



Designation: ~~E2018~~—~~15~~ E2018 – 23

## Standard Guide for Property Condition Assessments: Baseline Property Condition Assessment Process<sup>1</sup>

This standard is issued under the fixed designation E2018; the number immediately following the designation indicates the year of original adoption or, in the case of revision, the year of last revision. A number in parentheses indicates the year of last reappraisal. A superscript epsilon ( $\epsilon$ ) indicates an editorial change since the last revision or reappraisal.

### 1. ~~Scope~~—Scope\*

1.1 ~~Purpose~~—The purpose of this guide is to ~~define good commercial practice in the United States of America~~ provide a framework for conducting a ~~baseline property condition assessment~~ (PCA) of the ~~improvements located~~ primary improvements on a parcel of commercial real estate ~~properties~~ by performing a ~~walk-through survey~~ and conducting research as outlined within this guide.

1.1.1 ~~Physical Deficiencies~~—~~In defining good commercial~~ The goal of the ~~and baseline~~ customary practice process for ~~conducting a baseline property condition assessments~~ PCA, the goal is to identify and communicate ~~physical deficiencies to a user~~. The term ~~material physical deficiencies~~ includes the presence of conspicuous defects and material deferred maintenance of ~~to a subject user~~ property's material systems, components, or equipment as observed during completion of the PCA. This definition specifically excludes deficiencies that may be remedied with routine maintenance, miscellaneous minor repairs, normal operating maintenance, etc., and excludes de minimis conditions that generally do not present material physical deficiencies of the subject property.

1.1.2 ~~Walk-Through Survey~~—This guide outlines procedures for conducting a ~~walk-through survey~~ to identify the ~~subject property's physical deficiencies~~, and recommends various ~~systems, components, building systems~~ and ~~equipment building components~~ that should be ~~observed~~ by the field observer and reported in the ~~property condition report~~ field observer (PCR).

1.1.3 ~~Document Reviews and Interviews~~—The scope of this guide includes document reviews, research, and ~~interviews~~ to augment the ~~walk-through survey~~ so as to assist the consultant's ~~understanding of~~ with understanding the ~~subject property~~ and identification of ~~physical deficiencies~~.

1.1.4 ~~Property Condition Report~~—The work product resulting from completing a PCA in accordance with this guide is a ~~Property Condition Report~~ property condition report (PCR). The PCR incorporates the information obtained during the Walk-Through Survey, the Document Review and Interviews sections of this ~~guide~~ guide and includes ~~Opinions of Costs~~ opinions of costs for ~~suggested remedies of the physical deficiencies observed~~ physical deficiencies identified.

1.2 ~~Objectives~~—Objectives in the development of this guide are to: (1) ~~define good commercial and customary practice~~ provide a framework for conducting a ~~for property condition assessment~~ (PCA) of the ~~PCA primary improvements of primary~~ primary located on a ~~parcel of commercial real estate improvements~~; (2) facilitate consistent and pertinent content in PCRs; (3) develop pragmatic and reasonable recommendations and expectations for site ~~observations~~, document reviews and research associated with conducting PCAs and preparing PCRs; (4) establish reasonable expectations for PCRs; (5) assist in developing an industry ~~baseline~~ standard of care for appropriate ~~baseline observations~~ and research; and (6) recommend protocols for the ~~consultants~~ for communicating ~~observations~~, opinions, and recommendations in a manner meaningful to the ~~user~~.

<sup>1</sup> This guide is under the jurisdiction of ASTM Committee E50 on Environmental Assessment, Risk Management and Corrective Action and is the direct responsibility of Subcommittee E50.02 on Real Estate Assessment and Management.

Current edition approved Aug. 15, 2015; June 1, 2023. Published November 2015; January 2024. Originally approved in 1999. Last previous edition approved in 2008; 2015 as E2018–08. DOI: 10.1520/E2018-15–15. DOI: 10.1520/E2018-23.

\*A Summary of Changes section appears at the end of this standard

1.3 *Considerations Beyond Scope—Out of Scope Considerations and Excluded Activities*—The use of this guide is strictly limited to the scope set forth in this section herein. Section 11 and Appendix X1 of this guide identify, for informational purposes, certain considerations and physical conditions that may exist on the *subject property*, and certain activities or procedures (not an all-inclusive list) that are beyond the scope of this guide but may warrant consideration by parties to a *commercial real estate transaction* to enhance the PCA. *Users* should work with a knowledgeable *consultant* to identify additional considerations and concerns to be evaluated. The decision to inquire into out-of-scope considerations or extend the assessment to include excluded activities is to be made by the *user*. No assessment of out-of-scope considerations is required for a PCA to be conducted in conformance with this guide.

1.4 *Organization of This Guide*—This guide consists of several sections, an Annex and two (2) Appendixes. Section 1 is the Scope. Section 2 on Terminology contains definitions of terms both unique to this guide and not unique to this guide, and acronyms. Section 3 sets out the Significance and Use of this guide, and Section 4 describes the User’s Responsibilities. Sections 5 through 10 provide guidelines for the main body of the PCR, including the scope of the Walk-Through Survey, preparation of the Opinions of Costs to Remedy Physical Deficiencies, and preparation of the PCR. Section 11 provides additional information regarding out of scope considerations (see 1.3). Annex A1 provides requirements relating to specific asset types, and where applicable, such requirements are to be considered as if integral to this guide. Appendix X1 provides the user with additional PCA scope considerations, whereby a user may increase this guide’s scope of due diligence to be exercised by the consultant beyond this guide’s baseline level. Appendix X2 and Appendix X3 outline the approach to Accessibility Surveys.

1.5 *Multiple Buildings*—Should the subject property consist of multiple buildings, it is the intent of this guide that only a single PCR be produced by the consultant to report on all of the primary commercial real estate improvements.

1.4 *Safety Concerns—Organization of This Guide*—This guide does consists of several sections, an Annex and two (2) Appendixes. Section 1 is the Scope. Section 2 not purport to address all on Terminology contains definitions of terms both unique to this guide and not unique to this guide, and acronyms. Section 3 of sets out the Significance and Use of this guide, and Section 4 the safety concerns, if any, describes the User’s Responsibilities. Sections 5 associated with through 10 the walk-through survey. It is the responsibility provide guidelines for the main body of the PCR, including the scope of the *consultant using walk-through survey*, this guide preparation of the *opinions of costs* to establish address *appropriate safety physical deficiencies*, and health practices when conducting preparation of the PCR. Section 11 provides additional information regarding out-of-scope considerations, activities, and procedures (see section 1.3). Annex A1 provides guidance relating to specific asset types that are considered as integral to this guide. Appendix X1 describes additional concerns a *PCA-user* may consider in modification of the scope of the PCR. Appendix X2 and Appendix X3 outline an approach to limited accessibility screenings.

<https://standards.iteh.ai/catalog/standards-astm/2018-01-01/e2018-23>

TABLE OF CONTENTS

1	<b>Scope</b>	
	1.1	Purpose
	1.2	Objectives
	<del>1.3</del>	<del>Considerations Beyond Scope</del>
	1.3	Out of Scope Considerations and Excluded Activities
	<del>1.4</del>	<del>Organization of This Guide</del>
	1.4	Organization of This guide
	1.5	Multiple Buildings
	1.6	Safety Concerns
2	<b>Terminology</b>	
	2.2	Definitions
	<del>2.3</del>	<del>Definitions of Terms Specific to This Standard</del>
	2.4	Abbreviations and Acronyms
	<del>2.3</del>	<del>Abbreviations and Acronyms</del>
3	<b>Significance and Use</b>	
	3.1	Use
	3.2	Clarification of Use of Assessments
	<del>3.3</del>	<del>Who May Conduct</del>
	3.3	Principles
	<del>3.4</del>	<del>Principles</del>
	<del>3.5</del>	<del>Prior PCR Usage</del>
	3.4	Prior PCR Usage
	3.5	Use of Prior PCR Information
	<del>3.6</del>	<del>Actual Knowledge Exception</del>
	3.7	Contractual Issues
	<del>3.6</del>	<del>Rules of Engagement</del>
	3.8	Rules of Engagement
4	<b>User’s Responsibilities</b>	

	<u>4.1</u>	Access
	<u>4.1</u>	Objectives and Scope of Assessment
	<u>4.2</u>	Point of Contact
	<u>4.3</u>	Access
	<u>4.2</u>	User Disclosure
	<u>4.4</u>	User Disclosure
<b>5</b>		<b>Property Condition Assessment</b>
	5.1	Objective
	5.2	PCA Components
	5.3	Coordination of Components
	5.4	Consultant's Duties
<b>6</b>		<b>The Consultant</b>
	6.1	Qualifications of the Consultant
	6.2	Staffing of the Field Observer
	6.3	Independence of the Consultant
	6.4	Qualifications of the Field Observer
	6.5	Qualifications of the PCR Reviewer
	6.6	The Field Observer and PCR Reviewer May Be a Single Individual
	6.7	Not a Professional Architectural or Engineering Service
<b>7</b>		<b>Document Review and Interviews</b>
	7.1	Objective
	<del>7.2</del>	Reliance
	<u>7.2</u>	Verification of Information Provided by Others
	7.3	Accuracy and Completeness
	7.4	Government Agency Provided Information
	7.5	Pre-Survey Questionnaire
	7.6	Owner/User Provided Documentation and Information
	7.7	Interviews
<b>8</b>		<b>Walk-Through Survey</b>
	8.1	Objective
	8.2	Frequency
	8.3	Photographs
	8.4	Scope
	8.5	Additional Considerations
<b>9</b>		<b>Opinions of Costs to Remedy Physical Deficiencies</b>
	9.1	Purpose
	9.2	Scope
	9.3	Opinions of Costs Attributes
<b>10</b>		<b>Property Condition Report</b>
	10.1	Format
	10.2	Writing Protocols
	10.3	Documentation
	<del>10.4</del>	Credentials
	<u>10.4</u>	Executive Summary
	<del>10.5</del>	Executive Summary
	<del>10.6</del>	Purpose and Scope
	10.5	Purpose and Scope
	<del>10.7</del>	Walk-Through Survey
	10.6	Walk-Through Survey
	<del>10.8</del>	Document Reviews and Interviews
	10.7	Document Reviews and Interviews
	<del>10.9</del>	Additional Considerations
	10.8	Additional Considerations
	<del>10.10</del>	Opinions of Costs
	<del>10.11</del>	Qualifications
	10.9	Qualifications
	<del>10.12</del>	Limiting Conditions
	10.10	Limiting Conditions
	<del>10.13</del>	Exhibits
	10.11	Exhibits
<b>11</b>		<b>Out of Scope Considerations</b>
	11.1	Activity Exclusions
	11.2	Warranty, Guarantee, and Code Compliance Exclusions
	11.3	Additional/General Considerations
<b>12</b>		<b>Keywords</b>
<b>Annex A1</b>		<b>GUIDANCE AND ENHANCED DUE DILIGENCE SERVICES</b>
	A1.1	Multifamily Properties
	A1.2	Commercial Office Buildings
	A1.3	Retail Buildings
<b>Appendix X1</b>		<b>GUIDANCE AND ENHANCED DUE DILIGENCE SERVICES</b>
	X1.1	Qualifications
	<del>X1.2</del>	Verification of Measurements and Quantities
	<u>X1.2</u>	Modifications to the Baseline Process
	<del>X1.3</del>	Research
	<del>X1.4</del>	Flood Plain Designation

[Appendix X2](#)  
[Appendix X2](#)  
[Appendix X3](#)  
[Appendix X3](#)

**AMERICANS WITH DISABILITIES ACT (ADA) ACCESSIBILITY SURVEY**  
**AMERICANS WITH DISABILITIES ACT (ADA) ABBREVIATED ADA SCREENING**  
**FAIR HOUSING ACT (FHA) ACCESSIBILITY SURVEY**  
**FAIR HOUSING ACT (FHA) ABBREVIATED FHA SCREENING**

1.5 Multiple Buildings—If the *subject property* is comprised of multiple buildings, it is the intent of this guide that all of the *primary improvements* are discussed in one PCR.

1.6 Safety Concerns—This guide does not purport to address all safety concerns, if any, associated with the *walk-through survey*. It is the responsibility of the *consultant* using this guide to establish appropriate safety and health protocols when conducting a PCA.

1.7 This international standard was developed in accordance with internationally recognized principles on standardization established in the Decision on Principles for the Development of International Standards, Guides and Recommendations issued by the World Trade Organization Technical Barriers to Trade (TBT) Committee.

## 2. Terminology

2.1 This section provides definitions, descriptions of terms, and a list of acronyms, where applicable, for the words used in this guide. The terms are an integral part of the guide and are critical to an understanding of this guide and its use.

### 2.2 Definitions:

2.2.1 *architect, n*—designation reserved by law for a person professionally qualified, examined, and registered by the appropriate governmental board having jurisdiction, to perform architectural services.

2.2.2 *architecture, n*—professional services conducted by an architect in connection with the design and construction of buildings, or built environments

2.2.3 *building codes, n*—rules and regulations adopted by the governmental authority having jurisdiction over the commercial real estate, which govern the design, construction, alteration, and repair of such commercial real estate.

2.2.4 *building department records, n*—records maintained by or in possession of the local government authority with jurisdiction over the construction, alteration, use, or demolition of improvements on the subject property. Building department records also may include building code violation notices.

2.2.5 *building systems, n*—interacting or independent components or assemblies, which form single integrated units that comprise a building and its site work, such as, pavement and flatwork, structural frame, roofing, exterior walls, plumbing, HVAC, electrical, etc.

2.2.6 *component, n*—a portion of a building system, piece of equipment, or building element.

2.2.7 *dismantling, n*—to take apart, move, or remove any component, device, or piece of equipment that is bolted, screwed, held in-place (mechanically or by gravity), secured, or fastened by other means.

2.2.8 *engineer, n*—designation reserved by law for a person professionally qualified, examined, and licensed by the appropriate governmental board having jurisdiction, to perform engineering services.

2.2.9 *engineering, n*—analysis or design work conducted by an engineer requiring extensive formal education, preparation, and experience in the use of mathematics, chemistry, physics, and the engineering sciences.

2.2.10 *fire department records, n*—records maintained by or in the possession of the local fire department having jurisdiction over the subject property.

~~2.2.11 *guide, n*—a series of options and instructions that do not recommend a specific course of action.~~

~~2.2.12 *interviews, n*—discussions with those knowledgeable about the subject property.~~

~~2.2.13 *material, adj*—having significant importance or great consequence.~~

~~2.2.14 *practice, n*—a definitive procedure for performing one or more specific operations or functions that does not produce a test result.~~

~~2.2.15 *publicly available, adj*—the source of the information allows access to the information by anyone upon request.~~

~~2.2.16 *recreational facilities, n*—facilities for exercise, entertainment or athletics including, without limitation, swimming pools, spas, saunas, steam baths, tennis, volleyball, or basketball courts; jogging, walking, or bicycle paths; and playground equipment.~~

~~2.2.17 *structural frame, n*—the components or building system that supports the building’s nonvariable forces or weights (dead loads) and variable forces or weights (live loads).~~

~~2.2.18 *standard, n*—Where used in reference to ASTM documents, a standard is a document that has been developed and established within the consensus principles of ASTM International and that meets the approval of the applicable procedures and regulations. The term is otherwise used as commonly defined.~~

~~2.2.19 *system, n*—a combination of interacting or interdependent components assembled to carry out one or more functions.~~

~~2.2 Definitions of Terms Specific to This Standard: Definitions:~~

~~2.2.1 *actual knowledge, n*—the knowledge information that is possessed by an individual rather than an entity. Actual knowledge, as used in this guide, is to be distinguished from knowledge provided by others, or information contained on documents obtained during the course of conducting a PCA. individual, as distinguished from information that is suspected, or would have been expected to be known.~~

~~2.2.2 *appropriate inquiry, n*—a request for information conducted by Freedom of Information Letter (FOIL), verbal request, or by other written request made either by fax, electronic mail, overnight courier, or U.S. mail. verbal, or written, or electronic request Appropriate inquiry including includes a good-faith effort conducted by the consultant to obtain the information considering the time constraints to prepare and deliver the PCR.~~

~~2.2.3 *architect, n*—designation reserved by law for a person professionally qualified, examined, and registered by the appropriate governmental board having jurisdiction, to perform *architecture*.~~

~~2.2.4 *architecture, n*—professional services conducted by an *architect*.~~

~~2.2.5 *base building, n*—the core (common areas) and shell of the building and its systems that typically are not subject to improvements to suit tenant requirements.~~

~~2.2.6 *baseline, n*—the minimum level of *observations, due diligence, inquiry/research, documentation review, and preparation of opinions of costs to remedy material physical deficiencies for conducting a PCA as described in* recommended to satisfy the intent of this guide.~~

~~2.2.7 *building codes, n*—rules and regulations adopted by the governmental authority having jurisdiction that govern the design, construction, alteration, and repair of *commercial real estate*.~~

~~2.2.8 *building component(s), n*—a portion of a *building system, piece of equipment, or building element*.~~

~~2.2.9 *building department records, n*—those records of the local government agency in which the *subject property* is located related to permission of the local government to construct, alter, or demolish improvements on the *subject property*.~~



2.2.10 *building envelope, n*—~~the enclosure of the building that protects the building’s interior from outside elements, namely the exterior walls, roof and soffit areas; outer elements of a building, both above and below ground, that divide the external from the internal environments; commonly included are exterior walls, windows, doors, roofs, and subfloors.~~

2.2.11 *building system(s), n*—~~interacting or independent *building components* or assemblies, that form integrated units that comprise a building and its site work, such as, pavement and flatwork, *structural frame*, roofing, exterior walls, plumbing, HVAC, electrical, etc.~~

2.2.12 *commercial real estate, n*—~~improved real property, except a dwelling or property with four or less dwelling units exclusively for residential use. This term includes, use; including, but is not limited to, improved real property used for industrial, retail, office, hospitality, agriculture, other commercial, medical, or educational purposes; property used for residential purposes that has more than four residential dwelling units; and property with four or less dwelling units for residential use when it has a commercial function, as in the operation of such dwellings for profit.~~

2.2.13 *commercial real estate transaction, n*—~~a transfer of title to or possession of improved real property or receipt of a security interest in improved real property, except that it does not include the transfer of title to or possession of improved real property with respect to an individual dwelling or building containing four or less dwelling units.~~

2.2.14 *consultant, n*—~~the entity or individual that is contracted by a user and responsible for completion of the PCR; tasks outlined in this guide.~~

2.2.15 ~~*dangerous or adverse conditions, n*—conditions that may pose a threat or possible injury to the *field observer*, and which that may require the use of special protective clothing, safety equipment, access equipment, or any other precautionary measures.~~

2.2.16 *de minimis, condition—n*—~~a any consideration, finding or condition that, in the sole opinion of the *consultant*, physical deficiency that is not does not represent an imminent threat of physical harm to occupants, and *material(1)* to can be remedied through routine maintenance or (2) where the conclusions of the report. cost of corrective action is expected to be below the agreed reporting threshold.~~

2.2.17 *deferred maintenance, n*—~~physical deficiencies that could have been remedied with routine *maintenance*; maintenance normal operating maintenance, etc., excluding de minimis conditions that generally do not present a material physical deficiency to the subject property. or similar action.~~

2.2.18 *dismantling, n*—~~to take apart, move, or remove any component, device, or piece of equipment that is bolted, screwed, held in-place (mechanically or by gravity), secured, or fastened by other means.~~

2.2.19 *due diligence, n*—~~an investigation of the physical condition the process of inquiring into the characteristics of a *subject property*; commercial real estate, usually in connection with a *commercial real estate transaction*. The degree and type of the investigation may vary for different properties, different user purposes, and time allotted.~~

2.2.19.1 *Discussion—*

The degree and type of the assessment may vary for different properties, different *user* purposes, and time allotted.

2.2.20 *easily visible, adj*—~~describes items, components, and systems that are conspicuous, patent, and which that may be *observed* visually during the *walk-through survey* without: intrusion, relocation or removal of materials, exploratory probing, use of special protective clothing, or use of any equipment (hand tools, meters of any kind, telescope instruments, stools, ladders, lighting devices, etc.); special equipment or protective clothing.~~

2.2.21 *effective age, n*—~~the estimated age of an opinion representing the difference of the *building component* that expected useful life considers actual age as affected by maintenance history, location, weather conditions, and other and the factors. *Effective age remaining useful life* may be more or less than actual age.~~

2.2.21.1 *Discussion—*

The opinion of *effective age* may be more or less than the actual age and can vary significantly based upon maintenance history, location, weather conditions, and other factors.

2.2.22 engineer, n—designation reserved by law for a person professionally qualified, examined, and licensed by the appropriate authority having jurisdiction to perform engineering services.

2.2.23 engineering, n—analysis or design work conducted by an engineer.

2.2.24 expected useful life (EUL), n—the average amount of time in years that ~~an~~ ~~item, component~~ building system or system building component is estimated to function without *material* repair when installed new and ~~assuming routine appropriate~~ maintenance is ~~practiced~~ performed.

2.2.25 field observer, n—the individual that conducts the walk-through survey.

2.2.26 fire department records, n—records maintained by or in the possession of the local fire department having jurisdiction over the subject property.

2.2.27 guide, n—a series of options and instructions that do not recommend a specific course of action.

2.2.28 immediate costs, n—opinions of costs to correct *physical deficiencies* that require immediate action as a result of any of the following: (1) ~~material existing or potentially unsafe conditions, conditions that the~~ (2) consultant material building or fire code violations, or concludes represent an imminent life-safety issue, ~~(3)(2) physical deficiencies conditions~~ that if left uncorrected would be expected to result in or contribute to critical element building system or system building component failure ~~within one year or will result most probably or result~~ in a significant escalation of its remedial ~~cost~~ cost, or (3) recorded or reported violations of building codes or fire codes.

2.2.29 interview(s), n—discussions with those knowledgeable about the subject property.

2.2.30 long-term cost(s), n—opinions of cost for anticipated replacement of building systems and building components over an evaluation period defined by the user.

2.2.30.1 Discussion—

Long-term costs are generally based on the findings of the PCA and are frequently presented in tabular format. Unless expressly agreed between the user and consultant, long-term costs are not intended to represent enhancements or upgrades to the subject property. Refer to Section 9 for additional discussion of opinions of cost.

2.2.31 material, adj—that which is pertinent to the objectives of the assessment and which a reasonable observer would expect to influence the judgments and actions of any party to the assessment.

2.2.32 observation, n—the visual survey of ~~items, systems, building systems conditions, and~~ or building components that are readily accessible and easily visible during a walk-through survey of the subject property.

2.2.33 observe, v—to conduct an observation pursuant to this guide within the context of easily visible and readily accessible.

2.2.34 obvious, adj—~~plain, evident, and readily accessible;~~ that which is plain, evident; a condition easily visible or fact could not likely to be ignored or overlooked by a field observer when conducting a walk-through survey or that which is practically reviewable and would be understood easily by a person conducting the PCA. reasonable observer.

2.2.35 opinions of costs, cost(s), n—~~opinion of costs that may be encountered preliminary, order of magnitude, budgetary projection to assist the user in correction of~~ developing a general understanding of the *physical deficiencies*. condition of the subject property.

2.2.36 owner, n—the entity holding the title to the commercial real estate—estate that is the subject of the PCA.

2.2.37 owner's representative(s), n—the person or entity authorized by, and acting on behalf of, the owner to provide information regarding and/or access to the subject property.

2.2.38 *PCR reviewer, n*—the individual that ~~both~~ exercises responsible control over the *field observer* and ~~who~~ reviews the PCR prior to delivery to the *user*.

2.2.39 *physical condition, n*—the physical state of a *subject property, system, building system component or piece of building component, equipment*. Within the context of the assessment, the consultant may offer opinions of the physical condition of the property, or of systems, components and equipment observed. Such opinions commonly employ terms such as good, fair and poor; though additional terms such as excellent, satisfactory and unsatisfactory may also be used.

2.2.39.1 *Discussion*—

Within the context of the assessment, the *consultant* may offer opinions of the *physical condition* of the *subject property*, or of *observed building systems or building components*. Such opinions commonly employ terms such as good, fair, and poor; though additional terms such as excellent, satisfactory, and unsatisfactory may also be used, provided that the utilized terms are defined within the PCR.

2.2.39.2 *good condition*—in working condition and does not require immediate or short term repairs above an agreed ~~threshold\*~~threshold as discussed in section 9.3.1.

2.2.39.3 *fair condition*—in working condition, but may require immediate or short term repairs above an agreed ~~threshold\*~~threshold.

2.2.39.4 *poor condition*—not in working condition or requires immediate or short term repairs substantially above an agreed ~~threshold\*~~threshold.

2.3.24.4 *Discussion*—

\*The agreed threshold is presumed to be the *de minimis* reporting threshold unless otherwise specified.

2.2.39.5 *Discussion*—

Where used to describe the physical condition of a *subject property, building system, component or piece of building component equipment*, the terms good, fair and poor shall have the following meaning: Where used to describe the physical condition of a property or system, the the opinion is intended to reflect predominant condition of the property or system. the predominant condition. For example, an air conditioning system may be in *good condition* despite a requirement to replace a limited number of units. Alternatively, a range of conditions may be described by combining terms such as “good to fair”, or “fair to poor.” Where conditions are not uniform, an explanation of the various disparate conditions shall be included in the report. Terms not defined above ~~shall~~should be defined in the report or agreement for services.

2.3.24.6 *Discussion*—

Terms not defined above shall be defined in the report or agreement for services.

2.2.40 *physical deficiency, deficiency(ies), n*—*a conspicuous easily visible defect or deferred maintenance of a subject property’s material systems, components, material building systems or equipment building components* as ~~observed~~identified during completion of the PCA.

2.2.40.1 *Discussion*—

This definition specifically excludes ~~deficiencies~~conditions that are *de minimis* or may be remedied with routine maintenance, miscellaneous minor repairs, normal operating maintenance, etc., or similar action, and excludes *de minimis* conditions that generally do not present material physical deficiencies of the subject property.~~conditions~~.

2.2.41 *Point of Contact**point of contact (POC)*—*owner, owner’s agent, representative, or user-identified other person or persons identified to the consultant as knowledgeable about the physical characteristics, maintenance, and repair of the subject property*.

2.2.42 *practically reviewable, adj*—describes information that is *provided by readily available the source and provided in a manner and form that, upon review, yields information relevant to the subject property without the need for significant analysis, measurements, or calculations*. ~~Records or information that feasibly cannot be retrieved by reference to the location of the subject property are not generally considered practically reviewable.~~

2.2.43 *primary commercial real estate improvements, n*—the site *work, structures, building systems and building improvements components* that are of fundamental importance with respect to the *commercial real subject property* estate. This definition specifically excludes ancillary structures, that may have been constructed to; excluding ancillary buildings that provide support uses such as maintenance sheds, security booths, utility garages, pool filter and equipment buildings, etc. and similar elements.

2.3.29 *property, n*—the site improvements, which are inclusive of both site work and buildings.



2.2.44 *property condition assessment (PCA)*, *v*—the process by which a person or entity *observes* a *subject property*, ~~interviews~~conducts sources;interviews, and reviews available documentation for the purpose of developing an opinion and preparing a PCR.

2.2.45 *property condition report (PCR)*, *n*—a written report, prepared in accordance with the recommendations contained in this guide, documenting the *observations* and opinions developed during completion of the assessment.PCA.

2.2.46 *publicly available*, *adj*—describes information to which the source allows access to anyone upon request.

2.2.47 *readily accessible*, *adj*—describes areas of the *subject property* that are ~~promptly~~made available for *observation* by the *field observer* at the time of the *walk-through survey* and do not require the removal or relocation of ~~materials or personal property;~~ materials, such as furniture, floor, wall, or ceiling coverings; ~~and that are safely accessible in the opinion of the field observer;~~coverings, equipment, or personal property.

2.2.48 *readily available*, *adj*—describes information ~~or records that are~~that is easily and promptly provided to the *consultant* upon making a request ~~in compliance~~through with an appropriate inquiry and without the need for ~~the consultant to research~~researching archive files.

2.2.49 *reasonably ascertainable*, *adj*—describes information that is (1) publicly available,(2) as well as readily available, provided to the consultant's offices from either its source or an information research/retrieval service within reasonable time, practically reviewable, and available at a nominal cost for either obtainable from its source within reasonable time and cost constraints, and retrieval,(3) reproduction is or forwarding;practically reviewable.

2.2.50 *remaining useful life (RUL)*, *n*—a subjective estimate based upon observations, or average estimates of similar items, components, or systems, or a combination thereof, ~~of opinion~~of the number of remaining years that an item, component, or system is estimated to be able to function in accordance with its intended purpose before warranting replacement. ~~Such period of time is affected by the initial quality of an item, component, or system, the quality of the initial installation, the quality and amount of preventive maintenance exercised, climatic conditions, extent of use, etc.~~

#### 2.2.50.1 Discussion—

An opinion of remaining useful life is affected by the initial quality of an item, component, or system, the quality of the initial installation, the quality and amount of preventive maintenance exercised, climatic conditions, extent of use, and other factors, and is not a guarantee of the remaining service life.  
[s/astm/2e612d70-ca7b-4c86-a55a-b15380016abd/astm-e2018-23](https://www.astm.org/standards/E2018-23)

2.2.51 *representative observations*, *n*—~~observation~~the *survey* of a reasonable number of samples of repetitive systems, components, ~~areas, etc., which are and~~ areas, that is conducted by the *field observer* during the *walk-through survey*.~~The concept of representative observations extends to all conditions, areas, equipment, components, systems, buildings, etc., to the extent that they are similar and representative of one another.~~

#### 2.2.51.1 Discussion—

The concept of representative observations extends to all conditions, areas, buildings, building systems and building components to the extent that they are similar and representative of one another.

2.2.52 *routine maintenance*, *n*—~~a repair that does not require specialized equipment, professional services, or contractors, but rather can be corrected~~an activity that can be conducted within the budget and skill set of typical property ~~maintenance staff.~~maintenance staff and does not require specialized equipment, professional services, or contractors.

2.2.53 *short-term costs*, *n*—~~opinions of costs to remedy physical deficiencies;~~deficiencies such as ~~deferred maintenance,~~ that may not warrant immediate ~~attention;~~attention but require repairs or replacements that should be undertaken on a priority basis ~~in addition to routine preventive maintenance.~~basis.

2.2.54 *shutdown*, *adj*—~~equipment, components;~~building systems or ~~systems~~building components that are not operating at the time of the *field observer's walk-through survey*.

2.2.55 *site visit*, *n*—the visit to the *subject property* during which *observations* are made pursuant to the *walk-through survey* section of this guide.

2.2.56 ~~specialty consultants, specialist(s), n—individuals or entities with detailed, specialized knowledge and experience in the fields of life architecture safety, security, or engineering, or in any particular building component, equipment, or system that have acquired detailed, specialized knowledge and experience in with the design, evaluation, operation, repair, or installation of same any specific building systems or building components.~~

2.2.57 structural frame, n—the building system that supports the structural loads of a building.

2.2.58 subject building, building(s), n—referring to the primary building or buildings on the subject property, and that are within the scope of PCA.

2.2.59 subject property, n—the commercial real estate consisting of the site and primary real estate improvements that are the subject of the PCA described by this guide assessed in completion of the PCA.

2.2.60 suggested remedy, n—an opinion as to a course of action to remedy or repair a physical deficiency. Such an opinion may also be to conduct further research or testing for the purposes of discovery to gain a better understanding of the cause or extent of a physical deficiency (whether observed or highly probable) and the appropriate remedial or reparatory response. A suggested remedy may be preliminary and does not preclude alternate methods or schemes that may be more appropriate to remedy the physical deficiency or that may be more commensurate with the user’s requirements condition.

2.2.60.1 Discussion—

Such an opinion may also be to conduct further research or testing for the purposes of discovery to gain a better understanding of the cause or extent of a physical deficiency (whether observed or highly probable) and the appropriate remedial or reparatory response. A suggested remedy may be preliminary and does not preclude alternate methods or schemes that may be more appropriate to remedy the observed condition or that may be more commensurate with the user’s requirements.

2.2.61 ~~survey, survey(ed), n—observations made by the field observer during a walk-through survey to obtain information concerning the subject property’s readily accessible and easily visible components or building systems systems and building components.~~

2.2.62 technically exhaustive, adj—describes the use of measurements, instruments, testing, calculations, exploratory probing or discovery, or other means to discover, or a combination thereof, or troubleshoot physical deficiencies or develop architectural or engineering findings, conclusions, and recommendations suggested remedies, or combination thereof recommendations.

<https://standards.iteh.ai/catalog/standards/astm/2e612d70-ca7b-4c86-a55a-b15380016abd/astm-e2018-23>

2.2.63 timely access, n—entry provided to the consultant field observer at the time of the site visit.

2.2.64 user, n—the party entity or individual that retains the consultant for the preparation of the PCA to complete the tasks outlined in this guide.

2.2.65 ~~walk-through survey, n—conducted during the field observer’s site visit of the subject property, that consists of nonintrusive visual observations observations, survey of readily accessible, easily visible components and systems of the subject property. This survey is described fully in Section observable property improvements.8. Concealed physical deficiencies are excluded. It is the intent of this guide that such a survey should not be considered technically exhaustive. It excludes the operation of equipment by the field observer and is to be conducted without the aid of special protective clothing, exploratory probing, removal or relocation of materials, testing, or the use of equipment, such as ladders (except as required for roof access), stools, scaffolding, metering/testing equipment, or devices of any kind, etc. It is literally the field observer’s visual observations while walking through the subject property.~~

2.3 Abbreviations and Acronyms:

2.3.1 ADA, n—The Americans with Disabilities Act Act

2.3.2 ASTM, n—ASTM International International

2.3.3 BOMA, n—Building Owners and Managers Association Association

2.4.4 BUR, n—Built-up Roofing

~~2.4.5 EIFS, n—Exterior Insulation and Finish System.~~

~~2.4.6 EMF, n—Electro Magnetic Fields.~~

~~2.4.7 EMS, n—Energy Management System.~~

~~2.4.8 EUL, n—Expected Useful Life.~~

~~2.3.4 FEMA, n—Federal Emergency Management Agency.~~Agency

~~2.3.5 FHA, n—Fair Housing Act.~~Act

~~2.4.11 FIRMS, n—Flood Insurance Rate Maps.~~

~~2.4.12 FOIA, n—U.S. Freedom of Information Act (5 USC 552 et seq.) and similar state statutes.~~

~~2.4.13 FOIL—Freedom of Information Letter.~~

~~2.4.14 FM—Factory Mutual.~~

~~2.3.6 HVAC—HVAC, n—Heating, Ventilating and Air Conditioning.~~Conditioning

~~2.4.16 IAQ—Indoor Air Quality.~~

~~2.4.17 NFPA—National Fire Protection Association.~~

~~2.4.18 PCA—Property Condition Assessment~~

~~2.4.19 PCR—Property Condition Report.~~

<https://standards.iteh.ai/catalog/standards/astm/2e612d70-ca7b-4c86-a55a-b15380016abd/astm-e2018-23>

~~2.4.20 PML—Probable Maximum Loss.~~

~~2.4.21 RTU, n—Rooftop Unit.~~

~~2.4.22 RUL, n—Remaining Useful Life.~~

~~2.4.23 STC, n—Sound Transmission Class.~~

### 3. Significance and Use

3.1 *Use*—This guide is intended to reflect a reasonable *baseline* ~~for process for the completion of PCAs for use on a voluntary basis by parties who desire to obtain a basis. No implication is intended that use of this guide be required to have conducted a PCA in a commercially prudent and reasonable manner. The *baseline* PCA of commercial real estate. This guide also recognizes that process described in this guide is subject to a moderate level of uncertainty. Because the objectives, risk tolerance, schedule, and budget of users can be dramatically different there are varying levels of property condition assessment PCA and due diligence that can be exercised that are both more and less comprehensive than this guide, and guide that may be appropriate to meet the objectives of the user. In accordance with ASTM protocols, this guide does not recommend a specific course of action or scope of work. Users should consider their requirements, the purpose that the PCA is to serve, and their risk tolerance level before selecting the consultant and the level of due diligence to be exercised by the consultant. The user should also review or establish the qualifications, or both, of the proposed field observer to refine the scope of assessment and PCR consultant reviewer prior to engagement. A PCR should identify any deviations or exceptions to this guide. Furthermore, no implication is intended that use of this guide be required qualifications in order to have conducted a property condition assessment in a commercially prudent and~~