
Home Inspection Report

555 Angus Ave., San Bruno, CA



Inspection Date:
Thursday, October 25, 2012

Report Number:
20121025-01



Holmes & Watson
Real Estate Inspection, LLC
(408)839-8378
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Inspection Information

Prepared For:

Liberty Holding Group, LLC, Jason Caballero
2348 Medallion Dr.
Union City
LibertyHoldingGroup@gmail.com

Inspection Date:

Thursday, October 25, 2012

Time Inspection Began:

10:30 am

Client(s) is/are:

Buyer(s)

Report Number:

20121025-01

Buyer's "Selling Agent":

(N/A)

Building Type:

Single Family House

Occupancy Status:

Furnished. Occupied

Seller's "Listing Agent":

Benjamin Ores
Ores Properties
Ben@OresProperties.com
(650)743-0220

Year Built

1927 per Selling Agent

Weather

Recent rain

Accuracy of "Building Type" and "Year Built" is unknown, not verified, and confirmation is advised.

Persons Present:

Residents were present before the Home Inspector arrived, left, returned, and were present when the inspector left.

Selling Agent was present before the Home Inspector arrived and left during the Home Inspection.

Client arrived during, and left during, the Home Inspection.

JK Termite was present before the Home Inspector arrived, inspected, and left during the Home Inspection.

Field Notes:

Oral summary was not provided at the inspection.

INVOICE / RECEIPT

Holmes & Watson Real Estate Inspection, LLC

2784 Homestead Rd. #151
Santa Clara, CA 95051

Phone: (408)839-8378
Fax: (408)985-9713

CLIENT:

Liberty Holding Group, LLC, Jason
Caballero
2348 Medallion Dr.
Union City, CA

Property Address 555 Angus Ave.
Report Number 20121025-01
Inspection Date October 25, 2012

DESCRIPTION	AMOUNT
Square Footage Fee	\$450.00
Home Age Fee	\$45.00
TOTAL:	\$495.00
PAYMENTS:	
10/25/2012 Check	(\$495.00)
BALANCE DUE	\$0.00

THANK YOU FOR YOUR BUSINESS!

Client's 2-Step Inspection Process

Real Estate buyers/sellers need to follow a 2-step process with some of the findings in the Home Inspection report to have the condition of the property assessed. This 2-step process is similar to the 2-step process a medical patient follows by seeing a Generalist ("General Practitioner" / "Family Doctor"), then being referred to specialists (e.g., Dermatologist, Cardiologist, etc.) for the more comprehensive evaluations to determine the ultimate nature, extent, cause, possible remedies, and significance of some conditions before taking action.

Step 1. Generalist (Home Inspector)

Step 2. Specialist (Plumber, Electrician, Roofing Contractor, Engineer, etc.)

Step 1. Home Inspection: Home Inspectors are Generalists, whose inspections, reports, and discussible information are less comprehensive and less extensive than can be provided by specialists, such as contractors & engineers. Also, a Home Inspection (also referred to as "Real Estate Inspection" or "Property Inspection") does not include all the systems on the property, and some areas/components are sampled. One basic purpose of a "Generalist" is to save clients money by providing a less comprehensive inspection of many systems instead of clients having to pay more for specialists/contractors to provide comprehensive inspections of each system.

The Home Inspection will provide information regarding the general condition of the building by reporting symptoms of apparent/possible deficiencies, possible risks, and who (specialist/contractor) should perform further review & eventual correction. The scope of this Home Inspection is defined by the Inspection Agreement/contract provided to the client or their representative/agent prior to the inspection.

Step 2. Specialist/Contractor Review

The more comprehensive/extensive evaluations that can be performed by the contractors and other specialists recommended in the report can provide the ultimate nature, extent, cause, significance, possible remedies, and cost estimates for each finding.

Contractor's Further Review Before Removal of Inspection Contingencies

Having the recommendations in this report given the more extensive reviews/evaluations available from the contractors/specialists recommended can provide additional information that may affect the buyer's/seller's/owner's course of action; therefore, contractor/specialist reviews and their resulting written reports and cost estimates should be obtained by seller/owner or should be obtained by buyer BEFORE the removal of any inspection/investigation contingency and prior to the close of the transaction. The repairs can be performed after contingencies have been removed.

In addition to the client agreeing under the Home Inspection Agreement/contract that they understand, and will perform, this 2-step process; the client also agreed that given the limited scope of a Real Estate/Home Inspection, client will expect unreported deficiencies to possibly exist in uninspected portions/aspects of systems/components and that the deficiencies may be discovered after the Inspection, such as during the more comprehensive contractor review or when the deficiencies manifest themselves. Client also agreed not to commence any legal action or proceeding against the Inspector, or the Inspection company, and hold them harmless, for deficiencies that may not have been discovered while inspecting according to the scope of this Inspection. If the more comprehensive, or technically exhaustive, inspections that can be provided by contractors, or other specialists, are desired, contact the relevant contractor(s)/specialist(s). Anyone reading this report hereby agrees to be bound by the Agreement/contract included herein.

Grounds

Components

N/A

Findings

Handrails at stairs to front porch are not sufficiently secured. Could cause injury to those expecting handrail not to move. It is recommended that this finding and all associated components be reviewed and corrected as needed by a qualified, licensed contractor.



Wood framing above right rear gate creates a head-hitting hazard. May not be noticed by new residents, guests, or others, especially at night and cause injury. Caution is advised, and it is recommended that this finding and all associated components be reviewed, and corrected as needed, by a qualified, licensed contractor.



Fence slats at a number of locations are separated/missing and have deterioration. Recommend that this finding, all association components, and remaining fencing be reviewed, and corrected as needed, by an appropriate, qualified, contractor. Although fencing was not inspected per the California Real Estate Inspection Association Standards of Practice for home inspectors, this condition was noticed and reported as a courtesy. If inspection of remaining fencing is desired, contact an appropriate contractor.



Stairs on rear side of building do not have a handrail. Although a handrail may not have been required at the time of construction, upgrading by having a handrail installed by a qualified licensed contractor can be expected to reduce the risk of injury from falling and will meet current construction safety practices for this number of stairs.



Gates at front side of building drag against posts. Recommend that this finding and remaining fencing be reviewed, and corrected as needed, by an appropriate qualified contractor. Although fencing was not inspected per the California Real Estate Inspection Association Standards of Practice for home inspectors, this condition was noticed and reported as a courtesy. If inspection of remaining fencing is desired, contact an appropriate contractor.



Additional Grounds Recommendations

Site drainage evaluation by a qualified drainage specialist can reduce the risk of developing conditions related to excessive moisture exposure to soil, foundation, or other components, especially when grade slope or rain gutter downspouts do not divert drainage sufficiently away from building.

Sprinklers, or other irrigation systems, are a "low voltage system," thus not included in a Home Inspection. Recommend the irrigation system be reviewed by a qualified landscaping contractor.

Exterior

Components

N/A

Findings

Stucco siding near bottom of left front corner of building is damaged. Recommend that this finding be reviewed, and corrected as needed, by a qualified, state licensed plastering contractor.



Screen on right window is holed. May allow pest/insect intrusion. Recommend repair or replacement by a qualified contractor.



Planter on front side of building has soil in contact with stucco. Planter can retain moisture in soil and possibly expose stucco to excessive moisture, which may cause deterioration or microbial growth in siding or within wall. Inspection within walls is beyond the scope of a home inspection. Presence or condition of any barrier between soil and siding was not readily visible and should be determined/confirmed. Recommend that this finding and all associated/affected components be reviewed, and corrected if needed, by a qualified, state licensed General contractor or plastering contractor.



Cap flashing (flat metal to help prevent moisture intrusion between top of window and wall) on a number of windows has not been installed, increasing risk of moisture intrusion, which may cause deterioration of building materials within wall and promote microbial growth. Caulk is a temporary solution and is also less effective when windows are not flush with siding like these. Recommend that this finding and all associated components be reviewed, and corrected as needed, by an appropriate, qualified, state licensed contractor.



Opening on right wall near kitchen may allow moisture intrusion, which may cause deterioration of building materials within wall and promote microbial growth. Recommend that this finding and all associated components/areas be reviewed, and corrected as needed, by a qualified, state licensed General contractor or other appropriate, qualified contractor.



Dryer vent elbow has been installed under right eave as a termination cap apparently for bathroom exhaust fan vent. Recommend that this finding and all associated components/areas be reviewed, and corrected as needed, by an appropriate, qualified, contractor.



Gutter downspouts at a number of locations terminate, and deposit drainage, adjacent to the building. Although this may have been common during the era of construction, this condition may result in excessive moisture infiltration into siding, foundation, or under floor crawl space under certain circumstances. If downspout drainage volume is sufficient, drainage on grounds is insufficient, or soil is sufficiently expansive, excessive moisture exposure may cause deterioration, damage, microbial growth, unusual building movement, or encourage pest infestation. Also, some downspouts are draining water onto siding, increasing risk of siding deterioration, microbial growth, and moisture intrusion. Right rear downspout extension is crushed, restricting drainage and promoting clogging. Any pavement under downspouts that slope away from house may provide sufficient drainage. Recommend a drainage upgrade to divert gutter downspout drainage away from siding and building with gutter elbows and extensions that extend at least five feet away from building. Recommend that this finding be reviewed, and corrected as needed, by a qualified gutter contractor.



Rear room addition has a number of material defects, such as taped windows, wood deterioration, soil to wood contact, and unpainted wood. These types of additions are prone to leaking. Numerous personal items in room prevented view/inspection of a number of surfaces/areas. Undiscovered defects may exist. Recommend removal of personal items and having the interior and remaining structure reviewed, and corrected as needed, by a qualified, state licensed General contractor.



Gutter downspout on near rear side of building is damaged, restricting or preventing proper drainage. It is recommended that this finding and all associated components be reviewed, and corrected as needed, by a qualified, licensed gutter contractor.



Crawl space vent on left rear corner of building is blocked due to holed screen, possibly reducing designed crawl space ventilation, which can increase moisture retention in crawl space and possibly cause deterioration and microbial growth. Recommend that this finding and all associated components be reviewed, and corrected as needed, by a qualified, licensed contractor.



Opening at left rear corner of building has separated screen, possibly allowing pest intrusion, such as rodents, which can cause damage and increase health risk. Recommend that this finding and all associated components be reviewed, and corrected as needed, by an appropriate, qualified contractor.



Stucco siding is cracked and holed at a number of locations, including right side of building near windows and under eave. Although stucco is relatively brittle and often cracks, gaps may allow excessive moisture onto water barrier behind stucco, which can increase the risk of moisture intrusion and deterioration of building materials within or promote microbial growth. Inspection within walls is beyond the scope of a home inspection. Recommend that this finding, all possibly associated components/areas, and remaining siding be reviewed, and patched/corrected as needed, by a qualified, state licensed plastering contractor.



Wood siding at a number of locations is in contact with, or too close to, soil, which may expose siding to excessive moisture and cause deterioration. Recommend soil/siding separation and siding portions that were covered by soil be reviewed, and corrected if needed, by an appropriate qualified contractor.



Wood siding on garage and adjacent building has deterioration/gaps at a number of locations, such as near front ground and above garage door. Increases risk of moisture intrusion, which may cause deterioration of building materials within or promote microbial growth. Inspection beyond the surface is beyond the scope of a home inspection. Recommend that this finding, all associated components, and remaining siding be reviewed, and corrected as needed, by an appropriate qualified licensed contractor. Recommend obtaining, or referring to, a structural pest ("termite") inspection report for further assessment and recommendations regarding this finding and other wood components on the property they inspect more extensively than a visual home inspection.



Gutter on front side of garage building is separating and sloped, allowing roof drainage to miss gutter and possibly restricting drainage, promoting clogging, and causing water ponding, which can increase risk of corrosion or gutter flooding, which can expose roof edge shingles, and wood sheathing to water damage or cause overflow to expose foundation and siding to excess moisture and deterioration. Recommend that this finding, all associated components, and remaining roof drainage system be reviewed, and corrected if needed, by a qualified gutter contractor and any other contractors needed. Roof drainage system should be inspected and maintained routinely.



Additional Exterior Recommendations

Horizontal wood trim and moldings at certain locations, such as above windows and doors, that do not have modern/proper flashing may be susceptible to moisture intrusion and deterioration or microbial growth within walls. Some flashing types are within walls and their presence, or absence, or inner wall conditions cannot be determined during a Home Inspection and would require destructive/intrusive

inspection by a qualified, licensed contractor specializing in building envelop and flashings. Recommend having these areas monitored/inspected as needed by the appropriate specialist.

Moisture intrusion due to various causes, such as improper installation, defects, penetrations, or deterioration of the exterior sealant, siding, trim, windows, doors, and window/door flashing are causes of moisture damage, deterioration, and microbial growth. Conditions not visible from the surface are beyond the scope of a home inspection and would require intrusive inspection by the relevant specialist to determine. Recommend sealing all cracks/openings in and between the exterior siding and trim materials, especially around windows and doors. Routine inspection and maintenance can be expected to reduce the risk of moisture intrusion and related deterioration/damage/growth.

Roof

Components

Roof Covering

- composition
- rolled roofing

Skylight(s) / Sun Tube(s)

- none

Findings

Satellite dish fasteners do not have sealant, which could allow moisture intrusion and damage building materials below and promote fungus. Recommended that this finding and remaining roof be reviewed, and corrected as needed, by a qualified, licensed roofing contractor.



Metal has been installed on roof. Possible previous hatch noted in attic below. May increase risk of moisture intrusion. Recommend seller disclose any known history, including any evaluation/repair documentation or permits, in order to assist buyer in determining current condition and confirm proper repairs, which may require review by an appropriate, qualified, state licensed contractor/specialist.



Roof framing in attic has staining consistent with water exposure. Possible past, or present, leak. May, or may not, be significant. Excessive moisture exposure has the potential to cause deterioration, microbial growth, and compromise the structural integrity of wood. Recommend that this finding and all associated components/areas be reviewed, and corrected if needed, by a qualified, state licensed roofing contractor.



Roofs on detached garage and adjacent building have a number of material defects, such as improper flashing installation, exposed sheathing at front perimeter, improper perimeter roofing installation, and roof tiles noted laying on composition shingles at perimeter of left adjacent building. Roof portions may be at, or near, the end of their useful lives. Repairs noted, and evaluation of repairs is beyond the scope of a Home Inspection. Recommend that the garage and adjacent building roofs and all associated components/areas be reviewed, and corrected as needed, by a qualified, state licensed roofing contractor.



Wood roof sheathing in building adjacent to garage has water, indicating a leak. Recommend that this finding, all associated components/areas, and remaining roof and roof framing be reviewed, and corrected as needed, by a qualified, state licensed roofing contractor.



Additional Roof Recommendations

Roof inspection is not a warranty, guarantee, roof certification, or life expectancy evaluation. Water testing for leaks and assessing the roof condition under debris or condition of any components beyond the visible surface, such as the roofing underlayment material, are among the assessments that are beyond the scope of a home inspection per the Standards of Practice of the California Real Estate Inspection Association and the American Society of Home Inspectors. For further evaluation or a roofing certification warranty against all defects and leaks, recommend contacting a qualified, licensed roofing contractor. Buildings that have tile or wood shingles/shakes and are going to be tented for termites should be re-

inspected by a qualified, state licensed roofing contractor for possible damage caused by the extermination process.

Skylights [if present] are sometimes installed improperly and are prone to leaking. This visual inspection cannot completely ascertain proper installation or condition, such as whether glazing meets current safety requirements or whether skylight leaks unless leak evidence is visible. Consideration should be given to having a skylight specialist confirm proper installation per manufacturer's installation instructions, review current condition, and routinely monitor the skylight(s).

Sealant should be reviewed and maintained by a qualified contractor to reduce the risk of moisture intrusion, which may cause deterioration of building materials within or promote microbial growth.

Heating & Cooling

Components

Heating System

- wall furnace

Air Conditioning

- none

Heating System Location

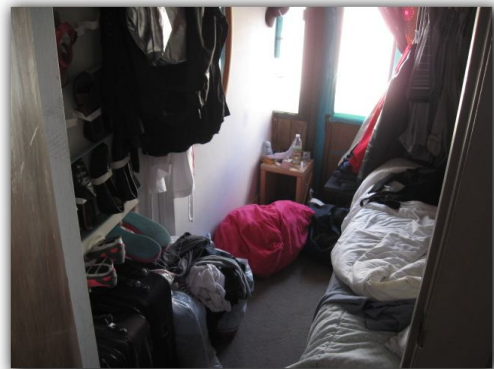
- hallway

Findings

Wall furnace has debris near air intake and burner. Debris can mix with air for burner and possibly cause incomplete combustion of the gas fuel, which may compromise safety. Servicing may not have been performed sufficiently recently. Recommend that the furnace be cleaned, serviced, portions of the heat exchanger that are not readily visible inspected, and corrections performed as needed, by a qualified, state licensed HVAC contractor.



The rear room additions do not have a permanent source of heat as required. Recommended that this finding be reviewed and corrected by a qualified licensed HVAC contractor.



Additional Heating & Cooling Recommendations

Furnace and remaining HVAC system servicing by a qualified licensed HVAC contractor is recommended at this time and at least once per year, including confirmation that furnaces in closets have a sealed floor to prevent carbon monoxide from entering the building and including inspection of the entire heat exchanger, which if leaking, can allow the release of carbon monoxide, which is odorless, colorless, and can be harmful or fatal in sufficient amounts. Recommend reviewing the carbon monoxide information at the following Consumer Product Safety Commission website: www.cpsc.gov/cpsc/pub/pubs/466.html

Sediment trap should be installed on gas pipe to furnace [if not present] by a qualified, state licensed plumbing contractor to help maintain safety.

Baseboard heaters should have any items removed from the heating element that may have fallen in/on in order to reduce the risk of fire.

Air flow evaluation of flow between the interior and exterior of the building by a qualified, state licensed HVAC contractor is recommended to determine whether the resident needs to increase the incoming air flow during operation of any equipment, or combination of equipment, that removes air from the interior, such as exhaust fans, whole house fans, furnaces, water heaters, fireplaces, free-standing stoves, and clothes dryers, in order to avoid back-drafting of fuel-burning appliance exhaust from sources, such as fireplaces, furnaces, water heaters, and free-standing stoves. Back-drafting of fuel-burning appliance exhaust can expose occupants to carbon monoxide, which is odorless, colorless, and can be harmful or fatal in sufficient amounts.

Home energy contact information:

- Home energy audits: <http://www.energy.ca.gov/HERS/booklet.html>
- Consumer Energy Commission: www.ConsumerEnergyCenter.org (utility bill assistance)
- California Public Utilities Commission: www.cpuc.ca.gov (optional utility rates)
- California Dept. of Community Services: www.csd.ca.gov/liheap.htm (Low income assistance)
- Dept. of Consumer Affairs: www.dca.ca.gov (Conservation rebates; seniors/medical/low income assist.)
- PG&E: 1-800-743-5000 (Medical baseline emergencies)

Plumbing

Components

Main Water Supply Valve Location

- front side of building

Main Gas Supply Valve Location

- front side of building

Water Supply Pipe Material

(at sampled locations after main valve)

- copper

Automatic Main Gas Shut-off Valve

- none

Drain Pipe Material

(at sampled locations)

- iron, galvanized, plastic

WATER HEATER

Location: interior water heater closet

Type: tank

Age: approximately 1 year(s)

Size: approximately 38 gallons

Vent Insulation: none (visible)(not needed)

Drip Pan: none

Sediment Trap: none

Pipe Bonding: none

Findings

Water heater's burner exhaust vent pipe is separated in attic, possibly allowing burner exhaust gases to escape. Burner exhaust gases contain carbon monoxide, which is odorless, colorless, and can be fatal in sufficient amounts. Recommend notifying the Listing Agent to have the condition corrected by a qualified, state licensed plumbing contractor as soon as possible. Recommend reviewing the carbon monoxide information at the following Consumer Product Safety Commission website: www.cpsc.gov/cpscpub/pubs/466.html.



Water heater seismic restraint straps are not securing water heater against wall or wood/metal blocking between water heater and wall. An earthquake can move an insufficiently secured water heater and possibly cause a gas leak that may cause a fire or explosion; or cause a water leak and water damage; or cause a burner exhaust leak that may expose residents to carbon monoxide, which is odorless, colorless, and can be fatal in sufficient amounts. Recommend that this finding and remaining water heater be reviewed, and corrected as needed, by a qualified, state licensed plumbing contractor.



Possible drain "clean-out" (pipe for plumber tool access) at right side of building does not have a cap, possibly allowing drainage or drainage gases to escape. Recommend that this finding and all associated components be reviewed, and corrected as needed, by a qualified, state licensed plumbing contractor.



Main gas valve at right front corner of building is not completely at the "on" position. Recommend that this finding and all associated components/areas be reviewed, and corrected as needed, by a qualified, state licensed plumbing contractor.



Drain pipe under kitchen sink has horizontal pipe ("trap arm") sloping up, possibly restricting drainage and promoting clogging. Recommend that this finding and all associated components be reviewed, and corrected as needed, by a qualified licensed plumbing contractor.



Spout for faucet on rear bathroom sink is loose, possibly indicating damage or allowing further damage. Recommend that this finding and all associated components be reviewed, and corrected as needed, by a qualified licensed plumbing contractor.



Handles for sink faucet in rear bathroom are difficult to operate. Recommend that this finding and all associated components be reviewed, and corrected as needed, by a qualified, state licensed plumbing contractor.



Water heater closet has a vented door, creating a carbon monoxide hazard and does not meet modern safety practices. Carbon monoxide in the burner exhaust may enter the house interior under certain circumstances, such as during startup, backdraft, or burner exhaust vent leak. Carbon monoxide is odorless, colorless, and can be fatal in sufficient amounts. Water heater would be safer in a dedicated water heater closet with listed (approved) self-closing, weather-stripped door, and air communication solely with the exterior air, or a direct vent water heater can be installed. Recommend that this finding and all associated components be reviewed, and corrected as needed, by a qualified, state licensed General contractor. Recommend installing carbon monoxide alarms wherever recommended by the alarm manufacturer. Recommend reviewing the carbon monoxide information at the following Consumer Product Safety Commission website: www.cpsc.gov/cpsc/pub/pubs/466.html.



Pipe cut and terminates in attic. Pipe should be traced to determine current, or past, purpose and capped if needed by a qualified, state licensed plumbing contractor or other appropriate contractor.



Iron drain pipe in crawl space for toilet has corrosion, which can be insignificant surface corrosion, have limited life expectancy, or be in need of replacement. Although insignificant surface corrosion is common, some corrosion may be at risk of causing leaks when iron pipes are this old. If the more comprehensive evaluation that can be provided by a plumbing contractor is desired, contact a qualified, state licensed plumbing contractor.



Additional Plumbing Recommendations

Some of the additional recommendations/information in this section may NOT be the direct responsibility/concern of the home owner when the system or component is maintained by a Home Owner's Association (HOA).

Drip pan with a drain pipe should be installed under water heater by a qualified, state licensed plumbing contractor if not present and if any building materials, such as wood or drywall, below, or adjacent to, water heater could be damaged by water or foster microbial growth if the water heater leaks or fails.

Sediment traps for gas pipes to water heaters and furnaces should be installed if not present. A sediment trap is a short vertical pipe installed at the gas pipe connection to the water heater/furnace. The purpose of a sediment trap is to help prevent sediment that in rare cases is in the gas (either from the utility company or from pipe shavings) to enter the water heater/furnace. Although the probability of entering the water heater is low, debris can affect burner operation or cause the gas valve to remain open, which may cause a fire or explosion. Most water heater manufacturers require sediment traps, and lack of a sediment trap may void the water heater warranty or a Home Warranty claim regarding the water heater. Although sediment traps may not have been required at the time of furnace/water heater installation, recommend upgrading by having sediment traps installed by a qualified, state licensed plumbing contractor if not present.

Electrical bonding should be installed between the hot and cold water pipes above the water heater if not present in order to help provide safety at the water heater if the electrical system needs to use the plumbing pipes as a current path to ground.

Automatic seismic gas supply shut-off valve installation is recommended at the gas meter as an upgrade to reduce the risk of damage/injury from fire/explosion caused by a gas leak due to an earthquake. Also, recommend having a gas valve wrench located near the manual main gas shut-off valve to facilitate operation of the valve when needed in an emergency.

Excess gas flow valves should be installed where needed at the gas meter and gas appliances by a qualified, state licensed plumbing contractor to reduce the risk of explosions due to ruptures in gas lines caused by occurrences, such as earthquakes or appliance movement.

Gas supply pipe pressure testing for leaks by a qualified, state licensed plumbing contractor is advised.

Gas appliances should be inspected by the gas company before taking possession of the property and every year thereafter.

Copper water supply piping appearing at all sampled locations will cause the water supply material type to be listed in this report's "Plumbing" "Components" section as "copper"; however, if the property initially had galvanized pipes, there may be portions of piping at non-sampled or concealed areas that are original galvanized pipes that were not replaced. To determine the pipe material type at non-sampled locations, contact a qualified, state licensed plumbing contractor. Also, galvanized piping that has been replaced with copper typically requires a permit, including final sign-off, to help ensure proper installation. Recommend confirming the presence of any necessary permits, and recommend obtaining installation documentation to confirm the work was performed by a qualified, state licensed plumbing contractor. This Home Inspection is not a confirmation/warranty/guarantee of the work performed by others. If evaluation of a specialist's (plumbing contractor's) work is desired, have the work reviewed by the relevant specialist (qualified, state licensed plumbing contractor).

Water supply and drain piping inspection consists of sampling and does not include non-sampled pipe, concealed pipe, or every surface of sampled pipe. If inspection of every portion of piping is desired, contact a qualified, state licensed plumbing contractor.

Hose bibs that do not have anti-siphon fittings should have them installed by a qualified, state licensed plumbing contractor to help prevent contamination of the potable water supply and meet current hose bib installation practices.

Portable spray heads in locations, such as on kitchen sink or in showers as shower heads or next to toilets to serve as a bidet component, have the ability to be submersed in used water, possibly allowing used water to mix with potable water in sprayer and potentially contaminate the potable water supply if spray head does not have an anti-syphon feature. Although ensuring that portable spray heads are returned to, and securely in, their holders when not in use can reduce the risk of a cross-connection, the best way to avoid this risk is to have these portable spray heads removed or replaced with permanent fixtures or replaced with spray heads that have an anti-syphon feature.

The water temperature is not verified/tested. Water that is hotter than the water heater manufacturer's recommended temperature setting is a scald/safety hazard. The temperature setting should never be higher than the manufacturers recommended setting. We recommend that the temperature setting be checked at move-in to improve safety.

Shower/tub water supply control valves should be confirmed as being the modern type with an anti-scald feature designed to prevent scalding during significant changes in water temperature/pressure, which can be especially hazardous to children. Non-anti-scald valves should be replaced by a qualified, state licensed plumbing contractor.

Plastic water supply hoses at locations, such as sinks, clothes washers, dishwashers, or ice makers, are less reliable than metal pipes. If plastic hoses are present, consideration should be given to upgrading by

having metal pipes installed by a qualified, state licensed plumbing contractor to reduce the risk of leaks/failure and possible water damage.

Water shutoff valves (main or fixture angle stops) are not operated/tested because they are prone to leakage if they have not been frequently operated. Routine operation/testing by a qualified, state licensed plumbing contractor recommended to help ensure proper operation/condition.

Vacant buildings can have plumbing gasket seals at fixtures and drains dry out from non-use, then cause leaks during subsequent occupancy after the property has been inspected. Consideration should be given to having the plumbing system evaluated for leaks and poor drainage flow prior to occupancy.

Water softeners are not inspected. Recommend inquiring whether the system (if present) is rented from a commercial company or owned in order to determine either the proper operation and maintenance or which company services it and the company's fees.

Sewage disposal system (sewer system or septic tank system) type determination and evaluation is beyond the scope of this inspection. Recommend inspection of any septic tank systems by a qualified septic tank specialist.

Iron or galvanized plumbing drains, such as in crawl spaces under buildings, are an older design and aged component that corrodes from the inside out over time. Corrosion may not be visible to inspectors until the pipe has corroded all the way through and leaks. Corrosion from the inside may appear on the outside as common, insignificant surface corrosion from exterior condensation or adjacent leaking. If a more comprehensive evaluation of iron and galvanized drains in the crawl space is desired, recommend having the drains reviewed and routinely monitored by a qualified, licensed plumbing contractor.

Waste/drain pipe and sewer lateral pipe camera inspection by a qualified drain service company is recommended to inspect for roots, damage, or deterioration that may cause restrictions, obstructions, or leaks. Recommend buyer ask seller for, or seller disclose, any known history of related symptoms, conditions, maintenance, or repairs.

Water heater blankets may not be appropriate or may not be installed correctly on some water heaters. Many water heaters have inner insulation and do not need a blanket, which may also void the warranty. If water heater blankets are installed, they should not cover the burner inspection plate at the bottom of the water heater, which would increase the risk of fire. Blankets should not cover the air intake gills on FVIR water heaters, which would prevent proper air intake for the burner. Blankets should not be installed under earthquake strapping, which can compromise proper restraint. Blankets can hide defects. Recommend temporary/permanent removal and inspection by a qualified, state licensed plumbing contractor.

Backwater valve should be present on sewer drain in a building built on a slope steep enough that the next highest upstream sewer manhole cover is higher than the lowest plumbing fixture in the building. Sewer drain restrictions downhill/down stream at lower buildings may cause drain contents to backup uphill/upstream towards the building and overflow fixture drains in building unless a backwater valve is protecting the building. Determining manhole cover locations and determining whether a backwater valve is present or necessary at this location is beyond the scope of a home inspection and should be determined by a qualified, state licensed plumbing contractor.

Electrical

Components

Utility Service Drop (wires) Location

- overhead

Sub-Panel Location

- none

Main Panel (circuit breaker box) Location

- left side of building

Branch Wiring Material

(at sampled location)

- copper (non-metallic sheathed cable)

Main Circuit Breaker/Fuse Capacity

- 100 amps

AFCI Circuit Breakers

- none

Findings

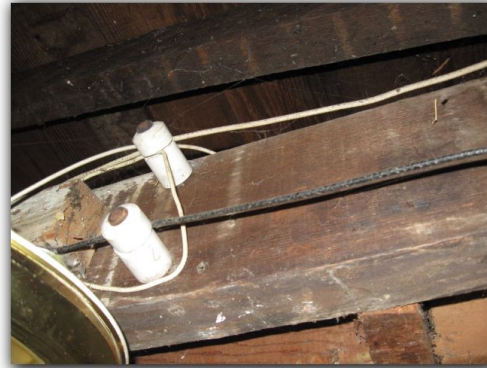
Main electrical panel at left front corner of building is a Federal Pacific brand, which is of questionable design and operating reliability, creating shock/electrocution and fire hazards. For example, circuit breakers may not trip off during overcurrent conditions, or circuits can remain connected/energized when breaker has tripped off. These panels have other defects that can cause panel bus fires and arcing failures, and Federal Pacific fraudulently provided misinformation to the company that approves electrical equipment design. Also, the electrical system is aged, which increases risk of unreliable or unsafe conditions that should be reviewed for maintenance if maintenance has not routinely been performed by an electrician. Inner cover was not removed to inspect interior components because these circuit breakers sometimes fall out/off from this panel when inner cover is removed. Recommend that this panel be replaced; the aged electrical system be reviewed; proper connections be confirmed if solid aluminum wiring is present; and any needed corrections be performed, by a qualified, state licensed electrical contractor familiar with Federal Pacific panel issues. Federal Pacific hazard information is available at <http://www.inspectapedia.com/fpe/fpepanel.htm>



Circuit breaker labeling for main panel is incomplete. Labeling which appliance/circuit each breaker controls allows shut-off of the intended circuit, which can avoid shock/electrocution when working on wires that are assumed to be shut off. Recommend that this finding and all associated components be reviewed, and corrected as needed, by a qualified, state licensed electrical contractor.



Knob & Tube electrical wiring noted in primary building and garage, some, or all of which, is in use. Knob & Tube wiring is an obsolete design; is an aged system that may have wire or insulation deterioration; and does not have grounding wires, all of which increase the risk of shock/electrocution or fire. Also, Knob & Tube wiring does not have the capacity to carry certain modern electrical current loads; creates an increase risk of fire when covered with thermal insulation; and is not acceptable to some homeowners insurance companies. Recommend that the entire electrical system be reviewed for the presence and condition of Knob & Tube wiring and any Knob & Tube wiring be replaced with modern wiring by a qualified, state licensed electrical contractor.



Electrical overhead service wires ("service drop") at left front corner of building are contacting tree branch(s), which can possibly damage wire insulation, wires, connections, or mast on roof due to tree branch contact or pressure. Recommend having the tree pruned by a qualified tree pruning contractor, and, if necessary, having the utility company temporarily remove and replace the wires.



Three-prong electrical receptacles at a number of locations, such as living room, are not grounded. Other receptacles not tested during representative sampling may also be not grounded. Recommend having the 3-prong receptacles grounded by a qualified, state licensed electrical contractor to add safety from ground fault shock, allow proper operation of some devices, and meet current conventional construction safety practices.



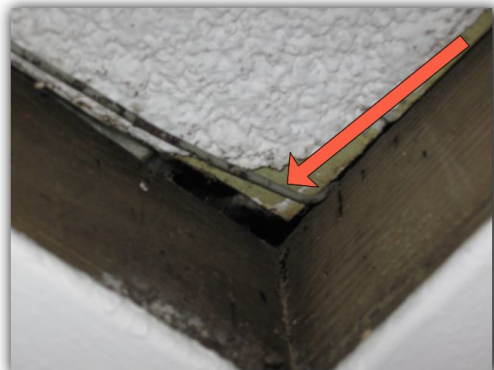
Receptacle outlet not installed in rear bathroom. If installation is desired, recommend installation of a GFCI receptacle by a qualified, state licensed electrical contractor.



Junction box in attic near attic access hatch has cover plate gapped, exposing current-carrying components and creating a risk of shock, electrocution, or spreading any junction box fire. Recommend that this finding and all associated components be reviewed and corrected as needed by a qualified licensed electrical contractor.



Low voltage wiring extends over attic entrance, causing wiring to be at risk of damage & disconnection and creating risk of injury to persons during opening/closing attic door or when entering/exiting attic. Recommend having wiring moved by the relevant company.



Wire connections at a number of locations in garage, such as at ceilings, are not within junction boxes. Increases risk of loose connections, which may cause overheating, arcing, or fire. May also cause disconnection, which increases risk of shock/electrocution. Recommend that this finding and all associated components be reviewed, and corrected as needed, by a qualified state licensed electrical contractor.



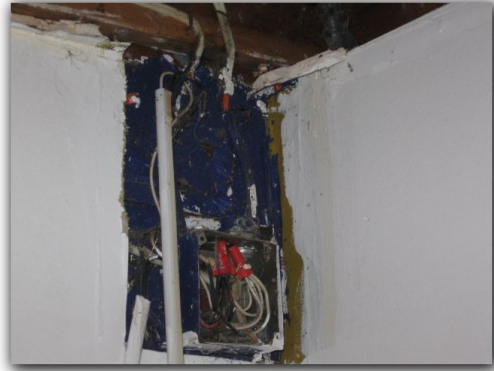
Electrical receptacle outlets in garage and adjacent building are not the type with GFCI shock protection. GFCI receptacles have a button that pops out and shuts off electricity at the receptacle before shock/electrocution from an appliance ground fault, which would be more severe if the person was in contact with water/liquid. Although GFCI receptacles may not have been required at these locations at the time of construction, recommend upgrading by having GFCI receptacle(s) installed by a qualified licensed electrical contractor to reduce the risk of ground fault shock/electrocution and meet current conventional construction safety practices. Ideally, GFCI receptacles should be installed in bathrooms, kitchen, at laundry/bar sinks, garage, exterior, and any area near water.



Light fixtures at a number of locations in garage and adjacent building are not properly secured, and some are hanging by electrical wiring, increasing risk of wire damage or poor connection, which can cause overheating, arcing, or fire. Recommend that this finding and all associated components be reviewed, and corrected as needed, by a qualified, state licensed electrical contractor.



Junction box at left rear corner of building adjacent to garage has cover plate missing, exposing current-carrying components and creating a risk of shock, electrocution, or spreading any junction box fire. Recommend that this finding and all associated components be reviewed and corrected as needed by a qualified licensed electrical contractor.



Additional Electrical Recommendations

Some of the additional recommendations/information in this section may NOT be the direct responsibility/concern of the home owner when the system or component is maintained by a Home Owner's Association (HOA).

Electrical systems that are aged, such as being over 30-years old, have an increased risk of starting fires due to conditions, such as corrosion, loose connections, insulation deterioration; and other factors, such as lack of maintenance and older designs that do not have the benefits of newer, safer designs. Recommend consulting with a qualified, state licensed electrical contractor to determine whether part or all of the electrical system on this property should be reviewed.

Arc-fault Circuit Interrupter circuit breakers that are "combination type" can be expected to reduce the risk of fires caused by arcing, such as arcing between damaged/separated wires and at wire connections within walls. Consideration should be given to upgrading all 15 amp or 20 amp circuits except laundry, kitchen, bathrooms, and garages.

Recessed lights, if present, in ceilings/attics that are in contact with attic insulation may present a fire hazard unless the fixtures are the type approved for contact with insulation. Labels stating the fixtures are approved for contact with insulation are often inside the fixture "can" and require removal of the fixture trim ring and bulb to view the label, which is beyond the scope of a home inspection. Recommend review of manufacturer's installation instructions or label [by a qualified person] to determine if the fixtures are approved for contact with insulation, and recommend any separation of attic insulation be performed by an appropriate, qualified contractor.

"Grounding" the electrical system and "Bonding" (wires connecting certain metal components of the electrical system and other systems together) reduces the risk of shock, electrocution, and damage. Portions of grounding and bonding is inspected, but some portions are not readily accessible/visible and may be at system portions not included/sampled (such as every portion of water supply pipes). Determining the presence of all possible grounding/bonding locations and confirming their proper installation, condition, and operation is beyond the scope of a Home Inspection and would require review by a qualified, state licensed electrical contractor. Buildings approved to be built before 1978 (when metal water supply pipes could be the only ultimate electrical current path for "grounding") can be improved by adding a modern metal grounding rod, especially if plastic water supply piping has been installed, which cannot conduct electricity.

The inspector samples some receptacle outlets for to test for proper grounding; however, certain improper grounding methods cause testing equipment to indicate proper grounding and cause the inspector not to

report improper grounding. Improper grounding creates a shock/electrocution hazard. Recommend having the electrical system grounding confirmed by a qualified, state licensed electrical contractor.

Wiring in any crawl spaces should be properly secured to framing and protected. The inspector is not responsible for any disconnection of, or damage to, or resulting effects on related equipment due to, unsecured wires in the crawl space that become apparent during or after the inspection.

Receptacle outlets should be upgraded to the type with child safety covers if children may be present.

Interior

Components

Ceiling Fan(s)

- none

Fire Sprinkler System

- none

Carbon Monoxide Alarm(s)

- present at front end of hallway

Sprayed Acoustic ("Popcorn") Ceiling

- present on attic hatch in hallway
(Refer to the 2nd page of the "General Recommendations/Information" section near the end of this report for information regarding "Sprayed Acoustic" material)

Findings

Floors at a number of locations appear to be sloped. Various possible causes, such as differential soil/building movement. Floor leveling may be advised. Recommend that this finding, all associated components, and remaining floors be reviewed, and corrected as needed, by an appropriate, qualified contractor/specialist, such as a qualified, licensed foundation contractor. Determining the cause or whether there is any structural or geotechnical (soil) significance/risks is beyond the scope of a home inspection and would require review by a structural engineer and geotechnical engineer.



Smoke alarms not installed in all bedrooms. Recommend upgrade installation as appropriate to meet current safety practices, which recommends installation at least in bedrooms, bedroom hall, garage, and each level (if present). Installing smoke alarms in additional rooms/areas can be expected to increase safety. Recommend replacement of all smoke alarms that could be older than 10 years, which is when smoke detection parts are less likely to function. Pressing the "test" button only confirms that the smoke alarm's alarm sound generation works but does not test the smoke detection mechanism, which may not be working even though the alarm sounds while pressing the "test" button.



Also, ionization-type smoke alarms, which are identified on the back with the letter "I" or "radio active," have been shown by a number of studies to be unreliable at detecting certain common types of fires and should be replaced with the photo-electric type, which are identified on the back with the letter "P." The type that are a combination of ionization type and photo-electric type are not recommended due to an increased risk of nuisance alarms. Recommend new batteries be installed at move-in and replaced annually. Battery test buttons on alarms should be pressed at move-in and monthly to confirm the alarm will sound.

Sliding glass door to rear room addition could not be confirmed as being tempered safety glass. Although non-safety glass may have been common during this era of construction, non-safety glass in this location has become known to possibly cause serious injury when collisions from trip/slip/fall/bump contact breaks glass into extremely sharp shards. Caution advised. Consideration should be given to upgrading by having tempered safety glass installed by an appropriate qualified contractor to improve safety and meet current construction safety practices.



Door to right rear room addition drags door jamb. Various possible causes, such as excessive paint, misalignment, loose hinge, or building movement. Other doors not tested during sampling may also be faulty. Recommend that this finding, all associated components, and remaining doors be reviewed, and corrected as needed, by an appropriate, qualified contractor.



Carbon monoxide alarms have not been installed near rear bedroom additions. Carbon monoxide is an odorless, colorless, gas that can be produced by, and escape from, gas-burning appliances, fireplaces, and vehicle exhaust under certain circumstances and can be fatal in sufficient amounts. State law now requires single family houses to have carbon monoxide alarms near bedrooms and on each floor level (including basements) when a gas-burning appliance, fireplace, or attached garage is present. Local authorities and the manufacturer's installation instructions may require/recommend installation in

No Photo

additional areas. Recommend carbon monoxide alarms [or combination smoke & carbon monoxide alarms] be installed near bedroom(s), at any additional floor levels, and any other locations recommended by the manufacturer or recommended/required by the local authority. Recommend reviewing the carbon monoxide information at the following Consumer Product Safety Commission website:
www.cpsc.gov/cpsc/pub/pubs/466.html.

Additional Interior Recommendations

Smoke alarms should be present in all bedrooms, bedroom hall, each floor/level, garage, and at any additional locations required by the local authority having jurisdiction (typically, the city building department). Installing smoke alarms in additional rooms/areas can be expected to increase safety. [If there are any smoke alarm findings in the previous "Findings" section, the recommendations in the remaining portion of this paragraph have already been included within one of those smoke alarm paragraphs] Recommend replacement of all smoke alarms that could be older than 10 years, which is when smoke detection parts are less likely to function. Pressing the "test" button only confirms that the smoke alarm's alarm sound generation works but does not test the smoke detection mechanism, which may not be working even though the alarm sounds while pressing the "test" button. Also, ionization-type smoke alarms, which are identified on the back with the letter "I" or "radio active," have been shown by a number of studies to be unreliable at detecting certain common types of fires and should be replaced with the photo-electric type, which are identified on the back with the letter "P." The type that are a combination of ionization type and photo-electric type are not recommended due to an increased risk of nuisance alarms. Recommend new batteries be installed at move-in and replaced annually. Battery test buttons on alarms should be pressed at move-in and monthly to confirm the alarm will sound.

Carbon monoxide alarms, or alarms that are a combination of smoke alarm & carbon monoxide alarm, should be installed on each level, in bedroom halls, near attached garages, and at any other locations recommended by the manufacturer or local authority. Carbon monoxide is a byproduct of imperfect/incomplete combustion of fuel-burning equipment fuel, such as natural gas, propane, gasoline, oil; or wood that is used as fuel in equipment, such as furnaces, water heaters, fireplaces, gas ovens; and vehicles in garages. Under certain circumstances, this equipment might emit carbon monoxide, which is odorless, colorless, and can be fatal in sufficient amounts. Carbon monoxide information is available at the Consumer Product Safety Commission website: www.cpsc.gov/cpsc/pub/pubs/466.html

Security Alarm systems are beyond the scope of a home inspection. Recommend learning: how to operate the system; what areas of the home are protected and by what methods; what company provides service and what are the terms of service; and whether the system operates correctly.

Ceiling fans not installed in outlets specifically designed for ceiling fans, or that do not have additional support to accommodate ceiling fans, increases the risk of property damage or injury. Recommend having an appropriate, qualified contractor confirm the presence of, or install, proper outlets/support for ceiling fans.

Fire-rated door with self-closing mechanism and seals installed between house and garage can be expected to improve safety by allowing door to self-close after emergency egress during a fire in order to slow the spread of fire and smoke from garage into house interior and to meet current construction safety practices.

Any stairs immediately behind interior door to garage that do not have a landing that is at the same level as the interior floor level cause a number of injuries each year to persons, such as guests, children, or the elderly, especially if garage is dark, because they are unaware of steps behind door. Caution is advised. Although this may have been common at the time of construction, consideration should be given to upgrading by having a landing with stairs installed by a qualified licensed contractor to meet current safety practices and help prevent injury.

Bunk beds should not be placed near a window, where a child on either bed could possibly fall through the the openable or fixed portion of the window.

Windows with sills lower than 42 inches from an upper level floor have an increased risk of persons, especially children, falling through. Caution advised, and upgrading should be considered.

Carpeting prevents view/inspection sub-floor for conditions, such as conditions related to moisture, especially adjacent to sliding glass doors, which have an increased risk of leaking. Moisture can leak through carpet onto wood sub-floor and possibly cause deterioration or microbial growth. Intrusive inspection under carpet is beyond the scope of a home inspection. If determining the conditions under carpeting is desired, recommend review by an appropriate, qualified contractor.

The term "bedroom" used in this report is used solely to describe the current, or possibly designed, use of the room in order to assist report readers in locating the defect/condition reported and is not intended to provide any formal classification/identification of the room type.

Fireplace & Chimney

Components

Fireplace

- site built, wood burning

Chimney

- metal

Findings

Soot apparent in firebox/chimney. Sufficient soot can increase the risk of a chimney fire and hide chimney defects. Recommend review, and cleaning if needed, by an appropriate licensed fireplace/chimney professional. Also, fireplaces/chimneys can have significant defects that may not become apparent during the limited scope of a home inspection. Some of these defects can possibly cause severe property damage, injury, or fire. The National Fire Protection Association (NFPA) recommends an NFPA 211 Standard, Level 2 fireplace and chimney inspection be performed by a qualified fireplace/chimney specialist at the time of property transfer. Recommend that the NFPA 211 Level 2 inspection be performed by a qualified chimney specialist before the removal of any investigation contingency and prior to the close of the transaction. The NFPA also recommends this type of inspection be performed on an annual basis and after an earthquake to help ensure safety.



Firebrick/mortar gapped/cracked at rear wall of fireplace. May increase risk of fire/heat escape, which could damage materials behind or cause a fire. Sufficient deterioration may compromise structural integrity. Recommend that the NFPA Level 2 inspection be performed by a qualified chimney specialist.



Chimney spark arrestor not installed, possibly allowing hot embers to escape and start a fire. Although spark arrestors may have been common during this era of construction, recommend upgrading by having a spark arrestor installed by a qualified chimney contractor.

No Photo

Kitchen

Components

N/A

Findings

Dishwasher air gap (metal dome with slots for water drainage into sink) not installed on sink, but is under sink, where any drainage during a drain restriction would flood cabinet below sink. Air gap helps prevent drain clogs/restrictions from forcing drain contents back into dishwasher. Air gap is designed to divert drain contents into sink instead of dishwasher when drain is clogged/restricted. Recommend that this finding and all associated components/areas be reviewed, and corrected as needed, by a qualified, state licensed plumbing contractor.



Disposal noisy. Could indicate debris or damage. Recommend that this finding and all associated components be reviewed, and corrected as needed, by a qualified licensed plumbing contractor.



Range burner at right rear does not readily ignite. Recommend contacting the utility company or a qualified appliance contractor for servicing. Recommend correction before using range to avoid the risk of fire or burn injury due to unignited gas accumulating in room/house until it is ignited by another burner or other ignition source.



Range exhaust vent at top inside water heater closet and attic is ribbed/corrugated, which can collect grease, which can spread any fire on stove, reduce ventilation efficiency, and contribute to grease deposits on fan/filter. Recommend replacement with smooth metal vent by an appropriate qualified contractor.



Additional Kitchen Recommendations

Kitchen appliance inspection is limited to a visual inspection and start-up of dishwashers, garbage disposals, range hoods, exhaust fans, range, oven, and built-in microwave ovens. Dishwasher drainage and mechanical range vents are also inspected. Appliance inspection does not include features, including, but not limited to, modes of operation, timers, clocks, heat settings, thermostat accuracy, or self-cleaning. If an inspection of all features or all appliances is desired, contact a qualified appliance contractor.

Anti-tip bracket should be installed if not present between the back of any free-standing range/oven and the wall behind it. A number of persons are injured each year when they open the oven door and use it as a step to reach into a cabinet, causing the oven to tilt forward.

Range hood exhaust fans and filter should be cleaned as needed at this time and routinely to reduce the risk of grease fires and other conditions that may affect health, safety, or operation.

Bathrooms

Components

N/A

Findings

Toilet tank in rear bathroom does not have water, preventing flushing and testing. Various possible causes, such as water supply valve being turned off. Home inspectors do not turn valves because valve may have been turned off for a reason, such as to prevent leak or damage. Recommend seller disclose any known history to assist buyer in determining condition, which may require review by a qualified, state licensed plumbing contractor.



Additional Bathroom Recommendations

Whirlpool tub inspection is not included in this inspection. Recommend testing/servicing by qualified Whirlpool tub specialist to help ensure health, safety, and proper operation.

Bathroom inspection does not include dry rot, toilet rings, inaccessible plumbing nor water tightness testing of shower pans, surrounds, enclosures, doors, or tub/sink overflows.

Exhaust fan installation is recommended in any bathrooms that do not have them in order to improve ventilation, especially of moisture, which may cause deterioration or microbial growth.

Laundry

Components

Gas Supply for Dryer
- not apparent

Receptacle Outlet for Dryer
- present

Findings

No laundry findings noted within the scope of this Home Inspection except those that may be related to other systems and listed in other sections of this report. Inspection of clothes washers & dryers is beyond the scope of a home inspection. If inspection is desired, have the washer & dryer inspected by a qualified appliance contractor.

Additional Laundry Recommendations

Clothes dryer exhaust vent and adjacent components should be inspected and cleaned or replaced by an appropriate, qualified appliance contractor at this time and at least annually thereafter or as instructed by manufacturer's instructions to help prevent lint accumulation, which may cause a fire.

Gas clothes dryer height requirement above garage floor should be determined by contacting the local authority having jurisdiction (usually the city building dept.) to determine whether gas dryers are required to be elevated as other gas appliances are to help prevent flammable vapors from common items stored in garages, such as paints, solvents, or gasoline, that may travel across the floor from reaching the gas dryer burner flame. Consideration should be given to raising any gas dryer so burner is at least 18 inches above the garage floor to avoid these risks.

Garage

Components

Door Type
- sectional

Auto-Reverse Photo-Sensors
- none

Findings

Wall on right side of garage has apparent repair near bottom of wall that is cracking. Determining the reason, conditions within wall, or adequacy of contractor/specialist work is beyond the scope of a home inspection. Moisture intrusion/damage or microbial growth may be present behind wall surface. Inspection beyond the surface is beyond the scope of a home inspection. Recommend that this finding and all associated components/areas be reviewed, and corrected as needed, by a qualified, state licensed General contractor or other appropriate, qualified contractor.



Garage interior has damage at a number of locations, such as threshold between building sections and flooring. Recommend that this finding and all associated components/areas be reviewed, and corrected as needed, by a qualified, state licensed General contractor or other appropriate, qualified contractor.



Front wall has apparent water intrusion at floor, which may cause deterioration of building materials within or promote microbial growth. Recommend that this finding and all associated components/areas be reviewed, and corrected as needed, by a qualified, state licensed General contractor or other appropriate, qualified contractor.



Garage door opener not equipped with photo-electric safety reverse mechanism. Having photo-electric sensors installed by a qualified licensed garage door contractor will allow the door to reverse without making contact with property or persons, especially children, and installation will meet current construction safety practices. The Consumer Product Safety Commission recommends monthly testing of the automatic garage door opener's safety reverse mechanisms.

No Photo

Additional Garage Recommendations

Some of the additional recommendations/information in this section may NOT be the direct responsibility/concern of the homeowner when the system or component is maintained by a Home Owner's Association (HOA).

Vehicle door safety devices, such as the door contact reversal system, is not included in a Home Inspection per the California Real Estate Inspection Association and were not inspected. Garage door's contact reversal system is designed to prevent entrapment, not necessarily to prevent damage or injury. Recommend inspection by a qualified, licensed, IEDA certified garage door contractor to reduce the risk of serious/fatal injury and damage. Recommend not using the garage door manufacturer's contact reversal system testing method of using a wood block due to the risk of damaging the door when the reversing sensitivity is insufficient.

Warning labels for garage door and opener equipment should be present at a number of locations on the equipment. Garage door manufacturer's warning label information can help prevent serious/fatal injury, so the presence of warning labels at all necessary locations on/near the garage door & opener equipment as prescribed by the manufacturer's installation instructions, such as at the remote button(s), manual release cord, garage door, and garage door spring, should be confirmed, and installed if needed, by a qualified, licensed IEDA certified garage door contractor.

The Consumer Product Safety Commission recommends monthly testing of the automatic garage door opener's safety reverse mechanisms.

Structure

Components

Roof Framing

- site-built

Attic Insulation

- fiberglass, loose fill
(Limits access/view/inspection)

Attic Access

- hall
(Inspection was performed at the access hatch due to insulation covering ceiling joists (boards) or other insufficient traversability within the time scope of a home inspection. Recommend further review by a qualified, licensed General contractor.)

Crawl Space Soil Surface Moisture Appearance

- dry

Foundation

- perimeter stem walls and posts & piers

Foundation Bolting

- present
(at sampled locations)(size, spacing, & adequacy is beyond the inspection scope & not determined.)

Cripple Walls

- (short wood-framed walls between top of foundation and bottom of sub-floor)
- none

Sub-Floor Insulation

- none

Crawl Space Access

- multiple exterior

Findings

Foundation perimeter stem wall in crawl space across from right rear access hatch has "efflorescence" (white area of mineral leaching from concrete due to moisture exposure) and possible deterioration. Moisture in exterior soil or from surface drainage will often seep through concrete and leave minerals from concrete on the surface. In some cases, deterioration can be caused by insufficient exterior drainage combining with sufficient moisture exposure over a long period of time. Although certain amounts of efflorescence may not be significant, further review would be necessary to determine whether any locations have significant deterioration. Also, staining consistent with foundation interior rebar corrosion noted.



Corroding rebar can expand and damage foundation. Exterior grade does not slope away from building. Recommend that the foundation be reviewed, and monitored on a regular basis, by a qualified, state licensed foundation contractor. Recommend reducing water exposure by improving drainage on grounds. Recommend using appropriate, qualified, licensed contractors.

Sub-floor in crawl space near bathroom(s) has white stains consistent with fungus due to past, or present, moisture exposure/intrusion, which can cause wood damage. Recommend obtaining, or referring to, a structural pest inspection ("termite") report for assessment and recommendations regarding this finding and the other wood components on the property they inspect. Structural pest inspectors (formerly titled "Branch 3 Structural Pest Control Operators") are wood and wood boring insect specialists who are typically hired during a property transfer transaction to provide a more comprehensive wood evaluation, including probing the wood to determine the presence, or extent, of wood deterioration, moisture intrusion, fungus, wood boring insect infestation/susceptibility. As a specialist, they can also provide cost estimates and corrective work.



Wood ("cellulose") debris noted in crawl space at a number of locations. Wood can attract wood boring insects to building wood framing, which can cause damage and compromise the structural integrity. Recommend removal of any scrap wood in crawl space by a qualified person.



NOTE: Remodeling, alteration(s), or addition(s) apparent/reported, which normally require building permits from the local authority having jurisdiction (usually the city building department). Identifying modifications is beyond the scope of a Home Inspection. Recommend consulting with the local building department to disclose/confirm that all required permits were procured, inspections of plans and modifications performed, and final sign-off acquired. Recommend the local building department be consulted regarding the entire permit history of the property from the date of its original construction, including details and dates of



any work performed requiring jurisdictional approval. Finalized permits should be acquired for any non-permitted work that requires permits. Recommend a copy of the permit(s) and final sign-off be disclosed/obtained for inclusion with buyer's records of purchase. This home inspection is not a substitute for, approval of, nor warranty of, the local authority inspections and finalized permits, and this inspection does not approve or warranty the work of those who did the work. Any symptoms of defects previously visible before remodeling may no longer be visible to, or reported by, inspector.

NOTE: The building is aged and may have additional defects or obsolete construction/installation conditions that will not be apparent during the limited scope of a home inspection. Reported defects may have associated conditions not apparent during the home inspection. Recommend that the possibly affected areas associated with the reported findings be reviewed by the contractors/specialists recommended. These contractors/specialists should also review the remaining portions of the systems they are evaluating. Having any additional systems reviewed by the relevant contractors/specialists may discover additional conditions.



Additional Structure Recommendations

A structural pest inspection is recommended. Structural pest inspectors (formally known as state licensed "Branch 3 Structural Pest Control Operators" and commonly known as "termite inspectors") are wood and wood boring insect specialists who are typically hired during a property transfer transaction to provide a more comprehensive wood evaluation, including probing the wood to determine the presence, or extent, of wood deterioration, moisture intrusion, fungus, wood boring insect infestation/susceptibility. As a specialist, they can also provide cost estimates and corrective work. Termite inspection is beyond the scope of a Home Inspection. Any findings in this report regarding possible wood boring insect presence/damage happened to be noticed and was reported as a courtesy. Reliability of different termite treatment methods varies. Statistics have been published stating that the approximate reliability of "orange oil" can be as low as 60 percent.

Soil and geological conditions can affect buildings. Certain conditions, if present, may have the potential to cause building movement, cracking, and affect the structural integrity of systems and components, such as foundation, framing, walls, driveways, walks, and patios. Determining geological conditions and associated risks, such as stability, is beyond the scope of a home inspection and can be accomplished by consulting a geotechnical engineer.

Structural analysis of the building, including the building's structural systems/components, is beyond the scope of a home inspection. Although this Home Inspection includes inspecting certain portions for certain defects, structural evaluations involve engineering/scientific calculations and other scientific evaluation. If a structural analysis of the building as a whole, or in part, is desired; recommend contacting a state licensed structural engineer.

Perimeter foundation stem walls [if present] that may have vertical cracks less than 1/8 of an inch wide are usually not structurally significant and may not be reported; however, cracks may widen or new cracks may appear over time. Recommend routine monitoring of the foundation system by a qualified, state licensed foundation contractor or structural engineer.

Under-floor crawl spaces [if present] should be reviewed by an earthquake retrofit specialist to determine foundation bolting frequency and which structural improvements/upgrades can be made to increase the building's resistance to structural damage and help reduce the risk of injury in the event of an earthquake. Many buildings, especially those built in the 1960's or earlier, were not designed to resist earthquakes or do meet modern/improved construction practices.

Perimeter foundation bolting inspection [if foundation is "perimeter" type] is performed by a sampling of locations in the crawl space. To determine the bolting frequency, condition, and adequacy of the remaining bolting would require evaluation by a qualified, state licensed, foundation contractor or structural engineer.

Slab-on-grade foundation [if present] bolting presence and condition cannot be determined during a Home Inspection due to the bolting being concealed. If further evaluation is desired, contact a qualified, state licensed, foundation contractor.

Crawl space and attic [if present] access/view is often impaired due to materials, such as insulation, heating ducts, framing, and piping, preventing complete inspection of systems & components. Attic inspection must often be performed at the attic entrance hatch. Also, a sampling of accessible surfaces of insulation, ducts, framing, and piping in attics and crawl spaces is performed. All surfaces of all components are not inspected, and undiscovered defects may exist. If a more comprehensive inspection of the attic and crawl space is desired, have the areas inspected by a qualified, state licensed General Contractor.

Truss framing assemblies [if present] are engineered assemblies that require a qualified engineer's review, beyond the scope of this Home Inspection, to determine proper assembly, installation, design, adequacy, and modifications.

Copper-based pressure-treated wood (which was used primarily after 2002) that does not have fasteners that are stainless steel or hot-dipped galvanized can corrode the fasteners. Borate-based pressure-treated wood (which was used primarily after 2002) deteriorates when exposed to water and should not be exposed to weather/water. These conditions can cause structural failure on structures, such as building framing, decks, and balconies, possibly resulting in damage, injury, or death. Further, and periodic, review by an appropriate, qualified specialist would be necessary to determine whether these components/conditions are present.

Balcony/deck [if present] assessments for structural integrity/sufficiency, including the integrity/sufficiency of attachments to buildings that are not visible from the surface, are beyond the scope of a home inspection. Balconies and decks should be inspected at property transfer and annually by a Structural Pest Control Operator and an appropriate qualified contractor/specialist to inspect for conditions that may affect the structural integrity, such as in adequate design, wood or fastener deterioration, improper/missing flashing, or insufficient connections, in order to reduce the risk of serious/fatal injury.

Attic ventilation assessment is beyond the scope of a Home Inspection and can determine whether increased ventilation is needed to reduce the risk of moisture related problems, premature aging of roof and roof framing, and increased cooling costs.

General Recommendations/Information

Recommendations in this section of the report are NOT listed here to express or imply that they are necessarily any less significant or less important than the recommendations in the "Findings" sections or "Additional Recommendations" sections of the report.

Some of the additional recommendations/information in this section may NOT be the direct responsibility/concern of the home owner when the system or component is maintained by a Home Owner's Association (HOA).

NOTICE TO THIRD PARTIES (e.g., buyers/sellers other than the client named in this report)

Consultation: Third parties are encouraged to schedule a consultation with the inspector. During the consultation, the inspector will meet with the third party (usually the new buyer when the inspection was performed for the seller) and their Realtor at the property with copies of the report; provide an oral summary of the findings; answer any questions; and have the third party sign the same Agreement/contract that the initial client named in the report signed, which will document that the third party understands, and agrees to, the third party's rights, the scope of the inspection, and the terms of service explained in the Agreement/contract.

Unauthorized Use of the Report Signing the Agreement will also authorize the third party to use, and rely on, the report because the inspection report is copyrighted, work-product of Holmes & Watson Real Estate Inspection, LLC for the sole benefit and reliance of the Client named in the report and is non-transferable. The report is issued subject to the terms, conditions, and limitations contained in the Agreement/contract under which the inspection was performed. The terms, conditions, and limitations are a part of this report and are attached hereto [last three pages] and are incorporated by reference herein. Inspector assumes no liability for third party interpretation or use of the report. Authorized or unauthorized use of, or reliance on, this report constitutes the third party's ascent to the terms and conditions of the written Inspection Agreement/contract and to the limited scope of the inspection defined therein and has the effect of the third party agreeing to hold harmless the inspector, or the inspection company, from any third party claims arising out of the inspection report.

INSPECTION SCOPE

Overall Scope: This home inspection was performed in accordance with the "Residential Real Estate/Home Inspection Agreement" provided by Holmes and Watson Real Estate Inspection, LLC. A copy of the text of the Agreement/contract is included at the end of this report. The Agreement and incorporated Standard of Practice are based on the California Real Estate Inspection Association (CREIA) Agreement and Standards of Practice. The Agreement was signed by the client, or their representative/Realtor, to document that the client/representative understands, and agrees to, the terms, conditions, and scope of the inspection, such as those contained in the subsequent portion of this paragraph: The scope of the inspection is limited and is not as extensive as the inspections that can be provided by specialists/contractors. If further inspection of the systems/components/appliances that are included or excluded is desired, or if "technically exhaustive" inspections are desired, recommend the inspections be performed by the appropriate, qualified specialists/contractors before the removal of inspection/investigation contingencies and occupancy to provide the information before purchase/sale/transfer and reduce the risk of property damage, adverse health effects, and injury. "Technically exhaustive" inspections are beyond the scope of a typical visual inspection and can include dismantling, the extensive use of advanced techniques, measurements, instruments, testing, calculations or other means. "Technically exhaustive" inspections are comprehensive inspections that can be performed by specific specialists/contractors.

Report of Deficiencies: This report provides information regarding the deficiencies and possible deficiencies observed within the scope of the inspection defined in the Agreement/contract. The inspector does not report any systems/components as being OK or any similar characterization that implies the

systems/components do not have deficiencies because not all portions/aspects of systems/components are inspected, and deficiencies may exist in the uninspected portions/aspects that are beyond the scope of the inspection.

Not a Code Inspection: This inspection is not an inspection for code compliance at the time of construction or compliance with all modern construction codes. The inspector's perspective is to report certain deficiencies that pose risks of injury or property damage, not what is/was legal in a particular jurisdiction. The inspection is not based solely on a particular, or applicable, code source. Findings are the inspector's professional opinions, which are based on a number sources, such as accepted construction practices, inspection/construction profession news, safety statistics, manufacture's installation instructions, the Division of the State Architect, product liability law suits, certain codes pending approval, or certain current codes. A source may be used that provides more safety/damage protection than a current code in the jurisdiction inspected. Each municipality may allow/prescribe particular exceptions to the sources that have been relied upon in this report. Contact your local authority having jurisdiction (usually the city building dept.) to determine if they consider any construction/installation to be illegal and required to be corrected.

After Personal Items Removed: The inspection included only the readily visible surfaces/areas of the property at the time of the inspection. Component visibility, access, and condition may change, or be discovered, between the date of the inspection and the title transfer date, especially after the personal items that were present during the inspection have been removed. Recommend buyer perform a thorough walk-through prior to the removal of any purchase contingency and prior to the close of transaction in order to help discover undesirable conditions, which if discovered, should be brought to the attention of this inspection company immediately.

Conditions May Arise/Change After Inspection: A Home Inspection report is a report as of the date and time the inspection was performed. Conditions can arise/change between the time of the inspection and the time the buyer takes possession of the property, such as drain deposits causing restrictions, drain seals drying & leaking, vandalism, theft, unconventional repairs, and conditions resulting from rain. The probability of conditions arising/changing increase the longer the time between inspection and possession becomes. Holmes & Watson Real Estate Inspection, LLC is not responsible for conditions arising/changing after the inspection. Interested parties should consider having another inspection performed if an unusual amount of time after the initial inspection has elapsed or if an additional inspection is desired.

Concealed Areas: The verification or inspection of all concealed components, such as, but not limited to, slab foundations, slab foundation anchor bolts, underground drainage systems, moisture barriers, window & door trim flashing, deck vapor barriers & flashing, planter flashing, or balcony/deck fasteners will not be possible due to their concealed position under flooring, behind walls, or under ground. Paint can cover symptoms of material defects that cannot be viewed or reported by inspector. Slab foundation inspection is limited to visible portions on the building exterior. An intrusive inspection would require removal of flooring, wall, or other materials, which is beyond the scope of a Home Inspection and would require contacting a company specializing in this type of intrusive evaluation if desired. Recommend obtaining/producing seller/occupant disclosure of any history regarding concealed areas.

Environmental Hazards: Environmental hazard inspection is beyond the scope of a home inspection. Homes built prior to approximately the mid-1980's may contain potentially hazardous building materials, such as lead-based paint or asbestos, which may be in materials that include, but are not limited to, "sprayed acoustic"/"popcorn" ceilings; white "transite" water heater and furnace vent/flue/duct insulation and tape; siding; roofing; wall and ceiling insulation; sheet vinyl and backing or underlayment; vinyl tile. Homes built before the mid-80's should be inspected before the removal of investigation/inspection contingencies by the relevant specialists to determine the existence, extent, and condition of any potentially hazardous material and to help ensure conditions are among those considered safe by the Environmental Protection Agency (EPA). EPA and Consumer Product Safety Commission advice can be found at <http://www.epa.gov/asbestos/> and <http://www.cpsc.gov/cpsc/pub/pubs/5080.html>. The California Department of Health and Safety is another resource. Other environmental hazards, including, but not limited to, radiation; radon; wildfire/flood risk; or toxic, reactive, combustible, or corrosive contaminants

(such as sulfur in Chinese drywall found in some homes built between 2004 and 2007), are also beyond the scope of a home inspection. Any work, such as removal, performed with any of these materials should only be performed by the appropriate specialist to avoid contaminating the home.

Microbial Growth: Mold, mildew, fungus, and other microbial organism identification is beyond the scope of a home inspection. These organisms can be a health hazard to some people. If concerned about this possibility, recommend further investigation be performed by a qualified specialist, such as a Certified Indoor Environmental Professional or Certified Industrial Hygienist, to determine whether an incubation or contamination climate/conditions exists and to provide remediation advice or remediation. The client is advised to consider all findings associated with moisture, such as, but not limited to, stains, leaks, vapor barrier defects, exhaust fan failures, insufficient ventilation, etc., as conditions conducive to the growth of molds and other fungi, whether direct information regarding mold is provided by the inspector or not.

Remodeling/Modifications: Building modifications (remodel, repair, addition, conversion, removal, etc.) often require permits to approve and ensure proper construction. Identifying modifications is beyond the scope of a home inspection. Recommend buyer obtain from seller [or seller disclose] what modifications have been performed on the property, such as building additions, alterations, repairs, improvements, removals, conversions; or adding, moving, modifying, or replacing items, such as light fixtures, electrical service, wiring or receptacles, dishwashers, water heaters, roof coverings, windows, security bars, furnaces, air conditioners, garage door openers, plumbing fixtures or pipes, build-in appliances, swimming pools, spas, fireplaces, patio covers, or decks. Recommend confirming the existence of any necessary plans, permits, inspections, and final sign-off with the local authority having jurisdiction (typically the city building department). Recommend the local building department be consulted regarding the permit history of the property from the date of its original construction, including details and dates of any work performed requiring jurisdictional approval.

This home inspection is not a substitute for, approval of, nor warranty of, the local authority inspections and finalized permits, and this inspection does not approve or warranty the work of others. Any symptoms of defects previously visible before remodeling may no longer be visible to, or reported by, the inspector. Recommend buyers inquire about, and sellers disclose, any past potentially undesirable conditions, especially those that may no longer be visible, and recommend those conditions be reviewed and corrected as needed, by the appropriate qualified specialists.

A building that has been purchased recently and is now being re-listed ("flipped") often is a building that needed multiple repairs that was purchased at a low price, then multiple repairs were performed in a short period of time and as inexpensively as possible in order to maximize profit. Undiscovered defects may exist. Repairs often have aspects that are beyond the scope of a home inspection. Consideration should be given to having the more comprehensive inspection that can be performed by a qualified, state licensed General contractor.

MISCELLANEOUS RECOMMENDATIONS / INFORMATION

Any oral report summary provided at the inspection, or elsewhere, is an incomplete generalization and not the actual or complete report. Only the written report is the actual & complete report that should be relied upon.

Nothing in the law relieves a buyer of the duty to exercise reasonable care to protect himself/herself by considering facts which are known to, or within the reasonably diligent attention and observation of, the buyer. (Cal. Bus. & Prof. Code 10176(a); Cal. Civ. Code 2079 et. seq)

All recommendations in this report should be performed by qualified, state licensed contractors, using materials of comparable quality, subject to local ordinances, done in a workman-like manner, in compliance with all applicable building codes and permit requirements. Having all recommendations performed can reduce the risk of damage, injury, and liability for injuries to guests.

Safety guidelines/alerts and product/appliance recalls can be reviewed on the Consumer Product Safety Commission website: www.cpsc.gov and www.recalls.com, or www.recalls.gov.

Proper and timely maintenance of all systems, components, and appliances is recommended. Recommend reading the manufacturer's installation/operating instructions for the appliances.

A Home Warranty purchase is recommended for buyers. Although a home warranty can provide insurance for repair or replacement of many appliances/systems/components; home warranty coverage does not apply to pre-existing conditions, code upgrades, or non-code complying issues, any of which may not be discovered during the limited scope of a home inspection; therefore, recommend having the relevant appliances/systems/components be given the more comprehensive inspections that can be provided by the appropriate, qualified state licensed contractors/specialists.

You are welcome to contact the inspector when explanation or clarification of report statements are needed; however, to acquire information beyond the scope of a home inspection, such as cost estimates, possible remedies, and to determine the ultimate cause, extent, and significance of each finding, contact the contractors/specialists recommended in each finding of the report.

Agreement/Contract & Standard of Practice Text

The following three pages are the text of the Inspection Agreement, including the Standard of Practice, that explained the scope of the inspection and the terms of service to the client or their representative prior to the inspection.

The actual Agreement was filled out with the client's name, report number, inspection address, and fee and was signed by the inspector and given to the client or their representative to sign and copy for their records. An additional copy is available upon request.

Thank you for choosing
Holmes & Watson Real Estate Inspection, LLC.

Residential Real Estate/Home Inspection Agreement

This is intended to be a legally binding contract. Please read it carefully

Holmes & Watson Real Estate Inspection, LLC
(408) 839-8378 Email: Chris@HolmesWatsonLLC.comClient: Jason Caballero / Liberty Holding Group LLC series 1 Report#: 20121025-01Inspection Address: 555 Angus Ave., San Bruno, CA

SCOPE OF THE INSPECTION: The real estate inspection to be performed for Client is a survey and basic operation of the *readily accessible* systems and components of the primary building and its associated primary parking structure within the inspection scope defined herein and without requiring any action which may result in damage or injury. The purpose of the inspection is to provide the Client with information regarding the general condition of the building(s) as inspected at the time of the inspection. Inspector will prepare and provide Client a written report for the sole use and benefit of Client. The written report will document possible material defects discovered within the scope of the inspection which, in the opinion of the Inspector, suggest that systems/components may be malfunctioning, significantly deficient, unsafe, or at the end of their service lives. Report findings may be limited to a general description of each symptom, its location, possible risks, and a general description of which type of contractor, or other specialist, should perform further review/evaluation and any corrections needed. The inspection shall be performed in accordance with the Standard of Practice included, and incorporated, herein by reference [based on the California Real Estate Inspection Association (CREIASM) Standards], and is limited to those items specified herein.

The Real Estate inspection ("Home Inspection" or "Property Inspection") does NOT include all the systems on the property. Real Estate Inspectors are Generalists who are not acting as an expert in any craft or trade and whose inspections, reports, and discussable information regarding the systems & components that are included in the inspection are less comprehensive and less extensive than can be provided by specialists, such as contractors & engineers. Portions & aspects of the inspected systems & components are not inspected. The Real Estate Inspection is NOT *technically exhaustive*. The real estate inspection does NOT include all the types of information contractors or other specialists provide, such as the extent, cause, ultimate nature, significance, possible remedies, or cost estimates of findings; or advice regarding maintenance, remodeling, or system or equipment operation. The Inspection is limited to a sampling of surfaces, areas, and similar components; therefore, portions of surfaces, areas, and similar components are not included in the inspection. According to the American Society of Home Inspectors, inspector reports/opinions must only be "objective"; therefore, the Inspector will not provide subjective information, such as prioritizing findings, overall opinions about the property, or property comparisons.

Given the limited scope of a Real Estate Inspection, Client agrees to expect unreported deficiencies to possibly exist in uninspected systems & components or in the uninspected portions or aspects of inspected systems & components or in the uninspected similar components, surfaces & areas not sampled and that the deficiencies may be discovered after the Real Estate Inspection, such as during the more comprehensive reviews provided by contractors/specialists or discovered when the deficiencies manifest themselves. Client agrees that Client shall not commence any legal action or proceeding against the Inspector, or the inspection company, and hold inspector, & the inspection company harmless, for deficiencies in excluded, unsampled, or uninspected aspects of systems/components. If Client desires the more comprehensive, extensive, or technically exhaustive, inspections that can be performed by contractors, or other specialists, Client agrees to contact the appropriate contractor(s)/specialist(s) before the removal of inspection contingencies and before the close of the transaction.

SCOPE: 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, radiation, radon, lead, urea-formaldehyde, fungi, molds, mildew, PCBs, Chinese drywall, or other toxic, reactive, combustible, or corrosive contaminants, materials, or substances in the water, air, soil, or building materials. The Inspector is not liable for injury, health risks, or damage caused, or contributed to, by these conditions.

SCOPE: STANDARD OF PRACTICE

The Standard of Practice provides guidelines for a *real estate inspection* and defines certain terms relating to the *inspection*. Italicized words in this Standard, and the entire Agreement, are defined in the "Glossary of Terms."

A *real estate inspection* includes the *readily accessible systems and components*, or a *representative number* of multiple similar *components*, or a sampling of portions of surfaces & areas listed in SECTIONS 1 through 9 below, subject to the Limitations, Exceptions, and Exclusions on page 2 and the additional limitations in this Agreement; and **excluding any system, component, or area that the inspector was notified, or in fact, is maintained by a Home Owner's Association (HOA) or is a system, component, or area in a condominium, townhouse, or other Common Interest Development that is beyond the interior sides of ceilings, floors, and walls,** including, but not limited to, grounds, detached parking structure, balcony, deck, exterior, roof, attic, crawl space, foundation, framing, or any structural component unless otherwise agreed. Refer to the HOA's "Reserve Study" inspection report or hire the appropriate specialists before the removal of inspection contingencies to determine the condition of the uninspected systems, components, and areas.

SECTION 1 – Foundation, Basement, and Under-floor AreasA. Items to be *inspected*:

1. Foundation *system*
2. Floor framing *system*
3. Under-floor ventilation
4. Foundation anchoring and cripple wall bracing
5. Wood separation from soil
6. Insulation

B. The *Inspector* is NOT required to:

1. *Determine* size, spacing, location, adequacy of foundation bolting, bracing *Components*, or reinforcing *systems*, or structural defect significance.
2. *Determine* the composition, sufficiency, or energy rating of insulation materials

SECTION 2 – ExteriorA. Items to be *inspected*:

1. Surface grade directly adjacent to the *buildings*
2. Doors and windows
3. Attached decks, porches, patios, balconies, stairways, and their enclosures
4. Wall cladding and trim
5. Portions of walkways and driveways that are adjacent to the *buildings*

B. The *Inspector* is NOT required to:

1. *Inspect* door or window screens, shutters, awnings, or security bars
2. *Inspect* fences or gates or *operate* automated door or gate openers or their *safety devices*.
3. *Inspect* site drainage beyond adjacent to the building.

SECTION 3 – Roof CoveringA. Items to be *inspected*:

1. Covering
2. Drainage
3. Flashings
4. Penetrations
5. Skylights

B. The *Inspector* is NOT required to:

1. Walk on the roof surface if in the opinion of the *Inspector* there is risk of causing damage, voiding a warranty, a *hazard* to the *Inspector*, or there requires a ladder longer than 17 Ft.
2. Warrant or certify that roof *systems*, coverings, or *components* have no leaks

SECTION 4 – Attic Areas and Roof FramingA. Items to be *inspected*:

1. Framing
2. Ventilation
3. Insulation

B. The *Inspector* is NOT required to:

1. *Inspect* mechanical attic ventilation *systems* or *components*
2. *Determine* the composition, sufficiency, or energy rating of insulation materials
3. Move insulation.
4. *Determine* whether roof plane is straight (without deflection).
5. Traverse attic when framing portions are covered by insulation or attic is not readily accessible/traverseable.

SECTION 5 – PlumbingA. Items to be *inspected*:

1. Water supply piping at, and downstream of, the main water valve adjacent to the building
2. Drain, waste, and vent piping
3. Faucets and fixtures
4. Fuel gas piping
5. Water heaters
6. *Functional flow and functional drainage*

B. The *Inspector* is NOT required to:

1. Fill any *fixture* with water or *inspect* overflow drains or drain-stops, or evaluate backflow *devices*, waste ejectors, sump pumps, or drain cleanouts
2. *Inspect* or evaluate water temperature balancing *devices*, temperature fluctuation, time to obtain hot water, water circulation, water softeners, bidets, or solar heating *systems* or *components*
3. *Inspect* whirlpool baths, steam showers, or sauna *systems* or *components*
4. *Inspect* fuel tanks or *determine* if the fuel gas *system* is free of leaks
5. *Inspect* wells or water treatment *systems*

SECTION 6 – ElectricalA. Items to be *inspected*:

1. Service equipment
2. Electrical panels
3. Circuit wiring
4. Switches, receptacles, outlets, and lighting *fixtures*

B. The *Inspector* is NOT required to:

1. *Operate* circuit breakers or circuit interrupters
2. Remove cover plates
3. *Inspect* de-icing *systems* or *components*
4. *Inspect* private or emergency electrical supply *systems* or *components*

C. The *Inspector* MAY:

1. Remove inner “dead front” covers to inspect panel interior

SECTION 7 – Heating and CoolingA. Items to be *inspected*:

1. Central heating equipment
2. Central cooling equipment
3. Energy source and connections
4. Combustion air and exhaust vent *systems*
5. Condensate drainage
6. Conditioned air distribution *systems*

B. The *Inspector* is NOT required to:

1. *Inspect* heat exchangers or electric heating elements
2. *Inspect* non-central systems or units; or evaporative coolers
3. *Inspect* radiant, solar, hydronic, or geothermal *systems* or *components*
4. *Determine* volume, uniformity, temperature, airflow, balance, or air distribution *system* leakage
5. *Inspect* electronic air filtering or humidity control *systems* or *components*
6. *Inspect* inner ceiling-mounted units
7. remove panels fastened with fasteners

SECTION 8 – Fireplaces and ChimneysA. Items to be *inspected*:

1. Chimney exterior
2. Spark arrestor
3. Firebox
4. Damper
5. Hearth extension

B. The *Inspector* is NOT required to:

1. *Inspect* chimney interiors, gas appliance fireplaces, or operate a fireplace
2. *Inspect* fireplace inserts, seals, gaskets, mantles, or surrounds.
3. Push chimneys
4. *Inspect* automatic fuel feed, heat distribution assists, or make-up air *devices*
5. *Determine* draft characteristics or if a fireplace can be safely used
6. Determine whether a chimney is broken or structurally compromised
7. Move fireplace insert/stove/firebox contents

SECTION 9 – Building InteriorA. Items to be *inspected*:

1. Walls, ceilings, and floors
2. Doors and windows
3. Stairways, handrails, and guards (“guardrails”)
4. Permanently installed cabinets
5. Visual inspection and start-up of permanently installed cook-tops, ovens, dishwashers, & food waste disposers.
6. Mechanical range vents.
7. Absence of smoke and carbon monoxide alarms
8. Vehicle doors & openers

B. The *Inspector* is NOT required to:

1. *Inspect* paint, wallpaper, carpeting, drapes, blinds, or any other window, door, or floor coverings or treatments.
2. Dishwashers without “cancel” button/knob
3. *Determine* whether floors/ceilings/walls are level/straight/plumb
4. *Inspect*/test alarm systems (e.g., smoke, carbon monoxide, security, fire alarms)
5. Determine whether tempered safety glass is present or not present
6. *Inspect* household appliances, central vacuum systems, vehicle door safety *devices*
7. *Determine* whether a *building* is secure from unauthorized entry

The *Inspector* may, at the *inspector’s* discretion:

1. Include photographs in the written report or create any type of visual documentation for *Inspector’s* reference without inclusion in the written report.

SCOPE: Limitations, Exceptions, and Exclusions**The following are excluded from a *real estate inspection*:**

1. *Systems* or *components* of a *building*, or portions thereof, which are not *readily accessible*; not readily visible; not sampled; not *permanently installed*; not *inspected* due to circumstances beyond the control of the *Inspector*, or which the Client has agreed, or specified, are not to be *inspected*.
2. Site improvements or amenities, including, but not limited to; accessory *buildings*, fences, planters, landscaping, irrigation, swimming pools, spas, ponds, waterfalls, fountains, bird baths, fire pits, barbecues, statuary, or their *components* or accessories.
3. Auxiliary features of *appliances* beyond the *appliance’s* basic *function*.
4. *Systems* or *components*, or portions thereof, which are under ground, under water, or where the *Inspector* must come into contact with water.
5. Common areas as defined in California Civil Code section 1351, et seq., and any dwelling unit *systems* or *components* located in common areas.
6. *Determining* compliance with manufacturers’ installation guidelines or specifications, building codes, accessibility standards, conservation or energy standards, regulations, ordinances, covenants, or other restrictions.
7. *Determining* adequacy, efficiency, operating costs, suitability, quality, age, or remaining life of any *building*, *system*, or *component*; or marketability or advisability of purchase; or defect cause, extent, or significance.
8. Structural, architectural, geological, environmental, hydrological, land surveying, or soils-related examinations
9. Acoustical or other nuisance characteristics of any *system* or *component* of a *building*, complex, adjoining property, or neighborhood.
10. *Conditions* related to animals, insects (including termites), or other organisms, including fungus and mold, and any hazardous, illegal, or controlled substance, or the damage or health risks arising therefrom.
11. Risks associated with events or *conditions* of nature including, but not limited to; geological, seismic, wildfire, and flood.
12. Water testing any *building*, *system* or *component* or *determine* leakage, such as in shower pans, pools, spas, or any body of water.
13. *Determining* the integrity of hermetic seals at multi-pane glazing
14. Differentiating between original construction or subsequent additions or modifications.
15. Reviewing information from any third party or determining whether any *system/component* is subject to product defects, recalls, controversy, litigation, or other adverse claim or condition.
16. Specifying repairs/replacement procedures or estimating cost to correct
17. Communication, computer, security, or low-voltage *systems* and remote, timer, sensor, or similarly controlled *systems* or *components*.
18. Fire extinguishing and suppression *systems* and *components* or *determining* fire resistive qualities of materials or assemblies.
19. Elevators, lifts, dumbwaiters, and playground equipment.
20. Lighting pilot lights; activating or *operating* any *system* or *component* or *appliance* that is *shut down*, unsafe to *operate*, or does not respond to *normal user controls*.
21. *Operating* shutoff valves, electrical disconnects, *shutting down* any *system* or *Component*, or plugging in power cords.
22. Dismantling any *system*, *structure*, or *component* or removing access panels other than those provided for homeowner maintenance.
23. Concealed conditions, latent defects, future conditions, or consequential damage(s).
24. Cosmetic and aesthetic *conditions*.
25. providing warranties or guarantees of any kind.
26. Electrical load calculations, circuit breaker operation/labeling accuracy.
27. Use of tools other than tools used by the *inspector*.
28. Confirm the operation of every control or feature of an inspected appliance.
29. Determine whether a *system* or *components* is safe or safe to *operate*
30. *Inspector* liability for any damage or injury resulting from any *inspector* act normally performed by a Real Estate *Inspector* during the *Inspection*.
31. Use a ladder other than to inspect the roof or attic.

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.

LIMITATION OF LIABILITY: Any dispute, controversy, interpretation, or claim, including, but not limited to, claims for breach of contract, any form of negligence, fraud, or misrepresentation arising out of, from, or related to, this Agreement, the *Inspection*, or the *Inspection* report and found in favor of the Client shall not exceed ten(10) times the *Inspection* fee.

CLIENT'S DUTY: Client acknowledges that Inspector is a generalist with a limited inspection scope and that further review/evaluation of a reported condition by an appropriate contractor/specialist may provide additional information which can affect Client's course of action; therefore, contractor/specialist review/evaluation and their resulting written reports and cost estimates shall be obtained by client if client is the seller or owner, or shall be obtained by buyer-client before the removal of any inspection/purchase contingency and prior to the close of the transaction.

Client agrees to read the entire written Real Estate inspection 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 regardless of any oral comments made by the Inspector. Client shall not rely on any oral comments made by the Inspector.

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.

Inspector is not liable for damage Inspector causes while performing the inspection in a manner typically performed by Home Inspectors.

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. Client agrees to the pre-inspection email.

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 the entire Agreement. Systems/components/areas not inspected due to a condition that the inspector believes is unsafe or not readily accessible does not reduce the inspection fee; may be subject to an additional fee to inspect later; or may be referred to a contractor/specialist to inspect.

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, except suits brought by Inspector for non-payment, is filed. 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 demand binding arbitration under the terms & 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 except suits brought by Inspector for non-payment, 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 Home Inspection 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: Construction Dispute Resolution Services, LLC.

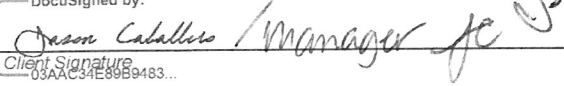
Glossary of Terms

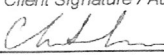
All definitions apply to derivatives of these terms when *italicized* in the text.

- Appliance:** Equipment performing a specific *function* e.g. oven/dishwasher/heater
- 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*
- Function:** Normal & characteristic purpose/action of a *system/component/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 "Scope of the Inspection" on page 1
- 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 (e.g., personal property, equipment, plants, soil, debris), dismantling, destructive methods, any action which may harm persons or property, or taking more time to inspect than the inspector considers reasonable.
- Real Estate (Home) Inspection:** Refer to "Scope of the Inspection" on page 1
- 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:** Disconnect or turn off, preventing response 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

Pre/at inspection re-scheduling, cancel, or access impaired fees: \$100/\$200. Credit card/PayPal payments fee: \$15. Total Payment is due at the time of the inspection unless escrow billing is offered and accepted. Payment via escrow is due at close of escrow or at the discretion of the inspector, whichever occurs first, at which time, the "TOTAL FEE" is due directly from the client. Late payments are subject to late fees of \$10 per week. Client acknowledges having read & understood all the terms, conditions, and limitations of this Agreement and voluntarily agrees to be bound thereby and to pay the fees listed here and has secured approval for entry & inspection.

Square Ft. Fee:	\$450
Home Age Fee:	\$45
Extra Living Space:	
Foreclosed Fee:	
Weekend Fee:	
TOTAL FEE:	\$495
Credit Card/PayPal :	+\$15

DocuSigned by:

Client Signature
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Inspector Signature; on behalf of Holmes & Watson Real Estate Inspection, LLC

Jason Caballero Oct-25-2012 | 08:15 PT
Print Name Date Time

Chris Shupp 10-23-12 8:30 PM
Print Name Date Time