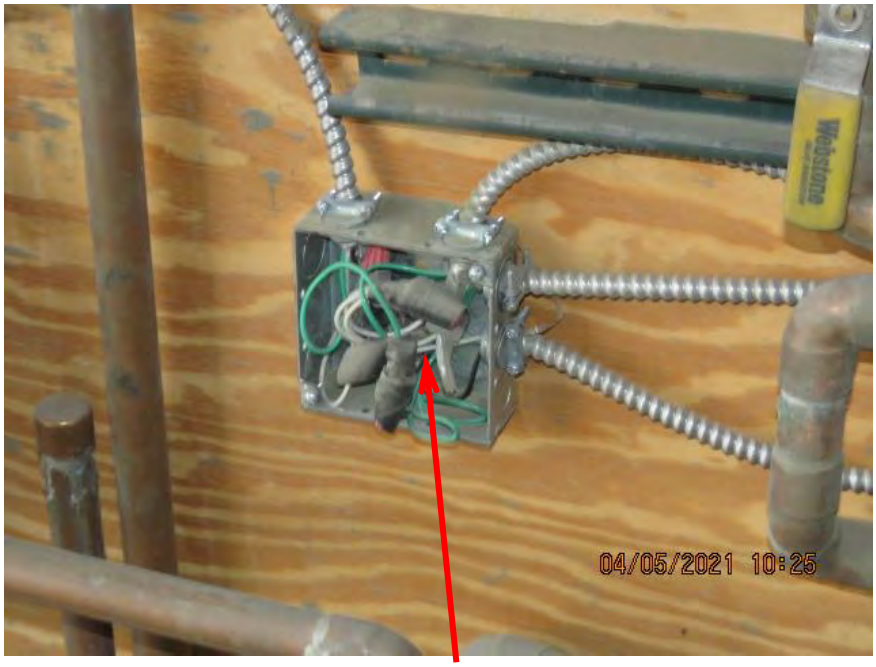
General Roof Area - Main shop roof is rusting and the fasteners are rusting

Main Water Service Entrance

Main Domestic Water Service Entrance

Main Electrical Service Equipment 200 Panel - East Shop

Main Electrical Service Equipment 800 Amp 3Ph Service



Main Electrical Service Equipment – Open Junction Box East Shop

Main Heating Equipment - Gas fired makeup air - South paint booth 2007

Main Heating Equipment - Gas fired makeup air - North paint booth 2012

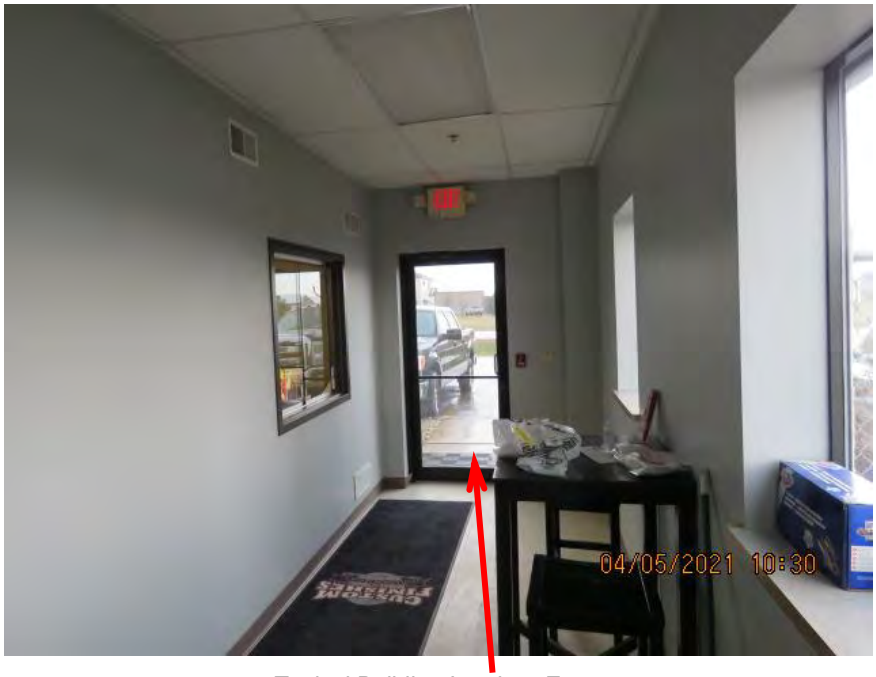
Main Heating Equipment - Office furnace 2007

Main Heating Equipment - One of three shop furnaces 2006

Main Heating Equipment - One of three shop furnaces 2006

Main Air Conditioning Equipment - Graphics room AC 2008 1 ton

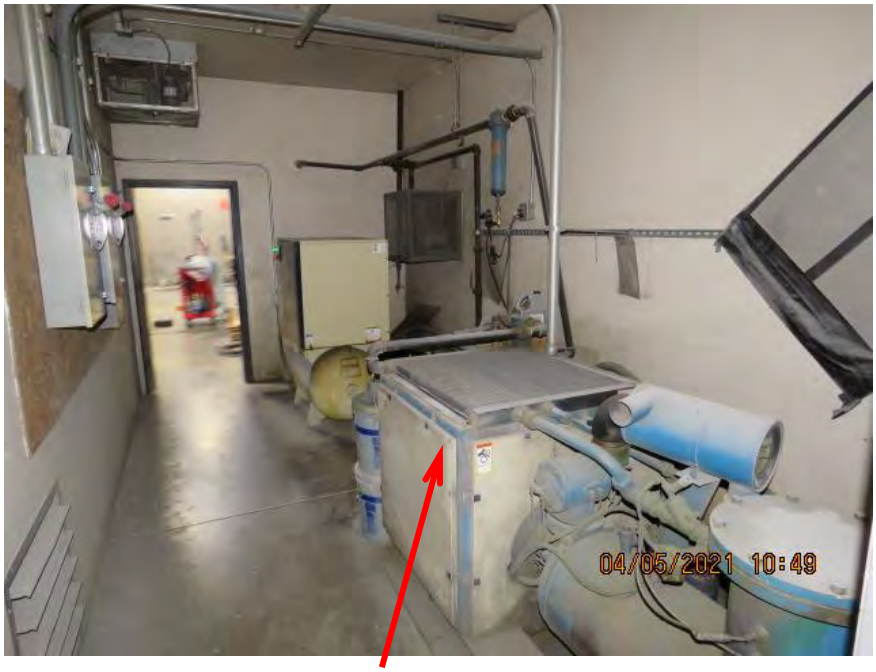
Main Air Conditioning Equipment 3.5 ton 2007 R-22 Freon



Typical Building Interior - Entrance

Typical Building Interior - Shop Bay

Typical Building Interior - Mezzanine



Typical Building Interior - Compressor Shed

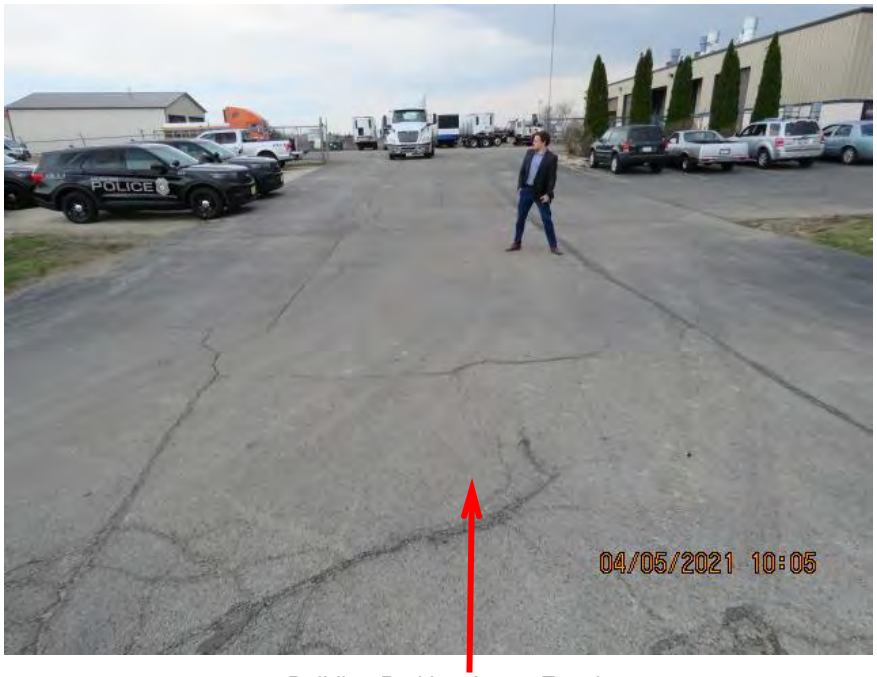
Typical Building Interior - Mezzanine Room

Building Parking Area - North Lot

Building Parking Area - North lot seal cracks

Building Parking Area - North lot seal cracks

Building Parking Area - North lot seal cracks and repair depressions



Building Parking Area - East Lot

Building Parking Area - East lot seal cracks and repair depressions

Building Parking Area - East lot seal cracks and repair depressions

Building Parking Area - East lot seal cracks and repair depressions

Damaged overhead door panels

Overhead door weather-stripping is damaged

South fence damaged

Damaged Trim - Southeast corner

Damaged siding panels south side main building

Damaged siding panels south side main building

Gas Main