



Building Inspection & Analysis

Date: July 30, 2024  
TO: Phillip Fair  
RE: 20265 Lake Chabot Rd

**Commercial Property Condition Assessment  
Proposal & Contract**

Dear Phillip,

We hereby submit our proposal for the commercial property assessment of the commercial property at the above addresses in Castro Valley, California. It is our understanding that the total square footage of the improvements at this property are approximately 5,100 sq. ft.

**PURPOSE AND SCOPE OF WORK:**

We purpose of our survey will be to visually observe specific construction components and list our observations of conditions which we identify to be in need of immediate major repair or which are likely to need repair in the near future. Our intent will be to provide you with helpful information regarding the condition of these components based upon the criteria of DURABILITY and SERVICEABILITY, in a clear and concise written report.

The scope of our survey will be limited and will include: the building structure, foundation, building shell (including roof surface and exterior surfaces), driveway and parking surfaces, components of the HVAC system, electrical and plumbing systems (equipment used for cooling of specialized equipment is not included). Subsequent to our field inspection, we will submit a written report in outline format which will include a listing of our observations, conclusions and suggested actions. If selected on the following page then the report will be accompanied by approximate cost estimates for repairs and major projected expenses. Photographs will be provided to document the condition of the property.

The inspection will be performed to the standards of practice of the ASTM E2018-08 Standard Guide for Property Condition Assessments except that we will not be conducting interviews with any governmental agency employees, reviewing any documents, plans or specifications, or commenting on concerns regarding the Americans with Disabilities Act (A.D.A.), unless you have accepted those alternates below.

**RISK TO BUYERS AND SELLERS:**

Buyers are always at risk: OUR VISUAL ASSESSMENT MAY ILLUMINATE SOME AREAS OF RISK, BUT CANNOT ELIMINATE IT. OUR INSPECTOR IS LIMITED TO THE EXISTING CLUES AND SYMPTOMS AT THE TIME OF THE ASSESSMENT AND WE CAN NOT BE LIABLE FOR NON VISIBLE, OBSCURE, OR CONCEALED FAULTS. Claims for concealed conditions, whether intentional or unintentional, must be made against the seller of the property. The most conscientious, visual assessment is not capable of determining all conditions that actually exist with a building.

**CODE COMPLAINE:**

Our Assessment is one of "serviceability," NOT Code Compliance. By necessity, the Assessment deals with existing structures which may have older wiring, plumbing, heating, etc. These installations can be "serviceable," even though they do not meet current codes. We assume that

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the "then current" codes were complied with at the time of construction. However, we may make note of the presence or lack of these types of conditions so that you are informed of them.

**FEES:**

We propose to provide the surveys and submit inspection reports as described above for the base fee shown below plus any additional fees for services you have selected. The fees are contingent of having ready accessibility of all space without having to re-visit the site or make repeated attempts for access.

Fees are due and payable when the physical assessment is performed unless other arrangements are made in advance. The client understands that a cancellation within 24 hours of the inspection time may result in a cancellation fee for the inspectors time invested at our regular hourly rate (see below).

*The Assessment Fee is for the service performed on the property and the resulting Report. Re-assessments, Additional Research, or Expanded Reports, (including disputed issues requiring investment of time by our staff), will be payable at our regular rate of \$200.00 per hour.*

<u>FEE STRUCTURE</u>	FEE	X if Desired
"Visual Only" Assessment: Does not include Cost-to-Cure or Major Projected Expense and does NOT include opening of electrical panels or running HVAC units.	Call	
Base fee for "Mid Level Property Condition Assessment" Includes Cost-to-Cure and Major Projected Expense Projections This assessment DOES include opening of electrical panels and running HVAC units. <i>You may not think that cost estimates are important, but they are VERY important when negotiating with the seller.</i>	\$1,900	X
Full Roofing Evaluation I will inspect the roof, but if you want a more in-depth assessment of the smaller of the two buildings (which appears to have a flat roof) by 3 <sup>rd</sup> Party Specialist Contractor then select this alternate.	\$xxxx	
Full HVAC Evaluation A more in-depth assessment by 3 <sup>rd</sup> Party Specialist Contractor	Call for Quote	
A CASP Accessibility Evaluation An A.D.A. Evaluation by a 3 <sup>rd</sup> Party Specialist Contractor to be performed by a Certified Access Specialist, (CASp). This type evaluation will provide you with a certificate that you can post or share with any individual or entity that requests to see it as proof of your inspection, and offers SOME protection against litigation.  You may select either this service or the one below, but not both.	Call For Quote	
A.D.A. (Americans with Disabilities Act) Tier II Abbrev. Accessibility Survey A Tier II ADA Survey is a fraction of the cost of a Full Accessibility Evaluation by a Certified Access Specialist, but still gives you much valuable information about the areas of the structure which may or may not conform to ADA requirements. This Survey is performed by our in-house field observer, and does NOT qualify as a CASp certified	\$400	x

evaluation.		
You may select either this service or the one above, but not both.		
Pest & Dry Rot Inspection - by 3 <sup>rd</sup> Party Specialist Contractor	\$xxxx	
Commercial Kitchen Equip. Full Evaluation, by 3 <sup>rd</sup> Party Specialist Contractor Restaurant equipment will NOT be inspected unless you accept this alternate.	Call	
Phase I Environmental Site Assessment - by 3 <sup>rd</sup> Party Specialist Contractor A Phase I ESA establishes a baseline for the presence of known hazardous contaminants on the property so that you, your Realtor and your lender can qualify for protection against future cleanup costs under the Innocent Landowners Defense Act.	\$xxxxx	
Other Services: Review of Plans, Details, Specifications and Documents Sewer Lateral Video, Septic System, Radon Gas, Water Quality, Lead Paint, Air Quality, Asbestos, Mold, etc	\$200 p/hr Call	
Add all fees together (including base fee) and place here ----->>>	Total	\$ 2,300

All 3<sup>rd</sup> Party Specialist Contractors are properly qualified & licensed for the field in which they are consulting.

All of our commercial property assessments are covered by Errors & Omissions and General Liability insurance to a maximum of \$1,000,000.

**ARBITRATION:**

If you feel that the assessment was negligent in some respect, you are personally expected to immediately communicate this IN WRITING to our address above. Communication must be from that party originally contracting with us for our service. If you call in contractors, you can expect subjective and biased opinions from their sales people. But we will respond to any legitimate complaint. In event of a complaint, you MUST allow for our personnel to return to the property to view the details of the complaint BEFORE any repairs are made. If repairs are made before our inspector has an opportunity to view the property you will forfeit your right to any compensation from our firm.

Any dispute, controversy, interpretation or claim including claims for, but not limited to, breach of contract, any form of negligence, fraud, or misinterpretation arising out of, from or related to, this contract or arising out of, from or related to the inspection or inspection report shall be submitted first to a Non-Binding Mediation conference and absent a voluntary settlement through Non-Binding Mediation to be followed by final and Binding Arbitration, if necessary, as conducted by Construction Dispute Resolution Services, LLC or Resolute Systems, Inc. utilizing their respective Rules and Procedures. If you would like to utilize the Mediation or Arbitration services of another dispute resolution provider other than one of those so stated please submit your recommendation to us for our consideration. If the dispute is submitted to Binding Arbitration, the decision of the Arbitrator appointed there under shall be final and binding and the enforcement of the Arbitration Award may be entered in any Court or administrative tribunal having jurisdiction thereof.

NOTICE: YOU AND WE WOULD HAVE A RIGHT OR OPPORTUNITY TO LITIGATE DISPUTES THROUGH A COURT AND HAVE A JUDGE OR JURY DECIDE THE DISPUTES BUT HAVE AGREED INSTEAD TO RESOLVE DISPUTES THROUGH MEDIATION AND BINDING ARBITRATION. The accepted standard against which the assessment will be judged will be the ASTM Standard Guide for Property Condition Assessments, E2018-08.

Property or equipment in dispute must be made accessible for re-inspection and arbitration. Arbitration will occur at the property in question. All assessments will be judged against the performance of a reasonably fair and diligent assessment and not against results or occurrences. In any case, no arbitration award in favor of the client shall exceed the lower amount of ten times the assessment fee or \$10,000. Disputes settled

through arbitration or litigation without favor to the client will mandate payment of all related defense costs and personnel fees at the hourly rate for time invested by our staff.

You may view our credentials, training, and other pertinent information on our website at: <http://www.pre-spect.com>.

Visit our commercial page at: [http://pre-spect.com/commercial inspections](http://pre-spect.com/commercial_inspections)

Several sample commercial reports of different type buildings are available for your viewing at the URL below, all of these sample reports are "Mid Level" assessments, as described above.

[http://pre-spect.com/sample commercial reports](http://pre-spect.com/sample_commercial_reports)

See a sampling of recent commercial structures we have inspected at: [http://www.pre-spect.com/commercial projects](http://www.pre-spect.com/commercial_projects)

Thank you for the confidence expressed in asking us to provide this important service. If you have questions regarding this proposal, or any aspect of the services which we are offering to provide, please give us a call.

Sincerely,  
Rick DeBoard,  
Senior Inspector & Principal

If this proposal meets with your approval, please do the following.

1. Place an "X" in the right hand column of the above "FEE STRUCTURE" table for any additional services desired.
2. Total up fees at bottom of column
3. Initial the bottom of all pages where indicated.
4. Fill in information below, PLEASE PRINT CLEARLY.
5. Return **ALL PAGES** to us at [rick@pre-spect.com](mailto:rick@pre-spect.com)

Acceptance of Proposal:

Signed by:  
Michael Erickson, Managing Partner  
Signature: 51802F8245A404

Signed by:  
Michael Erickson, Managing Partner  
Printed Name: 51802F8245A404  
ericksonmnd@gmail.com

Email Address  
Michael.erickson@gmail.com

Name of Company (if report is to be in the name of a company)  
Chabot Building Partnership

Title (if for a company)



\_\_\_\_\_  
Date

When counter-signed by our principal below, this proposal becomes our contract for services.

\_\_\_\_\_  
Rick DeBoard, Principal

Date \_\_\_\_\_