



HEDDERMAN ENGINEERING, INC.

www.heddermanengineering.com Office 281-355-9911 Fax 281-355-9903 office@heddermanengineering.com

November 13, 2018

TO: Nikki Walley

REF: CONDITION OF PROPERTY SURVEY

Dear Nikki Walley:

At your request, a visual survey of the house located at 36951 Anglers Way, Pinehurst, Texas, was made by Mr. Ruben Martinez.

Transmitted herewith are the structural and mechanical inspection reports stating our professional opinions on whether the items of construction included in the survey are performing their intended function on the day of the inspection, or are in need of repair. The scope of our inspection and other important information, particularly in the area of dispute resolution should a question arise, is contained in our Service Agreement, which has been included at the end of this report.

Thank you for asking HEDDERMAN ENGINEERING, INC. to perform this important inspection work for you. If you have any questions after reviewing this report, please feel free to call me at my office.

At your service,

HEDDERMAN ENGINEERING, INC.
Tim Hedderman, President



36951 Anglers Way

INTRODUCTION

PURPOSE

The purpose of the inspection was to view the evidences of differential movement of the foundation, and give our professional opinion on whether or not the foundation was performing its intended function at the time of the inspection, or was in need of repair. It is pointed out that, due to the subjective nature of interpretation of the evidences of foundation movement, it is possible for other professionals to have a differing opinion.

This report is provided for the use of the person to whom this report is addressed, and is in no way intended to be used by a third party, who may have different requirements. It is our purpose to provide information on the condition of the foundation on the day of the inspection, and not to provide discussions or recommendations concerning the future maintenance of the foundation nor to verify the adequacy and/or design of any component of the house. It is pointed out that other engineers/inspectors may have contrasting opinions to those given in this report.

Items that we find that in our opinion are in need of repair will typically include the recommendation to **Obtain a Cost Estimate**. The scope and cost of the actual repairs can vary significantly from company to company, and it is your responsibility to see that the scope of work needed and actual cost of repairs is confirmed by one or more qualified service companies **before your option period ends or before closing on the property**. This report may also contain informational items which are included as a courtesy to help you become more aware of the condition of the house.

SCOPE

The scope of the inspection included limited, visual observations at the interior and exterior of the structure. Only those items readily visible and accessible at the time of the inspection were viewed, and any items causing visual obstruction, including, but not limited to, furniture, furnishings, floor or wall coverings, foliage, soil, appliances, insulation, etc., were not moved. Also excluded from the scope of this inspection is any discussion of or condition relating to geological faults and/or subsidence.

The basis of our opinions will be the apparent performance of that portion of the house readily visible at the time of the inspection. Disassembly or removal of any portion of the structure is beyond the scope of this inspection.

We make no representation regarding the condition of this property other than as contained in this written report. Any verbal discussions concerning this property that were made at the time of the inspection, and not contained in this written report, are not to be relied upon.

There is no warranty or guarantee, either expressed or implied, regarding the habitability, future performance, life, insurability, merchantability, workmanship, and/or need for repair of any item inspected.

It is recommended that you obtain as much history as is available concerning this house. This historical information may include copies of any seller's disclosures, previous inspection or engineering reports, building drawings and/or specifications, bids to perform repair work on the house, knowledge of any drainage problems, receipts from repair work that has been performed, reports performed for or by relocation companies, municipal inspection departments, lenders, insurers, and appraisers. You should attempt to determine whether repairs, renovation, remodeling, additions or other such activities have taken place at this house.

DESCRIPTION OF HOUSE

The house was a 1-1/2 story wood frame dwelling with brick and stone veneer, a composition shingle roof, and was supported on a monolithic slab on grade concrete foundation. The house had a two car detached garage connected to the house by a breezeway. The house was occupied at the time of the inspection, and the house, according to HAR, was built in 2005.

FOR THE PURPOSE OF THIS INSPECTION, NORTH WILL BE ASSUMED TO BE FROM THE LEFT SIDE OF THE HOUSE TOWARDS THE RIGHT, WHEN FACING THE HOUSE FROM THE FRONT.

STRUCTURAL

FOUNDATION

Description

The foundation was a concrete slab on grade, and appeared to be reinforced with steel reinforcing rods (rebar).

EVIDENCES OF DIFFERENTIAL MOVEMENT

Note that it is not HEI's purpose to exhaustively document each and every evidence that may be related to foundation movement, but rather to document a representative sample and/or the most significant evidences of movement upon which we base our opinion on the condition of the foundation.

Levelness

The floors were checked with an electronic level, and were observed to be acceptably level throughout the house. The difference in elevation between the high point and low point was 1.1 inches. The high point was located at the northeast bedroom, and the low point was located at the southeast bedroom. The unlevelness takes place over a horizontal distance of approximately 70-75 feet.

See our field sketch showing the elevation readings at the end of this report. Note that the "R" on the sketch is our randomly chosen starting reference point, where the elevation is 0, and all other elevation readings are taken relative to the reference point, and are measured in inches to the nearest 1/10 inch.

We typically point out that foundations are rarely constructed perfectly level, so most properties have some unlevelness (typically $\frac{3}{4}$ to 1-1/2 inches) built into the foundation as part of original construction. We have no knowledge as to how much unlevelness was built into this house foundation during original construction.

Veneer Cracks

Cracks in the exterior veneer that appeared to be related to foundation movement were minimal in number and degree.

Sheetrock Cracks

Sheetrock cracks that appeared to be related to foundation movement were minimal in number and degree.

Concrete Cracks

Cracking of the foundation concrete exists in virtually all foundations. Although no cracks were observed in this foundation, it is probably not an exception. It is pointed out that cracking is a normal property of concrete and other brittle materials, and Hedderman Engineering, Inc. assumes no responsibility should cracks be found that are not mentioned in this report.

It is pointed out that a portion of the foundation concrete could not be viewed at the rear of the house due to the patio that adjoined the foundation.



Separations of Materials

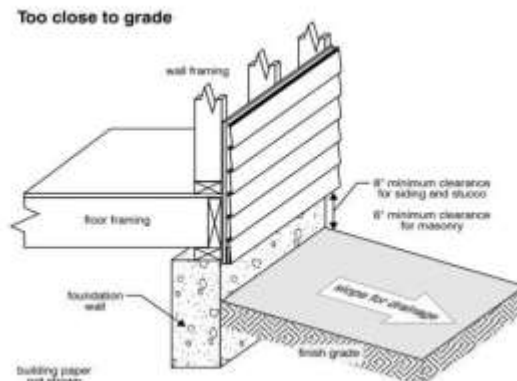
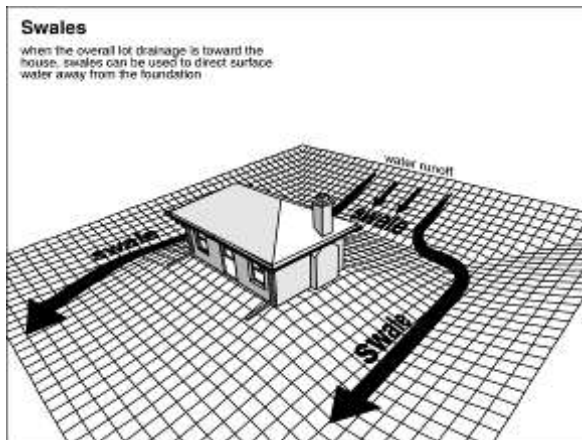
* Some separations and differential movement of materials due to differential foundation movement were observed, including the following:

- The floor tile was cracked along the foyer and the family room



Perimeter Grading/Drainage

This inspection does not include determining if the property is in the 100 year flood plain. For further information regarding the elevation of this lot, check with your survey and/or a land surveyor.



The perimeter drainage around the property appeared to generally be adequate. It was not raining at the time of the inspection and, therefore, it could not be determined with certainty if water would pool at any localized low areas around the property. Further investigation with the homeowner is recommended to determine if there are any drainage problems or standing water after a rain.

R401.3

OTHER OBSERVATIONS

Trees and/or foliage were observed in the vicinity of the house, which can contribute significantly to differential movement of the house foundation. Care should be taken to

prevent the trees and foliage from removing an excessive amount of water from near the foundation of the house. Consideration should also be given to cutting the tree roots that extend under the foundation, and installing a root barrier to prevent any further moisture from being removed from under the interior of the house.



FOUNDATION CONCLUSIONS

Most of the structures previously inspected by this firm have experienced some degree of differential foundation movement, and this structure was no exception. After careful examination, it is our opinion that the evidences of movement observed do not indicate excessive or unusual foundation settlement. The overall degree of the foundation movement for this structure is within an acceptable amount for a house of this age and type construction. The foundation is, at this time, performing its function, and is not in need of releveling. It is pointed out for your information that, due to the nature of the soils in this area, it is reasonable to expect that some movement of the foundation will happen in the future.

CLOSE

Opinions and comments stated in this report are based on the apparent performance of the items included within the scope of the inspection, at the time of the inspection. Performance standards are based on the knowledge gained through the experience and professional studies of the inspector. There is no warranty or guarantee, either expressed or implied, regarding the habitability, future performance, life, merchantability, and/or need for repair of any item inspected. It is suggested that it would be a prudent thing to purchase a Home Warranty Policy to protect the appliances and equipment against unforeseen breakdowns during the first year and for preexisting conditions. It is recommended that you research the various options available and protect yourself with a policy. Check with your agent for details and please read our comments concerning Home Warranty policies on page 2 of this report.

As an additional service, we strongly recommend using a new tool we have on our website that can quickly turn your inspection report into an easy-to-read estimate of repairs for a nominal fee. These pricing reports from a third party company called **RepairPricer** not only make the inspection report easy to understand in terms of dollars and cents, but they are also useful negotiation tools. Just visit the page below on our website and upload your report into **RepairPricer**. If you have any questions when you receive your report, you can contact them at info@repairpricer.com <http://www.heddermanengineering.com/repair-cost-estimates>

Thank you again for asking HEDDERMAN ENGINEERING, INC. to perform this inspection for you. If you have any questions after reviewing this report, please feel free to call the office. It is emphasized that the executed Service Agreement contract, which has been included at the end of this report, contains a provision under "Dispute Resolution" for you to contact HEI to resolve any disputes.

At your service,

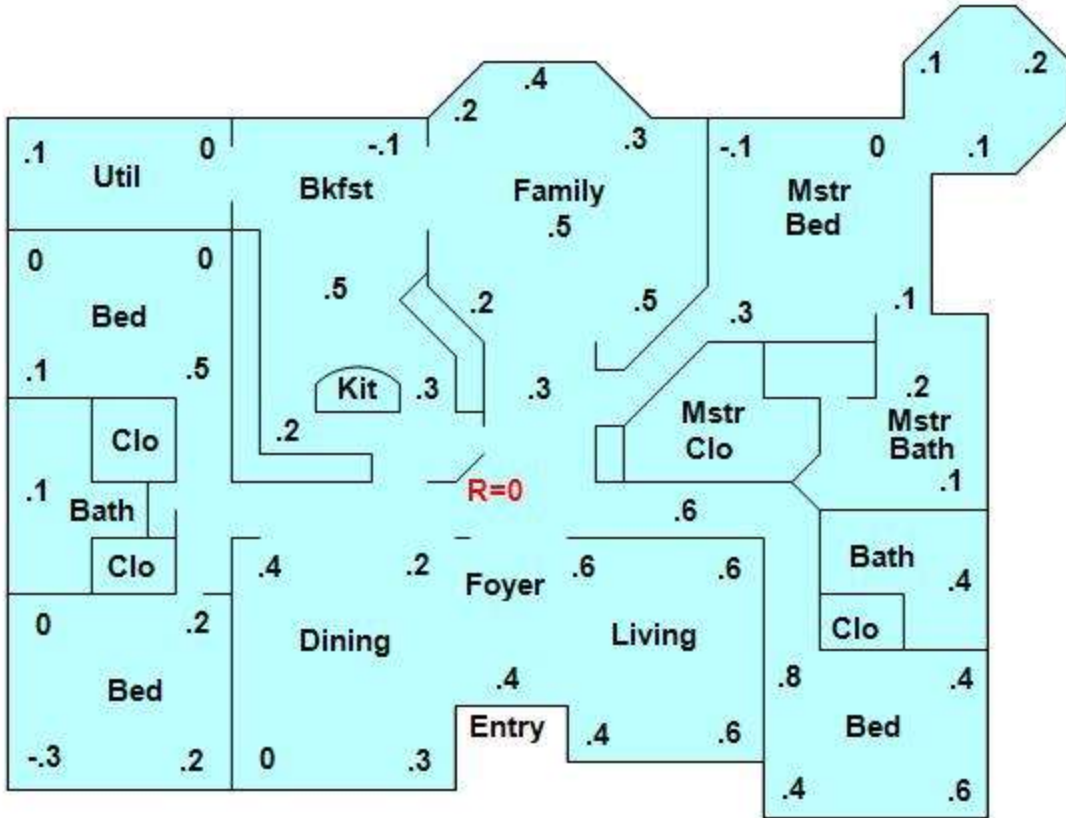


Tim Hedderman
Registered Professional Engineer #51501
Texas Firm Number: 7942

11.13.2018

HEI

Walley



36951 Anglers Way
Elevation Readings





HEDDERMAN ENGINEERING, INC.

www.heddermanengineering.com Office 281-355-9911 Fax 281-355-9903 office@heddermanengineering.com

RECEIPT

November 13, 2018

TO: Nikki Walley

REF: Inspection of the house at 36951 Anglers Way, Pinehurst, Texas.

Total cost of inspection: \$600.00

Total Paid: \$600.00

Total Due: - 0 -

For your records, following is the Service Agreement that you executed for this inspection.

HEDDERMAN ENGINEERING, INC.

Office: 281-355-9911 Fax 281-355-9903

office@heddermanengineering.com www.heddermanengineering.com

Real Estate Inspection Service Agreement

NOTICE: THIS AGREEMENT IS INTENDED TO BE A LEGALLY BINDING CONTRACT - PLEASE READ IT CAREFULLY

DATE OF INSPECTION: 11/13/2018

CLIENT NAME: Nikki Walley

PROPERTY ADDRESS: 36951 Anglers Way

COST OF INSPECTION: \$600.00

Purpose of inspection

The purpose of the inspection is to view selected components and/or systems, and to inform you, our client, of our observations and opinions from a NON-INVASIVE VISUAL SURVEY on whether or not those selected components and/or systems are functioning on the day of the inspection, or are in need of repair. Although this report may include observations of some building code violations, total compliance with structural, mechanical, plumbing, electrical codes, specifications, and/or legal requirements is specifically excluded. Since building codes change every few years, our inspections are not done with the intention of bringing every item in the house into compliance with current code requirements. Rather, the standard of our inspections is a **PERFORMANCE STANDARD** to determine if the items inspected are functioning at the time of the inspection, or are in need of repair. It is pointed out that other engineers/inspectors may have contrasting opinions to those given in this report. It is not our purpose to verify the adequacy and/or design of any component of the house.

It is not within the purpose and/or scope of this report to determine the insurability, habitability, merchantability, future performance, suitability of use, economic life span, deferred maintenance issues, and/or issues unnamed in this report. This report is not an insurance policy, neither is it an expressed nor implied warranty and/or guarantee as to future life and/or continued performance of the items inspected. Our inspection and report are intended to express the inspector's perceived impression of the apparent performance of the inspected components and systems viewed on the date of the inspection. Our intent is to reduce your risk associated with this transaction, however we cannot eliminate all risk, nor assume your risk. Any items pointed out as in need of repair or further investigation should be evaluated by a qualified repair specialist or service company who should provide estimated repair costs PRIOR TO CLOSING ON THE PROPERTY.

It is recommended that you obtain as much history as is available concerning this property. This historical information may include copies of any seller's disclosures, previous inspection or engineering reports, building drawings and/or specifications, bids to perform repair work on the property, receipts from repair work that has been performed, reports performed for or by relocation companies, municipal inspection departments, lenders, insurers, and appraisers. You should attempt to determine whether repairs, renovations, remodeling, additions or other such activities have taken place at this property.

Scope of inspection

The scope of the inspection includes limited, visual observations at the interior and exterior of the structure, the attic (if applicable) as viewed only from the areas determined by the inspector to be safely accessible, and the underside of the house (if applicable) as viewed only from the crawlspace areas determined by the inspector to be safely accessible. Only those items readily accessible and visible at the time of the inspection will be viewed and included in this report. Any items causing visual obstruction, including, but not limited to, furniture, furnishings, floor or wall coverings, foliage, soil, appliances, stored items, insulation, etc., will not be moved. Disassembly or removal of any portion of the structure, mechanical equipment, plumbing equipment, or electrical equipment is beyond the scope of this inspection.

The components of the property included, if applicable, in the scope of the inspection:

Structural: Foundation Investigation including elevation survey with sketch of house and elevation readings

The following items, even if present in the subject property, are not inspected and do not constitute any part of the inspection services to be performed hereunder unless a specific notation is made on this report stating its condition.

Alarm Systems, Clock Timers, Landscape Lighting, Sump Pumps, Wood Destroying Insects/Pests, Antennas, Environmental Hazards, Laundry Equipment, Water Filters, Geological faults/subsidence, Automatic Oven Cleaners, Fire Sprinklers System, Mold/Microbial, Water Wells, Mosquito Misting Systems, Buried/Concealed Plumbing, Fire/Smoke Alarm Systems, Septic Systems, Indoor Air Quality Asbestos, Low Voltage and data Systems, Lights on Photo-cell/timers, Carbon Monoxide Alarms, and Water Softeners/water treatment systems and all related piping.

Limitations of Inspection

A visual inspection method will generally produce a competent first impression assessment of the apparent performance of the foundation, providing repairs have not been performed which would cover distress patterns normally produced by problems. Because the inspection procedure is visual only, and is not intended to be diagnostic and/or technically exhaustive, an inherent residual risk remains that undiscovered problems exist and/or future problems will develop.

This report is provided solely for the use of the person to whom this report is addressed, and is in no way intended or authorized to be used by a third party, who may have different requirements, and to whom we have not contracted with to perform an inspection. If a third party chooses to use this inspection report, they do so without HEDDERMAN ENGINEERING, INC. permission or authorization, and they do so at their own risk.

Reinspections:

HEI typically does not perform reinspections on the property. However, if we agree to return to the property, it is with the understanding that we are not certifying the adequacy of any repair work that has been done, and there will be an additional fee charged.

Dispute Resolution

In the event of a complaint concerning the inspection services provided, Client must notify HEDDERMAN ENGINEERING, INC. in writing of such complaint within ten (10) business days of the date of discovery and thereafter allow a prompt re-inspection of the item relating to the claimed condition. Client further agrees that client and its agents, employees or independent contractors will make no alterations, repairs or replacements to the claimed condition prior to a re-inspection by the inspector. Failure to comply with this procedure shall constitute a complete bar and waiver of any and all claims client may have against inspector related to the alleged act, omission or claimed condition.

LIMITATION OF LIABILITY:

In any event the inspector fails to fulfill the obligations under this agreement, CLIENTS EXCLUSIVE REMEDY AT LAW OR IN EQUITY AGAINST INSPECTOR IS LIMITED TO A MAXIMUM RECOVERY OF DAMAGES EQUAL TO THE INSPECTION FEE PAID HEREIN. CLIENT VOLUNTARILY AGREES TO WAIVE THEIR RIGHTS UNDER THE DECEPTIVE TRADE PRACTICES-CONSUMER PROTECTION ACT, SECTION 17.41 ET SEQ. BUSINESS & COMMERCE CODE. This limitation of liability applies to anyone, including client, who is damaged or has to pay expenses of any kind, including attorney fees and costs. Client assumes the risk of losses greater than the refund of the fee paid herein. Client acknowledges that this limitation of liability is reasonable in view of the relatively small fee that inspector charges for making the inspections when compared with the potential of exposure that inspector might otherwise incur in the absence of such limitation of liability, and that a much higher fee would be charged if the inspector were subject to greater liability.

Statute of Limitations

The parties agree that no claim, demand, or action, whether sounding in contract or in tort, may be brought to recover damages against the inspector, or its officers, agents, or employees MORE THAN TWO YEARS AND ONE DAY AFTER THE DATE OF THE INSPECTION. TIME IS EXPRESSLY OF THE ESSENCE HEREIN. Client understands that this time period may be shorter than otherwise provided by law.

Acceptance of Report

By signing I confirm that I have read, understood, and agree to the above pre-inspection service agreement, and that I agree to be bound by these terms and conditions. In the absence of Client to sign this service agreement prior to or at the time of the inspection, then acceptance of the report and/or payment for the inspection shall constitute agreement with all of the terms of this agreement. The report to be prepared by inspector shall be considered the final and exclusive findings of the inspector regarding the inspection of the property. Client shall not rely on any oral statements made by the inspector prior to issuance of the printed report.

NOTE: IF THE INSPECTION IS CANCELLED LESS THAN ONE FULL BUSINESS DAY BEFORE THE SCHEDULED TIME, THE BUYER WILL BE CHARGED ½ OF THE ORIGINAL INSPECTION FEE.



I HAVE READ AND ACCEPT THIS AGREEMENT