



PROPERTY INSPECTION PROFESSIONALS

Date

Client Contact Name

Company

Client Contact Address

Re: 55 West Wacker Drive, Suite 1100, Chicago, Illinois 60601

Dear Client:

Tomacor completed an inspection of the above referenced property on Date. Present during the inspection were Tom Corbett of Tomacor, Client 1, and Mr. Smith, the building engineer. It was Tomacor's intention to discover significant deficiencies which need immediate repair. During the course of the inspection, multiple deficiencies were noted, and photographic representations of those deficiencies are included where possible.

The space is currently "raw" and will be built out by the new occupants. During the course of the inspection, multiple deficiencies were noted which need to be addressed. That list follows.

Commercial Condominium

1. All open electrical boxes and buried electrical boxes should be closed and brought to within code standard as soon as possible. It is unacceptable to bury electrical boxes within drywall. It appears as if the construction work which was begun by others was not completed. See photo section.
2. Complete all of the construction build out to plans and specifications as designed by an architect of your choice. This architect should have experience in commercial construction build out. In addition, all construction work must be permitted through the City of Chicago or anticipate significant construction deficiencies.
3. The property is fitted with a unique heating and cooling system which requires that all of the exterior mounted convectors (fan coil units) and filters be thoroughly cleaned and serviced before possession is taken of the space. See photo section.

4. Suite 1100 is fitted with an electrical transformer which produces Electrical Magnetic Fields. Some people believe these fields are cancer risks. Complete the research necessary to evaluate the fields. Recent research (10 plus years old) is produced by Carnegie Mellon University.
5. It is possible that an Asbestos Containing Material is being used within the common areas of the building. The product is covering a tank used in the cooling process. Investigate as to whether this material will be removed. In addition, several pipes enter Suite 1100 at the north side mechanical riser. These pipes appear to have an Asbestos Containing Material covering them. Investigate the material and complete repairs as required. The pipes in question are located at the north wall above the ceiling.
6. The building's roof is aged. Anticipate replacement within a 5 year plus or minus period. Is this project budgeted? See photo section.
7. Include the installation of a water heater in your phased build out of the space.
8. The building was constructed in 1968 and due to its age it is anticipated that the galvanized piping used is deteriorated. Confirm with the developer and the engineers conversion report that galvanized cold water or hot water supply pipes are not needed to be replaced within the next 5-10 years. If the engineering report is moot on this point, anticipate \$20,000 or greater in fees for pipe replacement.
9. The engineer at the property noted that the condominium will be provided with 1.5 inches of static air pressure for heating and cooling. It is critical that the buyer of this property retain a licensed mechanical engineer to specify the size and volume of heated and cooled air for each of the rooms planned in your build out. Have the engineer design for a cold north wall allowing for adequate heating in the winter. In addition, the contractor must balance the system once the build out has been completed.
10. The heating and cooling in this condominium is provided through a "perimeter induction system." It is typical that this equipment belongs to the commercial condominium association, not the unit owner. If this will be the buyer's responsibility the entire system must be examined and specified for performance by a licensed mechanical engineer. See #9 above.
11. Obtain any asbestos abatement receipts for the project.
12. It is understood that Attorney and Associates completed a Critical Inspection of the property. Obtain that report and ask the developer if they are planning to repair all of the critical repairs contained within the Attorney report
13. The engineer noted that unique speakers and strobes are required for the fire enunciator. Make sure to install them during your build out.

14. Tomacor is under the impression that a disconnect switch needs to be installed on the secondary side of the transformer, immediately after the transformer housing per code.
15. Tomacor is under the impression that ABC Electric has been retained to complete all of the phone and fire wiring for the building.
16. Examine the Critical Inspection report from Attorney in order to confirm the life expectancy and budget for repairs of the cooling tower. Are these repairs funded?

Building Common Areas

1. The top floor exhaust motors for the building are aged and deteriorated and will require replacement over the short term. Are they funded?
2. Confirm the date at which the commercial condominium board is formed. Have the developer represent that all common areas have been completed to building code and professional standard.
3. Tomacor anticipates significant elevator replacement costs, especially at the cab and cable level, based upon the age of the equipment. Which portions of the elevators have been replaced during this conversion? This information should be obtained in a written fashion.
4. The air conditioning chiller is newer and uses a refrigerant known as H 134A. This is a good refrigerant product.
5. Tomacor has learned that one particular mechanical engineer that has been used on the property is named (___).
6. Single panes of glass have been used in the construction of this high rise. This glass or glazing is energy inefficient which will lead to a significant heating and cooling costs. In addition, it would be in the interest of the condominium association to upgrade this glazing to insulated glass at some point over a 15 year period.

Conclusion

Suite 1100 is currently raw space which is awaiting transformation into a new office. The Tomacor inspection discovered significant deficiencies and deferred maintenance within the common areas of the building. It is these areas which will contribute significantly to the cost of operation over the next 5-10 years. It is important for Company to determine the extent of repair or replacement to the common areas which will be completed by the developer within the contents of this report. Common area expenses which are anticipated include domestic potable galvanized piping, the roof, exterior glazing and specific details required by the City of Chicago to be included within your build out of the space. Tomacor encourages you to call us should you have any questions and we remain available should you need a follow up inspection. This is strongly recommended. Please review the photographic reference section.

Sincerely,

Thomas A. Corbett
President, Tomacor Inc.