



INSPECTION AGREEMENT
THIS IS A LEGALLY BINDING CONTRACT
AND "CONTAINS AN ARBITRATION CLAUSE"
Please read it carefully

Client:

Property Address:

Inspection Date:

Inspection Fee: Due at the time of Inspection

This inspection agreement contains the terms and conditions of your (the "Client") contract with Advanced Inspection Services, llc (the "Company") for the inspection of the Property at the above address. This agreement contains limitations on the scope of the inspection, remedies and liability. Please read it carefully. By signing below, Client also warrants they will read the entire inspection Report. This inspection is being performed for the exclusive use and benefit of the Client, and the inspection, including the written report, is not to be transferred to, utilized or relied upon by any other person or entity without prior written permission of the Company.

1. INSPECTION

The Company agrees to perform a limited visual inspection of the systems and components included in the inspection as they exist at the time of the inspection and for which the Client agrees to pay a fee. The inspection will be performed in accordance with the standards of practice of the National Association of Certified Home Inspectors (NACHI), which are available upon request, and is limited by the limitations, exceptions and exclusions so stated in the Standards of Practice and this agreement. The Client understands the inspector will not perform an engineering or architectural inspection of any kind.

2. DISCLAIMER OF WARRANTY

Client understands that the inspection and the Inspection Report do not, in any way, constitute a/an: (1) guarantee, (2) warranty of merchantability or fitness for a particular purpose, (3) express or implied warranty, or (4) insurance policy. Additionally, neither the inspection nor inspection report are substitutes for any real estate transfer disclosures which may be required by law.

3. NOTICE AND STATUTE OF LIMITATIONS

Client agrees that any claim, for negligence, breach of contract or otherwise, be made in writing to the Company within ten (10) business days of discovery. Client further agrees to allow Inspector the opportunity to re-inspect the claimed discrepancy, with the exception of emergency conditions, before Client or Client's agents, employees or independent contractors repairs, replaces, alters or modifies the claimed discrepancy. Client understands and agrees that any failure to notify Inspector as stated above shall constitute a waiver of any and all claims Client may have against the Inspector. Any legal action must be brought within one (1) year from the date of the Inspection; failure to bring said action within one (1) year of the date of the inspection is a full and complete waiver of any rights, actions or causes of actions that may have arisen there from. Time is expressly of the essence herein. This time period may be shorter than otherwise provided for by law.

4. LIQUIDATED DAMAGES

It is understood and agreed to by the parties hereto that the Company is not an insurer, that the payment for the Inspection and Inspection Report is based solely on the value of the service provided by the Company in the performance of the limited visual inspection and production of the Inspection report as described herein, that it is impracticable and extremely difficult to fix actual damages, if any, which may result from a failure to perform such services, and in the case of failure to perform such services and a resulting loss, Company's liability hereunder shall be limited and fixed in amount equal to the inspection fee multiplied by two (2), or to the sum of five hundred dollars (\$500.00), whichever sum shall be less, as liquidated damages, and not as a penalty, and this liability shall be exclusive.

5. ENVIRONMENTAL AND HEALTH ISSUES

The Client specifically acknowledges the Home Inspection is NOT an environmental survey and is not intended to detect, identify, disclose or report on the presence of any actual or potential environmental concerns or hazards in the air, water, soil or building materials. Such environmental concerns and hazards include but are not limited to asbestos; radon; lead; urea formaldehyde; mold; mildew; fungus; odors; noise; toxic or flammable chemicals; water or air quality; PCB's or other toxins; electromagnetic field; underground storage tanks; proximity to toxic waste sites; carbon monoxide.

6. LIMITATIONS, EXCEPTIONS AND EXCLUSIONS

The Inspection limitations, exceptions and exclusions in the standards of Practice are incorporated herein. In addition, any area which is not exposed to view, is concealed, is inaccessible because of soil, walls, floors, carpets, ceilings, furnishings or in any other fashion is excluded. The Inspection does not include any destructive testing or dismantling. The following systems and components and areas are among those NOT



included in the inspection. Any comments about these systems or components contained in the written report are informal only and DO NOT represent an Inspection of the system or component.

- Latent or concealed defects, compliance with code or zoning ordinances or permit research or system or component installation or recalls.
- Structural, geological, soil, wave action, or hydrological stability, survey, engineering, analysis or testing.
- Termites or other wood destroying insects and or organism, rodents or other pests, dry-rot or fungus: or damage from or relating to the preceding.
- Private water, sewer systems, water softeners or purifiers, radiant heat systems or solar heating systems.
- Pools, spas, hot tubs, saunas, steam baths, fountains or other types of related systems and components.
- Repair cost estimates or building value appraisal.
- Thermostatic or time clock controls, radio controlled devices, automatic gates or elevators, lifts, dumbwaiters.
- Free standing appliances and gas appliances such as fire pits, barbeques, heaters, and lamps. Main gas shutoff valve. Any gas leaks. Furnace heat exchangers.
- Seismic safety, security or fire safety systems or security bars and/or safety equipment.
- Any adverse condition that may affect the desirability of the property including but not limited to proximity to railroad tracks or airplane routes, boundaries, easements or rights of way, adjoining properties or neighborhood.
- Unique/technically complex systems or components, system or component life expectancy or adequacy or efficiency of any system or component.

7. **GOVERNING LAW & SEVERABILITY**

This agreement shall be governed by Idaho state law. If any portion of this Agreement is found to be invalid or unenforceable by any court or arbitrator the remaining terms shall remain enforce between the parties.

8. **RECEIPT OF REPORT**

The Company’s agreement to perform the Inspection is contingent on Client’s agreement to the provisions, terms conditions and limitations of this Agreement. If the Agreement is not signed by the Client prior to or at the time the written inspection report is provided to the Client and Client objects to any of the items of this agreement, Client shall return the inspection report to the Company within seven (7) days and any fee that has been paid will be refunded to the client. Failure to return the written inspection Report and payment of the fee shall constitute the full acceptance of all of the terms of this Agreement by the Client.

9. **OTHER SERVICES**

It is understood and agreed to by the parties hereto that all the provisions, limitations, exceptions and exclusions of this agreement shall apply to any optional services entered into by the parties.

10. **ENTIRE AGREEMENT, MODIFICATION & 3RD PARTIES**

This Agreement represents the entire agreement between the parties. No oral agreements, or understandings or representations shall change, modify or amend any part of this Agreement. No change or modification shall be enforceable against any part unless such changes or modification is in writing and signed by the parties and supported by valid consideration. This Agreement shall be binding upon and inure to the parties hereto and their spouses, heirs, executors, administrators, successors, assigns and representatives of any kind whatsoever.

11. **DISPUTE RESOLUTION – ARBITRATION CLAUSE**

Any dispute, controversy, interpretation or claim including claims for, but not limited to, breach of contract, any form of negligence, fraud or misrepresentation or any other theory of liability arising out of, from or related to this contract or arising out of, from or related to the inspection or inspection report shall be submitted to final binding arbitration rules and procedures of the Expedited Arbitration of Home Inspection Disputes of Construction Arbitration Services, Inc. The decision of the arbitrator appointed therunder shall be final and binding and judgment on the award may be entered in any court of competent jurisdiction. **Client Initials** X _____.

I HAVE READ, UNDERSTAND AND AGREE TO ALL THE TERMS AND CONDITIONS OF THIS AGREEMENT AND TO PAY THE FEE SHOWN ABOVE.

Printed Name of Client: X _____

Signature of Client: X _____
(One signature binds all)

Dated: X _____

Signature for the Company: _____
David B. Lloyd

Dated: _____