RE110C21: COMMERCIAL BUILDING INSPECTIONS

OBJECTIVE: To increase real estate licensees' knowledge and understanding of the commercial inspection process as it pertains to their work with commercial property buyers and sellers and to provide the licensees with information for advising a client regarding the selection of general and specialized inspectors.

1. While real estate licensees must provide the Home Inspector Consumer Fact Sheet to consumers as part of the home buying process for one to four family dwellings, no such requirement exists regarding commercial properties. It is up to each licensee to advise their client regarding the value, appropriateness, and scope of a potential inspection.

   Real estate licensees need to be aware of the qualifications and licenses of commercial building inspectors and specialized inspectors as well as the insurance coverage relating to workers compensation and liability.

2. Commercial Property Inspection

   a. A general commercial inspector observes and provides a written evaluation of the following Readily Accessible and observable components of the building:
      i. Heating and Air Conditioning Components and Systems
      ii. Plumbing - interior water supply and distribution systems
      iii. Electrical - Electrical Systems and Components
      iv. Structural components
      v. Foundation
      vi. Roof
      vii. Exterior features including exterior walls, doors, windows, and lighting
      viii. Parking lot and driveways
      ix. Interior features including lighting and finishes
      x. Lead paint and asbestos

   b. Specialized inspections may be required based upon recommendations from the general inspection and may include the following components which may require the services of an architect, structural engineer, and other special consultants.
      i. Automatic doorways
      ii. Dead and live load capacity
      iii. Elevator/Escalator
      iv. Fire detection and suppression systems
      v. Handicapped accessibility, features, and compliance with codes
      vi. Impact of renovations on structural integrity
      vii. Security system
      viii. Solar power system
      ix. Snow load and the impact of satellite dishes, and other equipment installed on a roof as evaluated by a structural engineer

       x.   Title 5 Inspection review
      xi.   Adequacy of public sewer and compliance with specialized traps, ie. grease
     xii.   21 E environmental evaluation
    xiii. Wetlands and conservation commission requirements
    xiv. Telecom and internet capabilities
     xv.   Public and private water supply capacity and quality, back flow inspection
    xvi. Adequacy of electrical service for projected use
   xvii. Adequacy of natural gas supply if required
  xviii. Oil tank condition and supply line inspection
    xix. Exterior wall mounted signage installation

c. Conformance with Zoning Bylaws
Importance of identifying who will address the following items:
      i.   Is the proposed use and allowed and permitted use in the zoning district
     ii.   Is the existing or proposed signage in compliance with the sign bylaw
    iii. Is the existing or proposed parking and loading areas in compliance with the zoning bylaw
    iv. Is the existing or proposed drainage in compliance with state and local regulations
     v.   Will the proposed use be in compliance with noise, vibration, lighting, and odor regulations

d. Permits and Licenses
These are additional potential questions that may need consideration:
      i.   While not part of the building or property, permits related to signs, food services, liquor, etc. may be critical to the sale or lease of a property
     ii.   What permits and licenses are included in the sale and what are the requirements for those licenses to be transferred, if any?
    iii. What covenants or authorized use list exists if any and how would they impact the use of the property?

Related course:
- RE110R20: Residential inspections

Reference:

ASTM E 2018-01, Standard Guide for Property Condition Assessments: Baseline Property Condition Assessment Process