ARCHITECTURAL CONSULTING SERVICES

James R. Bergeson

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February 22, 2007

Ms. Tisha Thelen, Project Manager Rockwood Property Management 1421 N. Meadowwood Lane, Suite 200 Liberty Lake, WA 99019

SUMMARY CONCLUSION

On Friday, February 16, 2007, we concluded our onsite inspections of (14) apartment buildings for the Villas at Big Trout Lodge. These inspections were conducted in accordance with our agreement signed on December 15, 2006, and as amended in December of 2006 to delete the roof inspections. Our inspections of the apartments and garages were arranged and coordinated by the project management team; and, entry into each occupied unit was accompanied by a member of that team.

As previously reported, certain aspects of the apartments were excluded from our inspections. Typically, we did not test or operate the following:

Whole-house exhaust systems

Hot water heater shutoff valves, no drain pans, verify

Electrical outlets with computers or entertainment centers plugged/connected

Electrical outlets serving refrigerators

Electrical outlets obstructed by furniture

Electric stoves and ovens (except in vacant/unoccupied units)

Washing machines and dryers (except in vacant/unoccupied units)

Based on information that was available for our limited review, we believe these buildings to have been constructed during the late 1990's or early 2000's. Subsequently, it is our opinion that the 1997 Uniform Building Code (UBC) would predominately govern the design and construction of these structures.

In general, the buildings were found to be in good repair and in normal condition given their occupancy for approximately 10 years or less.

Of the limited number of repeating deficiencies found, only (4) are worthy of summary comment at this time. Those re-occurring deficiencies are summarized as follows:

Carports:

- a) All roof trusses are secured to the supporting structural frame at only one end.
- b) Several of the carport end partition walls are inadequately; or, not secured to the supporting foundation wall at all.

Draftstops:

Each of the (14) buildings inspected displayed one or more non-complying draftstop conditions within its' attic area, i.e. in most instances, some apartment attics are not separated from adjoining apartment attics by continuous construction of the draftstop. The specific requirements for attic draftstop design and construction is described in section 708.3.1.2 of the '97 UBC. Section 708.1 General, speaks to purpose of the draftstop ..."to cut off all... draft openings, both vertical and horizontal and shall form an effective barrier... between a top story and a roof or attic space...".

• Parapet Exception to 2-Hour Area Separation Wall:

In every instance, the roof truss assembly parallel to and located for a width of not less than 5' on each side of the 2-hour area separation wall is required to be of not less than 1-hour fire resistive construction as defined in section **504.6 AREA SEPARATION WALLS, subsection 504.6.4, TERMINATING, exception 2.1.** Each of these assemblies was found to be penetrated with a non-rated, non-protected access opening through the fire resistive assembly.

Pedestrian Doors Accessing Garages

These apartment buildings are comprised of (2) types of occupancies. The apartments are defined as Group R, Division-I; and, the attached enclosed garages are Group U, Division-1. Such combination of occupancies within a single structure is often referred to as a "mixed use" building.

The 1997 UBC states in section 302.1 that ... "when a building is used for more than 1... purpose, each part (use) of the building... shall be separated from any other occupancy as specified in section 302.4".

Section 302.4 defines the conditions and requirements of construction for Occupancy Separations including reference to Table 3-B. Table 3-B requires that a Group R-1 (apartment) occupancy be separated from Group U-1 (private garage) by 1-hour construction. And, section 302.3, paragraph 4 states... "a 1-hour fire resistive occupancy separation shall not be of less than 1-hour fire resistive construction. All openings in such separation shall be protected by a fire assembly having a 1-hour fire protection rating."

All visual indications of our inspection suggest that the 1-hour fire resistive wall and ceiling construction separating the garages from the apartments and corridors was generally appropriately constructed. However, without fail, the pedestrian door opening passing through the 1-hour occupancy separation wall does not fully comply with section 302.3, paragraph 4 as referenced above. In all instances, the doors were rated at 90 min. (actually more than required), but failed to include the self-closing and latching mechanism required by a 1-hour rated assembly. Refer to UBC Section 713.6.1, Item 2 for requirement of self closing mechanism on 1-hour fire protection assemblies.

In most of the attached apartment/garage conditions, the opening (door assembly) passing through the 1-hour occupancy separation wall directly between apartment and garage satisfied the code requirements. The few noted exceptions were doors whose self closing did not fully close and latch the door to its' frame in a tight fitting condition.

For specific reference to location of the above noted deficiencies, and others noted and reported during our inspections, please refer to the inspection reports covering each individual building and apartment.

DISCLAIMER

Preparation of our inspection reports is for the sole use and benefit of Rockwood Property Management. Our services consist of professional opinions and conclusions made in accordance with generally accepted architectural and engineering principals and practices. Information contained in this report is limited to the specific locations observed, which did not include invasive removal of existing finishes. Our service does not assume responsibility or liability for the drawings prepared by others; or, governing agency compliance, (or lack thereof) of the original drawings; nor, is this service intended to fulfill all aspects of the more comprehensive requirements of the condo conversion process. By providing this investigative service, we make no warranties or guarantees regarding the adequacy or completeness of the construction or information prepared or provided by others; however, we have in part relied upon that information in the preparation of these reports.

Sincerely,

James R. Bergeson

JRB/mao

cc: Jason Wheaton, via e-mail

C&K Roofing, Inc.

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March 16, 2007

Greenstone Homes

ATTN: Tisha and Ben

1421 N. Meadowwood Ln #200

Liberty Lake, WA 99019

RE: THE VILLAS ROOF INSPECTION

Dear Tisha and Ben:

After inspecting the roof/siding and roof penetrations 16 Condo buildings and 8 carport buildings these appear to be in fairly good condition. These do appear to be the original roofs.

Most all shingles are sealed together. There is very little wind damage. The main problem is at the bottom eaves on all buildings there are exposed 16 penny nails drove through roof. These appear to have been done originally either from siding company or roofing company.

The roof is GAF 30 year Laminate Dimensional Shingle, the color is the same on all buildings.

Sincerely,

Robert Castleton-President