

Design Services Program

NRHA CONSTRUCTION INSPECTIONS (REV: DECEMBER, 2008)

To Be Performed by the Construction Compliance Specialist (CCS) For the Neighborhood
Ed Ballance, Jr.: 757-651-6393 (Mobile) or Will Henderson: 757-567-9404 (Mobile)

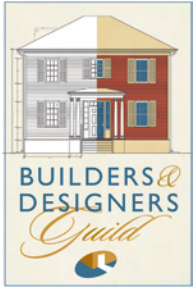
The CCS to perform seven Recorded Inspections (RI's) for compliance with NRHA-approved plans, specifications, and Design Standards.

- Builder (or authorized representative) participation required during 4 inspections (denoted below in italics)
 Builder sign-off on written findings required during these 4 inspections
 - Builder sign-off on any corrective-work agreements required for any inspection
 - Neither the performance or non-performance of an inspection by NRHA relieves the Builder of his responsibility to fully comply with the approved plans, specifications, agreements, Design Standards, and Guidelines.
- RI-1. *Pre-Design Site Review*** (Prior to development of proposed improvements)
 - Written and/or photographic record produced of existing site conditions
 - Public improvements, curbs, sidewalks, trees, utility poles, drainage, topographical conditions, etc.
 - Special existing conditions/circumstances found & to be addressed
 - Copy of the RI-1 report to be submitted with the Preliminary Design Submittal package
 - RI-2. *General Siting Review*** (Builder notification to CCS required minimum 2 hours prior to completion of foundation layout)
 - Required prior to digging
 - Review house, garage, driveway general site layout
 - Review NRHA and city approved construction documents & plans with builder and major sub-contractors
 - If 2 or more units, Builder to meet with utilities representatives to coordinate their work.
 - RI-3. *Framing (Post-Roof) Timeframe***
 - Prior to exterior sheathing completion & mechanicals rough-in
 - Windows & doors locations, sizes
 - General review of materials and workmanship
 - Cornice heights, ceiling heights, stair risers uniformity, floor plan, etc.
 - RI-4. *Pre-Closure of Interior Walls*** (Builder to notify CCS when he notifies City for rough-in inspection*)
 - Devices & Equipment Locations, Provisions For
 - Insulation And Weather Proofing (General)
 - RI-5. *Interior and Exterior Finishes***
 - Satisfactory with Description of Materials form
 - General workmanship
 - Doors, windows, flooring, trim work & cabinetry
 - Landscaping materials and preparation
 - Builder to call CCS for forms layout inspection prior to pouring concrete for driveways, walkways, etc.
 - RI-6. *Pre-Final Walk-Through*** (min. 24 hrs. prior notice to CCS required, Unit clean, occupancy-ready w/o major work remaining or correction needed)
 - CCS will prepare Remedial Items List prior to or at time of this inspection for all single-family houses
 - Mechanical, electrical, plumbing equipment & devices required to be installed
 - Interior and exterior fit and finish; landscaping installed for inspection
 - Site conditions review (RI-1 satisfaction)
 - Submittal of itemized written Punch List & completion schedule by builder as developed & agreed w/ buyer**
 or
 - If requested by Builder & Homebuyer, CCS serves as 3rd-party witness to development of Punch List and completion schedule**
 - Remedial Items List and Punch List items to be satisfactorily completed within 30 calendar days after RI-6.
 - RI-7. *Final Completion Pre-Closing Walk-through w/ Builder & Homebuyer*** (Homebuyer presence required)
 - Copy of City C of O to be submitted by Builder
 - Required prior to home buyer closing on or occupancy of property (Reference Addendum: Request for Exception)
 - Satisfaction of Remedial Items List and Builder/Homebuyer Punch List. Homebuyer sign-off on Punch List required
 - 80% lawn grass coverage
 - Authorization of Return of Good Faith Deposit & Certificate of Satisfactory Completion

* *NRHA inspection not necessarily to be simultaneous with City inspection*

** *Not necessary for "spec" houses not sold at time of inspection*

NRHA does not assume any liability whatsoever for, nor inspects for, the structural integrity of any element or component of a project, nor for the means, methods, materials applications, work of sub-contractors, or phasing of the work by the general contractor. Further, these inspections are for purposes of internal NRHA review only, and they are not intended for the benefit of, nor do they create or provide any rights to any other party, including, but not limited to, the Builder, Home Buyer or any subsequent Owner of the subject property. NRHA inspections are for compliance with the approved construction documents, applicable Design Standards, and NRHA General Specifications only and in no instance duplicate or supplant required City inspections.



ADDENDUM to:

Construction Inspections dtd December 2008: RI-7 Final Pre-Closing Walk-thru with Builder & Homebuyer

Request for Exception

This proviso is for the rare instance of legitimate and verifiable exception to the requirement for complete and total final completion of the contracted Work of the Builder prior to the Homebuyer closing on the improved property. A Request for Exception to the requirement for total and final completion of the contracted Work of the Builder prior to the Homebuyer closing on the property may be submitted to NRHA at the time of the RI-7 Final Completion Preclosing Walk-thru by the Builder in concert and agreement with the Homebuyer.

A. Remaining Work Qualifying for Exception Consideration

1. Damaged Work - An element of final completed Work accidentally damaged, or discovered to be damaged, not earlier than 20 working days prior to the RI-6 Pre-Final Walk-thru. Elements of the Work damaged or discovered to be damaged earlier than 20 days shall be repaired or replaced prior to the RI-7 Inspection and shall not qualify for Exception. Damaged elements of the Work which can be repaired or replaced within 20 working days after discovery and prior to the RI-7 shall not qualify for Exception.

Examples of the types of damage qualifying:

- Scratched finish surface requiring replacement of the scratched element
- Defective mechanical component discovered upon initial operation of the component and requiring replacement
- Damaged special-order long lead-time elements requiring replacement

2. Homebuyer Work - Work additional to the contracted Work of the Builder which is to be performed by the Homebuyer and which will delay the completion of an element of the contracted Work of the Builder.

Examples of the types of additional Work by the Homebuyer qualifying:

- Installation of sprinkler system preventing installation of sod by the Builder

3. Delayed Receipt - Special Order elements of the contracted Work of the Builder delayed in receipt by the Supplier or Manufacturer. Proof of timely initial ordering by the Builder and the cause of delay by the Supplier or Manufacturer shall be required for qualification.

Examples of Special Order elements qualifying:

- Front Entry door
- Unusual or uncommon fixtures, fittings, appliances, interior finish materials or other special effects

B. Format for making a Request for Exception

Requests shall be in writing via mail, fax or by hand, preferably on the Builder's letterhead, addressed to the NRHA Real Estate Specialist for the neighborhood, and shall include the following:

- 1.** Property address and contact information for the Builder and the Homebuyer
- 2.** Description of the element and the qualifying reason for the Request. Reference A.1, A.2, or A.3 above.
- 3.** Projected Date(s) Certain for completion of the remedial work by the Builder, or, if the delay in Final Completion by the Builder is due to work to be performed by the Homebuyer, the projected date of completion of the work of the Homebuyer and the date of completion of the subsequent Work of the Builder. Failure of the Homebuyer to perform their work shall not delay the Builder in completing the basic contracted Work of the Builder by his stated Date Certain.
- 4.** Statement of cooperation in effecting the work between the Builder and Homebuyer. This should include agreement as to access to the property to perform the work.
- 5.** Names and dated signatures of both the Builder and the Homebuyer.
- 6.** Space for dated signature of approval/disapproval of the request by NRHA

Requests received shall be expeditiously reviewed by the NRHA administrator and every effort shall be made to respond within 24 hours of receipt of the written Request. A hard copy of the reviewed and signed Request shall be kept on file by REDS in the Property Disposition Folder.

C. Upon notice of approval of the written Request by NRHA, the Builder and the Homebuyer may go to closing on the property.

D. Final Sign-offs of the Completion of the Work of the Request shall be submitted to NRHA by the Builder and shall include dated signature stating satisfactory approval by the Homebuyer upon completion of the Work. This shall serve to permit return of the Builder's Good Faith Deposit.