



www.ableinspectionsandengineering.com

ABLE INSPECTIONS CO.
Inspecting Since 1976
713 465-0000



www.flirthermography.com



Introduction

In accordance with your instructions, the undersigned inspector has made a limited foundation inspection, in addition to inspection of roof systems, perimeter grounds, mechanicals, electrical, HVAC, wood destroying insects, sprinkler system and vehicular parking of the above referenced low-rise office building.

This inspection was performed in the presence of building superintendent and building owner. Property Manager and realtor were also present during inspection. At the time of the inspection the office building was 100 percent occupied, business activity and customer activity during inspection and in adjoining Bank building. The weather conditions were sunny and dry and approximately 53 degrees at 9:30 am on Friday and overcast and 56 degrees at 1:30 pm on Saturday.

This inspection consisted of an examination of only those portions of the foundation and structure that were visible and accessible. This inspection was based on inspectors 30 years of knowledge and experience with foundations in the Greater Houston area. The structural elements inspected were limited to those elements that assisted in the evaluation of the overall foundation performance. Please note that this foundation and this inspection did not include analysis or investigations relating to environmental concerns.

The location of geological faults and their relation to this property are excluded in this evaluation. Please be aware that this inspection did not include any analysis or inspections related to mold or any other environmental related inspections. Understanding that latent defects could exist which inherently may not be detected during an inspection of this type, Larry Malloy and Able Inspection Company do not claim or warrant that the observations described herein and their analysis thereof represent every structural condition that may exist. Please note that any verbal statements made by this inspector are not to be considered a part of this inspection report. If any additional information becomes available, this inspector should be provided the opportunity to amend the report.

PURPOSE

The purpose of the inspection was to observe and provide an opinion as to whether or not the foundation is performing the intended and design purpose, or if repairs may be required. In addition, if repairs are recommended, to provide an opinion as to the general scope of needed remedial repair work.

DESCRIPTION & DATA

This low-rise office building had the following characteristics observed by this inspector, as well as noted additional data and information that follows:

1. This low-rise office building is primarily constructed as a light steel beam and column connection type structure (protected with fire resistant material), with steel open web joist system and interior light gauge steel wall and ceiling material.
2. The exterior walls are primarily a non-bearing conventional hand trowled cement stucco/plaster and coarse stone aggregate cladding using control joints with fixed glass panels.
3. The office and bank buildings are primarily a flat configuration with a roof that was covered with conventional built-up system.
4. This office building and attached bank were currently occupied with personnel, customers, furnishings and office equipment, etc. Buyer must understand this inspection could not cover every office, however did examine those corresponding to roofing concerns.
5. Interior floors of building were covered with carpet, tile, painted concrete and vinyl tiles.

6. Interior ceilings and wall were primarily of sheetrock/plasterboard, wallpaper, tile and acoustic tiles supported with an exposed grid suspension system, hung from steel joist system providing concealed space for mechanical air ductwork, housings for in-line heater electric heat strips, electrical connections and conduit, plumbing, computer and telephone wiring etc.
7. Foundation appears to be of a thick mat reinforced concrete foundation designed to act as a single footing for the entire building, which is designed as a integral structural unit with the superstructure capable of transmitting loads to the foundation soil under entire area of slab.
8. Perimeter non-bearing curtain wall utilized, commonly supported by the building's structural steel. The current owner stated that "waterproofing" was performed to this wall.

This Inspector requested documents of improvements from the Current building owner and did receive on February 6, 2007. The author of this report reserves the right to add to and or alter this report if additional information is received in reference to these buildings, roof systems, mechanical equipment and any other components associated with building.

OBSERVATIONS

Observations by this Inspector are subdivided into three areas: exterior, interior and grade beam. The observations regarding the grade beam refer to that part of the exposed concrete foundation slab. This portion is generally referred to the face of the exterior perimeter grade beam.

Referenced directions in this report where one is facing the front entry of low-rise office building with the front facing an East direction.

An elevation survey was performed as a part of this inspection. The survey provided by this inspector was performed taking random first level only elevation measurements of the floors. Please understand that some low-rise office buildings are not poured perfectly "level" during original construction. Considering this, elevation surveys are not always a true method of determining foundation movement. However, such elevation surveys do indicate current conditions and this inspector is of the opinion that such information, in conjuncture with other observations, can be helpful in contributing to overall foundation analysis.

For this elevation survey, floor measurements were made at random first level locations using a A Technidea Pro-2000 Zip level ([tool for elevation measurements of your foundation floor system](#)) was utilized to measure and obtain elevations to the interior first floor of this office building. The reference point for this office building was located at the west hallway and lobby area.

The results of our survey indicate the first floor of this office building to be reasonably level. The high point of the foundation slab is located at the north lobby. The surface elevation at this point is approximately 3/8 inch above the reference elevation of zero. The low point of the slab is located at the northwest hallway/stairs and toward east area of bank and is approximately 1/2 - 5/8 inch below the reference elevation of zero.

GRADE BEAMS

Observations of the foundation were made in a normal cursory manner by viewing those areas of exposed grade beam surfaces which were above ground and not concealed by such items as: high soils, ivy and other vegetation, metal flashing, concrete steps, low cladding and any other materials. Observation of the external perimeter grade beam, where possible revealed no significant distress cracks were open to view.

EXTERIOR

The exterior is made of primarily a non-bearing conventional hand trowled cement stucco/plaster and stone ballast cladding using control joints and triple coated with elastomeric paint with fixed glass panels. A close review of the external surface areas and associated glass panels and stucco cladding revealed no significant evidence of unusual structural behavior to these wall surfaces, during this inspection process.

The summary of various exterior observations is as followed:

1. Previous crack and displacement in wall material at north curved wall from the stairs.
2. Small but important voids/openings (in need of repair) between glass window metal framing and stucco cladding at north and south areas of lobby.

Please note that the above list of exterior observations is not necessarily a complete list of conditions observed, but this inspector is of the opinion that these listed observations are relevant the overall evaluation regarding probable foundation movement.

OTHER EXTERIOR DISCRPANCIES

1. Openings and separations located at top upper section of fixed window panels on north and south areas of lobby. In addition, along sides and bottom perimeter of metal framing necessary to mitigate water intrusion conditions (current stains observed and documented inside windows and metal frame).
2. Stained and discolored window at upper south east third level of building, possible cracked window at second level west area and numerous stained windows on lower level from sprinklers within close proximity.
3. Broken pea gravel flatwork into North entrance of lobby.
4. Chipped concrete with rusted metal posts at north and south steps out of stairs.
5. A damaged metal door threshold exists at the northwest exterior door of the stairs.
6. Wood expansion joint material is damaged/rotted and missing in the pea gravel flatwork at the north and south areas into the lobby - should be replaced and filled with non-cellulose material.

7. Cracks are located along the flat edges of the windows on the second and third levels at the southeast area of this building.
8. Glazing strip are damaged, loose and missing on the fixed window panels of the lobby.
9. Peeling board material is located behind the upper windows of the south lobby.
10. A 1-inch clearance is not available at the base of the stucco/plaster cladding on the bank building and the resulting high soils are highly conducive to wood-destroying insects/termites.
11. Vertical cracks are located on wall joints at the south and northeast areas of the bank.
12. An active leak exists at the northwest area of this building near the sidewalk. The water controls for the fire hose supply water are the source of this leak, as per the building superintendent who claims this leak is on the City side. It is unknown if this leak is scheduled for repair.
13. There is evidence of a previous repair located at the north area of this building in the grass area around the water and sprinkler meter. This repair apparently resulted from previous leakages that occurred at one time. We suggest consulting with the building superintendent for more details on this repair and any warranty information. Additional sod installation has covered several sprinkler heads that are in need of appropriate repairs.
14. Numerous sprinkler heads are in need of adjustment and/or replacement. These sprinkler heads are located the entire building and common grounds. Over-spraying from these sprinkler heads on the building material and windows has resulted into staining, discoloration and possible water intrusion conditions.

INTERIOR

Observations were made of the interior walls, ceiling and floors (where accessible and available). Observations of the interior sheetrock wall and ceiling (lobby areas), acoustic tiles revealed typical quality of the low rise office building industry. This type of construction reflects movement by cracking and joint distortions appearing on the surface. Typical locations of cracks and distortions, when there is frame movement, are cracks at four corners of windows, top of doors, vertical corners of walls and other openings.

The review of the interior of this building did not reveal significant distress conditions relevant to foundation movement.

Interior conditions observed during inspection process revealed the following:

1. Small wall cracks inside north and south stairs and inside lobby at weak point locations.
2. Small interior tile cracks in south lobby with chip/crack on tile at north area of lobby.
3. Ceiling repairs located at the upper southwest area of the lobby. It is unknown to us on the exact reasons for these repairs and we suggest inquiring with the seller for specific history information on repairs.

4. Stains are located inside the lower metal framing of the fixed window panels at the north and south lobbies. Streak staining exists at the upper windows and corresponds to daylight observed between framing and sheetrock.
5. Railing installation is incomplete into the office at the south first level lobby.
6. Random staining observed inside lower first level offices of the building and the bank building, which appears to have been the result of water intrusions that occurred at one time and/or sprinkler overspray.
7. Ceiling stains and damages are located inside the mechanical room of the northeast bank from leakages off of roof drain and piping connections that occurred at one time – previous repairs were noted along with sections of pipe located in close proximity.
8. Random areas of loose blanket insulation exist against the walls at the northeast area of the bank – as viewed from access in mechanical room.

ANALYSIS AND CONCLUSIONS

From my observations and measurements, this inspector is of the opinion that this office and bank building foundation is currently performing in an acceptable manner and failed to locate any significant discrepancies with foundation and superstructure system.

This inspector employed an infrared EX320 Therma CAM camera utilized to examine walls and ceilings for any thermal differences from active and/or previous leakages. Thermal anomalies were observed on the lobby ceiling at the southwest area corner and along the edge from what appears to be previous leakages. In addition to thermal images were observed in the northeast bank mechanical room from leakages off of a roof drain that occurred at one time.

Another thermal anomaly is located in the first level mechanical room of the office building corresponding to leakage off of the chill water piping system. This area is in need of **immediate** repairs.

The infrared camera was utilized in offices of the office building and bank in areas corresponding to the roof drains as well as around the skylights of the lobby. No active thermal images resulting from leakages were revealed at this time.

INTERIOR STAIRS

There are three separate stairs inside of office building (A, B and C)

1. System of locked doors was noted in all three stairs in which office personnel must have keys to enter and exit.

ELEVATOR

Original 1980 Dover 2500-pound maximum elevator located inside office building at north end and equipment room located within close proximity of elevator down hallway.

Currently inspected by TeJas Elevator Inspection and Service Company. **Consult with this company for all records of inspection and repairs.**

1. Broken plastic guard exists on the upper left of door.

BANK BUILDING AND DRIVE THRU

The attached bank adjoined with lobby and office building is also of a light steel construction covered with a conventional painted stucco/plaster cladding system with control joints along with fixed glass and door panel system. The separate drive thru building framework is not known and the exterior cladding is of a painted External Insulating Finish System (EIFS). Both building employ a flat roof system with internal roof drains and extended drain scuppers on bank building only.

1. High soils are located around the perimeter of the bank building. These high soils are **highly conducive to wood-destroying insects**. We suggest immediate grading and treating for wood-destroying insects/subterranean termites due to the extensive amount of high soils around this building. This inspector could not remove all the soil located against this cladding and grade beam.
2. Exterior bank drive-thru columns are damaged that were apparently struck by moving vehicles.

SITE DRAINAGE

Proper drainage is very important for foundation performance. Review of the exterior revealed several large perimeter asphalt vehicular parking lot drains. They comprised of three 28x28 drain grids at south and southeast areas, four 16x24 drain grids at north and south areas along with four 16x24 drain grids at northwest driveway entrance and street. Since it was not raining there full extent and effectiveness is unknown to us. Please note that this inspector could not determine the system design in addition to how effective this drain system is performing. One should understand that regular maintenance of these drain systems are mandatory to assure quality performance is maintained. Inspector did consult with Building supervisor on any storm drainage issues and was informed of none.

1. Observations of drains revealed debris accumulation inside all locations and we suggest removing the grids to eliminate trash debris to ensure positive rainwater diversion.
2. Ponding water located at far southwest area of parking lot apparently due to low areas of lot.
3. Some small $\frac{3}{4}$ " PVC drain pipes and ell fittings were employed out of concrete walls retaining planters and some ell fittings broken/missing on south area and some buried at grade level on north area walls. No drain piping is located at individual concrete retainer along west area.

The roof systems revealed interior roof drains and external drain scuppers. The drain scuppers were located on west area of office building and east and west areas of bank building. The interior roof drains apparently terminate into interior drain system as per building superintendent.

1. Previous repair from leakages are located at internal roof drain piping inside northwest area of bank. **We suggest consulting with the building owner and superintendent on information of this repair along with any other information and documents, etc. of post installed roof repairs.**

RECOMMENDATIONS

Although, in the opinion of this inspector, foundation leveling is not required, this inspector recommends that the positioning of the large mature trees at the front, sides and rear of the building be addressed to mitigate the potential of foundation movement.

With considerations given, the opinion of this inspector is that the following course of remedial repairs should be taken.

1. Perimeter sprinkler system is in need of immediate examination for appropriate repair of broken and missing sprinkler heads. In addition, careful consideration should be taken on the height of the sprinkler piping above grade as well as the sprinkler spray pattern.
2. Large mature trees should be kept pruned and appropriately watered to avoid the potential of any soil disruption around these mature trees. Site drainage is also important around the perimeter of this building. The future building superintendent should monitor the drainage to ensure positive rainwater diversion and escape routes for water build-up, especially at the west side of the building utilizing individual décor concrete landscaping blocks.
3. To better provide information to assist in evaluating this foundation and the building structural elements, this inspector would encourage the buyer to retain a copy of the original foundation construction drawings from the seller of this building.

For more general suggestions in maintaining the future performance of this foundation, please see information below.

OTHER RECOMMENDATION AND PRECAUTIONS

The following are generalized suggestions and represent the opinions of this inspector for maintaining foundation stability. For a list of suggested maintenance items that are important for maintaining foundation performance the new building buyer and/or superintendent should refer to the following on-line publication:
www.foundationperformance.org

Foundation performance is directly related to the strength of the soil providing the structural support. In the Houston area, the upper clay soil layers generally have high bearing strengths but often times also have the undesirable characteristic of swelling when moisture is added and shrinking when moisture is extracted. For these soils, being aware of the importance in maintaining proper levels of moisture around the foundation is an essential factor for foundation stability. Conditions around a foundation, such as poor drainage, leaking pipes or other concentrated water discharge conditions can cause erosion, loss of bearing strength and possible swelling of the supporting clay soils. In the other extreme, draught conditions can also cause shrinkage of certain clay soils and a loss of support to the foundation slab system. Mature trees located too close to a foundation can also withdraw a tremendous amount of moisture from the soil and the supporting clay soil layer. In dry conditions, trees located near a foundation will make a bad situation even worse because trees will seek needed moisture from the foundation soils in order to survive.

To aid in the maintenance of the stability and forestall any future foundation stress, this inspector is of the opinion that the following should be undertaken:

1. Provide a controlled watering program to supplement natural rainfall in order to maintain constant moisture content in the soil around these buildings. Since adding water to the soil adjacent to the foundation several days during the week especially during the summer months can be a very tedious task, an updated and properly functioning automated watering system can be very beneficial.
2. Keep large roots from beneath this foundation. Keep large shrubs/trees well pruned, especially the limbs located close to this buildings.
3. Maintain a positive drain pattern around the entire building complex and make certain that rain gutter discharge and other flows of water do not pond or erode soils around the foundation system. A sloop of at least 4-inches in the first six feet away from the foundation is recommended, especially on the bank building.

VEHICULAR ACCESS and PARKING

Asphalt covered paving provides a wearing surface for pedestrian and vehicular traffic on site. Numerous parking spaces are available and marked including additional spaces for the handicapped along with curb cuts and ramps for wheelchair access. Wheelchair accessible parking and ramps is located for the Bank east entrance and the Lobby north and south entrances. Pedestrian access is available to the main bank entrance and to the north and south entrances of the office building.

There are three entrances/exits into and out of this vehicular parking area, which does include numerous drain grids. This parking area is illuminated with three large lights at the front of the bank and five lights at the south and west areas of the vehicular parking, in addition to lights on the external building.

1. Several concrete stops are either broken and/or missing at the bank and office building areas.
2. Painting for the handicap parking spaces is worn at the east side of the bank building.

3. Was unable to locate marked area for emergency vehicles, such as fire trucks, or the location of the fire hydrant.
4. Several areas of worn asphalt top layer exist at the east, west and south areas of the parking lot, which can use additional "filler" repair.

EXTERIOR LIGHTING

Three parking lot and entrance lights located on east area of Bank along with seven lights illuminating south and west sides of this building. Five parking lot lights located at south and west areas. Four wall mounted lights installed on exterior of office building.

(R) Clean lenses on external lights at the south and west areas of parking, which are currently covered with bug residue. Large lights illuminating the bank building at the east and west areas were operative during daylight hours and their time clock needs to be reset to operate during the nighttime hours. Three perimeter building wall mounted light were non-operative during inspection.

PERIMETER WOOD FENCING

Seven foot tall perimeter wood fencing at south and west area of property and parking lot.

(R) Large section of fence is missing and/or removed at the southeast area of parking lot, which allows traffic from the adjacent strip center. Random locations of broken, split, bowed and/or missing pickets were noted at the south and west areas.

ROOF COVERING AND STRUCTURE

The roof of this office building is of flat built up construction and covered by single ply modified roof bitumen type, installed over metal decking. Roof material is fastened down with hot steep asphalt or coal tar bitumen. This structure as viewed from above suspended ceiling area indicated open steel web joists rafters spaced 48 inches on center.

The surface of this roof did have an acceptable solid feeling when being walked upon in a normal manner, however, there were observations of the following conditions and **in need of immediate repair on all statements listed below:**

1. The bank building flat roof system has an accumulation of screws, nails and other construction debris left behind by contractors in addition to an accumulation of granular rock material that has washed off of the roof covering. All of these items need to be cleaned and removed from this roof system.
2. Random locations of loose electric conduit and drain piping off of HVAC equipment are from damaged and loose wood blocks. Some electrical conduit conduits are abandoned and there are several locations of loose electric conduit connections.
3. Significant area of ponding water exists in the center of the roof, which could use an additional roof drain in the center area.

4. Leaks that occurred from the front northeast roof drain have been previously repaired – consult with the building superintendent for more information on this repair.
5. Ponding water is located at the north end of the office building corresponding to the stairs. Significant ponding of water exists at the south mid-span area of this roof that is located within close proximity of roof drain system. Additional drain appears to have been installed to correct this ponding of water and does not appear to be effective. We suggest consulting with reputable roofing contractor for their review of both roof systems for their opinions and proposals on installing additional roof drains.
6. Loose and piled up granular material exists off of the roof layer can also be removed from the roof system.
7. Loose perimeter metal wall flashing exists at the south/southeast area of this building resulting into extracted fasteners.
8. Previous repairs are located on top of metal cap flashing at the north and south stairs and at other random locations possibly from leaks that occurred at one time.

LOBBY SKYLIGHTS

Six vaulted skylights located on flat roof system of lobby. **Inspector observed evidence of:**

(R)

1. Loose, missing and incomplete seal around all lens and metal curb-framing intersection.
2. Numerous small cracks located on all lens however no indication of leakages during inspection.

ELECTRICAL SERVICE ENTRANCE AND PANELS

Aerial four wire three-phase 500mcm THW copper service into two GE main principle panels and other main panels located at exterior northwest parking lot.

(R) Limited accessibility to main GE breaker disconnects on east side of NW exterior service (shrubs).

Four electric panels are located inside Bank with 400amp, (2) 225-amp and 100-amp panels. Including Electric Transformer panel. Time clocks and winder timers are also located inside closet room.

(R) One 30-amp breaker used on 120-volt circuit. Two open spaces on 225-amp panel dead front.

Five electric panels exist inside 1st level mechanical room with 600-amp, 225-amp and three 100-amp panels.

(R) Two open spaces on 600amp panel dead front.

Four electric panels are located inside 2nd level mechanical room with 225-amp and three 100-amp panels – OK

Four electric panels are located inside 3rd level mechanical room with 225amp and three 100-amp panels - OK

Three electric roof top panel disconnects for HVAC units servicing Bank with 30amp and (2) 60amp safety switch disconnects.

(R) All electric panels are not identified for HVAC equipment.

Three electric roof top panel disconnects for HVAC units servicing Office Building with 400amp and (2) 30amp safety switch disconnects.

(R) All electric panels are not identified for HVAC equipment.

ELECTRICAL BRANCH CIRCUITS – CONNECTED DEVICES AND FIXTURES

(R)

1. Lights not operative in all three mechanical rooms near telephone systems and missing cover on double gang outlet.
2. Several missing cover plates on junction boxes above ceiling in bank.
3. Separation of conduit, along with numerous loose connections and exposed wiring, are in need of improvement and appropriate repair.
4. A coil of a solid strand wire exists in the mechanical room, which is not being utilized and can be removed off of equipment as necessary.
5. There is evidence of some rusted conduits and raceway gutters on the office roof.
6. Some photo electric eyes are installed for external lighting and we suggest consulting with the building superintendent on the dedicated function of each photo eye.

BANK HVAC EQUIPMENT

There are three separate roof top packaged HVAC units servicing this building along with one small condenser system for the front northeast office.

Three zoned Honeywell Programmable T-stats operate two zoned 2002 Trane 3-phase 7.5 and 10-ton units and 2004 Trane 10 ton unit with electric safety switch disconnects. One 2005 Trane 1.5 ton single phase unit with electric wall disconnect for front NE office.

(R)

1. Slight damage on all three roof top units at coil fins.
2. Loose conduit and missing electric rain-tite connector exists on NE unit.
3. Loose and exposed low voltage wiring and conduit off NW unit and in several other areas on roof.

OFFICE BUILDING HVAC EQUIPMENT

2003 Carrier 110-ton refrigeration tower with 4 semi-hermetic compressor air-cooled unit with two 5hp centrifugal motors for chill water pumping. Electric safety switch panels located upon roof within close proximity of equipment. It was understood from building superintendent that Comm. Air Co services this system.

The water is cooled by a chiller which is a refrigeration unit located upon office roof. Two separate pumps circulate water through this chiller where it is cooled and returned to the chiller water coils. Three zoned air handler systems can mix return air and outside air of office building within correct proportions and proper monitoring to filter, heat and cool the air within office building.

There was evidence of the following on roof top chill refrigeration system:

1. Evidence of previous leaks on condenser tanks on fasteners at flanges.
2. Missing nuts and washers on compressor anchor bolts at base framing.

Consult with current HVAC Service Company for all service records referencing maintenance and repairs made to this equipment.

Three separate Trane Climate Change air handler and chill water system units located in mechanical rooms on the first, second and third levels of this office building. The building superintendent directs the digital controls of the air damper system by computer.

1. **Active leakage** exists on chill piping off first level unit (covered with insulation)
2. Localized areas of rust on bottom of all units and on spring absorbers under units.
3. Stains off of random fittings and valves from leaks at one time.
3. Stains on top of first and second level units from leakages off floor drain above at one time.

Building superintendent has verifiable information on scheduled maintenance and service to this HVAC system.

PLUMBING COMPONENTS

LEGEND KEYS:

(R) = Repair **(C) = Comment** **OK = Operative**

MAIN WATER ENTRANCE: Consult with the building superintendent for this location.

WATER HEATERS: 2003 Ruud 30-gallon electric tank is located in the mechanical room - **OK**

1995 6-gallon electric tank is located for the bank - **OK**

MEN'S 1ST LEVEL BATH:

- a) Lavatory **(R)** Aerators are clogged on spouts of both fixtures (remove and clean out debris)-restricting positive flow.
- b) Urinal **OK**
- c) Toilet **OK**

MEN'S 2ND LEVEL BATH:

- a) Lavatory (R) Hot and cold stems are not operative to turn off properly at both fixtures.
- b) Urinal OK
- c) Toilet (R) Toilet is loose on the floor.

MEN'S 3RD LEVEL BATH:

- a) Lavatory (R) Hot and cold stems are not operative to turn off properly at both fixtures.
- b) Urinal OK
- c) Toilet OK

WOMEN'S 1ST LEVEL BATH:

- a) Lavatory OK
- b) Toilet OK
- c) Toilet (R) Toilet seat is loose.

WOMEN'S 2ND LEVEL BATH:

- a) Lavatory OK
- b) Toilet OK
- c) Toilet (R) Toilet seat is loose.

WOMENS 3RD LEVEL BATH:

- a) Lavatory OK
- b) Toilet OK
- c) Toilet OK

WOMEN'S BANK LEVEL BATH:

- a) Lavatory OK – previous leak with damaged cabinet exists underneath this fixture
- b) Toilet (R) Ball cock valve leaks and flapper ball worn and leaks.
- c) Wet Bar OK

FIRE HOSE LOCATION

Three fire hoses and extinguishers located in hallway of 1st level, two sets on 2nd level and one on 3rd level. Active leakage off of main piping into building exists at the exterior northwest of property.

IRRIGATION SYSTEM

5 Stations installed on pressurized (PVB) vacuum breaker valve is located at the south area of office building. ISM controller is located at the exterior south wall. All zones were not identified permanently.

(R)

1. Sprinkler heads are loose, broken and/or missing at #1, 2 and 4 zones system resulting into excessive loss of irrigated sprinkler water especially on the southeast side of the bank.
2. Adjust numerous sprinkler heads on #3 and 5 zones for proper spray pattern. Some sprinkler heads are buried below sod installation at the northeast area of the sidewalk.

INTERIOR ALARM SYSTEM

NOT inspected or tested by this company. Consult with office building owner or other professionals for this information. No fire detection and or smoke detection systems located in mechanical rooms, hallways, etc. Please consult with companies of your choice for this installation.

OFFICE BUILDING ACCESS SYSTEM

Card access available on south side lobby entrance. Consult with building superintendent for detailed information of this system.

WOOD DESTROYING INSECT INSPECTION

See WDI report at the end of this report.

SELLER'S DISCLOSURE

The inspector **did not** receive/review a copy of the seller's disclosure statement informing the inspector of any known defects at the time of inspection (this document is essential to assist in evaluating previous and/or existing problems with this office building experienced by current and previous owner). In addition, I **did not** receive/review a copy of any previous inspection reports performed on this property. If other reports are available, request a copy (or copies) from seller. If there are items in conflict with this report, or should additional information become available, we reserve the right to determine the impact, if any, of any new facts/information that may be provided, and revise our opinions and conclusions if necessary, based upon the discovery of information that was unavailable or unknown at the time of this inspection. It is imperative to obtain all documentations from current building owner referencing all improvements, updates, code compliances, citations; all repair documents (past and present) in addition to any future projects, repairs and improvements for these buildings.

SUMMARY

The overall care and maintenance of this low-rise office and bank building was considered as **good with the exception of ponding water on both flat roof systems of the bank and south area of the office building, leak on the first level office building chill water air handler piping, incomplete sealant of the windows on the north and south areas of the lobby, broken and missing sprinkler heads for the irrigation system and high soils/mulch at the front and sides of the bank building, which are highly conducive to wood-destroying insects/termites**, when compared to other equivalent office buildings in this location, similar age and construction type.

For further information, please read integrated "Office building Owner Guide", Able Disclaimers report, with TREC "Standards of Practice" and any valuable on-line information provided, before purchase of this office building, which contains additional data material, office building inspection comments, disclaimers and "global" information, we have experienced over 30 years, generally concerning routine maintenance issues for your office building.

It is highly recommend that you conduct a "walk-through" inspection prior to closing to re-check areas that were not readily accessible or visible at the time of inspection and to ensure that this building and its components have not changed in any substantial manner.

IMPORTANT: If any of the above mentioned repairs or recommendations were not performed as suggested, to correct or further investigate (these conditions/defects), before the purchase of this property and/or before closing, or if you agree to accept the condition of the property "as is," Able Inspection Company cannot accept the responsibility or be held accountable for any subsequent or additional repairs and/or damages that may occur as a result of these conditions, including undisclosed, hidden, and concealed defects that may be discovered in the course of repair work, renovations or remodeling performed after the acquisition of this property. (You may consider asking for an extension of your inspection contingency for necessary repair proposals from appropriate licensed contractors.)

Thank you for choosing Able Inspection Company to perform this important survey for you. After carefully reviewing this report, please contact our office, if you have any questions or require a more detailed explanation regarding any item included in this report, pictures, attachments, or addendum(s).

Very truly yours,

ABLE INSPECTION COMPANY
Inspecting since 1976

Larry J. Malloy

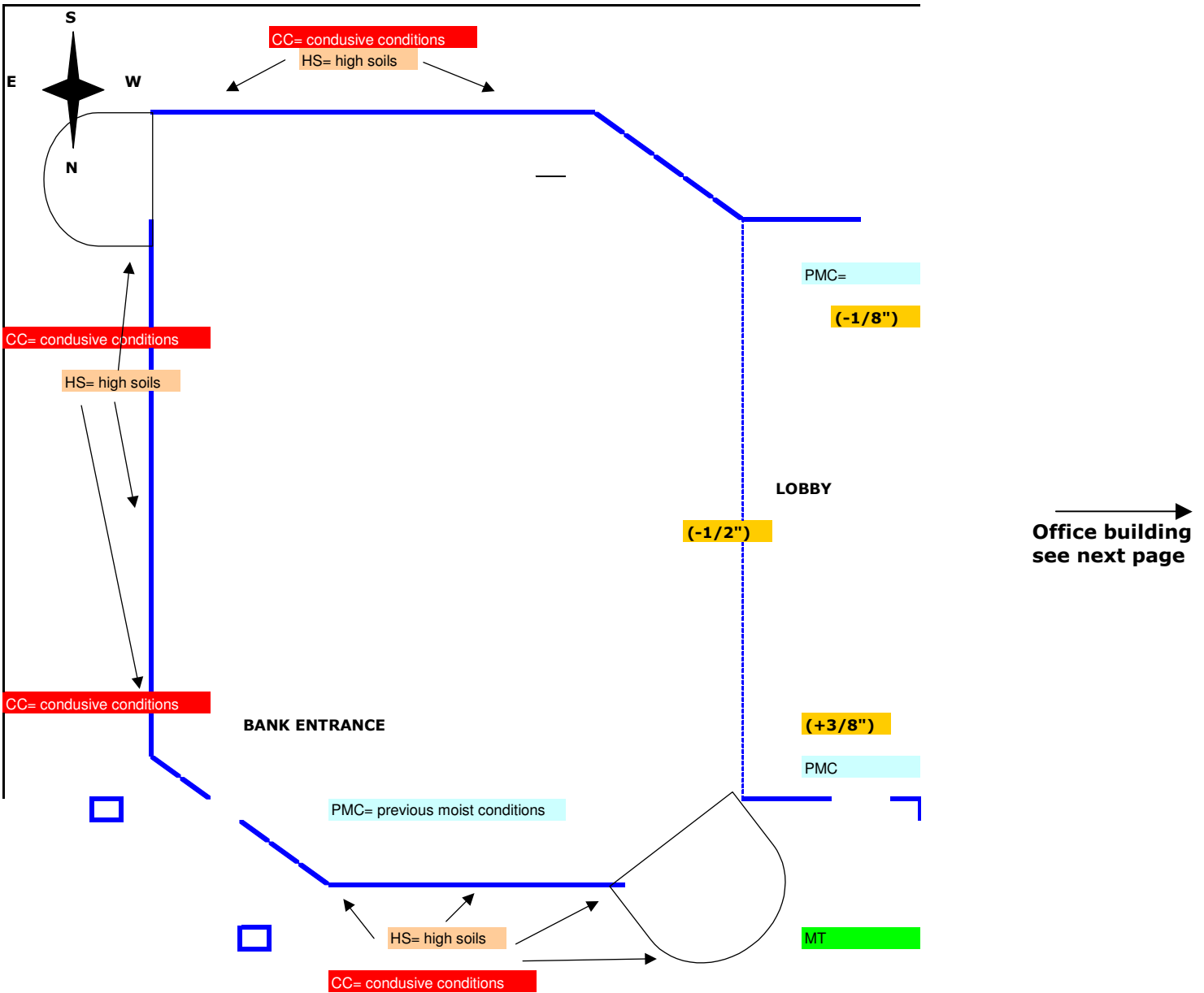
Larry J. Malloy
Registered Professional Inspector
License No. 332
Certified Termite Applicator
Licensed No. 28713
Certified Infrared Thermographer
Licensed No. 26559

Please enlighten yourself on foundation care and maintenance at this website:

www.foundationperformance.org

Another worthy web site for “Building Terminology” to assist in understanding terminology in this report is:

<http://www.na.graceconstruction.com/custom/underlayments/downloads/UL-014.pdf>



OFFICE BUILDING FLOOR PLAN

NOT TO SCALE - DIMENSIONS ARE APPROXIMATE one square equal to 2 lineal feet

LEGEND FOR GRAPH ABOVE

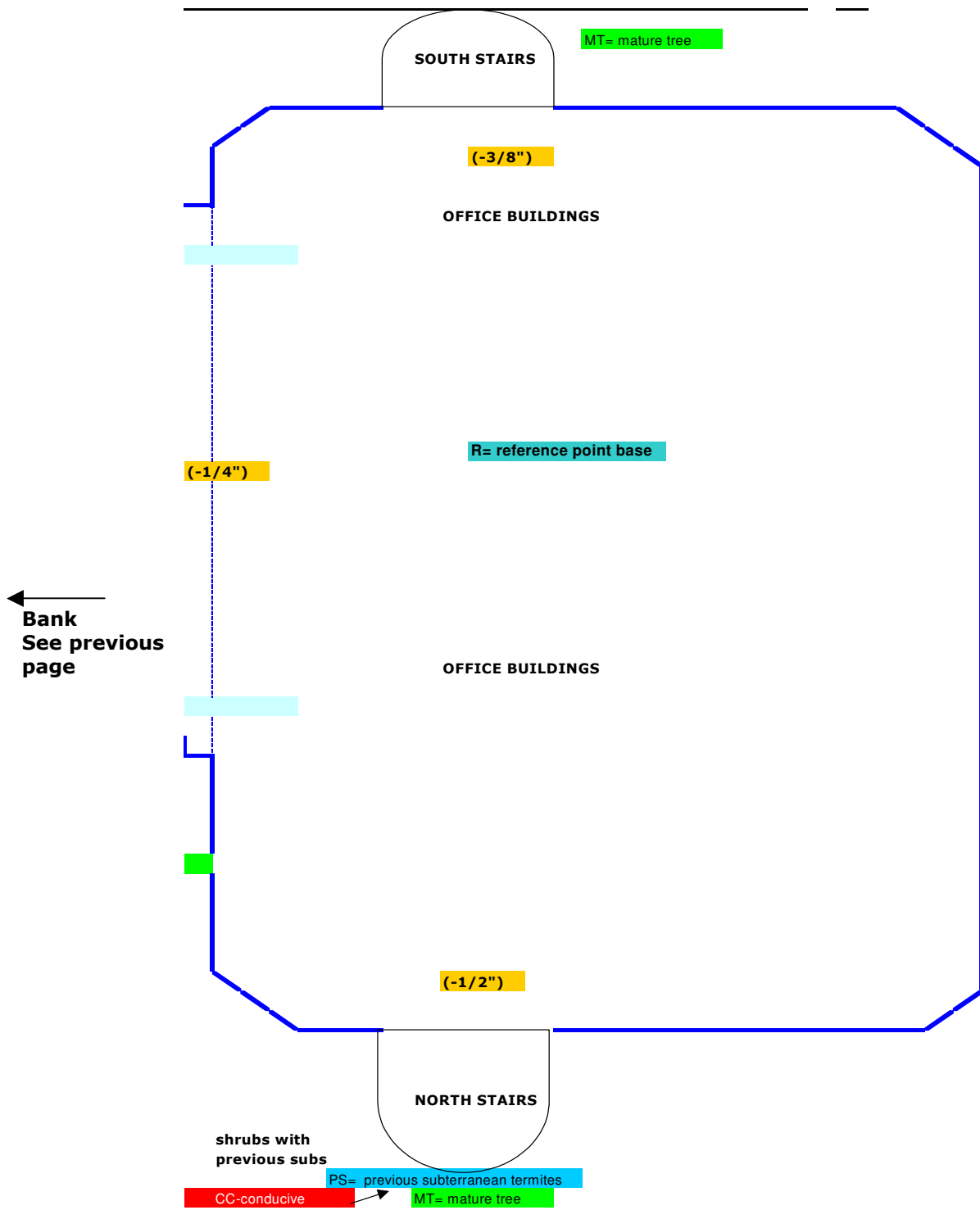
- | | | | |
|----------------------------------|------------------------------------|----------------------|--------------------------------|
| AS= active subterranean termites | PS= previous subterranean termites | MC= moist conditions | PMC= previous moist conditions |
| AD= active drywood termites | PD= previous drywood termites | HS= high soils | IA= inaccessible area |
| AC= active carpenter ants | PC= previous carpenter ants | RW= rot wood | OA= obstructed area |
| ACB= active carpenter bees | PCB= previous carpenter bees | ML= bark mulch | CC= conducive conditions |
| AB= active beetles | PB= previous beetles | TB= tree branches | AP= apparent damages |
| | | TS= tree stump | PHD= possible hidden damage |

LEGEND FOR FOUNDATION MEASUREMENTS

- R= Location and reference point of Technidea Pro-2000 Zip Level**
- | | |
|------------------------|-------------------|
| BC= brick crack | BR= Brick repair |
| SG= stucco crack | SR= stucco repair |
| WS= window separation | MT= mature tree |
| MS= molding separation | PD= poor drainage |
| SRC= sheetrock crack | WA= wet area |
| FC= foundation crack | WD= wood debris |
| TC= temperature crack | |

FLOOR MEASUREMENTS

- R= reference point base



← Bank
See previous page

LEGEND FOR GRAPH ABOVE

- | | |
|----------------------------------|------------------------------------|
| AS= active subterranean termites | PS= previous subterranean termites |
| AD= active drywood termites | PD= previous drywood termites |
| AC= active carpenter ants | PC= previous carpenter ants |
| ACB= active carpenter bees | PCB= previous carpenter bees |
| AB= active beetles | PB= previous beetles |

- | | |
|----------------------|--------------------------------|
| MC= moist conditions | PMC= previous moist conditions |
| HS= high soils | IA= inaccessible area |
| RW= rot wood | OA= obstructed area |
| ML= bark mulch | CC= conductive conditions |
| TB= tree branches | AP= apparent damages |
| TS= tree stump | PHD= possible hidden damage |

LEGEND FOR FOUNDATION MEASUREMENTS

- R= Location and reference point of Technidea Pro-2000 Zip Level**
- | | |
|------------------------|-------------------|
| BC= brick crack | BR= Brick repair |
| SC= stucco crack | SR= stucco repair |
| WS= window separation | MT= mature tree |
| MS= molding separation | PD= poor drainage |
| SRC= sheetrock crack | WA= wet area |
| FC= foundation crack | WD= wood debris |
| TC= temperature crack | |

- FLOOR MEASUREMENTS**
- R= reference point base

TEXAS OFFICIAL WOOD DESTROYING INSECT REPORT

Inspected Address**City****Zip Code**

SCOPE OF INSPECTION

- A. This inspection covers only the office building.
- B. This inspection is limited to those parts of the structure(s) that are visible and accessible at the time of the inspection. Examples of inaccessible areas include but are not limited to (1) areas concealed by wall coverings, furniture, equipment and stored articles and (2) any portion of the structure in which inspection would necessitate removing or defacing any part of the structure(s) (including the surface appearance of the structure). **Inspection does not cover any condition or damage which was not visible in or on the structure(s) at time of inspection but which may be revealed in the course of repair or replacement work.**
- C. Due to the characteristics and behavior of various wood destroying insects, it may not always be possible to determine the presence of infestation without defacing or removing parts of the structure being inspected. Previous damage to trim, wall surface, etc., is frequently repaired prior to the inspection with putty, spackling, tape or other decorative devices. Damage that has been concealed or repaired may not be visible except by defacing the surface appearance. **The WDI inspecting company cannot guarantee or determine that work performed by a previous pest control company, as indicated by visual evidence of previous treatment; has rendered the pest(s) inactive.**
- D. If visible evidence of active or previous infestation of listed wood destroying insects is reported, it should be assumed that some degree of damage is present.
- E. If visible evidence is reported, it does not imply that damage should be repaired or replaced. Inspectors of the inspection company usually are not engineers or builders qualified to give an opinion regarding the degree of structural damage. A qualified expert should perform evaluation of damage and any corrective action.
- F. **THIS IS NOT A STRUCTURAL DAMAGE REPORT OR A WARRANTY AS TO THE ABSENCE OF WOOD DESTROYING INSECTS.**
- G. If termite treatment (including pesticides, baits or other methods) has been recommended, the treating company must provide a diagram of the structure(s) inspected and proposed for treatment, label of pesticides to be used and complete details of warranty (if any). At a minimum, the warranty must specify which areas of the structure(s) are covered by warranty, renewal options and approval by a certified applicator in the termite category. The party contracting these services should provide any information regarding treatment and any warranties to any prospective buyers of the property. The inspecting company has no duty to provide such information to any person other than the contracting party.
- H. There are a variety of termite control options offered by pest control companies. These options will vary in cost, efficacy, areas treated, warranties, treatment techniques and renewal options.
- I. There are some specific guidelines as to when it is appropriate for corrective treatment to be recommended. Corrective treatment may only be recommended if (1) there is visible evidence of an active infestation in or on the structure, (2) there is visible evidence of a previous infestation with no evidence of a prior treatment.
- J. If treatment is recommended based solely on the presence of conditions, which are conducive to wood-destroying insects then a preventive treatment or correction of conditions, which are conducive to wood-destroying insects may be recommended. The buyer and seller should be aware that there might be a variety of different strategies to correct the condition(s) conducive to wood-destroying insects. These corrective measures can vary greatly in cost and effectiveness and may or may not require the services of a licensed pest control operator. There may be instances where the inspector will recommend correction of the conditions conducive to wood-destroying insects by either mechanical alteration or cultural changes. Mechanical alteration may be in some instances the most economical method to correct conditions that are conducive to wood-destroying insects. If this inspection report recommends any type of treatment and you have any questions about this, you may contact the inspector involved, another licensed pest control operator for a second opinion, and/or the Structural Pest Control Board.

1A. ABL Inspection Company 1B. 10896 1C. PO BOX 820129 Houston TX 77282
Name of Inspection Company SPCB License Number. Address of Inspection Company City State Zip

281-589-1755 1D. LARRY MALLOY 1E. Certified Applicator []
Telephone No. Name of Inspector (Please Print)

2. _____ 3. **FEBRUARY 02, 2007** _____
Case Number (VA/FHA/Other) Inspection Date

4A. _____ Seller Agent Buyer Management Co. Other
Name of Person Purchasing Inspection

4B. _____
Owner/Seller

4C. REPORT FORWARDED TO: Title Company or Mortgagee Purchaser Seller Agent Buyer
(Under the Structural Pest Control regulations only the purchaser of the service is required to receive a copy)

The structure(s) listed below were inspected in accordance with the official inspection procedures adopted by the Texas Structural Pest Control Board. This report is made subject to the conditions listed under the Scope of Inspection. A diagram must be attached including all structures inspected.

5. **THREE STORY OFFIC BUILDING WITH ONE STORY BANK AND MAIN LOBBY**

Structure(s) inspected that may include office building, detached garages and other structures on the property.
(Refer to Part A, Scope of Inspection)

6A. Were any areas of the property obstructed or inaccessible? **Yes** [] No []
(Refer to Part B & C, Scope of Inspection) If "Yes" specify in 6B.

6B. **The obstructed or inaccessible areas include but are not limited to the following:**

Columns	<input checked="" type="checkbox"/>	Sub Floors	<input type="checkbox"/>	Weep-holes	<input checked="" type="checkbox"/>	Behind Rain Gutters	<input type="checkbox"/>
Insulated area of attic	<input checked="" type="checkbox"/>	Slab Joints	<input type="checkbox"/>	Wing Wall	<input checked="" type="checkbox"/>	Soil Grade Too High	<input checked="" type="checkbox"/>
Plumbing Areas	<input type="checkbox"/>	Crawl Space	<input type="checkbox"/>	Stored Items	<input checked="" type="checkbox"/>	Ivy on wall/grade beam	<input checked="" type="checkbox"/>
Planter box at structure	<input checked="" type="checkbox"/>	Common Wall	<input type="checkbox"/>	Paneled Walls	<input type="checkbox"/>	Eaves	<input checked="" type="checkbox"/>
Between Roofs	<input type="checkbox"/>	Heavy Foliage	<input checked="" type="checkbox"/>	Stucco/Plaster	<input checked="" type="checkbox"/>	Deck/Pavers	<input type="checkbox"/>

Other Specify: **BEHIND ALL WALLS, CEILINGS, FLOORS**

7A. Conditions conducive to wood destroying insect infestation: **Yes** No
(Refer to Part J, Scope of Inspection) If "Yes" specify in 7B.

7B. **Conducive Conditions include but are not limited to:**

Landscape Timber	<input type="checkbox"/>	Excessive Moisture (J)	<input type="checkbox"/>	Planter box abutting structure (O)	<input checked="" type="checkbox"/>
Plumbing/Roof Leaks	<input type="checkbox"/>	Debris under/around structure (K)	<input type="checkbox"/>	Wood Pile in Contact w/Structure (Q)	<input type="checkbox"/>
Expansion Joint Rot	<input checked="" type="checkbox"/>	Footing too low/soil line too high (L)	<input checked="" type="checkbox"/>	Planter box abutting structure (O)	<input type="checkbox"/>
Wood to Ground Contact (G)	<input type="checkbox"/>	Wood Rot (M)	<input type="checkbox"/>	Wood Fence in Contact w/ Structure (R)	<input type="checkbox"/>
Form boards left in place (I)	<input type="checkbox"/>	Heavy Foliage (N)	<input checked="" type="checkbox"/>	Insufficient ventilation (T)	<input type="checkbox"/>
Tree Branches on Structure	<input type="checkbox"/>	High Mulch/Soils	<input checked="" type="checkbox"/>	Debris in crawl space	<input type="checkbox"/>

Specify: _

8. Inspection Reveals Visible Evidence in or on the structure: Active Infestation Previous Infestation Previous Treatment

8A. Subterranean Termites	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
8B. Drywood Termites	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
8C. Formosan Termites	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
8D. Carpenter Ants / Bees	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
8E. Other Wood Destroying Insects	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>

8F. Explanation of signs of previous treatment (including pesticides, baits, existing treatment stickers or other methods) identified:
N/A

8G. Visible evidence of: **PREVIOUS SUB TERMITES**
 has been observed in the following areas: **IN SHRUB CLOSE TO NORTH BUILDING STAIR WELL**
 If there is visible evidence of active or previous infestation, it must be noted. The type of insect(s) must be listed in the first blank and all identified infested areas of the property inspected must be noted in the second blank. (Refer to Part D, E & F, Scope of Inspection)

The conditions conducive to insect infestation reported in 7A & 7B:

9. Will be or has been mechanically corrected by inspecting company: Yes No
 If "Yes," specify corrections: **N/A**
 9A. Corrective treatment recommended for active infestation or evidence of previous infestation with no prior treatment as identified in Section 8. (Refer to Part G, H, and I, Scope of Inspection) Yes No
 9B. A preventive treatment and/or correction of conducive conditions as identified in 7A & 7B is recommended as follows: Yes No
 Specify reason: **HIGH SOILS AROUND BANK BUILDING AND PREVIOUS SUBS ON NORTH OFFICE BUILDING**
 Refer to Scope of Inspection Part J

10A. This company has treated or is treating the structure for the following wood destroying insects: **NOT WITH THIS COMPANY**
 If treating for *subterranean termites*, the treatment was: Partial Spot Bait Other
 If treating for *drywood termites* or related insects, the treatment was: Full Limited
 This company has a contract or warranty in effect for control of the following wood destroying insects: Yes No

List Insects: **NOT WITH THIS COMPANY**

Notice of Inspection Was Posted At or Near:

11A *Larry J Malloy*
 Inspector
 Approved:
 11B. **Larry Malloy 28713 PT**
 Certified Applicator and Certified Applicator License Number

12A. Electric Breaker Box
 Water Heater Closet
 Bath Trap Access
 Beneath the Kitchen Sink
 Date Posted: **FEB. 2&3, 2007**

Statement of Purchaser

I have received the original or a legible copy of this form. I have read and understand any recommendations made. I have also read and understand the "Scope of Inspection." I understand that my inspector may provide additional information as an addendum to this report. If additional information is attached, list number of pages:

Signature of Purchaser of Property or their Designee _____ Date _____

2007

Licensed and Regulated by the Structural Pest Control Board
 P.O. Box 1927
 Austin, Texas 78767-1927