Walker Property Evaluation Services

3001 Sneath Lane San Bruno CA 94066 Tel: 650-873-4224 Fax: 650-873-4282 HomeInspection@sanbrunocable.com

INSPECTION OVERVIEW

Client: Ken & Barbie Doll

Inspection Address: 1234 Beach Avenue Unit D, Malibu, CA 94000 Inspection Date: 12/27/2008 Start: 1:00 pm End: 4:30 pm

Inspected by: Skip Walker

This Overview is a cursory preview of the report findings and should not be considered the only significant findings. This Overview is never a substitute for reading the entire report nor is it a tacit endorsement of the findings that do not appear here. It is important to thoroughly study the entire report and consult with other experts/specialists as you deem necessary. The client/reader must establish their own priorities. All further evaluation is at the sole discretion of the client/reader. Any further evaluation, service, repairs, safety upgrades, etc. should be completed by licensed/qualified specialists with the benefit of any necessary permits. The prospective buyer is specifically cautioned to obtain any further evaluations, information, price quotes, et cetera pertaining to the comments, service and or safety recommendations made in this report before the removal of transaction contingencies. These qualified specialists may well identify additional issues/defects and or recommend additional upgrades, the scope and price of which could effect your evaluation of the property.

NOTICE TO THIRD PARTIES: The inspection was performed for the sole benefit and reliance of the named Client and is nontransferable. No other intended users are identified. The report is issued subject to the terms, conditions and limitations under which the inspection was performed which are attached hereto and incorporated by reference herein. Any reliance on this report constitutes your ascent to those terms and conditions. This report is not a substitute for disclosures required by California Civil Code 1102 et. seq.

Narrative Color Legend: ¬Informational & Client Advisory Issues VRequires Direct Attention

mFunctional/Serviceable & Green Tips QDefect or Safety Related Issue

Components & Conditions Needing Service/Evaluation

Heat

Electric Heating Systems

Electric Wall Heater

q Several electric wall heaters did not respond when tested using normal user controls-Service Recommended

Living

Entry

Close

• ¬The wiring for the nook light fixtures appears improperly installed and should be serviced

Bathrooms

Master Bathroom

Exhaust Fan

• qThe bathroom exhaust fan did not respond when tested - Service Recommended

Hallway Bathroom

Exhaust Fan

• qThe bathroom exhaust fan did not respond when tested - Service Recommended

Common

Kitchen

Gas Range

• qThe gas burners appear to operate improperly when tested - Service Recommended

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PROPERTY INSPECTION REPORT

Prepared Exclusively For:

Ken & Barbie Doll

INSPECTION ADDRESS

1234 Beach Avenue Unit D, Malibu, CA 94000

INSPECTION DATE

12/27/2008 1:00 pm to 4:30 pm



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GENERAL INFORMATION

Inspection Address: 1234 Beach Avenue Unit D, Malibu, CA 94000

Inspection Date: 12/27/2008 Time: 1:00 pm to 4:30 pm

Weather: Clear and Dry - Temperature at time of inspection: 50-60 Degrees

Deip Welk

Inspected by: Skip Walker

Client Information: Ken & Barbie Doll

Structure Type: Concrete & Steel

Furnished: Partial
Structure Occupied: No
Number of Stories: High Rise

Structure Style: Condominium

Estimated Year Built: 2002 Unofficial Sq.Ft.: 990

People on Site At Time of Inspection: Buyer(s)

WDO Inspector Buyer's Agent

General Property Conditions

FURNISHED PROPERTY: Portions of the property were furnished and or personal property was present. Access to components, systems and surfaces/interior finishes was restricted. In accordance with CREIA Standards of Practice, I do not move furniture, lift carpets, move pictures/paintings, move personal property, etc. Due to the limitations of this visual inspection, it is possible that conditions, issues and or defects may not have been visible and hence go undetected. Prior to the close of escrow, interested parties should perform a diligent visual inspection when dwelling is vacant/empty.

Utilities: ON

CLIENT ADVISORY: This unit is part of a common interest development. This inspection is limited in scope. I do not evaluate and or report on conditions, areas or components that would generally be the responsibility of the home owners association (HOA) for maintenance, service and or repair. This typically would include such things as the roof, exterior trim and wall surfaces, grading and drainage and any components or areas beyond the dwelling and its specific parking area. I will typically comment on issues adjacent to the unit and or areas that appear for the exclusive use of the dwelling. Any comments made on exterior/common area elements are at the discretion of the inspector and should never be considered comprehensive. Any such comments are not a substitute for the required reserve study inspection or other mandatory disclosures. The actual maintenance responsibility for any such areas can vary by complex and should be ascertained prior to the removal of transaction contingencies. Interested parties should refer to the specific CC&R's/HOA documents governing this particular dwelling unit for the actual responsibilities,

any pending litigation, planned expenditures, unanticipated expenses, etc.

ENVIRONMENTAL ISSUES EXCLUDED: The evaluation/identification of hazardous materials, such as asbestos and lead paint, is outside of my expertise and the scope of this inspection. All such issues are SPECIFICALLY DISCLAIMED. Only a qualified specialist is qualified to determine the presence of these materials, any associated health risk and any remedial action necessary for the specific conditions present. The presence of asbestos, lead paint, etc in buildings constructed prior to the early 1980's would not be an uncommon finding. Asbestos containing materials (ACM) can often be found in ventilation duct wrap materials, some older insulation, "pop-corn" or "cottage cheese" ceiling texturing material, older floor tile materials, wall texturing materials, paints, etc.

There are federal and State regulations governing activities that disturb painted surfaces in dwellings built before 1981. These rules are intended to prevent lead contamination/ingestion by the occupants. This includes any activity that disturbs finishes such as window replacement or demolition. This applies to all residential housing, and some other buildings built before 1981. Always ask to see your contractor's certification. Please refer to the EPA web site at www.epa.gov and the Cal EPA web site at www.calepa.ca.gov for additional information and requirements.

The United States Environmental Protection Agency (EPA) publishes a wealth of material on asbestos and its use in residential construction. Interested parties with desiring further information or that are concerned about this issues are encouraged to consult the information available online at: http://www.epa.gov/asbestos/ and http://www.epa.gov/lead/ Given the apparent age of this dwelling, it is recommended that the property be evaluated by a licensed hazardous materials abatement firm or other qualified specialist.

CLIENT ADVISORY: New product recalls and product safety alerts are added daily to the thousands of existing notices. Should the reader be concerned about recall/safety alerts for the appliances/systems installed in the dwelling, it is suggested that the information at the U.S. Consumer Protection Safety Commission (CPSC) web site http://www.cpsc.gov or www.recalls.com be reviewed. In accordance with CREIA standards of practice, this report does not include the identification or research as to which appliances/systems may be subject to recalls, safety bulletins and or may appear on the CPSC lists. I may make note of certain systems that I have personal knowledge of in the course of an inspection. Any such notations are made for the convenience of the client and should never be considered exhaustive. Interested parties should independently research all installed systems should this be an area of personal concern.

There are natural/engineered stone materials used in various areas of the property. Natural granite, slate and marble stone are actually very porous. Care must be taken, especially with lighter colors, to avoid spills that may leave stains. For more information on the natural stone material and how to care for it, please refer to the question and answer database at www.findstone.com. Engineered stone materials such as "Cesar Stone", etc have special care requirements. Please refer to the manufacturers care instructions for further information on these products.

OVERVIEW IS NOT THE ONLY SIGNIFICANT FINDINGS: An overview of this inspection is provided at the front of the report. There I list the recommendations that I believe may be important to the client. These recommendations should not be considered the only significant findings or issues. The reader must establish your own priorities after thoroughly studying this report, reviewing all the recommendations in this report, and consulting with other experts, and or specialists as you may deem necessary. Please see the full report for an in-depth discussion of all conditions observed/evaluated.

PLEASE NOTE:

NOTICE TO THIRD PARTIES: This report is a work product and is copyrighted as of the date of this report. The inspection report is for the sole benefit and reliance of the Client named in this report and is nontransferable. No other intended users are

identified. The report is a summary of the inspection and all consultation between Inspector and Client, The report is issued subject to the terms, conditions and limitations under which the inspection was performed. The terms, conditions and limitations are a part of this report and are attached hereto and incorporated by reference herein. Inspector assumes no liability for third party interpretation and or use of the report. Third parties are encouraged to obtain a property inspection from a qualified inspector of their choice.

Unauthorized duplication and/or distribution of, use of or reliance on this report by any party other than the named client has the effect of all parties agreeing to hold harmless, individually, jointly, and/or otherwise, the inspector, the Company, their successors and assigns from any third party claims arising out of unauthorized distribution of the inspection report. Any use or reliance, whether authorized or unauthorized, of the information contained herein, constitutes your ascent to the terms of use and scope of work governing this document and to the scope and limitations of the inspection as described in the terms of use, the written agreement and in the CREIA Standards of Practice.

It is recommended that all repairs, safety issues or upgrades, be completed by appropriately licensed and or qualified specialists and only with the benefit of permit. The prospective buyer is specifically cautioned to obtain any further evaluations, information, price quotes, et cetera pertaining to the recommendations made in this report prior to the removal of transaction inspection contingencies. These licensed and or qualified specialists may well identify additional defects and or recommend additional upgrades, the scope and price of which could effect your evaluation of the property. An overview of this inspection is provided at the front of the report where I list the recommendations that I believe may be important to the client. These recommendations should not be considered the only significant findings or issues. The reader must establish their own priorities after thoroughly studying this report, reviewing all the information and recommendations in this report, and consulting with other experts, and or specialists as they deem necessary.

Report File: Condo - Sample Report

SCOPE OF WORK

This general property inspection was performed in accordance with the CREIA Standards of Practice. A property inspection is not technically exhaustive and is non-invasive. It is limited to the visible and accessible areas of the property. It is distinct from a specialist inspection, which generally require very specialized knowledge, equipment, licensing, training, are costly and often involve laboratory analysis. By contrast, a general property inspection is completed in a few hours and at a fraction of the cost. Consequently, a general inspection report can not be as comprehensive as a specialists report - nor is it intended to be. The goal is to identify visible defects or adverse conditions that, in the opinion of the inspector, might result in injury or lead to costs that could have a significant impact on the overall evaluation of the property and to alert you to the need for a specialist to perform further evaluation. No inspection can eliminate all the risk associated with the purchase of real estate.

This report reflects the condition of the components and system as observed at the time of inspection. Perfection is not to be expected. Rather, the components and systems should function as intended and or meet a reasonable standard of installation. This takes into consideration the age of the dwelling and the predictable wear that occurs naturally over time with use. Cosmetic or predictable wear issues -particularly those that are apparent to the average person and or to someone without any trade/construction experience are outside the scope of this inspection. This inspection is not a building code or zoning compliance inspection. Any inference that this is a "Code" inspection would be incorrect. The observations and recommendations made are based upon a wide variety of standards that were either in place at the time of original construction or may have developed into standards, trade practices, etc. since the period of installation/construction. The building codes are intended as a minimum standard for construction/safety. Local interpretations of the codes vary widely. The building codes may not necessarily reflect the best method of installation. This evaluation is not intended to determine whether or not an area or component is "Code Compliant", but rather in the opinion of the inspector, that a condition(s) exists which requires further evaluation and or attention by an appropriate trade specialist. I do not verify that components or systems are installed in conformance with the manufacturers installation requirements.

Testing/identifying environmental issues, termites, dry rot, fungus, mold, vermin, etc is outside the scope of this inspection. Testing indoor air quality testing is excluded from the scope of this inspection. I am not qualified to detect the presence of Chinese Drywall. Accordingly, the issue of Chinese Drywall (and its potential problems) are beyond the scope of the inspection. Any comments made regarding environmental, pest or other related issues are those of a lay person only and are NEVER a substitute for an evaluation by a qualified specialist. Interested parties should schedule any specialized inspections with the appropriate specialist well before the removal of transaction inspection contingencies.

Should there be questions, the named client is offered unlimited follow-up consultation via telephone and e-mail. If you were present at the time of inspection, I can only summarize the report on-site - so it is essential that you read the entire report to obtain full benefit of the information. This written report constitutes the final findings of the inspector and takes precedence over any verbal discussions. All recommendations made for service or further evaluation by specialists should be completed and documented well before the removal of transaction inspection contingencies. These specialists may reveal additional defects or issues and or recommend upgrades that could potentially effect your evaluation of the property. This service does not include any form of warranty or guarantee and cannot predict the remaining life of a system and or component.

This report was produced specifically for the subject dwelling, the site within approximately 6 feet of the building and the primary parking area. This report does not include any other areas or features of the site except as may be agreed to by the inspector and client prior to the start of the inspection. The purpose of this inspection and written report is to provide an unbiased opinion of the material defects and conditions visible at that point in time. Further, it is to describe the physical condition of the selected key systems and components and parking area. There is an overview of this inspection at the front of the report. The recommendations in the overview should not be considered the only significant findings or issues. The reader must establish their own priorities after thoroughly studying this report, reviewing all the information and recommendations, and consulting with other experts/specialists as you may deem necessary.

The general property inspector is also a California Licensed Appraiser Trainee. The inspection of this property was conducted in conformance with the CREIA Standards of Practice and the requirements of the State of California Business and Professions Code 7195-7196. Issues related to property valuation and or developing an opinion of value for the subject property are specifically excluded from the scope of work governing this report.

The general property inspector is also a certified fireplace inspector. The inspection of this property was conducted in conformance with the CREIA Standards of Practice and the requirements of the State of California Business and Professions Code 7195-7196. An NFPA Level II or other specialists evaluation was not performed. All such issues are excluded from the scope of work governing this report. Interested parties should consult with a qualified fireplace specialist for further information and or evaluation.

For the purpose of clarity, I use the words LEFT, RIGHT, FRONT, BACK and CENTER are used through out to describe locations within or around the dwelling. These directions are all made relative to standing facing the dwelling from the street or in the case of a multi-unit dwelling from the entry door. Interior room designations are as defined by general purpose or at the discretion of the inspector. I use several abbreviations throughout for the purpose of brevity. HVAC stands for Heating Ventilation Air Conditioning. WDO stands for Wood Destroying Organism and is the term used to describe the termite inspector or report.

Narrative Color Legend: ¬Informational & Client Advisory Issues VRequires Direct Attention

mFunctional/Serviceable & Green Tips qDefect or Safety Related Issue

Structure

Structures are not uniform, and need only meet the standards of the year in which they were built or renovated. I describe and identify the various foundation types, and the floor, wall, ceiling, and roof structures in accordance with CREIA standards of practice. If the foundation is a slab type, I examine the visible portions on the interior surfaces and the exposed portions between grade and the exterior cladding. If it is a raised foundation, I will either enter the crawlspace to inspect its components, or indicate in what manner it was evaluated. Similarly, I identify the type of wall and roof framing. Per California law, only a registered design professional is considered qualified to comment on the structural adequacy or significance of a system. I am a generalist and am not a qualified specialist. In the absence of any visible areas of concern, I may not recommend that you consult with a registered design professional. This should not deter an interested party from seeking the opinion of a qualified expert.

Raised Foundation or Basement

General Comments

Informational Comments Observations & Conditions

The structural framing system appears to be a poured concrete foundation/substructure that encompasses the subterranean parking area. The upper levels appear to be comprised of structural steel members with steel decking. I am not qualified to elaborate on the structural adequacy of the construction, but the methods appear generally consistent with the practices for the period of original construction. We do not inspect areas that are under the control and or are the responsibility of the HOA, which is in accordance with CREIA and industry standards of practice. In accordance with industry and CREIA standards of practice, we do not access the sub-floor/common areas as part of while performing a living unit inspection that is part of a common interest development. We make note of the type of foundation and may note obvious areas of concern - as a courtesy to the client only. Any observations noted are that of a generalist and not a specialist, and we do not use any specialized instruments to establish that the structure is level. Generally speaking, the responsibility for undertaking any further evaluation and or repair work in a common area would be the responsibility of the HOA.

Structural Elements

Wall Structure

Informational Comments Observations & Conditions

Wall Framing: Not Verified Due to Interior Finishes

Floor Structure

Informational Comments Observations & Conditions

Floor Framing: Not Verified Due to Interior Finishes

Ceiling Structure

Informational Comments Observations & Conditions

Ceiling Framing: Not Verified Due to Interior Finishes

Inspection Address: Inspection Date/Time:

1234 Beach Avenue Unit D, Malibu, CA 94000 12/27/2008 1:00 pm to 4:30 pm

Exterior

The evaluation of the exterior of the property was performed in accordance with CREIA standards of practice. This includes the identification of wall cladding, and an evaluation of common components, such as driveways, walkways, fences, gates, handrails, guardrails, yard walls, carports, patio covers, decks, fascia and trim, balconies, doors, windows, lights, and receptacles. The evaluations of detached structures, such as storage sheds and stables is excluded from the scope of the inspection. I do not water test or evaluate subterranean site drainage systems, irrigation systems or any mechanical or remotely controlled components, such as driveway gates. Also, I do not evaluate any landscape components, such as trees, shrubs, fountains, ponds, statuary, pottery, fire pits, patio fans, heat lamps, and ornamental or decorative lighting. Similarly, I do not comment on surface coatings or cosmetic deficiencies and the wear and tear associated with usage or the passage of time that would be readily apparent to the average person.

Wall Covering

Type of Material

Informational Comments Observations & Conditions

MATERIAL:

Finished Concrete

Stucco

NOTE: The maintenance of the exterior appears to be the responsibility of the HOA. Any comments made are for the convenience of the client only and are not intended to be a comprehensive inspection of any such areas. Interested parties should thoroughly review the required reserve study inspection and pro forma operating budget available from the HOA.

General Site Comments

HOA Comments

Informational Comments Observations & Conditions

CLIENT ADVISORY: The multi-unit residential dwelling appears to be part of a complex that is managed and maintained by a Home Owners Association (HOA). This inspection is a limited visual evaluation of the systems and components that are located within the subject dwelling unit. The current condition of the "common elements" such as, but not limited to, stairs; landings; porches; hallways; walks; balconies; decks; patios; pools; spas; recreational areas/equipment; elevators; utility metering; parking stalls/ports; building site condition; structural stability; drainage systems; and all common areas on the property are outside the scope of this inspection and should not be considered a part of the inspection report. Any comments made regarding same have been made as a courtesy to the client only, and should be addressed to the Home Owners Association or their representative. It is suggested that the Home Owner Association's Pro forma Operating Budget, including a Reserve Study as required by California Civil Code Section 1365 & 1365.5 and the Department of Real Estate, be carefully reviewed. The Reserve Study should provide an awareness as to the anticipated remaining life expectancies of the major components and systems. The budget should also include a statement of present funds, and a funding strategy to cover future major repair and/or replacement. Approved or anticipated special assessments should also be addressed. It is also suggested that the current residential unit owner (the seller) and the Home Owners Association be consulted regarding known past defects, all corrective work performed, and to thoroughly review the "C.C.& Rs" and Reserve Study for disclosure of pertinent facts effecting the current condition and market value of the residential unit, the complex's common elements and areas, and any previous, existing or pending litigation.

Pests

Safety Concern

There are indications of pests, rodents, etc in the living areas. I am not qualified to determine whether these are older or recent in nature. Given the location, it is recommended that all potential entry point be sealed and monitored for any new activity. I suggest that licensed pest control operator be engaged to evaluate and service the property. These qualified specialists may suggest additional measures to control the problem.

Exterior Features

General Comments and Description

Informational Comments Observations & Conditions

The exterior of this complex appears to be the responsibility of the Home Owners Association (HOA). The exterior maintenance of the units can have a significant impact on the future value of the complex. Because of this, it is important that the property be properly maintained. The cost of repairing significant damage will almost always exceed the cost of having properly maintained it. I may comment on areas/components that appear to be adjacent to the unit and or in areas that are for the exclusive use of the unit. Any comments made are made as a courtesy to the client only and are not a substitute for a review of the mandatory reserve study and or complex disclosure documents. Specific responsibilities can vary by complex. I recommend that the service responsibility for this area be ascertained prior to the removal of transaction inspection contingencies. Any issues requiring service should be directed to the appropriate contact at the HOA. I suggest that the buyers participate in the HOA meetings, etc. It is important to take an active role in shaping the maintenance policy for the complex as a means of insuring the future value of the units.

Balcony

Functional Components & Conditions

- m The visible portions of the balcony appears to be in generally serviceable condition Informational Comments Observations & Conditions
- CLIENT ADVISORY: The balcony's are believed to be the responsibility of the HOA. This unit is part of a common interest development. Consequently, I do not generally inspect items, conditions or components that would not be the responsibility of the property owner for maintenance and or repair. However, I may comment on areas that appear for the exclusive use of the unit. However, any such comments are made as a courtesy to the client only. I recommend that service responsibility for this area be ascertained prior to the removal of transaction inspection contingencies. Any issues requiring service should be directed to the appropriate contact at the HOA.

General Maintenance & Periodic Maintenance Item

The stone balcony decking and associated areas should be periodically inspected and serviced as part of your routine homeowner maintenance. I recommend that the stone surfaces be periodically inspected for cracking, voids and or deterioration in the mortar joints, excessive moss growth, loose tiles etc. The stone surfaces should be periodically cleaned and sealed as part of the routine property maintenance. A qualified masonry contractor can assist you with any necessary maintenance of the mortar joints and or stone surfaces.

Guards

Functional Components & Conditions

The guards appear in generally serviceable condition. Caution is always recommended in such areas especially if the presence of small children is anticipated.

Sliding Glass Doors

Functional Components & Conditions

The sliding glass door is tempered and appears to be in generally serviceable condition. Please refer to the room/area/location in the report for any specific comments.

Safety Concern

PROPERTY SAFETY ADVISORY: One or more of the sliding glass doors open to balconies, stair landing, or other areas that may pose a hazard to small children. I suggest that interested parties install secondary latches or safety stops on the doors as a property safety upgrade. These are designed to allow the doors to open for ventilation but would not allow them to open enough to allow a small child through. This would generally be considered less than four inches on guardrails. Any such installation should not inhibit emergency egress and should conform to all appropriate rules governing this issue. Please consult with a qualified trades person for additional information and or service.

Inspection Date/Time: 12/27/2008 1:00 pm to 4:30 pm

General Maintenance & Periodic Maintenance Item

- The sliding glass door(s) may require service to function properly/smoothly; i.e. roller hardware service, latch service, cleaning, lubrication and or adjustment. I suggest that a qualified window and door contractor evaluate and service as necessary.
- One or more sliding door latch assembly's may require lubrication, adjustment or service to function smoothly/properly. Please refer to the room/area/location in the report for any specific comments. Improvement-Correction Suggested
- CLIENT ADVISORY: There is no secondary latch on the sliding glass door which is recommended for added security. However, any secondary latches should conform to applicable emergency egress standards; i.e. be no higher than is 48 inches off the standing surface. The latch should be operable from the inside without the use of keys, tools or special knowledge. Interested parties desiring further information should consult with a licensed locksmith.

Windows

Functional Components & Conditions

The windows tested appear in generally serviceable condition. In accordance with CREIA standards, I test a random sampling of the windows in each room/area, particularly if the property is furnished. I do attempt to test the unobstructed windows in any sleeping areas to ensure that at least one will facilitate an emergency exit. Please refer to the specific room/area/location section within the report for any further comments.

Screens

Informational Comments Observations & Conditions

- Some of the windows were not designed to have screens installed.
- One or more slider screens were not installed at the time of inspection. Screens are often removed for aesthetic reasons, but you may wish to have them installed.

Insulation & Energy/Green Tips

Insulation

Exterior Walls

Informational Comments Observations & Conditions

Energy conservation standards in effect at the time of construction would have required insulation on this dwelling. Exterior wall insulation has been required on all dwellings built starting in approximately 1978-1979. Based on the apparent age of this dwelling, it is likely that the exterior walls are insulated. It is beyond the scope of this limited visual inspection to positively conform the presence or absence of insulation within concealed wall cavities. No representations can be made as to the conditions within concealed and or inaccessible areas.

Green Tips

Exterior Doors & Sliders

Informational Comments Observations & Conditions

DOOR/SLIDER GLAZING TYPE: Multi-Glazed/All Accessible Areas

NOTE: Living/Conditioned Areas Only, Limited to Accessible Areas, Does Not Include Garage, Storage Areas, Etc.

Green Tip

GREEN TIP: The accessible exterior doors and sliding doors have newer double-pane glazing. This type of glazing is far more energy efficient than older glass. They filter out much more neighborhood noise than single pane glass. These windows appear to be at/near current state of the art glazing, i.e. utilize Low-E glass with sophisticated reflective coatings. Some newer glazing use triple-pane glazing to further improve the energy efficiency of the installation.

Bottom Line: Improvement May Be Possible as the Technology Improves Over Time, but upgrading today is probably not worth the investment required.

Windows

Informational Comments Observations & Conditions

WINDOW TYPE: Multi-Glazed/All Accessible Windows

NOTE: Living/Conditioned Areas Only, Limited to Accessible Areas, Does Not Include Garage, Storage Areas, Etc.

Green Tip

GREEN TIP: The accessible exterior windows have newer double-pane glazing. This type of glazing is far more energy efficient than older glass. They filter out much more neighborhood noise than single pane glass. These windows appear to be at/near current state of the art glazing, i.e. utilize Low-E glass with sophisticated reflective coatings. Some newer glazing use triple-pane glazing to further improve the energy efficiency of the installation.

Bottom Line: Improvement May Be Possible as the Technology Improves Over Time, but upgrading today is probably not worth the investment required.

Lighting

Green Tip

m GREEN TIP: The lighting installed at various areas of the property does not conform to current California energy conservation guidelines. Current standards require the lighting in kitchens, bathrooms, the exterior, etc. to be a high efficacy type energy efficient lighting - such as florescent lights, LED lights. In some cases, manual on-auto off motion sensor switches may be installed. I recommend that the lighting be upgraded to conform to current energy efficiency standards as an energy conservation property upgrade. Significant remodeling to this area may trigger mandatory upgrades to this system. Interested parties desiring further information should consult with a qualified electrical contractor.

1234 Beach Avenue Unit D, Malibu, CA 94000 12/27/2008 1:00 pm to 4:30 pm Inspection Date/Time: Bottom Line: Improvement Possible, may be worth the investment in many cases.

Inspection Address:

Plumbing

The plumbing and fuel gas systems were evaluated in accordance with CREIA standards of practice. The plumbing system includes fixtures, potable water supply pipes, and drain, waste and vent pipes. Fuel gas piping distribution systems are addressed here as well. Testing ancillary equipment such as water filtration or softener systems are excluded from this inspection..

Water pressure is often confused with water flow or volume. High water volume is generally good, where excessive water pressure is not. High pressure may stress the fixture supply connections, clothes washers and or diaphragms in various components. Whenever the incoming water pressure exceeds 80 pounds per square inch (PSI), a pressure regulator should be installed and adjusted between 45 and 65 PSI.

Sanitary waste/drain pipes use a variety of materials. Older pipes may be cast iron, galvanized pipes, copper, clay tiles, tar coated cardboard (Orangeberg), etc. Newer materials include plastic pipes, sometimes referred to as ABS. The condition of the drain pipes is generally related to their age. As part of the inspection, the functional flow of fixtures and drains is observed. Most of the drain pipes are concealed, so the pipes condition can only be inferred by observing the draw at the fixtures. Blockages will occur at some point in nearly all systems. It is recommended that the main sewer line video scanned to verify the condition of the pipes and to confirm that the dwelling is properly connected to the sewer system.

Much of the drain and water supply pipes are concealed in the walls, etc. In the case of slab foundations, portions are routed under the slab. It is possible that issues with the pipes may exist and go undetected for some time because they do not visually manifest themselves. This a limited visual inspection and is not technically exhaustive. It requires a specialist and sophisticated equipment to test the hidden portions of these systems. Interested parties are encouraged to consult with a specialist, particularly in older properties where some of the systems may be at of near what would be the typical service life of the materials involved. Fixture shut-off valves, pressure regulators, pressure relief valves, etc. were not tested/operated.

It is recommended that the historical water usage records for the property be obtained. Water consumption will obviously vary with the occupants usage patterns and types of fixtures or systems installed, but the records may give clues to issues that might otherwise go undetected. For example, a sudden significant rise in water usage might indicate a leak in the underground portion of a pipe or it may simply be the result of installing a lawn sprinkler system. This is why it is important to ask the occupants about such issues as they often have the most intimate knowledge of the property and its unique conditions.

Potable Water Supply

Water Utility Meter & Water Supply Shut-Off

Informational Comments Observations & Conditions

METER LOCATION: Front at Street.

COMMON WATER METER: The main water service for the dwelling appears to use a common meter for all living units.

- The supply piping from the meter to the shut-off valve is below grade and or otherwise not visible. This precluded positively verifying the main supply pipe size and material.
- The main water shut-off location for the building could not be determined. It is recommended that you contact the Home Owners Association (HOA) to determine the location for this area/building in case of an emergency.
- NOTE: The water shut-off valve for the unit was not verified and or determined. Interested parties should consult with the Home Owners Association (HOA) or management company to ascertain the location of this units shut-off in case of emergency or for service.

Water Pressure

Functional Components & Conditions

m The water flow observed at the fixtures tested appears to be adequate and within the range that would be considered acceptable flow in this area.

Informational Comments Observations & Conditions

I do not measure water flow per se. I use the generally accepted guidelines published by the Housing and Urban Development (HUD) as a rule of thumb. HUD guidelines indicate that the minimum acceptable flow from a faucet should be approximately 3.5 gallons per minute at 40 PSI (Pounds Square Inch) before flow restrictor/water conservation fixtures are installed. Any determination of the adequacy of flow is based on the visual appearance of the flow of water from a given fixture only.

Inspection Date/Time: 12/27/2008 1:00 pm to 4:30 pm

Type of Material

Informational Comments Observations & Conditions

WATER SUPPLY PIPING MATERIAL: Copper/Visible Portions

Potable Water Supply Piping

Functional Components & Conditions

The visible portions of the potable copper water pipes are in serviceable condition. When tested, adequate flow was observed from the fixtures tested. There were no indications of leakage apparent at the time of inspection in accessible areas of the dwelling. Interested parties desiring further information should consult with a qualified plumbing contractor.

Waste and Drainage System

General Comments and Description

Informational Comments Observations & Conditions

The evaluation of the drain, waste and vent system is limited to viewing the visible portions of the piping. The fixture drains are tested by running water or flushing them and observing the draw, watching for blockages, slow drains, etc. This evaluation is very limited and should not be considered conclusive. A video-scan of the drain system is suggested to determine the actual condition. Significant portions of the drain and vent system are inside walls, floors, underground and are not visible. No opinions are offered as to the conditions within concealed or inaccessible areas. Please consult with a qualified plumbing contractor should further information and or evaluation as needed.

Type of Material

Informational Comments Observations & Conditions

DRAIN & VENT PIPING MATERIAL: Predominantly Cast Iron/Galvanized with Some Copper

NOTE: Interior wall finishes and or accessibility issues prevent us from verifying the type and condition of the drain/vent system in all areas.

Drain Pipes Waste Pipes and Vent Pipes

Functional Components & Conditions

Except as may be noted elsewhere, the draw observed at the fixture/drainpipes appeared to be adequate at the time of inspection. Please refer to the body of the report for additional observations and or recommendations. The functional flow of the drains/fixtures is tested using generally accepted property inspection flow test procedures.

Informational Comments Observations & Conditions

- CLIENT ADVISORY: The property appears to have been unoccupied for an extended period of time. When properties are unoccupied and the drains are not used, any residual material in the drain pipes hardens. Once the property is occupied, portions of the material will dislodge and move further downstream. This creates potential points for drain blockages. Even though the drains may appear to function normally during an inspection, the possibility of drain blockages is higher than where the property is continuously occupied. As noted elsewhere, a video scan of the sewer drain system is the only proven method of evaluation. Interested parties desiring further information should consult with a qualified plumbing contractor.
- One or more of the tub/shower/hydro-spa trap assembly's are not fully accessible/visible and consequently could not be fully evaluated. Generally accepted plumbing practices require that any slip-joints on drain connections be accessible for service/replacement. It is suggested that any such installations be brought into conformance with applicable current standards. Interested parties desiring further information should consult with a qualified plumbing contractor.

[SR] Service Recommended

[SR]: One or more fixture drains are slow/blocked. It is recommend that a qualified plumbing contractor evaluate and service any drains with flow issues as needed. Please refer to the body of the report for specific locations and or conditions.

Fuel Gas System

Fuel Supply

Informational Comments Observations & Conditions

Fuel Gas Type: Utility Metered Natural Gas

Gas Meter & Shut-Off

Informational Comments Observations & Conditions

COMMON GAS METER: The gas service appears metered though a common meter for all living units.

The unit main gas meter/shut-off is located in an area controlled by the HOA. It is important that the occupants of a dwelling have access to the gas shut-off for their unit for safety and service reasons. Interested parties should consult with the HOA regarding emergency access procedures.

Fuel Gas Piping

Functional Components & Conditions

The visible portions of the gas pipes appear to be in serviceable condition.

Central Hot Water or Boiler System

General Hot Water System Comments

Informational Comments Observations & Conditions

The dwelling appears to be served by a central hot water system. Since this system would be the responsibility of the Home Owners Association (HOA), no evaluation of the system was made. Please refer to the HOA Reserve Study for information regarding anticipated remaining life and other related information.

Electrical

The evaluation of the electrical system was performed in accordance with CREIA Standards of Practice. These standards include identifying the type and capacity of the service, evaluating panels, overcurrent protection, wiring, electrical grounding, and testing a representative number of light switches and receptacles. The evaluation of low-voltage systems, such as telephone, cable, computer network, security, etc. are excluded from the scope of this inspection. Older systems will generally not conform to current standards or provide the same degree of service and safety. I am a generalists and not specialists, I do not perform load-calculations to determine if the supply meets the demand of the dwelling. The covers on receptacles or junction boxes were not removed as part of this inspection. It is important that any service recommendations or recommended upgrades made be further evaluated by qualified specialists before the removal of transaction inspection contingencies. Further evaluation by a qualified specialists will provide information, price quotes and may well identify additional defects and or recommend further upgrades, the scope and price of which, could effect your evaluation of the property.

Main Panel

General Comments

[FE] Further Evaluation Recommended

CLIENT ADVISORY: The main electrical service disconnect is located in an area controlled by the HOA/Management Company. It was not accessible at the time of inspection. It is important that the occupants of a dwelling have access to the main electrical shut-off for their unit for safety and service reasons. Interested parties should consult with the HOA/Management Company regarding access procedures.

Electrical Service Entrance

Informational Comments Observations & Conditions

TYPE: LATERAL/Underground Service

NOTE: The main service conductor lines are run underground, or part of a lateral service entrance. This is typical of a modern electrical service installation. Since the service lines are run underground and are not visible, no evaluation was made.

Meters

Informational Comments Observations & Conditions

¬ ELECTRICAL SERVICE METERS: Units: Individual Meters/Common Areas: Separate Meter

Sub Panel

General Comments

Informational Comments Observations & Conditions

All interior electrical panels should be readily accessible, and have a minimum of 36 inches of clear space in front of them for service. The area above the panel should be clear of other systems/piping to the ceiling. Every circuit in the panel should be clearly labeled as to purpose in a way that does not change over time. The accuracy of the circuit labeling was not verified as part of this inspection.

Size and Location

Informational Comments Observations & Conditions

- ¬ LOCATION: Hallway
- PANEL SIZE: 100 Amp, 240 VAC
- NOTE: The panel capacity is an estimate only based on the apparent ampacity of the supply wires.

 Interested parties desiring further information may with to consult with a qualified electrician regarding this issue.

Sub Panel

m

Functional Components & Conditions

The electrical sub panel appears in serviceable condition. Except where noted elsewhere, the panel enclosure and or general installation have no apparent significant issues.

Informational Comments Observations & Conditions

There are no/minimal unused slots in this panel to allow adding new circuits. Adding additional circuits may entail upgrading the circuit breakers, upgrading the panel to a higher capacity panel and or adding a sub panel. Interested parties desiring further information should consult a qualified electrician.

Inspection Date/Time: 12/27/2008 1:00 pm to 4:30 pm

Improvement-Correction Suggested

There is no anti-oxidant paste on the terminal lugs in the panel. Anti-oxidant paste is intended to reduce oxidation on the wire connections and thus reduce any potential fire-safety risks in the panel. Many panel manufacturers require it in the installation instructions and or as part of the equipment listing. Interested parties may wish to have a qualified electrician evaluate and add this as a system upgrade.

Exterior Cover Panel

Functional Components & Conditions

m The exterior electrical panel cover is in acceptable condition.

Wiring

Functional Components & Conditions

There are no visible deficiencies with the electrical wiring in the sub panel. The wiring methods appear generally consistent with practices of the apparent time of construction and or installation.

Circuit Protection

Functional Components & Conditions

Except as noted elsewhere, there are no apparent areas of concern with the circuit breakers/overcurrent protection in the electrical panel.

Improvement-Correction Suggested

The installation appears to pre-date the requirement for an electrical safety device called an Arc Fault Circuit Interrupter (AFCI) breaker. Upgrading /improvement is recommended. Please refer to the GFCI/AFCI Section below for further information or service recommendations.

Grounding

Functional Components & Conditions

m The panel ground appears properly installed.

Electrical Branch Circuits & Wiring Distribution

Type of Wiring

Informational Comments Observations & Conditions

- Wiring Type/Method & Material:
 - Rigid & Flexible Metal Conduit
- ¬ WITH:
- Non-Metallic (NM) Grounded cable, also referred to by the brand name "Romex"
- Wiring Material Visible at Accessible Areas: Copper and Stranded Aluminum

General Interior Electrical Wiring & Conditions

[FE] Further Evaluation Recommended

NOTE: There is electrical wiring, fixtures, etc. that do not appear original to the dwelling. In general, modifications/additions to the electrical systems require permits and inspections from the local authority having jurisdiction. Interested parties should obtain any relevant documentation and a full permit history for the property. This documentation should confirm that the work was performed by a qualified electrical contractor in accordance with generally accepted electrical safety standards and appropriate jurisdictional oversight. Please refer to the general information section for additional recommendations.

Improvement-Correction Suggested

RECOMMENDED UPGRADE: As noted in the body of the report, the lighting installed at various areas of the property does not conform to current California energy conservation guidelines. Current standards require the lighting in kitchens, bathrooms, the exterior, etc. to be a high efficacy type energy efficient lighting - such as florescent lights, LED lights. In some cases, manual on-auto off motion sensor switches may be installed. I recommend that the lighting be upgraded to conform to current energy efficiency standards as an energy conservation property upgrade. Significant remodeling to this area may trigger mandatory upgrades to this system. Interested parties desiring further information should consult with a qualified electrical contractor.

Inspection Date/Time: 12/27/2008 1:00 pm to 4:30 pm

GFCI & AFCI Circuit Protection Devices

General Maintenance & Periodic Maintenance Item

The ground fault circuit interrupter (GFCI) receptacles and or circuit breakers should be tested periodically per the manufacturers instructions and in accordance with generally accepted electrical safety standards. GFCI devices are important electrical safety devices. They are generally found where moisture may be present, i.e. kitchen, baths, laundry, adjacent to sinks, garage, the exterior, etc. The devices contain electronic components and are prone to random failure. Please refer to the manufacturers instructions for recommendations on the procedure and frequency of any recommended testing.

Improvement-Correction Suggested

- RECOMMENDED UPGRADE: Some of the GFCI receptacles/breakers installed appear older/original. There have been significant improvements in GFCI technology in recent years. I suggest replacement of any GFCI devices installed before 2007 years because reliability appears to drop significantly after that point. Given the low cost of these safety devices, I suggest that consideration be given to upgrading the units for occupant safety reasons. Interested parties desiring further information or service should consult with a qualified electrician.
- RECOMMENDED UPGRADE: AFCI breakers are designed to protect electrical circuits from a particular type of arcing fault that would go undetected by a conventional breaker or even GFCI protection device. The period of construction for this property appears to pre-date the requirement for all electrical convenience circuits to be AFCI protected. Any significant remodel/renovation of the property may trigger mandatory upgrade requirements. Generally speaking with some exceptions AFCI breakers would now be required on all electrical outlets in the dwelling for new construction or a significant remodel. An electrical outlet is any place where an electrical device is connected/installed; i.e. wall convenience receptacles, light fixtures, hardwired smoke detectors, etc. I recommend that this installation be brought into conformance with current guidelines as a property upgrade. Interested parties desiring further information should consult with a qualified electrician.

Telecom & Networking

Informational Comments Observations & Conditions

The is what appears to be a security, communications and or network access panel located in bedroom two.

Heat

The evaluation of the heating systems was performed in accordance with CREIA standards of practice. This includes identifying the type, fuel source, and examining the system and associated components. There are a wide variety of heating systems, which range from older floor, wall, and gravity furnaces to newer forced-air furnaces. Older systems are generally the least energy-efficient. Upgrading older systems is recommended for energy conservation reasons and due to the lower cost of use. Parts for older systems may no longer be available. The systems are tested using normal user controls. The evaluation of the concealed portions of components, such as the heat exchanger, electronic air-cleaners, humidifiers, in-line duct motors or dampers, etc is excluded. The uniformity of air flow or heating was not verified. The efficiency of the system will be reduced by a lack of maintenance, such as dirty air filters, etc. Verifying that components or systems are installed in conformance with the manufacturers installation requirements is outside the scope of this inspection.

The sellers or occupants are often the best judges of how well a system works. It would be prudent to ask them about the maintenance history and if they have been satisfied with the performance of the system. You may also wish to have a more comprehensive evaluation by a specialist. Most heating systems have a design life of 20 year. If the system is more than 10 years old, or if lack of maintenance is suspected, it would be prudent to schedule a comprehensive service that includes cleaning motors, fans, and ducts. The air filter should be changed every 2 to 3 months and the unit should have biannual maintenance/service.

It is important that any recommendation that I may make for service or a second opinion be scheduled well before the removal of transaction inspection contingencies. Those qualified specialist may reveal additional issues or recommend further upgrades that could impact your evaluation of the property. This inspection reflects the conditions observed at the time of inspection and does not include any form of warranty or guarantee as to future functionality.

Electric Heating Systems

Type of Fuel

Informational Comments Observations & Conditions

Fuel Source &Type: Utility Metered Electrical Power

Electric Wall Heater

Informational Comments Observations & Conditions

- Electric wall heaters can become extremely hot during operation. Consequently, the area around these units must be clear of obstructions, furniture, drapes, personal property, etc to minimize any potential fire-safety hazard. While these units are not as efficient as other means of heat, they do have the advantage of being able to be used in select areas only. The evaluation of these systems is limited to operating the units with normal user controls. I do not estimate the ability of any system to maintain a given temperature. For that you would need to consult with a specialist.
- There are electric wall heating units installed at the following areas/locations: The living room/dining room, master bedroom and bedroom two.
- The wall heaters are controlled via individual room or area controls. There is no master thermostatic control.

Components & Conditions Needing Service/Evaluation

The Living Room and Bedroom Two electric wall heaters did not respond when tested using normal user controls. I recommend that the unit be evaluated and serviced as needed by a qualified electrician.

Safety Concern

- It is important to maintain adequate clearances between furnishing, draperies, etc. and the heating unit for fire safety reasons. Care should be exercised around this unit because the units become quite hot during operation.
- The grillwork on the wall heating units can become hot in operation. The grill area poses a potential burn hazard. Caution is recommended in this area especially should children be present.

Thermostat

[SR] Service Recommended

The proper function of all thermostat(s) cold not verified. Some of the heating units did not respond when tested. Interested parties should consult with a qualified electrical contractor for further information and or service.

Make-Up Air Supply System

Central System

Informational Comments Observations & Conditions

- There is an apparent central make-up air system installed. Make-up air is necessary for newer very energy efficient/tight construction to maintain healthy indoor air quality. Make-up air is also needed to replace air lost as a result of bathroom exhaust fans, kitchen exhaust fans, clothes dryers, and or other sources. The installation appears to conform to the standards in effect at the time of construction. The installation appears to be part of a central system that is believed to be the responsibility of the HOA. Interested parties desiring further information should consult with the HOA/Management company.
- ¬ AIR SUPPLY VENT LOCATION: Entry

1234 Beach Avenue Unit D, Malibu, CA 94000 12/27/2008 1:00 pm to 4:30 pm

Living

In accordance with CREIA standards of practice, this inspection of the interior living space includes the visible/accessible areas of walls, floors, cabinets and closets. The inspection includes testing a representative number of windows and doors, light switches and receptacles. I do not evaluate window treatments, move furniture, lift carpets or rugs, empty closets or cabinets. I may not comment on issues that appear cosmetic in nature. I may comment on the cracks that appear around windows and doors, or which follow the lines of framing members and the seams of drywall and plasterboard. These cracks are a consequence of movement, such as wood shrinkage, settling and or seismic activity. These cracks may reappear, particularly if they are not properly repaired.

The evaluation of environmental conditions is specifically excluded from the scope of work governing this inspection. Please refer to the general information section for additional comments. The evaluation of environmental issues is left to the discretion of the reader, but should be completed prior to the removal of transaction inspection contingencies.

General Interior Conditions and Comments

General Comments

Informational Comments Observations & Conditions

- There are indications of recent painting and or repairs at various interior areas. Paint may temporarily obscure stains, cracks and or other issues, that may later manifest themselves. This inspection is strictly limited to the conditions visible in the dwelling at the time of inspection. No opinions are offered as to the conditions within inaccessible, concealed areas and or as to conditions that were not apparent at the time of inspection.
- I recommend that the locks be re-keyed prior to occupancy and that all access points be reviewed for both security and egress. The evaluation of security issues is outside the scope of this inspection and all such issues are specifically disclaimed. Any comments/areas of concern noted are made for the convenience of the client only and are not intended to be comprehensive. Interested parties desiring further information should consult with a state licensed locksmith or other appropriate specialist.
- It is my understanding that this property has been unoccupied for a period of time. It is likely that during this period, major systems, appliances, the heating system, the water heater, etc have been dormant and or shut-down for prolonged periods, and that plumbing fixtures, drains etc. have been inactive or minimally used. In general, this is not recommended as these systems function better when used on a regular basis. When systems such as furnaces, water heaters, etc unused for prolonged periods, they may be subject to a higher than normal failure rate once normal usage resumes. Plumbing water distribution piping and fixtures should be fully flushed as stagnant water in supply lines may accumulate debris, organic matter, etc. Plumbing drain lines may dry out and be subject to blockages. This inspection will test these systems for basic functionality where possible, however, our inspection represents the functionality at a point in time and cannot predict or warrant future functionality of these systems. Interested parties should monitor all systems as the dwelling is once again occupied and have any abnormal conditions further evaluated/serviced as needed.
- NOTE: The unit HOA or CC&R documents were not reviewed as part of this inspection. Any issues related to compliance with the complexes rules, CC&R's are specifically disclaimed. However, I may make note of potential issues for the benefit of the reader. These comments are in no way a substitute for a review of the documentation. In the process of inspection the subject property, I noted the installation of hardwood, engineered wood, tile and or stone flooring materials within this unit. Some Home Owners Associations (HOA) through the CC&R's related to the unit enforce restrictions on the type of flooring materials they allow to be installed within the individual units. These restrictions are primarily a means to reduce noise/sound transmission between the units. I noted flooring installed in this unit that are of types know to be acoustically problematic. Interested parities should thoroughly review the HOA documentation to determine whether or not this particular complex places restrictions on the type of flooring installed and what if any repercussions there may be from any such installations.

Inspection Date/Time: 12/27/2008 1:00 pm to 4:30 pm

Entry

Front Door

Functional Components & Conditions

m The front door appears in acceptable condition.

The front doorbell responded when tested.

Improvement-Correction Suggested

CLIENT ADVISORY: There is no auto-closer on the front door(s). While not required, self-closing devices are generally recommended/required under current fire-safety guidelines for new construction. These are installed for fire safety and personal security reasons. I recommend upgrading the installation to bring it into conformance with current standards. Interested parties should consult with a qualified trades person for additional information and or service.

Floor

Functional Components & Conditions

The floor appears to be a wood material. The visible portions appear in generally serviceable condition with no significant issues apparent. All types of flooring require periodic cleaning to maintain its appearance and water seal. This type of flooring may be susceptible to denting and mechanical damage. Care should be exercised when moving heavy objects across them.

Walls and Ceiling

Functional Components & Conditions

m The walls and ceiling appear in generally serviceable condition.

Closet

Functional Components & Conditions

m The closet(s) in the entry appear in acceptable condition.

Components & Conditions Needing Service/Evaluation

The electric wiring for the nook light fixtures appears improperly installed. Such things as the use of extension cord material for permanently installed fixtures, making an electrical connection outside a rated enclosure, etc do not meet generally accepted electrical safety standards. I recommend that a qualified electrician evaluate and repair as necessary.



Lights

Functional Components & Conditions

m The lights appear functional. They responded to normal user controls when tested.

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Inspection Narratives - Page 21

Inspection Date/Time: 12/27/2008 1:00 pm to 4:30 pm

Living

Floor

Functional Components & Conditions

The floor appears to be a wood material. The visible portions appear in generally serviceable condition with no significant issues apparent. All types of flooring require periodic cleaning to maintain its appearance and water seal. This type of flooring may be susceptible to denting and mechanical damage. Care should be exercised when moving heavy objects across them.

Informational Comments Observations & Conditions

Some of the floor was not visible due to furniture, personal property, etc.

Walls and Ceiling

Functional Components & Conditions

m The walls and ceiling appear in generally serviceable condition.

Multi-Glazed Windows

Functional Components & Conditions

m The multi-glazed windows are functional.

Receptacles

Functional Components & Conditions

m The receptacles are functional.

Registers

Safety Concern

The heating unit enclosure/cover can become hot in operation and pose a fire and or burn hazard. Proper clearances must be maintained to furnishings, personal property, combustible materials, etc. Please refer to the manufacturers installation instructions for specific requirements.

Dining

Floor

Functional Components & Conditions

The floor appears to be a wood material. The visible portions appear in generally serviceable condition with no significant issues apparent. All types of flooring require periodic cleaning to maintain its appearance and water seal. This type of flooring may be susceptible to denting and mechanical damage. Care should be exercised when moving heavy objects across them.

Informational Comments Observations & Conditions

Some of the floor was not visible due to furniture, personal property, etc.

Walls and Ceiling

Functional Components & Conditions

m The walls and ceiling appear in generally serviceable condition.

Lights

Functional Components & Conditions

m The lights responded to normal user controls when tested and appear functional.

Receptacles

Functional Components & Conditions

m The receptacles are functional.

Bedrooms

In accordance with CREIA standards of practice, the inspection of bedrooms includes the visually accessible areas of walls, floors, cabinets and closets, and includes the testing of a representative number of windows and doors, switches and receptacles. I evaluate windows for basic operation and attempt to confirm that at least one widow, exterior door, etc are capable of facilitating an emergency exit or egress. I do not evaluate window treatments, move furniture, lift carpets or rugs, empty closets or cabinets. I may not comment on issues that appear cosmetic in nature. I may not comment on the cracks that appear around windows and doors, or which follow the lines of framing members and the seams of drywall and plasterboard. These cracks are generally a consequence of movement, such as wood shrinkage, settling and or seismic activity. Such cracks will often reappear over time, particularly if they are not properly repaired.

Master Bedroom

Location

Informational Comments Observations & Conditions

Bedroom Location: Left Rear

Doors

Functional Components & Conditions

m The door in the bedroom is functional.

Floor

Functional Components & Conditions

m The floor is carpeted. No apparent/visible noteworthy issues noted.

Informational Comments Observations & Conditions

Some of the floor was not visible due to furniture, personal property, etc.

Walls and Ceiling

Functional Components & Conditions

m The walls and ceiling appear in generally serviceable condition.

Sliding Glass Doors

Functional Components & Conditions

m The sliding glass door is tempered and in acceptable condition.

Safety Concern

PROPERTY SAFETY ADVISORY: The sliding glass door(s) in this area open to a balcony, stair landing, or other areas that may pose a fall hazard - especially should small children be present. The installation of secondary latches or safety stops is strongly recommended as a property safety upgrade. Please refer to the Exterior section for additional information and recommendations.

General Maintenance & Periodic Maintenance Item

- The sliding glass door may require service to function properly/smoothly; i.e. roller hardware service, latch service, cleaning, lubrication and or adjustment. I suggest that a qualified window and door contractor evaluate, service as necessary.
- The sliding door latch assembly needs adjustment, lubrication and or service to function properly. Improvement-Correction Suggested
- CLIENT ADVISORY: The sliding glass door has no secondary locking mechanism which you may wish to
 install for added security. Interested parties should consult with a qualified locksmith regarding locking
 mechanism alternatives, etc.
- The sliding glass door screen is not installed.

Closets

Functional Components & Conditions

The bedroom closets and their components are functional.

Lights

Functional Components & Conditions

The wall receptacle control switches responded normally.

Receptacles

Functional Components & Conditions

m The accessible receptacles are functional.

Inspection Date/Time: 12/27/2008 1:00 pm to 4:30 pm

Informational Comments Observations & Conditions

Furniture and or personal belongings prevented access to some of the receptacles in this area. Interested
parties should independently confirm the proper operations of any such receptacles.

Registers

Safety Concern

The heating unit enclosure/cover can become hot in operation and pose a fire and or burn hazard. Proper clearances must be maintained to furnishings, personal property, combustible materials, etc. Please refer to the manufacturers installation instructions for specific requirements.

Smoke & CO Alarms

Functional Components & Conditions

A combination smoke/CO alarm is present as recommended/required. All smoke and CO alarms should be tested periodically per the manufacturers instructions. If the alarm uses a battery, the battery should replaced bi-annually to ensure safe operation of the unit. The type of alarm was not verified. I recommend that all smoke alarms be replaced with photoelectric type alarms. The installation of separate smoke/CO alarms is recommended. Combination alarms are a single point of failure. If the unit fails or the battery dies - both safety devices cease to work.

Bedroom 2

Location

Informational Comments Observations & Conditions

The bedroom is located at the rear center of the dwelling

Doors

Functional Components & Conditions

The doors are functional and appear to include safety glass as required.

Floor

Functional Components & Conditions

m The floor is carpeted and appears in serviceable condition. There were no apparent/visible significant issues.

Informational Comments Observations & Conditions

- Some of the floor was not visible due to furniture, personal property, etc.
- The floor covering prevents a complete evaluation of the floor system. No opinions are offered as to the conditions within inaccessible or concealed areas.

Walls and Ceiling

Functional Components & Conditions

The walls and ceiling appear in generally serviceable condition.

Single-Glazed Windows

Functional Components & Conditions

m The single-pane windows are functional.

Safety Concern

While apparently required at the time of apparent installation, I was unable to positively verify that glass panes in one or more high risk area windows are tempered/impact resistant glass. The required safety glass markings were not found on the visible portions of the glass. For safety reasons, if children occupy or visit the premises, caution is recommended in all such areas. Interested parties are encouraged to consult with a qualified glazing contractor to positively verify that the installation conforms to applicable safety standards. Even with safety glazing, special care should be used in any such areas.

Multi-Glazed Windows

Functional Components & Conditions

m The multi-glazed bedroom windows are functional

Closets

Functional Components & Conditions

m The bedroom closet and its components are functional.

Inspection Date/Time: 12/27/2008 1:00 pm to 4:30 pm

Lights

Informational Comments Observations & Conditions

I could not determine if one or more of the light switches were functioning properly. I was unable to positively identify which device or receptacle that the wall switch services. Interested parties should consult with the occupants and or independently confirm the fixture controlled by the light switches in this area.

Receptacles

Functional Components & Conditions

m The accessible receptacles are functional.

Informational Comments Observations & Conditions

Furniture and or personal belongings prevented access to some of the receptacles in this area. Interested parties should independently confirm the proper operations of any such receptacles.

Registers

Safety Concern

The grillwork on the heating unit can become extremely hot when in operation and can pose a fire and or burn hazard. I recommend that proper clearances be maintained to furnishings, carpet, personal property and or any potentially combustible materials. Please refer to the manufacturers installation instructions for specific requirements.

Smoke & CO Alarms

Functional Components & Conditions

A combination smoke/CO alarm is present as recommended/required. All smoke and CO alarms should be tested periodically per the manufacturers instructions. If the alarm uses a battery, the battery should replaced bi-annually to ensure safe operation of the unit. The type of alarm was not verified. I recommend that all smoke alarms be replaced with photoelectric type alarms. The installation of separate smoke/CO alarms is recommended. Combination alarms are a single point of failure. If the unit fails or the battery dies - both safety devices cease to work.

Bathrooms

The evaluation of bathrooms conforms to CREIA standards of practice. I test plumbing fixtures for functional flow in accordance with generally accepted practices. The inspection includes testing a representative number of windows and doors, light switches and receptacles. I do not evaluate window treatments, move furniture, lift carpets or rugs, empty closets or cabinets. The evaluation of specialty systems such as floor heating systems, steam showers, saunas, etc are excluded from the scope of work of this inspection.

It is beyond the scope of a general property inspection to flood/leak-test shower pans. This area is the specific responsibility of the WDO inspector. Be advised, many WDO inspectors will not flood test shower pans installed over finished areas. This is because the tests are inconclusive and due to the possibility of water damage. Please refer to the WDO report for specific information on this issue. No opinions are offered as to the conditions within concealed or inaccessible areas.

Master Bathroom

Doors

Functional Components & Conditions

m The door in the bathroom is functional.

Floor

Functional Components & Conditions

m The bathroom floor appears to be a stone material and appears in serviceable condition with no significant defects apparent. All types of stone tile requires periodic cleaning, re-sealing and re-grouting to maintain its appearance and water seal. This should be considered part of normal property maintenance.

General Maintenance & Periodic Maintenance Item

The grout and/or caulking should be inspected periodically and serviced as needed. Periodic maintenance is important to ensure the proper performance of the flooring. A qualified tile contractor should service on an as needed basis.

Walls & Ceiling

Functional Components & Conditions

m The walls and ceiling are in acceptable condition.

Cabinets

Functional Components & Conditions

m The visible/accessible portions of the cabinets appear in generally serviceable condition.

Sink Countertop

Functional Components & Conditions

The countertops are a stone material. The countertops appear in serviceable condition with no significant issues apparent. Stone is porous by nature and will require routine maintenance to maintain appearance and water seal. This should be considered part of your normal property maintenance.

Sink Faucet Valves & Connectors Trap & Drain

Functional Components & Conditions

The bathroom sink and its components are functional. When tested, I observed adequate flow from the faucet. The draw at the drain appears adequate /uninhibited. There were no indications of current leakage/moisture at the fittings below the sink. Interested parties desiring further information should consult with a qualified plumbing contractor.

Stall Shower

Functional Components & Conditions

The shower is functional and the enclosure includes safety glass as required. When tested, I observed adequate flow from the showerhead. The draw at the drain appears adequate /uninhibited. Interested parties desiring further information should consult with a qualified plumbing contractor.

General Maintenance & Periodic Maintenance Item

- I recommend periodic inspection and maintenance of the enclosure joints/seams. This will extend the life of the enclosure and should be considered part of the normal property maintenance. Interested parties desiring further information or service should consult with a qualified trades person.
- The area around the spigot, handles and or shower head etc. should be properly sealed to forestall moisture intrusion.

Inspection Date/Time: 12/27/2008 1:00 pm to 4:30 pm

The showerhead appears occluded by minerals, and does not spray uniformly. I suggest cleaning or replacing the showerhead to restore full flow and functionality. Interested parties should consult with a qualified trades person for further information and or service.

Toilet

Functional Components & Conditions

The toilet is functional. When flushed, the draw at the drain appears adequate/uninhibited. There were no indications of current leakage/moisture at the water supply valve/fittings. Interested parties desiring further information should consult with a qualified plumbing contractor.

Exhaust Fan

Components & Conditions Needing Service/Evaluation

The bathroom exhaust fan did not respond when tested. I recommend that a qualified trades person service/replace the unit as needed.

Lights

m

Functional Components & Conditions

m The lights responded to normal user controls when tested and appear functional.

Receptacles

Functional Components & Conditions

The receptacles are functional and include ground-fault protection as required. Per the manufacturers instructions, all GFCI receptacles should be tested periodically to ensure proper operation. Interested parties desiring further information should consult with a qualified electrical contractor.

Hallway Bathroom

Doors

Functional Components & Conditions

m The door in the bathroom is functional.

Floor

Functional Components & Conditions

The bathroom floor is a stone material and appears in serviceable condition with no significant defects apparent. All types of stone tile requires periodic cleaning, re-sealing and re-grouting to maintain its appearance and water seal. This should be considered part of normal property maintenance.

General Maintenance & Periodic Maintenance Item

The grout and/or caulking should be inspected periodically and serviced as needed. Periodic maintenance is important to ensure the proper performance of the flooring. A qualified tile contractor should service on an as needed basis.

Walls & Ceiling

Functional Components & Conditions

m The walls and ceiling are in acceptable condition.

Cabinets

m

Functional Components & Conditions

The visible/accessible portions of the cabinets appear in generally serviceable condition.

Sink Countertop

Functional Components & Conditions

m The countertops are a stone material. The countertops appear in serviceable condition with no significant issues apparent. Stone is porous by nature and will require routine maintenance to maintain appearance and water seal. This should be considered part of your normal property maintenance.

Sink Faucet Valves & Connectors Trap & Drain

Functional Components & Conditions

- The bathroom sink and its components appear in serviceable condition except as may be noted elsewhere. Informational Comments Observations & Conditions
- The faucet appears occluded by minerals, and does not spray uniformly. Interested parties should clean/service the faucet as needed to restore proper flow.

Inspection Date/Time: 12/27/2008 1:00 pm to 4:30 pm

Tub-Shower

Functional Components & Conditions

m The tub-shower enclosure appears to be safety glass as required.

General Maintenance & Periodic Maintenance Item

- I recommend periodic inspection and resealing of the enclosure joints/seams. This extends the life of the enclosure. It is recommended that routine maintenance be performed at least once a year as part of your normal property maintenance. Interested parties desiring further information or service should consult with a qualfied trades person.
- The area around the spigot, handles and or shower head etc. should be properly sealed to forestall moisture intrusion.

[SR] Service Recommended

[SR]: The tub/shower drain appears slow. Service is suggested. Interested parties should consult with a qualified plumber for any necessary service.

Toilet

Functional Components & Conditions

The toilet is functional. When flushed, the draw at the drain appears adequate/uninhibited. There were no indications of current leakage/moisture at the water supply valve/fittings. Interested parties desiring further information should consult with a qualified plumbing contractor.

Exhaust Fan

Components & Conditions Needing Service/Evaluation

The bathroom exhaust fan did not respond when tested. I recommend that a qualified trades person service/replace the unit as needed.

Lights

Functional Components & Conditions

The lights responded when tested and appear functional.

Improvement-Correction Suggested

The lighting in this area does not appear to conform to current energy conservation standards. Upgrading the lighting is suggested. Please refer to the general electrical comments section for additional information and recommendations.

Receptacles

Functional Components & Conditions

m The receptacles are functional and include ground-fault protection as required. Per the manufacturers instructions, all GFCI receptacles should be tested periodically to ensure proper operation. Interested parties desiring further information should consult with a qualified electrical contractor.

Accessories

Informational Comments Observations & Conditions

There is no toilet paper holder installed.

1234 Beach Avenue Unit D, Malibu, CA 94000 12/27/2008 1:00 pm to 4:30 pm

Common

The evaluation of common areas is in accordance with CREIA standards of practice. This includes a visual evaluation of the kitchen, hallway, stairs, laundry, and garage, is similar to that of the living space. I inspect visible/accessible areas of walls, floors, cabinets and closets, and the testing of a representative number of windows and doors, switches and receptacles. I pay particular attention to safety issues, such as those involving electricity, guards, and the presence of tempered/safety glass, etc.

Kitchen

General Kitchen Comments

Informational Comments Observations & Conditions

Most major built-in appliances are tested for basic functionality in single mode of operation. They are not evaluated for performance, output, efficiency, etc. It is not possible to test appliances in all settings or cycles. The manuals were not reviewed for conformance with the manufacturers installation instructions. Appliances older than ten years will exhibit decreased efficiency and reliability. Portable, free-standing and or specialty appliances such as refrigerators, built-in toasters, coffee-makers, can-openers, blenders, water-purifiers, barbecues, grills, or rotisseries, timers, clocks, thermostats, the self-cleaning capacity of ovens, and concealed or countertop lighting were not inspected. Appliances have a finite life span. It is not possible to predict what the life span may be for a given device. The inspection of an appliance or system does not constitute a guarantee or warranty as to future functionality or remaining life. Rather this inspection reflects the appliances basic functionality at the time of inspection.

General Comments

[SR] Service Recommended

Q CLIENT ADVISORY: There are indications of vermin/rodent activity in or around this area that should be addressed. This represents a potential health hazard and should be properly cleaned by a qualified specialist. I am not qualified to determine whether these are older or recent in nature. I suggest that licensed pest control operator be engaged to evaluate and service the area. These qualified specialists may suggest additional measures to control the problem.

Floor

Functional Components & Conditions

The floor appears to be a wood material. The visible portions appear in generally serviceable condition with no significant issues apparent. All types of flooring require periodic cleaning to maintain its appearance and water seal. This type of flooring may be susceptible to denting and mechanical damage. Care should be exercised when moving heavy objects across them.

Informational Comments Observations & Conditions

Furniture, area rugs and or personal belongings prevented a complete examination.

Walls and Ceiling

Functional Components & Conditions

The walls and ceiling appear in generally serviceable condition.

Cabinets

m

Functional Components & Conditions

The visible/accessible portions of the kitchen cabinets appear in generally serviceable condition.

Counter Top

Functional Components & Conditions

The countertops are a stone material. The countertops appear in serviceable condition with no significant issues apparent. Stone is porous by nature and will require routine maintenance to maintain appearance and water seal. This should be considered part of your normal property maintenance.

Sink

Functional Components & Conditions

m The kitchen sink appears serviceable.

Faucet

m

Functional Components & Conditions

The sink faucet is functional. When tested, I observed adequate flow from the faucet. Interested parties desiring further information should consult with a qualified plumbing contractor.

Inspection Date/Time: 12/27/2008 1:00 pm to 4:30 pm

Valves and Connectors

Functional Components & Conditions

The visible portions of the water supply valves and connectors below the sink appear serviceable. The operation of the valves was not verified. No indications of leakage was apparent at the time of inspection. Since the water supply shut-off valves are not in regular use, they may become stiff or frozen over time.

Trap and Drain

Functional Components & Conditions

The trap and drain at the sink is functional. The draw at the drain appears adequate /uninhibited. There were no apparent indications of leakage/moisture at the accessible portions of the fixture drain. Interested parties desiring further information should consult with a qualified plumbing contractor.

Garbage Disposal

Functional Components & Conditions

m The garbage disposal responded to normal user controls when tested and appears serviceable.

Gas Range

Informational Comments Observations & Conditions

The gas shut-off for the range appears to be in the adjacent cabinet area. I recommend keeping the area clear for service and emergency access.

Components & Conditions Needing Service/Evaluation

The gas burners appear to operate improperly when tested, The burner flame appears over-fired/uneven. This poses a potential safety hazard. I recommend that a qualified appliance repair specialist evaluate and service the unit as needed.

Improvement-Correction Suggested

Portions of the range trim are improperly secured. While generally cosmetic, interested parties may wish to have a qualified appliance service technician service as necessary.

Exhaust Fan or Downdraft

Functional Components & Conditions

The exhaust fan or downdraft responded to normal user controls and appears functional.

Informational Comments Observations & Conditions

The interior finishes preclude positively confirming the termination of the exhaust fan at the exterior. No representations can be made as to conditions within concealed or inaccessible area. Interested parties desiring further information should consult with a qualified trades person.

Dishwasher

Functional Components & Conditions

The dishwasher responded to normal user controls when tested. The unit appeared to progress through a typical wash cycle and is believed to be functioning as intended. The dishwasher includes the mandated air-gap valve. The cleaning performance was not verified.

Built-in Microwave

Functional Components & Conditions

The built-in microwave responded to normal user controls when tested. The microwave was tested for basic functionality only. The unit was not tested for leakage, not in all settings/modes or for power output.

Lights

Functional Components & Conditions

m The lights in the kitchen responded to normal user controls when tested and appear functional.

Improvement-Correction Suggested

The lighting in this area does not appear to conform to current energy conservation standards. Upgrading the lighting is suggested. Please refer to the general electrical comments section for additional information and recommendations.

Receptacles

Functional Components & Conditions

m The unobstructed receptacles are functional and include ground-fault (GFCI) protection where generally required at the time of installation/construction. Per the manufacturers instructions, all GFCI receptacles should be tested a minimum of once a month to ensure proper operation.

Inspection Date/Time: 12/27/2008 1:00 pm to 4:30 pm

Appliances Not Evaluated

Informational Comments Observations & Conditions

The evaluation of refrigerators, freezers, wine storage coolers, etc. is outside the scope of this inspection. Interested parties should independently confirm the proper function/operation of any such devices and or appliances.

Hallway

Floor

Functional Components & Conditions

The floor appears to be a wood material. The visible portions appear in generally serviceable condition with no significant issues apparent. All types of flooring require periodic cleaning to maintain its appearance and water seal. This type of flooring may be susceptible to denting and mechanical damage. Care should be exercised when moving heavy objects across them.

Walls and Ceiling

Functional Components & Conditions

m The walls and ceiling appear in generally serviceable condition.

Lights

Functional Components & Conditions

The lights appear functional. They responded to normal user controls when tested.

Receptacles

Functional Components & Conditions

n The receptacles are functional.

Smoke & CO Alarms

Functional Components & Conditions

A combination smoke/CO alarm is present as recommended/required. All smoke and CO alarms should be tested periodically per the manufacturers instructions. If the alarm uses a battery, the battery should replaced bi-annually to ensure safe operation of the unit. The type of alarm was not verified. I recommend that all smoke alarms be replaced with photoelectric type alarms. The installation of separate smoke/CO alarms is recommended. Combination alarms are a single point of failure. If the unit fails or the battery dies - both safety devices cease to work.

Sub Panel Location

Informational Comments Observations & Conditions

There is an electrical sub panel located in the hallway area. Proper access should be maintained. Please refer to the Electrical section for additional information.

Laundry

General Laundry Room Comments

Informational Comments Observations & Conditions

In accordance with CREIA standards, the operation of clothes washers or dryers is not part of this inspection. I perform a visual inspection of the water hook-ups, drains, fuel/power sources and accessible areas of the dryer venting. The functional flow of washer stand-pipes is not verified. Water supply hoses are often reused. Older supply hoses can leak or burst under pressure. Replacement of any older hoses with new braided stainless steel hoses is recommended. Newer washing machines discharge a greater volume of water than some older drain pipes may be able to handle. This can result in the drain overflowing. Older drainpipes may require upgrading.

LOCATION: The laundry area is located in the hallway enclosure.

Doors

Functional Components & Conditions

m The door in the laundry is functional.

Inspection Date/Time: 12/27/2008 1:00 pm to 4:30 pm

Floor

Functional Components & Conditions

The floor is a vinyl material and appears in generally serviceable condition with wear, tear and or cosmetic issues commensurate with both age and use.

Informational Comments Observations & Conditions

Appliances, furniture and or personal belongings prevented a complete examination of the flooring in this
area.

Walls and Ceiling

Functional Components & Conditions

m The walls and ceiling appear in generally serviceable condition.

Valves and Connectors

Functional Components & Conditions

The water supply shut-off valves for the clothes washer are installed as required. There were no indications of leakage visible at the time of inspection. The operation of the valves was not verified. Since shut-off valves are not in daily use they may become stiff or frozen over time. It is recommended that the proper orientation of the valves be confirmed. i.e. hot water on the left and cold on the right. Interested parties should periodically operate the valves to maintain proper functionality.

Improvement-Correction Suggested

The use of the standard black rubber water supply hoses is discouraged. The black rubber water supply hoses found on many clothes washing machines are not designed/rated for continuous water pressure and may be subject to random failure. The manufacturers instructions generally recommend that the water supply be turned off when the washer is not in use. In practice, few people do this. This issue becomes especially important when the washer is installed inside the living area, where water pressure is higher than normal, etc, Upgrading the supply hoses supply to braided/reinforced hoses or other continuous line pressure rated hoses is recommended. Some newer hoses also have flow limiting devices built-in that terminate flow in a free-flow condition. Interested parties desiring further information should consult with a qualified plumbing contractor and or appliance service specialist.

Washer Drain

Informational Comments Observations & Conditions

The washer drain area was not accessible due to stored personal property and or other obstructions. The functional flow was of the drain could not be verified. Interested parties should independently confirm the proper flow/draw at this drain.

Drip Pan

Improvement-Correction Suggested

RECOMMENDED PROPERTY UPGRADE: I recommend the installation of a safety/drip pan with either a dedicated drain or leak detecting shut-off valves. These devices are intended to minimize water damage should the clothes washer leak. An example of one such product may be found at: http://www.absoluteautomation.com/flood_stop. The installation of safety pans are not required in most areas. Certain HOA's may require upgrading the installation to minimize damage to any units below. In any case, they are a worthwhile investment. Upgrading is recommended. Interested parties desiring further information should consult with a qualified plumbing contractor.

Gas Valve & Connector

Informational Comments Observations & Conditions

No gas connection appears installed and or was visible to supply a gas dryer.

220 Volt Receptacle

Informational Comments Observations & Conditions

A 220 volt receptacle for an electric clothes dryer is present but was not tested. The 220 VAC installed is a older 3-wire design. Some electric dryers may use newer 4-wire plugs and may require a conversion kit to work with this older style receptacles. These kits are generally available from the appliance manufacturer. Interested parties desiring further information should consult with a qualified electrical contractor.

Make-Up Air Supply

Informational Comments Observations & Conditions

The laundry area has louvered doors installed. When the dryer is running, it draws air out of the laundry enclosure. The average dryer exhausts about 200 cubic feet of air per minute (CFM) to the exterior. The

louvered openings in the doors allow make-up air to enter the enclosure. It is important for the proper/safe operation of the appliances that the louvers not be covered. If the door(s) are replaced, openings of some kind must be installed to allow make-up air into the area. Current standards require a make-up air openings that is a minimum of 100 square inches. Interested parties desiring further information should consult with a qualfied HVAC contractor.

Dryer Vent

General Maintenance & Periodic Maintenance Item

Periodic Cleaning is Critical to Safe Operation of the Clothes Dryer: Periodic inspection and cleaning of the dryer and vent system is strongly recommended. Lint build-up in the dryer and vent system pose a significant fire and safety risk. Dryer related fires are one of the top 10 causes of residential appliance related fires in the US. Each year there are for nearly 15,500 residential dryer related fires that result in significant property damage and around 400 injuries. Please refer to the manufacturers instructions the specific maintenance requirements for your dryer. Failure to properly maintain the appliance may potentially void the manufacturers and or home warranty coverage. More importantly - improper maintenance can result in unsafe operating conditions. The clothes dryer in the unit is believed to be connected to a central dryer vent system for the building. These systems are usually maintained by the HOA. Interested parties should consult with the HOA for the maintenance responsibility. Regardless, it is important that regular maintenance be performed on both the vent system and the clothes dryer. Please consult with a qualified appliance service technician for additional information and or service.

Improvement-Correction Suggested

CLIENT ADVISORY: Portions of the dryer vent and or connector are a flexible aluminized or plastic type material. In general, this type of material traps lint more easily than a smooth metal type, which may in turn compromise the performance of the dryer and can facilitate a fire. Current standards require that all dryer connectors be listed/rated for use as a dryer vent connector. I recommend that this ducting material be replaced with an approved metal material for safety reasons. Interested parties should consult with a qualified trades person for further information and or service.

Parking

General Parking Comments

Informational Comments Observations & Conditions

The parking are in this common interest development appears to be under the control of the HOA (Home Owners Association). It is common for the some or all of the parking areas to be located underground. Moisture often penetrates the concrete components in these lower level parking areas, because they are often located on or below grade. Evidence of this is typically apparent in the form of efflorescence, or salt crystal formations, that are the result of moisture penetrating the sidewalls or the slab. We recommend that you inquire of the HOA as to the particulars of this complex's design and any upgrades that may have been made and or are anticipated.

Parking areas are not standard, and you may wish to measure the parking space to ensure that there is sufficient clearance to accommodate your vehicle(s).

Lastly, we recommend becoming familiar with the layout of the garage area and consulting with the HOA regarding appropriate security precautions that they recommend to residents of the complex.

Parking Space

Informational Comments Observations & Conditions

The unit is believed to have one assigned space in the ground/lower level common parking area. The HOA appears to have responsibility for this area. Per CREIA Standards of Practice and the terms of use governing this inspection, all common areas and or elements are specifically excluded from the scope of this inspection. Any commentary is made for the convenience of the client only and is not meant to warranty common area elements/components nor is it a substitute for a thorough review of the required HOA operating budget, documentation and or disclosures.

Inspection Address: Inspection Date/Time: 1234 Beach Avenue Unit D, Malibu, CA 94000 12/27/2008 1:00 pm to 4:30 pm

Life-Safety

Life-safety systems generally include components such as smoke alarms, carbon monoxide (CO) alarms, fire-sprinklers systems, fire escape ladders, fire extinguishers, central fire alarm systems, emergency lighting, exit signage, and other related systems. The rules and regulations surrounding the installation, maintenance, and or inspections of life-safety systems are complex and may vary by jurisdiction. The evaluation of fire-sprinkler and central monitored systems may require a state license specialist. I note the presence/absence of smoke and CO alarms, but do not verify the operation. I am a generalist and am not a specialist. I am not qualified to evaluate fire-sprinkler systems and specifically disclaim these systems See the terms of use for this report. In the course of this generalists inspection, I may alert the reader to the presence or absence of components when apparent to us. Any comments are those of a lay person - not a specialist. My comments are not a substitute for a specialists inspection. It is recommended that all such systems be further evaluated by a qualified specialist prior to the removal of transaction contingencies. The inspection by a qualified specialist may recommend upgrades, changes, detect defects and or conditions that I am unaware of.

Fire Safety Equipment

Smoke & CO Alarms

Safety Concern

RECOMMENDED SAFETY UPGRADE: It is recommended that ALL ionization alarms - regardless of age - be replaced with photoelectric smoke alarms. Extensive research clearly shows that photoelectric smoke alarms are far more reliable in most real-world fire scenarios. Nearly 95% of the smoke alarms installed in US residences are IONIZATION alarms. Ionization alarms are approved smoke alarms and DO comply with the legal requirements for transfer in MOST jurisdictions. However, significant research shows that ionization alarms RESPOND TOO SLOWLY to the smoldering fires responsible for most residential fire deaths. Ionization alarms are also notorious for nuisance tripping from cooking, shower steam, etc. Ionization alarms will fail to adequately warn occupants about 55% of the time. With photoelectric alarms the occupants will receive sufficient warning about 96% of the time. Ionization technology alarms pose a significant life-safety risk. Combination alarms are not recommended. The type of alarm installed was not verified as part of this inspection. Interested parties should consult with a qualified trade specialist for service.

General Maintenance & Periodic Maintenance Item

- The use off 10 year smoke alarm batteries is recommended. Any smoke alarms with standard batteries should have the batteries changed twice per year or be upgraded to use 10 year batteries. All of us need a way to remind ourselves of critical routine maintenance items such as this. Changing batteries when clocks are changed for daylight savings time is a good way to remember. All smoke alarms should be tested per the manufacturers instructions generally on a weekly basis. Any non-responsive alarms should be serviced or replaced as needed. Smoke alarms that are 10 years or older should be replaced as they may not respond when needed most. The type of alarm installed was not verified as part of this inspection.
- There are carbon monoxide alarms installed as required. Carbon monoxide alarms should be tested per the manufacturers instructions. The units should be replaced periodically as indicated by the manufacturers to ensure proper function. This is generally at least every 5-7 years. Interested parties desiring further information should consult with a qualified trades person.

Improvement-Correction Suggested

NOTE: The installation of combination smoke/CO alarms is not recommended. Should a combination unit fail or - in battery only units - the battery die - there is NO protection. The use of combination lonization/CO alarms is not recommended under any circumstances due to the poor performance of ionization technology. It should be noted that combination alarms do meet the legal requirements in most cities/areas.

Fire Sprinklers

Informational Comments Observations & Conditions

This dwelling is part of a multi-unit complex that is managed through an HOA. The subject property has fire sprinklers that are believed part of a larger central system. The evaluation of fire suppression systems is a state licensed function which I am not qualified to conduct and specifically disclaim in our contract. However, I make note of such systems if observed in the course of our inspection. All fire sprinkler systems should undergo periodic inspection by a qualified specialist. Interested parties should consult with the HOA for further information.

Inspection Date/Time: 12/27/2008 1:00 pm to 4:30 pm There are exposed fire sprinkler heads at various locations around the dwelling. It is important for the safe operation of the system that these never be painted or covered. Interested parties desiring further information should consult a state licensed fire sprinkler contractor.

1234 Beach Avenue Unit D, Malibu, CA 94000

Inspection Address:

CERTIFICATIONS AND AFFILIATIONS













Master CREIA Inspector, MCI

California Real Estate Inspection Association, Master CREIA Inspector #0107 ASHI Certified Inspector #246625 ICC Certified Residential Combination Building Inspector #5283444-R5 Member, International Code Council #5236207 F.I.R.E Service Certified Inspector #FP 102 Tile Roofing Institute, Certified Installer/Moderate Climates CREIA Certified Trainer Member, National Fire Protection Association (NFPA) Member, International Association of Electrical Inspectors (IAEI)

ITA Educated

Walker Property Evaluation Services

3001 Sneath Lane San Bruno CA 94066 Tel: 650-873-4224 Fax: 650-873-4282

Terms and Conditions of Use

Client: Ken & Barbie Doll

Property Address 1234 Beach Avenue Unit D, Malibu, CA 94000

Date: 12/27/2008

Terms and Conditions:

This report is not transferable and was written for the sole use and benefit of named Client. This report is a work product and is copyrighted as of the date of this report. It is the exclusive property of the Walker Property Evaluation Services and for the exclusive use of the clients whose names appear therein. Any use without the express written permission of the Client and Walker Property Evaluation Services is expressly prohibited. Unauthorized duplication and/or distribution of, use of or reliance on this report by any party other than the clients has the effect of all parties agreeing to hold harmless, individually, jointly, and/or otherwise, the inspector, the Company, their successors and assigns from any third party claims arising out of unauthorized distribution of the inspection report. ANY USE OF OR RELIANCE ON THIS REPORT, WHETHER AUTHORIZED OR UNAUTHORIZED, OF THE INFORMATION CONTAINED HERIN, CONSTITUTES YOUR ASCENT TO THE TERMS OF THE WRITTEN AGREEMENT GOVERNING THIS DOCUMENT AND TO THE SCOPE AND LIMITATION OF THE INSPECTION AS DESCRIBED IN THE CREIA STANDARDS OF PRACTICE. Interested third-party's are encouraged to obtain their own independent inspection for the property. Walker Property Evaluation Services would be happy to schedule such an inspection for you.

SCOPE OF THE INSPECTION: The real estate inspection to be performed for Client is a survey and basic operation of the systems and components of a building which can be reached, entered, or viewed without difficulty, moving obstructions, or requiring any action which may result in damage to the property or personal injury to the Inspector. The purpose of the inspection is to provide the Client with information regarding the general condition of the building(s).

Inspector will prepare and provide Client a written report for the sole use and benefit of Client. The written report shall document any material defects discovered in the building's systems and components which, in the opinion of the Inspector, are safety hazards, are not functioning properly, or appear to be at the ends of their service lives.

The inspection shall be performed in accordance with the Standards of Practice of the California Real Estate Inspection Association (CREIA®), attached hereto and incorporated herein by reference, and is limited to those items specified herein.

CLIENT'S DUTY: Client agrees to read the entire written report when it is received and promptly call Inspector with any questions or concerns regarding the inspection or the written report. The written report shall be the final and exclusive findings of Inspector. Client acknowledges that Inspector is a generalist and that further investigation of a reported condition by an appropriate specialist may provide additional information which can affect Client's purchase decision. Client agrees to obtain further evaluation of reported conditions before removing any investigation contingency and prior to the close of the transaction. In the event Client becomes aware of a reportable condition which was not reported by Inspector, Client agrees to promptly notify Inspector and allow Inspector and/or Inspector's designated representative(s) to inspect said condition(s) prior to making any repair, alteration, or replacement. Client agrees that any failure to so notify Inspector and allow inspection is a material breach of this Agreement.

ENVIRONMENTAL CONDITIONS: Client agrees what is being contracted for is a building inspection and not an environmental evaluation. The inspection is not intended to detect, identify, or disclose any health or environmental conditions regarding this building or property, including, but not limited to: the presence of asbestos, radon, lead, urea-formaldehyde, fungi, molds, mildew, PCBs, or other toxic, reactive, combustible, or corrosive contaminants, materials, or substances in the water, air, soil, or building materials. I am not qualified to detect the presence of Chinese Drywall. Accordingly, the issue of Chinese Drywall (and its potential problems) are beyond the scope of the inspection. The Inspector is not liable for injury, health risks, or damage caused or contributed to by these conditions.

GENERAL PROVISIONS: The written report is not a substitute for any transferor's or agent's disclosure that may be required by law, or a substitute for Client's independent duty to reasonably evaluate the property prior to the close of the transaction. This inspection Agreement, the real estate inspection, and the written report do not constitute a home warranty, guarantee, or insurance policy of any kind whatsoever. No legal action or proceeding of any kind, including those sounding in tort or contract, can be commenced against Inspector/Inspection Company or its officers, agents, or employees more than one year from the date Client discovers, or through the exercise of reasonable diligence should have discovered, the cause of action. In no event shall the time for commencement of a legal action or proceeding exceed two years from the date of the subject inspection. THIS TIME PERIOD IS SHORTER THAN OTHERWISE PROVIDED BY LAW.

This Agreement shall be binding upon and inure to the benefit of the parties hereto and their heirs, successors, and assigns. This Agreement constitutes the entire integrated agreement between the parties hereto pertaining to the subject matter hereof and may be modified only by a written agreement signed by all of the parties hereto. No oral agreements, understandings, or representations shall change, modify, or amend any part of this Agreement. Each party signing this Agreement warrants and represents that he/she has the full capacity and

authority to execute this Agreement on behalf of the named party. If this Agreement is executed on behalf of Client by any third party, the person executing this Agreement expressly represents to Inspector that he/she has the full and complete authority to execute this Agreement on Client's behalf and to fully and completely bind Client to all of the terms, conditions, limitations, exceptions, and exclusions of this Agreement.

SEVERABILITY: Should any provision of this Agreement be held by a court of competent jurisdiction to be either invalid or unenforceable, the remaining provisions of this Agreement shall remain in full force and effect, unimpaired by the court's holding.

MEDIATION: The parties to this Agreement agree to attend, in good faith, mediation with a retired judge or lawyer with at least 5 years of mediation experience before any lawsuit is filed. All notices of mediation must be served in writing by return receipt requested allowing 30 days for response. If no response is forthcoming the moving party may then demand binding arbitration under the terms and provisions set forth below.

ARBITRATION: Any dispute concerning the interpretation or enforcement of this Agreement, the inspection, the inspection report, or any other dispute arising out of this relationship, shall be resolved between the parties by binding arbitration conducted in accordance with California Law, except that the parties shall select an arbitrator who is familiar with the real estate profession. The parties agree that they shall be entitled to discovery procedures within the discretion of the arbitrator. The arbitrator shall manage and hear the case applying the laws of the State of California to all issues submitted in the arbitration proceeding. The award of the arbitrator shall be final, and a judgment may be entered on it by any court having jurisdiction. Any disputes are to be arbitrated by:

Judicial Arbitration and Mediation Service (JAMS®)

CREIA Standards of Practice

Table of Contents

- I. Definitions and Scope
- II. Standards of Practice
 - 1. Foundation, Basement, and Under-floor Areas
 - 2. Exterior
 - 3. Roof Covering
 - 4. Attic Areas and Roof Framing
 - 5. Plumbing
 - 6. Electrical
 - 7. Heating and Cooling
 - 8. Fireplaces and Chimneys
 - 9. Building Interior
- III. Limitations, Exceptions and Exclusions
- IV. Glossary of Terms
- I. Definitions and Scope

These Standards of Practice provide guidelines for a real estate inspection and define certain terms relating to these inspections. Italicized words in these Standards are defined in Part IV, Glossary of Terms.

- A. A real estate inspection is a survey and basic operation of the systems and components of a building which can be reached, entered, or viewed without difficulty, moving obstructions, or requiring any action which may result in damage to the property or personal injury to the Inspector. The purpose of the inspection is to provide the Client with information regarding the general condition of the building(s). Cosmetic and aesthetic conditions shall not be considered.
- B. A real estate inspection report provides written documentation of material defects discovered in the inspected building's systems and components which, in the opinion of the Inspector, are safety hazards, are not functioning properly, or appear to be at the ends of their service lives. The report may include the Inspector's recommendations for correction or further evaluation.
- C. Inspections performed in accordance with these Standards of Practice are not technically exhaustive and shall apply to the primary building and its associated primary parking structure.
- II. Standards of Practice

SECTION 1 - Foundations, Basements, and Under-floor Areas

A. Items to be inspected:

Foundation system

Floor framing system

Under-floor ventilation

Foundation anchoring and cripple wall bracing

Wood separation from soil

Insulation

B. The inspector is not required to:

Determine size, spacing, location, or adequacy of foundation bolting/bracing components or reinforcing systems Determine the composition or energy rating of insulation materials

SECTION 2 - Exteriors

A. Items to be inspected:

Surface grade directly adjacent to the buildings

Doors and windows

Attached decks, porches, patios, balconies, guardrails, stairways, and their enclosures

Wall cladding and trim

Portions of walkways and driveways that are adjacent to the buildings

Fencing and other barrier components which restrict access to any pool or spa

B. The inspector is not required to:

Inspect door or window screens, shutters, awnings, or security bars

Inspect fences or gates or operate automated door or gate openers or their safety devices

Use a ladder to inspect systems or components

Determine adequacy of any pool or spa barrier components or operate alarms or safety devices

SECTION 3 - Roof Coverings

A. Items to be inspected:

Covering

Drainage

Flashing's

Penetrations

Inspection Address: 1234 Beach Avenue Unit D, Malibu, CA 94000 Inspection Date/Time: 12/27/2008 1:00 pm to 4:30 pm

Skylights

B. The inspector is not required to:

Walk on the roof surface if in the opinion of the Inspector there is risk of damage or a hazard to the Inspector Warrant or certify that roof systems, coverings, or components are free from leakage

SECTION 4 - Attic Areas and Roof Framing

A. Items to be inspected:

Framing

Ventilation

Insulation

B. The inspector is not required to:

Inspect mechanical attic ventilation systems or components

Determine the composition or energy rating of insulation materials

SECTION 5 - Plumbing

A. Items to be inspected:

Water supply piping

Drain, waste, and vent piping

Faucets and fixtures

Fuel gas piping

Water heaters

Functional flow and functional drainage

B. The inspector is not required to:

Fill any fixture with water, inspect overflow drains or drain-stops, or evaluate backflow devices,

waste ejectors, sump pumps, or drain line cleanouts

Inspect or evaluate water temperature balancing devices, temperature fluctuation, time to obtain hot water,

water circulation, or solar heating systems or components

Inspect whirlpool baths, steam showers, or sauna systems or components

Inspect fuel tanks or determine if the fuel gas system is free of leaks

Inspect wells or water treatment systems

SECTION 6 - Electrical Systems

A. Items to be inspected:

Service equipment

Electrical panels

Circuit wiring

Switches, receptacles, outlets, and lighting fixtures

B. The inspector is not required to:

Operate circuit breakers or circuit interrupters

Remove cover plates

Inspect de-icing systems or components

Inspect private or emergency electrical supply systems or components

SECTION 7 - Heating & Cooling Systems

A. Items to be inspected:

Heating equipment

Central cooling equipment

Energy source and connections

Combustion air and exhaust vent systems

Condensate drainage

Conditioned air distribution systems

B. The inspector is not required to:

Inspect heat exchangers or electric heating elements

Inspect non-central air conditioning units or evaporative coolers

Inspect radiant, solar, hydronic, or geothermal systems or components

Determine volume, uniformity, temperature, airflow, balance, or leakage of any air distribution system

Inspect electronic air filtering or humidity control systems or components

SECTION 8 - Fireplaces and Chimneys

A. Items to be inspected:

Chimney exterior

Spark arrestor

Firebox Damper

Hearth extension

B. The inspector is not required to:

Inspect chimney interiors

Inspection Address: 1234 Beach Avenue Unit D, Malibu, CA 94000 Inspection Date/Time: 12/27/2008 1:00 pm to 4:30 pm

Inspect fireplace inserts, seals, or gaskets

Operate any fireplace or determine if a fireplace can be safely used

SECTION 9 - Building Interior

A. Items to be inspected:

Walls, ceilings, and floors

Doors and windows

Stairways, handrails, and guardrails

Permanently installed cabinets

Permanently installed cook-tops, mechanical range vents, ovens, dishwashers, and food waste disposers

Absence of smoke alarms and carbon monoxide alarms

Vehicle doors and openers

B. The inspector is not required to:

Inspect window, door, or floor coverings

Determine whether a building is secure from unauthorized entry

Operate, test or determine the type of smoke or carbon monoxide alarms or test vehicle door safety devices

Use a ladder to inspect systems or components

III. LIMITATIONS, EXCEPTIONS AND EXCLUSIONS

A. The following are excluded from a real estate inspection:

Systems or components of a building, or portions thereof, which are not readily accessible, not permanently installed, or not inspected due to circumstances beyond the control of the Inspector or which the Client has agreed or specified are not to be inspected

Site improvements or amenities, including, but not limited to; accessory buildings, fences, planters, landscaping, irrigation, swimming pools, spas, ponds, waterfalls, fountains or their components or accessories

Auxiliary features of appliances beyond the appliance's basic function

Systems or components, or portions thereof, which are under ground, under water, or where the Inspector must come into contact with water

Common areas as defined in California Civil Code section 1351, et seq., and any dwelling unit systems or components located in common areas

Determining compliance with manufacturers' installation guidelines or specifications, building codes, accessibility standards, conservation or energy standards, regulations, ordinances, covenants, or other restrictions

Determining adequacy, efficiency, suitability, quality, age, or remaining life of any building, system, or component, or marketability or advisability of purchase

Structural, architectural, geological, environmental, hydrological, land surveying, or soils-related examinations

Acoustical or other nuisance characteristics of any system or component of a building, complex, adjoining property, or neighborhood Conditions related to animals, insects, or other organisms, including fungus and mold, and any hazardous, illegal, or controlled substance, or the damage or health risks arising there from

Risks associated with events or conditions of nature including, but not limited to; geological, seismic, wildfire, and flood

Water testing any building, system, or component or determine leakage in shower pans, pools, spas, or any body of water

Determining the integrity of hermetic seals at multi-pane glazing

Differentiating between original construction or subsequent additions or modifications

Reviewing information from any third-party, including but not limited to; product defects, recalls, or similar notices

Specifying repairs/replacement procedures or estimating cost to correct

Communication, computer, security, or low-voltage systems and remote, timer, sensor, or similarly controlled systems or components Fire extinguishing and suppression systems and components or determining fire resistive qualities of materials or assemblies Elevators, lifts, and dumbwaiters

Lighting pilot lights or activating or operating any system, component, or appliance that is shut down, unsafe to operate, or does not respond to normal user controls

Operating shutoff valves or shutting down any system or component

Dismantling any system, structure, or component or removing access panels other than those provided for homeowner maintenance

B. The Inspector may, at his or her discretion:

Inspect any building, system, component, appliance, or improvement not included or otherwise excluded by these Standards of Practice. Any such inspection shall comply with all other provisions of these Standards.

Include photographs in the written report or take photographs for Inspector's reference without inclusion in the written report. Photographs may not be used in lieu of written documentation.

IV - GLOSSARY of TERMS

Note: All definitions apply to derivatives of these terms when italicized in the text.

Appliance: An item such as an oven, dishwasher, heater, etc. which performs a specific function

Building: The subject of the inspection and its primary parking structure

Component: A part of a system, appliance, fixture, or device

Condition: Conspicuous state of being

Determine: Arrive at an opinion or conclusion pursuant to a real estate inspection

Device: A component designed to perform a particular task or function Fixture: A plumbing or electrical component with a fixed position and function

Inspection Address: 1234 Beach Avenue Unit D, Malibu, CA 94000 Inspection Date/Time: 12/27/2008 1:00 pm to 4:30 pm

Function: The normal and characteristic purpose or action of a system, component, or device

Functional Drainage: The ability to empty a plumbing fixture in a reasonable time

Functional Flow: The flow of the water supply at the highest and farthest fixture from the building supply shutoff valve when another fixture is used simultaneously

Inspect: Refer to Part I, Definition and Scope, Paragraph A

Inspector: One who performs a real estate inspection

Normal User Control: Switch or other device that activates a system or component and is provided for use by an occupant of a building

Operate: Cause a system, appliance, fixture, or device to function using normal user controls

Permanently Installed: Fixed in place, e.g. screwed, bolted, nailed, or glued

Primary Building: A building that an Inspector has agreed to inspect

Primary Parking structure: A building for the purpose of vehicle storage associated with the primary building Readily Accessible: Can be reached, entered, or viewed without difficulty, moving obstructions, or requiring any action which may harm persons or property

Real Estate Inspection: Refer to Part I, Definitions and Scope, Paragraph A

Representative Number: Example, an average of one component per area for multiple similar components such as windows, doors, and electrical outlets

Safety Hazard: A condition that could result in significant physical injury

Shut Down: Disconnected or turned off in a way so as not to respond to normal user controls

System: An assemblage of various components designed to function as a whole

Technically Exhaustive: Examination beyond the scope of a real estate inspection, which may require disassembly, specialized knowledge, special equipment, measuring, calculating,

quantifying, testing, exploratory probing, research, or analysis

ENERGY CONSERVATION INFORMATION & REPORT CONCLUSION

1234 Beach Avenue Unit D. Malibu, CA 94000

UTILITY BILL, REBATES AND OTHER ASSISTANCE

Online Consumer and Business Conservation Rebate Database: www.consumerenergycenter.org
California Department of Consumer Affairs: www.dca.ca.gov/energy-challenge.htm
California Energy Commission, 1-800-772-3300 or www.consumerenergycenter.org for information on utility bill assistance programs
California Public Utilities Commission Consumer Affairs Branch, 1-800-649-7570 or www.cpuc.ca.gov for information on baseline and other optional rates and bill assistance programs

Local Utility Companies,

Pacific Gas & Electric 1-800-743-5000 or www.PGE.com City of Palo Alto: 650-329-2161 or www.city.palo-alto.ca.us

HELP FOR LOW INCOME RESIDENTS:

California Department of Community Services and Development, 1-800-433-4327 or www.csd.ca.gov/liheap.htm for Low Income Home Energy Assistance Program

California Energy Alternative Rates (CARE): Call your local utility company for information and applications. 1-866-743-2273

SENIORS AND SPECIAL NEEDS:

Medical Baseline Emergencies: People of all ages and income levels on life-support or with certain medical conditions where a loss of electricity could be a threat to their lives should contact their electric company to apply for the Medical Baseline program or call Flex Your Power at 1-866-968-7797 for a referral. The program provides a variety of benefits, including a larger allotment of low-cost baseline electricity and advance notification of rotating power outages. A flier, Consumer Tips for Energy Emergencies, with information for seniors and people with special medical conditions, who are especially vulnerable to heat, electricity outages and higher electric bills is available at www.dca.ca.gov

REPORT CONCLUSION:

Inspecting a dwelling is a simple task; anyone can do it. Performing a professional general property inspection is infinitively more difficult. Professional general property inspectors must have broad technical knowledge that enables them to recognize existing conditions and make recommendations for further action where deemed appropriate. However, there is risk involved in every real estate transaction - no inspection can completely eliminate that risk.

This report was produced specifically for the subject property and the associated primary parking area. This report does not include any other portions or features of the site except as agreed to by the inspector and client prior to the inspection. The purpose of this inspection and written report is to provide an unbiased opinion of the observed defects and conditions at that point in time. Further, it is to describe the physical condition of the selected key systems and components and parking area. I feel that items in RED or BLUE are significant. An overview of this inspection is provided at the front of the report where I list the recommendations that I believe may be important to the client. These recommendations should not be considered the only significant findings or issues. You must establish your own priorities after thoroughly studying this report, reviewing all the recommendations in this report, and consulting with other experts, and or specialists as you may deem necessary. It is strongly recommend that you discuss these items specifically and the report as a whole with your REALTOR, contractor and/or legal advisor.

The observations in this report are the result of visual observations made the day of the inspection. To realize the full benefit of this report, please take the time to read the entire report. It is also recommended that a final "walk through" be made on any property as various components fail or break at random without regard to our timetables and / or calendars.

Thank you for considering Walker Property Evaluation Services for your real estate inspection needs. If I can be of further assistance to answer questions regarding this report, please feel free to contact us at 650.873.4224.

TABLE OF CONTENTS

PROPERTY INSPECTION REPORT	1
GENERAL INFORMATION	2
SCOPE OF WORK	5
Structure	6
Raised Foundation or Basement	6
Structural Elements	6
Exterior	6 7
Wall Covering	7
General Site Comments	7
Exterior Features	8
Insulation & Energy/Green Tips	10
Insulation	10
Green Tips	10
Plumbing	12
Potable Water Supply	12
Waste and Drainage System	13
Fuel Gas System	14
Central Hot Water or Boiler System	14
Electrical	15
Main Panel	15
Sub Panel	15
Electrical Branch Circuits & Wiring Distribution	16
Heat	18
Electric Heating Systems	18
Make-Up Air Supply System	19
Living	20
General Interior Conditions and Comments	20
Entry	21
Living	22
Dining	22
Bedrooms	23
Master Bedroom	23
Bedroom 2	24
Bathrooms	26
Master Bathroom	26
Hallway Bathroom	27
Common	29
Kitchen	29
Hallway	31
Laundry	31
Parking	33
Life-Safety	35
Fire Safety Equipment	35
CERTIFICATIONS AND AFFILIATIONS	37
Terms and Conditions of Use	38
CREIA Standards of Practice	40
ENERGY CONSERVATION INFORMATION & REPORT CONCLUSION	44
TABLE OF CONTENTS	45