



CONSTRUCTION INSPECTOR REVIEW

VOLUME 21, 2ND QUARTER 2011



Word from the Home Office

GCI Inspector Training Program

by Victor Gallardo, Inspector
Compliance & Training Coordinator

As we continue to expand our services and products, it's getting exceedingly difficult to advise our Inspectors of every type of inspection we conduct. It's no longer about having the Inspector simply take photos and update percentages of completion, but rather each site visit has become client-specific. During the past year and a half, our client requirements and requests have become more and more specific and require additional customization. We have gone from a residential 'cookie cutter' format to inspections that are like 'custom cars!'

With that being said, during these hard economic times, the information we provide to our clients is critical. Each piece of the product is being scrutinized. Photos, as always, have played an important part in the report and will often vary from inspection to inspection. Whether for a construction draw inspection, feasibility report, or a HUD property, there are now many new requirements that we must meet for each of these deliverables. In the past, training our Inspectors has always been conducted over the phone on an individual basis. GCI has been working diligently to create a training program for our Inspectors on the varying aspects and requirements for all of our inspection types. We are dedicated to providing training courses (possibly through Webinars) for each inspection product so that we may be able to advise our Inspectors on the different requirements and expectations required of them in the field.

GCI will soon be able to provide training for the following types of inspections:

- Basic Draw Inspections
- Pre-Close (Feasibility) Inspections
- HUD-QC Inspections
- Commercial Inspections

Regardless of the inspection type, we do have minimal requirements for each of our inspections. The most highly valued and often neglected requirement is Communication! For example, many times an appointment is required for the inspection but many Inspectors do not call GCI to advise us of the scheduled date and time if it is different that the confirmed date on the website. Other times, the Inspector does not accept the inspection assignment via the website or call GCI to have us accept the inspection on their behalf. As should be noted, if the Inspector does not accept the inspection on the website or communicate that it has been accepted then the order may be reassigned. Many times, this can be avoided with a simple phone call.

The GCI Team encourages everyone to keep up the good work and communicate with us so that we may continue to assist you in the field. We in turn will continue to assist you in further training. We look forward to rolling out our training program very soon. Please call GCI @ 800-919-8903 should you have any questions about these critical elements or any other portion of our process.

Regards, The GCI Team

GCI's TOP 5

5 Missed Items By Inspectors

by Michael Hopper, Compliance
Review Analyst



Identifying The Meaning Of The First And Last Line Item Of The Budget Being Highlighted As "Photo Focus"

The majority of the time when GCI Inspectors see that the first and last line items on an inspection are highlighted, they assume that those items are either 1) the items they are to be inspecting or 2) they are "photo focus items". This is not the case. By highlighting the first and last line items, the Client/Lender is conveying that they want ALL the line items inspected. GCI Inspectors

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INSPECTOR OF THE QUARTER

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by Victor Gallardo, Inspector Compliance & Training Coordinator and Michael Nirk, Recruiting Associate

Mike Plavsky is a certified home inspector and business owner based in Avondale, Arizona and serves the Phoenix metropolitan area. Mike has just celebrated his 5-year anniversary as an Inspector in Arizona, and as an A-Pro Home Inspection franchise owner. The A-Pro brand is a national home inspection franchise company started in 1996 and is headquartered in San Antonio, Texas.

Mike is a former Specialty Contractor in Arizona whose experiences in construction and building related industries spans two decades with time spent in multiple trades including: insulation and ventilation, roofing, and both rough and finish carpentry. Prior to becoming a Home Inspector Mike built a small home-based business repairing and building custom furniture into a 10,000 square foot manufacturing facility that manufactured and installed custom wood furniture, shutters, and cabinets.

After nearly 10 years in business, and with a desire to get back to his small business roots, Mike sold his company in 2005 and began his new career as a Home Inspector during the height of the booming real estate era. With the collapse of the housing market following however, he was still able to survive, thrive, and gain even greater inspection experience through the addition of supplemental work with outstanding companies such as GCI.

Mike has been working for GCI since January of 2007 and has been very accommodating when asked to take on an inspection last minute. Mike continues to exceed our expectations with his professionalism in his reports and photo quality. Because of this, he has received many accolades from our Quality Control (QC) department.

Mike gives the most credit to his survival and successes in business to the unwavering support given to him by his beautiful wife Karen, who has allowed him to follow his entrepreneurial dreams starting back in his "shop in the garage" days. Without the support of his wife and other family members including his parents, sister, aunts, uncles, and cousins who have all been a part of his businesses, he feels none of his success would have been possible.

Mike is an avid outdoorsman who enjoys hunting, fishing, and camping, when time allows, and he also takes great pride as a step-father to his daughter Holli who is a college student, and his son Josh who is currently serving as a staff sergeant in the US Marine Corp. He spends most of his downtime these days as a new Grandpa to 21-month-old Cameron and as a devoted pet lover whose beagles Elvis and Newman are his constant companions.

Keep up the great work Mike!



GCI's TOP 5

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are required to complete a full comprehensive inspection on all budget line items each and every time they inspect, not just the line items established as "Photo Focus".



2. Reading The Special Instructions Carefully And Thoroughly

GCI's clientele is diverse and with this diversity comes special needs and expectations from our customers. Many times these special needs and expectations are conveyed to GCI and the Inspector through the special instructions section of the inspection order. It is imperative the Inspector read these instructions thoroughly and carefully so as to capture all the specific needs for any inspection. When these specifics are not met and captured it is an inconvenience to all involved. It is also imperative the inspection be performed correctly the first time to avoid any delays to the Lender in delivering an acceptable Inspection Report.



3. NOT Capturing All Of The Required Photographs On A Pre-Close Inspection

The *Pre-Close Inspection* is by far the most in-depth and aggressive inspection GCI performs. However, it is also the simplest to perform and the most frequent inspection submitted to GCI incomplete.

Calling All HUD Inspectors!

GCI is recruiting HUD approved inspectors with HUD Fee/Compliance and 203(k) Designations for this fast growing segment of residential home improvements.

Contact GCI

800.919.8903

inspectorinfo@gcinspects.com

to Learn More!



The goal of the *Pre-Close Inspection* is to determine the current overall condition of the entire subject property prior to construction commencing. Every interior room in the structure must be photographed (clearly and concisely) and includes all interiors of out-buildings and structures (ex. Sheds, Barns, Detached Garages, Pool Houses, any structure existing on the property), and all exterior elevations must be photographed.

When an Inspector fails to capture all of the photographs required for this inspection it is an inconvenience to all parties involved. Inevitably the Inspector will have to contact the Borrower again and return to the property to retrieve the required photos at no additional fee. The delivery of the Inspection Report is delayed to the Lender and ultimately both Inspector and GCI are at risk of losing future business.

In summary, please remember that 1) all exteriors of the subject property must be photographed, 2) all interior rooms of the subject property must be photographed, and 3) all interior photographs of all out-buildings and structures must be captured and submitted. GCI Inspectors must remember to be thorough with all inspections but especially with a *Pre-Close Inspection* to avoid inconveniences created when the required photos are not captured during the first inspection attempt.



4. Updating Completion Percentages Without Photographic Evidence

The Lender makes funding decisions based upon the completion percentages provided by GCI. Often the Inspector will update a completion percentage without photographing the line item.

This poses an increased problem for GCI and the Lender. Without photographic evidence neither GCI nor the Lender can be 100% sure the work the Inspector has updated is in place.

It is imperative that GCI supply the Lender with photographic evidence of all progress at the time of the inspection. Always photograph the line item if you are going to update the completion percentage.



5. Only Updating The Completion Percentages For "Photo Focus" Line Items

Oftentimes our Inspectors will only update the completion percentages for the "Photo Focus" line items the Lender has identified. These usually are line items for which the Contractor is placing a draw amount. However, our Lenders always want to know the entire project's state of progress. It is vital that our Inspector's report the progress of the entire project, not just the "Photo Focus" line items.

This requires updating all completion percentages for line items that have progressed. In addition, some Inspectors will only photograph the "Photo Focus" line items, and will not photograph the entire project.

It is dually important that our Inspectors photograph the entire project even if progress has not been made since the previous inspection. The Lender always wants to know the state of the project at the exact time of Inspection.

Wildfire Mitigation Strategies and Inspection

by Nick Gromicko and Rob London

Wildfire mitigation is the implementation of a variety of precautionary measures to protect a building from a wildfire. Homes in heavily forested, dry areas should be inspected periodically and modified appropriately, especially during dry



spells, to ensure their fire resistance. Grasslands and chaparral also experience serious fires.

While the following information is not exhaustive, and strategies and laws vary by region, homeowners and inspectors can use it as a rough guide.

Systems and components to check include the following:

- Unscreened vents are problematic because they can allow the entry of stray, airborne embers into the home even if the wildfire itself is some distance away. Flames can also enter through vents if embers ignite nearby vegetation or debris, especially accumulated pine needles. Vents are typically located at the attic, crawlspace, and the lower portion of the roof. Homeowners may install a metal insect screen to protect their houses against this danger. Chapter 7A of the California Building Code, for instance, recommends the use of non-combustible wire mesh screen with ¼-inch or 1/8-inch openings. Openings as small as 1/8-inch do a better job of preventing embers from entering the vent, but holes this small can also restrict air flow through the vent. Specialty vent screens are available that prevent the passage of embers without restricting air flow, such as one design that incorporates intumescent paint that swells when exposed to heat.

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Vent designs that incorporate plastic components do not comply with these requirements.

- Combined with surrounding combustible debris, fences are an excellent fuel source for a wildfire. Practice the following:
 - Use metal instead of wood. Climbing vines growing on a chain link fence are attractive, protect the homeowner's privacy, and pose a minimum fire hazard.
 - If you must use wood, use fire-resistant lumber. Heavy, thick wood is also better than thin wood, which will ignite more quickly.
 - Do not attach the fence to the building if it's made of a combustible material.
 - Clean flammable debris, such as leaves, pine needles, trash and dead plants, from the base of the fence. If the fence posts catch fire, they can serve as a wick that will eventually ignite debris at the post's base. When the fence is no longer standing, this wind-driven,

flaming debris can be more easily carried toward the building.

- Do not store firewood near the fence.
- Decks are a significant source of fuel, and an ignited deck threatens a large portion of the attached structure. Consider the following:
 - The thicker the wood, the better. While thick wood will ultimately release a great amount of heat, it will take longer for it to ignite, giving fire crews a better chance at putting the fire out before it spreads.
 - Combustible materials, especially firewood, should not be stored under raised decks. Any flammable vegetation should be cleared from beneath the deck. Stones may be used to prevent the growth of vegetation.
 - Deck boards should not be loosely placed, as flames may move from the lower to the upper surface through these cracks. Embers can also become trapped there. Homeowners should be careful not to install the boards too tightly, however, as this will limit water drainage and encourage decay.
 - Limit the number of glass doors and windows that separate the deck from the structure. Heat from a deck fire can cause the glass to fail and permit flames to enter the house.
- If windows break, the fire will easily enter the house. This can happen under the barrage of flying embers and debris, which typically rain down on the area surrounding a fire. Glass may also break when it's subjected to extreme heat as the wildfire nears; the visible glass heats and expands faster than the portion protected by the window pane,

which will cause small, growing cracks to form at the edges of the window. Also, if the window frame ignites, the fire can quickly spread to the interior of the building. Prevent this outcome in the following ways:

- Install dual-pane windows. The outer pane will protect the inner pane, allowing it to adjust more gradually and uniformly to the heat, minimizing the chance that it will crack.
- Install tempered glass. While more expensive than standard, annealed glass, tempered glass resists extreme heat better than its alternatives. Tempered glass can be identified by a small etching in a corner of the pane.
- Install insect screens. Under exposure to radiant heat, insect screens act as heat shields. Bronze screens are more effective than aluminum screens. However, none will significantly protect against flame impingement.
- Create a custom cover for the window that may be installed quickly prior to evacuation. Windows may also be equipped with roll-down shutters.
- Clean vegetation and flammable debris from the windowsill.
- Replace decayed wood around the window, as it will ignite at a lower temperature than sound wood.
- If siding ignites, it will provide the fire with a rapid vertical path to other vulnerable parts of the building's exterior. Siding should be non-combustible and sheathed. Fill in any gaps will caulk.

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• Roofs and gutters are vulnerable components because they can collect falling embers for hours before and after the wildfire passes through the area. Practice the following strategies:

- Use a Class A fire-rated roof covering.
- Remove flammable debris from all areas of the roof, especially nooks and crannies that serve as collection points.
- Skylights are a weak point, and the same precautions should be followed for them as for ordinary windows.
- Clean out birds' nests. Birdstops may be installed to prevent future nest-building.
- Install metal flashing where two sloped roof surfaces meet, as this is a natural weak point.
- Clean the gutters. Ignited debris in the gutters can allow the flames to bypass the fire-resistant roof and enter the roof's underside, or even the attic. Pay close attention to second-story gutters, as their inaccessibility allows them to be overlooked. Gutter guards should be installed and periodically inspected to ensure that they are still in place.
- Trees and vegetation should be cut back from the home's perimeter. Many forested residential jurisdictions enforce strict codes for this type of mandatory property maintenance. Also:
 - Plants should be clustered so they don't allow the fire to follow a continuous path to the house.
 - The smaller the plant, the better, especially those near the



It's time to work out your wildfire woes.

Over 29,000 Wildfires and 3.4 Million Acres Burned Nationwide in 2011 - Are Your Assets Among Them?

(Source: NOAA)

The National Interagency Fire Center (NIFC) recorded 71,971 wildfires in 2010 covering approximately 3,422,724 acres across the United States and the National Oceanic and Atmospheric Administration (NOAA) has reported "above-average fire activity" for 2011.

Due potentially to warmer than average temperatures and less than average precipitation, wildfires can be a serious problem for construction whether in-progress or complete. If you're concerned about your assets or they have already been damaged by a wildfire, let Granite perform a property condition inspection or on-site project review and cost-to-cure analysis. Offering nationwide coverage, one of our 4,000 qualified local inspectors will visit the property and provide you with a fire assessment analysis in order to make repairs and move forward.

At Granite, we can't protect you from wildfires but we can protect you from risk and help you recover. Contact us today!



Contact Granite Companies at:

866.710.4087 or sales@granite-companies.com

house. Larger trees are generally not as much of an issue as small brush, but trees can radiate a tremendous amount of heat toward the house if they catch fire.

- Construct slash piles.
- Do not let plants touch the siding, as their flames will allow the vertical spread of flames.
- Regularly water live plants.
- Remove dead plant matter.
- Avoid the use of flammable mulch or bark as plant bedding.
- No part of a tree should be within 6 feet of the house.
- Trees can be placed at the edge of the property to steer winds and flaming debris away from the house.

In summary, numerous aspects of buildings and their surrounding property can be modified in order to mitigate the risk of damage by a wildfire.

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Inspector Compliance Corner

by Nicole M. Lamberson, Compliance Review Analyst/Ordering & Boarding

There are many different types of products that GCI offers our Lenders and different inspection formats for our Inspectors to complete. We have outlined below with respective requirements and details:

Each Order Received:

1. Read the special instructions
2. Call GCI with questions

All Inspections:

1. Check email regularly for notifications (text notifications also available.)
2. Confirm all inspections within the first 12 hours of the inspection-order on the website, or call GCI to accept for you, even if contact has not been made, to prevent reassignments due to no response.
3. Always take numerous photos to show overall progress of the project.
4. Interior and exterior photos of all buildings on the site are required unless otherwise notated in the special instructions.
5. Labeling photos for all project types is required.
6. Notate materials on-site and document with photos. DO NOT give credit/change percentages for materials on site and DO NOT give credit/change percentages for deposits relayed by Builder. This is a Lender decision.
7. Try to complete all inspections within 24 business hours (weekends and observed Holidays are not included). If the inspection will not be completed in that time frame, call GCI and advise as to what the delay may be.

Status Inspection:

This type of inspection is probably the simplest inspection GCI offers. The Status Inspection means contact is provided for notification purposes within a 2-hour window that the Inspector will be able to complete. Typically, there is no pending draw for this type of inspection and the first and last line item of the budgets will be highlighted. When the first and last line items are highlighted

this is not to mean only focus on these two line items. GCI is requiring a full overall inspection be completed so the Lender can get a good idea of what is happening on-site. Please note that GCI requires a full overall inspection every time unless otherwise specified.

An appointment is not required unless the contact requests the inspection to be scheduled for a certain date and time. Please notify GCI as soon as possible when scheduled so we can note in the system. If a call has been placed advising when you will be completing the inspection and no one calls back confirming that they would like to schedule the inspection, arrive at the site at the time indicated. If while on-site, access is not available during normal business hours (7AM to 4PM) please notate the time the inspection was completed when submitting the results so the Lender can be advised.

Appointment Required:

This means contact is required to schedule the inspection date and time even if it falls outside the preferred 24 to 36 hour completion time GCI strives to maintain. DO NOT go unless an appointment has been made. If an appointment cannot be made, immediately contact GCI. If an appointment date and time have been successfully scheduled, perform an overall comprehensive inspection for the entire project even if there are multiple lines of "Photo Focus" items. Take sufficient photos to show overall progress.

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Pre-Close Inspection:

This inspection will always require access to the property and therefore an appointment will need to be scheduled. DO NOT attempt to access the property unless an appointment is made. If one cannot be made, contact GCI to assist you. If an appointment has been scheduled successfully, a site review page needs to be completed.

This documentation is different compared to that of a regular inspection. Please be sure to include and/or print the special instructions sent via direct email and read carefully prior to completing the inspection. Call GCI if there is any uncertainty as to what and how this inspection is to be completed. Photos of all areas of the home are to be taken even if work will not be performed in the area. Take multiple photos of one room if a clear representation of the room cannot be obtained with one photo. All exterior elevations must be photographed as well as any additional out-buildings/garages on the site with both interior and exterior required.

HUD Inspections (Streamline, 203K, 184 and QC Inspections):

All HUD Inspections will be treated the same as Appointment Required Inspections unless otherwise noted. Photos of every room and elevation are required as well as photo labels. Due to these being a HUD project, we ask that these inspections be very thorough and that the Inspector relay any vital information that may be passed on to him/her

by the Borrower and/or Contractor. Please also report all quality issues observed during the inspection.

PCAR Inspections (ACS, SPCAR and PCAR):

A spreadsheet associated with all of these inspections is required to be completed. Download the spreadsheet from the project documents tab and save to your desktop/or specific folder to easily access and edit with the inspection results.

The spreadsheet, once filled out, will be resaved and uploaded to the inspection by browsing for the file and attaching it to the project on the website. Once this step is completed you will be able to upload the photos like you would on any regular inspection.

Some of these inspections are for exterior only while others are interior and exterior. The main purpose of this type of inspection is to inform the Lender of the current condition of the asset and advise of any concerns that may need to be addressed to make or keep it a valuable asset. The photo requirements vary for this type of inspection as well depending on size, number of buildings, units to be inspected, etc.

Always take elevation photographs, as well as street views of surrounding areas and then photograph and notate any deteriorated areas that the Lender may have concerns about. If interior access is required and project is occupied, a general sampling of occupied units may be requested. This will be clearly defined in the special instructions.

Again, always remember to read the special instructions for each order received. Take lots of photos of the entire project and label them.

Call GCI with any information you may have so that we may assist you in completing the inspection successfully and correctly.

Want to Contribute to CIR?

If you have any questions or issues that you would like addressed in the CIR publication, please send directly to sales@gcinspects.com so that we may include and/or address in upcoming publications.

In addition, if you have any interesting photos or articles that you think are appropriate for our publication, we would like to know about them!

Construction Inspector Review

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