

# HOME INSPECTION ORDER AGREEMENT

-- PLEASE READ THIS ENTIRE AGREEMENT BEFORE SIGNING. AN ATTORNEY REVIEW IS RECOMMENDED --

This Home Inspection Order Agreement ("Agreement") represents a binding contract between \_\_\_\_\_ ("Client") and \_\_\_\_\_ ("Company"), a local independently owned and operated business, for a Home Inspection of the dwelling located at \_\_\_\_\_.

**A. PURPOSE AND SCOPE OF HOME INSPECTION.** With this Agreement, Client is purchasing, and Company is agreeing to perform, a standard Limited Time/Scope Home Inspection ("Inspection") of the principal dwelling on the referenced property ("Dwelling"). The purpose of this Inspection is to identify **visual material defects** of the major structural, mechanical and electrical elements/systems/related components ("Elements") that are readily-accessible at the time of Inspection, subject to certain limitations, and **in accordance with recognized home inspection industry standards or as required by local home inspection laws.** Upon completion of the Inspection, the Company will render an Inspection Report ("Report") outlining the condition of inspected Elements, as clarified and limited by the Terms and Conditions of this Agreement. Under no circumstances shall oral representations be relied upon. The Report is not intended to provide a listing of all repairs or improvements that are or will be needed. Client's reliance on and use of the Report for any purpose, including negotiating a real estate contract, is at Client's own discretion. **Please Note: This Inspection is neither technically exhaustive nor invasive, and will only identify readily-accessible conditions exposed to view and apparent as of the day/time of the Inspection. Carefully review the Limitations and Exclusions listed on page 2. Applicable regulations and standards are available upon request.**

**B. LIMITED INSPECTION GUARANTEE.** Where offered and permitted by law, the Company provides a complimentary **Limited Inspection Guarantee ("Guarantee") for the exclusive benefit of the Client.** This Guarantee provides partial reimbursement for specified repair expenses, including those incurred as a result of alleged inspector negligence, when eligible Elements are documented in the Report to be in satisfactory condition. Subject to the Terms and Conditions of the Guarantee, the Company will reimburse the Client for eligible repair costs beyond the first \$95.00 expense incurred, in an aggregate of \$1,500 per Element, for certain repair needs discovered after closing. Client must notify the Company of an eligible repair need within ninety (90) days from the closing date, up to a maximum of one-hundred twenty (120) days from the Inspection date. Communal property and Elements reported as defective, not inspected, not visible or otherwise excluded or not reported on are not eligible. **For full details on the Guarantee Terms, Eligibility Guidelines, Limitations and Exclusions, Client must review the Guarantee Form.**

**C. COMPANY LIABILITY.** Due to the nature of this Inspection, it is difficult to foresee or determine (at the time this Agreement is formed) potential damages in the event of negligence, breach of this Agreement, or otherwise. Thus, if the Company fails to conduct the Inspection as provided herein, the Company's liability (and that of its employees, assigns, agents etc.) for any and all claims related thereto, including, among others, those alleging negligence or breach of contract, is **limited to direct loss/damages to a maximum value of the fee paid for the Inspection, except as otherwise provided by the Limited Inspection Guarantee or local law.** The Company assumes no responsibility or liability for any bodily injury or health condition related to the Inspection, Dwelling, or the property. Further, there will be no recovery for consequential or punitive damages or attorneys' fees. The Client understands that the Inspection without this limitation of liability would have to be more technically exhaustive, would likely require the services of specialists, and would cost substantially more than the fee for this Inspection. If interested in extending the scope of the Company's liability, please discuss the Extended Time/Scope Inspection Option with the Company.

**D. INSPECTION SERVICE OPTIONS.** There are other services that may provide information of value to the Client, such as those that address specific maintenance issues or remedial needs, or the feasibility of upgrades or renovations. **Be advised that these services are NOT included with this Inspection and cannot be retained with this Agreement. If interested in information regarding any such service, please contact the Company.** Fees for any other requested services will be charged at the Company's prevailing rate schedule. Additional service options may include:

**1. ANCILLARY SERVICES OR FOLLOW-UP INSPECTIONS.** The Company may be able to provide or arrange additional inspections of any Element not included in this Inspection or other special inspections, tests, or evaluation services. Company can also perform a re-inspection of any inaccessible, concealed or inoperable Element, which could not be

inspected at the time of the original Inspection and is subsequently made accessible or operable). Upon request, **the Company can provide more details regarding the availability of these services, the associated fees and an Ancillary Services Agreement or Addendum.**

**2. EXTENDED TIME/SCOPE INSPECTION.** An Extended Time/Scope Inspection is available for Clients preferring additional protection. **This service provides more detail than a Home Inspection regarding the condition of the Dwelling and extends the Company's liability for negligence beyond that as provided in Section C. of this Agreement.**

**E. DISTRIBUTION AND PAYMENT.** The Company's obligation for distribution is satisfied when Company provides the Report to the Client (electronically or otherwise), including log-in access to reports posted to a website. Company is not responsible if Client fails to access and/or review any Report that is provided to Client. Distribution of the Report(s) to other parties will be Client's responsibility. Company will not provide copies or access to the report to third parties, unless otherwise directed by the Client or required by law. **Client's receipt of or reliance on the Inspection and/or Report will constitute acceptance of all Terms and Conditions of this Agreement.** If Client does not agree to the Agreement's Terms and Conditions and/or fails to pay the Total Fee, Client does not have the right to use or rely on the Inspection or Report for any reason whatsoever.

<b>FEE FOR SERVICES</b>
Home Inspection Fee: \$ _____ Other: \$ _____
<b>TOTAL FEE: \$ _____</b>
The total fee includes the Home Inspection and any additional services and taxes, if applicable. Fees are due and payable at the time the Home Inspection or other Services are provided.

Payment is/will be made by:

Check  Cash / Money Order  Credit Card: \_\_\_\_\_

Name on Card: \_\_\_\_\_

Card Number: \_\_\_\_\_ Exp. Date: \_\_\_\_\_

<b>EXCEPT FOR THE LIMITED INSPECTION GUARANTEE PROVIDED BY THE COMPANY, NEITHER THE INSPECTION NOR REPORT CONSTITUTES A WARRANTY, AN INSURANCE POLICY, OR A GUARANTEE OF ANY KIND.</b>
--

## AGREEMENT ACKNOWLEDGMENT

Client understands that he/she has the right to have an attorney review this Agreement. If the Client deems any of the Agreement's Terms and Conditions unacceptable, including the Company's Liability provision (Section C. above), **Client may decline Company's services prior to commencement of the inspection without any further obligation on the part of either party.** Cancellation for other reasons may incur a cancellation charge.

By signing this Agreement, Client: (a) warrants that this Agreement (pages 1 and 2) and the Guarantee Form have been read carefully; (b) agrees that the Terms and Conditions of the Agreement are binding; and (c) acknowledges that any questions regarding the scope of the Inspection or the Terms and Conditions of this Agreement and Guarantee have been answered to Client's satisfaction. If this service is retained in connection with Client's purchase of real estate, Client represents that he/she is signing this Agreement in his/her authorized and representative capacity for all purchasing parties. (Facsimile signatures shall be deemed original.)

Client: \_\_\_\_\_ Date: \_\_\_\_\_

Signature: \_\_\_\_\_

Company Representative: \_\_\_\_\_ Date: \_\_\_\_\_

Signature: \_\_\_\_\_

Agreement terms continue on the following page.

## ADDITIONAL TERMS AND CONDITIONS

**1. INSPECTION LIMITATIONS/EXCLUSIONS.** The Inspection and Report are limited to specified Elements of the Dwelling that are visible and readily accessible at the time of Inspection. The Inspection will not be invasive or technically exhaustive, and cannot detect latent conditions or concealed defects, such as soil problems, drain-line blockage, or structural damage and other conditions that might exist within walls, ceilings, floors, or in other hidden, obstructed, or inaccessible areas. The Company will not turn on, ignite or otherwise operate any utility service or main shut-off valves in order to operate or inspect the function of any connected Element. All conditions and Elements are subject to change. It is not possible to determine or predict water leakage or intrusion, moisture problems, or other conditions that might be affected by varying weather conditions, environmental factors, lack of maintenance or occupant lifestyle. An Inspection does not include or address any items or issues that do not come within the above definition. By way of example only, a standard Home Inspection **does not** include inspection or evaluation of or for: communal property or elements; code compliance; environmental pollutants or hazards; biological contaminants; hydrological, geological or soil conditions (including earth movement caused by earthquakes, landslides, soil expansion or shrinkage, or mine subsidence); surface/subsurface water, structural design; strength, or adequacy; integrity of heat exchangers or insulated glass units; presence or absence of wood-destroying insects and organisms, other insects, rodents and pests; pet or pest related damage or odors; identification or verification of the physical composition of Elements; ability of any Element to meet a specific design or operational standard or criteria; energy ratings or efficiency; quality or quantity of water supply; well yield or capacity; buried piping, tanks, piles or other underground elements; swimming pools/spas; hot tubs; lawn irrigation; outbuildings; any unique or nonstandard feature of the Dwelling; product notices, warnings or recalls, or any specialized service or evaluation, unless specifically reported otherwise. **Furthermore, an Inspection does not address or make any representation as to Element longevity or future service life, cosmetic issues, property value, the advisability or inadvisability of Dwelling purchase, compliance with local laws, whether the property meets any criteria for insurance coverage or lending eligibility, or whether an Element is a common element.**

**2. MOLD AND ENVIRONMENTAL/HEALTH ISSUES.** The Client specifically acknowledges that **this Inspection is not an Indoor Air Quality or Environmental Assessment, and is not intended to detect, identify, or disclose the presence or absence of, or potential for, any environmental or biological contaminants, pollutants, concerns or hazards,** including, but not limited to fungi (such as molds and mildew), allergens, bacteria, asbestos, radon, lead, formaldehyde, mercury, carbon monoxide, treated lumber, and other potentially toxic or hazardous substances in the air, water, soil or materials. The Company assumes no responsibility for any loss or damages related to actual, alleged or threatened contamination or other effects caused by such elements, whether property- or health-related, or the cost to test, remove, clean-up or detoxify the property in any way. To test or evaluate for mold and/or other biological and environmental concerns, independent evaluation by a specialist(s) would be required and is recommended.

**3. CLIENT OBLIGATIONS.** Client is responsible for arranging access to the property and Dwelling through the owner/seller and ensuring that all utilities are on prior to the Inspection. Client is strongly encouraged to attend the inspection but acknowledges that being present during the Inspection process is at Client's own risk. Client is responsible for maintaining homeowner insurance. If this Inspection is part of the real estate purchase process, there are inherent time-sensitive matters that must be addressed by the Client, including:

**a. Inspection and Report Follow-Up.** Client agrees that the Report (including any addenda or attachments) will be read in its entirety, and the Client will be considered on notice of all findings and recommendations. Client agrees to use due diligence to take appropriate action, such as arranging for evaluations or remedial work by the appropriate specialists and following up with the seller on any reported conditions, defects, or recommendations contained in the Report, or any questionable issues or concerns that arise prior to purchase. Client's failure to do so may constitute negligence. It is understood that if Client has any questions or concerns regarding any aspect of the Report, or regarding any defect or condition discovered during or as a result of Client's final (pre-closing) inspection (see subsection c. below), Client will immediately notify the Company before making any final purchase decisions and/or undertaking any expense or commitment.

**b. Seller Disclosure.** Client understands that the Inspection is not a substitute for owner disclosure and agrees to obtain information about the Dwelling and property from the seller or custodian, and address any

issues or concerns with the seller or the appropriate party prior to title transfer. Due to the legal nature of a real estate transaction, the Company is not responsible for conditions that develop or are discovered prior to title transfer.

**c. Final Inspection.** Client agrees to perform a final (pre-closing) inspection. If conditions are revealed at this inspection and are not properly addressed, or if this final inspection is not performed, and Client proceeds with title transfer, the Company is relieved of any liability for defects that such an inspection revealed or would have revealed. For an additional fee, the Company can perform this pre-closing inspection for the Client.

**d. Notice of Claims.** The written Report will be the report of record. Should a concern or dispute arise over the condition of an Inspected Element after closing of title, the Client agrees to notify the Company in writing within ten (10) days of discovery and to provide the Company with the opportunity to reinspect or otherwise document any concerns **prior to** commencement of any repair or replacement work. Failure to provide such written notification and access for a reinspection will release the Company of any and all liability concerning the Inspection.

**4. ONE (1) YEAR LIMITATION PERIOD AND DISPUTE RESOLUTION.** Because conditions are constantly changing and an Inspection is a temporal assessment of the Dwelling's condition as of the time/day of the Inspection, **no claim or legal action, including any based in tort or contract or otherwise, may be commenced against the Company after one year from the date of the Inspection.** Failure to bring such an action within this time period shall be a complete bar to any such action and a full and complete waiver of any rights, or claims based thereon. **This time limitation period may be shorter than provided by state/provincial law.** Should the Client initiate legal action against the Company and not fully prevail in such action and/or it is determined that the Report apprised Client of the condition that is the subject of the suit, the Client will be responsible for all attorneys' fees and related costs associated with the Company's defense of the matter. In addition, if the Client or spouse is an attorney, it is agreed and understood that all claims arising out of this Agreement and/or any Services provided shall be submitted for binding arbitration before a recognized, mutually agreeable arbitration association, at the Client's expense. The parties shall be bound by the arbitrator's determination and expressly waive other legal remedies.

**5. NATURE OF THE FRANCHISE RELATIONSHIP.** The Company providing this Inspection, related Report(s), and any other services is a franchisee of DBR Franchising, LLC ("Franchisor"). As a franchisee, the Company is an independently owned and operated business that has a license to use the HouseMaster® name, marks, and certain methods. In retaining the Company to conduct an Inspection, Client acknowledges that the Franchisor does not control this Company's day-to-day activities, is not involved in conducting Inspections or other Services provided by the Company, and is in no way responsible or otherwise liable for the Company's acts or omissions. The Company is solely responsible for addressing any issues or concerns that may occur in connection with the Inspection. Should the Franchisor be improperly implicated in any claim brought by the Client, Client will be responsible for any and all defense costs and attorneys' fees associated therewith.

**6. COMPANY RELATIONSHIPS/THIRD PARTY PROVIDERS.** The Company may have an affiliation with third-party service providers ("TPSP") in order to offer value-added services to its Clients. The Company may receive compensation for such services. The Company may also arrange for these TPSP to send literature or make post-inspection contact with the Company's Clients. If Client does not wish to receive literature from or be contacted by a TPSP, Client should notify the Company.

**7. CONFIDENTIALITY AND EXCLUSIVE USE.** The Inspection is performed and the Report (including, when applicable, any addenda and test results) is prepared for the exclusive use and benefit of the Client, unless otherwise specified by law. Reports are non-transferable and may not be used or relied upon by other parties without the written consent of both the Client and Company. If Client provides the report(s) to a third party without Company's permission, Client agrees to indemnify Company for any claims and associated costs by any third party.

**8. SEVERABILITY AND ENTIRE AGREEMENT.** The parties agree that all provisions in this Agreement are enforceable to the extent provided by law. Should a court determine that any provision(s) in this Agreement is void, voidable or unenforceable due to a conflict with local law or otherwise, the remaining portions shall continue in full force and effect. Client expressly agrees that this Agreement and the Report, along with any addenda or attachments, contain the entire understanding between the parties. This Agreement supersedes any and all representations or discussions, **whether oral or written**, relating to the subject matter of this Agreement or the Inspection. This Agreement may not be modified, altered or amended unless agreed to in writing and signed by the parties.