

Limited Inspection Guarantee

I. INTRODUCTION

The purpose of this complimentary Limited Inspection Guarantee (“Guarantee”) is to provide a client (“Client”) of a local HouseMaster franchise office (“Company”) with partial reimbursement for specified REPAIR expenses as outlined below. This complimentary Guarantee is issued and administered by the Company, a local HouseMaster franchisee. It is not designed to provide for reimbursement of all remedial costs, including those associated with reported conditions, normal maintenance, full replacement needs, discretionary repairs, upgrades, or any condition or Element not specifically included under the Eligibility Guidelines.

II. REIMBURSEMENT TERMS

Subject to the terms and conditions contained herein, including the General Limitations and Exclusions in Section V, the Company will partially reimburse the Client for certain, unexpected REPAIR expenses that may be incurred subsequent to the home inspection and after the transfer of property title to the Client. When deemed eligible under the Eligibility Guidelines listed in Section III, the Company will reimburse the Client for eligible repair costs beyond the first \$95.00 incurred by the Client in an aggregate of (up to a maximum of) \$1,500.00 per Element. If, in the sole judgment of the Company, a repair of an Element is not feasible or possible, the Company will reimburse the Client up to a maximum of \$500.00 toward replacement of the Element.

III. ELIGIBILITY GUIDELINES

To be eligible for reimbursement all of the following conditions must be satisfied:

- A. The dwelling must be an owner-occupied, one or two family resale house or condominium (exclusive of common elements). New houses (never occupied or less than one year old) and investment/rental properties are not eligible.
- B. The item requiring repair must be an Element (in bold) listed below:
 1. **Central Heating.** Limited to the primary heating system for the dwelling. Heat pumps are considered a single Element.
 2. **Central Cooling.** Limited to the primary central air conditioning system for the dwelling.
 3. **Interior Plumbing.** Limited to the water, drain and vent piping within the dwelling and the water heater. Plumbing fixtures, faucets and appurtenances are not included.
 4. **Interior Electric.** Limited to the main electric panel and electric wiring within the dwelling. Wiring for electronic components is not included.
 5. **Roofing.** Limited to roofing materials and roof framing for roof slopes greater than 2 in 12. Flat/low-sloped roofs and siding/wall coverings are not included.
 6. **Foundation Walls.** Limited to conditions that affect the load-bearing capacity of conventional poured concrete and block foundation walls. Water penetration and the causes of water penetration are not included. House framing components and finish surfaces are not included.
 7. **Kitchen Appliances.** Limited to built-in kitchen appliances. Controls and accessories (thermostats, sensors, etc.) are not included.
- C. The Element must be reported in the Inspection Report to be in Satisfactory condition on the date of the Inspection. NOTE: Since eligibility under this Guarantee is limited to Elements reported to be in Satisfactory condition, repairs to some or all of the Elements of the dwelling may be excluded where the Element, or a portion thereof, was not inspected or was not reported to be in Satisfactory condition.
- D. The concern or issue that requires repair must be reported to the Company within ninety (90) days after closing, up to a maximum of one hundred and twenty (120) days after the inspection date, whichever occurs first. If the time between the inspection and the closing is unusually lengthy, for an additional fee the Client can arrange a reinspection of the dwelling by the Company prior to closing. This reinspection will update the findings of the original inspection and set the Guarantee term based on the reinspection date.
- E. Client must comply with Notification Procedures, as described in Section IV.

IV. NOTIFICATION PROCEDURES

In order to be considered for reimbursement, prior to commencing any repair or replacement work, the Client must notify the Company in writing of the condition and circumstances for which reimbursement is requested prior to the Guarantee's expiration date. Upon notification, the Company will advise the Client on the reinspection and/or repair procedures. When appropriate, the Company will forward a Client Reporting Form to be returned with documentation of the situation. In cases where a condition is deemed by the Company to be an emergent situation or affect the habitability of the dwelling, the Company may authorize, by telephone or other means, reasonable emergency repairs. **Any repairs or other remedial work initiated prior to proper notification and authorization by the Company will void this Guarantee with respect to the Element so repaired.** In the event that a dispute arises between the Client and Company as to the Company's responsibility under this Guarantee, such dispute will be resolved in accordance with the Dispute Resolution provision of the Home Inspection Order Agreement, at Client's initiation and expense.

V. GENERAL LIMITATIONS AND EXCLUSIONS

In addition to previously listed terms and conditions, the Company provides this Guarantee subject to the following general limitations and exclusions:

- A. Repair costs are not eligible for reimbursement if the Element or condition: (1) was latent, concealed or otherwise not visible; (2) was reported to be in Fair or Poor condition, or in any condition other than Satisfactory; (3) was reported to require repair, replacement, further evaluation, monitoring, and/or other remedial action; and/or (4) is not part of the primary house or dwelling on the property.
- B. In no event will the Company assume responsibility for repair needs related to exclusions listed in sub section A above or: (1) known to the Client prior to closing; (2) occurring after the expiration of the Guarantee; (3) discoverable during a pre-closing walk-through; (4) caused by deferred/improper maintenance, vacancy, or vandalism; (5) due to climatic or environmental factors (e.g., storms or changes in temperature or weather); (6) where any work was initiated prior to formal notification to the Company and reinspection by an authorized Company representative (unless reinspection was waived, in writing, by the Company); or (7) when the inspection fee has not been paid in full.
- C. Reimbursements will be limited to repair costs to match existing quality and style. In the event that cost quotes for repairs provided by the Client are deemed excessive by the Company based on the local market for similar work (including materials and labor costs), the Company reserves the right to require a detailed breakdown of cost quotes; or to require additional cost quotes by an independent contractor(s) of the Company's choice. While the Client may have any contractor perform repair work, reimbursement will be based on the lowest cost quote secured. In all cases, the Client will be responsible for all arrangements with the contractor(s), including contracts and payment.
- D. This Guarantee is provided for the exclusive benefit of the Client. It may not be transferred, assigned, or extended to any other party without the written consent of the Company.
- E. Client is responsible for arranging access to the house and for the opening up of any surfaces needed to complete repairs. The Company assumes responsibility to restore surfaces to a rough finish, but not for final resurfacing and decorating after the repair work is completed.
- F. The Company's liability as circumscribed by the Terms and Conditions of the Home Inspection Order Agreement, which is hereby incorporated by reference, remain in full force and effect. Under no circumstance are repairs related to any of the Inspection Limitations/Exclusions listed in the Home Inspection Order Agreement eligible for reimbursement, including but not limited to: mold, wood-destroying insects and organisms, soil conditions, and other external factors affecting the land or property.
- G. This Guarantee is not a substitute for homeowner insurance, flood insurance, home warranties, service contracts, or manufacturer and/or contractor warranties and is not intended to provide reimbursement of any repair expenses already covered under the above mentioned products and/or beyond the terms of the Guarantee.