

LIMITED REPAIR REIMBURSEMENT GUARANTEE TERMS AND CONDITIONS

I. Introduction

The purpose of this complimentary Limited Repair Reimbursement 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 repairs or other remedial costs, such as those associated with reported defects or conditions, normal maintenance needs, full replacement needs, discretionary repairs, upgrades, or any condition or Element not specifically included under the Eligibility Guidelines. **This program is not an insurance policy or warranty** on the house, its appliances or systems, or workmanship of any kind, and does not eliminate the need for homeowners insurance, a home warranty, appliance warranties, utility company repair/replace plans; or other service agreements.

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

For an Element to be eligible for reimbursement all of the following conditions (A. to E.) 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), investment/rental properties, and properties vacant after the inspection for more than 30 days are not eligible for the Guarantee.
- B. The item requiring repair must be an Element on or within the house as listed below (in bold):
 1. **Central Heating.** Limited to the primary central, conventional heating system for the dwelling. Fireplaces, heating stoves, and solar systems are not included. Thermostats and ancillary devices such as electronic air cleaners and humidifiers are not included.
 2. **Central Cooling/Heat Pumps.** Limited to the primary central air conditioning or heat pump system for the dwelling. Heat pumps are considered a single Element. Geothermal systems, thermostats and ancillary devices such as condensate pumps are not included.
 3. **Interior Plumbing.** Limited to the primary water, drain and vent piping within the dwelling and the water heater. Water supply flow (pressure and volume), and drainage, plumbing fixtures, faucets and fittings, and appurtenances are not included.
 4. **Interior Electric.** Limited to the main electric panel and primary electric wiring within the dwelling. Electric devices and wiring and components for electronic, safety/security, telephone, audio, and video systems are not included.
 5. **Roofing Covering.** Limited to roofing materials and roof framing for roofs with a slope greater than 2 in 12. Flat/low-sloped roofs, chimneys, siding/wall coverings, windows and doors, and other exterior elements are not included.
 6. **Foundation Walls.** Limited to material conditions affecting 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, slabs, non-permanent foundations and finish surfaces are not included.
 7. **Kitchen Appliances.** Limited to built-in major kitchen appliances. Controls, accessories (thermostats, sensors, etc.), microwaves, laundry equipment, commercial type appliances are not included.
- C. The **Element must be visible, inspected and reported in the Inspection Report to be in Satisfactory condition** as of the date of the Inspection.
- 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. If the house is vacant more than 30 days, a reinspection will be required. Eligibility for repair reimbursement will be based on the reported findings of the reinspection and the Guarantee eligibility timeframe will be based on the reinspection date.
- E. Client must comply with all 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** of the condition and circumstances for which reimbursement is requested **prior to the Guarantee's expiration date in writing**. Upon notification, the Company will advise the Client of the need for a site visit or other procedures to document reported conditions. 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, e-mail 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.

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 concealed by structural components, finish surfaces, personal belongs, other permanent or nonpermanent objects or was 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; (4) is not part of the primary house or dwelling on the property; or (5) is caused by or is affected by a latent or concealed condition, such as sewer/drain line blockage or chimney flue deterioration.
- B. In no event will the Company assume responsibility for repair needs or other work related to exclusions listed in subsection 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., weather, storms, temperature changes, extreme temperatures); (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); (7) for treatment of any insect or pest infestation, or pest or pet related odors; (8) for remediation of mold or any other pollutant or environmental hazard; (9) related to the design, efficiency, adequacy, or obsolescence of any Element; (10) related to code compliance; or (11) for secondary or collateral damages caused by the condition, a malfunction, and/or the failure of any Element; and/or (12) when the inspection fee has not been paid in full;
- C. Reimbursements will be limited to the cost of the repair required to make the element functional, while matching 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 reasonable cost quote secured. In all cases, the Client will be responsible for all arrangements with the contractor(s), including contracts and payment; and any local permits, inspections, and associated fees.
- 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 and a reinspection of the property.
- E. Client is responsible for arranging access to the house and for the opening up of any surfaces needed to complete repairs. The Company will assume responsibility to restore surfaces to a rough finish after the repair work is completed, but not for final resurfacing and decorating. The Guarantee does not provide for the cost to move or store furniture, personal belongs and other materials, or alternate living arrangements, hotels, meals, travel, etc.
- F. The Company's limited liability as circumscribed by the Terms and Conditions of the Home Inspection Order Agreement, which is hereby incorporated by reference, remains 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. This limitations/exclusions include, but are not limited to infestation or damaged caused by mold, wood-destroying insects and organisms, and pests; pet odors or damage; drain, waste or sewer line blockage or backup; water penetration, whether caused by surface or ground water, or flooding; soil conditions or movement, including settlement, heaving subsidence or erosion; private/onsite water or waste disposal systems; pools/spas; ancillary systems; product liability issues or recalls; and/or any external factors affecting the house, dwelling, or property.
- G. This Guarantee is not a substitute for homeowner insurance, flood insurance, home warranties, service contracts, utility company repair/replacement plans, and manufacturer and/or contractor warranties, and is not intended to provide reimbursement of any repair expenses covered under such programs and/or beyond the terms of the Guarantee.

Note: Since eligibility under this Guarantee is limited to Elements visible at the time of inspection and 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.

Each HouseMaster® Franchise is an independently owned and operated business.
This Guarantee is administered by your local HouseMaster Licensee.