

Don Schlecht
Real Estate Inspections

TREC Professional Inspector # 5112
TDI Voluntary Inspection Program # 0070306997
Ofc. Ph. 729-9513 Cell Ph. 790-4802 Hm. Ph. 729-9503
E-mail copanotx@charter.net
125 Perch Lane Rockport, Texas 78382

3401 FM 1781

For

Tranzon Auction
Resolutions

PROPERTY INSPECTION REPORT

Prepared For: Tranzon Auction Resolutions, Catlin Tucker

Concerning: 3401 FM 1781, Rockport, Texas

By: Don Schlecht / License Number 5112 Date: 11/3/2009

This property inspection report may include an inspection agreement (contract), addenda, and other information related to property conditions. If any item or comment is unclear, you should ask the inspector to clarify the findings. It is important that you carefully read ALL of this information.

This inspection is subject to the rules ("Rules") of the Texas Real Estate Commission ("TREC"), which can be found at www.trec.state.tx.us.

The TREC Standards of Practice (Sections 535.227-535.233 of the Rules) are the minimum standards for inspections by TREC-licensed inspectors. An inspection addresses only those components and conditions that are present, visible, and accessible at the time of the inspection. While there may be other parts, components or systems present, only those items specifically noted as being inspected were inspected. The inspector is not required to move furnishings or stored items. The inspection report may address issues that are code-based or may refer to a particular code; however, this is NOT a code compliance inspection and does NOT verify compliance with manufacturer's installation instructions. The inspection does NOT imply insurability or warrantability of the structure or its components. Although some safety issues may be addressed in this report, this inspection is NOT a safety/code inspection, and the inspector is NOT required to identify all potential hazards.

In this report, the inspector will note which systems and components were Inspected (I), Not Inspected (NI), Not Present (NP), and/or Deficient (D). General deficiencies include inoperability, material distress, water penetration, damage, deterioration, missing parts, and unsuitable installation. Comments may be provided by the inspector whether or not an item is deemed deficient. The inspector is not required to prioritize or emphasize the importance of one deficiency over another.

Some items reported as Deficient may be considered life-safety upgrades to the property. For more information, refer to Texas Real Estate Consumer Notice Concerning Recognized Hazards, form OP-I.

This property inspection is not an exhaustive inspection of the structure, systems, or components. The inspection may not reveal all deficiencies. A real estate inspection helps to reduce some of the risk involved in purchasing a home, but it cannot eliminate these risks, nor can the inspection anticipate future events or changes in performance due to changes in use or occupancy.

=====
Promulgated by the Texas Real Estate Commission (TREC) P.O. Box 12188, Austin, TX 78711-2188, 1-800-250-8732 or (512) 459-6544 (<http://www.trec.state.tx.us>). REI 7-2 (8/09)

It is recommended that you obtain as much information as is available about this property, including any seller's disclosures, previous inspection reports, engineering reports, building/remodeling permits, and reports performed for or by relocation companies, municipal inspection departments, lenders, insurers, and appraisers. You should also attempt to determine whether repairs, renovation, remodeling, additions, or other such activities have taken place at this property. It is not the inspector's responsibility to confirm that information obtained from these sources is complete or accurate or that this inspection is consistent with the opinions expressed in previous or future reports.

ITEMS IDENTIFIED IN THE REPORT DO NOT OBLIGATE ANY PARTY TO MAKE REPAIRS OR TAKE OTHER ACTIONS, NOR IS THE PURCHASER REQUIRED TO REQUEST THAT THE SELLER TAKE ANY ACTION. When a deficiency is reported, it is the client's responsibility to obtain further evaluations and/or cost estimates from qualified service professionals. Any such follow-up should take place prior to the expiration of any time limitations such as option periods. Evaluations by qualified tradesmen may lead to the discovery of additional deficiencies which may involve additional repair costs. Failure to address deficiencies or comments noted in this report may lead to further damage of the structure or systems and add to the original repair costs. The inspector is not required to provide follow-up services to verify that proper repairs have been made.

Property conditions change with time and use. For example, mechanical devices can fail at any time, plumbing gaskets and seals may crack if the appliance or plumbing fixture is not used often, roof leaks can occur at any time regardless of the apparent condition of the roof, and the performance of the structure and the systems may change due to changes in use or occupancy, effects of weather, etc. These changes or repairs made to the structure after the inspection may render information contained herein obsolete or invalid. This report is provided for the specific benefit of the client named above and is based on observations at the time of the inspection. If you did not hire the inspector yourself, reliance on this report may provide incomplete or outdated information. Repairs, professional opinions or additional inspection reports may affect the meaning of the information in this report. It is recommended that you hire a licensed inspector to perform an inspection to meet your specific needs and to provide you with current information concerning this property.

=====

ADDITIONAL INFORMATION PROVIDED BY INSPECTOR

If any deficiencies are identified and noted in the foundation, structural, roof system, roof covering, plumbing system, electrical system or HVAC system, I recommend the potential buyer seek additional evaluation and information from a licensed specialist in that particular area. This includes but is not limited to engineer, independent contractor, licensed plumber, licensed electrician, licensed HVAC technician etc.

If this house was fully furnished at the time of the inspection, this may cause some areas to be inaccessible for inspection. During the course of a normal inspection, no furniture or contents are moved by the inspector.

ALL DIRECTIONS ARE BASED ON THE HOUSE FACING SOUTH

REPORT # 11030909

I=Inspected NI=Not Inspected NP=Not Present D=Deficient

I. STRUCTURAL SYSTEMS

- I** A. Foundations
Type of Foundation(s): Concrete slab on grade.
Comments: House & Addition: There were no interior or exterior indications of foundation failure.
Boathouse: There were no interior or exterior indications of foundation failure.
- I** B. Grading & Drainage
Comments: Positive drainage is defined as a slope of six inches within the first ten feet away from the foundation.
All foundations are low on grade with generally neutral drainage.
- I** C. Roof Covering Materials
Type(s) of Roof Covering: Heavy grade laminated tab shingles.
Viewed From: The roof covering was inspected from the roof edge.
Walking on the roof surface can potentially damage the roof covering material.
Comments: No damaged areas, beyond normal wear, or evidence of current water penetration were identified. I was unable to inspect the roof covering fasteners. Lifting the individual shingles to inspect the fasteners can cause damage.

I=Inspected NI=Not Inspected NP=Not Present D=Deficient

I D

D. Roof Structure & Attic

Viewed From: Attic interior with a high intensity light.

Approximate Average Depth of Insulation: 4-6 Inches

Approximate Average Thickness of Vertical Insulation: 4 Inches

Comments: No all areas of the attic are accessible. Those accessible areas had a truss constructed roof at the west end and a rafter constructed roof for the main area of the house. No structural defects were identified. Those areas with blown insulation have inconsistent insulation depth. The attic area of the main house and the west addition have limited ventilation.

Gutters: The gutter system does not have downspout extensions.

I

E. Walls (Interior & Exterior)

Comments: Interior walls are covered with textured sheetrock and/or wood.. No defects beyond normal wear were identified. In many cases, the wood used is recycled lumber with a previous use. This recycled material has age and wear related damage.

Exterior walls are covered with stone and wood siding material. No defects beyond normal wear were identified. In many cases, the wood used is recycled lumber with a previous use. This recycled material has age and wear related damage.

I D

F. Ceilings & Floors

Comments: The ceilings in the house are covered with textured sheetrock. The kitchen and dining area ceiling is covered with stamped metal. No defects beyond normal wear were identified.

The floors in the house are covered with masonry tile.

Garage: The concrete floor has areas of minor cracking.

I

G. Doors (Interior & Exterior)

Comments: Most doors have a normal degree of age, use and wear related damage. Several doors are a non-standard height to accommodate varying dimensions of recycled building materials.

I=Inspected NI=Not Inspected NP=Not Present D=Deficient

I D H. Windows
Comments: Double pane.
Several windows are fogged and or have damaged weather seals.
Specific areas are the garage, apartment and main house master bathroom.
There may also be others. Several windows have damaged screens.

I D I. Stairways (Interior & Exterior)
Comments: Functional interior and exterior stairways with baluster
spacing greater than 4 inches.

I J. Fireplace/Chimney
Comments: Functional fireplace and chimney system. The chimney is
quite dirty and should be cleaned and evaluated by a qualified technician,
before any future use.

I D K. Porches, Balconies, Decks, and Carports
Comments: No structural defects. Baluster spacing is greater than 4
inches.

I L. Other
Comments: Boat Lift: Boat lift functions in a up and down motion.
The lift capacity of the lift is unknown.
Entry: The driveway has a functional electric security gate.

I=Inspected **NI=Not Inspected** **NP=Not Present** **D=Deficient**

II. ELECTRICAL SYSTEMS

I D

A. Service Entrance And Panels

Comments: The service entrance is located on the west exterior wall of the house. There are breaker panels on the east and west exterior walls of the house as well as a interior breaker panel in a downstairs AC closet. These individual panels have double lugged circuits. These panels should be evaluated by a licensed electrician and repaired as necessary.

I D

B. Branch Circuits, Connected Devices, and Fixtures

Type of Wiring: Copper

Comments: GFCI protected devices are NOT in place at all required areas. GFCI protected devices are required for all kitchen outlets, all bathroom outlets, all exterior outlets, all garage outlets and all outlets within six feet of a water source.

Attic: Open wire splices and uncovered junction boxes.

Attic & Closets: Light fixtures without fixture covers.

Exterior: The outlet at the east end of the south porch appears to have fire damage. Switches and outlet in the breezeway are not exterior type devices.

All necessary electrical repairs should be done by a licensed electrician.

I=Inspected NI=Not Inspected NP=Not Present D=Deficient

III. HEATING, VENTILATION AND AIR CONDITIONING SYSTEMS

I D

A. Heating Equipment

Type of System: Central (5)

Energy Source: Electric

Comments: Heated air output of these units had a range of 87°-100°.

The heating output of a specific unit may be below standards.

I recommend all units be serviced by a licensed HVAC technician.

I D

B. Cooling Equipment

Type of System: Central (5)

Comments: The temperature differential of the inflow air at the return air vent and the outflow air at the plenum should be 15°-20°. These units had a temperature differential of 8°-19°. I recommend all units be serviced by a licensed HVAC technician.

The west building has three AC units. The rec. room has a 18K BTU system and the upstairs and downstairs each have a 24K BTU system.

The PVC condensation drain lines are not properly glued in all situations.

The condensation safety pan, for the apartment unit, has significant water accumulation. Some units have damaged Freon line insulation.

The main house has two AC units. The downstairs has a 36k BTU system and the upstairs has a 24k BTU system. The 36k exterior unit has significant fin corrosion damage.

I D

C. Duct System, Chases, and Vents

Comments: West Building: The return air vent for the rec. room is adjacent to a cooled air vent. The return air vent for the downstairs is located in the kitchen pantry. The return air vent for the upstairs is in the bathroom.

I=Inspected NI=Not Inspected NP=Not Present D=Deficient

IV. PLUMBING SYSTEM

I D

A. Water Supply System and Fixtures

Location of water meter: South side of property.

Location of main water supply valve: South side of property

Static water pressure reading: 51 PSI

Comments: West Building Master Bathroom: Damaged shower door.

General: Plumbing fixtures and components have a normal degree of wear for a home in this age group.

I D

B. Drains, Wastes, and Vents

Comments: At least one vent terminates into the attic. This situation should be evaluated by a licensed plumber and repaired as necessary.

I D

C. Water Heating Equipment

Energy Source: Electric (3)

Capacity: Garage 40 gallon. Boat barn 50 gallon. House 80 gallon.

Comments: Garage & Boat Barn: PVC pipe is used for the pressure relief valve discharge line.

Main House: This unit has no safety pan or safety pan drain line. The pressure relief valve is plumbed improperly in an upward direction.

I D

D. Hydro-Massage Therapy Equipment

Comments: Master Bathroom: It appears the hydro tub has not been operated for some time. This unit should be serviced by a qualified technician. The water control faucets for the tub are damaged.

I=Inspected NI=Not Inspected NP=Not Present D=Deficient

V. APPLIANCES

I D A Dishwasher
Comments: Apartment: This dishwasher has interior rust and corrosion.
Main House: Normal functional condition.

NP B. Food Waste Disposer
Comments:

I D C. Range Exhaust Vent.
Comments: Apartment: Exterior exhaust vent which improperly terminates into the attic.
Main House: Downdraft exhaust vent which terminates to the exterior. The vent filter is misfit.

I D D. Ranges, Cooktops, and Ovens
Comments: Apartment: Normal operation of the electric cooktop and oven. The oven door gasket has heat damage.
Main House: Normal operation of the electric cooktop and electric oven.

I E. Microwave Oven
Comments: Normal functional condition.

NP F. Trash Compactor
Comments:

I=Inspected NI=Not Inspected NP=Not Present D=Deficient

I D G. Mechanical Exhaust Vents and Bathroom Heaters
Comments: The bathrooms have functional exhaust vents. Several of these vents have excessive vibration during normal operation. The termination point of these exhaust vents is unknown.

I H. Garage Door Operator(s)
Comments: Two garage door operators with functional safety stops.

NI I. Doorbell and Chimes
Comments:

I D J. Dryer Vents
Comments: The dryer is vented to the exterior. The exterior dryer vent fitting is damaged.

VI. OPTIONAL SYSTEMS

I A. Lawn and Garden Sprinkler Systems
Comments: Three Rainbird sprinkler control systems.

I B. Swimming Pools, Spas, Hot Tubs, and Equipment
Type of Construction: Masonry in ground pool.
Comments: The pool and spa were filled with water at the time of the inspection. This prevents interior surface inspection. The pool filter system was operating and the pool was clean and appeared well maintained. The pool and spa have a gas heater system. The stone patio area and pool apron do have areas of minor mortar cracking.

I=Inspected **NI=Not Inspected** **NP=Not Present** **D=Deficient**

I C. Outbuildings
Comments: Boat Barn: The boat barn is constructed in the same manner as the main house, a concrete slab on grade with masonry stone walls.

NI D. Outdoor Cooking Equipment
Energy Source: Wood
Comments: Outdoor Smoker

I E. Gas Supply Systems
Comments: The gas supply system to the pool heater has a functional shutoff valve.

I D F. Private Water Wells (A Coliform analysis is recommended.)
Type of Pump: Centrifugal & Submersible
Type of Storage Equipment: Pressure Tank
Comments: It is unknown if the submersible pump operates in conjunction with the above ground centrifugal pump. The system provided an adequate supply of water at 44PSI. There is a plumbing line leak at the centrifugal pump. The well provides water for the sprinkler systems.

NI G. Private Sewage Disposal (Septic) Systems
Type of System: Septic
Location of Drain Field: Unknown
Comments:

NP H. Whole-House Vacuum Systems
Comments:

I=Inspected **NI=Not Inspected** **NP=Not Present** **D=Deficient**

I

I. Other Built-in Appliances Comments

Comments: Ice Maker: The garage has a functional ice maker.

J. General Information

Comments: I recommend a WDI inspection.

This is a pre-auction inspection conducted at the request of Tranzon Auction Resolutions. This inspection should not be considered a replacement or substitute for a buyers inspection.

**THIS INSPECTION REPORT DOES NOT
INCLUDE ANY OF THE FOLLOWING:**

1. Septic system.
2. Pest inspection of any type or associated damage.
3. Any item or equipment that has to be dismantled for inspection.
4. Interior & exterior framing that has been covered by interior, exterior or finish building materials.
5. Water penetration that has left no visible exterior indications.
6. Mold or mold related organisms.
7. Expected life expectancy of any component.
8. Areas not readily accessible for inspection due to furniture etc.
9. Any deficiency with no visible indications.
10. Any item not inspected at the direction of the potential buyer.

The acceptance of this report constitutes an agreement that Don Schlecht and/or Don Schlecht Real Estate Inspections, LLC and/or Don Schlecht Real Estate Inspections will not be held legally or financially liable beyond the purchasers cost of this real estate inspection and inspection report.

Property Address: 3401 FM 1781, Rockport, Texas

Buyers Realtor: N/A

Realtor Email: N/A

Sellers Realtor: N/A

Inspected For: Tranzon Auction Resolutions, Catlin Tucker

Address:

Telephone

Home:

Office: 713-206-6575

Cell:

FAX:

Email: ctucker@tranzon.com

Inspection Date: 11/3/2009

Title Company:

Report # 11030909

Don Schlecht

Real Estate Inspections

TREC Professional Inspector # 5112
TDI Voluntary Inspection Program # 0070306997
Ofc. Ph. 729-9513 Cell Ph. 790-4802 Hm. Ph. 729-9503
E-mail copanotx@charter.net
125 Perch Lane Rockport, Texas 78382

Inspection Date: 11/3/2009

Inspected For: Tranzon Auction Resolutions, Catlin Tucker

Inspection Services At 3401 FM 1781, Rockport, Texas: \$ 475.00